Enterprise and Culture Committee

15th Report, 2006 (Session 2)

Second report at Stage 1 on the St Andrew's Day Bank Holiday (Scotland) Bill

Volume 2: Evidence
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Enterprise and Culture Committee

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Volume 2: Evidence
Enterprise and Culture Committee

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Stage 1 Report on the St Andrew's Day Bank Holiday (Scotland) Bill

Volume 2: Evidence

CONTENTS

ANNEX A – REPORT BY THE FINANCE COMMITTEE

ANNEX B – REPORT BY BURNS OWENS PARTNERSHIP AND EXPERIAN,
CELEBRATING ST ANDREW’S DAY – AN ASSESSMENT OF
ECONOMIC SOCIAL AND CULTURAL COSTS AND BENEFITS

ANNEX C – EXTRACTS FROM MINUTES

ANNEX D – ORAL EVIDENCE AND ASSOCIATED WRITTEN EVIDENCE

17th Meeting 2005 (Session 2), 8 September 2005

Written Evidence

Scottish Retail Consortium

Association of Scottish Visitor Attractions

Scottish Trades Union Congress

CBI Scotland

Committee of Scottish Clearing Banks

FSB Scotland

Oral Evidence

Scottish Retail Consortium
Association of Scottish Visitor Attractions
Scottish Trades Union Congress
CBI Scotland
Committee of Scottish Clearing Banks
FSB Scotland

18th Meeting 2005 (Session 2), 13 September 2005
Oral Evidence
Dennis Canavan MSP

26th Meeting 2005 (Session 2), 6 December 2005
Written Evidence
Minister for Finance and Public Service Reform
Oral Evidence
Minister for Finance and Public Service Reform

19th Meeting 2006 (Session 2), 5 September 2006
Written Evidence
Experian and Burns Owen Partnership
Oral Evidence
Experian and Burns Owen Partnership

20th Meeting 2006 (Session 2), 12 September 2006
Written Evidence
Minister for Finance and Public Service Reform
Oral Evidence
Minister for Finance and Public Service Reform
ANNEX E – OTHER WRITTEN EVIDENCE

Lucy Bailey
BT Scotland
John Cooper
David Nisbet
Iain Robertson
Scottish Financial Enterprise

UNISON

Minister for Finance and Public Service Reform

ANNEX F – LIST OF ORGANISATIONS AND INDIVIDUALS EXPRESSING A GENERAL OPINION ON THE BILL
Enterprise and Culture Committee

Remit and membership

Remit:

To consider and report on matters relating to the Scottish economy, business and industry, energy, training, further and higher education, lifelong learning and such other matters as fall within the responsibility of the Minister for Enterprise and Lifelong Learning; and matters relating to tourism, culture and sport and such other matters as fall within the responsibility of the Minister for Tourism, Culture and Sport.

Membership:

Alex Neil (Convener)
Shiona Baird
Mr Richard Baker
Susan Deacon
Murdo Fraser
Mr Michael Matheson
Christine May (Deputy Convener)
Mr Jamie Stone

Committee Clerking Team:

Clerk to the Committee
Stephen Imrie

Senior Assistant Clerk
Douglas Thornton

Assistant Clerk
Nick Hawthorne
FINANCE COMMITTEE

REPORT ON THE FINANCIAL MEMORANDUM OF THE ST ANDREW'S DAY BANK HOLIDAY (SCOTLAND) BILL

The Committee reports to the Parliament as follows—

Introduction
Under Standing Orders, Rule 9.6.3, the lead committee in relation to a Bill must consider and report on the Bill’s Financial Memorandum at Stage 1. In doing so, it is obliged to take account of any views submitted to it by the Finance Committee.

This report sets out the views of the Finance Committee on the Financial Memorandum of the St Andrew’s Day Bank Holiday (Scotland) Bill, for which the Enterprise and Culture Committee has been designated by the Parliamentary Bureau as the lead committee at Stage 1.

At its meeting on 8 September 2005, the Committee took evidence from Dennis Canavan MSP, the Member in Charge of the Bill. Oral evidence for this meeting can be viewed by clicking here. In addition, the Committee received written submissions from COSLA, the Federation of Small Businesses (FSB), the Scottish Retail Consortium (SRC) and the Scottish Trades Union Congress (STUC).

The Committee would like to express its thanks to all those who submitted their views.

Objectives of the Bill
The Bill is straightforward; its single provision being to amend the Banking and Financial Dealings Act 1971 so that 30 November each year, or the Monday following if 30 November should fall on a Saturday or Sunday, would become a bank holiday.

Costs of the Bill
The Financial Memorandum makes clear that ‘the establishment of a bank holiday does not place a statutory obligation on employers to grant it as part of employee holiday entitlement’ (Financial Memorandum paragraph 12). The Financial Memorandum sets out estimated costs if the holiday were to be adopted as follows:

Table 1: Costs on the Scottish Executive, local authorities and other public bodies

<table>
<thead>
<tr>
<th></th>
<th>Cost if included in existing holiday entitlements £ million</th>
<th>Cost if adopted as additional holiday £ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scottish Executive</td>
<td>0</td>
<td>0.64(^1)</td>
</tr>
<tr>
<td>Local Authority</td>
<td>0</td>
<td>24.5(^2)</td>
</tr>
<tr>
<td>NHS Scotland</td>
<td>0</td>
<td>16.5(^3)</td>
</tr>
<tr>
<td>Total costs</td>
<td>0</td>
<td>41.64</td>
</tr>
</tbody>
</table>

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\(^1\) Source: written answer S2W-14190 (1 March 2005)
\(^2\) ibid
\(^3\) ibid
The Financial Memorandum does not specifically identify costs on other bodies, individuals and businesses, again recognising that individual negotiations would be required which would determine whether the costs would be incorporated into existing arrangements or would be additional.

The Memorandum states that increased retail sales could be in the region of £28 million. It also quotes an independent brewery commenting on similar proposals for England that a national day could generate around £38 million from tourism and festivities.

The FM further sets out some potential benefits relating to employees in terms of reduced stress and to employers in the context of increased recruitment potential and enhanced employer image.

Summary of evidence
In general terms the key issue for costs on the public purse is whether or not the proposed holiday would be adopted by public bodies as an additional day’s holiday. If it were to be subsumed within existing entitlements there would be no additional cost. The Finance Committee has had no evidence from the Executive or from other public bodies (although these were asked to comment) as to whether it would be their intention to add a day’s leave to current totals. This means that the Committee is unable to take a view on the potential cost to the public purse.

Day of proposed holiday
The draft Bill specifies that the bank holiday should take place on 30 November itself or, if 30 November falls on a Saturday or Sunday, on the nearest Monday or Friday.

The Committee heard some evidence which suggested that the economic benefits of a long weekend might outweigh those of a single weekday holiday\(^4\), although members also recognised that a fixed long weekend might mean some Scots would leave the country and thus take their spending power elsewhere\(^5\). The Member in Charge noted however that any such losses could be more than offset by incoming tourists to Scotland, citing the example of the festivals in Edinburgh in August\(^6\).

Economic benefits
The Financial Memorandum set out potential economic benefits of the order of some £30 million. This is necessarily an estimate; figures from Ireland, however, suggest a contribution of €80 million (roughly £50 million) to the Dublin economy alone in 2003\(^7\).

The Committee heard that the recent establishment of the Scotland Funds, which has a stated mission to ‘activate and involve the Scottish Diaspora, initially in North America, in the funding and delivery of projects which will address the issues of education, cultural development and economic regeneration in Scotland. By doing so The Scotland Funds will enrich the lives of all those who participate\(^8\). The Committee heard that the establishment of a St Andrew’s Day Bank Holiday could provide a focus for the Funds as well as for international promotion of Scotland.

Recommendation
The Finance Committee recommends to the Enterprise and Culture Committee that the Financial Memorandum for the St Andrew’s Day Bank Holiday (Scotland) Bill is adequate.

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\(^4\) Scottish Retail Consortium, written evidence
\(^5\) Official Report, 8 September 2005, col 2753
\(^6\) Official Report, 8 September 2005, col 2749
\(^7\) Dewar, J. and Wakefield, S. (2005) St Andrew’s Day Bank Holiday (Scotland) Bill. SPICe briefing 05/39. Edinburgh: Scottish Parliament
\(^8\) Further information available from www.scotfunds.org
Celebrating St Andrew’s Day – An Assessment of the Economic, Social and Cultural Costs and Benefits

Final Report

The Scottish Parliament

September 2006
Celebrating St Andrew’s Day – An assessment of the Economic, Social and Cultural Costs and Benefits - Final Report

September 2006

Contents

Executive Summary ........................................................................................................................................... i
Research Objectives ........................................................................................................................................... i
Context .............................................................................................................................................................. i
How Other Countries Celebrate ‘National Holidays’ ....................................................................................... ii
Analysis ............................................................................................................................................................. iii
Cultural .............................................................................................................................................................. v
Social ................................................................................................................................................................. vi

1 Introduction ...................................................................................................................................................... 1
1.1 Background ................................................................................................................................................. 1
1.2 Study Objectives .......................................................................................................................................... 1
1.3 Report Structure ......................................................................................................................................... 1

2 Setting the Scene ........................................................................................................................................... 2
2.1 The Context of Bank Holidays .................................................................................................................. 2
2.2 Current Celebrations .................................................................................................................................. 3
2.2.1 Scotland .................................................................................................................................................. 3
2.2.2 Overseas ................................................................................................................................................ 4
2.3 St Andrew’s Day Holiday Bill .................................................................................................................... 5
2.3.1 Support .................................................................................................................................................. 5
2.3.2 Views ..................................................................................................................................................... 6

3 Comparator Research .................................................................................................................................. 8
3.1 Ireland ......................................................................................................................................................... 8
3.1.1 What They Celebrate .......................................................................................................................... 8
3.1.2 Legislative Framework ....................................................................................................................... 9
3.1.3 Celebrations ......................................................................................................................................... 9
3.1.4 Economic Costs/ Benefits – Consumer Impacts ................................................................................. 10
3.1.5 Economic Costs/ Benefits – Producer Impacts .................................................................................. 10
3.1.6 Cultural Impacts .................................................................................................................................. 11
3.1.7 Social Impacts ....................................................................................................................................... 11
3.2 France ......................................................................................................................................................... 11
3.2.1 What They Celebrate .......................................................................................................................... 11
3.2.2 Legislative Framework ....................................................................................................................... 12
3.2.3 Celebrations ......................................................................................................................................... 13
3.2.4 Costs and Benefits ................................................................................................................................ 13
3.3 United States .............................................................................................................................................. 14
3.3.1 What They Celebrate .......................................................................................................................... 14
3.3.2 Legislative Framework ....................................................................................................................... 14
3.3.3 Celebrations ......................................................................................................................................... 16
3.3.4 Economic Costs/ Benefits – Consumer Impacts ................................................................................. 17
3.3.5 Economic Costs/ Benefits – Producer Impacts .................................................................................. 18
3.3.6 Cultural Impacts .................................................................................................................................. 19
3.3.7 Social Impacts ....................................................................................................................................... 20
3.4 Sweden ....................................................................................................................................................... 21
3.4.1 What They Celebrate .......................................................................................................................... 21
3.4.2 Legislative Framework ....................................................................................................................... 21
3.4.3 Celebrations ......................................................................................................................................... 22
3.4.4 Economic Costs/ Benefits .................................................................................................................. 22
4 Options for Celebrating St Andrew’s Day.................................................................23
  4.1 Local Authorities...........................................................................................................24
  4.1.1 Willingness to Give Up a Local Holiday.................................................................24
  4.1.2 Role of Local Authority in Delivery.........................................................................25
  4.1.3 Existing Events..........................................................................................................25
  4.2 Summary of Consultations ..........................................................................................26
  4.2.1 Form of Celebration................................................................................................26
  4.2.2 Programme/Events................................................................................................27
  4.2.3 Precedent................................................................................................................27
  4.2.4 Potential Economic Effects......................................................................................27
  4.2.5 Potential Cultural Effects.........................................................................................28
  4.2.6 Potential Social Effects............................................................................................29
  4.3 Potential Winners & Losers..........................................................................................29

5 Analysis .........................................................................................................................32
  5.1 Economic Impact..........................................................................................................32
  5.1.1 UK Bank Holiday Estimates....................................................................................33
  5.1.2 Quantifying the Results............................................................................................34
  5.1.3 Additional Evidence of the Jubilee/World Cup and Retailing.................................36
  5.1.4 Other Considerations and Conclusions....................................................................38
  5.2 Economic Impact – Alternative methodology............................................................39
  5.2.1 Summary of Costs & Benefits (both methodologies)...............................................39
  5.3 Cultural Impact............................................................................................................40
  5.3.1 Option 1 – Substitute an existing holiday with a St. Andrews Day Holiday............41
  5.3.2 Option 2 – Establishing an additional Bank Holiday on St. Andrew’s Day............42
  5.3.3 Option 3 – Do not establish a bank holiday on St. Andrew’s Day but still celebrate it in some way 42
  5.3.4 Option 4 – Only building on existing local practices for the purposes of celebrating St. Andrew’s Day ........................................................................................................43
  5.4 Social Impact...............................................................................................................44
  5.4.1 Public attitudes to bank holidays.............................................................................44
  5.4.2 How people might spend free time........................................................................45
  5.4.3 Who will be affected...............................................................................................47
  5.4.4 Valuing intangible social and cultural impacts.........................................................49

6 Key Findings.....................................................................................................................51
  6.1 Context........................................................................................................................51
  6.2 How Other Countries Celebrate National Holidays....................................................51
  6.2.1 Ireland......................................................................................................................51
  6.2.2 France....................................................................................................................52
  6.2.3 USA ......................................................................................................................52
  6.2.4 Sweden..................................................................................................................53
  6.3 Options.........................................................................................................................53
  6.3.1 Form......................................................................................................................53
  6.3.2 How to celebrate.....................................................................................................54
  6.3.3 Winners and Losers...............................................................................................54
  6.4 Analysis.......................................................................................................................54
  6.4.1 Economic................................................................................................................54
  6.4.2 Cultural...................................................................................................................55
  6.4.3 Social......................................................................................................................57
Executive Summary

1. Experian’s Business Strategies Division, in association with the Burns Owens Partnership (BOP), was appointed by the Scottish Parliamentary Corporate Body to quantify and assess the economic, social and cultural costs and benefits of celebrating St Andrew’s Day.

RESEARCH OBJECTIVES

2. The objectives of the research are to:

- Compile a set of options for celebrating St Andrew’s Day;
- Quantify, and where appropriate, provide qualitative information, on the economic, social and cultural impacts of each option;
- Quantify these impacts in monetary terms where possible, looking at both costs and benefits; and
- Review published research or other accessible information on the costs and benefits of ‘national holiday’ celebrations in at least three other countries.

CONTEXT

3. The 1971 Banking and Financial Dealings Act established eight bank holidays in Scotland:

- New Year’s Day (or in lieu of 1 Jan, if a Saturday or Sunday);
- 2 January (or in lieu of 2 Jan, if a Saturday or Sunday);
- Good Friday;
- Early May Bank Holiday (first Monday in May);
- Spring Bank Holiday (last Monday in May);
- Summer Bank Holiday (first Monday in August);
- Christmas Day (or in lieu of 25 Dec, if a Sunday);
- Boxing Day (or in lieu of 26 Dec, if a Sunday).

4. Traditionally St Andrew’s Day has been a popular feast night and it is currently commemorated differently across Scotland. The main celebrations have traditionally occurred in the town of St Andrew’s itself, and Fife Council along with Angus, the City of Edinburgh and Dumfries and Galloway Councils do mark the day. Building on this precedent, in 2005 the Scottish Executive supported a programme of events to celebrate St Andrew’s Day around the ‘One Scotland Many Cultures’ theme.

5. St Andrew’s Day is also popular with Scots who live abroad with celebrations through the Caledonian Society, St Andrew’s Societies, and the British Embassy in 60 countries.

6. The St Andrew’s Day Bank Holiday (Scotland) Bill was introduced by Dennis Canavan MSP on 19 May 2005 and aims to amend the Banking and Financial Dealings Act 1971 so that 30 November each year, (or the Monday following if 30 November should fall on a Saturday or Sunday), becomes a bank holiday.
HOW OTHER COUNTRIES CELEBRATE ‘NATIONAL HOLIDAYS’

7. The research examined five significant holidays across four countries:
   - Ireland – St Patrick’s Day on March 17th;
   - France – Fête Nationale on July 14th (also known as Bastille Day);
   - USA – Independence Day and Thanksgiving on July 4th and every fourth Thursday in November respectively; and
   - Sweden – National Day on June 6th.

8. Mainly in response to the extent of celebration of St Patrick’s Day outside of Ireland, and particularly in the United States, in 1996 the Irish government established a St Patrick’s Day Festival ‘unit’ with the objective of creating a national festival to showcase Ireland and its culture. The festival has developed into a successful programme of events that occur around a large scale parade in Dublin that currently attracts around 1 million people.

9. The government provides support to the unit that is estimated at £690,000.

10. The celebrations in Ireland provide an important opportunity for politicians and agencies to promote Ireland as a competitive business and tourism destination, and research suggests that the celebrations are responsible for attracting a high proportion of overseas visitors to Dublin.

11. These visitors spend an average of £364 per trip, with Irish visitors to the parade spending an average of £112 and £34 (overnight and day trippers respectively).

12. Similarly France celebrates 14th July with a number of formal events in the capital city, that provides the focus for a series of events across France.

13. Our research did not uncover specific information on the costs and benefits of a holiday in France. However, in 2005 France ‘cancelled’ the Whitsun Holiday on May 16th. This prompted some research into the impact of the loss of a holiday on the French economy. Our review of this suggests that an additional working day in a year (that is 1/220th or a 0.45% increase in days worked) would lead to an increase in output but this would not equate to a comparable increase of 0.45%.

14. The USA offers a similar context to Scotland and the UK. There are ten country-wide ‘federal holidays’ that are legislated by Congress. Legislation requires that most of these are observed on the nearest Monday to the actual date of the holiday to offer greater leisure time and decrease disruption to production, while the Bill has provide a boost in the form of consumer spend.

15. Martin Luther King Day provides an example of how a state holiday could become a federal holiday. Initially its celebration was rejected federally in Congress before it was celebrated in some states and now across the whole country.
16. July 4th is celebrated across the country with major celebrations, whereas the focus of Thanksgiving is on family and the home.

17. Our research has not uncovered specific studies that assess the impact of these holidays on the US economy. While we can confirm that events are attracting large numbers of people as well as media profile and sponsorship, we cannot assess the overall impact on the US economy.

18. The day after Thanksgiving is the busiest shopping day of the year in the US in terms of footfall, with 2004 data estimating that 130 million people went shopping over Thanksgiving weekend. In this sense, Thanksgiving marks the start of the ‘holiday shopping season’ and accounted for 23% of annual retail sales in the US in 2003.

19. Culturally both form part of the ‘intangible cultural heritage’ of the United States, because the values associated with them provide communities with a sense of identity and promote ‘national values’.

20. In Sweden the celebration of June 6th as a national holiday is a relatively recent event, and there has been some research undertaken on its potential effect on the Swedish economy.

21. The key finding of that research is that an additional holiday in Sweden could reduce output by around 0.1% to 0.3% of GDP. Furthermore, if this additional holiday were at the expense of an existing holiday (in this case Whit Monday), then the net effect would be broadly neutral with no anticipated loss in output, while any losses could be offset by the benefits of additional leisure time.

CELEBRATING ST ANDREW’S DAY

22. The research specification for this study proposes a number of options:

1) Changing the date of an existing bank holiday to St Andrew’s Day (which we have interpreted as substituting an existing bank holiday with St Andrew’s Day);
2) Establishing an additional bank holiday on St Andrew’s Day;
3) Having no bank holiday on St Andrew’s Day, but holding an event/celebration to mark the day; and/or
4) Building on existing local practices for the purpose of celebrating St Andrew’s Day.

23. Under Options 1 and 2 we recommend that St Andrew’s Day is accompanied by some form of national or regional celebrations. We believe that if it is not, the opportunity to ‘celebrate Scotland’ will be lost and that the Bill could merely result in ‘another’ bank holiday, on 30th November.

24. Under Option 3 while there is no formal holiday to celebrate St Andrew’s Day, there is an opportunity to develop a national celebration, and it is likely that this would need to be supported financially by the Scottish Executive. Any such celebration would need to respond to a niche in an already busy time of the year for celebrations in Scotland.
25. **Option 4** could act as a pre-cursor to a wider celebration of St Andrew’s Day over time, building on what is already happening in Scotland, and raising awareness of St Andrew’s Day to such an extent that, gradually other local authorities could substitute a local holiday for a holiday on 30th November. This assumes a willingness by local authorities to surrender their existing, long established local practices that to some extent are embedded into the lives of these communities, but as the US example of the Martin Luther King holiday shows, could be changed over time.

26. This option also provides an opportunity to grow local community-based activities and roll these out to become part of a national network of St Andrew’s Day celebrations.

27. All options were discussed during an extensive consultations exercise with local authorities, national agencies, representatives of industry sectors and the voluntary sector. The purpose of these was to discuss the Bill and implications of it and assess views on the principle of a holiday to celebrate St Andrew’s Day and, how it could be celebrated.

28. The main findings from consultations with Scottish local authorities are:

- Of 32 local authorities contacted, 18 responded and only three of these, Clackmannanshire, Angus and Inverclyde Councils, confirmed they would be willing to give up a local holiday for a bank holiday on 30th November.
- In general local authority employees are entitled to 14 ‘public’ holidays and some authorities plan to convert their bank/local holidays into a ‘package’ of annual leave to provide employees with greater flexibility and to cater for those employees engaged in the delivery of essential services. The effect of an additional holiday could be minimal under this initiative.
- One responding authority indicated that the costs of an additional bank holiday could equate to an estimated amount of £14 per full-time equivalent (fte) employee. If the same assumption were to be applied for Scotland, this would equate to a ‘rough’ additional cost of £3.64 million in spend to cover those local authority services that need to be provided on a bank holiday.
- If formal celebrations do develop, then local authorities would envisage a direct role in delivering these but additional funding would need to be provided by the government.
- Existing regional celebrations around St Andrew’s day are generally viewed positively, complementing initiatives at local authority level, and adding to the existing tourism/leisure offer.

29. The other consultations have been reported according to:

- Form of celebration;
- Programme of events;
- Precedent within Scotland;
- Potential economic effects;
- Potential cultural effects;
- Potential social effects.
30. From this, we have identified a number of perceived ‘winners’ and ‘losers’ across each option. The extent to which these sectors are affected depends on which St Andrew’s Day option could be developed.

**ANALYSIS**

**Economic**

31. There are a number of ways of estimating the economic impacts of the various options. We have looked at two which focus on the net impact of a bank holiday; and the costs of an additional holiday, ignoring any offsetting benefits that may accrue from people working harder before/after the holiday in order to compensate for it.

32. To illustrate the difference between a bank holiday and the rest of the year, the net analysis method examines actual behaviour on two different instances of a bank holiday – Easter (which moves between March and April or straddles the two); and the 2002 Queen’s Jubilee holiday - on three indicators of the economy at the UK level:

- Retail sales volumes;
- Gross value added volumes; and
- Tourism spending credits and debits from the International Passenger Survey.

33. We have focussed mainly on the results from Easter in this analysis since the Jubilee estimates are affected by the World Cup which was also taking place at the time.

34. This method indicates there is a small but positive net impact on GVA of £4.6m, which includes a £9.5m positive impact from retailing, offsetting negative impacts from any lost output in other sectors.

35. This approach should provide a more accurate estimate of the likely impacts of a holiday as we are observing what actually happened in the past. However, the limit of this approach is that it assumes a recent Easter holiday will have a similar impact as the proposed St Andrew’s Day holiday.

36. The second approach is to work up from days lost to industry and the impact on productivity. Based on this ‘cost analysis’ our estimates (and those made by SPICe on the same basis) assume a loss of GVA of between £135m and £180m. The limit of this type of approach is that it does not take account of any positive offsetting impacts from e.g. retail spending or productivity gains.

37. Comparing both approaches would suggest that the impact on Scottish GVA would be small or broadly neutral up to 0.18% or 0.24% of Scottish GVA.

38. There are no direct comparators for St Andrew’s Day but this estimate is not out of line with the Swedish (up to 0.3% of GVA) and French (<0.45% of GVA) estimates.

39. We would view these as upper limits and indeed our work looking at Easter would suggest a negligible net impact on the Scottish economy. If our two approaches are combined, the result of an additional bank holiday to Scotland could be a minimal ‘cost’ of £25.9m. In other
words, the private sector benefits of £4.6m under the ‘net analysis’ offsets a proportion of the public sector costs of £30.5m (within our estimate of £135m) under the ‘cost analysis’.

**Cultural**

40. If Scotland is going to have its own national day on 30th November, then a mechanism that allows people to celebrate it would appear to be the optimum means of achieving the best cultural impact.

41. The form of St Andrew’s Day needs to be clarified, and this should not duplicate what is already being delivered at an already busy time of the year in the Scottish ‘events calendar’. Subject to how it is celebrated across options, benefits (and costs) would vary.

42. The potential cultural impact derived from Options 1 and 2 is far greater, if support can be galvanised for national, regional, and local celebrations. There are numerous opportunities to collaborate with local authorities, cultural bodies, and the community at large in devising a range of activities, although care would need to be taken to develop something unique that is not similar to the Hogmanay Festival, and is not located in Edinburgh. St Andrew’s Day should be about Scotland participating, not just its major cities.

43. If presented as a national day, there are opportunities to profile achievement both within and outside Scotland, although the time of year does have implications on the ability to plan large scale outdoor events. More importantly cultural activities will have to be funded and though there is evidence of an appetite to take part in celebrations, both local authorities and cultural bodies are concerned that current budgets may not be able to support large scale activities.

44. Under Option 3, a publicly promoted and supported St. Andrew’s Day that is not a public holiday may still provide opportunities for cultural impact. However the scale of impact would be limited by the number of people able to participate if the holiday falls on a week day. Schools, however, may be able to use St Andrew’s Day as a means of focusing curricular and extra-curricular activities on Scottish history, and raising awareness of how Scottish history is taught. If major events are planned, they are more likely to take place in the evening, with possible implications on family-friendliness and safety (given the time of year).

45. Under Option 4, without a bank holiday or national celebration of St. Andrew’s Day, cultural impacts would be more limited. Building on local practice, however, firmly embeds celebration and promotion of the holiday at local level, both grassroots and local authority. This arrangement is also flexible, allowing individuals and institutions to opt-in to St. Andrew’s Day celebrations if they choose to.

**Social**

46. To understand how people could actually behave on a bank holiday, we used our e-canvas on-line survey panel to ask members how they spent their time on the Spring Bank Holiday (May 29th). We received 2,140 responses, including 169 responses from Scottish members.
47. The proportion of Scottish people working on the bank holiday was 25 percent higher than the UK average, possibly reflecting Scottish behaviour of observing local holidays, at the expense of certain national holidays.

48. Of those that did not work, Scottish behaviour mirrors that of the UK, with most respondents spending a day at home relaxing (46%), seeing friends/family (21%), and taking a short break (12%).

49. We also used the UK Time Use Survey as an indicator of how people could spend additional free time (in the form of a bank holiday) based on different behaviour on week- and weekend days. Additional spare time is redistributed on sports, hobbies, socialising and resting while the results of our own survey panel broadly reflect these ‘positive’ benefits.

