

**IN THE EMPLOYMENT COURT  
AUCKLAND**

**[2011] NZEmpC 5  
ARC 96/10**

IN THE MATTER OF      an application for a sequestration order

BETWEEN                      JOSAINE VERENA INGHAM (LABOUR  
INSPECTOR)  
Plaintiff

AND                              AUGUST MODELS AND TALENT  
LIMITED  
Defendant

Hearing:              1 February 2011  
(Heard at Auckland)

Counsel:              Sarah Blick, counsel for plaintiff  
No appearance for defendant

Judgment:              1 February 2011 10:13:00

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**ORAL JUDGMENT OF CHIEF JUDGE G L COLGAN**

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[1]      The hearing today was for the purpose of considering the inspector's application for a sequestration order and the inspector, through counsel, had filed the appropriate papers for the Court. I am pleased to be advised however by Ms Blick in the last few days that the defendant, through its Director Ms Ashby, has made contact with the Labour Inspectorate and has begun attempts to pay the monies it owes. Ms Blick tells me that the first arrangement, which is intended to be completed by the end of this week, will be a payment of about one-half of the amounts owed by the defendant after the Employment Relations Authority investigation and determination which will include the wage arrears at the foundation of these proceedings.

[2]      The defendant apparently intends to make a further payment to satisfy the Authority's determinations and that will then leave questions of the penalty in this

Court plus this Court's filing fees and costs. Ms Ashby has apparently spoken of the company needing several months at least to meet those latter obligations. Ms Blick proposes in these circumstances that the case be adjourned for about three weeks to enable the defendant to be good to its word about the payments ordered by the Authority and, if these have been made by that time, to look at arrangements for payment of the balance of the company's debt.

[3] The defendant is to be commended on finally dealing with its obligations but I think it might be helpful, when the matter comes back before this Court in about three weeks' time, for either Ms Ashby to attend or for the company to be represented. As Ms Blick recognises properly, it is not for the labour inspector to negotiate about the payment of a penalty ordered by the Court and she does not seek to do this. If the defendant wishes to pay that penalty off over a period, or make other arrangements for its payment, then I think it should deal directly with the Court about that matter.

[4] In these circumstances, therefore, the application for a sequestration order is adjourned until 9 am on Thursday 24 February 2011 when the matter will again be before the Court to ascertain the progress of the arrangements just mentioned.

[5] I reserve costs on today's hearing.

GL Colgan  
Chief Judge

Judgment delivered orally at 10.13 am on Tuesday 1 February 2011