



Form 65 (version 2)
Work Health and Safety Act 2011 – Pt 5, Div 7A

NOTIFICATION OF A WHS DISPUTE

Pursuant to Division 7A of Part 5 of the *Work Health and Safety Act 2011*

COURT DETAILS

Court	Industrial Relations Commission of NSW
Jurisdiction	Commission
Registry	
Case number	2026/00351482

TITLE OF PROCEEDINGS

Notifier	Australian Services Union NSW & ACT Services Branch
Respondent	Sydney Water Corporation

FILING DETAILS

Filed for	Notifier
Representative	Tim McCauley Slater and Gordon Lawyers
Contact number	0411 099 653
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[First] Respondent contact name, telephone and email	Darren Cleary darren.cleary@sydneywater.com.au

DETAILS OF DISPUTE

Workplace where dispute exists	All work sites throughout NSW where workers covered by the Sydney Water Enterprise Agreement 2023 work	
WHS matter the subject of the dispute	☐	Work group determination matter.
	☐	Work group variation matter.
	☐	Access to information by a health and safety representative under s 70(1)(c).
	☐	A request by a health and safety representative for a person assisting the representative to have access to the workplace under s 70(1)(g).
	☐	A matter mentioned in s 72(2)(a) or (b) or (4) relating to training for a health and safety representative.
	☐	A health and safety committee matter.
	☒	A matter about work health and safety that is an issue to which Division 5 applies.
	☐	An issue about cessation of work under Division 6.
Has an inspector been appointed to assist the parties to reach an agreement or resolve a dispute?	☐	Yes
	☒	No
#If yes – has there been a decision made by the inspector to exercise, or not exercise, compliance powers under Part 10, which is subject to review under Part 12?	☐	Yes
	☒	No

DESCRIPTION OF DISPUTE AND RELIEF SOUGHT

Note: Set out below a summary of the dispute and the relief sought. Please **be brief** – you will have the opportunity to provide more details to the Commission at the conciliation and during any arbitration.

Pursuant to s 102C(3) of the *Work Health and Safety Act 2011* (NSW) this notice is required to be published on the Commission's website as filed. Accordingly, do not attach documents or include material that is inappropriate to be published on the Commission's website, including personal information of individuals such as email addresses or phone numbers. Relevant documents that you wish the Commission to have available to it to assist to resolve the dispute should be filed separately after the application is filed in accordance with Practice Note No. 37.

- 1 This dispute relates to the failure of Sydney Water to meet its obligations under the *Work Health and Safety Act 2011* ('WHS Act'), the *Work Health and Safety Regulations 2025* ('WHS Regulations') and the *Code of Practice for Managing Psychosocial Hazards at Work* ('the Code'), resulting in systemic psychosocial health and safety risks within Sydney Water.
- 2 The dispute has arisen from the failed implementation of a new payroll system known as "Dayforce" at Sydney Water.

- 3 The implementation has resulted in significant psychological risks, and the realisation of those risks, throughout the Sydney Water workforce. The implementation of Dayforce has entailed psychological hazards which include:
- a. Significant unexplained underpayments over four (4) pay cycles;
 - b. Significant unexplained overpayments over four (4) pay cycles;
 - c. Effects on payroll deductions and directed payments;
 - d. Individual employees now being required, with no or insufficient training, to enter data into Dayforce in order to receive correct pay and penalty rates and other allowances and leave and other entitlements which information was previously automatically entered. This has resulted, inter alia, in non-payment of shift and penalty allowances, leave and other entitlements;
 - e. Many employees were unaware that a Dayforce phone application was available, and are untrained in its use;
 - f. Many employees did not have authentication log on details provided, either through their computer or other applications, including the phone application used by employees who work in the field and other non-office sites;
 - g. accrued leave was not transferred accurately from the previous payroll platform and not recorded accurately on Dayforce;
 - h. previously accrued leave was not visible to employees on Dayforce, so could not be checked for accuracy;
 - i. applications for leave, including sick leave and RDO's were rejected by Dayforce because accrued leave and RDO's were incorrectly recorded or not recorded at all;
 - j. other details were incorrect, including:
 - i. bank account details, which led to payment being made to the incorrect account
 - ii. birth dates;
 - iii. Emergency contact details
 - iv. Tax File Numbers;
 - v. Hours of Work;
 - vi. Rosters;
 - vii. Shift Patterns;

