Fair Work confirms gender undervaluation in Children's Services Award – what this means for OSHC educators



On **10 December 2025**, the Fair Work Commission (FWC) handed down its final decision and determination in the Gender-based Undervaluation Priority Awards Review for the Children's Services Award 2010.

What the Commission decided

The Commission confirmed that children's services employees, including OSHC educators, have been historically undervalued because the work is performed in a female-dominated sector. This undervaluation was found to be inconsistent with the Fair Work Act's requirements for gender equality and fair pay.

As a result, the Commission determined that there are "work value reasons" to vary the Award and increase minimum wages.

What is changing in the Award

The decision finalises a new, **simplified classification and wage structure**, reducing 30 existing levels into 8 clear classifications (CSE Levels 1–8).

Key features include:

- Minimum wage increases ranging from 9.4% to 27.8%, depending on classification
- A clear translation table mapping existing classifications to the new structure
- Recognition that roles should be paid based on the work performed, not just qualifications
- The Qualifications allowance has been removed
- The Broken Shift Allowance and First Aid Allowance amounts have changed.

New Streamlined Classification Structure

NEW Classification Children's Services Employee	Existing Classifications	Minimum weekly rate	Minimum hourly rate
Level 1—Introductory Educator	Level 1.1	\$995.40	\$26.19
Level 2—Educator	Level 2.1 – 2.2 Level 3A.1 – 3A.2	\$1025.90	\$27.00
Level 3—Qualified Educator	Level 3.1 – 3.3	\$1121.80	\$29.52

Level 4—Experienced Educator	Level 3.3 + 4 years' experience	\$1197.10	\$31.50
Level 5—Advanced Educator	Level 3.4	\$1263.30	\$33.24
Level 6—Room Leader	Level 4.1 – 4.3 Level 4A.1 – 4A.5	\$1321.50	\$34.78
Level 7—Assistant Director (or School Age Care Co-ordinator	Level 5.1 – 5.4 Level 5A.1 – 5A.3	\$1381.90	\$36.37
Level 8—Director (or managing an OSHC service)	Level 6.1 – 6.9 Level 6A.1 – 6A.3	\$1593.50	\$41.93

Note: there are retained minimum rates of pay for CSE Level 3.3 and CSE Levels 6.4 – 6.9 where the minimum rate of pay previously applicable to the employee under this award on 28 February 2026 may be higher than the new translated classification.

OSHC specifics:

The Children's Services Award is predominantly geared towards long day care, so some terminology does not translate well for OSHC services. NOSHSA advocated to ensure the needs of OSHC services were better addressed in the Award:

- Classification descriptors were explicitly amended to reflect OSHC settings, including wording that recognises assisting service leaders rather than "room leadership" (Level 6).
- OSHC service leaders who may not be called "Directors" are properly covered in the highest classification level (Level 8).
- Historic classifications (including 3A and 4A levels) are formally addressed to ensure no educators are left out.

When changes start - and how they roll out

The Commission confirmed:

- Award changes, including the first increase, take effect from 1 March 2026
- Wage increases will be phased in over several years, with most educators receiving 5% increases at each stage
- Later increases will apply annually, generally from **30 June each year**, from 2026 to 2028–29 (depending on classification).

This phased approach balances meaningful pay rises for educators with the financial realities facing services, especially if they are not currently receiving the government-funded worker retention payment.

What this means for educators

This decision is a formal acknowledgment of the skill, responsibility and importance of OSHC and early childhood work. While increases will occur in stages, the outcome represents a significant step toward fairer pay, clearer career pathways and stronger recognition of the profession.

Click on the links to learn more about the Fair Work Commission's <u>Determination</u> and <u>Decision</u>.

What it means if employees are getting the Worker Retention Payment

The WRP absorbs the increases to base rates of pay due to Gender-based Undervaluation until at least 30 November 2026. The base rate increases do NOT go on top of the WRP.

- Maintain compliance with the WRP grant requirements, including fee growth cap.
- Apply the 1 July Annual Wage Review increase in 2026 as per usual, (when this is decided).

What it means if you are NOT getting the Worker Retention Payment

All wage increases must be implemented as per the updated Award:

- 5% increase 1 March 2026
- 5% increase 30 June 2026
- Annual Wage Review increase (TBC) 1 July 2026.

If you are not getting the WRP you may need to increase fees to cover the increased wages expense. Alternatively, if you have restricted fee increases to 8.6% or less over the past two years you may still be eligible to apply for the Worker retention payment. If you are successful, this will absorb the 10% gender undervaluation Award increases in 2026.

NOSHSA support

NOSHSA will be providing resources and information sessions early in 2026 to help OSHC services translate the classifications and understand the changes and their impact. Keep a look out for NOSHSA emails and the Events page on the <u>NOSHSA</u> website.