



# Public Holiday Review

DECISION REGULATORY  
IMPACT STATEMENT

**Version 1.0 | September 2025**

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# 1. Introduction

This paper explores the impacts of potential changes to Western Australia's (WA) public holiday schedule and provides a preferred option to better align with the rest of the country, support economic activity and productivity, while also celebrating Western Australia's spirit, diverse culture and achievements.

The WA Government published a Consultation Regulatory Impact Statement (CRIS) on 13 July 2025 that outlined the types of changes to WA's public holiday schedule that are under consideration. Public consultation was undertaken as part of the Public Holiday Review from 13 July until 8 August 2025, and the feedback received has informed the development of this report.

This document serves as a Decision Regulatory Impact Statement (DRIS) in line with the WA Better Regulation Program. It sets out the review's objectives, options for change, and analyses the benefits and risks of implementing any changes, as identified through consultation and economic modelling.

## 2. Statement of issue

While WA's public holiday schedule generally maintains a good spread of days throughout the year, its misalignment with public holiday schedules across the rest of Australia can disadvantage Western Australian businesses, organisations and employees.

None of WA's three state public holidays (Labour Day, the King's Birthday, and WA Day) are consistently held on the same day as any other state or territory public holiday, impacting efficiencies and leading to scheduling complexities for businesses, government agencies and organisations with interstate dealings.

All states and territories, other than WA and Tasmania, acknowledge Easter as a four-day holiday and compensate workers by treating Easter Saturday as a public holiday in line with Good Friday, Easter Sunday and Easter Monday. The majority of WA employees do not currently receive a higher rate of pay if working on Easter Saturday.

The review of WA's public holiday schedule to better align with other jurisdictions also offered the opportunity to consider when we observe WA Day. Our State day of celebration recognises our spirit, diverse culture and achievements, and is currently observed in June, one of Perth's wettest months of the year.

## 3. Objectives of Review

The purpose of a review of the public holiday schedule in WA is to support the following objectives:

- » Greater alignment of WA's public holidays with those in other states and territories, reducing scheduling complexities and efficiency impacts for WA businesses, organisations and government agencies with interstate dealings.
- » Ensuring WA employees receive similar benefits to employees from other states and territories.
- » Better supporting the social and economic benefit of the celebration of WA Day.
- » Maintaining a spread of public holidays across the calendar year

## 4. Options to address issue

Through the consultation process, the WA Government sought feedback impacts of three types of change to the state's public holiday schedule to achieve the objectives of the review:

- » Moving existing public holidays to align with other jurisdictions.
- » Moving WA Day to avoid the winter season.
- » The addition of a new public holiday(s). This included the recognition of Easter Saturday as a public holiday and/or the introduction of a new weekday public holiday.

## 5. Impact assessment

### 5.1 Methodology

The Department of the Premier and Cabinet (DPC) undertook public consultation on potential changes to WA's public holiday schedule from 13 July to 8 August 2025. Respondents were able to provide feedback through multiple channels – an online form, email, or a postal address. Some key stakeholders were engaged directly through meetings and workshops. A Consultation Summary is at [Appendix A](#).

In total, the public consultation process received over 10,000 submissions, including survey form responses, emails, and written submissions. Employees based in the Metropolitan Perth and Peel region made up the majority of respondents, but there were also insights from businesses, not-for-profit organisations, peak bodies, unions and members of the broader community, including regional areas.

Additional supplementary information used in the assessment of impacts includes desktop research and economic modelling.

## 5.2 Results

### 5.2.1 Broad impacts

#### Social value of public holidays

Public holidays offer a range of social benefits. They are an opportunity for individuals to reconnect with friends and family, fostering strong community ties and a sense of collective identity.

There are broad social benefits of public holidays as they help people coordinate leisure time and make it easier to maintain social contacts. A German study showed that this was seen to improve social life on weekdays and weekends by facilitating social interactions.<sup>1</sup>

While there may be financial impacts, an Italian study produced findings showing “that national holidays have a small but positive impact on economic activities, or at least no effect on it,” noting that companies “adjust their production during the year to satisfy the whole demand.”<sup>2</sup>

Public holidays also encourage community participation in events and traditions, which can enhance social cohesion. While economic considerations are important, the social value of public holidays and their role in strengthening relationships, remain a vital part of their broader impact.