- k. The process to contact and “raise a ticket” with the “Business Connect” department was beset by delays up to two months, and often closed without action due to Business Connect being under-resourced and overloaded. We believe there are currently around 2,000 outstanding ‘tickets’ with Business Connect
 - l. Personal payroll details have been made visible to unauthorised employees, including potentially ex-partners in circumstances of domestic violence;
 - m. Times for information for the purposes of the pay run was brought forward with insufficient notice, affecting the recording of hours worked and claims for allowances and other entitlements accrued after hours and on the weekend;
 - n. The payroll system was effectively ‘locked’ for up to a week in each payroll cycle, preventing employees from entering roster changes, standby, call out and other information
 - o. Members covered by the Heavy Vehicles Regulation were unable to enter their RDOs which operate as ‘fatigue stand down’ days in advance, causing those employees and Sydney Water to potentially breach their statutory obligations;
 - p. Shift workers with paid meal breaks have not had their paid meal breaks recorded as hours worked, causing their time worked to be recorded as being 30 minutes short;
 - q. Manual adjustments made by Payroll officers and by managers to correct errors in Dayforce appear to have been overridden by automatic systems, with no way to check whether the manual adjustments have been retained or overridden.
- 4 Sydney Water for approximately 12 months has been introducing a new payroll system called “Dayforce”. This is to replace the existing payroll system called “Aurion”. The Australian Services Union NSW & ACT Services Branch (the **Branch**) understands that for several months prior to its implementation, Dayforce has been operating in parallel to Aurion for testing purposes, but has not been operational in providing payroll functions for the payment of employees, the accrual of entitlements and the recording of hours and work and rosters.
- 5 On Tuesday 30 June 2026, it came to the attention of the Branch, by information received from its members, that Sydney Water had determined that Dayforce would “go live” on 1 July 2026, impacting the pay run on Tuesday 7 July 2026.
- 6 The Branch raised with Sydney Water management many of the risks listed above, many of which appear to have been raised during ‘testing’ prior to implementation of

Dayforce. Sydney Water denied that there were significant errors in the Dayforce configuration but would not undertake to the Applicant that all employees would be paid on time and in full in the pay run on Tuesday 7 July 2026 or thereafter.

- 7 The Branch has repeatedly suggested that Aurion and Dayforce continue to run in parallel for a period of weeks in order that the errors arising from the Dayforce system were resolved without causing Sydney Water to fail to pay employees covered by the EA on time and in full.
- 8 This suggestion was consistently rejected.
- 9 The Union, and its legal representatives, have engaged in repeated exchanges of correspondence seeking to resolve the issues arising from the failed implementation of Dayforce, which have given rise to psychosocial risks. The Union has met directly with the Managing Director of Sydney Water three times, most recently on the morning of 25 August 2026.
- 10 On Wednesday 8 July 2026, the Branch was notified that wages due to be paid to its members had not been received in the bank accounts of those members. The Branch was advised that Sydney Water would be undertaking an 'out of turn' pay run to address some underpayments in the days following Wednesday 8 July 2026.
- 11 Following this out of turn pay run, further out of turn pay runs were conducted.
- 12 Many employees due to be paid on the night of Tuesday 7 July 2024 were not paid until the afternoon of Wednesday 8 July 2026, and some not paid until Thursday 9 July 2024.
- 13 The Applicant has been informed of an overwhelming number of difficulties with Dayforce, including that:
 - a. Multiple members have not been paid overtime and shift penalties, and have had leave and RDO requests rejected by the Dayforce system due to incorrect accounting of accrued entitlements.
 - b. Many members have been underpaid allowances, including shift penalties, with underpayments identified of up to \$1500 for one employee.
 - c. At the time Dayforce was originally implemented, members discovered that for each shift only four allowance items could be entered on Dayforce. These four items include the standard rates for the shift and the fact that the worker is on standby. This leaves only two entries for the shift, such as two callouts. Over the weekend of 11-12 July, some employees who were on call were called out up to 12 times to perform work. In respect of these callouts, only two could be

entered per night. While this issue has been resolved, the wages and allowances that were due have in many instances still not been paid.

- d. Supervisors and management have been introducing 'work-arounds', including entering hours worked on days different to the days on which work has actually been performed. This misattribution of hours has effects on workers' pay, entitlements, leave accruals and potentially impacted workers' compensation coverage in case of a workplace injury or 'journey' injury.
- e. By way of further example, the Dayforce system has prevented the entry of hours between 12:00am midnight and 12:15am. This affects workers on call who are called out to work during this period. Work-arounds have meant that such workers have had hours entered on different days and times to the days and times on which work was actually undertaken. While this issue has been addressed, it has had cascading impacts on payment of other allowances and entitlements
- f. The flawed migration of RDOs from the former Aurion system to the Dayforce System has led to a failure of accrual of RDOs. Under Aurion, for an employee who works 35 hours per week, an RDO was credited at 7.25 hours. Under Dayforce, an RDO is credited at 7.9 hours. When previously credited RDOs (at 7.25 hours) are debited under Dayforce, an employee's RDO balance is deducted 7.9 hours. For an employee who works a 38-hour week, the Aurion system calculated a 7.6 hour day, while the Dayforce system records an 8.45 hour day. It appears that 7.6 hour days have been migrated to a system that now deducts 8.45 hours per RDO. This mismatching leads to a lack of accrual of RDOs by the end of the relevant pay period – the employee ends up short of their accrued RDOs
- g. Members have been directed to raise "tickets" in respect of difficulties with Dayforce. Of approximately 2000 tickets raised by the middle of July, the Branch understands that at least half remained unresolved, and those that had been 'resolved' appeared to have in many cases been '*closed*' without resolution.
- h. The responsibility for manually entering data and calculating entitlements has been shifted from experienced and skilled payroll staff to workers, including workers who work in field locations often without access to Wi-Fi, or who are using small 'tablets' in their truck between heavy physical work in the field and other remote sites. There are also workers with technical, literacy, numeracy and English-language challenges. No workers have been adequately trained. This has led to data not being entered and entitlements not being recorded.