50. We also assessed which Scottish workers would be most affected by a bank holiday informed by publicly available and Experian data.

51. Just under half the Scottish population that are in employment could avail of a day off. Not all of these however will take the day off on the basis that a proportion of them are part-time workers and may not be working on the date of the bank holiday; and a proportion of them will be employed in sectors that are likely to remain operational on a bank holiday.

52. We estimate that up to 36% of Scotland’s jobs are in sectors that are likely to operate on a Bank Holiday and 34% in sectors that would be mostly closed. At the minimum, around 17% of residents in Scotland, 863,600 people, could benefit from a day off on the basis of our assumptions on numbers of people in employment, and in sectors that are likely to close.

53. One of the arguments put forward in favour of celebrating St Andrew’s Day is that this is a national celebration, an opportunity for people to come together, in recognition of Scotland’s culture and heritage. While each of these motivations is beneficial, the difficulty is that they are ‘intangible’ – they cannot be bought and sold, they cannot be easily priced or given a measure of economic value.

54. Based on comparator evidence on the concept of ‘willingness to pay’ for intangible benefits such as a ‘feel good factor’, ‘national pride’ or ‘promoting culture’, Scottish households could be willing to pay an amount of £27 million annually to avail of the social and cultural benefits that a St Andrew’s Day celebration could generate.
1 Introduction

1.1 BACKGROUND

Experian’s Business Strategies Division, in association with the Burns Owens Partnership (BOP), was appointed by the Scottish Parliamentary Corporate Body, on behalf of the Enterprise and Culture Committee to quantify and assess the economic, social and cultural costs and benefits of celebrating St Andrew’s Day\(^1\).

The St Andrew’s Day Bank Holiday (Scotland) Bill was introduced to the Scottish Parliament on 19 May 2005 by Dennis Canavan MSP. Its objective is to establish a bank holiday on St Andrew’s Day (30 November) or, if the day falls at a weekend, the following Monday, and to facilitate the creation of a ‘National Day’ to celebrate Scotland and its people in terms of culture, diversity, history, tradition, contemporary society, arts, sport, enterprise and international standing.

1.2 STUDY OBJECTIVES

The overall aim of the research is to provide clear and consistent information on different options for celebrating St Andrew’s Day so that the Committee can form a view on the relative merits of different St Andrew’s Day options.

The objectives of the research are to:

- Compile a set of options for celebrating St Andrew’s Day;
- Quantify, and where appropriate, provide qualitative information, on the economic, social and cultural impacts of each option on Scottish society and the Scottish economy, identifying sectors that are likely to be the most affected;
- Quantify these impacts in monetary terms where possible, looking at both the costs and benefits; and
- Review published research or other accessible information on the costs and benefits of ‘national holiday’ celebrations in at least three other countries outwith Scotland.

1.3 REPORT STRUCTURE

The remainder of this report is structured as follows:

- Chapter 2 sets the scene for a St Andrew’s day holiday;
- Chapter 3 provides information on national holidays in other countries;
- Chapter 4 discusses the options for celebrating St Andrew’s Day;
- Chapter 5 provides an analysis of the costs and benefits of these options; and
- Chapter 6 summarises the key findings from the research.

\(^1\) St Andrew is the patron saint of Scotland, and the St Andrew’s cross is embodied in Scotland’s national flag. St Andrew’s status as patron saint of Scotland was established in the Declaration of Arbroath in 1320. As well as being the patron saint of Scotland, St Andrew is also the patron saint of Greece, Russia, Romania, Amalfi and Luqa – Malta.
2 Setting the Scene

2.1 THE CONTEXT OF BANK HOLIDAYS

The earliest legislation relating to bank holidays was introduced in the Bank Holiday Act 1871. Historically a ‘bank holiday’ was a day on which the UK Bank Clearing System was closed for cheque processing and currency transactions. Traditionally, this meant banks actually closed and other businesses could not operate. More recently and as the banking system was modernised, many banking services continued to operate on bank holidays, and subsequently other businesses opened too.

There is no legal requirement for high street bank branches to close and some bank branches now remain open as per the Banking and Financial Dealings Act of 1971. The Act established the eight bank holidays in Scotland today:

- New Year’s Day (or in lieu of 1 Jan, if a Saturday or Sunday);
- 2 January (or in lieu of 2 Jan, if a Saturday or Sunday);
- Good Friday;
- Early May Bank Holiday (first Monday in May);
- Spring Bank Holiday (last Monday in May);
- Summer Bank Holiday (first Monday in August);
- Christmas Day (or in lieu of 25 Dec, if a Sunday);
- Boxing Day (or in lieu of 26 Dec, if a Sunday).

The Act continues to provide the legal basis for bank holidays in Scotland although The Scotland Act 1998 assigned responsibility to the Scottish Parliament for setting bank holidays in Scotland. Special bank holidays days can be appointed either additional to or in place of bank holidays which fall on a Saturday or Sunday, subject to Royal Proclamation each year. These include Boxing Day, which has been an additional bank holiday in Scotland since 1974 and the last Monday in May which has been a bank holiday in Scotland since 1978.

From an operational perspective, Scottish banks had campaigned to align English and Scottish bank holidays and while this could not be achieved through a Parliamentary process to alter the Act, in 1996 they decided to adhere to the bank holidays observed by English banks.

A ‘bank holiday’ should not be defined as a ‘public holiday’. There is no legal definition of a ‘public holiday’ in the UK, and a ‘bank holiday’ tends to be regarded as a ‘public holiday’ as the majority of workers have the day off.

In the absence of any statutory provisions relating to a ‘public holiday’, the public sector tends to set their own public holidays, and these vary across Scottish local authorities. For example, a local authority employee may be entitled to a number of public or ‘local’ holidays, that will also include the

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2 Bank says “No Holiday for Us”, BusinessScotsman.com
http://business.scotsman.com/topics.cfm?tid=93&id=1843742005
3 http://www.scotland.gov.uk/Publications/2005/01/bankholidays
eight bank holidays above and private sector employers in these regions may adopt some or all of these.

This can lead to some inconsistency across Scotland. In general national chains tend to conform to UK holidays and remain open on so called local public holidays, and local indigenous businesses may close particularly if their employees choose not to work. There is no law requiring employers to grant a day off on a bank holiday.

As Scotland’s banking system operates in harmonisation with England’s, the term ‘bank holiday’ is increasingly misleading with some banks (internet and high street) opening on Scottish bank holidays and some employers granting the time off as a holiday, providing another day off in lieu, or providing additional pay to those that work.

2.2 CURRENT CELEBRATIONS

2.2.1 Scotland

Traditionally St Andrew’s was a popular feast night in Scotland and there has been efforts recently to increase its profile.

In 2005, the Scottish Executive lent its support to a programme of events to celebrate St Andrew’s Day in Edinburgh around the ‘One Scotland Many Cultures’ theme. The day was marked by a ceilidh and concert and a crowd of 4,000 attended events.

In the town of St Andrew’s itself there is an annual week-long festival around the 30th November. It features a host of events and activities including concerts of traditional and classical music, exhibitions of arts and crafts, ceilidhs, dance, drama, the St Andrew’s Day Gala Ball and fireworks display. Fife Council provides annual funding in support of the festival (£10,000 in 2005) and this successfully levering in funding from other sources including private sector funding in the form of sponsorship.

The table below indicates how St Andrew’s Day is recognised currently by local authorities:

<table>
<thead>
<tr>
<th>Local Authority</th>
<th>School Holiday</th>
<th>Council Holiday</th>
<th>Existing Celebration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angus Council</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>City of Edinburgh Council</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Dumfries &amp; Galloway</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Fife Council</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: Experian

Table 2.1: How St Andrew’s Day is Recognised

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4 For example, the Summer Bank Holiday in August is legally a ‘bank holiday’ but the banking sector takes the holiday later in the month to conform to practice across the UK.

5 [http://www.edinburgh.gov.uk/libraries/historiesphere/standrew/standrew.html](http://www.edinburgh.gov.uk/libraries/historiesphere/standrew/standrew.html)
Currently Angus Council is the only local authority where the Council is closed for business. The Council does not support any specific celebration related to St Andrew’s Day.

However, in partnership with City of Edinburgh, Fife, Dundee, Perth, Glasgow and Stirling Councils, Angus Council is promoting Scotland as being at the heart of a global Tartan Day Celebration, around 6th April and the anniversary of the Declaration of Arbroath⁶, coinciding with the tourist season.

### 2.2.2 Overseas

St Andrew’s Day is also popular with Scots who live abroad. Many events take place through the Caledonian Society, St Andrew’s Societies, the British Embassy, and High Commissions. The following table shows how widespread St Andrew’s Day celebrations are:

<table>
<thead>
<tr>
<th>Australia</th>
<th>Hungary</th>
<th>Nigeria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>Bulgaria</td>
<td>Denmark</td>
</tr>
<tr>
<td>Barbados</td>
<td>Trinidad &amp; Tobago</td>
<td>St Lucia</td>
</tr>
<tr>
<td>Brazil</td>
<td>India</td>
<td>Peru</td>
</tr>
<tr>
<td>Canada</td>
<td>Ireland</td>
<td>Romania</td>
</tr>
<tr>
<td>China</td>
<td>Japan</td>
<td>Russia</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Latvia</td>
<td>Singapore</td>
</tr>
<tr>
<td>Egypt</td>
<td>Malawi</td>
<td>Slovenia</td>
</tr>
<tr>
<td>Estonia</td>
<td>Malaysia</td>
<td>Spain</td>
</tr>
<tr>
<td>France</td>
<td>Malta</td>
<td>Sudan</td>
</tr>
<tr>
<td>Gambia</td>
<td>Lesotho</td>
<td>Mozambique</td>
</tr>
<tr>
<td>Georgia</td>
<td>Iceland</td>
<td>Luxembourg</td>
</tr>
<tr>
<td>Ghana</td>
<td>Netherlands</td>
<td>Taiwan</td>
</tr>
<tr>
<td>Greece</td>
<td>New Zealand</td>
<td>United States</td>
</tr>
<tr>
<td>Iran</td>
<td>Israel</td>
<td>Jordan</td>
</tr>
<tr>
<td>Kuwait</td>
<td>Lebanon</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Romania</td>
<td>Russia</td>
</tr>
<tr>
<td>South Africa</td>
<td>Tunisia</td>
<td>Zimbabwe</td>
</tr>
<tr>
<td>Turkey</td>
<td>Costa Rica</td>
<td>Angola</td>
</tr>
<tr>
<td>Yemen</td>
<td>Cambodia</td>
<td>Hong Kong</td>
</tr>
</tbody>
</table>

*Source: British Embassy, Caledonian Societies, St Andrew’s Societies, SPICe, Scottish Executive International Division*

**Table 2.2: Countries where St Andrew’s Day is celebrated**

⁶ See also [http://www.scotlandstartanday.com/](http://www.scotlandstartanday.com/)
2.3 ST ANDREW’S DAY HOLIDAY BILL

The St Andrew’s Day Bank Holiday (Scotland) Bill was introduced by Dennis Canavan MSP on 19 May 2005 and it simply aims to amend the Banking and Financial Dealings Act 1971 so that 30 November each year, (or the Monday following if 30 November should fall on a Saturday or Sunday), becomes a bank holiday.

The Enterprise and Culture Committee was designated lead committee for the Bill and it began to consider the general principles of the Bill (Stage 1) in 2005. In addition, the Finance Committee has also considered the Bill’s Financial Memorandum.

The Enterprise and Culture Committee received a number of written submissions as well as various expressions of opinion from individuals and organisations in August 2005, and held two oral evidence sessions on the Bill in September 2005. It agreed unanimously to support the general principles of the Bill.

A Stage 1 debate was held in the Scottish Parliament on Thursday 6 October 2005, and following that, Parliament voted to refer the Bill back to the Enterprise and Culture Committee for further consideration at Stage 1. At its meeting on 6 December 2005 the Committee agreed to reconsider the Bill by undertaking a further short focused inquiry.

At its meeting on 24 January 2006 the Committee decided that additional information was needed on the costs and benefits to the Scottish economy of various options of a potential St Andrew’s Day bank holiday.

2.3.1 Support

Dennis Canavan undertook a public consultation to gauge support for the creation of a national holiday. In total, 142 responses were received from politicians, local authorities, religious groups, professional/business bodies and cultural and other interest groups. The vast majority of respondents considered that a St. Andrew’s Day Bank Holiday is a positive step in promoting a celebration of national identity and diversity in cultural, ethnic and religious terms:

- 85% gave full, partial or conditional support;
- 9% were unsure or made no comment; and
- 6% disagreed fully with the proposals.

The business community expressed concerns about the impact the holiday could have and the CBI reported that support amongst its members may not be forthcoming, although there was greater support for a holiday if it was a substitute for an existing holiday in Scotland.

According to a Mori poll commissioned by Glenlivet in 2004, public support for a St Andrew’s Day holiday appears strong with 75% of the population supporting a bank holiday on 30th November.

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The proposal for the Bill attracted 75 signatories from MSPs across all parties.

### 2.3.2 Views

The SPICe briefing and oral/ written evidence of the Enterprise and Culture Committee has been summarised below.

| Economic | • Value of bank holidays to retail sector as people engage in leisure and entertainment activities including shopping  
• Retail Tourism a main activity for Scottish Visitors  
• Strengthens tourism sector and domestic market  
• Additional themed tourism opportunities around St Andrew  
• Holiday could increase flexibility of labour markets which may be attractive to employers and employees  
• Could raise awareness of Scotland in international markets |
| --- | --- |
| Social | • Narrow the holiday gap between Scotland and EU and enhance work life balance  
• Alleviate work-related stress  
• Increased opportunities for family time  
• Flexibility for employees to take holidays when it suits them and/ or their families  
• St Andrew is an international/appropriate figure. Therefore, any celebrations can be inclusive of the entire Scottish population  
• Potential holiday ‘bridging’ gap between August and Christmas |
| Cultural | • Celebrating a national day increases sense of national identity  
• Improvements to Scotland’s image abroad  
• Opportunity to celebrate Scotland’s diversity of cultures, faiths and ethnic origins  
• Opportunity for bringing together the Scottish community worldwide |

Source: Scottish Parliament Briefing & Enterprise, Culture Committee Stage 1 Report on the St Andrew’s Day Bank Holiday (Scotland) Bill and St Andrew’s Day Consultation

Table 2.3: Positive Views

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Celebrating St Andrew’s Day – An Assessment of the Economic, Social and Cultural Costs and Benefits – Final Report

| Economic                                                                 | • Perception that a holiday may compromise reputation of Scotland’s flexible labour market  
| • Increased public sector costs                                        | • Recruitment difficulties in private sector as improved public sector conditions may attract better quality of workers - private sector may have to respond with increased holiday entitlement and incur additional cost  
| • Inconvenience as businesses would have to offer time off in lieu     | • Operations of global 24/7 businesses compromised and competitiveness of banking/financial services sector particularly compromised as they face potential additional costs to provide services on bank holidays  
| • Disruption in terms of harmonising Scotland to UK holidays          |

| Social                                                                  | • Employees in retail and tourism sectors particularly would have to work on the holiday  
| • November is not an ideal time of the year to have a celebration because of the weather and the proximity of Christmas |

| Cultural                                                               | • Depending on how it was celebrated, a St Andrew's Day may not appeal to all of the people of Scotland |

Source: Scottish Parliament Briefing & Enterprise, Culture Committee Stage 1 Report on the St Andrew's Day Bank Holiday (Scotland) Bill and St Andrew's Day Consultation

Table 2.4: Negative Views

Other key issues that have been discussed during oral and written evidence include:

- The practicalities of the actual date and day of the week of the holiday;
- Practicalities of introducing an additional holiday, or at the expense of an existing bank holiday;
- The merits of public holidays generally and the merits of reducing the length of the working year;
- Parity of the UK, and hence Scotland, with the EU average number of public holidays;
- Average hours worked in the UK and Scotland are close to the average of all OECD countries, but more than in most Western European countries – shortening the length of the working year may reduce work-induced stress, increase productivity, and see more time being spent on family commitments and leisure activities.
3 Comparator Research

3.1 IRELAND

3.1.1 What They Celebrate

Ireland has a national holiday on March 17th to celebrate St Patrick’s Day, the feast day to celebrate the patron saint of Ireland.

3.1.2 Legislative Framework

The Organisation of Working Time Act, 1997\(^9\) sets out statutory rights for employees in respect of rest, maximum working time and holidays. Under the Act the minimum holiday entitlements for employees who work at least 1,365 hours per year was increased from 3 weeks to 4 weeks (20 days) on April 1st 1999.

There are nine public holidays as follows:

- New Years Day (January 1);
- St. Patrick’s Day (March 17);
- Easter Monday;
- The first Monday in May;
- The first Monday in June;
- The first Monday in August;
- The last Monday in October;
- Christmas Day (25th December); and
- St. Stephen’s Day (December 26).

Employees, other than part-time, have an immediate entitlement to public holiday benefits. Part-time employees must have worked at least 40 hours in the 5 weeks ending on the day before the public holiday to qualify for public holiday benefit.

In respect of a public holiday the employee is entitled to whichever of the following their employer determines:

- a paid day off on that day;
- a paid day off within a month of that day;
- an additional day of annual leave; and or
- an additional day’s pay.

If, following a request from an employee, no later than 21 days before the public holiday, an employer does not nominate one of the options above, the employee will automatically be entitled to a paid day off on the day of the public holiday.

There is no specific provision in law governing what happens when a public holiday falls on a weekend in Ireland but in practice employees are entitled to the normal arrangements concerning employment and public holidays.

Northern Ireland also acknowledges St Patrick’s Day (created by a special Act of Parliament in 1903) but with a bank holiday rather than a national day. Northern Ireland has two more additional bank holidays than the rest of the UK: St Patrick's Day, and 12 July (Anniversary of the Battle of the Boyne in 1690), created by the Governor of Northern Ireland in 1926.

3.1.3 Celebrations

Up to 1996, the Republic of Ireland did not hold large scale formal parades or secular celebrations on St. Patrick’s Day. Indeed, until the 1970’s Irish laws actually mandated that pubs be closed on March 17th.

It was also the case that St Patrick’s Day celebrations held in Ireland prior to 1996 paled in comparison to those held abroad, for example street parades in New York and Chicago. Perceiving that St Patrick’s Day celebrations overseas had become more renowned than celebrations in Ireland, and because it was felt that the annual Dublin parade needed rejuvenating, in 1995 the government established a St. Patrick’s Day Festival Unit with the aim of creating a national festival to showcase Ireland and its culture. The remit of the Unit is to:

- Offer a national festival that ranks amongst the greatest celebrations in the world;
- Create energy and excitement throughout Ireland via innovation, creativity, grassroots involvement, and marketing activity;
- Provide the opportunity and motivation for people of Irish descent (and those who sometimes wish they were Irish) to attend and join in the imaginative and expressive celebrations;
- Project, internationally, an accurate image of Ireland as a creative, professional and sophisticated country with wide appeal.

The first St Patrick's Festival was held in 1996 and has subsequently grown into a major event. In 2006 the government contributed an amount of €1m (£690,000) to the unit, which helps lever in additional funding in the form of commercial sponsorship, and funding from other organisations participating. The government’s financial support has been increasing each year since it began its support.

The Unit is now supporting an annual five-day programme of events, of which the main parade in Dublin is one component and this alone costs an estimated €600,000 (£410,000) to run. As well as the government’s support above, the parade attracts estimated annual support of €40,000 (£27,000) from Dublin City Council.
Other parades and events take place throughout Ireland. Outside Dublin the largest celebrations take place in Cork, Downpatrick (where St Patrick was buried), and Galway. The Unit does not provide any financial support to these, as the Dublin programme of events is seen as a focus for the regional and sub-regional activities. These are funded by local businesses in the hotel and pub sector, with some support from relevant local authorities.

The Irish government is keen to capitalise on the opportunity St. Patrick’s Day provides to drive tourism in Ireland and showcase it to the rest of the world. In 2006, Tourism Ireland, which is responsible for growing overseas tourism to Ireland, used interest and goodwill generated by the St Patrick’s celebrations around the world to kick-start an intensive €50 million programme of advertising, marketing and promotion aimed at attracting 8.5 million visitors to the island of Ireland this year.

In 2005, to coincide with St Patrick’s Day, Irish Ministers travelled to more than thirty five cities around the world to promote Ireland, utilising the invaluable opportunity St Patrick’s Day provides to promote Ireland as a modern ‘Knowledge Economy’.

The Unit’s contribution to this is to assist in the delivery of St Patrick’s Day celebrations around the world, particularly in programming and ensuring that there is appropriate cultural representation of Ireland at these events. It works with relevant country organisers in delivering these events, including this year, the Mayor’s Office in London, and host organisers in Singapore, Spain and New York. The Unit rotates its presence, and is working with the Mayor’s Department in Chicago for next year’s programme.

3.1.4 Economic Costs/ Benefits – Consumer Impacts

The first festival in Dublin in 1996 took the form of a rejuvenated parade and attracted an estimated 430,000 people. Since then the festival has developed into a five-day programme of celebrations and attracts around 1 million people. Regional events attract additional participants and spectators.

A survey by the Dublin Institute of Technology (DIT), Tourism Research Centre found significant numbers of overseas visitors come to Dublin to participate in the St Patrick’s Festival (29%), and of these 47% visit the country specifically to celebrate St Patrick’s Day. Of those consulted 81% report that they would return to Ireland based on their experience at the festival.

3.1.5 Economic Costs/ Benefits – Producer Impacts

The DIT research also estimated the gross impact of the 2003 Festival on Dublin at almost €80 million (£54m) based on an average daily spend per person per day of almost €80 (£54, i.e. 1m visitors) on food, drink, transport, accommodation, or tickets for events.

The hotel and catering industry supports these estimates, reporting that trade in Dublin during Festival week is more valuable than Christmas and New Year.\(^{15}\)

Fáilte Ireland estimated the *gross* impact of the 2005 Festival at €58.3m (£39.7m).\(^{16}\) This is based on average *trip* spend of €534 (£364) for 40,000 overseas visitors; and €165 (£112) for ‘staying’ and €50 (£34) for ‘non-staying’ Irish visitors.\(^{17}\)

Both research exercises were expressed in terms of the gross impact and should not therefore be read as representing the net *additional* impact on the Dublin economy.

3.1.6 **Cultural Impacts**

Discussions with the St Patrick’s Day Unit confirm that the emphasis is on promoting and fostering cultural identity as well as engendering a sense of national esteem and identity. The focus is on bringing together Irish descendants, ex-patriots, and those living in Ireland today in order to express this shared sense of heritage, and to do so in Ireland and with Irish communities across the world. Activities include parades, Irish dancing, singing and music.

3.1.7 **Social Impacts**

The numerous festivals that take place in villages, towns and cities throughout Ireland involve significant community engagement in order to plan, organise and manage events.

Some problems are reported in relation to a rise in alcohol-related offences on St Patrick’s Day.\(^ {18}\)

Other concerns have been expressed over the disruption to the Irish parliament during the week surrounding St Patrick’s Day since so many government ministers are abroad promoting Ireland’s interests.\(^ {19}\)

3.2 **FRANCE**

3.2.1 **What They Celebrate**

The French national day falls each year on 14th July. In English, it is often miscalled “Bastille Day”. In France it is properly called “Fête Nationale” (National Festival). The day officially celebrates the 1790 Fête de la Fédération, though it is often associated, even in France, with the storming of the Bastille prison in Paris in 1789.

\(^ {15}\) [http://www.irishabroad.com/stpatrick/day/dublindecade.asp](http://www.irishabroad.com/stpatrick/day/dublindecade.asp)  
\(^ {16}\) St Patrick’s Festival Economic Analysis, Fáilte Ireland  
\(^ {17}\) The methodologies for these separate pieces of research are different and involved different degrees of surveying visitors. As such there is no indication that the volume of visitors, spend or the impact of the St Patrick’s Day Festival has been decreasing. Indeed discussions with the St Patrick’s Day Festival indicate that this is not the case.  
\(^ {19}\) [http://www.timesonline.co.uk/article/0,,13509-2090482,00.html](http://www.timesonline.co.uk/article/0,,13509-2090482,00.html)
3.2.2 Legislative Framework

The legislative framework for making July 14th the national holiday of the Republic was established by an Act of Parliament in 1880. This was some 90 years after the French Revolution. From the outset, the emphasis was on patriotism and militarism. This was largely to express France's recovery from defeat in the Franco-Prussian War of 1870.

In France, there are a total of 11 public holidays. These are over 12 dates of the year as two of the public holidays, Good Friday and Boxing Day, are variable between the regions of France. The public holidays in France are listed below.

- 1 January - New Year's Day
- March/April - Good Friday (Varies. Only certain French regions)
- March/April - Easter Monday (Varies)
- 1 May - Workers' Day
- 8 May - VE Day
- May - Ascension Day - (Varies)
- 14 July - Bastille Day
- 15 August - Assumption
- 1 November - All Saints' Day
- 11 November - Armistice Day
- 25 December - Christmas Day
- 26 December - Boxing Day (Only certain French regions)

A key characteristic of French public holidays is that they fall on fixed dates, with the obvious exceptions of those days associated with Easter. This is unlike most British bank holidays which are moved round the calendar to fall on a Monday and form a long weekend. Important points to note are:

- French public holidays falling on a Sunday are celebrated on the following Monday.
- A public holiday falling on a Saturday does not mean day off on the Monday as happens in Britain.
- When a public holiday in France falls on a Tuesday or Thursday, it is usual for workers to book days off on the Monday or Friday as well. French people call this “faire le pont” (making the bridge). As schools do not make this bridge, families usually cannot take long holidays.

Public holidays are strictly adhered to in France. Most offices, businesses and shops in France will close for a public holiday. Small supermarkets in many towns will open for a couple of hours in the morning. Bakers will operate a limited morning service. Restaurants usually respond to the market demand, so openings depend on location and time of year.

However, only Labour Day on May 1st is a public holiday by legal statute. The rest of the holidays are granted by an annual 'convention collective'. This is an agreement between employers' with their employees or employees' unions.

There are 25 days statutory leave.
3.2.3 Celebrations

The main official events celebrated on the “Fête Nationale” are:

- A large military parade along the Champs-Élysées in Paris. The parade opens with cadets from military schools, followed by troops including the French Republican Guard and the Paris Fire Brigade and finally a display of military planes flying above. In recent times, it has become customary to invite troops from France’s allies into the parade. In 2004 to mark the centenary of the “Entente Cordiale”, British troops led the parade for the first time.

- In the afternoon the President makes a formal address on the state of the nation and its challenges for the year ahead. The President then hosts a reception in the grounds of the Palais de l’Élysée to which members of the armed forces and, more recently, young people from across France are invited.

- The Tour de France also occurs around this time in July. July 14th is traditionally viewed as the day upon which the competing French cyclists will make an extra effort to take a stage victory for France.

Given the nature and scale of these celebrations, we can conclude that the French government is providing the lead role in Paris-based celebrations although our research has not uncovered any level of investment required in delivering these celebrations.

Other celebratory events occur throughout the country. Many cities hold fireworks during the evening, and it is also customary that on the evening of July 13th, the fire service organises dancing parties at their fire stations.

The format of celebrations does change in some years to mark special anniversaries. For example, in 1989, to mark the 200th anniversary of the French Revolution, Paris held a ‘La Marseillaise’ night-time parade attended by world leaders.

And in 2000, France held the “Incredible Picnic” – 450 miles of table cloth at towns and villages along the French Meridian with millions of people joining in for lunch.

