Workday Submission on Guidance for Transparency in Automated Decision-Making

16 June 2026

Workday is pleased to provide comments on the Office of the Australian Information Commissioner's (OAIC) Issues Paper on the Automated Decision-Making (ADM) Transparency Obligation (APP 1). We hope that our comments in response to this consultation are helpful. We are happy for the OAIC to contact us regarding further opportunities for engagement, including on the forthcoming guidance on ADM (Guidance).

If you have any questions or would like further information, please do not hesitate to contact: Eunice Lim, Director Corporate Affairs – AP&J, at eunice.lim@workday.com

About Workday

Workday is a leading enterprise platform that helps organisations manage their most important assets – their people and money. Workday applications for financial management, human resources, planning, spend management, and analytics help organisations around the world embrace the future of work. Our applications are used by more than 11,500 organisations, from medium-sized businesses to more than 65% of the Fortune 500 and 40% of the FTSE 100.

Workday is proud of our contributions to the Australian economy. Workday employs approximately 360 personnel across offices in Melbourne, Sydney, Brisbane, and Canberra. Beyond our immediate workforce, Workday contributes to broader economic prosperity by upskilling the local labour market and generating significant value through an extensive partner network, which includes numerous Australian-owned and operated enterprises. Workday serves major Australian customers including Atlassian, Canva, the Commonwealth Bank of Australia, Latitude Financial Services, One Rail Australia, QANTAS, Reece Group, Telstra, and St Vincent's Health Australia.

At Workday, we believe that AI is powering the future of work by unlocking human potential, driving business value, and enabling our customers and their employees to focus on more strategic and fulfilling work. Workday began meaningfully contributing to the groundwork of AI regulation in 2019 and has consistently built on our call for smart and workable AI safeguards that build trust and enable responsible innovation. This submission is based on work we have undertaken in other international jurisdictions, including the UK, US, Canada and the European Union, where Workday has advised policymakers on AI and automated decision making governance issues in the employment context.

I) Definition of "computer program"

The Issues Paper emphasised that the meaning of "computer program" is "intended to be interpreted broadly" and "encompass a broad range of matters". While such an approach can help keep the obligation technology-neutral and adapt to emerging innovations, Workday is concerned that an overly expansive interpretation of "computer program" could create uncertainty regarding the practical scope of the

obligation. It could also inadvertently result in notice fatigue if extensive transparency is mandated for every minor digital interaction.

Modern enterprises routinely use a broad range of tools and products across ordinary business operations. These may include productivity software, workflow management tools, cybersecurity systems, data analytics platforms and customer relationship management systems. While such products would fall within the broad scope of "computer programs," they are not necessarily connected to the types of consequential decision-making processes that the ADM transparency obligation was intended to address.

In this regard, Workday recommends for the **OAIC to make clear in the Guidance that the mere presence or use of software, automation, or AI within a workflow does not, in itself, trigger the ADM transparency obligation**. Instead, the obligation should be activated when a *deployment* aligns with the criteria outlined in APP 1.7–1.9, i.e.:

- the system generates, or offers material and immediate support for, a formal decision;
- the process involves the utilisation of personal data; and
- the resulting outcome carries a foreseeable and meaningful impact on a person's legal standing or personal interests.

A clear distinction would help ensure that the Guidance remains appropriately risk-based and targeted toward higher-risk and legally consequential uses of ADM.

II) Definition of "decision" and thresholds related to the ADM obligation

We commend the OAIC for elaborating on the key terms that trigger obligations for ADM, including what constitutes a "decision", the meaning of a decision that "significantly affect rights or interests" of individuals, and, the threshold for determining what is "substantially and directly related to making a decision".

Definition of "decision"

Workday supports the OAIC's reference to the definition of "decision" in Australia's domestic legislation, notably in the Administrative Review Tribunal Act 2024 (ART Act). We encourage the OAIC to maintain consistency with the ART Act and other domestic legislation, which would provide greater certainty and predictability for both individuals and regulated entities while reducing unnecessary fragmentation across Australia's regulatory landscape.

Meaning for decision that "significantly affect rights or interests" of individuals

Workday has long supported a risk-based approach for the regulation of AI/ADM grounded in a two-pronged framework. The classification of high-risk or regulated AI/ADM should be a function of both the i) context of use and ii) the influence an AI system or ADM has on human decision-making. We are pleased to see the Issues Paper adopt a similar approach.

The Issues Paper addresses the first prong - *the context of use* - through its discussion on the types of decisions that may affect the rights or interests of an individual. The illustrative examples of financial circumstances, employment opportunities, health, etc. broadly align with how we observe regulators and policymakers in other jurisdictions approach the use case element of classifying high-risk or regulated AI/ADM.