#### Economic activity

Economic activity on public holidays is expected to be lower, as some industries that would otherwise have been open will close, and some of those that do remain open will operate at reduced hours. However, for some of the industries that close, they will be able to absorb the lost activity during the public holiday to still deliver the same output over the course of the year. The net impact on economic output is estimated under the different public holiday option discussed later in this report.

#### Increased tourism

Public holidays can lead to increased tourism as people take advantage of having a long weekend. This can provide additional income to hospitality and accommodation businesses in the regions where the tourism occurs. However, not all of this increased tourism would occur of WA with some people travelling interstate or overseas. Any increased tourism to regional areas would be at least partially offset by reduced expenditure elsewhere.

#### Industrial entitlements

Industrial entitlements for public holidays will automatically apply with adjustments to the *Public and Bank Holidays Act 1972* and the *Minimum Conditions of Employment Act 1993*.

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<sup>1</sup> Merz, J., & Osberg, L. (2006). *Keeping in touch: a benefit of public holidays* (No. 57). FFB Diskussionspapier.

<sup>2</sup> Esposito, F. M. The Impact of National Holidays on Economic Activity: Evidence from Italy. *The Journal of Young Economists*.

## Retail trading hours implications

General retail shops in the Perth metropolitan area are required to be closed on a public holiday under the *Retail Trading Hours Act 1987* (WA), unless allowed to open by Ministerial variation order. There is a standing variation order that allows general retail shops to trade between 11am and 5pm on public holidays (other than for ANZAC Day, Good Friday and Christmas Day when shops must be closed). As such, general retail shops in the metropolitan area would be able to trade on an Easter Saturday and/or new weekday public holiday.

General retail shops outside the metropolitan area may not trade on Sundays or public holidays unless this is varied by Ministerial order. The Minister for Commerce will usually issue a variation order if there is community support for trading on Sundays and public holidays.

There are no restrictions on trading hours for any retail shop above the 26th parallel and on Rottnest Island. Similarly, small retail shops and filling stations have no restrictions on trading hours. Special retail shops (e.g. pharmacies and hardware shops) may trade from 6am to 11.30pm every day of the year.

### 5.2.2. Alignment

The public consultation process showed a strong positive response to moving WA's existing public holidays to better align with holidays in other states and territories. There was also support from organisations including the Australian Hotels Association WA (AHA WA), the Chamber of Commerce and Industry WA (CCIWA), Alinta Energy, the National Electrical Communications Association (NECA), the Australian Automotive Dealer Association (AADA), the Shop, Distributive and Allied Employees' Association of WA (SDA WA), and the Endeavour Group.

Some respondents to the public consultation noted that alignment would lead to simultaneous closures, negatively impacting interstate business operations. However, a greater number of respondents shared positive impacts from alignment, such as improved business continuity for those organisations with interstate dealings, and the reduction of issues related to banking delays, payroll processing, and financial transactions across states. There were also examples where aligned public holidays improved supply chain operations, such as in the transport of perishable cargo, e.g. medical chemicals.

There was some neutral sentiment towards the question, with respondents indicating that they were indifferent to the idea of moving WA's existing public holidays to align with other states. A small proportion of respondents provided negative feedback to the change, mainly regarding potential impacts to the cost of travel if WA's public holidays are aligned to those in other states and territories.

Overall, moving WA's existing public holidays to align with other states and territories has minimal financial impact as there are no additional penalty rates for businesses to pay and potentially some efficiency gains.

### 5.2.3 WA Day moving to avoid winter season

Public submissions to the review showed respondents were generally supportive of moving WA Day to later in the year, when there is lower rainfall, to better support the social and economic benefit of the day's celebration. Written submissions from AHA WA and Celebrate WA also supported the change, while the National Retail Association/Australian Retailers Association and some individuals provided information on the date's historical significance.

There were a number of neutral responses from individuals who stated that the change would have no impact on them directly or expressed indifference to WA Day moving.

Negative responses focused on the value of a winter public holiday and the need for a mid-year break but were not necessarily concerned with WA Day itself moving.

