

Social impact assessment

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The situation in Austria

Since 2001 there has been the regulatory obligation for the federal government (but not for the Parliament which has the power to initiate laws on its own) to consider the effects of policy proposals in their financial, economic, social, environmental and consumer dimensions when drafting or amending laws; the impacts on administrative burdens and costs have also to be considered.

Each legislative proposal has to include standardized supplementary sheets summarizing the findings of the impact assessment.

Up to now the statutory impact assessment has been conducted in a superficial way and there are no common procedural rules (planning, coordination, consultation and reporting rules.) It is only a rough assessment which is neither based on micro-modelling nor on macro-economic analyses. Specific methodological guidelines and adequate assessment designs do not yet exist.

The standardized supplementary sheet, which should not be longer than one page reads as follows:

“Supplement to legislative proposals”

- Addressed problem;
- Objectives;
- Content/solutions;
- Alternatives;
- Impacts:
 - financial impacts,
 - economic impacts,
 - impacts on employment and business location Austria,
 - impacts on administrative burden for companies,
 - impacts on environment, especially climate compatibility,
 - impacts on consumer protection,
 - gender related impacts,
 - relation to EU-Law,
 - specific characteristics in legislative process.

The social impact of social impact assessment

It is a rather obvious question to ask: what difference will the introduction and dissemination of social impact assessment-practices make in EU-Member States generally and in the Slovak Republic in particular?

This is exactly the type of question one wishes to answer with the help of social impact assessment. It might be convenient to make use of Sen's capability approach and, thus, with a slight change in terminology distinguish three issues:

- the stakeholders (of social impact assessment),
- the resources (necessary to participate in social impact assessment),
- the activities ("functions").

Stakeholders and their gains and losses

The stakeholders who directly can take part in the process of social impact assessment are

- political decision makers,
- administrative units,
- statistical offices, scientific community,
- Social Partners, other NGOs.

The introduction of social impact assessment will:

- on the one hand, make life harder for political decision makers since they have to make their choice function more transparent than they are used to; on the other hand they might gain in overall legitimacy and in the overall leverage of their decision making which could become more related to purpose;
- increase the workload and the required expertise of administrative units because they will have to think through their initiatives much more thoroughly; at the same time they will enhance the degree of consistency of the proposals they make and might later on have to implement;
- require a better linkage of different administrative and survey data sets, a closer cooperation between the academic community and data providers; conflicts with data protection acts may arise; on the other hand the availability of linked data sets could save data collecting resources. Macro- and micro simulation models could be based on more comprehensive and reliable empirical figures;
- induces the examining actors to comment on the presented social impact assessment, with it their opinion becomes more explicit. A social impact assessment makes it easier for NGOs to draw attention to trade offs or neglected social goals and to propose alternative road maps for actions.

(Topic for discussion: What are the appropriate indicators for representing the gains and losses of the four groups of stakeholders?)

Resources needed

Each stakeholder group needs access to “evidence” about the consequences of an initiative. Given the state of modelling social interaction (and its responses to changes brought about by political initiatives), much effort has to be spent to establish robust relationships between “policy inputs” and their “outputs” and “impacts”.

(Topic for discussion: Who should carry out social impact assessment? Sometimes there will be no agreement about the “best” social impact assessment approach. Should in such cases a legal draft contain alternative social impact assessment approaches? Does it make sense to propose a format of analysis which is common to all ministries in one country and furthermore to all Member States? Should social impact assessment be based on EU-harmonized data?)

Apart from the shared need to access “evidence”, stakeholders will have to mobilize as well other resources:

- Political decision makers will need some surplus political capital in order to transform standard rules of bargaining processes about initiatives in order to spend the extra energy asked for by social impact assessment.

(Topic for discussion: Is rule setting by the European Commission a sufficient source of the surplus political capital needed?)

- Administrative units will need extra time resources to prepare initiatives and will have to engage in a learning process on how to assess the consequences of the initiatives (and of completing proposals) they come forward with).

(Topic for discussion: How much more resources for preparing legislation will be involved when social impact assessment becomes a generally implemented procedure?)

- NGOs will have to have substantial resources (in time and focus) to participate actively in the newly extended areas of social impact assessment -debates; in particular they will have to make sure, that the “evidence” available (at short notice) is not biased against the interests they represent.

(Topic for discussion: Should NGOs be entitled to a compensation (from public funds) for participating in social impact assessment?)

Participation needed

In order to ensure the integration of all these stakeholders into the social impact assessment -framework, one has to elicit genuine participation of each of them.

- Political decision makers might find the social impact assessment as too alien to the emotional fabric of political lifestyle that they refuse to acquire “ownership” of the social impact assessment process.

(Topic for discussion: Can social impact assessment be introduced without full commitment by politicians?)

- Administrative units tend to be “process-orientated”, which should help to ensure their participation in social impact assessment.
- NGOs should be delighted to participate in social impact assessment; they will however, find it difficult not to opt out of social impact assessment if it becomes a vehicle for enforced “faked” consent.

(Topic for discussion: Is there a clear line between “due process” and “acceptable results” in a social impact assessment-framework?)

- Public data provider and the social science community will have to cooperate closer. This may cause insecurity about role definition on both sides.

(Topic for discussion: Does the general framework favour or complicate such closer cooperation?)