**Types of impacts for consideration when developing a new policy**

VIDEO TRANSCRIPT | IMPACT ANALYSIS 101

When working on new policy proposals, we often immediately think of impacts in terms of fiscal costs or savings to the Government or direct red tape compliance costs. But what other impacts might there be?

Well, if the decision were to be taken, what flow on impacts on business individuals and the community could we reasonably expect to see? There are five different types of impacts social, competition, environmental, distributional and regulatory.

Firstly, let's take a look at the social impacts. Different types of social impacts could include thinking about how many people are impacted and how are they impacted.

Do you need to think about lives saved and hospitalisations avoided, public health and safety impacts, labour market changes? Are there impacts on crime and security, changes in educational attainment, or employment effects?

Competition impacts could range from thinking about how the proposed policy would impact upon prices, quality and choice. How it will impact production access and entry of new businesses. How will existing consumers and businesses react?

Where relevant, also consider environmental impacts such as the impact upon land use or the take up of recycling programs.

Have a think about distributional impacts. How do we expect to see those impacts apply to different groups in society? Are impacts the same across different cohorts? Do impacts differ by size of businesses, people living in urban or regional communities, people with lower or higher socio economic statuses on males or females, or perhaps on Indigenous or non-Indigenous groups?

Regulatory impacts can include how much time does it take to fill in a form, read and understand the requirements or apply for that permit?

While writing an Impact Analysis you'll be asked to write down the Department's analysis of these impacts. Quantifying and monetising these impacts is ideal as it helps decision makers understand and compare the potential costs and benefits of the proposal. This should be further supported with qualitative analysis of what we expect to see happen.