

PUBLIC INTEREST TEST REPORT

LOCAL LAW NO. 1 (ADMINISTRATION) 2018 AND SUBORDINATE LOCAL LAW NO. 1 (ADMINISTRATION) 2018

A public interest test has been conducted as part of the National Competition Policy reforms on anti-competitive provisions identified in the local law and subordinate local law identified in schedule 1. The public interest test has been conducted against the principles and objectives set by the Competition Principles Agreement which were outlined in the public interest test plan.

The public interest test report has been prepared in accordance with guidelines issued by the Department of Local Government and called up by regulation under the *Local Government Act 2009*.

RESULTS OF CONSULTATION PROCESS

Consultation with the public and key stakeholders occurred over a three week period. An advertisement was placed in the local paper at the commencement of the consultation period advising of the review and calling for submissions. Notices were posted on notice boards within the local government area during the consultation period. Direct notification of the review was sent to all key stakeholders.

Submissions received and arguments presented (if any) are annexed to this Public Interest Test Report.

POSITIVE AND NEGATIVE IMPACTS ON STAKEHOLDERS FROM MOVING TO ALTERNATIVES

Positive and negative impacts on stakeholders from moving to alternatives are particularised in the schedules to this report as follows:-

Commercial Use of Local Government Controlled Areas and Roads — See Schedule 2

Installation of Advertising Devices — See Schedule 3

Operation of Caravan Parks — See Schedule 4

Operation of Temporary Entertainment Events — See Schedule 5

SUMMARY OF NET IMPACTS ASSOCIATED WITH ALTERNATIVES

An analysis of the costs and benefits of moving to an identified alternative is detailed in the following schedules.

Commercial Use of Local Government Controlled Areas and Roads — See Schedule 2

Installation of Advertising Devices — See Schedule 3

Operation of Caravan Parks — See Schedule 4

Operation of Temporary Entertainment Events — See Schedule 5

PUBLIC INTEREST TEST REPORT RECOMMENDATION

For each prescribed activity, each possible anti-competitive provision reviewed is an anti-competitive provision and should be retained in its current form in the public interest.

SCHEDULE 1 — LOCAL LAW AND SUBORDINATE LOCAL LAW IN WHICH POSSIBLE ANTI-COMPETITIVE PROVISIONS IDENTIFIED

Local Law No. 1 (Administration) 2018

Subordinate Local Law No. 1 (Administration) 2018

SCHEDULE 2 — COMMERCIAL USE OF LOCAL GOVERNMENT CONTROLLED AREAS AND ROADS

Positive and negative impacts on stakeholders from moving to alternatives

Local Government	Existing and Potential Business	Consumers	Community Groups
<p>Establishment costs of changing from a licence based system to a negative licensing based system such as Council time, redrafting costs, cost of community/business education programs. This is a one-off expense and therefore impact is considered to be low - low negative impact (-1).</p>	<p>Increased potential of non-compliance costs under a negative licensing regime eg. fines.</p> <p>There is a potential that minimum standards under the negative licensing regime will be misinterpreted and result in non-compliance penalties. The level of non-compliance is expected to be minimal and the impact is therefore considered to be low - low negative impact (-1).</p>	<p>Increase in market competition between existing and potential business creating innovation, efficiencies and types of product service.</p> <p>Consumers will receive the benefits from increased competition through price, product availability and product/business choice. The expected level of competition in the long term is expected to stabilise and any benefits received by the change is expected to be low - low positive impact (+1).</p>	<p>Risk of unsafe vending too high if not controlled by local government in some way. Under a negative licensing regime, as opposed to a licence based system (conventional regime) the risk of non-compliance is greater. However, local government can still take enforcement action and therefore impact is considered to be low - low negative impact (-1).</p>
<p>Increase in level of monitoring required to enforce local law from one temporary employee to one permanent full-time employee. The cost borne by this change is minimal and therefore the impact is considered to be low - low negative impact (-1).</p>	<p>Increase in market competition between existing and potential business creating a reduction in profit margin and removal of price padding. In the short term, it is expected that significant change will occur in market distribution, power and price. However, in the long term, it is expected that the market will stabilise and therefore the impact is considered to be low - low negative impact (-1).</p>		<p>Increase in cost borne for environmental damage by community.</p> <p>Due to the increased risk in non-compliance some of the costs from environmental damage (including public nuisance) may be borne by the community. Minimum standards under a negative licensing regime will ensure that this transfer of costs will be negligible and therefore the change will be a low negative impact (-1).</p>