3.2.4 Costs and Benefits

It is important to consider the policy context, given that the French Government recently moved to reduce the number of public holidays. Following the heat wave of August 2003 in which an estimated 13,000 older people died, the then prime minister Jean-Pierre Raffarin proposed that the nation surrender one public holiday. It was argued that this would generate tax which could fund care for older people. This proposal was followed through in 2005 with the cancellation of the Whitsun holiday on May 16th.

The experiment in France of cancelling a public holiday became embroiled in wider political issues of labour market reform, a referendum on the EU.

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20 BBC News, French Protest at Holiday Axing, April 29th 2005  
http://news.bbc.co.uk/1/hi/world/europe/4500109.stm
constitution and broader discontent with the Government. Many private businesses operated as a normal working day but trades unions called a strike and millions of workers stayed at home, indicative of some of the political difficulties associated with changing public holidays.

The political discussion on cancelling a public holiday in France prompted some research into the economic impact of losing a public holiday. We have reviewed the research undertaken by the Observatoire Francaise des Conjonctures Economiques, which concluded that an additional working day in a year (that is 1/220th or a 0.45% increase in days worked) would lead to an increase in output but not to the same extent.

3.3 UNITED STATES

3.3.1 What They Celebrate

There are many days of national significance in the United States, but this research focuses on Independence Day (otherwise known as the July 4th) and Thanksgiving Day.

Thanksgiving takes place every year on the fourth Thursday of November, and is a major national holiday. On one level the holiday represents an opportunity to ‘give thanks’, in a tradition similar to the Autumn harvest festival in Europe. On another level, Thanksgiving is closely related to ideas about the origins of the nation, although it is not explicitly celebrated as such. The history of the holiday is linked to the arrival of the first European settlers, the American Revolutionary War, and the American Civil War. The roots of the holiday are commonly traced back to a feast that was held by a group of Puritan pilgrims and native Wampanoag people in Plymouth, Massachusetts, in the autumn of 1621.

3.3.2 Legislative Framework

The United States observes no national holidays, or holidays mandated across all 50 states by the federal government. The federal government is by US Code Title Five (Government Organization and Employees) Section 6103 only allowed to extend an official holiday to its federal employees and employees of the District of Colombia (Washington, D.C.). States and municipalities have the freedom to adopt federal holidays and/or to establish their own. In practice, however, most states observe federal holidays. In addition to federal holidays, there are also patriotic and national observances, state holidays, and locally observed holidays.

The ten 2006 federal holidays are:

- Monday, January 2 - New Year’s Day
- Monday, January 16 - Birthday of Martin Luther King, Jr.
- Monday, February 20 - Washington’s Birthday

23 Independence Day marks the occasion of the adoption of the Declaration of Independence on July 4, 1776, which declared independence from the Kingdom of Great Britain.
Federal holidays are legislated for by the US Congress. In June 1870, Congress passed the first legislation making New Year’s Day, Independence Day, Day of Thanksgiving, and Christmas Day public holidays without pay in the District of Columbia. The fourth of July was legislated as a federal holiday with pay for federal employees in 1938 and was extended by amendment to employees of the District of Colombia in 1941. In 1941, Congress also passed a law stating that the Thanksgiving holiday should take place every year on the fourth Thursday of November. In more recent years, Congress has sought to promote national celebration without extending the number of federal holidays. In 1998, it approved legislation that designated the 21 days between Flag Day and Independence Day as ‘Honor America Days’.

Another key piece of legislation regarding federal holidays in the United States is the Uniform Holidays Bill of 1968 (Public Law 90-363), which requires most federal holidays to be observed on the Monday closest to the actual date of the holiday. Evidence submitted to Congress in 1968 suggests that the Uniform Holidays Bill was conceived to offer greater leisure time to individuals and families and to decrease disruption to commercial and industrial production. Beyond these impacts, some historians argue that the Uniform Holidays Bill has had the effect of providing a “golden promotional egg” to advertisers and marketers, who offer three day sales, getaway packages, and other promotions to consumers.

US states also legislate to adopt federal holidays and/or to create state holidays that (like national holidays) are only applicable under law to state employees. In many cases, state legislation or celebration of holidays has preceded national legislative recognition. The birthday of Martin Luther King, Jr. is an example of the legislative role of the states in determining public holidays. Following the 1968 assassination of Martin Luther King, a US congressman introduced legislation providing for a federal holiday, but Congress did not enact the legislation. In 1972, the State of Arizona considered legislation providing for an annual state-wide day of observance honouring King. The first state King Holiday was signed into law in Illinois in 1973. President Ronald Reagan signed the federal King Holiday Bill in 1983, making it a federal holiday celebrated on the third Monday of every

24 H.R. 2224 16 Stat. 168, Bills and Resolutions, House of Representatives, 41st Congress, 2nd Session, Read twice and referred to the Committee on the District of Columbia. An Act Making the first day of January, the twenty-fifth day of December, the fourth day of July, and Thanksgiving day, holidays, within the District of Columbia, June 18, 1870.
27 US Code Title 36, Subtitle I , Part A , Chapter 1 , Section 112, Honor America Days.
January. 2000 was the first year that the birthday of Martin Luther King Jr. was celebrated in all 50 states.29

Local governments, such as city and county councils, also make ordinances to adopt or create holidays applicable to their employees. Examples of locally observed holidays are Bunker Hill Day in Suffolk County, Massachusetts and Return Day in Sussex County, Delaware. Private employers can choose whether to offer federal, state, or local holidays as paid leave for their employees, as there is no employment legislation in the US that governs the leave benefits offered to employees. The US Fair Labor Standards Act does not regulate vacation and holidays or premium pay for weekend or holiday work. According to US Department of Labor guidance, leave is “generally a matter of agreement between an employer and employee.”30

Employers are not obliged to provide a paid holiday to employees on federal, state, and/or local holidays (or indeed on any other days). According to the US Bureau of Labor Statistics, 77% of US private sector workers are entitled to paid holidays and vacations. The average private sector worker is provided with eight paid holidays per year; 23% are provided with only six days and only 5% more than 12 days. After 23 years of service, the average US private sector worker is provided with 19.3 days of paid holiday.31 The agreement (contract) between employee and employer determines whether the paid leave includes official holidays and if so, which holidays will be available as paid leave.

### 3.3.3 Celebrations

Independence Day is celebrated and commemorated through a variety of public and private sponsored large scale cultural events and is also marked by more personal and familial celebrations. Fireworks displays, parades, musical concerts, and sporting events are popular public festivities. Fireworks and barbeques are a popular means of personal/familial festivities. Though federal, state, and local government support the commemoration of the event, many private companies sponsor the larger and better known events in major cities (e.g. Boston, Massachusetts and New York, New York) and the public at large organise a wide-range of grassroots activity.

Some of the largest and/or most noteworthy Independence Day events are:

- ‘A Capital Fourth,’ a national Independence Day celebration hosted in Washington D.C.
- Boston’s July 4th Celebrations
- Macy’s 4th of July fireworks display in New York City
- Bristol, Rhode Island Independence Day celebrations, known for being the longest standing celebrations in the United States
- Minor League and Major League baseball games

30 US Department of Labor, Available at: http://www.dol.gov
• NASCAR Pepsi Firecracker 400.

Because Thanksgiving traditionally centres on the family and the home, it is not necessarily associated with public events in many parts of the country. However, a number of cities mark the holiday with civic parades, an example being the Macy’s Thanksgiving Parade in New York, New York. Other cities providing similar events include Detroit (where it is branded as 'America's Thanksgiving Parade'), and Philadelphia, the first city to host a parade, in 1920. Parades typically end with an appearance by Santa Claus, highlighting the links to the Christmas period.

Thanksgiving is also a major fixture in the sporting calendar, particularly for American football, when games are scheduled throughout the long weekend at all levels of the game. This is traditionally the time when the game's oldest and fiercest rivals meet, rather as local football derbies are held on Boxing Day in the UK.

3.3.4 Economic Costs/ Benefits – Consumer Impacts

Large numbers of people directly or indirectly experience Independence Day celebrations. Although this research has not uncovered any studies that map attendance of events nationally, the larger celebrations record estimated attendance figures, which provide an indicator of the scale of major events.

‘A Capital Fourth’ in Washington D.C. attracts more than 500,000 annually to the national mall for concerts, fireworks, and other festivities. The annual televised broadcast of the celebration is the most-watched special on the Public Broadcasting Service (PBS), a non-commercial, education network, which reaches approximately 99% of US households (over 105 million households).

Boston’s July 4th celebration, which is free and open to the public, attracts between 400,000 and 700,000 people a year to the Boston Pops Orchestra and surrounding Esplanade area. The CBS Network, one of the four largest commercial television networks, televises the festivities to local and national audiences. CBS reaches nearly 97% of US households (over 103 million households).

Though Bristol, Rhode Island is a small town of over 22,000 people, due to it having the longest-standing Independence Day celebrations in the US, its celebratory events draw residents, regional visitors, and even a small number of international tourists. In some years, as many as 200,000 people have attended Bristol’s Independence Day parade on the July 4th.

In New York, the Macy's Thanksgiving Parade of floats, bands, performers and giant novelty balloons has been an annual fixture since 1924. Around

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32 A Capital Fourth Official Website, Public Broadcasting Service (PBS), Available at: http://www.pbs.org/capitalfourth/.
33 Official Site of Boston’s Fourth of July Celebration, Boston Celebrations, Available at: http://www.july4th.org/.
2.5 million spectators attend the parade in Manhattan, while 44 million watch it on television.

### 3.3.5 Economic Costs/ Benefits – Producer Impacts

This research has not identified any official or independent studies that have attempted to measure the commercial costs and benefits of Independence Day. Robustly measuring impacts associated with attributable spending by stakeholders and by institutions, as measured by increases in GDP, labour income, employment, tax revenue, etc., would require sophisticated methodologies and large resources. The US Census Bureau does not undertake such research, but it has produced ‘Facts for Features’ resources on both Independence Day and Thanksgiving Day, which provide details of annual export, import, and consumption figures for relevant industries, such as fireworks, agriculture, and meat production.

Food and feasting are central to Thanksgiving celebrations, driving sales in a number of agricultural, food and drink products, notably turkeys, pumpkins, sweet potatoes and cranberries. Americans ate an estimated 46 million turkeys at Thanksgiving in 2003 and November is the peak month for turkey consumption, accounting for over 14.5% of the annual market in 2002.

As major events, both Independence Day and Thanksgiving Day will arguably have an impact on a broader set of industries, including retail and leisure and entertainment (including tourism). The day after Thanksgiving (‘black Friday’), when Christmas shopping begins in earnest, is the busiest shopping day of the year in the US in terms of customer traffic. In 2004, the US National Retail Federation estimated that 130 million people went shopping over Thanksgiving weekend. Thanksgiving marks the start of the ‘holiday shopping season’, which runs until Christmas. In 2003, this period accounted for 23% of annual retail sales in the US.

Cities and travel services promote cultural tourism on both Thanksgiving Day and Independence Day, with airlines often offering promotional deals on travel and accommodation in various destinations. For example, the Macy’s Thanksgiving Day Parade is marketed as a tourist attraction, and brings visitors to the City of New York. In addition Thanksgiving is also one of the peak times of the year for the travel industry, as US citizens head home to visit their families during the holiday weekend.

Beyond the obvious impacts on the consumption of certain products and services (e.g. fireworks, American flags, and meat and other foodstuffs), Independence Day and Thanksgiving Day – as major events – provide companies with a range of opportunities for marketing, including

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39 Ibid.
40 Travel Industry Association of America Website, Available at: [http://www.tia.org](http://www.tia.org).
sponsorship, advertising, and product placement. Sponsorship, in particular, provides companies with opportunities for increased awareness, image enhancement, and sales and hospitality opportunities. Pepsi, the drinks company, Macy’s, a major US department store chain, and Liberty Mutual, a large insurance company, are major sponsors of large scale public events associated with Independence Day.

This research has not identified any official estimate of measuring the loss of a day’s output on the economy, perhaps on account of the fact that paid leave is determined contractually between employee and employer rather than being legislated by government.

Though many large employers offer paid leave on all federal holidays, smaller employers are often forced to restrict their offer of paid leave to a smaller group of federal holidays, most often including New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Independence Day. Despite some closures, many US workers work on public holidays, including Thanksgiving and Independence Day, particularly in the retail sector.

3.3.6 Cultural Impacts

Both Independence Day and Thanksgiving Day can be classified as both special events and major events.

Special events are characterised as those events that mark a special occasion and have associated symbols, rituals, presentations, performances, and celebrations. National symbols, such as the national flag and national anthem, are strongly associated with both Independence Day and Thanksgiving Day and fireworks, parades, and barbeques are popular means of festivity. National cuisine is a focus of Thanksgiving, with regional and local variations on a lunch or dinner menu, which most often includes a stuffed turkey, sweet potato and/or pumpkin confections, and a range of vegetables and condiments.

Major events are those of a significant scale and interest to attract considerable visitor numbers, significant media coverage, and to stimulate broad-based public participation. As has been discussed in previous sections, both holidays are major holidays that provide platforms for cultural and sporting activity.

Beyond being both special and major events, Independence Day and Thanksgiving Day are part of the ‘intangible cultural heritage’ of the United States, because the days and the values associated with them:

- are transmitted from generation to generation;
- are constantly recreated by communities and groups, in response to their history;
- provide communities and groups with a sense of identity and continuity.\(^41\)

\(^{41}\) For a full definition of intangible cultural heritage, refer to the UNESCO Convention (2003) on the Safeguarding of Intangible Heritage.
Though related to happenings of historical significance, both days project contemporary notions of ‘national values.’ The tone of activities associated with Independence Day, in particular, is one of patriotism; local, state, and federal politicians, policy-makers, and other figures generally make public speeches or addresses on the day, expounding values and ideals such as freedom, democracy, liberty, and determination.

Thanksgiving Day, though related to the history of the early settlement of the US, is a more personalised and family orientated celebration. Despite its more personal focus, it expounds the virtue of being thankful for the material abundance of the US as a country and the value of co-operation.

3.3.7 Social Impacts

Independence Day and Thanksgiving Day present individuals with an opportunity to enjoy leisure with family and friends and/or engage with the wider community. These days also have a wider social significance. Broadly, both days can be said to support a sense of cultural identity and build national pride through intangible values and symbols. On Independence Day, naturalisation ceremonies are held throughout the country\(^{42}\). These celebrations sometimes take place at sites of historic importance, such as aboard the USS Constitution, the oldest ship in Navy commission, and Monticello, home of the author of the Declaration of Independence and third President of the United States, Thomas Jefferson.\(^{43}\)

Independence Day is also part of the ‘Honor America Days’ season, (the 21 days between Flag Day and Independence Day) during which Congress declares, “there be public gatherings and activities during that period at which the people of the United States can celebrate and honour their country in an appropriate way”\(^{44}\).

There is also an educational value of both holidays. Many schools use the days and weeks around these holidays to help students learn about American history and civics through a range of often creative classroom activities.

There may also be adverse social impacts of Independence Day and Thanksgiving Day, though it would take a more in-depth and longitudinal study to measure any adverse impacts. Generic potential adverse impacts of any large scale event are:

- substance abuse and other harmful health choices
- crime and antisocial behaviour
- social alienation and exclusion
- traffic congestion
- noise disturbance.

There is little available evidence that Independence Day and Thanksgiving Day have a large adverse impact on crime and other antisocial behaviour or are particularly related to increases in substance abuse. There have been


\(^{44}\) US Code Title 36, Subtitle I, Part A, Chapter 1, Section 112, Honor America Days.
campaigns, however, to raise awareness of the dangers of and penalties for drunk-driving, in particular, around other federal holidays such as Labour Day.

3.4 SWEDEN

3.4.1 What They Celebrate

Sweden celebrates its national day on June 6th. The origins of this date back to June 6th 1523 when Gustav Vasa was “elected” king. Gustav Vasa, or Gustav I, is commonly considered the founder of the modern Swedish state. He unified the country and liberated large parts of it from the Danish king Christian II. June 6th was also the date that Sweden’s Constitution was signed in 1809. The date has been celebrated as Gustav’s day since 1916.

It was not until 1983 that it legally became recognised as the national day and then became a public holiday in 2005 (see www.nationalmuseet.se for further details).

3.4.2 Legislative Framework

Sweden has 11 official public holidays. Public holidays are set out in law and are protected as work-free days. These are a legal right and employees who are obliged to work on public holidays are entitled to compensation in terms of equivalent time off work. Employees compelled to work on public holidays are also often entitled to overtime. Although Saturday is the official holiday for Midsummer (Midsommardagen) and All Saints (Alla Helgons Dag), the Friday is usually taken as a half day.

It is one of 11 public holidays in Sweden:

- Nyårdsdagen, New Year's Day, January 1
- Trettondedag jul, Epiphany, January 6
- Långfredagen, Good Friday, date varies
- Påskdagen, Easter Monday, date varies
- Första Maj, May 1
- Kristi Himmelsfärdsdag, Ascension Day, 39 days after Easter
- Sveriges Nationaldag, Sweden's National Day, June 6
- Midsommardagen, Midsummer Day, Saturday between June 20 and 26
- Alla Helgons dag, Halloween, Saturday between October 31 and November 6
- Juldagen, Christmas Day, December 25
- Annandag Jul, Boxing Day, December 26

The adoption of June 6th as a public holiday in Sweden meant that another public holiday, “Annandag Pingst”, Whit Monday, became a normal working day. This ‘substitution’ was designed to minimise the economic costs of making June 6th a public holiday.

45 See Sweden’s National Labour Market Institute www.amv.se for more details.
46 Whit Monday is a moveable feast in the Christian calendar and depends on the date of Easter, but usually occurs in May/June.
There are 25 statutory minimum days’ leave over and above the 11 public holidays.

### 3.4.3 Celebrations

Official celebrations are held throughout the country and led by local and national governments with the centrepiece being the celebrations held in Skansen (a zoo and amusement park in Stockholm). This is led by the government with the participation of the royal family and broadcast live on television. The celebrations include parades, speeches, music, street theatre and sport displays of various sorts.

### 3.4.4 Economic Costs/ Benefits

The key source of evidence is a report on the costs of a national holiday in Sweden, ‘Nationaldagen – ny helgdag’, (the National Day – New Public Holiday). The study was part of a Commission of Inquiry on a new National Day for the Swedish Government in 2004 and research was undertaken before the introduction of the National Day on 6th June in 2005. Our research has not found any evaluation of the impacts after the change.

The research included two studies on the economic effects of an additional public holiday in Sweden, by:

- Brännlund and Kriström, Umeå University, Sweden
- National Institute of Economic Research, Sweden

The approach of the Commission was to consider reports on the potential costs of an additional public holiday, and, given that these were significant, which existing public holiday could be cancelled in order that the net effect be more or less neutral.

Therefore, the economic costs considered are principally in terms of output foregone. The research does not include work to measure the potential benefits of an additional day off. Neither does it include research on the benefits of making the national day a public holiday instead of Whit Monday.

The key finding of the economic research is that adding another public holiday to the calendar may reduce output by around 0.1% to 0.3% of GDP (Brännlund and Kriström) or 0.2% of GDP (National Institute of Economic Research). However, if Whit Monday is removed as a public holiday, then the net effect will be broadly neutral with no anticipated lost output.

The report also considers that taking the benefits of added leisure time into account, the cost might fall to only 0.1% of GDP. However, it provides no details of how this is calculated or on which assumptions it is based. Similarly, while the research acknowledges that impacts are likely to differ across industrial sectors, firms and households, it does not analyse this in detail. The research only observes that the leisure sector and in particular tourism is likely to benefit from additional leisure demand, while manufacturing firms which are more dependent on continual operation may lose.

The research does not assess any social or cultural impacts.
4 Options for Celebrating St Andrew’s Day

In considering the St Andrew’s Day Bank Holiday (Scotland) Bill, the Enterprise and Culture Committee drew on evidence from a number of organisations. Based on these, its research specification for this study proposes a number of ‘celebration options’:

- Changing the date of an existing bank holiday to St Andrew’s Day;
- Establishing an additional bank holiday on St Andrew’s Day;
- Having no bank holiday on St Andrew’s Day, but holding an event/celebration to mark the day; and/or
- Building on existing local practices for the purpose of celebrating St Andrew’s Day.

During the course of this research, we discussed the implications of the Bill with a number of organisations and to assess views on the principle of a holiday to celebrate St Andrew’s Day and, how it could be celebrated.

This section summarises the main findings from these consultations, and concludes with suggestions on the options for celebrating St Andrew’s Day, the form of these celebrations and the likely initiatives required to ‘kick start’ a national day in Scotland.

The following were consulted:

- Local authorities;
- Scottish Arts Council;
- Events Scotland;
- Association of Scottish Visitor Attractions (ASVA);
- Scottish Council of Voluntary Organisations (SCVO);
- VisitScotland;
- Scottish Trade Union Council (STUC);
- Scottish Council for Development and Industry (SCDI);
- Confederation of British Industry (CBI);
- Scottish Financial Enterprise;
- Scottish Retail Consortium;
- The Mod;
- Historic Scotland;
- Unique Events;
- Edinburgh’s Winter Festivals;
- Scottish Council Foundation;
- Homecoming Scotland.

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47 We have defined this as substituting an existing bank holiday with St Andrew’s Day.
4.1 LOCAL AUTHORITIES

We contacted 32 local authorities by email and invited their comment on three areas:

- Willingness to give up a local holiday for a national holiday on 30th November;
- Role of the local authority in delivering St Andrew’s Day Celebrations in the area;
- How any such celebrations would complement/ conflict with existing events in the area.

18 authorities responded, with varying degrees of support. Only three responding authorities, Clackmannanshire, Angus and Inverclyde Councils, confirmed they would be willing to give up a local holiday for a bank holiday on 30th November48.

4.1.1 Willingness to Give Up a Local Holiday

Responses indicate a reluctance to give up a local holiday in place of a national holiday.

There is a variance across local authority areas relating to how public holidays are taken. In general local authority employees are entitled to 14 ‘public’ holidays49. Some local authorities are planning to convert their bank/ local holidays into a ‘package’ of annual leave to provide employees with greater flexibility and to cater for those employees engaged in the delivery of essential services. Under this initiative, the effect of an additional holiday could be minimal.

In general a fixed holiday results in a local authority incurring additional costs where essential services are still provided, and employees involved in providing these services will not be able to take a holiday. Where employers pay higher rates for staff working on holidays, additional wage costs will also be incurred.

Councillors would determine whether they replace one of their bank/ local holidays with St Andrew’s Day or add another day to existing arrangements. North Lanarkshire Council has estimated the additional cost of running essential services during a public holiday at £190,000-£210,000. If this could be extrapolated across all Scottish local authorities using a cost per fte employee figure, an additional bank holiday could cost local authorities up to £3.6 million50 to provide essential services.

This figure is broadly in line with evidence from the Chartered Institute of Public Finance and Accountancy (CIPFA), who estimate that Scottish unitary authorities spent £1.3 billion on essential services (police and fire) in 2005/06, equivalent to £3.5 million per day51. As any benefits derived from

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48 Other respondents support the idea of a national day celebrating Scotland’s multicultural heritage in principle, but would not at this stage explicitly surrender an existing local holiday.

49 As per Scottish Joint Council for Local Government Employees

50 This figure is based on a ‘cost’ of £14 per local authority fte employee applied to local authority employment of 260,000 fties.

51 Source: Rating Review, 2005-06 Estimates. CIPFA, 2005
an additional holiday would not be seen by local authorities, the Scottish Executive may be required to provide funding to offset these additional costs.

Both estimates of the cost of a public holiday only cover costs incurred by local government, and understates the true cost of the holiday to the Scottish public sector as a whole.

In reality, the proportion of employees that are likely to be required to work on public holidays would vary substantially from organisation to organisation.

For example there is likely to be a requirement for NHS hospitals to have staff on their premises 365 days a year, while, for many of the centralised services provided by the Scottish Executive, this is unlikely to be a requirement. For this reason, generating an accurate measurement of the total cost of an additional public holiday to the public sector is likely to be a complex process, and does not fall within the remit of this study.\(^{52}\)

Respondents suggest that if there was a national holiday, and where it fell on a Saturday/ Sunday, there should be a national consensus that the nearest working day (Friday or Monday) is taken in lieu. An alternative would be to celebrate St Andrew’s day every Friday closest to 30\(^{th}\) November, which would allow for better planning, although it may compromise the profile of St Andrew’s Day and 30\(^{th}\) November.

4.1.2 Role of Local Authority in Delivery

Responses indicate that it is important for the local authority to have a role in delivery of any St Andrew’s Day celebrations but capital/ revenue expenditure would not be forthcoming, unless obtained through additional grants from the Scottish Executive.

Local authorities could have a direct role in the delivery of education on the theme and history of St Andrew and Scottish culture with potential school-based activities. A corresponding public holiday would provide greater focus to such an initiative.

Respondents also indicated that a local authority would anticipate the private sector, through sponsorship, and the voluntary sector, to have a role in delivering events.

The precise nature of roles would depend on political discussions at the local level and funding/ resources.

4.1.3 Existing Events

Other Scottish significant practices include:

- 700\(^{th}\) Anniversary of William Wallace’s death (Renfrewshire);
- Flying the St Andrew’s Cross on Council Buildings (various);

\(^{52}\) However, under the second of two approaches in the economic analysis in the next section, the ‘cost’ of lost output in ‘public administration & defence’, ‘education’, ‘health’ and ‘other services’ was estimated at £30.6m.
• Tartan Day, 6th August annually (Aberdeen) to showcase the north east;
• Tartan Day/ Week, 6th April (Angus Council, City of Edinburgh, Glasgow, Fife, Dundee, Perth, Glasgow, Stirling);
• Burns’ celebrations (South Ayrshire Council);
• St Andrew’s Day Holiday (Angus Council);
• Various annual events (Glasgow City Council) e.g. Celtic Connections.

Existing regional celebrations around St Andrew’s Day or other Scottish-significant dates are generally viewed positively, complementing initiatives at local authority level, and adding to existing tourism/ leisure offer.