Logistical challenges and planning disruptions that could arise from moving the holiday were also raised through the public consultation process. Respondents noted that the June long weekend is used for a number of longstanding regional sporting events, such as the Bunbury Hockey Carnival and Albany Classic 'Around the Houses' car race. Maintaining the spread of public holidays throughout the year is a key objective of the review, and these issues can be mitigated by ensuring that there continues to be a public holiday at a similar time in June as the current WA Day public holiday.

There was a preference for a Monday public holiday over a Friday, likely due to alignment with existing long weekend patterns. AHA WA also supported standardising public holidays to Mondays, "to optimise long weekend benefits and reduce variability in annual scheduling."<sup>3</sup> AHA also noted that Monday public holidays enhance Sunday trade, which becomes a 'second Saturday'.

Celebrate WA's submission is supportive of moving WA Day to a month with lower rainfall and shared that "warmer months provide a more stable environment for delivery, which reduces logistical risks, resource wastage, and costs associated with last-minute changes or cancellations [of events]."<sup>4</sup>

Given WA Day is an existing public holiday, there is minimal financial impact for employers or employees from moving it later in the year. Respondents noted potential tourism revenue benefits from a new long weekend outside the school holidays.

### 5.2.4 Easter Saturday public holiday

There were mixed views on the recognition of Easter Saturday as a public holiday. Respondents to the online form were mostly positive or neutral in their responses to the idea.

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<sup>3</sup> AHA WA submission, page 6.

<sup>4</sup> Celebrate WA submission, page 1.

Positive comments highlighted potential benefits, such as rest, increased family time, higher income, and improved work-life balance. Neutral feedback indicated indifference to the change as existing work schedules (e.g. Monday-Friday, school holidays) mean that a Saturday public holiday during Easter is of little impact. Some neutral respondents shared both benefits and costs.

Employees who responded to the survey were mostly positive or neutral to the potential recognition of Easter Saturday as a public holiday.

Responses that identified negative impacts spoke to increased costs for businesses due to penalty rates (particularly small and medium enterprises), and concerns that surcharges would then be introduced, passing the cost on to consumers.

Current retail trading hours mean that, unless the Local Government has applied for and been granted a variation, some general shops in regional areas would be required to close for four consecutive days if Easter Saturday is recognised as a public holiday. Small retail shops, special retail shops, and service stations are permitted to open every day of the year. The WA Government will work to understand these impacts and potential mitigation options, such as trading hour variations.

There were mixed views in the written submissions received to the review. Unions WA, the United Workers Union, Alinta Energy, and the SDA WA were supportive of the change, noting it would ensure WA workers receive similar benefits for working Easter Saturday as their counterparts in other states and territories. CCIWA, AHA WA, and the Tourism Council of WA were not supportive of recognising Easter Saturday as a public holiday, citing that it would make it prohibitively expensive for small businesses to operate over the Easter long weekend.

The Department of Treasury and Finance (DTF) have estimated the total change in wages of an Easter Saturday public holiday to be around \$35 million across both the private and public sectors, or around 0.03% of total annual wages across the Western Australian economy. These increased wages represent a benefit for employees through penalty rates, but a cost for employers. Because of this, the wages impacts are treated as a transfer, rather than a net economic impact. Further information on modelling undertaken by DTF is included in **Appendix B**.

In developing a preferred option, the WA Government seeks to minimise impacts to business by ensuring there is sufficient lead time (at least 12-18 months) to adapt to any changes to the public holiday schedule. It is also important to note that all states and territories, except WA and Tasmania, currently recognise Easter Saturday as a public holiday and manage the impacts.

## 5.2.5 New weekday public holiday

There was strong positive public support towards the introduction of a new public holiday, with many citing improved work-life balance, family time, and reduced burnout as the main benefits. Some respondents expressed preference for any new additional day to be aligned with public holidays in other states and territories to achieve the objective and benefits of alignment.

A new long weekend was seen to have potential benefits for leisure, events, and increased local spending in tourism destinations. Organisations who provided written submissions in support include SDA WA, Tourism Council of WA, Unions WA, and the United Workers Union. CCIWA, NECA, Alinta Energy, AADA, and the Pharmacy Guild of Australia WA Branch (PGA WA) are among those who were not supportive of introducing a new public holiday.

A small number of respondents provided information on negative impacts, such as increased costs to small businesses, staffing issues, and impact on state productivity. Submissions shared the benefits of a new holiday falling outside the school holidays to provide a mid-term break for students and educators.

