

P&CS QLD SUBMISSION

Wage Justice for Early Childhood Education and Care Workers (Special Account) Bill 2024



Who is P&Cs Qld

P&Cs Qld is the peak body supporting, advocating for, and representing more than 900,000 Qld state school parents. Through our state-wide network of 1264 P&C Associations, School Councils and some 58,000 plus volunteers, we have the localised presence and voice to lead and enact change to achieving our objective of giving every child every chance in education and life

Parents and Citizens Associations are established as statutory bodies under the Education General Provisions Act 2006 and Education General Provisions Regulation 2017. This structure is unique to Qld whereas in other states P&Cs are generally Incorporated Associations or in some cases unincorporated.

In Queensland, P&Cs are legislated to play a vital role in supporting and enriching the educational experience of students. They provide a range of services and support within schools and the broader community. P&Cs Qld strongly supports P&C run business units such as Out of Hours School Care. It is evident that P&C run business units are more cost efficient and effective for students and their families.

P&C-Run OSHC Services in Qld

P&Cs have been operating Outside Hours School Care (OSHC) providing an exceeding level of service to their school's local families. Currently 10 per cent of P&Cs across Queensland run OSHC services for their local state school community.

The 121 P&C-Operated OSHC services in Qld employ an estimated 3669 employees under the state-based award. Each of these P&Cs provides on average a \$180,000 contribution to their local State School. Across the state this totals \$21,883,328 in estimated contributions from P&Cs who run OSHC services to the state school system.

All P&Cs that run OSHC services are members of P&Cs Qld, and all receive insurance cover through our group policy. This makes P&C-run OSHC collectively one of the larger operators in the state and P&Cs Qld the peak authority to advocate on their behalf.

As an employer, there is a specific state-based award (**Parents and Citizens Associations Award – State 2016**) for the employment of staff within the P&C. The award provides for excellent conditions such as broken shift allowances, district allowances, ordinary hours of duty and overtime and term-time engagement.

OSHC staff have their own stream within the award that recognises previous experience, provides the opportunity for staff to progress to educational leaders, gives OSHC staff who are required to perform administrative duties additional time, allows for pack up and pack down, and payment to attend P&C meetings.

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P&Cs QLD WHOLLY SUPPORTS WAGE INCREASES FOR STAFF WHO PROVIDE SUCH A VALUABLE SERVICE IN OUR LOCAL COMMUNITIES. HOWEVER, WE NEED A WORKABLE SOLUTION THAT SUPPORTS OUR MEMBERS AND SUPPORTS THEIR EMPLOYEES. ADDITIONAL RED TAPE AND ADMINISTRATIVE BURDEN FOR P&C EXECUTIVES COMES WITH SIGNIFICANT RISKS.

P&Cs Qld Position

The Wage Justice for Early Childhood Education and Care Workers (Special Account) Bill 2024 proposes important changes for the early childhood education and care (ECEC) sector. The Early Childhood Education and Care (ECEC) sector plays a vital role in supporting children’s development, families, and broader communities. We support the core intent of this Bill, which seeks to address wage inequity in this essential sector but emphasize the need for a nuanced approach that considers the distinct nature of P&C-run OSHC services within school environments.

The Bill as it is currently drafted, presents several unintended consequences, a lack of consultation with key stakeholders like P&Cs Qld, and risks to the viability of P&C-run OSHC services. This submission outlines these key concerns and suggests alternatives to achieve the Bill’s objectives without causing unnecessary harm.

Part 3 – Grants & Discretionary Power of the Secretary

Under Part 3 of the Bill, the Secretary is granted broad discretionary powers to determine the terms and conditions of grants provided to approved providers. This level of delegation means that P&C-run services, which rely on these grants to fund wage increases, will be subject to rules and requirements set by the Department, which could vary or change over time.

WE ARE ALREADY SEEING THE SIGNIFICANT UNINTENDED CONSEQUENCES OF THIS BILL FOLLOWING THE RELEASE OF THE GRANT CONDITIONS AND THESE CONSEQUENCES ARE BECOMING MORE APPARENT.

Uncertainty and Variability: The lack of clear statutory protections regarding the terms of the grants creates uncertainty for providers. P&C-run OSHC services will be dependent on the decisions of the Secretary, who has the authority to impose new conditions or alter existing ones. This could create a situation where P&C services are forced to adapt to shifting regulatory or financial requirements, potentially straining their administrative capacity.

Potential for Unfavourable Terms: The Secretary’s discretion could lead to the imposition of onerous grant conditions, such as complex reporting requirements, stringent compliance measures, or restrictive eligibility criteria. For small P&C-run services with less than 10 staff and limited administrative resources, meeting these requirements could become burdensome, detracting from their ability to focus on service delivery and staff management.

Lack of Legal Protections: P&Cs are left at the mercy of grant terms that could change without adequate legal safeguards. While the intention is to support wage increases, the Secretary’s ability to modify grant conditions could result in P&Cs being burdened with unexpected financial or administrative obligations, without legal recourse.

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Risk of Operating Under Grant Terms Rather than Law

One of the significant concerns for P&C-run services is that by relying on grants that stipulate wage increases and conditions set by the Secretary, they are operating at the peril of administrative decisions rather than being protected by statute. Unlike clear protections provided by industrial awards, grant conditions are subject to change and could expose P&Cs to new risks.