4.2 SUMMARY OF CONSULTATIONS

The findings from the consultations have been summarised under each of the following headings. They contain a range of views that are often contradictory:

4.2.1 Form of Celebration

• The day should be celebrated at the same time throughout Scotland with no sub-regional variations;
• Culture-specific celebrations are required to avoid an additional holiday in Scotland being used solely for retail/ leisure pursuits;
• Central government would need to provide the lead on developing appropriate St Andrew’s celebration and foster a longer term impact;
• International emphasis – opportunity for promoting Scotland globally;
• Consideration should be given to celebrating St Andrew’s Day on the nearest Monday rather than restricting to the 30th November;
• Conversely, if the day is to be celebrated, then it needs to be celebrated on the 30th November each year to retain association with national identity and Scottishness;
• If the day is to be substituted there is no obvious viable alternative – e.g. Hogmanay or the May Bank Holiday are already important days in their own right;
• The specific difficulty relating to financial services sector aside (for example adhering to UK practices), there is more support from private sector and SMEs for a substitution;
• The retail sector favours an additional bank holiday, fixed on the nearest Monday to facilitate forward planning for operators and customers;
• Without a bank holiday, the impact of a national celebration is compromised unless it occurs in the evening or nearest weekend, which given the time of year would prove difficult;
• There were some suggestions that the US may formalise Tartan Day celebrations with a holiday on that date – if this was ever to materialise, Scotland would inevitably be under pressure to follow with a national holiday on 6th April;
• In general there is support for the aspiration of a national celebration of Scottishness but this does not necessarily require a designated day – if a national celebration is developed, it needs to be flexible;
4.2.2 Programme/ Events

A number of suggestions were put forward in the consultation phase:

- Open Day – theatres, galleries, cultural institutions;
- Promoters should develop a programme of events rather than a ‘one-off’ event. Such a programme should rotate annually around different themes – e.g. Scottish Music, Scottish Charities, Scottish Communities, Scottish Sports, Scottish Ethnicity;
- Scottish Executive already supports a number of initiatives to promote Scotland\(^{53}\) and St Andrew’s Day would need to be similarly supported. Support could take the form of a fund whereby applicants bid for development funding for events to celebrate St Andrew’s Day and link between ‘One Scotland – Many Cultures’ and a national holiday on St Andrew’s Day;
- The time of year is not conducive to certain types of celebration that need to be sufficiently attractive to avoid a St Andrew’s Day holiday becoming ‘another holiday’. Its impact will depend on what festivities are developed during the month of November;
- If a celebration is to be a ‘one-day occasion’, whatever is developed needs to be ‘high impact’ to create momentum – e.g. music/concert
- There may be greater success and impact from developing an events’ programme across the whole of Scotland and St Andrew’s Day is developed to act as a ‘catalyst’ for a ‘Winter in Scotland’ theme.
- Whatever is developed, it should be given time to gestate - events tend not to become self-sustaining and even prolific in the short- medium-terms and even established programmes such as the Edinburgh International Festival still require support from the public sector;
- There is also an opportunity to ‘grow’ a St Andrew’s Day brand and grow the celebrations over time.

4.2.3 Precedent

- Historic Scotland opened St Andrew’s Castle and St Andrew’s Cathedral, and Edinburgh Castle opened ‘free of charge’ on 30\(^{th}\) November last year to celebrate the anniversary of the return of the Stone of Destiny;
- The planning, delivery and opening of the Museum of Scotland was to coincide with 30\(^{th}\) November 1998;
- Existing celebrations in St Andrews in Fife;
- STUC-led ‘No Place for Racism’ march in Glasgow on 30\(^{th}\) November.

4.2.4 Potential Economic Effects

Some of the potential economic effects that were raised are summarised as follows:

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\(^{53}\) Eg Executive’s commitment to supporting Scottish sport, culture and the arts and support to local authorities in ‘bringing cultural opportunities’ to Scotland, in the Partnership for a Better Scotland agreement; the year long events of Homecoming Scotland to celebrate ‘the best small country in the world’ in 2009; or support of £3m to the ‘Six Cities Festival’ a series of design exhibitions/ events in each of Scotland’s six cities; Tartan Week.
• Substituting for another holiday will result in less disruption to business, but if a holiday is substituted in April/May could actually adversely affect performance of some visitor attractions. For example, the Queen’s Jubilee (2002), an additional public holiday, resulted in additional visitor numbers to Scotland’s tourism attractions;

• Tourism operators note that public holidays do stimulate more local demand for attractions. The economic benefit of a St Andrew’s Day holiday would depend on the increased visitation levels at attractions that are less weather-dependent or those that would stay open on 30th November;

• A St Andrew’s Day holiday would offer opportunities to extend the tourism season and bridging gap between Autumn Gold Campaign and Christmas/Hogmanay celebrations;

• Tourism sector uses UK bank holidays to market Scotland as a destination for a long weekend/short break. This would not be the case on a St Andrew’s Day holiday, while Scottish people may actually take the opportunity to travel out of Scotland;

• Retail operators anticipate increased value, with Scottish Retail Consortium reporting increased sales on bank holidays. A St Andrew’s Day holiday would offer an opportunity for the retail sector to increase the lead in time to Christmas;

• Under the additional holiday option, the SME sector would be most affected as it would be more likely to close operations, unless employees are offered flexible work;

• Formal public holidays not conducive to employer demands for a flexible labour market, particularly noted by organisations in the financial services sector.

4.2.5 Potential Cultural Effects

Cultural effects were noted as:

• Education/awareness raising required as to who St Andrew was and what the saint means to Scotland – there is greater recognition of Robert Burns;

• Holidays could result in increased participation from Scottish people in cultural/heritage pursuits. An indication of is provided by Historic Scotland’s ‘free weekend’ initiative. Evidence indicates that for this year, 75% and 79% of visitors were from Scotland for all of its properties and Edinburgh Castle respectively; compared to 75% of visitors from overseas normally;

• It also reported increased participation from C1, C2 and DE socio-economic groups over other times of the year – 36% increase in C1; 19% increase in C2 and 15% increase in DE groups, contributing to increased participation from new markets with 84% of visitors never having visited the Historic Scotland Estate and 87% never having visited Edinburgh Castle;

54 Based on responses by 10-15 major high street retailers, retail sales increase on average by 50% to 80% on major bank holidays. However, we do not know what percentage of major high street sales these retailers account for. Furthermore, this figure does not account for any potential reduction in sales on the days immediately following or immediately preceding the holiday.
Celebrating St Andrew’s Day would contribute to augmenting Scottishness derived from Burns Night and Tartan Week.

### 4.2.6 Potential Social Effects

Social effects were noted as:

- Potential for generating a ‘feel good factor’ of developing a national day;
- In general, the propensity to take time off depends on coinciding with partner/family/children’s time off – St Andrew’s Day would provide greater consistency across Scotland as residents take the same time off;
- Labour market flexibility as employees can ‘bank’ the additional holiday and add to holiday at other times of the year;
- However, some employers will require employees to work, particularly those ‘tied’ to English holidays; Indeed, employees in Banking/Financial Services unlikely to avail of a holiday but may benefit in terms of time off in lieu;
- Work-life balance benefits – for the employee, the opportunity to manage time more effectively; for employers, offering flexible working practices is beneficial in attracting and retaining staff;

### 4.3 Potential Winners & Losers

Informed by previous consultations by the Enterprise and Culture Committee, and those undertaken during the course of this research, Table 4.1 provides a ‘ready reckoner’ of each of the potential options for celebrating St Andrew’s Day according to the relative national impact on:

- Key issues relating to that option;
- Proposed celebration; and
- The likely winners and losers under each option.

At this stage, and based on the evidence from the consultations, we have assumed that if there is a bank holiday to celebrate St Andrew’s Day (i.e. Options 1 and 2), it will be accompanied by some form of national or regional celebrations (and associated costs). We believe that if it is not, the opportunity to celebrate Scotland will be lost and that the Bill could merely result in ‘another’ bank holiday, on 30th November.

Under **Option 3** however it is assumed that although there is no formal holiday to celebrate St Andrew’s Day, a national celebration is further developed, and it is likely that this would need to be supported financially by the Scottish Executive. This option assumes organisation from the ‘top down’, that any such celebration would fill a niche in an already busy time of the year for celebrations, and supports and complements existing brands such as Edinburgh’s Winter Festival.

Under this option the St Andrew’s Day Celebrations in Edinburgh in 2005 could be extended to Glasgow and other cities in the immediate term (e.g. Glasgow 2006, Aberdeen 2007 etc). This approach could allow for

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56 Estimated to cost £100,000
momentum for a St Andrew’s Day Holiday to be generated over a 3-5 year period and to test the level of support for such a celebration or holiday.

**Option 4** also assumes developing momentum over time, but in a more organic way, building on what is already happening, and raising awareness of St Andrew’s Day to such an extent that, over time, other local authorities could substitute a local holiday for a holiday on 30th November.

Under this option, local authorities, with support from the Scottish Executive, could look to grow local community-based activities and roll these out to become part of a national network of St Andrew’s Day celebrations.

Similar to Option 3, Option 4 also provides an alternative means to ‘test’ the level of local support for a celebration or holiday, and within it there could be implications in terms of financial support from the Scottish Executive providing support for building on local practices.

Table 4.1 provides a summary of the implications of each Option.

Across all options, a key issue will be to define what St Andrew’s Day means in relation to residents of Scotland but its significance is relatively greater under Options 1 and 2 where it coincides with a national holiday, and this is indicated by a high ‘score’ of ***.

Similarly, under ‘celebrations’ the research underlines the importance of bringing forward national programme of events in the event of a bank holiday (Options 1 and 2), and these could have less impact and contribution without a bank holiday and would be an even greater risk (*) if Option 4 was pursued.

Under ‘Winners’ and ‘Losers’, employees in the banking and finance sectors would appear to be the most affected under the bank holiday options (** *), would not be affected under Option 3 (N/A) and could be affected, but not to the same extent (*) under Option 4.
### Celebrating St Andrew’s Day – An Assessment of the Economic, Social and Cultural Costs and Benefits – Final Report

<table>
<thead>
<tr>
<th>Key &amp; Key Performance Indicators</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
<th>Option 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Define what St Andrew’s Day means for Scots (home &amp; abroad)</td>
<td>** *</td>
<td>** *</td>
<td>**</td>
<td>*</td>
</tr>
<tr>
<td>Ensure that the Day is about celebrating Scotland and inclusive to all</td>
<td>** *</td>
<td>**</td>
<td>**</td>
<td>**</td>
</tr>
<tr>
<td>Define the date of the Holiday (30th November or nearest Monday)</td>
<td>** *</td>
<td>**</td>
<td>N/A</td>
<td>*</td>
</tr>
<tr>
<td>Celebrate consistently across Scotland and link to international activities</td>
<td>** *</td>
<td>**</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Do not substitute 30th November for another important day in the Scottish (local) calendar</td>
<td>** *</td>
<td>N/A</td>
<td>N/A</td>
<td>*</td>
</tr>
<tr>
<td>Some potential to clash with Tartan Week and US links</td>
<td>** *</td>
<td>**</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Link between autumn and winter and opening up and branding of a &quot;Scottish Season&quot;</td>
<td>** *</td>
<td>**</td>
<td>*</td>
<td>*</td>
</tr>
</tbody>
</table>

### Celebrations
- Develop a programme of events rather than a ‘one-off, if latter, needs to be ‘high impact’
- Develop programme around Scottish Themes (**) but linked to local/ community relevance
- Open Days at theatres, galleries, cultural institutions
- Financial commitment from Scottish Executive
- Develop niche product given time of year

### Winners
- Private Sector
- SMEs
- Employees availing of flexible labour practices
- Increased local demand for tourism/ leisure
- Increased footfall at tourist attractions
- Hotels, catering, retail
- Arts, Culture, Heritage
- Families availing of time off
- Communities engaging with and contributing to a celebration of Scotland

### Losers
- Depends on date substituted, tourism/ leisure
- Depends on date substituted, construction
- Regulated holiday not consistent with wider practice of promoting flexible work practice
- Employees that will have to work and not receive time off in lieu
- Banking/ Insurance, Business Services
- Public Administration
- Health
- Manufacturing

| Enterprises and Culture Committee, 15th Report 2006 - Annex B |

Table 4.1: Options to Celebrate St Andrew’s Day
5 Analysis

There are uncertainties in assessing economic impacts of a potential bank holiday given the difficulty in predicting how people will behave and respond. Despite this, this section provides an analysis of the potential costs and benefits of celebrating St Andrew’s Day. We have structured this section according to:

- Economic Impact;
- Cultural Impact; and
- Social Impact.

In assessing the economic impact, there are a number of ways to assess the ‘value’ of lost output to an economy as a result of losing a day’s production. Based on a series of assumptions of the number of people working and the hours they work, and assuming they all take a holiday, an estimate of lost output can be arrived at. The downside of this approach is that it is based on some quite broad assumptions about how people may or may not behave on an additional bank holiday. Furthermore, it does not take account of the positive benefits to offset these which can be considerable, for example retail spending.

Alternatively and the main approach we have taken, is to focus on the observed behavioural impacts of previous bank holidays in the UK – to look at what actually happened in order to estimate the value of the potential transferable impacts on Scotland. Adopting this approach ensures that we are measuring the impact of people’s behaviour to react flexibly to a bank holiday and work around the holiday date – in other words people may take a holiday, but work ‘harder’ for the rest of the week/month. The limit to this approach is finding an exact comparator for the proposed St Andrew’s Day holiday.

The analysis looks at the difference between estimates generated by the two methodologies.

5.1 ECONOMIC IMPACT

In the absence of unique data relating to Scotland, we have undertaken a desk-based analysis of monthly UK economic data. The complicating factor is that where a bank holiday appears in the same month every year there is no way of distinguishing between the impact of the bank holiday and normal seasonality. This means that we have focussed on two cases to examine:

- Easter, which moves between March and April or straddles the two; and;
- The 2002 Queen’s Jubilee holiday (which was in June rather than May as usual and where there was an extra day’s holiday).

For Easter, we compared months with an ‘Easter’ to those without, to assess the impact on key sectors of the economy. It is also worth underlining that

57 Cf SPICe briefing and estimated value of lost output to the economy of a ‘lost day’ at £180 million.
the Easter weekend is essentially a four day holiday and therefore has a bigger impact in terms of businesses observing the holiday, and people travelling in/out of and within the UK.

There is a major caveat regarding the Jubilee holiday, however. The 2002 World Cup also took place in June and there is considerable anecdotal evidence that this also had a major impact on economic indicators. Unfortunately our analysis of monthly economic data cannot distinguish between the Jubilee and World Cup effects.

We have looked at what monthly economic data can tell us about the link between bank holidays and the economy. To illustrate the difference between a bank holiday and the rest of the year, we look at three areas at the UK level:

- Retail sales volumes;
- Gross value added volumes\(^{58}\); and
- Tourism spending credits and debits from the International Passenger Survey.

The full quantitative analysis is provided in Appendix D.

### 5.1.1 UK Bank Holiday Estimates

The estimation results are shown in Tables 1-3 in Appendix D. Table 5.1 provides a summary of the results of the impacts of the two holidays.

This broadly shows that an impact is experienced by a number of sectors, with strong impacts from an Easter holiday on gas and electricity and tourist spend and strong impacts from the Queen’s Jubilee Holiday on retail sales, manufacturing, distribution, hotels and catering and financial and business services.

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\(^{58}\) Whole economy gross value added. GVA is defined as the value generated by any unit engaged in production and the contribution of individual sectors or industries to GDP. It differs from GDP in that it is measured in basic prices, excluding taxation and subsidies on products. It is therefore an output measure not distorted by taxation effects.
Celebrating St Andrew’s Day – An Assessment of the Economic, Social and Cultural Costs and Benefits – Final Report

5.1.2 Quantifying the Results

The estimated coefficients can be used to produce a monetary estimate of spending or value added forgone as a result of Easter or the events of June 2002. Table 5.2 shows the estimated impact of Easter and the Jubilee/World Cup on retail sales and tourist spending in the UK. These are derived by multiplying the estimated coefficients in Tables 1-3 of Appendix D by the actual figures for 2004. The data are expressed as ‘at 2004 prices’.59

<table>
<thead>
<tr>
<th></th>
<th>Easter Impact</th>
<th>Queen’s Jubilee /World Cup Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail sales</td>
<td>Mild positive impact</td>
<td>Mild negative impact</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>No permanent impact</td>
<td>Strong negative impact</td>
</tr>
<tr>
<td>Gas and electricity</td>
<td>No permanent impact</td>
<td>No significant impact</td>
</tr>
<tr>
<td>Distribution</td>
<td>Mild positive impact</td>
<td>Strong negative impact</td>
</tr>
<tr>
<td>Hotels and catering</td>
<td>Mild positive impact</td>
<td>Strong positive impact</td>
</tr>
<tr>
<td>Transport and communications</td>
<td>No significant impact</td>
<td>Mild negative impact</td>
</tr>
<tr>
<td>Financial and business services</td>
<td>No significant impact</td>
<td>Strong negative impact</td>
</tr>
<tr>
<td>International tourist spending – UK residents visiting overseas</td>
<td>Mild positive impact</td>
<td>No significant impact</td>
</tr>
<tr>
<td>International tourist spending – overseas residents visiting the UK</td>
<td>Strong positive impact</td>
<td>No significant impact</td>
</tr>
</tbody>
</table>

Source: Tables 5.2 & 5.3

Table 5.1: UK Bank Holiday Regression Analysis

The net figure for the Jubilee/World Cup is the sum of the impact on May and June (if June was unusually high then we would expect May to have been unusually low as the usual public holiday did not take place and vice-versa). The results show that Easter had a considerable impact on all three variables although, as a percentage of total spend for the month, the impact on retail sales is relatively modest, compared to Easter’s impact on overseas tourist spend.

59 The Easter values are based on actual Retail Sales in April 2004. The Jubilee results are based on June 2004 estimates adjusted by the estimated coefficients.
Although the proportionate impact on overseas visitors’ spending in the UK is bigger than that of UK residents spending abroad (3.8 per cent vs. 2.2 per cent), the absolute impact is actually bigger for UK residents’ spend abroad. This is because UK residents’ spend abroad is so much bigger than overseas visitors’ spend in the UK. As a result, the estimated impact of Easter on tourism is ‘cost’ of £14m.

The Jubilee/World Cup had no discernable impact on tourism spend but it had a substantial impact on retail sales – reducing them by 0.7 per cent net (+0.7 for May, -1.4 for June).

Table 5.3 shows the estimated impacts of Easter and a 2002 style Jubilee/World Cup on GVA. Where the holiday affects one month in one direction and another month in another direction, the effects have been netted out to give the combined impact. For example, Table 2 in the Appendix shows that the Easter holiday has a negative impact on manufacturing but, in that case, there is an offsetting increase in the previous month and these effects have been netted out and a value of zero is shown in Table 5.3. Similarly, the Easter holiday has a negative impact on value added in gas and electricity but this is clawed back in the following month so a value of zero is entered in Table 5.3 once again.

Easter has an impact on value added in manufacturing and gas, electricity and distribution (not surprisingly in the latter case because of the strong link between retail sales and distribution). For example, compared to a March with an Easter to one without, we would expect a £39 million increase in value added in distribution. The impact on manufacturing and gas and electricity is, however transitory, in that the loss in value added in the Easter month appears to be made up in either the previous or subsequent month.

The Jubilee/World Cup did not appear to affect gas, electricity and water (possibly because output is usually low in June anyway), but it had a substantial impact on the other sectors though this is positive in just one case and negative in the other five. The positive effects were experienced by the hotels and catering sector, while the negative impacts are particularly marked for manufacturing and financial and business services.

There is no discernable impact on public sector GVA and it is not included in Table 5.3. The analysis of GVA in public administration, education and health was complicated by a lack of monthly data and it could well be that our inability to find any link between public holidays and published public sector GVA reflects the inadequacy of the data for this kind of analysis rather than the lack of any link in reality.

Overall, the impact of Easter on total GVA is £61 million, while the Jubilee/World Cup combination knocked a more substantial £733 million (at 2004 prices) off GVA, which is the equivalent of 0.9 per cent of average monthly GVA. This amounts to a reduction in growth of .07 percentage points in 2002.
### Table 5.3: Impact on value Added

<table>
<thead>
<tr>
<th></th>
<th>2004 Value Added</th>
<th>2004 Monthly Average</th>
<th>2004 Easter</th>
<th>2004 Jubilee (net)</th>
<th>% of Month Jubilee (net)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas, Electricity &amp; Water</td>
<td>16,322</td>
<td>1,360</td>
<td>0</td>
<td>0</td>
<td>-3.0</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>154,636</td>
<td>12,889</td>
<td>0</td>
<td>-322</td>
<td>0.0</td>
</tr>
<tr>
<td>Distribution</td>
<td>128,382</td>
<td>10,699</td>
<td>39</td>
<td>-242</td>
<td>0.4</td>
</tr>
<tr>
<td>Hotels &amp; Catering</td>
<td>33,757</td>
<td>2,813</td>
<td>22</td>
<td>31</td>
<td>0.8</td>
</tr>
<tr>
<td>Transport &amp; Communications</td>
<td>78,279</td>
<td>6,523</td>
<td>0</td>
<td>-24</td>
<td>0.0</td>
</tr>
<tr>
<td>Financial &amp; Business Services</td>
<td>246,559</td>
<td>20,547</td>
<td>0</td>
<td>-176</td>
<td>0.0</td>
</tr>
</tbody>
</table>

GVA                          | 1,033,324       | 86,110               | 61          | -733              | 0.1                    |

Source: Experian based on official data

### 5.1.3 Additional Evidence of the Jubilee/World Cup and Retailing

Table 5.2 and Table 5.3 indicated that the 2002 Jubilee and World Cup matches were associated with shortfalls of £131 and £733 million for retail sales and GVA respectively. The problem is that we have difficulty separating the two effects. We can get some additional evidence for retailing by looking at the daily pattern of Footfall\(^{60}\) in the May and June of 2002 and plotting the position of the Jubilee and England’s World Cup matches.

#### 5.1.3.1 Normalised change in retail activity

Figure 5.1 shows the Footfall National (UK) Index between May 11 and June 30 2002\(^{61}\).

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\(^{60}\) That is the volume of people in a shopping area, a key performance indicator in retail sector. Data is tracked by Footfall, an Experian-owned company.

\(^{61}\) The data have been normalized by dividing each Monday’s index by the average of the indices for all Mondays in the range, then by dividing each Tuesday’s index by the average of the indices for all Tuesdays in the range etc. Days where England played in the World Cup are marked with a “C”.
The figure clearly shows that, although retail activity fell sharply on the day of the Jubilee holiday itself, there was a significant bounce-back two days later, and retail over the course of the week was fairly average. England’s World Cup games, although associated with below normal footfall, tended not to differ significantly from the daily averages with the exception of the first game which was on the Sunday of the Jubilee weekend.

This implies that the dominant impact, at least for retail, came from the Jubilee not the World Cup. We cannot, however, be sure that the same is true for other industries, particularly hotels and catering (including pubs and bars) which, anecdotal evidence suggests, were boosted by World Cup games.

5.1.3.2 Comparisons to previous and subsequent weeks

An alternative approach to measuring the impact of the holiday on retail activity would be to compare shopper numbers on the day of the holiday weekend to those on the previous and subsequent weeks. This approach has the advantage of:

- Allowing for trends in retail activity to be measured at a sub-national level; and
- As the approach uses a shorter period of comparison, the results are less likely to be influenced by long term cyclical fluctuations in retail activity.

However, as the approach uses one particular day as a basis of comparison, rather than an average, there is a risk of particular factors in that day, such as bad weather, or a football match, impacting on the results of the comparison. Further consideration of this alternative is provided in Appendix D, and shows that the impact on footfall of the Jubilee Holiday is less profound.
5.1.4 Other Considerations and Conclusions

This analysis leaves us with some contradictory evidence. Easter is good for retailing, while the Jubilee weekend was bad, while both were good for hotels and catering.

Easter has no effect on transport and communications or financial and business services and no lasting effect on manufacturing or gas and electricity (although value added is depressed in the industries in the month in which Easter falls, the loss is made up elsewhere). On the other hand, transport and communications or financial and business services and manufacturing all suffered sizeable drops in value added because of the Jubilee holiday.

The only conclusion that we can take from this is that the economic impact depends heavily on the time of year that the bank holiday takes place. So retailing and other industries suffer more in the warmer months, as there are more leisure choices for consumers (some of which appear to involve increasing economic activity for hotels and catering). There is rather less economic impact in the colder months of March and April and retail actually benefits, possibly because of a lack of competing activities and this is despite most stores actually being closed on Easter Sunday.

Tourism spend also increases at Easter – both into and out of the UK. This may be partly associated with British residents travelling to sunnier destinations for the weekend, and partly with residents of other traditionally Christian nations, who are also on holiday over the Easter weekend, visiting the UK. However, it is more likely to be explained by additional ‘visiting friends and relative’ (VFR) flows which may also benefit internal tourism and retail spend.

Given the time of year, a St. Andrew’s Day bank holiday would have some of the seasonal characteristics of Easter but, as the holiday would only be in Scotland, it would be unlikely to encourage the same kind of VFR flows and, hence, the impact on retail spending and value added in distribution could be more muted. We can discount impact of St Andrew’s Day being similar to that of the Jubilee, partly because of the time of the year and partly because of the additional impact of the World Cup in June 2002.

In monetary terms, the permanent (i.e. ignoring manufacturing and gas and electricity) impact on UK GVA of Easter is +£61 million and the impact on retail sales is +£107 million.

We have adjusted these impacts in relation to Scotland on the basis that Scotland contributes 7.3% of UK GVA in distribution and 8.1% of total UK GVA62 and accounts for 8.9% of UK retail sales. This suggests an impact on GVA of +£4.6 million and on Scottish retail sales of +£9.5 million.

Thus, and given these relatively simple assumptions, the overall impact of the Easter holiday in Scotland may have been to increase GVA in Scotland by 0.01%.

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62 Experian Regional Planning Service based on data from Office of National Statistics and Scottish Executive
A public holiday in November may, of course, have a different effect to Easter. A more limited impact on tourism may reduce the impact on retail sales and distribution. On the other hand, Easter is a two-day holiday rather than one day but most shops are closed on Easter Sunday. Footfall is actually lower for the Easter weekend (Friday to Monday taken together) than it is on neighbouring spring weekends, so there may even be a slightly bigger impact on a November holiday.

Either way, the effects are not large and for non-distributive industries, at least in most private sector companies, a loss of output over the holiday itself is made up for at other times. This could mean that the major cost to companies and the public sector would be the need to make extra overtime payments to cover holiday work where needed, rather than the opportunity cost of any output forgone.

5.2 ECONOMIC IMPACT – ALTERNATIVE METHODOLOGY

We have also considered an alternative approach to estimate the cost of a lost day. To assess this we used data on employment and GVA by 30 industry sectors to estimate annual GVA.

We then estimated the number of ‘productive days’ there are in an industry. Based on this, we estimate the value of output in one productive day. Based on assumptions (informed by the consultation phase) on the proportion of businesses in sectors that could close on a bank holiday, we have arrived at a GVA impact for each sector, the sum of which is the impact to the Scottish economy.

Using this ‘cost methodology’, the impact of a bank holiday could be £135.4 million of ‘lost output’. Expressed as a percentage of total GVA, this equates to 0.18%.

The total estimate does not take into account any positive benefits, for example from increased retail spending that may offset or partially offset losses; or increased productivity as people work harder ‘around’ the bank holiday. Of this, the loss of public sector GVA is an estimated £30.5m.

Details are included in Appendix D.

5.2.1 Summary of Costs & Benefits (both methodologies)

If the two methodologies are combined, the result of an additional bank holiday to Scotland could be a minimal ‘cost’ of £25.9m. In other words, the private sector benefits of £4.6m under the ‘net analysis’ offsets a proportion of the public sector costs of £30.5m under the ‘cost analysis’, although a caveat here is that neither analysis accounts for additional productivity as employees in the public sector worked harder before/after the holiday.

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63 An estimate of £400m (or 0.5% of Scottish GDP) as a result of lost output has also recently appeared in the press via the Scottish Chambers of Commerce. It is likely that this is based on some sort of grossing up of worker days lost through productivity. However we have been unable to substantiate how this figure has been arrived at. Furthermore, it is unlikely to take account of any offsetting positive benefits.

64 An earlier estimate by the Scottish Executive (Scottish Parliament written answer S2W-14190, 2005) put this at £41.6m, although this figure may be an overestimate if it assumes a 100% loss of output across the public sector as a result of an additional bank holiday.
Although we can assume that there will be a net additional economic impact from celebrating St Andrew’s Day, in the absence of details on the likely form of celebration for each option, it is difficult to quantify at this point. Feasibility and impact assessment of potential celebrations will be required. However, actual evidence of the net impact of other major festivals shows:

- Edinburgh Festivals as whole generate £184 million revenue\(^{65}\); and
- 2005 Winter Festivals resulted in £28 million of new output in, generated close to £8 million of additional income\(^{66}\).

