

PAROO SHIRE COUNCIL

PUBLIC INTEREST TEST PLAN SUBORDINATE LOCAL LAW NO. 2 (ANIMAL MANAGEMENT) 2026

INTRODUCTION

As part of the National Competition Policy reforms, Council is conducting a public interest test on possible anti-competitive provisions identified in the subordinate local law identified in Schedule 1. The public interest test will be conducted against the principles and objectives set by the Competition Principles Agreement (CPA), as revitalised by the Intergovernmental Agreement on National Competition Policy (IANCP).

Under clause 5(1) of the CPA, all governments agreed to the principle that legislation should not restrict competition unless it can be demonstrated that:

- the benefits of the restriction to the community as a whole outweigh the costs; and
- the objectives of the legislation can only be achieved by restricting competition.

In reviewing legislation that restricts competition, clause 5(9) of the CPA requires that the review should:

- clarify the objectives of the legislation;
- identify the nature of the restriction on competition;
- analyse the likely effect of the restriction on competition and on the economy generally;
- assess and balance the costs and benefits of the restriction; and
- consider alternative means of achieving the same result including non-legislative approaches.

Without limiting the matters to be taken into account in a review Clause 1(3) of the CPA sets out matters which should be taken into account, as follows:

- government legislation and policies relating to ecologically sustainable development;
- social welfare and equity considerations, including community service obligations;
- government legislation and policies relating to matters such as occupational health and safety, industrial relations and access and equity;
- economic and regional development, including employment and investment growth;
- the interests of consumers generally or of a class of consumers;
- the competitiveness of Australian businesses; and
- the efficient allocation of resources.

The IANCP, Schedule 1, relevantly, requires:

- the conduct of an assessment that considers competition impacts by clarifying policy objectives;
- the consideration of options for achieving those objectives;
- the consideration of the costs and benefits of each option; and
- that decisions must not restrict competition unless it can be demonstrated that:
 - the benefits of the restriction to competition to the community as a whole outweigh the costs; and
 - the objectives of the decision cannot be achieved by another approach that does not restrict competition or lessens the restriction on competition and has net community benefits that are at least as high.

This public interest test plan has been prepared in accordance with guidelines issued by the Queensland Department of Local Government and called up by regulation under the Local Government Act 2009 to provide a basis for community consultation. The plan details activities to be conducted during the test and identifies the depth of analysis to be carried out on the possible anti-competitive provisions.

PURPOSE OF THE SUBORDINATE LOCAL LAW

The purpose of the proposed subordinate local law identified in Schedule 1 is specified in the proposed subordinate local law, a copy of which is available for inspection with this public interest test plan.

POSSIBLE ANTI-COMPETITIVE PROVISIONS

The possible anti-competitive provisions in the subordinate local law identified in schedule 1 are also identified in Schedule 1.

CURRENT ENVIRONMENT

Animal Management — See Schedule 2

TYPE OF ASSESSMENT AND LEVEL OF RESOURCES REQUIRED

The assessment of the anti-competitive provisions in the subordinate local law will be conducted as a minor review. The emphasis will be on qualitative analysis of alternatives with key impacts expressed in monetary terms where data is available.

The review will be conducted in-house by a team of officers.

EXTENT OF CONSULTATION TO BE CONDUCTED

Consultation will be conducted by giving public notice of the review in the local newspaper, and on Council's website, and inviting submissions. Public notices will also be posted on all public notice boards in the Council Chambers. The public notice will also advise that the consultation on anti competitive provisions is being conducted with the public consultation for the proposed subordinate local law.

Council will consult with existing commercial operators advising of the review and seeking comment.

The public interest test plan will be open to inspection at the Council's public office and available for purchase.

TIME-FRAME FOR CONDUCTING THE PUBLIC INTEREST TEST

Commence public interest test	12th October 2026
Estimate of time for completing public interest test	2 months including consultation period
Consultation period	12 th October 2026 to 1 st November 2026
Target date for presenting report to local government	Tuesday 19 th January 2027

CONTENT OF THE PUBLIC INTEREST TEST REPORT

The public interest test report will provide:

- A summary of the consultation process including a list of affected groups consulted and the outcomes of consultation

- A statement of alternatives which are assessed to be not viable
- A summary of the positive and negative impacts associated with the alternatives compared to the existing environment
- A summary of the net impacts (positive or negative) associated with the alternatives
- Recommendations

PUBLIC INTEREST TEST PLAN APPROVAL

This decision has been delegated by Council to the Chief Executive Officer. The *Local Government Act 2009* allows this decision to be delegated by Council. Council will not delegate any decision in respect of recommendations contained in the actual public interest test report.

Prepared by: M Leech
Chief Executive Officer.

Date: 12 / 10 /2026.

Schedule 1 Identification of Subordinate Local Law

Subordinate Local Law No. 2 (Animal Management) 2026

Sections 5, 6 and 7

Schedule 2 Current Environment — Animal Management

CURRENT ENVIRONMENT

The subordinate local law, including the regulation of the keeping of animals, may impact on a person carrying on a business, for example, the business of a pet shop, cattery or kennel.