Manual entries are then required to be authorised by managers, who have often not been adequately trained and are overwhelmed with their other duties in addition to now being required to understand and interpret complex payroll issues.

- 14 On 17 July 2026, the Branch notified the Fair Work Commission of a dispute under s.739 of the *Fair Work Act 2009* to deal with the underlying industrial issues (C2026/8988). The FWC has not yet issued a listing of the matter for conciliation or hearing.
- 15 In the intervening month, the Applicant has spent countless hours seeking to minimise the adverse impact of the botched implementation of Dayforce on its members. The Branch has attempted to resolve these issues through meetings with management (including the Managing Director), but there has been no commitment to resolution from Sydney Water. There have also been exchanges of correspondence between the parties to the dispute. The Branch has no confidence that these issues will be resolved any time soon.
- 16 The answers provided by Sydney Water representatives to questions raised by the Branch indicate a failure of Sydney Water to meet its obligations pursuant to the WHS Act, WHS Regulations and the Code.
- 17 Psychosocial hazards have arisen, including from the following circumstances:
 - a. Since implementation of Dayforce, there have been 4 payrolls for general scale employees and 2 payrolls for Individual Contract Employees (ICE). The four general scale employees' payrolls have all failed. The first payroll was delivered up to three days late
 - b. The latest three payrolls have been delivered on time.
 - c. However, all four general scale payrolls have failed to pay employees correctly
 - d. The worst problems occur for those who are lowest paid, and most likely employed on shifts, call outs, standby shifts and RDO's
 - e. There are very few if any shift employees who have been paid correctly over four payrolls.
 - f. In a low paid cohort that lives week-to-week this has caused catastrophic problems, with people being unable to pay rent, mortgage, childcare, child support payments, all of which are likely to be direct debit payments, dependent upon shift penalties, overtime and other payments being made reliably into their bank accounts.

- g. There has still been little or no training for employees, including those in payroll who are charged with delivering the new system.
 - h. There has been no indication from management about when or how the problems will be resolved.
 - i. Meantime, there have been ongoing significant underpayments and overpayments.
 - j. In the latter case, money has been withdrawn from pay without authorisation or notice.
 - k. In other cases, people have been 'topped up' for earlier underpayments, without notice, so they do not know whether the payments are correct, or will be sought to be recovered by Sydney Water in the future as overpayments.
 - l. Payslips are missing vital information, are opaque and cannot be checked for accuracy.
 - m. The system is 'locked' for a week at a time, preventing employees from entering their payroll information so that they can be paid
- 18 The Branch has repeatedly asked for the former Aurion payroll system to be recommissioned to allow people to be paid, but this has been resisted by management
- 19 The Branch represents a large cohort of workers who have repeatedly sought union assistance due to escalating psychological harms and a lack of resolution or the underlying causes of those harms at the workplace. Workers have reported sustained stress and fatigue and other physical symptoms indicative of serious emotional distress directly linked to the prolonged and significant failures of implementation.
- 20 The Branch has been repeatedly contacted by distressed members who are suffering severe psychosocial harm arising from the uncertainty and economic peril that the botched implementation has imposed on them. This includes contact from members threatening suicide and other forms of self-harm arising from the economic distress and uncertainly arising from the implementation of Dayforce.
- 21 The Branch seeks urgent conciliation or this matter, and if necessary, arbitration.
- 22 The Branch seeks orders:
- a. that Sydney Water:
 - i. pay its employees in full and on time; and

- ii. maintain and recommission the Aurion system to full functionality until all practical steps have been taken by Sydney Water to ensure that the Dayforce system will not result in ongoing payroll failures, including underpayment;
 - iii. In the event that it cannot be demonstrated that Dayforce is capable of paying all employees in full and on time, their wages, salaries, allowances and other entitlements in accordance with the current and proposed enterprise agreement, then it should be abandoned, and immediately replaced by a fully reactivated Aurion payroll system
 - iv. In the event that it can be demonstrated that Dayforce can be relied upon to deliver on time and in full wages, salaries, allowances and other entitlements to all employees at Sydney Water, there must be one-day face to face training to ensure each employee is able to use Dayforce in a manner so that all employees' pay, entitlements and accruals are accurate; or
 - v. Immediately return to using the Aurion system and reverse the implementation of Dayforce; and
- b. such other orders as the Commission considers appropriate for the prompt settlement of the dispute.

LISTING DETAILS

The parties will be advised of the date, time and place when the Commission will list this matter for directions. Any enquiries should be made to the Industrial Relations Commission Registry on 02 8688 3516.

SIGNATURE

Signature of Prosecutor



Capacity

Deputy Secretary, Authorised officer of industrial organisation

Date of signature

25 August 2026

COMPLIANCE WITH PRACTICE NOTES

Parties must comply with the Practice Notes of the Commission. The Practice Notes may be found at the following website:

<https://www.irc.nsw.gov.au/irc/practice-and-procedures/practice-notes.html>

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