The table below provides a summary of the potential impact of each option.

<table>
<thead>
<tr>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
<th>Option 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>No additional costs incurred if existing holiday given up</td>
<td>Additional local public service provision c£3.5million</td>
<td>Some additional cost of overtime payments</td>
<td>No additional costs on assumption that no additional holiday comes forward, while substitution could occur in the medium term</td>
</tr>
<tr>
<td>Total net positive impact of Easter of £4.6 million (0.01% of Scottish GVA)</td>
<td>Positive impact of Easter on retail sales of £9.5 million</td>
<td>Alternative ‘cost’ of £135.4 million (0.18% net reduction in Scottish GVA)</td>
<td>As this option develops, there is an opportunity to generate additional economic impacts at local area level</td>
</tr>
<tr>
<td>Cannot specify unless we know what holiday is being substituted – comparator research and consultations suggest the impact would be small or neutral</td>
<td>Additional economic impact from celebrations would be expected based on comparator evidence, but cannot be quantified at this point</td>
<td>Net cost of £25.9m combining both analyses</td>
<td></td>
</tr>
<tr>
<td>Additional economic impact from celebrations would be expected based on comparator evidence, but cannot be quantified at this point</td>
<td>Additional economic impact from celebrations would be expected based on comparator evidence, but cannot be quantified at this point</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Table 5.4 Monetising the Costs and Benefits of St Andrew’s Day |

5.3 CULTURAL IMPACT

The following section discusses the potential activities and resulting benefits and costs for each St Andrew’s Day Option, based on desk-based research, the consultations and the team’s knowledge of what could be developed in Scotland.

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\(^{66}\) Edinburgh Winter Festivals, City of Edinburgh Council research 2006
5.3.1 Option 1 – Substitute an existing holiday with a St. Andrews Day Holiday

5.3.1.1 Potential cultural activity

- Public events, such as civic parades – these should not replicate existing practices such as Common Ridings (Borders), or Norwegian ‘days’ in Orkney/ Shetland;
- Nationally, potential to build on Edinburgh 2005, and roll out to Glasgow in 2006\(^\text{67}\);
- ‘Open doors day’ (heritage and architecturally significant buildings open to the public) – build on existing practice, niche in relation to Scottish buildings such as the Parliament, Edinburgh Castle and tie back to One Scotland Many Cultures
- Music concerts and festivals at major cultural institutions – different theme each year;
- Sending St. Andrew’s Day cards – a major benefit of St Patrick’s Day is the sense of ‘Irishness’ derived from the practice of Irish people sending St Patrick’s Day cards to family and friends and the wearing of shamrock;
- Markets, e.g. crafts, designer-makers, food, drink – selling Scottish produce;
- Sporting events – spectator, e.g. annual rugby or football friendly, St Andrew’s Day Marathon
- Sporting events – participatory, e.g. fun runs, Tartan Run:
- Prizes for culture and other contributions to society e.g. SAC Creative Scotland Awards, Saltire Book Award given on 30th November\(^\text{68}\);
- International cultural exchange, e.g. theatre and performing arts – new National Theatre of Scotland a conduit;
- Annual lecture, addressing contemporary aspects of Scottish identity and culture, e.g. a ‘Reith Lectures’ for Scotland, held in the Scottish Parliament, focussing on national citizenship, cultural identity;
- Parties, e.g. largest ceilidh in the world – connecting Scots at home with Scots overseas.

5.3.1.2 Potential cultural benefits

- Public celebration of Scotland, instilling national pride;
- Potential opportunity to extend existing festivals (e.g. Winter, Hogmanay, Celtic Connections, Burns);
- Opportunity to open the family holiday season in late November;
- Opportunities for community engagement;
- Promotion of citizenship;
- Promotion of inclusiveness;
- Opportunities to highlight distinctive local traditions;
- Enjoyment and broad appeal;
- Opportunities to raise Scotland’s profile and reputation abroad, and engage with Scots overseas;
- Opportunities to promote Scotland as an international cultural destination;
- Opportunities to engage with Scottish history;

\(^{67}\) Estimated by the events sector at an additional cost of £100,000 over and above commitment to Edinburgh in 2005.

\(^{68}\) Accepting that existing events have already been carefully planned to occur at existing times of the year
• Opportunities to build on Scottish academic/political/philosophical reputation;
• Opportunities to recognise cultural achievement (including but wider than the arts);
• Opportunities for televised broadcasts of events, speeches, and celebrations;
• Greater visitor numbers at heritage/cultural institutions e.g. locals and people living in Scotland.

5.3.1.3 Potential cultural costs

• Funding of cultural activities at local, regional, and national level – at sub-regional/local level, applicants could apply for a St Andrew’s Day fund to deliver related activities, subject to meeting a set of St Andrew’s Day criteria;
• Demand for Scottish artists, performers, participants is high at this time of the year;
• Potential loss of some of the cultural benefits of the other substituted bank holiday;
• ‘Celebration fatigue’ – time of year and Hogmanay celebrations, Burns, etc.
• In the absence of a holiday, potential missed opportunity to teach children in Scottish schools about history and Scotland’s place in the world.

5.3.2 Option 2 – Establishing an additional Bank Holiday on St. Andrew’s Day

5.3.2.1 Potential cultural activity

• Assumed the same as Option 1.

5.3.2.2 Potential cultural benefits

• Assumed the same as Option 1.

5.3.2.3 Potential cultural costs

• Assumed the same as Option 1.

5.3.3 Option 3 – Do not establish a bank holiday on St. Andrew’s Day but still celebrate it in some way

5.3.3.1 Potential cultural activity

• Public events, such as civic parades – these should not replicate existing practices, such as Common Ridings (Borders), or Norwegian ‘days’ in Orkney/Shetland;
• Nationally, potential to build on Edinburgh 2005, and roll out to Glasgow in 2006;
• ‘Open doors day’ (heritage and architecturally significant buildings open to the public) – build on existing practice, niche in relation to Scottish buildings such as the Parliament, Edinburgh Castle and tie back to One Scotland Many Cultures;
Celebrating St Andrew’s Day – An Assessment of the Economic, Social and Cultural Costs and Benefits – Final Report

5.3.3.2 Potential cultural benefits

- Largely the same as those for Option 1 and 2, but on a significantly reduced scale and therefore impact as the working age population will be at work and may not take a day’s leave for the purposes of celebrating St Andrew’s Day;
- Opportunities for schools to undertake curricular and extra-curricular activity related to St. Andrew, and Scottish history.

5.3.3.3 Potential cultural costs

- Limitations on celebrations and opportunities for increased cultural attendance, because people will be working;
- Limitations on timing of events (many events will have to be programmed for the evenings or weekends due to the fact people are working);
- Fewer events, celebrations, etc. are likely to be televised, and therefore attract wider support/appeal.

5.3.4 Option 4 – Only building on existing local practices for the purposes of celebrating St. Andrew’s Day

5.3.4.1 Potential cultural activity

- Local cultural events celebrating St. Andrew’s Day that are already established will continue to take place;
- These could be enhanced as awareness of St Andrew’s Day increases and more areas and communities participate in celebrations;
- Evolved programmes of local activities that could become linked nationally around St Andrews;
- Local markets;
- Activities of local and regional heritage/cultural institutions.

5.3.4.2 Cultural benefits

- Celebrations publicly owned and individuals have choice as to whether to ‘opt-in’;
• Smaller, but more local-community owned events and celebrations, mainly supported by local authorities, but potentially through Scottish Executive;
• Opportunities for community co-operation at a local level;
• Opportunities to develop the capacity of community and voluntary organisations, including community arts organisations and local sports clubs.

5.3.4.3 Cultural costs

• No broad-based cultural celebrations;
• Insignificant if any ‘national’ aspect to the day in short term but medium- long term impact depending the extent of participation across Scotland.

5.4 SOCIAL IMPACT

There are no official surveys on whether people work on a Bank Holiday in the UK, and if they do not, how they could spend their ‘free time’. In measuring the potential social impact, in the absence of such surveys, we have focused on how people in Scotland would spend their time and money in the event of a day off, and who in Scotland might have a day off work. This assessment in informed by Experian’s omnibus survey, the UK Time Use Survey and, in terms of which workers would most benefit, we present evidence from the Annual Population Survey and Experian’s employment datasets.

Along with the analysis of the cultural impact, we then propose a valuation of these intangible impacts.

5.4.1 Public attitudes to bank holidays

In order to gain a greater understanding of public behaviour on a bank holiday, Experian asked members of its on-line survey panel the following question:

“Thinking about the recent Spring Bank Holiday (May 29th69), which, if any, of the following did you mainly spend your time doing?”

The question received 2,140 responses UK-wide, including 169 responses from Scottish panel members.

Although the Spring Bank Holiday was a statutory bank holiday throughout all parts of the UK, the proportion of the Scottish population who worked on this day (37 per cent) was significantly above the UK average (12 per cent). This is likely to reflect Scotland’s tradition of observing local holidays, at the expense of certain national holidays70.

UK-wide, 42 per cent of all non-working respondents spent most of their day at home, either relaxing or engaged in home repairs, while a quarter of all

69 2006
70 The Scottish Executive website hosts a page providing dates for all statutory bank holidays in Scotland between 2004 and 2010, and explaining the legal status of these at http://www.scotland.gov.uk/Publications/2005/01/bankholidays.
respondents paid a visit to see friends or family members. It is important to note that, although this was the main activity of these individuals, it was not necessarily the only activity they participated in during the bank holiday, and they may well have purchased a leisure or retail product or service during the course of the day.

Twenty-seven per cent of respondents went on a day trip or short break during the holiday. Four per cent spent most of the day shopping and three per cent spent most of the day either watching or playing sport.

The behaviour of the 107 Scottish respondents who were not working on that day tended to broadly mirror that of the UK population as a whole, with any differences more likely to be attributable to sampling variability than to any systematic difference in behaviour.  

![Figure 5.2 – Main activity of non-working individuals on the 2006 Spring Bank Holiday](image)

### 5.4.2 How people might spend free time

The UK Time Use Survey 2000 aimed to measure the amount of time spent by the UK population on various activities. It is the only time that a major survey of this type has been conducted in the UK and is therefore a helpful source in informing us as to how people may spend extra leisure time. These results are for the entire survey sample of those aged above 16 and does not account for employment or age.

We would expect that it is people who are in employment that would avail of the most significant time impact from a bank holiday. The main findings from the Survey are that on average:

- Full time workers spend less time sleeping, eating and drinking, doing housework and shopping, or engaged in leisure activities such as TV, music and reading, sports, hobbies and culture or socialising and resting than other groups in the population.

[71] Full results of this survey are provided in Appendix E.
• Part time workers spend less time sleeping, eating and drinking, doing housework and shopping, or engaged in leisure activities such as TV, music and reading, sports, hobbies and culture or socialising than retired people or economically inactive.

• Full-time workers spending an average per day over seven days of 334 minutes per day working and part-time workers spending an average of 162 minutes per day working will have this additional free time from a holiday.\(^{72}\)

In the absence of any representative evidence on how people specifically spend a bank holiday, we have looked at how people spend time on a weekend as a proxy on how they may spend a bank holiday.

**Table 5.5** illustrates the average minutes spent per person aged 16+ per day on various activities whether on a week day or on a weekend day.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Week Day</th>
<th>Weekend Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sleep</td>
<td>496</td>
<td>539</td>
</tr>
<tr>
<td>Eating &amp; drinking</td>
<td>83</td>
<td>96</td>
</tr>
<tr>
<td>Employment</td>
<td>221</td>
<td>61</td>
</tr>
<tr>
<td>Housework and shopping</td>
<td>165</td>
<td>192</td>
</tr>
<tr>
<td>TV, music and reading</td>
<td>175</td>
<td>207</td>
</tr>
<tr>
<td>Sports, hobbies and culture</td>
<td>51</td>
<td>76</td>
</tr>
<tr>
<td>Social life and resting</td>
<td>69</td>
<td>104</td>
</tr>
<tr>
<td>Travelling</td>
<td>86</td>
<td>80</td>
</tr>
<tr>
<td>Other activities</td>
<td>94</td>
<td>84</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1440</td>
<td>1440</td>
</tr>
</tbody>
</table>

*Source: UK Time Use Survey 2000*

**Table 5.5: Weekdays versus weekend**

The main findings are that on average for a weekend day compared to a weekday, people to spend 160 minutes less working in employment and also a little less time travelling.

If we assume that an additional bank holiday increases the number of weekend days by one, then Scotland’s 4.05 million people aged over 16 could spend up to 450,000 fewer days working in employment.

Based on the survey, this time is redistributed, and could result in the following ranked impacts:

- Most free time could be spent on sports, hobbies and culture and socialising and resting;
- The next most popular activities could be additional enjoyment of music, TV and reading;
- Additional housework and shopping; and
- Rest/ sleeping

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\(^{72}\) If calculated over five days, a full time worker works an estimated 7.8 hours a day and a part time worker under 4 hours.
This evidence suggests that based on assumption on how people spend their free time, that if there is a bank holiday on St Andrew’s Day, the social impact would be broadly positive. There is potential for negative effects from additional drinking (as per comparator research on Ireland) but we have not been able to quantify these.

**5.4.3 Who will be affected**

There were up to 5.08 million people living in Scotland in 2004. All of these people will be in some way affected by a decision to introduce a St Andrew’s Day bank holiday. However, it is a mistake to view this as a ‘day of work’ for all of the people of Scotland, and the figure below indicates what people in Scotland actually do on an average day.

![Figure 5.3: What people in Scotland actually do](image-url)

**Source:** ONS Annual Population Survey 2004, ONS Mid-Year Population Estimates 2004

Based on this:

- Over 1 million people (20%) are under 16 years of age. Subject to how a holiday was celebrated, these could be affected by a day off (school or pre-school);
- Over 920,000 people (18%) are over retirement age (65 for men, 60 for women). The overwhelming majority of people (92%) over retirement age are no longer in employment. So a bank holiday does not constitute a ‘day off’ from work for this age cohort;
- Over 650,000 (13%) of people of working age are economically inactive. Over 450,000 of these are not seeking work; for example because of childcare, ill health, early retirement or studying. For these people, a bank holiday is not a day off work but could be an opportunity to improve their quality of life;
- 2.3 million people (46%) are in employment. It is therefore just under half the population for whom a bank holiday could result in a day off work. Under 1.8 million (35%) are full-time workers and 560,000 (11%) are part-time workers many of whom may not be working on the 30th November anyway.
Of the proportion of the Scottish population that are in employment, we must also consider which of these are working in economic sectors that are more likely to remain open or closed on a bank holiday.

Figure 5.4 shows the numbers of workers in each sector; and which of these sectors are likely to be mostly open or mostly closed on a bank holiday based on our assessment and evidence from the consultations.

There are a number of sectors which are likely to remain open. Modern bank holidays are a busy time for retailing (11% of Scotland’s jobs), hotels and catering (7% of jobs) and other services which includes most visitor attractions and enternaments (6% of jobs). Many core services in healthcare (12%) must also remain open. We therefore estimate that up to 36% of Scotland’s jobs are in sectors that are likely to operate on a Bank Holiday.

Other economic sectors are likely to mostly close for a Bank Holiday. Public administration (6% of jobs) will close although policing, fire services and defence will not. Education (8%), schools and colleges, will close although some higher education institutions may not. Construction (8%) and manufacturing industries (12%), are likely to close. On this basis, we estimate around 34% of Scotland’s workers are in sectors that will be mostly closed.

How others sectors react is likely to be mixed. Many activities in business services (14%) and banking and insurance services (4%) are likely to continue, and in transport for example, while most road haulage and deliveries may take the holiday, passenger transport on trains and airports may be at their busiest.

Therefore, and in the absence of any survey work, and purely to understand the potential social benefits, it may be reasonable to estimate that if around half of Scotland’s people are in employment and just over one third of these are working in sectors that could be mostly closed on a bank holiday; then
around a 17% of residents in Scotland could avail of a day off to spend their time and money.\(^{73}\)

### 5.4.4 Valuing intangible social and cultural impacts

One of the arguments put forward in favour of celebrating St Andrew’s Day is that this is a national celebration, an opportunity for people to come together, in recognition of Scotland’s culture and heritage. While each of these motivations is beneficial, the difficulty is that they are ‘intangible’ – they cannot be bought and sold, they cannot be easily priced or given a measure of economic value.

Economic research has often had to attempt to place a value on intangible benefits. One of the most widely used approaches is to understand the concept of ‘willingness to pay’. This simply asks people how much they would be willing to pay in monetary terms to guarantee a specific outcome.\(^{74}\) As yet, it is not commonly used to measure cultural benefits, such as those emanating from national celebration and pride.

To illustrate the extent to which people can value these intangibles, we can refer to some recent research that sought to apply ‘willingness to pay’ to value the intangible impacts of London hosting the Olympic Games in 2012. The Department for Culture, Media and Sport (DCMS) commissioned work to undertake surveys in London, Manchester and Glasgow to elicit individuals’ willingness to pay for the intangible benefits of hosting the Olympic Games.\(^{75}\)

This research found that people did value the impact hosting an Olympic Games could have on national pride, uniting people, generating a ‘feel good factor’, promoting the image of Britain and creating a positive sporting and cultural legacy for children. It found that 70% to 80% of people considered that intangible benefits such as these were more important than more tangible economic impacts such as jobs or new infrastructure.

The research found that to achieve these intangible benefits, on average households were ‘willing to pay’ £22 per household per year in London (where the Games are to be held) and £12 per household per year in Manchester and Glasgow.

There is an important overlap between this research and the social impact for Scotland of celebrating St Andrew’s Day. The same intangible benefits highlighted for the Olympics – national pride, uniting people, feel-good factor, promoting culture – have been specifically mentioned during the consultations as benefits of St Andrew’s Day for Scotland. Therefore, the same approach of ‘willingness to pay’ can be used.

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\(^{73}\) Note: These assumptions have been made to allow an understanding of the potential social impacts and do not form the basis of our assumptions of the economic impacts.

\(^{74}\) This is common in health economics, for example to measure the value of good health or a human life; it is also common in environmental economics, for example to measure the value of conserving a landscape or protecting an endangered species.

\(^{75}\) Olympic Games Impact Study – Stated Preference Analysis, Eftec, 2005
While our research has not involved any comparable surveys to identify how much Scottish people would be willing to pay for these intangible benefits, from the research on London 2012 we know households in Glasgow valued these types of intangible benefits at £12 per year over a ten year period from 2006 to 2016.

If we take this as an initial raw estimate and factor this by Scotland’s 2.27 million households, then the intangible social and cultural benefits of celebrating St Andrew’s Day as an annual event could be as much as £27 million each year.
6 Key Findings

6.1 CONTEXT

Currently there are eight bank holidays in Scotland under the Bank Holiday Act (1871) and the Banking and Financial Dealings Act (1971).

While Scottish Parliament can set bank holidays in Scotland, there is no compulsion on the part of employers to grant time off to employees on a bank holiday. In particular, in the banking and financial sectors, Scottish organisations have conformed to English holidays since 1996.

There is no legal definition of a ‘public holiday’ and, within Scotland there is no consistent approach to public holidays, which, in many cases, take the form of a local holiday.

While St Andrew’s Day has only recently been celebrated nationally around the ‘One Scotland Many Cultures Theme’, there are no coherent celebrations at the local level. Inevitably celebrations take place in St Andrews in Fife, with school holidays in Dumfries & Galloway, Angus and Lochaber. These do not necessarily equate to a local public holiday.

St Andrew’s Day is celebrated in 30 countries overseas.

The St Andrew’s Day Bank Holiday (Scotland) Bill was introduced by Dennis Canavan MSP on 19 May 2005 and aims to amend the 1971 Act so that 30 November each year, (or the Monday following if 30 November should fall on a Saturday or Sunday), becomes a bank holiday.

There are eight bank holidays in Scotland, and 20 holidays per annum, a holiday rate of 12.3%.

6.2 HOW OTHER COUNTRIES CELEBRATE NATIONAL HOLIDAYS

6.2.1 Ireland

- Ireland has nine public holidays and 20 days holiday per annum a holiday rate of 12.8%;
- Central government has been investing in supporting a programme of celebratory events in Dublin, and its support totals £690,000 annually;
- Celebrations in Dublin are coordinated by a separate organisation. This provides the lead for celebrations in Ireland, and also contributes to those being delivered overseas;
- Other celebrations in Ireland tend to be led by the private sector and local authorities;
- The five-day programme of celebrations in Dublin attracts about 1m people;
- Based on the findings of research on two separate years, the celebrations can generate an amount of £54m and £40m (2003 and 2005 prices);
The development of St Patrick’s Day celebrations has been focused on adding a cultural dimension to the national day, rather than the previous focus on musical parades. The role of the Irish diaspora should not be underestimated in providing momentum for celebrations on St Patrick’s Day, and the existing network of St Andrew’s Societies could be harnessed in relation to St Andrew’s Day.

6.2.2 France

- France has 11 public holidays and 25 days holiday per annum, a holiday rate of 16%;
- With the exception of Easter, French public holidays fall on fixed dates and a holiday falling on a Saturday will not result on a day-off on the Monday;
- The only official “Public Holiday” in France is May 1st – an official rest day for workers. All others are negotiated as part of the “Convention Collective” which is a general contract between employers and employees;
- The government leads on significant national celebrations in Paris. Local government provides the lead at the local area level;
- Based on French research on the loss of a bank holiday suggests that granting an additional holiday will not necessarily lead to a comparable loss in output.

6.2.3 USA

- The US has 10 federal holidays, while the average worker is entitled to eight paid holidays (increasing to 19 depending on years of service), a holiday rate ranging from 7.9% and 12.8%;
- Paid leave is determined contractually between the employer and employee and not legislated by government;
- Most federal holidays are observed on the Monday closest to the date of the holiday;
- There are also state holidays and local holidays, and employers can choose whether or not to offer federal, state or local holidays to employees;
- Federal, state and local government support the commemoration of the Independence Day, although the private sector is more involved in direct sponsorship of major events;
- Thanksgiving traditionally centres around the family and the home, although there are some examples of parades in cities;
- It is also marked by a number of fixtures in the sporting calendar;
- Independence Day Events attract large numbers of visitors. An interesting comparator may be the success of Bristol, a settlement with a population of 22,000, in attracting up to 200,000 visitors to celebrate its events;
- Both Independence Day and Thanksgiving. It marks the start of the ‘holiday shopping season’, which runs until Christmas. In 2003, this period accounted for 23% of annual retail sales in the US;
- Both are defined as ‘special events’ - characterised as marking a special occasion, with associated symbols, rituals, presentations, performances, and celebrations. National symbols, such as the national flag and national anthem, are strongly associated with both
Independence Day and Thanksgiving Day and fireworks, parades, and barbeques are popular means of festivity;

- They are also ‘major events’ – of a significant scale and interest to attract considerable visitor numbers, significant media coverage, and stimulating broad-based public participation.
- On Independence day, naturalisation ceremonies are held.

### 6.2.4 Sweden

- There are 25 statutory minimum days’ leave over and above the 11 public holidays, a holiday rate of 16%.

An extensive comparator analysis of Swedish practice was not undertaken. However a review of research on its National Day indicates that there will be broad ‘winners and losers’ with costs of 0.1-0.3% GDP that could be offset by gains in the leisure sector resulting in an overall cost of 0.1% of GDP.

### 6.3 OPTIONS

An extensive consultation was undertaken to consider how Scotland could celebrate a national holiday on St Andrew’s Day. Overall, we have encountered a wide range of opinions and views on the proposal in general, and the different ways in which a national holiday might be celebrated. It is unlikely that there will be a single St Andrew’s Day celebration that will be acceptable to all – different industry sectors of the Scottish economy perceive that they will be more affected than others; public and private sector organisations will be affected in different ways; and a holiday, it does not necessarily mean that that people will take a designated day off.

Views on what form a holiday could take and how it might be celebrated range:

#### 6.3.1 Form

- Establish what it is about St Andrew that people in Scotland can identify with;
- Celebrated consistently on a Scottish-wide level;
- Distinguish a St Andrew’s Day Holiday from other bank and/or local holidays;
- If a celebration does materialise, and depending in timescales, the Homecoming Scotland campaign celebrating the 250th anniversary of the birth of Robert Burns provides an obvious tie-in;
- ‘Incubation Time’ - government support will be necessary to ‘kick start’ a national holiday, and also develop the celebration over time. Evidence from elsewhere suggests that ongoing public sector support to national events is required (e.g. St Patrick’s Day Festival, Edinburgh International Festival) while the impact of such events can materialise over a number of years (e.g. St Patrick’s Day Festival, over 10 years; Edinburgh’s Hogmanay, 3-5 years);
- There are differences on whether a St Andrew’s Day holiday should be celebrated on a fixed day i.e. 30th November or on the nearest Monday or Friday;
- Private sector more in favour of a substitution, except for retailers who favour an additional Monday-holiday;
Financial services/banking sector supports the concept of a national holiday but question whether it needs to be celebrated with a bank holiday.

6.3.2 How to celebrate

- The scope and scale of any celebration depends on whether or not there is a bank holiday;
- Regardless, the focus on Scotland, cultural background of residents;
- The Scottish Executive is the obvious lead to ‘guide’ how to celebrate St Andrew’s Day, and ensure its link to ‘One Scotland - Many Cultures’ and ‘The Best Small Country in the World’ campaigns. However we recommend that financial support from government for national and/or regional celebrations depends on promoters developing an innovative programme of events that is based on Scottish history and St Andrew;
- Given the time of year, a St Andrew’s Day could act as a catalyst for a ‘Winter in Scotland’ season and leading into Christmas, Hogmanay and Burns celebrations. This has been discussed in principle with the events sector during this study but further assessment is required;
- A St Andrew’s Day celebration will need to build on a number of existing annual events and initiatives in Scotland and any precedent or current practice for celebrating St Andrew’s Day.

6.3.3 Winners and Losers

We have gathered a range of evidence on the principle of a St Andrew’s Day and who will be affected. The extent to which these issues or more/less important and who would be more/less affected entirely depends on which St Andrew’s Day option is adopted.

This research suggests that Options 3 & 4 (i.e. no bank holiday) is more popular with the private sector except for operators in the tourism/leisure or retail sectors. However, the extent of national and cultural impact is compromised. Although there may still be some local impact under Option 4 depending on the extent to which existing practices are built on and how St Andrew’s Day is celebrated in the medium term.

Of the two ‘holiday options’ (1 and 2), substituting an existing holiday would appear to be the most acceptable in terms of mitigating against any perceived losses. Two questions are raised – what holiday will Scottish people be willing to surrender? And, to what extent will people celebrate St Andrew’s Day in the absence of additional time to do so? The analysis further explores the extent to which this is the case.

6.4 ANALYSIS

6.4.1 Economic

Option 2 will result in the most significant economic impact and the research has focussed on this Option – it results in an additional bank holiday and, based on the Easter holiday, we have provided a quantitative assessment of how this might impact the Scottish economy. This indicates that Option 2 could equate to the following impacts:
A small but positive net impact on GVA of £4.6m, which includes a £9.5m positive impact from retailing, offsetting negative impacts from any lost output in other sectors. This approach should provide a more accurate estimate of the likely impacts of a holiday as we are observing what actually happened in the past. However, the limit of this approach is that it assumes a recent Easter holiday will have a similar impact as the proposed St Andrew’s Day holiday.