The same section also explains how the terms "rights" and "interests" have been interpreted in both Australia and other jurisdictions, such as the EU. Beyond the frameworks referenced within the Issues Paper, Workday encourages the OAIC to examine definitions established in various U.S. state-level privacy statutes. Notably, at least 18 state consumer privacy laws have provided consumer rights to opt out of automated "profiling" that results in significant legal or comparable consequences. Establishing regulatory

obligations that maintain interoperability with global privacy standards ensures that both entities and individuals can consistently navigate these protections across borders. Furthermore, such alignment encourages organisations to invest in robust, scalable compliance frameworks that support responsible innovation.

Threshold for "substantially and directly related to making a decision"

The Issues Paper addresses the second prong —the *influence an AI system or ADM has on human decision-making*—through its robust discussion of what constitutes "substantially and directly related to making a decision" within ADM processes.

Workday appreciates the deliberation of this important threshold. We are of the view that determining this threshold is critical in ensuring that the ADM obligation is appropriately focused on the *consequential uses of ADM*. Because AI and ADM vary widely in their functions and intended uses, from predictive systems that surface context or insight to complex autonomous systems that take action, not all AI/ADM carry the same influence on human decision-making. AI systems that replace or largely automate human decision-making have a different risk profile than those that enrich or support decision-making. The former may make significant decisions at a higher volume and velocity than a human, and without the judgement that a human brings. By contrast, the latter enables the human decision-maker to leverage the insights of AI/ADM, while keeping a human in control of and accountable for the relevant significant decision.

The Explanatory Memo explains that a thing is "substantially" related to making a decision where it is "a key factor in facilitating" the human decision-maker's decision. However, the concept of "facilitating" decision-making could potentially capture a wide range of ordinary software functions. Many tools used in enterprise environments help users organise, sort, filter, prioritise, or present information. While those functions may assist human decision-makers generally, they do not necessarily guide the decision-maker toward a particular outcome or amount to a recommendation that a decision be made.

In this regard, we welcome the five factors mentioned in the Issues Paper: i) degree of reliance on the ADM system output; ii) ability and likelihood of human override over an ADM decision; iii) nature of the output (advisory versus determinative); iv) transparency and explainability of outputs and v) integration of ADM into decision-making workflow. We agree that these factors are generally the right ones to take into account when considering the level of influence AI or ADM has on human decision-making. We also recommend considering the UK ICO's proposed approach in its recent draft guidance on automated decision-making, which grappled with many of the same definitional issues. In particular, while the underlying definitions are not identical, the ICO's discussion of the meaning of "meaningful human involvement" is likely instructive here.

III) Roles and responsibilities: controller vs processor

Workday commends the Issues Paper's recognition that the phrase "arranged for" is intended to recognise that "a computer program may be operated by one entity, but another entity is responsible for arranging for the computer program to make or assist a decision". This distinction is important and reflects the reality that multiple actors perform different functions and would allow the obligations to be tailored according to an entity's actual visibility and control. It would also help businesses operating in multiple jurisdictions to maintain a consistent interpretation of their legal obligations.

To further refine this approach, **we urge the OAIC to formally embed a"controller versus processor" distinction** (consistent with that embedded within the GDPR) **within its Guidance**. Consistent with the Australian Government's commitment following the Privacy Act Review, this distinction recognises that different entities possess varying degrees of control over personal information. Specifically, the "arranges for" language should be applied exclusively to controllers—entities that determine the purposes and means of processing. This approach would prevent the inadvertent capture of processors, such as back-end software providers, who facilitate technical operations without knowledge of, or control over, the substantive decisions made by business customers.

IV) Enhancing interoperability

Workday would also like to underscore the importance of interoperability, particularly as multinational organisations navigate a rapidly evolving global regulatory landscape. Even minor discrepancies in how jurisdictions define core concepts—such as "significant effect" or "meaningful human involvement"—can lead to a complex and fragmented web of compliance requirements. Such divergence not only increases the administrative burden on businesses but also risks creating long, unusable privacy notices that fail to provide meaningful transparency to individuals.

To avoid this, Workday advocates for a broader push toward global harmonisation. We believe the OAIC can play a leading role in this effort by anchoring domestic guidance in established international benchmarks, such as ISO/IEC 42001 and the NIST AI Risk Management Framework. By aligning Australia's transparency obligations with these globally recognised standards, the OAIC can provide greater regulatory certainty, reduce unnecessary fragmentation, and ensure that compliance frameworks remain robust, scalable, and supportive of responsible innovation across borders.