Local Government	Existing and Potential Business	Consumers	Community Groups
<p>Potential for non-compliance by outside vendors at the risk of road users and community. The potential for non-compliance is higher under a negative licensing regime and local government is likely to receive more complaints. The impact is considered to be moderate - moderate negative impact (-3).</p>	<p>Removal of licence regime means savings for existing and potential businesses in not having to prepare and submit licence applications. There is also a saving from removal of licence fees. However, these cost represent a small portion of overall operating expenses and therefore the impact is considered to be low - low positive impact (1).</p>		
<p>Unable to regulate the impact on the environment by regulating the number of vendors. Regulation of vendors will be restricted to minimum standards outlined under the negative licensing regime. The level of control available will be reduced marginally. The impact is considered to be low impact - low negative impact (-1).</p>	<p>Removal of restrictions on business ownership, that is, level and number of operations. Business is no longer restricted to the level and type of operations under the licence system. Standards will still need to be met under a negative licensing regime and therefore the change is considered to be low - low positive impact (+1).</p>		
<p>The specific conditions required for each type of roadside vendor creates complexity under a negative licensing regime. The level and type of business including the various products sold require different minimum standards which will ultimately create a complex local law. This will be a moderate negative impact (-3).</p>			

Local Government	Existing and Potential Business	Consumers	Community Groups
<p>Loss of fees paid for licences and renewals. Fee structure was in place to cover administrative costs of the local law. This is considered to be a low negative impact (-1).</p>			
<p>Application and processing for licences will no longer apply. Staff will be required to maintain the negative licensing regime which is a more efficient framework to operate. This will be a low positive impact (+1).</p>			
<p>Higher fines apply under a negative licensing regime. Local government will recover some costs from higher fines but as court action is usually a last resort in terms of enforcement, the impact is considered to be low - low positive impact (+1).</p>			
<p>-8</p>	<p>+1</p>	<p>+1</p>	<p>-2</p>

Summary of net impact associated with alternatives

In summary, analysis of the costs and benefits of moving to the alternative provides the following information:

Alternative	Local Government	Business - both existing and potential	Consumers	Community/ Conservation Groups
Negative licensing Current existing local law is a licence based system. The alternative is to convert the licence process to a negative licensing regime.	Moderate/High Negative Impact The increased risk of non-compliance and potential for the maintenance of a complex local law under a negative license regime far outweighs any benefit received from reducing application processing .	Low Positive Impact Removal of the restriction on commercial use of local government controlled areas and roads results in an increase in competition, reduction in costs and removal of restrictions on business ownership.	Low Positive Impact Consumers will receive the benefits from increased competition through price, product availability and product/business choice. However, the higher enforcement costs of Council may be paid for by the general community.	Low Negative Impact Increase in the risk associated with environmental damage, aesthetic quality of the region and public health and safety.

Overall, the analysis of costs and benefits has determined there would be a net cost to the community as a whole in moving to a negative licensing regime.

There are benefits which would accrue to both business and consumers under a negative licensing regime. Potential business would benefit from removal of the barrier to entry to the market and both existing and potential business would benefit from a reduction in operating costs. Consumers would benefit from increased competition in the market.

However, these positive impacts are offset by increased costs for Council in enforcing compliance under the negative licensing regime. These costs are substantial and could be passed on to the community. Because there is the potential for non-compliance to be greater under a negative licensing regime there may be negative impacts on the environment, amenity and public health and safety.