The second approach is to work up from days lost to industry and the impact on productivity. Based on this ‘cost analysis’ our estimates assume a loss of GVA of £135m. The limit of this type of approach is that it does not take account of any positive offsetting impacts from e.g. retail spending or productivity gains.

Comparing both approaches would suggest that the impact on Scottish GVA would be small or broadly neutral up to 0.18% or 0.24% of Scottish GVA.

We would view these as upper limits and indeed our work looking at Easter would suggest a negligible net impact on the Scottish economy. Furthermore if our two approaches are combined, the result of an additional bank holiday to Scotland could be a minimal ‘cost’ of £25.9m. In other words, the private sector benefits of £4.6m under the ‘net analysis’ offsets a proportion of the public sector costs of £30.5m (within our estimate of £135m) under the ‘cost analysis’.

The other options could result in a number of net economic impacts dependent on the form of celebrations. This is crucial - Option 2, by definition, can be more easily assessed, whereas the other options do not result in an additional bank holiday to Scotland (whose effects can be assessed). Furthermore, although this research has discussed how a St Andrew’s Day could be celebrated, its remit was not to define the scope/ scale of these celebrations. In this sense we cannot, at this point, provide a robust assessment of either costs or benefits of any such development.

We have therefore indicated the scale of impact that could be generated by large scale events, based on existing research on events in Scotland e.g. the Edinburgh Winter Festival, although there is no indication at this point that St Andrew’s would be celebrated in such a manner.

6.4.2 Cultural

If Scotland is going to have its own national day on 30th November, then a mechanism that allows people to celebrate it would appear to be the optimum means of achieving the best cultural impact.

However, if a bank holiday is to happen, it is crucial to define what St Andrew means to Scottish people and people living in Scotland. There is an opportunity to link to the One Scotland Many Cultures campaign – the link between Scotland and pride of living in Scotland, and the commitment of the Parliament and Executive to this could provide a platform for a St Andrew’s Day national celebration.

However Scotland is already delivering an exciting range of cultural activities in the form of festivals, design shows, fashion shows, all of which are to promote Scotland’s culture.
Therefore the form of St Andrew’s Day needs to be clarified, and this should not duplicate what is already being delivered. Subject to an audit of what is already happening and being supported by the Scottish Executive, a Scottish national holiday could take the form of activities that are already happening, but that become branded under St Andrew’s Day, and occur over a week around 30th November.

How a holiday is branded and marketed will be vital. There is some momentum relating to St Andrew’s Day overseas that could be harnessed, but there may be a level of apathy in Scotland. Subject to how it is celebrated cultural benefits could be:

6.4.2.1 Options 1 and 2

The potential cultural impact derived from Options 1 and 2 is far greater, if support can be galvanised for national, regional, and local celebrations. There are numerous opportunities to collaborate with local authorities, cultural bodies, and the community at large in devising a range of activities, although care would need to be taken to develop something unique. St Andrew’s Day should be about all of Scotland participating, not just its major cities.

If presented as a national day, there are opportunities to profile achievement both within and outside Scotland. The time of year does have implications on the ability to plan large scale outdoor events (cf Edinburgh’s Winter Festival/ Hogmanay for limitations). More importantly cultural activities will have to be funded and though there is evidence of an appetite to take part in celebrations, both local authorities and cultural bodies are concerned that current budgets may not be able to support large scale activities.

6.4.2.2 Option 3

A publicly promoted St. Andrew’s Day that is not a public holiday may still provide opportunities for cultural impact, though the scale of impact would be limited by the number of people able to take part if the holiday falls on a week day. Schools, however, may be able to use St Andrew’s Day as a means of focusing curricular and extra-curricular activities on Scottish history, and raising awareness of how Scottish history is taught. If major events are planned, they are more likely to take place in the evening, with possible implications on family-friendliness and safety.

6.4.2.3 Option 4

Without a bank holiday or national celebration of St. Andrew’s Day, cultural impacts would also be more limited. Building on local practice, however, firmly embeds celebration and promotion of the holiday at local level, both grassroots and local authority. This arrangement is also flexible, allowing individuals and institutions to opt-in to St. Andrew’s Day celebrations if they choose to.

Furthermore, if awareness is raised to the extent that other local authorities substituted a local holiday with a holiday on 30th November, then the impacts under this option become greater. This research indicates some willingness by three local authorities to consider this.
6.4.3 Social

To understand how people could actually behave on a bank holiday, we used our e-canvas on-line survey panel to ask members how they spent their time on the Spring Bank Holiday (May 29th). From this, the proportion of Scottish people working on the bank holiday was 25 percent higher than the UK average, possibly reflecting Scottish behaviour of observing local holidays, at the expense of certain national holidays.

Of those that did not work, Scottish behaviour mirrors that of the UK, with most respondents spending a day at home relaxing (46%), seeing friends/family (21%), and taking a short break (12%).

To understand the social impacts of a St Andrew’s Day Holiday, we have produced a rough estimate of how people might spend their additional free time on St Andrew’s Day. There could be a ‘time impact’ on 17% of Scottish residents, or 863,600 people that may experience a day off.

This evidence suggests that based on assumption on how people spend their free time, that if there is a bank holiday on St Andrew’s Day, the social impact would be broadly positive.

The precise nature of impact will be influenced on the extent of celebration that occurs and therefore the correlation with ‘Work-Life Balance’ and experiencing the familial benefits of a Thanksgiving holiday by spending time with friends and family on St Andrew’s Day.

This research assessed how much Scottish people would be willing to pay for intangible cultural and social benefits. But from the research on London 2012 we know households in Glasgow valued these types of intangible benefits at £12 per year. Based on this the intangible social and cultural benefits of celebrating St Andrew’s Day could be as much as £27 million each year.
Appendix A – Framework for Comparative Studies
FRAMEWORK FOR COMPARATIVE STUDIES

This note outlines the key specifications for exploring the impact of public national holidays in:

- Ireland - St Patrick
- France – Bastille Day
- USA – July 4th and Thanksgiving
- Sweden – National Day

On some initial literature searches, it is not going to be easy to undertake comparator studies – there is unlikely to be a research paper called “The Economic Impact of Public Holidays” – ie it is not a well researched subject.

This document sets out a structure to ensure that across both teams there is a common evidence framework.

A. Economic Costs/ benefits - Consumer Impacts

1. How do consumers benefit?

This needs to explore:

a) How people value leisure time e.g. having a day off work, The type of evidence we need here is
   - How many people actually take the time off work for the public holiday.
   - What people do on the public holiday, whether they stay at home, go shopping, go to the country, seaside, play sports, spend time with family.

b) How people value the additional day-specific entertainments. The type of evidence we need is
   - How many people go to the public events, such as firework displays, parades
   - How people “celebrate” the day in their own way. Do they hold parties, have big dinners etc.

c) How people value “national pride”. The type of evidence we need is
   - If through having such national days, people place greater value on the country’s heritage and culture.

2. How do consumers dis-benefit

This needs to explore:

a) How people value the loss of work-time. This is evidence that would consider:
   - Lost income through having to take a day off
   - What people would have been doing if it were not a public holiday?
   - What activities have they delayed or displaced?

b) How people value the negative impacts of the day. This would consider evidence such as:
   - Increased congestion – road delays
   - Unable to access many services such as banks, local government

B. Economic Costs/ Benefits - Producer Impacts
1. Which producers benefit and how?

This needs to explore:

a) Do retailers benefit? This needs to find evidence on
   • Retailers – do they report increased shopping numbers on these public holidays?
   • Hotels, bars, restaurants – do they report increased numbers on these public holidays?
   • Visitor attractions, entertainment, tourism services - do they report increased numbers on these public holidays?

2. How do producers dis-benefit and how?

b) Which businesses may not benefit. This needs to find evidence on
   • Banks and financial services – extent to which this disrupts business, loses custom
   • Business services – law, accountants, consultancies etc, again extent to which this disrupts business and loses customers
   • Public services – education, health, administration; again costs of disruption

C. Assessment of Cultural Impacts for each National Day

1. How are these regarded by:
   a. Government
   b. Citizens
   c. Visitors

2. How are the days organised:
   a. Local and community engagement – culture sub-regional differences?
   b. Private sector as driver
   c. Public sector as driver?

D. Assessment of Social Impacts for each National Day

1. How are these regarded by:
   d. Government
   e. Citizens
   f. Visitors

2. How are the days organised:
   g. Local and community engagement – culture sub-regional differences?
   h. Private sector as driver
   i. Public sector as driver?

E. Other

• Awareness of other National Days – eg Canada
Appendix B – Discussion Guide for Consultations
DISCUSSION GUIDE FOR CONSULTATIONS

A. Introduction

Background to Project, Bill etc
‘St Andrew’s Day Options’
Costs and Benefits

In this interview I would like to focus on ‘Economic’, ‘Social’ or ‘Cultural’ issues (delete according to consultee) but appreciate you (your organisation) will have a view on the other issues.

B. Economic Costs/ benefits - Consumer Impacts

1. How could consumers benefit?

Views on:

b) How people value leisure time e.g. having a day off work -
   • Whether people would actually take the time off work for a public holiday.
   • What people might do on the public holiday, whether they stay at home, go shopping, go to the country, seaside, play sports, spend time with family.
   • Will employers grant a holiday?

d) How people value the additional day-specific entertainments.
   • Would people go to the public events, such as firework displays, parades
   • How people might ‘celebrate’ the day in their own way – parties, dinners etc.

e) How people in Scotland might value ‘national pride’.
   • If through a St Andrew’s Day holiday, would people place greater value on the country’s heritage and culture?

2. How might consumers dis-benefit

This needs to explore:

c) How people value the loss of work-time.
   • Lost income through having to take a day off
   • What people would have been doing if it were not a public holiday?
   • What activities have they delayed or displaced?

d) How people value the negative impacts of the day.
   • Increased congestion – road delays
   • Unable to access many services such as banks, local government

C. Economic Costs/ Benefits - Producer Impacts

3. Which producers benefit (ie ‘winners’) and how?

This needs to explore:

c) Do retailers benefit?
Do they report increased shopping numbers on these public holidays?
Hotels, bars, restaurants – do they report increased numbers on these public holidays?
Visitor attractions, entertainment, tourism services - do they report increased numbers on these public holidays?
Increased business/ sales at expense of business/ sales at other times? Do we spend more on a bank holiday?

4. How do producers dis-benefit (ie ‘losers’) and how?

d) Which sectors do not benefit.
- Banks and financial services – extent to which this disrupts business, loses custom
- Business services – law, accountants, consultancies etc, again extent to which this disrupts business and loses customers
- Public services – education, health, administration; again costs of disruption
- Manufacturing – what is the preference – complete shutdown of activities on a bank holiday or operate during bank holidays and staff take time of in lieu?

D. Assessment of Cultural Impacts of St Andrews Day

3. What do you consider these to be?
Cf national pride, esteem, identity, diversity, communities etc

4. Any negative impact of a holiday and greater emphasis on St Andrew’s Day on other cultural events – Hogmanay? Burns’ Suppers? Other?

E. Assessment of Social Impacts for each National Day

1. What do you consider these to be?
Cf holiday, work/ life balance, leisure, sport etc

F. Implementation

1. How might St Andrew’s Day be celebrated/ organised:
   a. Changing the date of an existing bank holiday to St Andrew’s Day
   b. Establishing an additional bank holiday on St Andrew’s Day
   c. Having no bank holiday on St Andrew’s Day, but holding an event or celebration to mark the day
   d. Building on existing local practices for the purpose of celebrating St Andrew’s Day

5. Who should lead
   a. Government (central, local)
   b. Local and community engagement
   c. Voluntary Sector
   d. Cultural Sector
   e. Role of Private sector, sponsorship etc

Cf special purpose vehicle, partnership, funding, ‘deliverability’, cultural/ sub-regional differences.
6. How would a holiday/celebration be regarded by:
   a. Your Organisation
   b. Members
   c. Residents

Cf how private sector organisations agree on deciding which days are public holidays given the local variation in Scotland in May and September.

G. Other

- Awareness of other National Days
- Recollection of ‘one-offs’ such as Millennium Day (2000) or Queen’s Jubilee (Golden), World Cups
- Awareness of other relevant research on St Andrew’s Day – by your organisation? Other?
- Political Impact – value of national holiday to politicians, royalty etc
## Appendix C – Consultees

<table>
<thead>
<tr>
<th>Name</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Douglas Paterson</td>
<td>Aberdeen City Council, Chief Executive</td>
</tr>
<tr>
<td>Alan Campbell</td>
<td>Aberdeenshire Council, Chief Executive</td>
</tr>
<tr>
<td>Merlyn Dunn</td>
<td>Angus Council</td>
</tr>
<tr>
<td>David Sawers</td>
<td>Angus Council, Chief Executive</td>
</tr>
<tr>
<td>Eva MacDermod</td>
<td>ASVA</td>
</tr>
<tr>
<td>Alan Mitchell</td>
<td>CBI</td>
</tr>
<tr>
<td>Chris Highcock</td>
<td>City of Edinburgh Council, Business Manager to Director of Corporate Services</td>
</tr>
<tr>
<td>Brian Hutchison</td>
<td>Clackmannanshire Council, Head of HR</td>
</tr>
<tr>
<td>Jon Harris</td>
<td>CoSLA</td>
</tr>
<tr>
<td>Alex Stephen</td>
<td>Dundee City Council, Chief Executive</td>
</tr>
<tr>
<td>Martin Rose</td>
<td>East Ayrshire Council, Head of Personnel</td>
</tr>
<tr>
<td>John Lindsay</td>
<td>East Lothian Council, Chief Executive</td>
</tr>
<tr>
<td>David Jackson</td>
<td>Edinburgh Winter Festivals</td>
</tr>
<tr>
<td>Barbara Absolon</td>
<td>Events Scotland</td>
</tr>
<tr>
<td>Jim McLeish</td>
<td>Fife Council</td>
</tr>
<tr>
<td>George Black</td>
<td>Glasgow City Council, Chief Executive</td>
</tr>
<tr>
<td>Rebecca Hamilton</td>
<td>Historic Scotland</td>
</tr>
<tr>
<td>Alasdair Moore</td>
<td>Inverclyde Council, Head of Personnel Services</td>
</tr>
<tr>
<td>Moira Taylor</td>
<td>Moray Council, Chief Executive’s Office</td>
</tr>
<tr>
<td>F. Fleming</td>
<td>North Lanarkshire Council, Head of Central Services</td>
</tr>
<tr>
<td>Margaret Sutherland</td>
<td>Orkney Islands Council, Chief Executive’s Department</td>
</tr>
<tr>
<td>Robert Ferguson</td>
<td>Renfrewshire Council, Committee Services Manager</td>
</tr>
<tr>
<td>Iain Duff</td>
<td>SCDI</td>
</tr>
<tr>
<td>Graham Berry</td>
<td>Scottish Arts Council</td>
</tr>
<tr>
<td>David Hume</td>
<td>Scottish Borders Council, Chief Executive</td>
</tr>
<tr>
<td>Clare Smith</td>
<td>Scottish Executive</td>
</tr>
<tr>
<td>Charles Munn</td>
<td>Scottish Committee of Clearance Bankers</td>
</tr>
<tr>
<td>Linda Boyes</td>
<td>Scottish Council Foundation</td>
</tr>
<tr>
<td>Amanda Harvey</td>
<td>Scottish Financial Enterprise</td>
</tr>
<tr>
<td>Fiona Moriarty</td>
<td>Scottish Retail Consortium</td>
</tr>
<tr>
<td>Martin Sime</td>
<td>SCVO</td>
</tr>
<tr>
<td>Donal Shiels</td>
<td>St Patrick’s Day Festival</td>
</tr>
<tr>
<td>John Park</td>
<td>STUC</td>
</tr>
<tr>
<td>Roslyn Pieroni</td>
<td>The Highland Council, Head of Committee Services</td>
</tr>
<tr>
<td>Ian McLeod</td>
<td>The Mod</td>
</tr>
<tr>
<td>Name</td>
<td>Organisation</td>
</tr>
<tr>
<td>-------------------</td>
<td>------------------------------------------------</td>
</tr>
<tr>
<td>Pete Irvine</td>
<td>Unique Events</td>
</tr>
<tr>
<td>Riddell Graham</td>
<td>VisitScotland</td>
</tr>
<tr>
<td>Tim Huntingford</td>
<td>West Dunbartonshire, Chief Executive</td>
</tr>
<tr>
<td>Alex Linkston</td>
<td>West Lothian Council, Chief Executive</td>
</tr>
</tbody>
</table>
Appendix D – Economic Analysis

Estimation

The estimated Retail Sales/ Tourism equation had the following specification:

**Equation 1: Retail Sales and Tourism Spending**

\[
\Delta \Delta^{12} \ln(X_t) = \beta_1 \Delta \Delta^{12} (Easter_t) + \beta_2 \Delta \Delta^{12} (Spring_t) + \beta_3 \Delta_1 r_{t-1} + \beta_4 \Delta_{12} r_{t-12} + r_t
\]

where:

- \( X \) is the economic variable;
- \( Easter \): a dummy variable equal to one for month when Easter occurs (0.5 where Easter is split between March and April) and zero otherwise;
- \( Spring \): a dummy variable for the Spring Bank Holiday (equal to 1 in the May of each year except 2002 where it is equal to 2 in June).

The \( \Delta \Delta^{12} \) term means that the equation is specified in terms of the difference of the annual difference. This transformation removes the trend from the variables and minimises the impact of any seasonality. The equations also contain two autoregressive error terms (AR1 and Ar12) to allow for any remaining serial correlation.

The value added equations are a modified version of Retail Sales/Tourism equations:

**Equation 2: Value Added**

\[
\Delta \Delta^{12} \ln(X_t) = \beta_1 \Delta \Delta^{12} (Easter_t) + \beta_2 \Delta \Delta^{12} (Before Easter_t) + \beta_3 \Delta \Delta^{12} (After Easter) + \beta_4 \Delta \Delta^{12} (Spring_t) + \beta_5 \Delta \Delta^{12} (RetailSales_t) \beta_6 \Delta_1 r_{t-1} + \beta_7 \Delta_{12} r_{t-12} + r_t
\]

The three additional variables are Retail Sales, which is included to allow for the impact of demand changes on value added a “Before Easter” dummy which is equal to one for the month before Easter and zero elsewhere and an “After Easter” dummy which is equal to one for the month after Easter and zero elsewhere.

Not all variables are significant for all industries. The analysis is undertaken at the Broad Industry Group level but does not cover agriculture or construction (where no official monthly data are available).

**Table 1: Equation Results for Retail Sales**

<table>
<thead>
<tr>
<th>Retail Sales Volumes (nua)</th>
<th>OLS, monthly data for 215 periods, 88m2-2005m12</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R² = .34, DW = 2.23</td>
</tr>
<tr>
<td></td>
<td>Easter</td>
</tr>
<tr>
<td></td>
<td>0.00565</td>
</tr>
<tr>
<td></td>
<td>(2.36)</td>
</tr>
</tbody>
</table>
Table 2: Equation Results for Value Added

<table>
<thead>
<tr>
<th>Value Added (sa)</th>
<th>Retail Sales</th>
<th>Easter</th>
<th>Month Before Easter</th>
<th>Month After Easter</th>
<th>2002 Jubilee</th>
</tr>
</thead>
<tbody>
<tr>
<td>OLS, monthly data for 287 periods, 82m2-2005m12 (manufacturing)</td>
<td></td>
<td>-0.00325</td>
<td>0.00325</td>
<td>-0.02531</td>
<td></td>
</tr>
<tr>
<td>OLS, monthly data for 107 periods, 97m2-2005m12 (services)</td>
<td></td>
<td>-0.01866</td>
<td>0.01866</td>
<td>-0.01838</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td></td>
<td>0.63888</td>
<td>0.00630</td>
<td>-0.01270</td>
<td></td>
</tr>
<tr>
<td>R² = .43 DW = 2.08</td>
<td></td>
<td>(6.28)</td>
<td>(1.75)</td>
<td>(3.95)</td>
<td></td>
</tr>
<tr>
<td>Gas &amp; Electricity</td>
<td></td>
<td>0.24581</td>
<td>-</td>
<td>0.01270</td>
<td></td>
</tr>
<tr>
<td>R² = .28 DW = 2.15</td>
<td></td>
<td>(1.87)</td>
<td>-</td>
<td>(3.95)</td>
<td></td>
</tr>
<tr>
<td>Distribution</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-0.00374</td>
<td></td>
</tr>
<tr>
<td>R² = .67 DW = 2.34</td>
<td></td>
<td>0.63888</td>
<td>-</td>
<td>(-1.94)</td>
<td></td>
</tr>
<tr>
<td>Hotels &amp; Catering</td>
<td></td>
<td>0.24581</td>
<td>-</td>
<td>-0.00861</td>
<td></td>
</tr>
<tr>
<td>R² = .29 DW = 2.20</td>
<td></td>
<td>(1.87)</td>
<td>-</td>
<td>(-3.93)</td>
<td></td>
</tr>
<tr>
<td>Transport &amp; Comms</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-0.00374</td>
<td></td>
</tr>
<tr>
<td>R² = .26 DW = 2.11</td>
<td></td>
<td>-</td>
<td>-</td>
<td>(-1.94)</td>
<td></td>
</tr>
<tr>
<td>Financial &amp; Business Services</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-0.00861</td>
<td></td>
</tr>
<tr>
<td>R² = .35 DW = 2.26</td>
<td></td>
<td>-</td>
<td>-</td>
<td>(-3.93)</td>
<td></td>
</tr>
</tbody>
</table>

Table 3: Equation Results for IPS Visitor Spend

<table>
<thead>
<tr>
<th>Tourist Spending (IPS, nsa)</th>
<th>Easter</th>
<th>Month Before Easter</th>
<th>2002 Jubilee</th>
</tr>
</thead>
<tbody>
<tr>
<td>OLS, monthly data for 297 periods, 81m4-2005m12</td>
<td></td>
<td>0.03718</td>
<td>-</td>
</tr>
<tr>
<td>Credits</td>
<td></td>
<td>(2.0)</td>
<td>-</td>
</tr>
<tr>
<td>R² = .36, DW = 2.34</td>
<td></td>
<td>0.02137</td>
<td>-</td>
</tr>
<tr>
<td>Debits</td>
<td></td>
<td>(2.30)</td>
<td>-</td>
</tr>
</tbody>
</table>

Estimated coefficients that were not significant at the 10 per cent level were omitted.

Note that the estimated coefficients for the impact of Easter on manufacturing and the month before Easter were of opposite sign but not significantly different from each other so the coefficients have been constrained to be opposite but equal. Similarly, the estimated coefficients for the impact of Easter on gas and electricity and the month after Easter were of opposite sign but not significantly different from each other so the coefficients have been constrained to be opposite but equal coefficients.

Comparisons to Previous and Subsequent Weeks

Across the UK, shopper numbers on the Saturday before the Golden Jubilee bank holiday were roughly equal to the average for all Saturdays in June. However on the Sunday, Monday and Tuesday of the Jubilee weekend there were significant drops in shopper numbers compared to their corresponding June averages. The Sunday was 13% lower than the June average for Sunday. Monday was 23% lower than the June average and Tuesday was 13% lower.

Shopper numbers on the Wednesday and Thursday after the Jubilee holiday were significantly higher than the June averages by 21% and 12% respectively. The weekly index for the Jubilee weekend is not different from the June average suggesting that shoppers made fewer visits to
shops over the Jubilee weekend and then made up for this on the Wednesday and Thursday after.

Compared to the corresponding period in 2003 shopper numbers were 17% lower on the Sunday, 35% lower on the Monday and 23% lower on the Tuesday. Looking at the first week of June as a whole, shopper numbers were less than 1% higher in 2002 than in 2003.

The figures comparing shopper numbers during the Jubilee holiday with the corresponding day in the week before and after provide further evidence that shopper numbers fell during the holiday and bounced back on the Wednesday and Thursday after.

<table>
<thead>
<tr>
<th>Week before</th>
<th>Week after</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunday</td>
<td>-23%</td>
</tr>
<tr>
<td>Monday</td>
<td>-32%</td>
</tr>
<tr>
<td>Tuesday</td>
<td>-19%</td>
</tr>
<tr>
<td>Wednesday</td>
<td>21%</td>
</tr>
<tr>
<td>Thursday</td>
<td>10%</td>
</tr>
</tbody>
</table>

Table 4: Golden Jubilee UK shopper numbers (% difference in shoppers from corresponding day in the week before/after)

Scotland

In Scotland the Golden Jubilee had a much smaller impact on shopper numbers. In terms of the difference from the June average for that day of the week, Saturday was 8% lower, Sunday was 4% lower and Monday was 10% lower. Shopper numbers on the Tuesday of the Jubilee weekend were actually higher than the average Tuesday that June.

The table below shows the percentage difference in shopper numbers for each day during the Golden Jubilee week from the corresponding day in the week before and after.

