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#### **WA Public Holiday Consultation**

The Chamber of Commerce and Industry of Western Australia (CCIWA) is the peak body advancing trade and commerce in Western Australia. We represent more than 7,000 members, spanning businesses large and small across every sector of the economy and every region within our great state.

We are committed to using our insights to develop and advocate for public policies that will help realise our vision to make Western Australia (WA) the best place to live and do business. As this is an important issue for WA employers, we thank you for the opportunity to provide comment on WA's Public Holidays Review.

CCIWA opposes additional public holidays. The case for additional public holidays is based on a flawed premise that WA has some of the fewest public holidays, set at 11. Rather, in 2026 and 2027, WA will observe 13 and 14 public holidays, respectively. This is despite the *Public and Bank Holiday Act 1972* (WA) (*P&BH Act*) legislating only 11 statutory Public Holidays.

For the past five years, WA has averaged an additional 1.5 public holidays, and in cumulative terms, WA had 9 more public holidays than statutorily provided for under the *P&BH Act* (see Appendix 1). This places WA at the top of the list for additional observed public holidays, in line with Queensland and South Australia. Considering this and despite suggestions to the contrary, WA does not have the fewest public holidays, with Tasmania still having fewer public holidays when factoring in the additional days created by WA's *P&BH Act*.

Additional public holidays come at a significant economic cost, particularly for the small and family-run businesses in the retail, hospitality and accommodation sectors. For this reason, the voice of employers must be heard, and genuinely considered, in this review.

Below we make specific comments in relation to the alignment of public holidays, additional public holidays, and using public holidays as economic drawcards. Further supporting information, including cost modelling, is provided in Appendix 2 and 3.

#### Alignment of public holidays

CCIWA correspondence is managed in accordance with CCIWA's Privacy Policy.

CCIWA is supportive of aligning WA's public holidays with the Eastern States' Public Holiday calendar. At present, WA and Queensland are the only two jurisdictions that celebrate the sovereign's birthday outside of June. For employers that operate across

Australia, alignment of sovereign holidays would make sense and yield productivity benefits.

This alignment should occur via the Governor's proclamation powers, similar to what currently occurs for the Sovereign's Birthday. By doing so, this would give regional communities some flexibility to adapt and change public holidays to reflect their local needs (i.e.: to enable events such as FeNaCNG in the Pilbara).

#### Additional public holidays

The primary reason CCIWA does not support the inclusion of additional public holidays to WA's Public Holiday calendar is the cost impost it places on WA businesses. As detailed in Appendix 2 and 3, we estimate the two options suggested in the Consultation Regulatory Impact Statement (CRIS) would cost approximately **\$67.87** million and **\$115.42** million respectively each year, based on wage costs alone.<sup>1</sup>

Public holidays have only become a pertinent issue for businesses in the last 15 years, due to the interaction between the *P&BH Act*, the *Fair Work Act 2009* (Cth), and the National Employment Standards. Prior to 2010, the then statutorily determined 10 public holidays would only accrue penalty rates. From 2010 however, WA businesses are hit twice, having to pay penalty rates on both the public holiday that falls on the weekend, and the additional observed public holiday as well.<sup>2</sup>

For businesses that open on these public holidays, they face significant wage costs. Conversely, for employers who choose not to open, but have full time employees ordinarily rostered on, they are required to pay a full days' pay with no offsetting revenue. This is a conundrum that many employers face.

Currently, Western Australian employers face significant cost pressures, especially businesses in the food and accommodation and retail services sectors, who will bear the brunt of these changes. Indeed, around 9% of hospitality businesses in Western Australia have closed their doors in the year to April 2025.<sup>3</sup> The retail trading environment is also facing challenges, with even large retailers struggling to remain viable. In the past twelve months, for example, both Mosaic, the owner of Rivers, Katies, Noni B and others, as well as Jeanswest went into administration and subsequently liquidated.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> CCIWA Calculations on proposed options, see Appendix 2 and 3 for detailed costings and assumptions.

<sup>&</sup>lt;sup>2</sup> Businesses in the federal IR system would pay either the date of which the public holiday was observed, or the substitute day it was observed for, but not both. This was from the reflection of the 1995 *Public Holidays Decision*, and Workplace Relations Act.