Although most responses to an additional public holiday were positive, some submissions identified community impacts, including potential interruption to education, healthcare, and other service delivery. DPC has discussed this change with relevant public sector agencies. With sufficient lead time, this impact is manageable.

The impact of an additional weekday public holiday on GSP is estimated by DTF to be around \$90 million in lost production. This represents around 0.02% of annual GSP. A weekday public holiday is also expected to generate an increase in wages of around \$112 million across both the private and public sectors, or less than 0.1% of total annual wages across the Western Australian economy. These increased wages represent a benefit for employees through penalty rates, but a cost for employers. Because of this, the wages impacts are treated as a transfer, rather than a net economic impact.

## **Name**

The review also asked respondents what a new public holiday should celebrate or recognise, if introduced. Suggestions included celebrating the state's Aboriginal people, recognising WA's multiculturalism, various religious occasions, events and festivals.

This feedback was considered in developing the preferred option. Public holidays are an opportunity to come together as a community to celebrate and officially recognise the people, events, and achievements that make our state proud. As such, any new public holiday that is introduced will aim to celebrate the State and Western Australians as a whole.

## **6. Preferred option**

In developing a preferred option, DPC has considered potential changes that achieve the Review's objectives while also weighing up costs with community benefit and feedback.

## 6.1 Alignment

There are 3 opportunities throughout the year to achieve alignment with a majority of other states and territories – March, June, and October. Given the strong support for alignment of WA's public holidays with other state and territories, the preferred option includes changes that maximise alignment while maintaining the spread of public holidays throughout the year.

### Labour Day

In order to balance achieving both alignment with other Australian jurisdictions and maintaining the current spread of public holidays throughout the year, the preferred option is to move Labour Day from the first Monday to the second Monday in March. This move will align WA with 4 other states and territories who have public holidays on the same day (the ACT, Victoria, Tasmania, and South Australia). This has the benefit of maintaining the spread of public holidays throughout the year by retaining a March long weekend. This date also takes into account the NAPLAN testing window, which moved to March in 2023.

It is important to note that in State election years, this change may create a long weekend on election day, which may disrupt voter turnout and organisation of polling centres. For example, if metro constituents travel regionally on the long weekend this may overwhelm small town voting centres. To avoid this, it is proposed that in State election years where Labour Day would immediately follow the second Saturday in March (being the date fixed for polling), Labour Day will move to third Monday in March to avoid a long weekend on election day.

### King's Birthday

Another opportunity to achieve better alignment of WA's public holidays with other jurisdictions would be to move the King's Birthday from late September/early October to the second Monday in June. This change would align WA with all other states and territories except Queensland.

Celebrating the holiday in June would also coincide with the announcement of the national King's Birthday Honours, when Australian citizens are recognised for excellence, achievement or meritorious service, and contributions to society.

Moving the King's Birthday to June also acknowledges the strong preference for a winter break that came through in the public consultation process.

It is important to note that the King's Birthday in late September/early October is currently used to support attendance at the Perth Royal Show and is observed within the school holidays, causing the least disruption to school terms and exams.

To maintain the current spread of holidays and achieve alignment with other jurisdictions in March, June, and October, consideration needs to be given to moving WA Day away from June and introducing a new public holiday to replace the current King's Birthday public holiday.

## 6.2 Moving WA Day

If the King’s Birthday moves to June, moving WA Day to a warmer month would maintain the spread of public holidays throughout the year and allow for better celebration of WA’s diverse culture and spirit in a climate that is suited to outdoor, large-scale celebrations that best represent the State.

As WA continues to grow and change, so too does the meaning of WA Day. What began as Foundation Day has transformed into a celebration that embraces the full breadth of our State’s identity. Renamed in 2012 to recognise Aboriginal people as the original custodians of this land, WA Day now reflects the rich multicultural fabric of our communities and the shared values that unite us. It is a day that evolves with us, honouring Aboriginal heritage, celebrating multicultural communities, and recognising the contributions of all who call WA home. Whether through cultural festivals, community events, or spending time with family, WA Day continues to grow in meaning – reflecting the diversity, resilience, and spirit of our state.