SCHEDULE 3 — INSTALLATION OF ADVERTISING DEVICES

POSITIVE AND NEGATIVE IMPACTS ON STAKEHOLDERS FROM MOVING TO ALTERNATIVE

	Conservation Interest Groups	Community/ Consumers/ Home owners	Existing and Potential Business	Government
	Details of Impacts	Details of Impacts	Details of Impacts	Details of Impacts
negative impacts		Potential impact from non-compliance will result in a decrease in quality of life from visual pollution it is expected to have a moderate impact on the community and a high impact on home owners residing in business areas. (-5)	Increased costs in professional fees to ensure that erected signs specifically comply with local government standards. This cost was previously paid through the application fee at a subsidised rate. This increase in costs is not expected to be significant over the life of the business and a majority of professional fees paid is already required under current local law. Overall the impact is expected to be moderate. (- 3)	Increased risk of non-compliance by business when exhibiting advertising. Council has no control over the initial design and construction of physical advertising. An increased level of risk will be borne by Council in non-compliance. For advertising in the community the magnitude of non-compliance can be high. Overall, the impact is moderate. (-3)
		Decrease in level of safety provided to community because of a decrease in the quality standard of physical advertising. This will have a low impact on the community overall but a significant impact on home owners near advertising and members of the public working near signs. (-1)	Potential for deterioration of relationships between business and local government. Local government action against business for non-compliance - business resisting action because structure is already built. Though this impact is only a potential impact, it is expected to increase in importance over the longer term, therefore it is considered to be a moderate impact. (-3)	Establishment costs - change in local law so that the definition of permitted advertisement includes all classifications and attending criteria for approving/rejecting applications which currently exist, and thereby includes those advertisements in negative licensing regime. These costs occur once and are not material to the overall costs of local government. For this reason the impact is considered low. (-1)

	Conservation Interest Groups	Community/ Consumers/ Home owners	Existing and Potential Business	Government
	Details of Impacts	Details of Impacts	Details of Impacts	Details of Impacts
			<p>Increase in responsibility for business to comply with standards.</p> <p>Business will now have the responsibility for complying with the standards set in the local law, whereas previously local government ensured compliance through the permit regime. The onus of responsibility now resides with business and is therefore considered to be a moderate impact. (-3)</p>	<p>Reduction in application and penalty fee revenue. Fees received is immaterial to the overall revenue received by local government. Local government does not rely on revenue received from such fees in operations and is considered surplus to local government needs. The impact will be moderate. (-3)</p>
			<p>Potential for misuse of environment.</p> <p>There is potential for business to abuse accepted environmental standards. It is expected that this will not occur and is considered a low impact. (- 1)</p>	

	Conservation Interest Groups	Community/ Consumers/ Home owners	Existing and Potential Business	Government
	Details of Impacts	Details of Impacts	Details of Impacts	Details of Impacts
positive impacts			<p>Reduction in paperwork and time from removal of application/approval process.</p> <p>Business will no longer have to pay application fees or lose time waiting for permits to be approved.</p> <p>Application fees represented less than 1% of turnover of a business in a year and significantly less than total business capital worth. The impact is considered low. (-1)</p>	<p>Reduction in processing applications requires the restructuring of staff duties and time. The decrease in time spent approving applications will be applied to the inspection of advertising. Some job redesign will be necessary and is therefore a moderate impact. (-3)</p>

DETERMINE NET COMMUNITY BENEFIT

In summary comparison of the alternatives provides the following information:

Alternative	Government	Business	Community/ Consumers	Conservationists
<p>Negative licensing</p> <p>Current existing local law is a combination of negative licensing and permits. The alternative is to convert the permit process to become part of the negative licensing process.</p>	<p>Moderate Negative Impact</p> <p>The increased risk of non-compliance and potential for damaged relationships between parties far outweighs any benefit received from reducing application processing requirements.</p> <p>A financial loss would result.</p>	<p>Moderate Negative Impact</p> <p>Removal of the restriction on advertising results in a transfer of responsibility in environmental management to business and an increase in the level of risk in non-compliance. The standard of advertising will remain, the only benefit being a monetary/time reduction in application process.</p>	<p>Moderate Negative Impact</p> <p>The risk of non-compliance will result in a decrease in environmental and public health/safety standards. This outweighs any benefits to the stakeholders in removing restrictions on advertising.</p>	<p>No Impact</p> <p>There are no changes in the level of environmental protection.</p>

The regulatory alternative of full negative licensing regulation is not expected to result in an overall benefit to the community. The current local law ensures that the community will not pay costs associated with exhibiting advertising in certain places resulting in increased visual pollution and decrease in public health and safety standards. Businesses are still able to compete effectively in the market with the imposition of existing restrictions.

The level of restriction on competition under the current regulatory arrangement is low compared with the impacts under the alternative arrangement. Full negative licensing is not considered a viable alternative because of the increased risk associated with non-compliance. The current local law only requires application and approval for the exhibition of advertisement in cases where the public health and safety and visual pollution aspects are highest. In other cases, advertisements are governed by a negative licensing regime.