The grant as it currently stands potentially forces P&Cs to adopt multi-employer agreements under federal conditions, despite already being governed by the state industrial relations framework, where a state-based award variation would be a more suitable approach.

No Legal Recourse for Unfavourable Changes: If the Secretary were to change the terms of a grant, P&Cs would have little legal recourse to challenge or negotiate these changes, as they would be operating under discretionary conditions rather than statutory rights. For example, a future tightening of eligibility criteria or an increase in administrative compliance requirements could leave P&C services in a precarious position, potentially unable to access necessary funding or meet all conditions without significant financial or administrative strain.

Lack of Long-Term Security: Unlike wage increases codified in industrial awards, grants are inherently temporary and contingent on government policy. P&C-run OSHC services relying on these grants are at risk of losing funding if the terms are altered or if the grant scheme is discontinued. This creates instability, as P&C services may find themselves unable to provide ongoing wage increases if future funding is not guaranteed.

Unintended Consequences of the Grant System

The grant terms, as they stand, require providers to individually apply for financial assistance and comply with grant conditions. While this approach might work for larger, corporate providers, it is problematic for P&C-run OSHC services. As it stands the current Bill and grant imposes additional legal complexities by requiring services operating under a state award to navigate federal requirements, which may lead to confusion and barriers to accessing financial support.

A preferred alternative for P&Cs Qld is to apply for an award amendment through the Queensland Industrial Relations Commission (QIRC), rather than having individual P&Cs enter into multi-employer agreements.

The arrears-based payment system outlined in the Bill's grant terms poses a risk to small providers, particularly those with limited financial reserves. While the grants are intended to reimburse providers for wage increases, the delay in receiving funds could create cash flow issues for P&C-run OSHC services.

THE TIMING OF THE COMMENCEMENT OF THE GRANT COINCIDES WITH THE SUMMER VACATION CARE SERVICE. THIS IS THE MOST LABOUR-INTENSIVE (AND THEREFOR COSTLY) TIME FOR OSHC PROVIDERS WITH 4 WEEKS OF FULL-TIME HOURS COMPARED WITH STANDARD TERM TIME HOURS.

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Financial Strain on Small Providers: Many P&C-run OSHC services operate with tight budgets and limited reserves. The requirement to pay increased wages upfront while waiting for grant reimbursement could lead to financial strain, potentially forcing some services to reduce staffing. This could undermine the sustainability of P&C-run OSHC services, particularly in rural and disadvantaged areas.

Risk of Delayed Wage Implementation: Providers may delay implementing wage increases. This could create frustration among employees, who may have expectations of immediate wage increases. Delayed implementation would also undermine the Bill's goal of achieving timely wage justice for ECEC workers.

Initial Consultation

Drafting of this Bill and consultation relating to the worker payment occurred with a select group who predominately represented the Early Childhood sector. P&Cs Qld who represents ALL P&C run OSCH services as the employer was not invited to or consulted with. Whilst other bodies may represent operators or provide a voice for the sector this lack of consultation has resulted in several oversights that directly impact the P&C-run OSHC services.

These services are a fundamental part of the school ecosystem, and the lack of engagement with P&Cs Qld during the drafting of the Bill has resulted in legislative provisions that do not account for the unique nature of P&C-run services.

Why P&Cs Qld Should Have Been Consulted

P&Cs Qld as the Peak Body: P&Cs Qld is the voice for over 1,264 P&Cs, which include OSHC service providers. These services are a fundamental part of the school ecosystem, and the lack of engagement with P&Cs Qld during the drafting of the Bill has resulted in legislative provisions that do not account for the unique nature of P&C-run services.

P&Cs as Statutory Bodies: P&Cs are statutory bodies, and imposing the requirement for them to engage such onerous grant terms is unnecessary. P&Cs already operate under structured award conditions, and a statutory award variation would be a more appropriate and less burdensome solution to wage issues.

Provider of Insurance and Support Services: P&Cs Qld provides insurance and offers business support services for P&C-run OSHC services. The Bill, as currently structured, fails to consider the existing systems of support in place for P&C services and introduces risks without assessing how P&Cs already operate under statutory frameworks.

Consultation with Regional and Volunteer-Driven Services: The Bill and subsequent grant does not appear to account for the challenges faced by regional and volunteer-driven P&C services, which operate under different constraints compared to larger ECEC providers. P&Cs Qld would have been able to offer valuable insights into these challenges had consultation taken place.

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Conclusion

Many P&Cs recognise the significant contribution these workers play in delivering a quality service to our children and pay well above the P&C state-based award. While the Wage Justice for Early Childhood Education and Care Workers (Special Account) Bill 2024 is well-intentioned, aiming to provide much-needed wage increases for Early Childhood Education and Care (ECEC) workers, certain unintended consequences will arise.

P&Cs and their associated commercial entities, such as OSHC, are subject to the Parents and Citizens Associations Award – State 2016, which is overseen by the QIRC, not the FWC. By the Bill enabling the drafting the grant conditions based on the federal award system, the Bill and subsequent grant overlooks the unique conditions and legal frameworks that apply to P&C-run services in Queensland.

At a minimum, implementation of this Bill must involve ongoing consultation with key stakeholders, including P&Cs Qld. This is critical to ensuring the practical viability of wage reforms and the continued provision of high-quality, affordable care in Queensland.

We welcome the opportunity to provide further comment as the Bill is progressed.