One option that was proposed during consultation was moving WA Day to the first Monday in October to align with public holidays in NSW, ACT, SA, and QLD. While this would achieve alignment, public consultation showed that WA Day remaining a unique day is important for Western Australians – no other state has a public holiday in the State’s name.

To better facilitate the celebration of our State and achieve a spread of public holidays throughout the year, it is proposed that WA Day is moved to the second Monday in November.

It is recognised that the preferred date places a public holiday in the ATAR exam period, generally towards the end. However, it is considered that with sufficient lead time this can be managed appropriately. For example, Victoria has a break in their VCE exam schedule to observe the Melbourne Cup public holiday.

## 6.3 Additional Public Holiday(s)

### Easter Saturday

While there were mixed views on the recognition of Easter Saturday through the public consultation process, the WA Government’s preferred option is to recognise it as a public holiday to achieve the policy aims of the review – namely alignment with the rest of the country and ensuring all WA employees working the Easter long weekend are fairly compensated for their time.

Easter Saturday is observed as a public holiday all other jurisdictions except Tasmania (which observes Easter Tuesday as a public holiday for the Tasmanian Public Service). Recognising Easter Saturday as a public holiday is an opportunity to align with other Australian jurisdictions and ensures WA employees working the Easter long weekend receive similar benefits to workers from other states and territories.

The recognition of Easter Saturday also brings fairness and greater consistency for workers within the State. Some workers in WA already receive the public holiday under their industrial award. For

example, the Retail Pharmacists Award designates Easter Saturday as a public holiday. State-wide recognition of Easter Saturday would ensure all workers are receiving equitable benefits.

Introduction of Easter Saturday as a public holiday in 2028 will provide businesses and the community with sufficient lead-in time to prepare for the change.

It is proposed that recognition of Easter Saturday be implemented in the same way as Easter Sunday was in 2022. That is, only observed on the day and with no additional or substitution day observed on a following weekday.

## **New weekday public holiday**

There was strong public support for a new public holiday across all demographics. In the preferred option, with the King's Birthday moving to June, there is then a gap in the public holiday schedule in September/October. To maintain a spread of public holidays throughout the year, one of the objectives of the Review, it is proposed that a new public holiday is added to the calendar by proclamation to align with the first Monday of the September/October school holidays.

This new public holiday maintains the opportunity for the Royal Agricultural Society of WA to schedule the Perth Royal Show around a late September/early October public holiday to maximise attendance. The new public holiday aligns to be the first Monday of the spring school holidays over the published term dates, minimising disruption to schools and teaching.

The new public holiday will be named 'Show Day', to recognise the historical use of the public holiday to support attendance at the Perth Royal Show. This name also recognises the importance of the State's agricultural sector and the regions.

The Perth Royal Show has been a prominent community event in WA for almost 190 years. In 2024, 438,000 people attended the Perth Royal Show. It supports 8,000 competition entrants from the WA community, over 1,700 jobs, over 1,000 volunteers, and over 350 small businesses. The Perth Royal Show supports statewide engagement in our agricultural sector and regional communities. There is participation from regional youth, agricultural colleges, and WA producers from across the State.

Regional councils still have the flexibility to apply to the Governor, as some currently do in relation to the King's Birthday public holiday, to celebrate the public holiday on an alternative day. This recognises the importance and economic impact of traditional regional events, such as the City of Karratha's annual FeNaCING festival.

Other states and territories have a similar public holiday, for example the Northern Territory and Queensland have public holidays to support attendance at agricultural shows in difference regional areas. Tasmania has Royal Hobart Show Day, the Sydney Show is scheduled to align with the Easter long weekend, and the Melbourne Show coincides with the AFL Grand Final public holiday.

A late September/early October public holiday could also be used by sport and tourism event organisers to increase attendance. For example, the WAFL Grand Final is usually held in late September and may be able to utilise the long weekend to support attendance. The Rugby League Grand Final is played on the first Sunday of October, with the Perth Bears joining the League in 2027.

## 6.4 Preferred option

Below is a summary of the preferred option for reforming of WA's public holiday schedule. A comparison with other jurisdictions is provided at **Appendix C**.