Overall, while the provisions reviewed are clearly anti-competitive the benefits to the community of retaining them outweigh the costs and provide the most appropriate way of achieving the objectives of the local law.

SCHEDULE 4 — OPERATION OF CARAVAN PARKS

POSITIVE AND NEGATIVE IMPACTS ON STAKEHOLDERS FROM MOVING TO ALTERNATIVE

Negative licensing

Stakeholders	Impacts	Weighting
Council	<p>Council would be impacted by having to implement a new regulatory system ie. amend local law, educate staff, caravan park operators and community etc.</p> <p>Saving in administration costs through not having to process permit applications.</p> <p>Loss of fees.</p> <p>Loss of flexibility and control in regulating caravan parks ie. loss of ability to set site specific conditions and loss of ability to cancel or suspend a permit.</p>	<p>Low negative (-1)</p> <p>Low positive (+1)</p> <p>Low negative (-1)</p> <p>Moderate negative (-3)</p> <p>Overall - Moderate negative</p>
Existing caravan park operators	<p>Reduction in “red tape” (no requirement to renew permit) may result in reduced operating costs.</p> <p>Heavier fines for non-compliance.</p>	<p>Low positive (+1)</p> <p>Low negative (-1)</p> <p>Overall - Neutral</p>
Potential caravan park operators	<p>Removal of barrier to entry for operators.</p> <p>Heavier fines for non-compliance.</p>	<p>Low positive (+1)</p> <p>Low negative (-1)</p> <p>Overall - Neutral</p>
Caravan park occupants	<p>Possible decrease in standards resulting from Council’s loss of discretionary power to refuse permit applications to operate caravan parks and loss of ability to set site specific conditions.</p> <p>Lower prices if operational savings passed on.</p> <p>Greater consumer choice and product differentiation through increased competition.</p>	<p>Low negative (-1)</p> <p>Low positive (+1)</p> <p>Low positive (+1)</p> <p>Overall - Low positive</p>

Stakeholders	Impacts	Weighting
General community and residents living in close proximity to caravan parks	Possible decrease in amenity and increase in nuisances resulting from Council's loss of discretionary power to refuse permit applications to operate caravan parks and loss of ability to set site specific conditions.	Low negative (-1) Overall - Low negative
Qld Caravan Park Owners Association	Association may be called on to play a greater role in the setting standards for the operation of caravan parks.	Low positive (+1) Overall - Low positive

SUMMARY OF NET IMPACTS ASSOCIATED WITH ALTERNATIVE

Negative licensing

Council	Existing caravan park operators	Potential caravan park operators	Caravan park occupants	General community and residents	Qld Caravan Park Owners Association
<p>Moderate negative impact</p> <p>Council would lose the ability to set site specific conditions and to cancel permits.</p>	<p>Neutral impact</p> <p>Reduction in “red tape” is offset by the risk of heavier fines for non-compliance. However, maximum fines are rarely awarded by the courts, so overall impact lends towards being positive.</p>	<p>Neutral impact</p> <p>Removal of barrier to entry is offset by risk heavier fines for non-compliance. However, maximum fines are rarely awarded by the courts, so overall impact lends towards being positive.</p>	<p>Low positive impact</p> <p>Possible decrease in standards is balanced by greater consumer choice and lower prices.</p>	<p>Low negative impact</p> <p>Possible decrease in amenity and increase in nuisances.</p>	<p>Low positive impact</p> <p>Association may be called on to play a greater role in setting standards for the operation of caravan parks.</p>

Overall, the analysis of costs and benefits has determined there would be a net cost in moving to a negative licensing regime. Benefits accrue to a number of stakeholder groups, viz: caravan park occupants and the Qld Caravan Park Owners Association. A neutral outcome has been determined for existing and potential caravan park operators. However, a low negative impact has been determined for the general community and residents living in close proximity to caravan parks and a moderate negative impact has been assessed for the Council.

