BlackFlag Advisory

From 10 December 2026

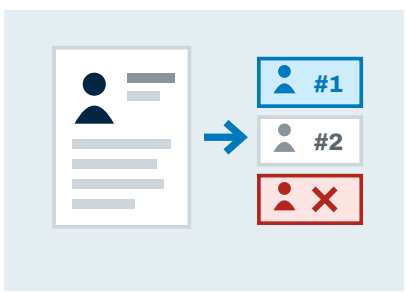
Privacy Act: automated decision-making tools you need to account for

Your privacy policy must disclose automated decisions that use personal information and could **significantly affect a person's rights or interests** (APPs 1.7–1.9).

THE TEST — IT'S ABOUT THE DECISION, NOT THE PRODUCT

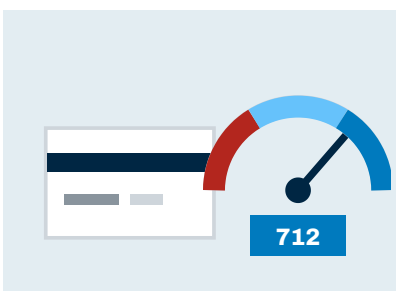
1 Uses personal information? **+** **2** Makes the decision, or does something substantially and directly related to it? **+** **3** Could significantly affect someone's rights or interests? **=** **Yes to all 3? Disclose it in your privacy policy**

TOOLS THAT MAY BE CAUGHT



Recruitment & HR

CV screening, candidate ranking, rostering, performance scoring



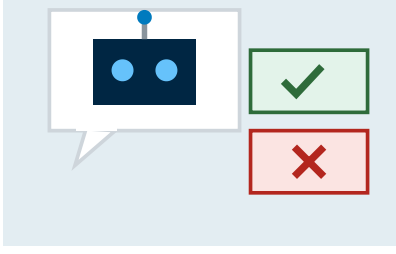
Credit & finance

Credit scoring, loan approvals, payment terms, fraud flags that block accounts



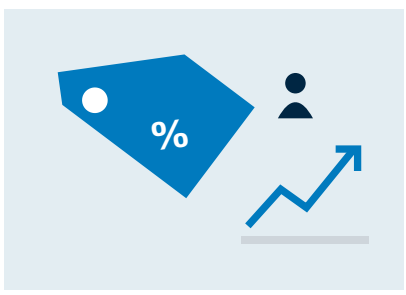
Insurance

Underwriting, premium pricing, claims triage



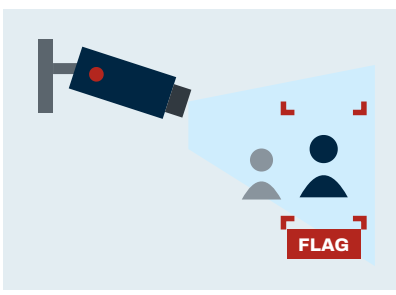
Customer-facing AI

Chatbots or agents that approve or refuse refunds, access or eligibility



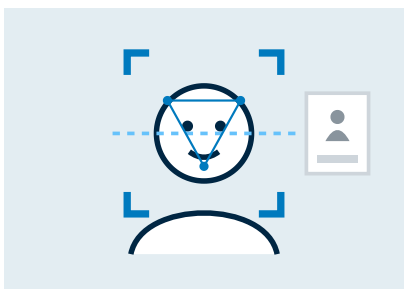
Pricing & offers

Personalised or dynamic pricing, discount and offer eligibility



CCTV & video analytics

Cameras using facial recognition or analytics to flag, ban or refuse entry to people



Identity & screening

Biometric sign-in, ID verification, tenant and background screening



Health & services

Triage, prioritising appointments or access to a service



Embedded vendor AI

AI features switched on inside your CRM, HR system, Microsoft 365 Copilot and other platforms

MOST OFTEN MISSED

Probably not caught: spam filters, spell-check, CCTV that only records, and internal analytics that don't make or shape a decision about a person.

WHAT YOUR PRIVACY POLICY MUST COVER

1 The kinds of personal information your programs use

2 The kinds of decisions made solely by a program

3 The kinds of decisions where a program does something substantially and directly related to the decision

BEFORE 10 DECEMBER

STEP 1 Inventory every tool that touches personal information — including vendor AI features

STEP 2 Apply the three-part test to each decision it makes or shapes

STEP 3 Update your privacy policy and keep the inventory current

WHO'S RESPONSIBLE

The business using the tool — not the vendor. If a supplier's software makes the decision, you still disclose it.

Not sure which of your tools are caught?

We check what's running on your websites, apps and careers pages against your privacy policy and give you a clear roadmap, before 10 December.

PRIVACY READINESS ASSESSMENT

From **$1,650** ex GST

Small business. Larger organisations quoted.

blackflagadvisory.com.au/privacy-readiness

Examples are indicative — whether a tool is caught depends on how it's used. Source: Privacy Act 1988 (Cth) APPs 1.7–1.9, inserted by the Privacy and Other Legislation Amendment Act 2024; OAIC APP 1 guidance (Sept 2026). General information, not legal advice.

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