### PREFERRED OPTION

- » Move the **Labour Day** public holiday to the **second Monday in March**. If Labour Day is scheduled on the Monday immediately following a State Election, the Labour Day public holiday will be scheduled on the third Monday in March, to avoid holding an election on a long weekend.
- » Move the **King's Birthday** public holiday to the **second Monday in June**.
- » Move the **WA Day** public holiday to **second Monday in November**.
- » Recognise Easter Saturday as a public holiday, with no additional weekday public holiday (as is the case with Easter Sunday currently).
- » Add a **new public holiday, Show Day**, to be a date fixed by proclamation, on the **first Monday of the September/October school holidays**.

## 7. Implementation

Given the multiple changes, it is desirable that employers, employees and the community have as much lead-in time as possible to prepare for the new public holiday schedule. Given this, it is proposed that the implementation year is 2028.

DPC and the Department of Local Government, Industry Relation and Safety (LGIRS), in conjunction with the Parliamentary Counsel's Office, will progress legislative amendments to recognise the new public holiday dates.

The WA Government will develop a communication strategy and undertake education initiatives to raise awareness in the WA community of the new public holiday schedule and, for State system employers and employees, the employment rights and obligations that would apply on Easter Saturday and Show Day.

LGIRS will also notify the relevant Commonwealth agency, the Fair Work Ombudsman (FWO), of the new public holiday schedule. FWO has responsibility for informing national system employers and employees of their employment rights and obligations.

## Appendix A – Consultation Summary

The WA Government conducted public consultation on potential changes to the State's public holiday schedule from 13 July – 8 August 2025. Feedback was sought on 3 types of change:

- » Moving existing WA public holidays to align with other states and territories;
- » Moving WA Day to avoid the winter season; and
- » Introducing additional public holiday(s), including Easter Saturday and a new weekday public holiday.

The WA Government also sought feedback on what a new public holiday should recognise or celebrate.

Through the public consultation process, the WA Government received:

- » 9,931 submissions through the Microsoft Form
- » 75 email submissions from individuals
- » 17 written submissions from organisations, including peak bodies, unions, not for profits, and community groups

Of the 9,931 respondents to the Microsoft Form:

- » The largest employment categories were employees (79%), self-employed / sole trader (5%), and outside the labour force, such as retired individuals or students (5%).
- » 87% of respondents identified as being based in the Metropolitan Perth and Peel Region, with the remaining 13% identifying as being based in Regional WA.
- » The largest industry categories were Education and Training (15%), Health Care and Social Assistance (14%), and Professional, Scientific and Technical Services (12%).

As part of the Review, targeted consultation meetings were undertaken with the following representative bodies and key stakeholders:

- » The Chamber of Commerce and Industry WA (submission also received)
- » Celebrate WA (submission also received)
- » The Royal Agricultural Society of WA (submission also received)
- » The Chamber of Minerals and Energy
- » The WA Local Government Association (submission also received)
- » The Australian Hotels Association WA (submission also received)
- » Unions WA (submission also received)
- » The United Workers Union WA (submission also received)
- » The Shop, Distributive & Allied Employees' Association of WA (submission also received)

- » WA Police Union of Workers (submission also received)
- » WA Cricket and Cricket Australia
- » United Professional Firefighters Union
- » State School Teachers Union of WA
- » Civil Service Association

In addition to the above, written submissions were received from the National Retail Association/Australian Retailers Association, the Tourism Council of WA, Endeavour Group, National Electrical Communications Association (NECA), Alinta Energy, Australian Automotive Dealer Association (AADA), the Pharmacy Guild WA branch, and the WA Tamil Association of WA.

The Department of the Premier and Cabinet also collaborated with other government agencies to understand public sector impacts.

## Appendix B – Costing Methodology

DTF undertook economic modelling to support the estimation of impacts of proposed reforms to State public holidays in Western Australia. The consultation package included four proposed reforms:

1. Alignment of WA public holidays (i.e. Labour Day, WA Day, King's Birthday) with those occurring in other States;
2. Moving WA Day to a time later in the year;
3. Declaring Easter Saturday as a public holiday, to align with the majority of other Australian jurisdictions; and
4. The addition of a new, weekday public holiday.

The economic costs of options 1 and 2 are considered negligible. Option 4 is considered to have potentially the greatest economic impact if implemented and thus forms the focus of this paper. Further consideration is then given to option 3.

