

Justice and Order: Part 5

Although fine letters demanding payment for several thousand dollars will be delivered to companies when a company car is involved in a speeding violation, the reduced to only some hundreds of dollars if the driver is fined instead of the company. Speed camera crackdowns are regarded as security of income for the police force. Despite the fact that the perpetrator of the violation is the individual, not the company, the company which owns the car is ordered to pay a more expensive fine. On a recent business trip to Perth I asked a Western Australian person if NSW and Western Australia had a similar fine structure. In both states it is considered particularly easy by the police to raise revenue.

However, when a company car is involved, because it can be difficult to certify the identity of perpetrators. The various historical reasons for inflating the scale of fines levied on companies can be found with the police. Is there not a lack of validity when applying a different magnitude of fines to a company when compared with the individual? Is it not a case of basically paying for violations through company money? Because fines are not considered tax deductible, these costs multiply the effects of tax loss on companies.

What must be considered is whether or not companies can be held responsible for the tortious acts of their employees outside the employment context. At customary law, if a non-employer damages a third party in the line of duty, there will be an obligation of employer compensation imposed. However, in the case of a company car being used on the weekend, will that be considered 'in the line of duty'?

In the case of employees in the line of duty perpetrating violations, is there payment obligations made on the employer? If the employer does not pay they be prosecuted. However, because company responsibility does not extend to the violations of employees, companies can be asked to repay to employees, the penalties already paid.

If the perpetrator employee is discovered, it is easiest to make that individual pay and he will face demerits. If he is not discovered, the company will face the burden of paying large fines, and the perpetrator will escape penalty.