<sup>&</sup>lt;sup>3</sup> Creditor Watch (2025), <u>Insolvencies still high but off the boil; One in 10 hospitality businesses close in the past year</u>. 22 May 2025

<sup>&</sup>lt;sup>4</sup> News.com.au (2025), Fashion retailer to close flagship store, citing sales pressure. Micallef, C (15 July 2025)

According to CCIWA's latest Business Confidence survey, rising cost pressures are considered the greatest barrier to doing business over the next 12 months for 75% of retailers and 93% of accommodation and food service businesses.<sup>56</sup>

For small and family businesses that choose to open on public holidays, some of the additional costs are often recovered through additional surcharges, which can range from 10 to 15 per cent. Recent reporting suggests that these additional costs were estimated to be \$98.4 million over the April 2025 public holidays Australia wide, with customers paying an extra \$24.6 million in surcharges for each public holiday.<sup>7</sup>

Despite these additional surcharges, businesses have reported barely breaking even, due to the penalty rates attached to public holidays, which are, on average, 250% above base award rates.<sup>8</sup>

Under these circumstances, businesses have limited options but to cut costs. In fact, recent research by Monash University suggested that 70% to 85% of retail and hospitality businesses respond by cutting hours for casual staff and reducing the number or length of shifts.<sup>9</sup> In other words, despite an increase in the hourly rate, casual staff could have less capacity to earn, due to a reduction in total hours.

#### Public holidays as economic drawcards

For the reasons outlined above, CCIWA does not support Easter Saturday being proclaimed as a public holiday. We also disagree with the claim that making Easter Saturday a public holiday would drive an increase in intrastate or interstate tourism to Western Australia, due to the already significant number of public holidays over the Easter period, and the date being covered by public holidays on either side.

Instead, employers in the tourism, retail (if allowed to open), and hospitality sectors, would face significantly elevated costs, having to navigate penalty rates across the four public holidays. Further, unless, there is a Ministerial variation stating otherwise, we would expect retailers to face restricted trading on what is normally a busy day of trading (i.e.:11-5pm; not 9-5pm).

Similarly, the suggestion to create an additional public holiday around an event is inconsistent with the desire to achieve alignment with the Eastern States. This would create the situation where WA is shut for business on an additional day, while the rest of the country is open – putting WA businesses at a disadvantage.

Further, we don't expect the economic benefits associated with an event would cover the additional costs that arise from public holidays. For example, the Grand Final Eve

<sup>7</sup> News.com.au, (2025). <u>Tax on dining out': Surcharge spikes set to hit Aussies back pocket as business owner hits back.</u> Micallef, C (21 April 2025)

<sup>&</sup>lt;sup>5</sup> CCIWA's longest running and most comprehensive survey of businesses in WA.

<sup>&</sup>lt;sup>6</sup> CCIWA Business Confidence Survey June 2025

<sup>&</sup>lt;sup>8</sup> For example, AFR (2025), Why do cafes charge extra on holidays? Baristas get \$70 an hour. Karp, P (28 April 2025); examples include General retail industry award, fast food industry award, hospitality award

<sup>&</sup>lt;sup>9</sup> Sands, S. (2012), Sunday trading in Australia, Australian Centre for Retail Studies, Monash University

Day in Victoria is the most notable example of a public holiday being created around an event. Noting that the MCG, which has a capacity around 160% to the capacity of Optus Stadium, the AFL Grand Final in 2024 was only expected to generate approximately \$70 million in economic benefit for Victoria. Applying this sort of return to WA would mean the costs of the additional holiday would outweigh any economic gain.

For these reasons, we don't consider the suggestion that an additional public holiday around a significant sporting event (such as the Perth Ashes' Test in 2025) would yield significant economic benefit for WA to cover the costs. <sup>12</sup>

#### **Concluding remarks**

Thank you again for the opportunity to comment. The perspective of small and familyrun businesses, who bear the brunt of the costs from public holidays, must be given due consideration.

Should you wish to discuss the content of this letter further, please do not hesitate to contact .

Yours sincerely

Aaron Morey
Acting CEO

<sup>&</sup>lt;sup>10</sup> CCIWA Analysis of AuStadiums data for Optus and Melbourne Cricket Ground stadium capacity.

<sup>&</sup>lt;sup>11</sup> AFL News (2024), <u>Mass crowds expected for Grand Final 'for the ages'</u>. (24 September 2024)

<sup>&</sup>lt;sup>12</sup> WA Cricket (2024), Fans Flock To West Test For Border-Gavaskar Opener. (28 November 2024

Appendix 1: WA Public Holidays 2020-2027 by number

Year	Statutory Public Holidays Observed	Additional Public Holidays	Total number of Public Holidays
2020	10	2	12
2021	10	3	13
2022	11	3	14
2023	11	1	12
2024	11	0	11
2025	11	0	11
2026	11	2	13
2027	11	3	14

#### **Appendix 2: Estimated Cost for Easter Saturday Public Holiday**

CCIWA estimates the Easter Saturday Public Holiday would cost WA employers, on wages alone, approximately **\$67.87 million** each year in 2025 dollars. For the methodology, see Appendix 3.