While there are suggestions that time spent working by employees varies across the different days of the week (e.g. there is evidence that absenteeism is more common on Mondays and Fridays<sup>5</sup>), research has found little to no evidence that any differences in hours worked has any significant impact on overall productivity on those days<sup>6</sup>. In the absence of hard data, this paper assumes that the impact on production of an additional weekday public holiday is the same regardless of the day of the week.

## Results

Based on the assumptions and analysis provided:

*The impact of an additional weekday public holiday on GSP is estimated to be \$90 million in lost production, or around 0.02% of gross state product. A weekday public holiday is also expected to generate an increase in wages of around \$112 million (or less than 0.1% of total wages) across both the private and public sectors.*

*An Easter Saturday public holiday is expected to have a minimal impact on production but is expected to generate an increase in wages of around \$35 million (or around 0.03% of total wages) across both the private and public sectors.*

<sup>5</sup> Wilson, P., 'The Australian sickie', *HRmonthly*, November 2012, p. 4.

<sup>6</sup> Bryson, A. and Forth, J., 'Are there day of the week productivity effects?', Manpower Human Resources Lab: The London School of Economics and Political Science, July 2007.

## Methodology: additional weekday public holiday

Spreadsheet modelling was undertaken to estimate the gross state product (GSP) and wage impacts from an additional weekday public holiday. ABS estimates<sup>7</sup> were used to estimate a daily, gross value-add (GVA) for 290 industry sectors across WA. Industries were grouped by their estimated number of working days each year according to the following categories:

- » 250 working days (5 days per week minus public holidays);
- » 309 working (6 days per week minus public holidays);
- » 362 working days (7 days per week minus public holidays); and
- » 365 working days (7 days per week).

Adding the daily GVA for all sectors yields an estimate of daily GSP in WA at \$1,253 million.

### Businesses that remain open

An assessment was then made as to whether businesses in sector were likely to remain open on a public holiday or not. In all, 177 of the 290 industry sectors are expected to remain open, including mining, oil and gas, agriculture, retail and hospitality, as well as others.

*In total, it is expected that approximately \$848 million (approximately 68% of daily GSP) will still be produced by businesses that do not close on a weekday public holiday.*

### Wages

Those businesses that do stay open will incur additional wage costs through penalty rates. These are estimated using ABS Employee Earnings and Hours data. An average hourly penalty loading is estimated for each sector and then multiplied by the estimated number of daily hours worked to determine the additional wage penalties paid on a new weekday public holiday. This nominal additional wage cost figure is calculated at \$138 million for a new weekday public holiday.

### Businesses that close

Businesses closing represent approximately a nominal \$405 million in lost production. However, many businesses would be expected to 'absorb' one day's lost production over the balance of the year. That is, the business is able to spread that lost production over the rest of the year with minimal disruption or cost. This is possible in many industries predominated by workers whose output is not strictly time-determined, such as administrative workers or salaried professions.

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<sup>7</sup> For the purposes of the analysis for this paper, dollar figures are expressed in 2023-24 levels, as most of the latest available data is from 2023-24.

An additional assessment was therefore made as to whether businesses in those sectors that are closing on the new holiday would be expected to eventually absorb that lost production.

*This 'absorption' reduces the nominal lost production figure by \$315 million to approximately \$90 million (or around 0.02% of annual GSP).*

*To the extent that this absorption occurs without employees and businesspeople working extra hours, the \$315 million figure would represent additional productivity.*

## Open but with reduced hours

The above analysis assumes that businesses either stay open or close entirely for the public holiday. However, some businesses may opt to open for fewer hours or to open with fewer staff. Hence, an additional analysis was conducted to determine if businesses that were likely to remain open would do so with reduced capacity. The percentage of total capacity expected was estimated for each of the 290 industry sectors.

*Overlaying this analysis reduced the expected additional wages for a weekday public holiday from \$138 million to \$112 million (or less than 0.1% of total wages).*

## Impact of an Easter Saturday public holiday

The same methodology was then used to estimate the wage impacts of an Easter Saturday public holiday on businesses that would likely be open on the public holiday and face penalty rates. In the private sector, this included businesses in retail, accommodation and food services. Public sector-dominated industries such as hospitals, residential care, road and rail passenger transport, and public order and safety services are also included.

