

IN THE FAIR WORK COMMISSION

4 YEARLY REVIEW OF MODERN AWARDS - CHILDREN'S SERVICES AWARD 2010 - EDUCATIONAL LEADERS ALLOWANCE (AM2018/18)

FILED ON BEHALF OF:

- **Australian Childcare Alliance (ACA); and**
- **Australian Business Industrial (ABI)**

9 AUGUST 2022

1. On 28 July 2022, the Commission handed down its Decision¹ relating to the insertion of the Educational Leader's allowance into the *Children's Service Award 2010 (CS Award)*.
2. At [9] of the Decision, the Commission invited parties to file submissions on its provisional view regarding the drafting of the Educational Leader Allowance set out in [8], noting that:

"If no submissions are received in this regard, we will issue a determination varying the Children's Services Award in accordance with our provisional view shortly thereafter".
3. ACA/ABI accepts the provisional view of the Commission regarding the drafting of the Educational Leader's Allowance clause.
4. Noting that the Commission has not expressed an operative date, rather stating that a determination will be issued "*shortly thereafter*", ACA/ABI seek to file submissions regarding an operative date of the Educational Leaders Allowance in the CS Award.
5. ACA/ABI submits that **1 January 2023** is an appropriate date for the Decision to be effective from for the reasons set out below.
6. The Educational Leader's Allowance is \$4,022.05 which represents roughly 8.22% of the Standard Rate of the CS Award². This is a significant cost for employers to be subjected to without sufficient time to adjust to the cost of having to pay a new allowance.
7. Preschools and kindergartens generally determine their fees for the year in the last quarter of the preceding year to commence from the start of the preschool year and

¹ [2022] FWCFB 141

² Children's Service Employee Level 3.1 (Certificate III qualified)

that long day care centres generally adjust their fees twice a year on 1 January and 1 July³.

8. As such, the 1 January 2023 operative date affords providers with ample opportunity to prepare for the increase in costs in an orderly way. It also provides for some economic amelioration of the impact of the increase by adjusting their cost structure or by preparing parents with reasonable advance notice of any fee increases.

Filed on behalf of ACA and ABI

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³ See [2021] FWCFB 6021 [19] which details the considerations regarding the 1 January operative date for the ERO/Work Value Decision.