To calculate this, CCIWA drew on costings found in the Decision Regulatory Impact Statement (DRIS) for the introduction of the 2022 Easter Sunday public holiday. Adjustments were made to account for differences in the day in question (Saturday, not Sunday), as well as updated data on Western Australia's median wage and workforce numbers.

To remove the public sector share of the costs, we expressed the percentage of Treasury's estimated cost to WA's public sector as a share of the entire cost to WA's wages bill. This percentage was then used to remove the public sector share of the total WA wages bill.

In addition, we included an additional 15% uplift to account for the additional cost of superannuation, payroll tax and workers' compensation calculations that were excluded from the 2022 DRIS. These are real costs incurred by businesses that cannot be excluded. It is important to note this calculation does not capture the recent increases in superannuation's minimum rate, and therefore, underestimates the true cost to businesses.

#### **Estimated Cost for two additional Public Holidays**

CCIWA estimated the total cost of two public holidays for WA employers, on wages alone, as approximately **\$115.42 million** each year in 2025 dollars. This is broken down into the **\$67.87 million** for the Easter Saturday public holiday as outlined above, and an additional **\$47.55 million** for the second public holiday inclusion.

For the additional public holiday, we assumed that this day would fall on either a Monday or Friday. For the purposes of making an assumption on how many people would work on the public holiday (and their total hours of work), we assumed the number of people and hours of work that occur on a typical Sunday.

# Appendix 3: CCIWA Costing Options Option 1: Easter Saturday Public Holiday

WA Media n Hourly Wage	Median WA Hourly Earnings on Saturday s	Median WA Hourly Earning s on Public Holiday s	Additiona I Hourly wage cost for Saturday Public Holiday	Total Number of WA Employee s	Estimated number of WA employee s working Saturday	Average number of hours worked on a Saturda y	Estimated additional cost for Easter Saturday Public Holiday in WA	Estimate d Public sector cost of additiona I public holiday as a percent	Estimated Cost to private Sector for Easter Saturday Public Holiday in WA	Estimated total Private Sector cost inclusive super, WC, Payroll Tax for Easter Saturday Public Holiday
\$41.70	\$52.13	\$93.83	\$41.70	1,324,900	280,879	5.58	\$65,356,564	9.7%	\$59,019,271.61	\$67,872,162.36

## Option 2: Easter Saturday Public Holiday and Additional Public Holiday Additional Public Holiday (Monday/Friday)

WA Median Hourly Wage	Median WA Hourly Earnings on Public Holidays	Additional Hourly wage cost for Saturday Public Holiday	Total Number of WA Employees	Estimated number of WA employees working Sunday	Average number of hours worked on a Sunday	Estimated additional cost for additional Public Holiday in WA on Weekday	Estimated Public sector cost of additional public holiday as a percent	Estimated Cost to private Sector for Additional Public Holiday in WA	Estimated total Private Sector cost inclusive super, WC, Payroll Tax for Weekday public holiday
\$41.70	\$93.83	\$52.13	1,324,900	196,085	4.48	\$57,032,851	9.7%	\$ 41,349,810.91	\$ 47,552,282.55

### Total Cost of Additional 2 Public Holidays

Estimated total Private Sector cost inclusive super, WC, Payroll Tax for Easter Saturday	
Public Holiday	\$67,872,162.36
Estimated total Private Sector cost inclusive super, WC, Payroll Tax for Weekday public	
holiday	\$47,552,282.55
Total Private Sector wages cost inclusive of	
super, WC, Payroll tax for two public holidays	\$115,424,444.90

### Sources of inputs for costings

Inputs Source

WA Median Hourly Wage	ABS 6337, Employee Earning Table 1 - Median Hourly Earnings, Persons, Total WA
Saturday premium	DRIS - Easter Sunday Public Holidays assumptions re Saturday Work
PH Premium	DRIS - Easter Sunday Public Holidays assumptions re PH
WA Employees	ABS 6337, Employee Earning Table 1 - Employees, Persons, Total WA
WA Employees working Saturday	Peetz, D. (2017), The impact of the penalty rates decision on Australian and Victorian workers in retail and hospitality industries. Research commissioned for the Victorian Government
Working a weekend (Hrs)	ABS How Australians Use their Time 2020-21; Table 2.1 Persons Aged 15 years and older
Working a Sunday (Hrs)	DRIS - Easter Sunday Calcs using ABS How Aus use their time data
WA Employees working on a Sunday	Peetz, D. (2017), The impact of the penalty rates decision on Australian and Victorian workers in retail and hospitality industries. Research commissioned for the Victorian
WA Public Sector Cost 2022 Sunday	DRIS - Easter Sunday Public Holidays Treasury calculation
Total Cost 2022 Easter Sunday	DRIS - Easter Sunday Public Holidays Treasury calculation
Coverage of workers compensation and other direct employment costs	DRIS - Easter Sunday Public Holidays Treasury calculation