<table>
<thead>
<tr>
<th>Week before</th>
<th>Week after</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunday</td>
<td>1%</td>
</tr>
<tr>
<td>Monday</td>
<td>-15%</td>
</tr>
<tr>
<td>Tuesday</td>
<td>2%</td>
</tr>
<tr>
<td>Wednesday</td>
<td>4%</td>
</tr>
<tr>
<td>Thursday</td>
<td>-8%</td>
</tr>
</tbody>
</table>

Table 5: Golden Jubilee UK shopper numbers (% difference in shoppers from corresponding day in the week before/after)
## ECONOMIC IMPACT – ALTERNATIVE METHODOLOGY

<table>
<thead>
<tr>
<th>Productive days per week</th>
<th>GVA (£bn, 2002 prices)</th>
<th>Status</th>
<th>Loss of output</th>
<th>Employment loss (millions of FTE man days)</th>
<th>GVA loss (£m, 2002 prices)</th>
<th>GVA loss (£m, 2004 prices)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>0.044</td>
<td>1.280</td>
<td>Mixed</td>
<td>50%</td>
<td>7.0</td>
<td>0.022</td>
</tr>
<tr>
<td>Mining &amp; utilities</td>
<td>0.018</td>
<td>2.297</td>
<td>Closed</td>
<td>90%</td>
<td>6.0</td>
<td>0.016</td>
</tr>
<tr>
<td>Construction</td>
<td>0.168</td>
<td>5.309</td>
<td>Closed</td>
<td>90%</td>
<td>5.5</td>
<td>0.151</td>
</tr>
<tr>
<td>Metals, minerals &amp; chemicals</td>
<td>0.048</td>
<td>2.638</td>
<td>Closed</td>
<td>90%</td>
<td>6.0</td>
<td>0.043</td>
</tr>
<tr>
<td>Engineering</td>
<td>0.056</td>
<td>4.330</td>
<td>Closed</td>
<td>90%</td>
<td>6.0</td>
<td>0.051</td>
</tr>
<tr>
<td>Other man</td>
<td>0.196</td>
<td>5.099</td>
<td>Closed</td>
<td>90%</td>
<td>6.0</td>
<td>0.176</td>
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<tr>
<td>Wholesaling</td>
<td>0.114</td>
<td>4.581</td>
<td>Mixed</td>
<td>50%</td>
<td>6.0</td>
<td>0.057</td>
</tr>
<tr>
<td>Retailing</td>
<td>0.176</td>
<td>4.845</td>
<td>Open</td>
<td>10%</td>
<td>7.0</td>
<td>0.018</td>
</tr>
<tr>
<td>Hotels &amp; Catering</td>
<td>0.124</td>
<td>3.166</td>
<td>Open</td>
<td>10%</td>
<td>7.0</td>
<td>0.012</td>
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<tr>
<td>Transport</td>
<td>0.102</td>
<td>3.873</td>
<td>Mixed</td>
<td>50%</td>
<td>7.0</td>
<td>0.051</td>
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<tr>
<td>Communications</td>
<td>0.037</td>
<td>2.396</td>
<td>Mixed</td>
<td>50%</td>
<td>6.0</td>
<td>0.019</td>
</tr>
<tr>
<td>Banking &amp; Insurance</td>
<td>0.097</td>
<td>5.367</td>
<td>Mixed</td>
<td>50%</td>
<td>6.0</td>
<td>0.049</td>
</tr>
<tr>
<td>Business Services</td>
<td>0.239</td>
<td>7.714</td>
<td>Mixed</td>
<td>50%</td>
<td>6.0</td>
<td>0.120</td>
</tr>
<tr>
<td>Other F&amp;B</td>
<td>0.052</td>
<td>2.658</td>
<td>Closed</td>
<td>90%</td>
<td>6.0</td>
<td>0.047</td>
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<tr>
<td>Public Admin &amp; Defence</td>
<td>0.138</td>
<td>4.943</td>
<td>Mixed</td>
<td>50%</td>
<td>6.0</td>
<td>0.069</td>
</tr>
<tr>
<td>Education</td>
<td>0.150</td>
<td>5.077</td>
<td>Closed</td>
<td>90%</td>
<td>5.0</td>
<td>0.135</td>
</tr>
<tr>
<td>Health</td>
<td>0.260</td>
<td>7.491</td>
<td>Open</td>
<td>10%</td>
<td>7.0</td>
<td>0.026</td>
</tr>
<tr>
<td>Other services</td>
<td>0.126</td>
<td>3.843</td>
<td>Open</td>
<td>10%</td>
<td>6.0</td>
<td>0.013</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.083</strong></td>
<td><strong>73.329</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>1.035</strong></td>
</tr>
</tbody>
</table>

*Source: Experian 2006 (FTE and GVA estimates based on ONS and Scottish Executive data)*
Appendix E

Results from Canvasse Opinion survey
Thinking about the recent Spring Bank Holiday (May 29th), which, if any, of the following did you mainly spend your time doing?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working</td>
<td>11.9%</td>
</tr>
<tr>
<td>Went on a day trip - in the UK</td>
<td>6.7%</td>
</tr>
<tr>
<td>Went on a short break - in the UK</td>
<td>9.6%</td>
</tr>
<tr>
<td>Went on a short break - overseas</td>
<td>4.9%</td>
</tr>
<tr>
<td>Stayed at home - relaxation</td>
<td>20.9%</td>
</tr>
<tr>
<td>Stayed at home - DIY, house work etc</td>
<td>16.2%</td>
</tr>
<tr>
<td>Went shopping</td>
<td>2.5%</td>
</tr>
<tr>
<td>Spent time with family</td>
<td>16.2%</td>
</tr>
<tr>
<td>Spent time with friends</td>
<td>5.8%</td>
</tr>
<tr>
<td>Watching sport</td>
<td>1.3%</td>
</tr>
<tr>
<td>Playing sport</td>
<td>1.1%</td>
</tr>
<tr>
<td>Other</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

Source: Experian's E-Canvasse Opinion Omnibus Survey - conducted among 1,500 people in Summer 2006
<table>
<thead>
<tr>
<th>Activity</th>
<th>17 to 25</th>
<th>26 to 35</th>
<th>36 to 45</th>
<th>46 to 55</th>
<th>56 to 65</th>
<th>66+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working</td>
<td>16.3%</td>
<td>13.2%</td>
<td>13.0%</td>
<td>13.9%</td>
<td>8.3%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Went on a day trip - in the UK</td>
<td>7.8%</td>
<td>7.9%</td>
<td>6.3%</td>
<td>7.2%</td>
<td>5.3%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Went on a short break - in the UK</td>
<td>9.6%</td>
<td>9.8%</td>
<td>11.1%</td>
<td>11.4%</td>
<td>7.2%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Went on a short break - overseas</td>
<td>7.2%</td>
<td>4.7%</td>
<td>4.6%</td>
<td>4.4%</td>
<td>5.1%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Stayed at home - relaxation</td>
<td>15.7%</td>
<td>15.9%</td>
<td>17.8%</td>
<td>19.5%</td>
<td>28.0%</td>
<td>35.2%</td>
</tr>
<tr>
<td>Stayed at home - DIY, house work etc</td>
<td>7.8%</td>
<td>11.8%</td>
<td>16.3%</td>
<td>19.3%</td>
<td>19.7%</td>
<td>20.1%</td>
</tr>
<tr>
<td>Went shopping</td>
<td>3.6%</td>
<td>4.1%</td>
<td>2.4%</td>
<td>1.9%</td>
<td>1.9%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Spent time with family</td>
<td>14.5%</td>
<td>19.1%</td>
<td>18.0%</td>
<td>13.2%</td>
<td>16.2%</td>
<td>11.9%</td>
</tr>
<tr>
<td>Spent time with friends</td>
<td>13.3%</td>
<td>9.4%</td>
<td>5.9%</td>
<td>3.5%</td>
<td>2.1%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Watching sport</td>
<td>1.2%</td>
<td>1.0%</td>
<td>1.1%</td>
<td>1.6%</td>
<td>0.7%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Playing sport</td>
<td>0.6%</td>
<td>0.6%</td>
<td>0.9%</td>
<td>1.6%</td>
<td>1.6%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Other</td>
<td>2.4%</td>
<td>2.4%</td>
<td>2.8%</td>
<td>2.6%</td>
<td>3.9%</td>
<td>4.4%</td>
</tr>
</tbody>
</table>

Source: Experian’s E-Canvasses Opinion Omnibus Survey - conducted among 1,500 people in Summer 2006

<table>
<thead>
<tr>
<th>Gender</th>
<th>Female</th>
<th>Male</th>
<th>Grand total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working</td>
<td>115</td>
<td>140</td>
<td>255</td>
</tr>
<tr>
<td>Went on a day trip - in the UK</td>
<td>63</td>
<td>80</td>
<td>143</td>
</tr>
<tr>
<td>Went on a short break - in the UK</td>
<td>89</td>
<td>116</td>
<td>205</td>
</tr>
<tr>
<td>Went on a short break - overseas</td>
<td>44</td>
<td>60</td>
<td>104</td>
</tr>
<tr>
<td>Stayed at home - relaxation</td>
<td>203</td>
<td>244</td>
<td>447</td>
</tr>
<tr>
<td>Stayed at home - DIY, house work etc</td>
<td>164</td>
<td>182</td>
<td>346</td>
</tr>
<tr>
<td>Went shopping</td>
<td>36</td>
<td>18</td>
<td>54</td>
</tr>
<tr>
<td>Spent time with family</td>
<td>211</td>
<td>136</td>
<td>347</td>
</tr>
<tr>
<td>Spent time with friends</td>
<td>69</td>
<td>55</td>
<td>124</td>
</tr>
<tr>
<td>Watching sport</td>
<td>5</td>
<td>22</td>
<td>27</td>
</tr>
<tr>
<td>Playing sport</td>
<td>6</td>
<td>18</td>
<td>24</td>
</tr>
<tr>
<td>Other</td>
<td>38</td>
<td>26</td>
<td>64</td>
</tr>
<tr>
<td>Total</td>
<td>1043</td>
<td>1097</td>
<td>2140</td>
</tr>
</tbody>
</table>

Source: Experian’s E-Canvasses Opinion Omnibus Survey - conducted among 1,500 people in Summer 2006
<table>
<thead>
<tr>
<th>Region</th>
<th>South East</th>
<th>South West</th>
<th>Wales</th>
<th>West Midlands</th>
<th>Yorkshire &amp; Humberside</th>
<th>Other</th>
<th>Grand total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working</td>
<td>18.6%</td>
<td>16.6%</td>
<td>28.1%</td>
<td>21.1%</td>
<td>17.8%</td>
<td>255</td>
<td></td>
</tr>
<tr>
<td>Went on a day trip - in the UK</td>
<td>7.6%</td>
<td>9.3%</td>
<td>13.6%</td>
<td>5.6%</td>
<td>3.4%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Went on a short break - in the UK</td>
<td>8.2%</td>
<td>10.4%</td>
<td>12.9%</td>
<td>11.0%</td>
<td>9.4%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Went on a short break - overseas</td>
<td>3.6%</td>
<td>4.9%</td>
<td>6.0%</td>
<td>3.4%</td>
<td>2.5%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Stayed at home - relaxation</td>
<td>14.7%</td>
<td>19.3%</td>
<td>18.9%</td>
<td>13.9%</td>
<td>11.3%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Stayed at home - DIY, house work etc</td>
<td>15.3%</td>
<td>21.5%</td>
<td>21.3%</td>
<td>16.1%</td>
<td>12.8%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Went shopping</td>
<td>2.3%</td>
<td>4.9%</td>
<td>6.9%</td>
<td>4.9%</td>
<td>3.4%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Spent time with friends</td>
<td>22.4%</td>
<td>17.5%</td>
<td>26.2%</td>
<td>15.6%</td>
<td>11.5%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Playing sport</td>
<td>3.8%</td>
<td>0.0%</td>
<td>2.7%</td>
<td>3.4%</td>
<td>2.5%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>4.1%</td>
<td>10.4%</td>
<td>3.4%</td>
<td>5.3%</td>
<td>1.8%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>170.0%</td>
<td>251.00%</td>
<td>212.0%</td>
<td>116.0%</td>
<td>52.00%</td>
<td>2140.00</td>
<td></td>
</tr>
</tbody>
</table>

Source: Experian's E-Canvasse Opinion Omnibus Survey - conducted among 1,500 people in Summer 2006

<table>
<thead>
<tr>
<th>Region</th>
<th>East Midlands</th>
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<th>London</th>
<th>North East</th>
<th>North West</th>
<th>Northern Ireland</th>
<th>Scotland</th>
<th>South East</th>
<th>South West</th>
<th>Wales</th>
<th>West Midlands</th>
<th>Yorkshire &amp; Humberside</th>
<th>Other</th>
<th>Grand total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working</td>
<td>18.6%</td>
<td>24.9%</td>
<td>17.8%</td>
<td>12.10%</td>
<td>20.18%</td>
<td>17.2%</td>
<td>35.7%</td>
<td>17.7%</td>
<td>13.9%</td>
<td>14.1%</td>
<td>18.1%</td>
<td>17.7%</td>
<td>21.1%</td>
<td></td>
</tr>
<tr>
<td>Went on a day trip - in the UK</td>
<td>7.6%</td>
<td>9.3%</td>
<td>13.6%</td>
<td>13.6%</td>
<td>12.9%</td>
<td>12.9%</td>
<td>9.4%</td>
<td>11.0%</td>
<td>9.4%</td>
<td>11.0%</td>
<td>9.4%</td>
<td>9.4%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Went on a short break - in the UK</td>
<td>8.2%</td>
<td>10.4%</td>
<td>12.9%</td>
<td>11.0%</td>
<td>9.4%</td>
<td>9.4%</td>
<td>3.4%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Went on a short break - overseas</td>
<td>3.6%</td>
<td>4.9%</td>
<td>6.0%</td>
<td>3.4%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Stayed at home - relaxation</td>
<td>14.7%</td>
<td>19.3%</td>
<td>18.9%</td>
<td>13.9%</td>
<td>11.3%</td>
<td>11.3%</td>
<td>15.6%</td>
<td>11.5%</td>
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<td>11.5%</td>
<td>11.5%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Stayed at home - DIY, house work etc</td>
<td>15.3%</td>
<td>21.5%</td>
<td>21.3%</td>
<td>16.1%</td>
<td>12.8%</td>
<td>12.8%</td>
<td>15.6%</td>
<td>11.5%</td>
<td>11.5%</td>
<td>11.5%</td>
<td>11.5%</td>
<td>11.5%</td>
<td>0</td>
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</tr>
<tr>
<td>Went shopping</td>
<td>2.3%</td>
<td>4.9%</td>
<td>6.9%</td>
<td>4.9%</td>
<td>3.4%</td>
<td>3.4%</td>
<td>4.9%</td>
<td>3.4%</td>
<td>3.4%</td>
<td>3.4%</td>
<td>3.4%</td>
<td>3.4%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Spent time with friends</td>
<td>22.4%</td>
<td>17.5%</td>
<td>26.2%</td>
<td>15.6%</td>
<td>11.5%</td>
<td>11.5%</td>
<td>15.6%</td>
<td>11.5%</td>
<td>11.5%</td>
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<td></td>
</tr>
<tr>
<td>Playing sport</td>
<td>3.8%</td>
<td>0.0%</td>
<td>2.7%</td>
<td>3.4%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
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<td>2.5%</td>
<td>2.5%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>4.1%</td>
<td>10.4%</td>
<td>3.4%</td>
<td>5.3%</td>
<td>1.8%</td>
<td>1.8%</td>
<td>5.3%</td>
<td>1.8%</td>
<td>1.8%</td>
<td>1.8%</td>
<td>1.8%</td>
<td>1.8%</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>170.0%</td>
<td>251.00%</td>
<td>212.0%</td>
<td>116.0%</td>
<td>52.00%</td>
<td>238.00%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>2140.00</td>
<td></td>
</tr>
</tbody>
</table>

Source: Experian's E-Canvasse Opinion Omnibus Survey - conducted among 1,500 people in Summer 2006

| Source: Experian's E-Canvasse Opinion Omnibus Survey - conducted among 1,500 people in Summer 2006

Enterprise and Culture Committee, 15th Report 2006 - Annex B
<table>
<thead>
<tr>
<th>Income Band</th>
<th>Under £5,000</th>
<th>£5,000-£9,999</th>
<th>£10,000-£14,999</th>
<th>£15,000-£19,999</th>
<th>£20,000-£24,999</th>
<th>£25,000-£29,999</th>
<th>£30,000-£39,999</th>
<th>£40,000-£49,999</th>
<th>£50,000-£59,999</th>
<th>£60,000-£69,999</th>
<th>£70,000-£79,999</th>
<th>£80,000-£89,999</th>
<th>£90,000-£99,999</th>
<th>Over £100,000</th>
<th>Grand total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working</td>
<td>17.9%</td>
<td>11.3%</td>
<td>22.2%</td>
<td>15.3%</td>
<td>34.1%</td>
<td>20.0%</td>
<td>17.3%</td>
<td>38.8%</td>
<td>22.2%</td>
<td>15.3%</td>
<td>34.1%</td>
<td>20.0%</td>
<td>17.3%</td>
<td>38.8%</td>
<td>22.2%</td>
</tr>
<tr>
<td>Went on a day trip - in the UK</td>
<td>2.0%</td>
<td>7.2%</td>
<td>16.0%</td>
<td>6.4%</td>
<td>21.6%</td>
<td>8.5%</td>
<td>14.5%</td>
<td>5.5%</td>
<td>19.7%</td>
<td>7.0%</td>
<td>26.7%</td>
<td>7.1%</td>
<td>14.5%</td>
<td>5.5%</td>
<td></td>
</tr>
<tr>
<td>Went on a short break - in the UK</td>
<td>10.4%</td>
<td>8.2%</td>
<td>12.6%</td>
<td>6.3%</td>
<td>15.1%</td>
<td>6.1%</td>
<td>21.8%</td>
<td>9.3%</td>
<td>32.1%</td>
<td>11.6%</td>
<td>34.9%</td>
<td>9.2%</td>
<td>26.1%</td>
<td>10.2%</td>
<td></td>
</tr>
<tr>
<td>Went on a short break - overseas</td>
<td>1.5%</td>
<td>5.2%</td>
<td>7.3%</td>
<td>3.7%</td>
<td>10.2%</td>
<td>9.5%</td>
<td>17.0%</td>
<td>3.5%</td>
<td>19.7%</td>
<td>7.0%</td>
<td>13.9%</td>
<td>10.5%</td>
<td>17.0%</td>
<td>3.5%</td>
<td></td>
</tr>
<tr>
<td>Stayed at home - relaxation</td>
<td>20.9%</td>
<td>22.6%</td>
<td>41.3%</td>
<td>24.6%</td>
<td>98.2%</td>
<td>37.2%</td>
<td>51.8%</td>
<td>73.3%</td>
<td>46.8%</td>
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<td>17.5%</td>
<td>60.0%</td>
<td>11.6%</td>
<td>37.5%</td>
<td></td>
</tr>
<tr>
<td>Spent time with family</td>
<td>14.0%</td>
<td>14.4%</td>
<td>32.1%</td>
<td>16.8%</td>
<td>40.1%</td>
<td>16.3%</td>
<td>43.3%</td>
<td>16.9%</td>
<td>38.1%</td>
<td>14.0%</td>
<td>64.1%</td>
<td>17.4%</td>
<td>51.2%</td>
<td>25.0%</td>
<td></td>
</tr>
<tr>
<td>Spent time with friends</td>
<td>7.5%</td>
<td>6.2%</td>
<td>7.3%</td>
<td>6.5%</td>
<td>16.6%</td>
<td>6.8%</td>
<td>16.5%</td>
<td>7.1%</td>
<td>19.4%</td>
<td>7.2%</td>
<td>5.0%</td>
<td>14.2%</td>
<td>6.0%</td>
<td>14.2%</td>
<td></td>
</tr>
<tr>
<td>Watching sport</td>
<td>1.7%</td>
<td>0.0%</td>
<td>4.2%</td>
<td>2.1%</td>
<td>2.8%</td>
<td>0.9%</td>
<td>1.2%</td>
<td>4.5%</td>
<td>2.0%</td>
<td>1.5%</td>
<td>0.5%</td>
<td>2.4%</td>
<td>3.1%</td>
<td>2.1%</td>
<td></td>
</tr>
<tr>
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5. **St Andrew’s Day Bank Holiday (Scotland) Bill**: the Committee considered and agreed its approach to consideration of the St Andrew’s Day Bank Holiday (Scotland) Bill at Stage 1.

The meeting closed at 4.27 pm.

Stephen Imrie
Clerk to the Committee
Present:
Shiona Baird
Murdo Fraser
Michael Matheson
Alex Neil (Convener)

Susan Deacon
Margaret Jamieson (Committee Substitute)
Christine May
Mr Jamie Stone

Apologies were received from Richard Baker
Also present: Mr Dennis Canavan

The meeting opened at 2.00 pm.

2. **St Andrew’s Day Bank Holiday (Scotland) Bill**: the Committee took evidence from—

   Fiona Moriarty, Director, Scottish Retail Consortium; Paul Jennings, Vice-Chair, Association of Scottish Visitor Attractions, and Dave Moxham, Assistant Secretary, Scottish Trades Union Congress;

   Alan Mitchell, Head of Policy, CBI Scotland; Professor Charles Munn, Chief Executive, Chartered Institute of Bankers in Scotland, and Niall Stuart, Parliamentary Affairs Officer, FSB Scotland.

The Committee agreed to seek evidence from the Scottish Executive as part of its Stage 1 consideration of the Bill.

The meeting closed at 3.55 pm.

Stephen Imrie
Clerk to the Committee
ENTERPRISE AND CULTURE COMMITTEE

EXTRACT FROM MINUTES

18TH MEETING, 2005 (SESSION 2)

TUESDAY, 13 SEPTEMBER 2005

Present:
Shiona Baird
Susan Deacon
Michael Matheson
Alex Neil (Convener)

Mr Richard Baker
Murdo Fraser
Christine May
Mr Jamie Stone

Also present: John Swinburne

The meeting opened at 2.02 pm.

2. **St Andrew's Day Bank Holiday (Scotland) Bill**: the Committee took evidence from Dennis Canavan MSP, Maureen Connor, parliamentary assistant to Mr Canavan, and Rodger Evans, Senior Assistant Clerk, Non-Executive Bills Unit, the Scottish Parliament.

The meeting closed at 4.51 pm.

Stephen Imrie
Clerk to the Committee
Present:
Shiona Baird
Susan Deacon
Michael Matheson
Alex Neil (Convener)
Mr Richard Baker
Murdo Fraser
Christine May (Deputy Convener)
Mr Jamie Stone

The meeting opened at 2.00 pm.

1. **Item in private:** The Committee agreed to take agenda item 5 in private.

5. **St Andrew’s Day Bank Holiday (Scotland) Bill (in private):** The Committee considered emerging issues from its consideration of the general principles of the Bill and agreed to consider a draft Stage 1 report at its next meeting.

The meeting closed at 4.59 pm.
Stephen Imrie
Clerk to the Committee
ENTERPRISE AND CULTURE COMMITTEE

EXTRACT FROM MINUTES

20TH MEETING, 2005 (SESSION 2)

TUESDAY, 27 SEPTEMBER 2005

Present:
Shiona Baird                        Mr Richard Baker
Susan Deacon                       Murdo Fraser
Michael Matheson                   Christine May (Deputy Convener)
Alex Neil (Convener)               Mr Jamie Stone

The meeting opened at 2.00 pm.

1. **Item in private**: The Committee agreed to take agenda item 4 in private.

2. **St Andrew’s Day Bank Holiday (Scotland) Bill**: The Committee considered a draft Stage 1 report and various changes were agreed. The Committee agreed the report as amended.

The meeting closed at 4.57 pm.

Stephen Imrie
Clerk to the Committee
Present:
Shiona Baird                        Richard Baker
Susan Deacon                        Murdo Fraser
Mrs Karen Gillon                   Mr Michael Matheson
Christine May (Deputy Convener)    Alex Neil (Convener)
Mr Jamie Stone

Also present: Dennis Canavan.

The meeting opened at 2.02 pm.

1. **St. Andrew’s Day Bank Holiday (Scotland) Bill**: The Committee considered progress with the reconsideration of the Bill at Stage 1.

The meeting closed at 4.23 pm.

Stephen Imrie
Clerk to the Committee
Present:
Shiona Baird                Mr Richard Baker
Susan Deacon               Murdo Fraser
Mrs Karen Gillon           Mr Michael Matheson
Christine May (Deputy Convener) Alex Neil (Convener)
            Mr Jamie Stone

Also present: Dennis Canavan.

The meeting opened at 2.00 pm.

1. **St Andrew's Day Bank Holiday (Scotland) Bill**: The Committee took evidence from—

   Tom McCabe MSP, Minister for Finance and Public Service Reform, Ian Donaldson, Head of International Strategy and Coordination Branch, Judy Torrance, Marketing Manager, International Projects Division, and Jane McLeod, Solicitor, Legal and Parliamentary Services.

2. **St Andrew’s Day Bank Holiday (Scotland) Bill**: The Committee considered its approach to its reconsideration of the bill at Stage 1 and agreed to undertake a further comprehensive inquiry and to consider a remit for the inquiry at a future meeting.

The meeting closed at 4.31 pm.

Stephen Imrie
Clerk to the Committee
Present:
Shiona Baird
Susan Deacon
Mrs Karen Gillon
Christine May (Deputy Convener)

Mr Richard Baker
Murdo Fraser
Mr Michael Matheson
Alex Neil (Convener)

Apologies were received from Mr Jamie Stone.

Also present: Dennis Canavan.

The meeting opened at 2.01 pm.

3. **St Andrew’s Day Bank Holiday (Scotland) Bill:** The Committee considered and agreed a proposal to commission external research.

The meeting closed at 4.12 pm.

Stephen Imrie
Clerk to the Committee
ENTERPRISE AND CULTURE COMMITTEE

EXTRACT FROM MINUTES

9TH MEETING, 2006 (SESSION 2)

TUESDAY, 28 MARCH 2006

Present:
Shiona Baird
Susan Deacon
Mrs Karen Gillon
Christine May (Deputy Convener)
Mr Jamie Stone

Richard Baker
Murdo Fraser
Mr Michael Matheson
Alex Neil (Convener)

Also present: Dennis Canavan MSP

The meeting opened at 2.00 pm.

4. St Andrew’s Day Bank Holiday (Scotland) Bill: The Clerk updated the Committee on the progress of commissioning external research for its consideration of the Bill.

The meeting closed at 4.51 pm.

Stephen Imrie
Clerk to the Committee
ENTERPRISE AND CULTURE COMMITTEE

EXTRACT FROM MINUTES

16TH MEETING, 2006 (SESSION 2)

TUESDAY, 6 JUNE 2006

Present:
Richard Baker
Murdo Fraser
Michael Matheson
Alex Neil (Convener)

Mark Ballard (Committee substitute)
Karen Gillon
Christine May (Deputy Convener)
Mr Jamie Stone

Apologies were received from Shiona Baird and Susan Deacon.

Also present: Dennis Canavan MSP.

The meeting opened at 2.00 pm.

5. St Andrew’s Day Bank Holiday (Scotland) Bill: The Committee considered a draft external research report commissioned on the costs and benefits to the Scottish economy of the various options for celebrating St Andrew’s Day. The Committee agreed to submit comments to the external research steering group, via the Clerk, for inclusion in the final report.

6. St Andrew’s Day Bank Holiday (Scotland) Bill: The Committee agreed to seek a presentation, in due course, from the authors of the cost-benefit analysis report commissioned on options for celebrating St Andrew’s Day. The Committee also agreed to invite the Minister for Finance and Public Service Reform, Tom McCabe MSP, to give further evidence to the Committee in early September 2006. The Committee further agreed to seek an update from the Finance Committee on its report into the financial implications of the Bill.

The meeting closed at 3.22 pm.

Stephen Imrie
Clerk to the Committee
ENTERPRISE AND CULTURE COMMITTEE

EXTRACT FROM MINUTES

19th Meeting, 2006 (Session 2)

Tuesday 5 September 2006

Present:
Shiona Baird
Susan Deacon
Michael Matheson
Alex Neil (Convener)
Richard Baker
Murdo Fraser
Christine May (Deputy Convener)

Also present: Dennis Canavan, Margaret Jamieson.

Apologies were received from Karen Gillon, Mr Jamie Stone

The meeting opened at 2.01 pm.

7. **St Andrew’s Day Bank Holiday (Scotland) Bill:** The Committee considered a final report of external research commissioned on the costs and benefits to the economy of the various options for celebrating St Andrew’s Day and took evidence from—

   Richard Sweetnam, Associate Director, and Neil Blake, Director of Economics and Forecasting, Experian, and Jo Burns, Partner, Burns Owen Partnership.

The meeting closed at 4.11 pm.

Stephen Imrie
Clerk to the Committee
Present:
Shiona Baird                   Richard Baker
Susan Deacon                  Murdo Fraser
Karen Gillon (Deputy Convener) Michael Matheson
Christine May (Deputy Convener) Mr Jamie Stone

Also present: Jackie Baillie, Mark Ballard, Derek Brownlee, Dennis Canavan.

Apologies were received from Alex Neil (Convener).

The meeting opened at 2.01 pm.

1. **St Andrew’s Day Bank Holiday (Scotland) Bill:** The Committee took evidence from—

   Tom McCabe MSP, Minister for Finance and Public Service Reform, Ian Donaldson, Head of the International Strategy and Co-ordination Team, Financial and Central Services Department, Jane McLeod, Legal and Parliamentary Services, and Tom Whyte, Head of Business Interest and Improving Regulation Team, Enterprise, Transport and Lifelong Learning Department, Scottish Executive.

2. **St Andrew’s Day Bank Holiday (Scotland) Bill:** The Committee considered emerging issues and its approach to its report at stage 1.

