

FINES AND PENALTIES

What are the penalties for noncompliance with any applicable data protection laws?

Noncompliance with data privacy laws and data breaches may lead to sanctions, fines, and penalties. The amounts are usually calculated according to the risk to which personal rights were exposed and the preventive measures taken by the data controllers, processors and sub-processors in relation to their respective role in the chain of personal data processing.

In Australia, if there is a serious or repeated breach of Australia's Privacy Principles (APPs), the Office of the Australian Information Commissioner may commence proceedings to seek a civil penalty against the entity. Entities may also be required to compensate affected individuals for loss or damage (including emotional harm).

While penalties can be up to AU \$2.1million, there have not yet been any such proceedings since the penalty provision was introduced into the Privacy Act

in 2014. Disclosure or unauthorized use of employee Tax File Numbers can also result in penalties including imprisonment and monetary fines under the Taxation Act 1953.



Although not officially a fine, the Fair Work Act 2009 includes a presumption in favor of a person who makes wage-related allegations in a court proceeding where the employer has failed to meet record-keeping and pay slip obligations or, failed to make records available for inspection.

HR Best Practices:

Before processing personal data make sure to take the necessary data security and record retention measures to ensure the validity and protection of records within your organization.

Last updated May 2021.

DISCLAIMER: The information contained in this document is for general information purposes only and is not intended to be a source for legal, tax, or any other professional advice and should not be relied upon as such. This information is not intended to create, and the receipt of it by the reader does not constitute, an attorney-client relationship. All legal or tax questions or concerns should be directed to your legal counsel or tax consultant. Laws and regulations may change and UKG Inc. ("UKG") cannot guarantee that all the information in this document is accurate, current or complete. UKG MAKES NO REPRESENTATION OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE DOCUMENT OR THE INFORMATION OR CONTENT CONTAINED HEREIN AND SPECIFICALLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, SUITABILITY, OR COMPLETENESS OF THIS INFORMATION. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, NEITHER UKG, NOR ITS AGENTS, OFFICERS, EMPLOYEES, SUBSIDIARIES, OR AFFILIATES, ARE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES (INCLUDING PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, LOSS OF USE OR PROFITS, OR BUSINESS INTERRUPTION), EVEN IF THE UKG HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, ON ANY THEORY OF LIABILITY, WHETHER IN CONTRACT, STRICT LIABILITY, OR TORT, ARISING IN ANY WAY OUT OF THE USE OF OR INABILITY TO USE THIS INFORMATION. This document and the content are proprietary and confidential information of UKG. No part of this document or its content may be reproduced in any form, or by any means, or distributed to any third party without the prior written consent of UKG © 2021 UKG Inc. All rights reserved.