The local government may, by subordinate local law, regulate the keeping of animals by prohibiting the keeping of animals, requiring an approval in respect of the keeping of animals and by prescribing minimum standards in respect of the keeping of animals.

This system potentially creates a barrier to entry to a market as compliance with the requirements of the subordinate local law may impact on the business activity of operating a business associated with the keeping of animals, for example, a pet shop, cattery or kennel. It may also restrict business activities through the imposition of minimum standards and conditions.

Without the proposed subordinate local law in place, the relevant, impacted, businesses, could operate without proper regard to standards of health and safety, nuisance and amenity. Without the subordinate local law, the costs imposed by the risks to health, safety, nuisance and amenity would be transferred to the community rather than being included in the transaction between business and its consumers.

The subordinate local law facilitates an approval system for the keeping of certain animals as specified in the subordinate local law. This provision is not focused on commercial activities but rather the domestic keeping of animals. The relevant local law also provides that the local government may impose conditions on this approval.

The subordinate local law will have a minor affect on the size of businesses and their participation in the market. It will have a minor affect the consumer price or cost of production/operations and will place minor restrictions on business behaviour and product/service quality.

The subordinate local law will have no affect on business distribution, ownership, structure or form.

CONFIRM SECTIONS ARE ANTI-COMPETITIVE

The sections are confirmed as anti-competitive and no errors in analysis were made in the identification stage.

REALISTIC REGULATORY AND NON-REGULATORY ALTERNATIVES TO THE PROPOSED SUBORDINATE LOCAL LAW

The proposed subordinate local law regulates the keeping of animals to protect the community against risk of injury, damage, nuisance, health and safety hazards and environmental damage and to ensure animals are kept in a way consistent with the expectations of the community.

Regulatory and non-regulatory alternatives available to local government which may achieve the objective of the relevant local law, together with the subordinate local law are listed in the Department of Local Government's guidelines on conducting public interest tests, and include the following:

- Regulation - The current regime is of this type.
- Co-regulation - This is not considered a realistic alternative by the Council. At this point in time there are many disparate industry groups in regards to animals. The Council feels that it does not have the resources to co-ordinate what it considers to be such a large exercise.
- Market/industry self-regulation - Again this is not considered to be a realistic alternative by the Council.

- No regulation - This is not considered to be a viable option by the Council.
- Public information and education programs - This is not considered a viable option by the Council.
- Economic incentives - The Council does not believe this option to be viable.
- Industry accreditation - Not applicable.
- Master licensing - Not applicable.
- Negative licensing - This may be a viable option.
- Empowering consumers - This is not considered to be a realistic alternative by the Council.

Negative licensing was considered to be viable at this stage with the following characteristics:

The relevant local law and the subordinate local law would be amended to remove the requirement to hold an approval to enter the market. The ability to cancel an approval, under the current local law, would consequently be removed and the discretion provided to the local government in granting approvals would also be removed.

The relevant local law and the subordinate local law would specify a range of standards which must be complied with in relation to the conduct of the business and set penalties for any breach of the standards.

Town planning scheme - The Council also considered that an alternative could be to remove the approval regime and to rely on the planning scheme. The planning scheme regulates which land may be used for pet shops, catteries or kennels. Standards could still be enforced through the planning scheme.

KEY STAKEHOLDERS AFFECTED BY THE CURRENT SITUATION AND BY A MOVE TO ALTERNATIVE ARRANGEMENTS

Negative licensing - The following stakeholders and broad impacts have been identified:

Stakeholders/broad impacts	Impact, rating and rationale
Local government The local government is impacted because of the change in its activities which would result under the new regulatory arrangement and from the loss of fees from approval applications.	Low Negative - Only requires implementation of changes to the relevant local law and subordinate local law.
Business Existing and potential business are impacted because of changes in the market ie. reduction in barrier to entry/lower costs.	Low Positive - Reduction in costs would be minimal.

Stakeholders/broad impacts	Impact, rating and rationale
Consumers Consumers may be impacted through lower costs for services. Potential for reduced standards.	Low Positive - Reduction in cost of services would be minimal. Low Negative - Standards remain but local government's control over operators reduced.
Animal interest groups Possible impact on role of monitoring issues.	Low Negative - Possible increase in monitoring role.
Neighbours Possible impact if the standards are not met.	Low Negative - Possible increase in nuisance and decrease in amenity.

Town planning - The following stakeholders and broad impacts have been identified:

Stakeholders/broad impacts	Impact rating and rationale
Local government Will require the local government to repeal the relevant local law and make amendments, if necessary, to the planning scheme.	Low Positive - Should reduce red tape
Business Existing and potential business are impacted because of changes in the market ie. reduction in barrier to entry/lower costs.	Low Positive - Reduction in costs would be minimal.
Consumers Consumers may be impacted through lower costs for services. Potential for reduced standards.	Low Positive - Reduction in cost of services would be minimal. Low Negative - Standards remain but local government's control over operators reduced.

Stakeholders/broad impacts	Impact rating and rationale
Animal interest groups Possible impact on role of monitoring issues.	Low Negative - Possible increase in monitoring role.
Neighbours Will give neighbours the opportunity to object to any new businesses	Low Positive - Neighbours will be given the opportunity to give their opinions to the local government where a new business applies for planning approval.

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