*The total estimated wages impact of an Easter Saturday public holiday is expected to be around \$35 million across both the private and public sectors, or around 0.03% of total wages.*

An Easter Saturday public holiday is expected to have a minimal impact on production. Businesses that are already closed on that day will remain so, while those in industries such as health care and utilities will remain open and operate at similar levels. Most businesses in retail or hospitality are also expected to remain open, although some may close or reduce their hours of operation.

## Computable general equilibrium (CGE) analysis

As a separate exercise, the additional wage cost figure for the weekday public holiday was applied to the VURMTAX-GREEN computable general equilibrium (CGE) model, developed by the Centre of Policy Studies at Victoria University. The intent of this modelling was to stress test the broad accuracy of the spreadsheet model.

In the VURMTAX-GREEN model, there are detailed cost structures for over 80 industry sectors and sales structures for commodities and factors, as well as identifying more than 30 types of taxation applied by Federal and State governments. The model incorporates assumptions about long-term GSP and population growth and allows for the adjustment of many factors such as tax rates, demand and business costs, to allow for the assessment of policy questions by comparing a baseline against one or more counterfactual scenarios.

The CGE modelling produced the following result:

*An additional \$112 million in wages yielded a net-negative GSP impact of \$91 million.*

This figure correlates with those obtained from the spreadsheet modelling, with both suggesting a positive effect from productivity and/or other business behaviours mitigating the wages impacts on GSP.

While both sets of results correlate, given the dynamic nature of the real-world economy, and the fact that both models essentially rely on a set of simplifying assumptions, care should be taken when providing advice on these modelling impacts.

## Appendix C – Jurisdictional Comparison

Table 1. Public Holidays observed by State/Territory with Preferred Option

Excludes national public holidays = New Year's Day, Australia Day, Good Friday, Easter Monday, ANZAC Day, Christmas Day and Boxing Day.

NSW	ACT	VIC	TAS	SA	NT	QLD	WA (Current)	WA (Preferred option)
			2nd Mon in Feb Royal Hobart Regatta					
	2nd Mon in March Canberra Day	2nd Mon in March Labour Day	2nd Mon in March Labour Day	2nd Mon in March Adelaide Cup			1st Mon in March Labour Day	2nd Mon in March Labour Day (3rd Mon where 2nd Mon falls on state election date)
Easter Saturday	Easter Saturday	Easter Saturday		Easter Saturday	Easter Saturday	Easter Saturday		Easter Saturday <b>NEW DAY</b>
Easter Sunday	Easter Sunday	Easter Sunday	Easter Tuesday*	Easter Sunday	Easter Sunday	Easter Sunday	Easter Sunday	Easter Sunday
	1st Mon on or after 27 May Reconciliation Day				1st Mon in May May Day	1st Mon in May Labour Day		
2nd Mon in June King's Birthday	2nd Mon in June King's Birthday	2nd Mon in June King's Birthday	2nd Mon in June King's Birthday	2nd Mon in June King's Birthday	2nd Mon in June King's Birthday		1st Mon in June WA Day	2nd Mon in June King's Birthday
					June or July Show Day			
					1st Mon in Aug Picnic Day	Wed in Mid Aug Royal Show Day		
1st Mon in Oct Labour Day	1st Mon in Oct Labour Day	Late Sep/Early Oct Fri before AFL Grand Final	Thurs in late Oct Royal Hobart Show	1st Mon in Oct Labour Day		1st Mon in Oct King's Birthday	Late Sep/early Oct King's Birthday	Late Sep/early Oct Show Day <b>NEW DAY</b>
		1st Tues in Nov Melb Cup						2nd Mon in Nov WA Day
				Christmas Eve (7pm-midnight)	Christmas Eve (7pm-midnight)	Christmas Eve (6pm-midnight)		
				NYE (7pm-midnight)	NYE (7pm-midnight)			
#11 full days	13 full days	13 full days	11 full days, 1 public service	12 full days, 2 part days	13 full days, 2 part days	12 full days, 1 part day	11 full days	13 full days

**Note:** In jurisdictions that recognise Easter Saturday and/or Easter Sunday as a public holiday, only employees working on this day/s receive the benefit of the public holiday.

\*In Tasmania Easter Tuesday applies to people referenced in section 6 of the Industrial Relations (Commonwealth Powers) Act 2009 (generally Tasmanian Public Service).

# All totals include national holidays