



Sleepover Wages (Settlement) (Quality of Life Trust) Order 2012

Jerry Mateparae, Governor-General

Order in Council

At Wellington this 10th day of December 2012

Present:

His Excellency the Governor-General in Council

Pursuant to section 24 of the Sleepover Wages (Settlement) Act 2011, His Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, and on the recommendation of the Minister of Health (made after consultation with the Minister of Labour), makes the following order.

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Order

- 1 Title**
This order is the Sleepover Wages (Settlement) (Quality of Life Trust) Order 2012.
- 2 Commencement**
This order comes into force on 14 December 2012.

Part 1**Preliminary provisions**

- 3 Effect**
The modifications and extensions of the Sleepover Wages (Settlement) Act 2011 made by this order do not affect the text of the Act but require it to be read as if it had been amended in the manner indicated in this order.
- 4 Interpretation**
In this order, **Act** means the Sleepover Wages (Settlement) Act 2011.

Part 2
Modifications and extensions of Part 2 of
Act

Settlement relating to Quality of Life Trust

- 5 Extension of subpart 2 of Part 2 to Quality of Life Trust**
Subpart 2 of Part 2 of the Act, as modified and extended by this Part, applies to—
- (a) Quality of Life Trust (as employer); and
 - (b) each employee of Quality of Life Trust who performs or performed a sleepover.
- 6 Modification of section 21 (entitlements for sleepovers performed immediately before 18 October 2011)**
- (1) This clause applies instead of section 21 of the Act in relation to the entitlements of employees of Quality of Life Trust for sleepovers performed immediately before 18 October 2011.
 - (2) Quality of Life Trust must pay an amount calculated in accordance with the formula set out in section 19(1) of the Act for each sleepover that an employee performed during the period beginning on 1 July 2011 and ending with the close of 17 October 2011.
 - (3) Quality of Life Trust must pay any amount payable to an employee under subclause (2) no later than 2 months after the date of commencement of this order.
- 7 Modification of section 22(1) (entitlement to be paid minimum hourly rates for sleepovers performed on and after 18 October 2011)**
- (1) This clause applies instead of section 22(1) of the Act in relation to the entitlements of employees of Quality of Life Trust.
 - (2) In relation to a sleepover performed by an employee on or after 18 October 2011, Quality of Life Trust must pay the employee the greater of—
 - (a) an amount calculated by multiplying the number of hours in the sleepover by the relevant minimum hourly rate specified in subclause (3):

- (b) the amount the employee would have received for that sleepover immediately before the date of commencement of this order.
- (3) The amount payable for each hour of sleepover that the employee performs during a period specified in the first column of the following table is the minimum hourly rate opposite that period specified in the second column of the following table:

Specified period	Minimum hourly rate
Period beginning on 18 October 2011 and ending with the close of 30 June 2012	50% of the applicable minimum hourly rate
Period beginning on 1 July 2012 and ending with the close of 24 December 2012	75% of the applicable minimum hourly rate
Period beginning on 25 December 2012 and ending with the close of 30 June 2013	100% of the applicable minimum hourly rate

Michael Webster,
for Clerk of the Executive Council.

Explanatory note

This note is not part of the order, but is intended to indicate its general effect.

This order, which comes into force on 14 December 2012, modifies and extends the operation of the Sleepover Wages (Settlement) Act 2011 (the **Act**) to give effect to a settlement agreement reached between Quality of Life Trust, and certain of its employees. The settlement relates to the payment of wages to employees who are permitted to sleep overnight at their workplace while on duty (**sleepover wages**).

The Act implements a settlement of litigation between Idea Services Limited and Timata Hou Limited and their employees (the **Idea settlement**) relating to the payment of sleepover wages. Subpart 1 of Part 2 of the Act extinguishes certain claims for sleepover wages

in the health and disability sector, and subpart 2 of Part 2 of the Act implements the terms of the Idea settlement.

*Subpart 1 of Part 2 of Act: Extinguishing claims
for sleepover wages*

Subpart 1 of Part 2 of the Act already applies to Quality of Life Trust because it applies to all employers in the health and disability sector funded through Vote Health. It extinguishes claims relating to sleepovers performed before the Act commenced, if those claims were lodged after 5 pm on 2 September 2011. Claims filed before that time are preserved. Section 9 of the Act extinguishes claims by employees of Idea Services Limited and Timata Hou Limited for sleepover wages. It is not necessary to extend the application of this section to Quality of Life Trust and its employees, as no employees lodged claims regarding sleepover wages before the specified time.

*Subpart 2 of Part 2 of Act: Settlement relating
to Quality of Life Trust*

Clause 5 extends the effect of subpart 2 of Part 2 of the Act (which implements the Idea settlement) to Quality of Life Trust and its employees, but with certain modifications that are set out in *clauses 6 and 7*.

Sections 21 and 22 of the Act provide for a staged progression towards the minimum hourly wage payable under the Minimum Wage Act 1983. *Clause 6* modifies section 21 of the Act, which sets out an employee's entitlements for sleepovers performed between 1 July 2011 and 17 October 2011 (being the date immediately before commencement of the Act), and when those entitlements must be paid. The modification provides that the amount due to employees of Quality of Life Trust for sleepovers performed during this time must be paid no later than 2 months after the date of commencement of this order. Section 28(c) of the Act permits this modification only if the relevant Minister is satisfied that the proposed period has been agreed to by a simple majority of the employer's employees. The Minister has indicated that he is so satisfied.

Clause 7 modifies section 22(1) of the Act, which sets out how sleepover wages are to be calculated for sleepovers performed after commencement of the Act by those employees to whom subpart 2 of Part

2 of the Act applies. The section implements a staged progression towards payment of the full minimum hourly wage payable under the Minimum Wage Act 1983. Under *clause 7*, for sleepovers performed on or after 18 October 2011, an employee of Quality of Life Trust will be entitled to be paid either the same rate that is specified in the Act for the relevant period or the amount the employee would have received immediately before the date of commencement of this order, whichever is greater.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 13 December 2012.
This order is administered by the Ministry of Health.