SCHEDULE 5 — OPERATION OF TEMPORARY ENTERTAINMENT EVENTS

POSITIVE AND NEGATIVE IMPACTS ON STAKEHOLDERS FROM MOVING TO ALTERNATIVES

Planning scheme

Stakeholders	Impacts	Weighting
Local government	<p>Costs of moving to new regime, ie. repealing local law, amending planning scheme, educating staff, existing operators, community etc. - but once off cost so low impact.</p> <p>Loss of fees from removal of permit regime but as fees not substantial impact low.</p> <p>Streamlining of administration procedures ie. rationalisation of regulatory instruments.</p> <p>Harder to enforce conditions through planning scheme: - loss of ability to suspend or cancel a permit; - higher costs with Planning and Environment Court; - minimal flexibility for changing operating conditions</p>	<p>Low negative (-1)</p> <p>Low negative (-1)</p> <p>Low positive (+1)</p> <p>High negative (-5)</p> <p><u>Overall - Low/moderate negative</u></p>
Existing operators	<p>No permit renewal fees.</p> <p>Some uncertainty exists as to the position of existing operators under a move to regulation by the planning scheme - that is, there may be an absence of regulatory control over existing operators from removal of the permit regime - they become non-conforming uses under the planning scheme.</p>	<p>Low positive (+1)</p> <p>Low positive (+1)</p> <p><u>Overall - Low positive</u></p>

Stakeholders	Impacts	Weighting
Potential operators	<p>No permit required.</p> <p>Establishment costs are likely to be higher and time delays may result through requirement to advertise consent application.</p> <p>Appeal rights if application rejected.</p>	<p>Low positive (+1)</p> <p>Moderate negative (-3)</p> <p>Low positive (+1)</p> <p><u>Overall</u> - Low negative</p>
Entertainment venue users/consumers	<p>Reduction in operating costs (ie no permit application/renewal fees) should be passed on to consumers by way of lower prices for product/service but rated low as price reductions not likely to be large.</p>	<p>Low positive (+1)</p> <p><u>Overall</u> - Low positive</p>
Residents in close proximity to existing entertainment venues	<p>Through the removal of the permit regime there may be some nuisance impacts from existing operators - ie. local government loses the ability to cancel or suspend a permit - removal of permit regime could mean operators no longer have to comply with conditions of permit.</p>	<p>Moderate negative (-3)</p> <p><u>Overall</u> - Moderate negative</p>
General community	<p>Under the planning scheme residents will be informed of any new proposed entertainment venue and will be able to object to the applications but considered low impact as market not likely to support many new operators.</p>	<p>Low positive (+1)</p> <p><u>Overall</u> - Low positive</p>
Progress Association	<p>Under the planning scheme the Progress Association will be informed of any new proposed entertainment venue and will be able to object to applications.</p> <p>As a body representative of the community, the PA may be negatively impacted through the loss of local government control over existing operations ie. it will not be able to press the local government to enforce permit conditions or change permit conditions when the need arises.</p>	<p>Low positive (+1)</p> <p>Moderate negative (-3)</p> <p><u>Overall</u> - Low negative</p>

Negative licensing

Stakeholders	Impacts	Weighting
<p>Local government</p>	<p>Costs of moving to new regime, ie amending local law, educating staff, existing operators, community etc.</p> <p>Loss of fees from removal of permit regime but as fees not substantial impact low.</p> <p>Reduction in administrative burden ie. no processing of permit applications and renewals.</p> <p>Higher fines.</p> <p>Higher enforcement costs through necessity to take legal action, ie. not able to suspend or cancel permits.</p> <p>Loss of flexibility/control ie. not able to set site specific conditions and no control over entry to market. Standards can only be changed by changing local law.</p> <p>Better relations with business - equally applied conditions (ie. generic standards).</p>	<p>Moderate negative (-2)</p> <p>Low negative (-1)</p> <p>Low positive (+1)</p> <p>Low positive (+1)</p> <p>Moderate negative (-2)</p> <p>Moderate negative (-2)</p> <p>Neutral</p> <p>Overall – Moderate negative</p>
<p>Existing operators</p>	<p>No permit renewal fees.</p> <p>Higher fines for non-compliance. However, legal action is usually only taken as a last resort and therefore the impact is likely to be low.</p> <p>Potential to improve business performance and innovation to meet output standards.</p> <p>Standards applied equally to all in business sector.</p> <p>More competition.</p>	<p>Low positive (+1)</p> <p>Low negative (-1)</p> <p>Low positive (+1)</p> <p>Low positive (+1)</p> <p>Low negative (-1)</p> <p>Overall - Low positive</p>

