# Handout 1

## Definitions

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| **Environment** | All aspects of the biophysical environment; human health and well being and community values. Emphasis should be placed on ecologically sustainable development. |
| **Hazard** | A source of potential harm or a situation with a potential for harm. |
| **Harm** | Any damage to people, property or the biophysical, social or cultural environment. |
| **Risk** | Risk has two dimensions: the consequences of an event and the likelihood of those consequences being realised. If hazard denotes a potential cause of harm, then risk describes the likelihood that harm will occur. |
| **Consequence(s)** | The intermediate or final outcome(s) of an event or situation. |
| **Likelihood** | This is a qualitative term which is commonly used to describe both frequency and probability. |
| **Frequency** | The number of occurrences of a defined event in a given time (ie. the rate). |
| **Probability** | The likelihood of a specific outcome measured by the ratio of specific outcome to the total number of possible outcomes. Expressed as a number on a scale of 0 to 1 where 0 indicates an impossible outcome and 1 indicates that an outcome is certain. |
| **Risk analysis** | The systematic use of available information to identify hazards and estimate the likelihood and consequences of those hazards being realised. |
| **Risk assessment** | The evaluation of the results of risk analysis against criteria or objectives to determine the acceptability of risks and to determine management priorities. |
| **Risk management** | The application of policies, procedures and practices to the identification of hazards; analysing the consequences and likelihoods associated with those hazards; estimating risk levels; assessing those levels of risk against relevant criteria and objectives and making decisions and acting to reduce risk levels. |