

Margin Gap Review: Sample Audit Report

Illustrative example. This shows how a small hourly error on one classification grows across a year and a team of placements.

Scenario	Details
Classification	Worker on the C13 rate, full-time ordinary hours (38 per week)
Rate before 1 July 2026	\$24.95/hr
Correct rate from 1 July 2026	\$26.44/hr (6%: 4.75% general increase plus 1.25% structural adjustment)
Rate applied in error	\$26.14/hr (4.75% only)

The gap, step by step

Step	Calculation	Result
Hourly underpayment	\$26.44 minus \$26.14	\$0.30/hr
Add superannuation guarantee (12%)	\$0.30 x 1.12	\$0.336/hr
Annual hours	38 hrs x 52 weeks	1,976 hrs
Annual gap per worker	\$0.336 x 1,976	\$663.94
Annual gap across 10 placements	\$663.94 x 10	\$6,639.36

34c

per hour, including super

\$664

per worker, per year

\$6,639

across 10 placements

What the review found

- **Two problems, one cause.** The worker is underpaid, and if the client quote used the same base, the charge rate is short too. The shortfall comes straight out of margin.
- **The real figure is higher.** This example leaves out workers compensation, payroll tax, penalties and overtime, which all scale with the base rate.
- **It compounds.** Back pay, a longer contract, or Stages 2 and 3 of the C13 phase-out all make the number bigger.

Recommended actions

- 1 Identify every worker on C13 or C14 rates and confirm the 6% rate was applied from the first full pay period on or after 1 July 2026.
- 2 Rectify any underpayment and record how it was calculated.
- 3 Reissue client quotes built on the wrong base, and check whether your contracts allow it.

Book the 20-minute rate check. We will check your current award rates and quotes against this year's changes.

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Your own review uses your actual classifications, hours and placements.