Regulatory Impact Analysis (RIA)

OECD Webinar: Learning from recent experiences of RIA

March 2021
The Australian Government RIA framework

1. What is the problem you are trying to solve?
2. Why is government action needed?
3. What policy options would solve that problem?
4. What is the likely net benefit of each option?
5. Who will you consult and how will you consult them?
6. What is the best option from those you have considered?
7. How will you implement and evaluate your chosen option?
All policies with significant impacts require in-depth RIA

Decisions with the most significant impacts require RIA

How does RIA look at ‘impacts’?
- Identify affected stakeholders
- Describe how they will be affected
- Consider different types of impacts

Types of impacts covered
- Environmental
- Social
- Distributional
- Competition
- Red tape

Around 40-50 RIA for federal Government decisions are finalised and published each year.
The quality of RIA is categorised into four tiers

Insufficient
- Poor quality
- Should not be used as the basis for decision-making
- Ex-post analysis mandatory

Adequate
- Sufficient for decision analysis and process
- Short-comings in e.g. not reasonable consultation

Good practice
- Good quality analysis
- Small number of elements where quality was not of exceptional quality

Exemplary
- Exceptionally high quality analysis
Compliance with the RIA framework is high

- 300+ RIA finalised since 2013
- Typically around 40 – 50 RIA for federal Government decisions published each year
- Analysis for only three decisions (all in 2020) since 2013 has not met the RIA requirements
Three examples of our approach

1. **Support active engagement with RIA**
   - Enabling Ministries to contact the OBPR through a range of mechanisms.
   - Providing information and education on RIA in a range of formats to complement published guidance.

2. **Offer a range of assistance, including training and workshops**
   - Expanding our training offering to include a mix of lecture style training and workshops.
   - Providing targeted training to Ministries with different areas of expertise.
   - Adapting training to take account of different levels of familiarity and experience with RIA.

3. **Demonstrate that RIA is accessible and achievable**
   - Emphasising familiarity with the RIA questions and their connection to policy-making.
   - Providing practical advice and support during the development of RIA.
Published RIA is available at:

pmc.gov.au/regulation

https://ris.pmc.gov.au

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