Stakeholders	Impacts	Weighting
Potential operators	<p>No permit required.</p> <p>Higher fines for non-compliance.</p> <p>Potential for improved business performance and innovation to meet output standards.</p> <p>Standards known before entering business and applied equally to all in business sector.</p>	<p>Low positive (+1)</p> <p>Low negative (-1)</p> <p>Low positive (+1)</p> <p>Low positive (+1)</p> <p>Overall - Low/moderate positive</p>
Entertainment venue users/customers	<p>Greater choice of service/product provider and greater service/product differentiation.</p> <p>Lower prices through more competition but not likely to be large price reductions.</p> <p>Possible reduction in standards at some venues through loss of local government power to apply site specific conditions.</p>	<p>Low positive (+1)</p> <p>Low positive (+1)</p> <p>Low negative (-1)</p> <p>Overall - Low positive</p>
Residents in close proximity to existing entertainment venues	<p>Existing venues likely to maintain operations at standard of permit conditions so not likely to be any impacts.</p>	<p>Neutral</p> <p>Overall - Neutral</p>
General community	<p>Not likely to be any impacts on general community.</p>	<p>Neutral</p> <p>Overall - Neutral</p>
Progress Association	<p>Removal of local government power to apply site specific conditions may result in lower standards in relation to new venues and therefore require increased activism. Rated low as impact in relation to new venues only.</p>	<p>Low negative</p> <p>Overall - Low negative</p>

SUMMARY OF NET IMPACTS ASSOCIATED WITH ALTERNATIVES

In summary, analysis of the costs and benefits of moving to the alternatives provides the following information:

Planning scheme

Local government	Existing operators	Potential operators	Entertainment venue users/consumers	Residents in close proximity to existing venues	General community	Progress Association
<p>Low/ moderate negative impact</p> <p>Overall the impact on local government from moving to reliance on the planning scheme would be negative.</p> <p>The local law provides a less costly method of meeting the objectives of the local law.</p>	<p>Low positive impact</p> <p>Existing operators would save on not having to pay permit renewal fees.</p> <p>Although some uncertainty exists, savings are likely to accrue from no longer having to comply with permit conditions.</p>	<p>Low negative impact</p> <p>Overall the impact on potential operators would be negative. While small savings would result from the removal of permit application and renewal fees, establishment costs would be greater.</p>	<p>Low positive impact</p> <p>Price reductions for service/product but not likely to be large.</p>	<p>Moderate negative impact</p> <p>The impacts on residents could be substantial if local government does not have control over existing venues.</p>	<p>Low positive impact</p> <p>The general community would be impacted positively through the knowledge of proposed new business ventures and the opportunity to object or input.</p>	<p>Low negative impact</p> <p>On the one hand the Progress Association loses some ability to ensure interests of close residents are protected but on the other would have knowledge of any new proposals and have the opportunity to object or input.</p>

Overall, the analysis of costs and benefits has determined there would a net cost in moving to the alternative of reliance on the planning scheme. While some positive impacts would result, there are potentially substantial risks to public health and safety, the environment and amenity through loss of local government control over operators. Enforcement costs for local government would also be substantially higher than under the current regime.

Negative licensing

Local government	Existing operators	Potential operators	Entertainment venue users/consumers	Residents in close proximity to existing venues	General community	Progress Association
<p>Moderate negative impact</p> <p>While the administrative burden is reduced local government receives no fees and has less control over operations.</p>	<p>Low positive impact</p> <p>Reduction in “red tape” and operating costs and more freedom to meet standards in innovative ways.</p>	<p>Low/moderate positive impact</p> <p>No barrier to entry to market and freedom to meet standards in innovative ways.</p>	<p>Low positive impact</p> <p>Greater choice of service/product provider and lower prices through competition.</p>	<p>Neutral</p> <p>Not likely to be any impacts.</p>	<p>Neutral</p> <p>Not likely to be any impacts.</p>	<p>Low negative impact</p> <p>Removal of local government power to apply site specific conditions may result in lower standards at some venues resulting in need for increased activism.</p>

Overall, the analysis of costs and benefits has determined there would be a negligible benefit in moving to a negative licensing regime. Loss of local government power to set site specific conditions is offset by a range of positive impacts accruing to business and consumers from freeing up restrictions on business.