



P&C employers guide during COVID19 emergency

Council provides this information to guide our P&C employers through this time. Information and links were current as at March 28. However, please note that circumstances and advice may quickly change. This guide is to help you locate resources and meet your obligations, it is not legal advice.

See also [Council's COVID page](#), and latest Council Communicator for advice and information for employers.

Due to the impact of COVID-19 P&Cs may need to close their business temporarily or stand down employees. It is very important that P&Cs understand the difference between a **shut down** and **stand down**. This is explained below.

We encourage employers to work with employees to find workable solutions for both parties.

Preparing for decision-making

Given the quickly changing circumstances it is likely that P&Cs will need to make some important business decisions. To do this you will need the following information to hand:

- Copies of all employment contracts
- Links to current awards OR enterprise agreements - <https://www.fairwork.gov.au/>

You will then need to identify employees who are permanent full time, permanent part-time and casual. **The types of workers you have determine their entitlements and your obligations.**

Building a picture of finances – scenario analysis

To make informed decisions Council recommends that P&Cs need to build a picture of how long the business can afford to stay open OR continue to pay staff.

You may like to do this across a couple of scenarios. Factors to consider:

- A temporary shut down of the service and payment of permanent wages (see temporary shut down of business below)
- Will your P&C stand down of some or all staff? (see standing staff down below)
- How long can you continue to pay permanent staff at award rates?

Limiting business costs and reducing staff hours

P&Cs may consider limiting business costs by reducing costs including reductions in staffing levels to reflect demand, especially for **Afters** services.

- Changes to employees' regular roster or hours of work requires businesses to take the steps outlined by Fairwork: <https://coronavirus.fairwork.gov.au/#roster-changes>
- You may also need to refer back to employment contracts, the current award OR an enterprise agreement.

Temporary shut down of a business

Temporarily closing or shutting down a business is a decision employers can make. When temporarily closing or shutting down a business, employers must meet their employer obligations. If a P&C chooses to close their business, then **they must continue to pay permanent full-time and permanent part-time staff, but not casual staff.**

Alternatives to shut down:

- Employers may enter into agreements with employees to take leave (paid or unpaid) for a period of time.
- Sometimes employers can direct employees to use paid annual leave.
- Sometimes employers can negotiate with employees to change their hours of work (for permanent full-time and permanent part-time employees)

Standing down employees – <https://coronavirus.fairwork.gov.au/#stand-down>

Employees can be **stood down without pay** when they cannot be usefully employed due to a stoppage of work, which the employer **cannot** be reasonably responsible for.

Council considers that THIS IS THE CASE for P&C-run canteens where the school has indicated that a canteen service is not required during the pupil-free days.

In the case of **After School Care services**, it is more complicated. If the **government issues an enforceable direction** requiring your business to close (no work for employees, even at another location) then **employees can be stood down without pay**. This means that if schools and education & care services (OOSH or before & after school care or vacation care) are directed to **close** by the ACT Government on public health advice you can stand down staff. However, **the current pupil free days** means that **schools are not closed**. Council considers that **pupil free days** would not be enough on their own to support a stand down of employees (Fairwork (link above) states that ‘employers cannot generally stand down employees simply because of a deterioration of business conditions’). See also Sally’s and Teddy’s examples at the link above.

If a stand down occurs:

- During stand down, you do not need to pay employees, whether they are employed in a permanent full-time, permanent part-time or casual basis.
- Permanent (full-time or part-time) employees **can** choose to take paid annual leave.
- Employees do not need to take leave but DO accrue leave.
- Council encourages P&Cs to continue to pay employees if you can (even part of their wage) during stand down, although this is optional and not compulsory. This is the purpose of the Boosting Cash Flow payments (<https://business.gov.au/risk-management/emergency-management/coronavirus-information-and-support-for-business/boosting-cash-flow-for-employers>) of at least \$10,000 available to all P&Cs who employ staff through the ATO activity statement system) and JobKeeper payments of \$1500 a fortnight per employee (permanent or casuals employed for longer than 12 months – <https://www.business.gov.au/risk-management/emergency-management/coronavirus-information-and-support-for-business/employers>)

Alternatives to standing employees down:

- Employers and employees may enter an agreement to use paid or unpaid leave for a period
- Sometimes employers can direct employees to use paid annual leave.
- Sometimes employers can negotiate with employees to change their hours of work (for permanent full-time and permanent part-time employees)
- Employers can terminate employees, BUT need to provide redundancy payments (see <https://coronavirus.fairwork.gov.au/#let-employees-go-reduce-hours>)