The meeting closed at 4.49 pm.
Stephen Imrie
Clerk to the Committee
Enterprise and Culture Committee, 15th Report 2006 – Annex C

ENTERPRISE AND CULTURE COMMITTEE

EXTRACT FROM MINUTES

21st Meeting, 2006 (Session 2)

Tuesday 19 September 2006

Present:
Shiona Baird
Susan Deacon
Michael Matheson
Alex Neil (Convener)

Richard Baker
Murdo Fraser
Christine May (Deputy Convener)
Mr Jamie Stone

Also present: Allan Wilson MSP (Deputy Minister for Enterprise and Lifelong Learning).

Apologies were received from Karen Gillon.

The meeting opened at 2.01 pm.

3. St Andrew's Day Bank Holiday (Scotland) Bill (in private): The Committee agreed the draft report at Stage 1 subject to minor amendment.

The meeting closed at 4.43 pm.

Stephen Imrie
Clerk to the Committee
The Scottish Retail Consortium (SRC) was launched in April 1999 as a retail trade association for the full range of retailers in Scotland, from the major high street retailers and supermarkets to a number of trade associations representing smaller retailers. As a sector, retailing in Scotland employs 261,000 people (one in ten of the workforce) in 26,500 outlets across Scotland, and in 2003 Scottish retail turnover was £20.6 billion, accounting for 13% of total Scottish turnover.

The retail sector is key to the revitalisation and renewal of urban and rural communities across Scotland. The SRC's members provide a vital community service, a focus for physical regeneration, and sustained investment in people and places.

The SRC’s parent association is the British Retail Consortium (BRC) based in London and Brussels.

**Bank holidays and the retail sector:**

The retail sector has long recognised the increasing value of bank holidays to the vitality of our business. As shopping is now one of our most popular leisure activities, bank holidays are extremely important to the sector, as they are traditionally a day to engage in leisure activities including shopping.

The retail sector is more competitive now than ever, with key events such as bank holidays gaining more and more relevance to the overall performance of a retailer. The number of people not only inside a store, but actually buying products within a store, on a bank holiday is truly a reflection of the health of that retail business. Bank holidays are established key focal dates in the retail calendar.

**The Scottish retail sector:**

Scotland’s retail sector has been growing at a faster rate than the sector south of the border for some time, with the UK as a whole experiencing decreases in retail sales in recent months. However, the sector in Scotland is under extreme pressure with margins decreasing as consumers become increasingly bargain-conscious. Any opportunities to grow the sector would be extremely welcome.

**Retail sales - Scotland & UK**

![Retail sales chart](chart)

Source: SRC/RBS Scottish Retail Sales Monitor, BRC/KPMG Retail Sales Monitor

**Retail tourism:**

VisitScotland and the SRC have worked closely together to ensure that each can benefit from the other. In fact, Philip Riddle, Chief Executive of VisitScotland said that their ‘research indicates the
importance of retail to the overall experience of our visitors, with 61% of overseas tourists citing shopping as a main activity of a holiday to Scotland with almost half of UK visitors following suit ⁹.

It is also important to note that Scotland benefits from international recognition of its produce, with 80% of foreign tourists buying either Scottish whisky or woollen goods during their holiday, and almost one in three buying Scottish fashion products.

These facts indicate that with a joined-up approach by VisitScotland, retailers and other agencies, the potential for a St Andrew’s Day bank holiday to attract tourists from other countries would have massive benefits for retailers and for elements of the tourism industry.

**Estimated value of St Andrew’s Day Bank Holiday:**

Based on the assumption that such a bank holiday would fall on a Monday, it can be estimated that sales could be worth £88 million.

Using the monthly data that is collected by the Scottish Retail Consortium/Royal Bank of Scotland Scottish Retail Sales Monitor, and knowledge of the patterns of shopping during the week, the usual Monday in Scotland experiences around £49 million worth of sales.

Adding 2% for sales growth and inflation in 2004 to the Scottish Executive’s 2003 figure for retail turnover gives an estimate of £21.0 bn sales in Scotland last year, equivalent to a weekly average of £404 mn. Then taking off a rough 10% to exclude the boost from the busy weeks around Easter and Christmas gives a more representative figure for an ‘average’ week of about £364 mn.

How this is spread across the days of the week can be gauged by footfall data (from SPSL) which show that last year 13.5% of a normal week’s sales in Scotland were on a Monday. So applying this to the weekly average of £364 mn gives retail sales of £49 mn on a normal Monday.

There is no overall rule for estimating the impact of a bank holiday on these sales, as it depends on the time of year and the type of retailer. For instance, a DIY retailer could benefit from a 100% increase in sales on May Bank Holiday, but is less likely to experience this type of boost from a bank holiday late in the year. However, department stores, high street retailers and fashion retailers would anticipate more of a boost from a bank holiday on St Andrew’s Day, with some reaching up to 80% increases.

Adding an 80% increase to the usual Monday sales figure of £49 mn would give a possible total of sales on a St Andrew’s Day bank holiday of some £88 mn.

**Retail Employees and Bank Holidays:**

There is currently no law regarding retail, or any other, employees requiring employers to grant a day off, or compensation for employees who do work on bank holidays.

As such, there is no consistent approach that retailers take with regard to work on bank holidays. It is an individual business decision taken by each retailer.

Staff are required to work on a bank holiday if they would normally work on that day in an ordinary working week, unless their contract specifically states that they are entitled not to work on bank holidays. However, due to traditions surrounding bank holidays, many employers do compensate staff who work on bank holidays, by offering extra pay such as time-and-a-half or double pay, and some may give time-off-in-lieu in addition or in place of this.

Some companies may offer a rota system whereby staff will only work certain bank holidays which is negotiated with staff at the beginning of the year or in the period preceding individual bank holidays.

⁹ Scottish Retail Review, published by the SRC and Centre for Study of Retailing in Scotland, April 2005
A further approach that is taken by many employers is to offer a voluntary system, whereby staff are asked if they would like to volunteer to work on a bank holiday. This allows members of staff who want to earn extra cash to do so, whilst giving others the chance to spend time at home if they choose to do so.

Conclusion:

In conclusion the majority of retailers feel that Bank Holidays are good for retail and believe that there is room for more public holidays in the calendar. The addition of a St Andrew’s Day Bank Holiday is an ideal opportunity to reflect upon and celebrate our national identity, whilst boosting Scottish retail and tourism.

SUBMISSION FROM THE ASSOCIATION OF SCOTTISH VISITOR ATTRACTIONS TO THE ENTERPRISE AND CULTURE COMMITTEE

St Andrews Day Bank Holiday (Scotland) Bill

The evidence compiled to date sets out a clear and compelling case for an additional Scottish bank holiday and at many levels. The case ‘FOR’ is further strengthened by the significance of the tourism industry to the Scottish economy, all £4bn of it. An additional bank holiday would encourage important growth to the sector and from an increasingly important segment, the domestic market. This sector is less vulnerable to changes in market dynamics than are other segments. This would also contribute to VisitScotland’s ambitious target to grow tourism by 50% over the next 10 years.

The extent to which any benefits are felt across the whole of the sector is likely to depend on the decision whether to fix the day at the 30th or have it on the nearest Friday or Monday. Having a longer weekend will encourage people to ‘travel’ and in doing so make use of accommodation, in addition to retail, restaurant and visitor attractions. Fixing the date at the 30th, other than when this falls on a Saturday or Sunday, will almost certainly restrict how mobile the public is prepared to be.

Based on the experience of many tourism operators we know that bank holidays do have a major effect on the number of visits received by visitor attractions and, by association, on tourism more generally. The proximity to the October half-term could be a limiting factor in terms of just how much impact is felt, notably on the opportunity to take a short break, albeit there would still be a very beneficial effect on increasing footfall to attractions. The other limiting factor on impact would be that, in all likelihood, the Bill would not create an additional school holiday. This would prevent those families with school aged children from taking advantage of the extra day.

There is an opportunity to use St Andrews day as a trigger for the beginning of end of year festivities and so provide an important opportunity during a traditionally quieter, shoulder, period for the tourism industry. There would also seem to be scope for creating a range of annual events and festivals locally, regionally and nationally, which tie in and make the day much more of a showcase and celebration. Others canvassed in my research have stated they would use the day to promote their regions links with St Andrew or indeed St Andrews. Notable examples include Arbroath and North Berwick, respectively. While the links with Abroath are clear North Berwick was founded as a result of St Andrews tourism over 1,000 years ago when it was on the pilgrimage route to St Andrews. Tourism operators can be very entrepreneurial in both identifying and maximizing the opportunities which a positive decision on this Bill would create.

In summary the creation of an additional bank holiday would have a positive economic impact on the Scottish tourism sector and provide an important opportunity to extend the seasonal offering. Other factors would influence the extent of the impact and where in the sector this is felt. Notwithstanding these ‘other’ factors the extra day would still create a very positive effect and in all likelihood supported by the majority of tourism businesses across Scotland.
SUBMISSION FROM THE SCOTTISH TRADES UNION CONGRESS

The STUC believes that the establishment of a bank holiday on St. Andrew's Day would be a positive step for Scottish workers towards gaining parity with their counterparts within the European Union. Currently only the Netherlands gives its workers as few public holidays as the UK, however Dutch workers benefit from more annual leave.

It can be safely predicted that a number employers will claim that the key problem arising from the establishment of a St. Andrew's Day Bank Holiday will be the impact of time away from work on productivity. However evidence from Europe suggests the opposite where productivity tends to be higher, while annual hours worked are lower.

The STUC believes that the scope for a new holiday is also evidenced by the UK experience. Between 1997 and 1999, UK productivity grew by 4.6%, whilst the number of contracted hours worked fell by 0.7%, showing that when extra days holiday are granted there is not a negative impact on output.

As well as returning to industrious Scottish workers a small slice of the benefits of increased output, the granting of a new public holiday would make a positive contribution to enhanced work-life balance. There is clear evidence that stress, fatigue and related absenteeism make a negative contribution to productivity - work-related stress costs the UK £4.4 billion a year.

Equally, there is concern that Scottish and UK workers are being placed under increasing pressure as a consequence of the need to balance family and working lives. From the point of view of the employer this leads to days lost in relation to childcare and related difficulties. For the family, it is clear that the ability of one or both parents to spend quality time with their children is vital.

It should be noted that, currently, bank holidays are not included in the statutory right of all employees to 20 days paid annual leave. Were a new bank holiday to be established, unions would raise this issue as part of the bargaining agenda to ensure that employees could benefit from an extra day off on an annual basis. It would however be important, following a positive decision of the Scottish Parliament that all available levers were used to ensure that private, public and third sector employers granted the holiday as an additional day’s leave.

The trade union movement in Scotland currently promotes St. Andrew’s Day as a national celebration of Scotland’s diversity of cultures, faiths and ethnic origins. It is a unique day with the potential to combine a celebration of Scotland’s history new and old. We believe that the enhancement of St Andrew’s Day in the eyes of Scots would have a positive knock on effect for Scotland’s international image with the potential to attract more visitors from overseas.

The STUC believes that any consideration of economic consequences must also take into account the positive effect on the Scottish economy if the bank holiday were established. On a bank holiday, the activities of millions of people not in work have an upward effect upon other areas of the economy, with retail and tourism sites doing a roaring trade. In 2001, when the UK was hit by the foot and mouth epidemic, representatives from the tourism and hospitality lobbied the government for a special bank holiday that autumn to stimulate trade.

The STUC believe that there is much to recommend the establishment of a bank holiday falling on the Friday or Monday closest to 30 November. Long weekend celebration would; maximise the potential for event organisation, social and tourism opportunities; be most beneficial for employees taking the holiday and most suit employers in terms of planning and scheduling.

In the case that it was decided that the bank holiday should fall invariably on the 30th November we would expect collective bargaining arrangements and contracts generally to offer a substitute day in the case that the 30th falls on a Saturday or Sunday.
Enterprise and Culture Committee, 15th Report 2006 – Annex D

SUBMISSION FROM CBI SCOTLAND

Summary

We have consulted widely on this matter and there is very little support for the proposal to create an additional Bank Holiday on St Andrew’s Day. Some businesses do see some merits in a St Andrew’s Day Bank Holiday but only if it replaces one of the existing Bank Holidays. There may only be patchy adoption of the new Bank Holiday in the private sector. We believe that it is likely to be much more widely implemented in the public sector, increasing public sector costs. This would feed through into higher costs for private sector business, putting pressure on their competitiveness and adversely impacting on their recruitment and retention, particularly for SMEs.

Labour market flexibility

Our research indicates that a St Andrew’s Day Bank Holiday is unlikely to be widely implemented in the private sector where, increasingly, fewer and fewer companies actually close or shut down on Bank Holidays (Christmas and New Year being the general exception). This trend is particularly strong in manufacturing, process industries, distribution, transport, logistics and retailing. Instead, Bank Holidays are added to contractual leave giving the employee an enhanced annual holiday entitlement. Subject to agreement with their employer to ensure that customer service/production is maintained, employees are free to take their holidays whenever it suits them.

This approach works well and provides the best platform from which to create a ‘win-win’ for businesses and their employees. Businesses that need to stay open to provide a service to their customers can do so. Businesses and employees that want to celebrate St Andrew’s day, or any other occasion, can do so if they choose.

Despite its geographic location and distance from many markets, and past under investment in its transport infrastructure, Scotland has retained its position as a business location of choice. A significant reason for this is that we still enjoy a relative competitive advantage because of our flexible labour markets. We need to retain this if we are going to encourage indigenous firms to set up and expand in Scotland and persuade inward investors to locate here.

Advocates of the Bill argue that UK workers compare unfavourably to their EU counterparts in terms of holiday entitlement. However, in many of the countries that do offer more holidays there is also significantly higher unemployment. Proponents of this Bill should, perhaps, consider whether the two are related.

Impact on costs, competitiveness, recruitment and retention

If St Andrew’s Day does become a new Bank Holiday, it is likely to be more widely implemented in the public sector. An additional holiday for the public sector would mean higher costs. Public sector costs are already high in Scotland and this is placing enormous demands on the wealth-creating sectors of the economy.

Very obviously, business taxes are a major source of funding for the public sector and those taxes have increased by nearly £50bn across the UK since 1997. Scotland’s firms will be paying their share of this additional tax burden, as well as bearing the burden of disproportionately higher business rates.

In addition, further improvements to public sector terms and conditions of employment will have a detrimental impact on the ability of many companies to recruit and retain high quality workers. SME’s, in particular, are already reporting difficulties in recruiting and retaining good quality workers when they are competing with the public sector. As well as better holiday entitlement, the public sector can usually offer better child-care facilities and more generous and secure pension arrangements.

Even though there is no legal requirement for a company to close on a Bank Holiday, private sector companies would have to seriously consider increasing their own holiday entitlement in order to
compete for labour if it were to be widely implemented in the public sector. In many cases they might face demands from some employees and trades unions for ‘parity’ with the public sector.

If a company fails to give an additional holiday they run the risk of losing staff and the growth and development of the business may suffer. If they do agree to an extra holiday their costs will rise, at a time when they are facing fierce competition. Few businesses in the private sector have the capacity to automatically pass on their extra costs to their customers so rising costs may result in cut backs in vital investment in product development, R&D or training.

In addition, existing ‘perks’ that are given to workers (day out at the races/company picnic for example) may have to be cut back. These are often highly valued by staff and help to forge better teamwork and a better industrial relations culture. As we noted above, a company and its workforce already has the opportunity to tie this ‘team’ day in with a ‘celebration’ of Scotland and St Andrew by closing the business on 30 November or the next working day.

This is a serious issue for Scotland. It is widely acknowledged that our economic prospects will increasingly depend on the dynamism and success of the small and medium-sized company sectors. If these sectors are starved of the quality workers that they need or their costs rise faster than those of their competitors then they are less likely to succeed.

**No evidence to support claims of higher productivity**

Proponents of the St Andrew’s Day Bank Holiday claim that it will improve staff morale, reduce stress and, therefore, reduce absence rates and boost productivity. There is absolutely no evidence offered to support this assertion.

Workers in the public sector already receive more holidays than their counterparts in the private sector\(^{10}\). But there is no evidence that this results in greater productivity or lower absence levels. In fact, the evidence clearly demonstrates that absence levels in the public sector are higher than in the private sector\(^{11}\) and many independent commentators believe that public sector productivity/efficiency is lower than that in the private sector.

**Additional comments**

We have noted with interest that advocates of the Bill believe that celebrating St Andrew’s Day with a National Holiday can signify a “diverse and integrated Scotland”. There is no clarity in relation to what this actually means but, in any case, it is our contention that the existing arrangements regarding holidays, which allow freedom of choice, already allow the representation and reflection of Scotland’s diversity.

It is not clear to us how creating a new Bank Holiday will facilitate the international “celebrations of Scotland and Scottish achievement”. We are able to mark and celebrate Tartan Week in the United States without there being a corresponding holiday in Scotland.

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**SUBMISSION FROM PROFESSOR CHARLES MUNN**

**COMMITTEE OF SCOTTISH CLEARING BANKS**

This letter outlines the views of the Committee of Scottish Clearing Bankers in regard to the proposals for the creation of a Bank holiday on St Andrew’s Day.

While the CSCB and its members welcome the desire to celebrate St Andrew’s Day, we have a number of principal concerns in regard to the proposals. These encompass:

1. The impact to bank customers and CSCB members business if the holiday is instituted.

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\(^{10}\) IRS Report February 2005. 27.1 days’ average holiday in the public sector, 24.4 days in the private sector.

\(^{11}\) CBI/Axa Absence Survey 2005. 9.1 days’ average absence in the public sector, 6.4 days in the private sector.
Whether the proposals will actually have the required effect

**Background to Bank Holidays**

It is sometimes assumed that a Bank holiday is a public holiday but this is only the case when Bank and Public holidays coincide. There is no automatic connection. Consequently the creation of a bank holiday will not ensure that schools are on holiday or that many businesses will actually close their doors. Indeed, banks are permitted to remain open on a Bank holiday by the Banking and Financial Dealings Act of 1971.

Primarily due to operational reasons, CSCB members have campaigned to align English and Scottish Bank holidays. This originally was attempting to obtain Parliamentary time to alter the 1971 legalisation. After various unsuccessful attempts, in 1996 CSCB members took the decision they would conform to Bank Holidays observed by English based banks. Consequently although the first Monday in August is still legally a Bank holiday in Scotland, the holiday is actually taken on the last Monday to conform to practice in the rest of the UK. This minimises inconvenience and confusion for customers across the UK.

The creation of a new bank holiday on 30 November would therefore run contrary to the stated objective of the banks which was to have a standard practice throughout the UK. This is doubly important to the Scottish banks as they are now all part of UK groupings of financial services providers. It is considered likely by our members that even if a new Bank holiday was created then most, if not all, may choose not to observe it.

The CSCB should also like to draw the Committee’s attention to the consequence of creating a bank holiday that may not be observed. The CSCB is concerned at the potential public confusion that may arise from this situation.

The CSCB recognises the Bill’s desire to create a national day of holiday on St Andrew’s Day. However, the creation of a Bank holiday in and of itself will not achieve this as there is no automatic connection between a bank holiday and a holiday for schools, public servants or businesses in the private sector. The objective of celebrating St Andrew’s Day would not, therefore, be achieved by making it a Bank holiday.

**Impact on CSCB members and their Customers**

In the event that the Scottish banks do choose to formally adopt St Andrew’s Day as a formal Bank holiday, we should like to raise some of potentially damaging impact on bank customers and the associated impact this would impose on the industry.

Banks operate in a fiercely competitive service industry and customers, of all types, expect us to be open for service at times similar to other retail operations. In corporate banking the banks work on a global scale and are constantly engaged with businesses throughout the world. We need to recognise that if the Banks are not open for business in Scotland on a day when the rest of the UK is working, there is a danger that a number of customers would simply move their banking elsewhere. This will have a damaging impact on both the Scottish banks, and ultimately, the Scottish economy.

Some of the wider detrimental impact of the Bank’s recognising a bank holiday include:

**Branch services**

1. The ability of business and private customers to make deposits and do other banking business would be restricted.

2. Not all personal customers would be able to use other facilities such as ATM’s to make deposits
3. Communities reliant on mobile branches would face an extended period with no counter facilities.

**Other service channels**

1. Customers would expect telephone contact centres to be available and staffed to handle the level of enquiries that would increase as the branch network is closed.

2. Similarly customers would expect internet banking services to be available 24/7. (Telephone and Internet banking facilities are already available during most bank holidays).

3. Many bank staff who work in Scotland are engaged in delivering services to people in other parts of the UK. A St Andrews Day holiday would disrupt this service.

**Transactions**

1. Transactions between Banks would be delayed by one day.

2. Bank transactions with banks/customers elsewhere in the UK and overseas could be affected.

3. Employers would have to make sure that salary and supplier payments due on the 30th November are entered into the system early

4. Cheque clearing would be delayed if the cheque clearing is closed on the day and may delay the time until customers have access to their funds.

**Charges**

1. Retail customers who go overdrawn and cannot pay in funds over a branch could face overdraft charges

2. Customers whose cheques are returned unpaid due to extended delay in the clearing cycle could incur extra charges.

3. Credit card customers whose payments are delayed by a St Andrew’s Day bank holiday could face late charges.

The proposed creation of a new bank holiday will therefore create difficulties for customers and the banks. At the same time we believe it would not, in itself, achieve the objectives of the promoters of this Bill to celebrate St Andrew’s Day.

Scottish Ministers have described the financial services sector as the ‘engine room of the Scottish economy’. The Committee of Scottish Clearing Bankers would not wish to see legislation passed which would reduce the productivity or efficiency of the sector.

**SUBMISSION FROM THE FEDERATION OF SMALL BUSINESSES SCOTLAND**

**Introduction**

The Federation of Small Businesses is Scotland’s largest direct member business organisation and campaigns for a social, economic and political environment in which small businesses can grow and prosper. As such, we welcome this chance to comment on the St Andrew’s Day Bank Holiday (Scotland) Bill.

**Summary**

The FSB would be happy to see St Andrew’s Day become a Bank Holiday, but only if it was at the expense of one of our existing Bank Holidays. The UK Government has indicated its intention to
amend the Working Time Regulations 1998 to create a statutory entitlement to a set number of Bank Holidays and the Bill as introduced would result in businesses having to grant an extra day’s holiday to Scottish based staff, which would add to production costs north of the border.

Existing Entitlement

At the moment, workers in Scotland and elsewhere in the United Kingdom have no legal right to be given Bank Holidays as paid holidays. The Scotland Act 1998 assigns to Scottish Ministers the responsibility for setting bank holidays (Part II of Schedule 5), but these are simply days when banks can choose not to open. There is no obligation on employers to give these days as holidays, although staff have come to expect these days off or to be paid extra to work them.

Similarly, local holidays are determined by local authorities, based on local tradition (not statutory authority) and supposedly after consultation with local business interests.

All employees are, however, legally entitled to four weeks paid holiday per year, under the Working Time Regulations 1998. Any additional holiday entitlement is a contractual matter to be decided by employers and employees.

Costs and Benefits

If the Scottish public wishes to see St Andrew’s Day become a national holiday and a day of national celebration, then it seems right and fair that this should happen. St Patrick’s Day and the Bastille Day are two examples of how national holidays can become part of the national identity and reinforce a nation’s image to people the world over.

However, an extra Bank Holiday would have costs to business as it would mean a day’s less production which would have obvious implications for turnover and profit. Whilst there is currently no legal obligation for employees to be given Bank Holidays, in practice it would be extremely difficult for employers not to give an extra day’s holiday.

The FSB would therefore only support St Andrew’s Day becoming a holiday if it was at the expense of one of the existing Bank Holidays, i.e. if the overall number of holidays remained at eight. Otherwise it will result in a day’s lost production and revenues for Scottish business, or expensive overtime payments.

Legal Changes

Further, the law governing holiday entitlement is likely to change, with the Labour Party’s Manifesto for the 2005 General Election contained the following commitment:

“We have introduced, for the first time, an entitlement for every employee to four weeks’ paid holiday, and we propose to extend this by making it additional to bank holiday entitlement.” (pp27)

This can be interpreted as meaning that bank holiday entitlement will be given a statutory basis within the lifetime of the current administration at Westminster, and that all employees will have a legal right to four weeks paid leave plus a set number of bank holidays.

This change would mean that the Bill as introduced would ultimately result in Scottish employees enjoying greater holiday entitlement than in other parts of the UK, which would effectively be an extra cost for businesses based north of the border.

Despite the best efforts of the Parliament and Executive, Scottish economic growth continues to trail that of the UK as a whole, and the committee needs to consider whether the Bill will make it yet harder for Scottish businesses to close the gap on their English counterparts. The FSB believes we should be using devolution to assist Scottish businesses compete rather than eroding their competitiveness, which is what we believe the Bill as introduced would do.
International Comparisons

The Policy Memorandum which accompanies the Bill states that workers in other parts of Europe appear to enjoy more statutory holidays than their Scottish counterparts, although this comparison may look different if local holidays are also included.

However, as Donald Macrae stated to the committee in his evidence on the Business Growth Inquiry on 12 April, Scottish productivity is well below that of England, France or Germany, indeed French GDP per hour worked is more than a third higher than the figure for Scotland\textsuperscript{12}. It could be argued that Scottish workers can demand European levels of holidays when we reach European levels of productivity.

Existing Entitlements

The last few years have seen huge changes in employment law and many new benefits for employees in terms of annual leave entitlement, the right to flexible working, and maternity and paternity leave extensions. Small businesses are still struggling to adapt to these changes and another day’s holiday entitlement would be another cost to be borne by employers.

\textsuperscript{12} Scottish Economic Report, Scottish Executive (2004)
St Andrew’s Day Bank Holiday (Scotland) Bill: Stage 1

14:08

The Convener: Item 2 on our agenda is the St Andrew’s Day Bank Holiday (Scotland) Bill. As our witnesses take their seats, I ask Margaret Jamieson and Dennis Canavan whether they have any interests to declare.

Margaret Jamieson (Kilmarnock and Loudoun) (Lab): I have registered all my interests but it would not go amiss to say to the committee that I am an unpaid director of East Ayrshire Employment Initiative.

Dennis Canavan (Falkirk West) (Ind): I am the member in charge of the bill; that is the only interest that I have to declare.

The Convener: With the committee’s agreement, I intend to invite Dennis Canavan to participate fully in our witness sessions, as if he were a full member of the committee. Do members agree to that?

Members indicated agreement.

The Convener: I welcome Fiona Moriarty, who is policy manager for the Scottish Retail Consortium; Paul Jennings, who is vice-chair of the Association of Scottish Visitor Attractions; and Dave Moxham from the Scottish Trades Union Congress.

Do you want to say a few words before we go into questions? Obviously, you have circulated papers, but you are most welcome to say a word or two before we kick off the questions.

Fiona Moriarty (Scottish Retail Consortium): Do you want me to kick off?

The Convener: Ladies first.

Fiona Moriarty: I have a small point of clarification. There was a mistake about my title: I am not the policy manager but the director of the Scottish Retail Consortium.

I will make a few brief opening comments on who we are as an organisation and why we support the bill. The Scottish Retail Consortium is a retail trade association that represents roughly 26,000 retailers—the vast majority of retailers in Scotland—who employ one in 10 of the workforce. In 2002, Scottish retail turnover was close to £19 billion.

I have consulted our members extensively and the vast majority support the bill for two key reasons. They feel that a St Andrew’s day holiday would not only provide a great opportunity to reflect on and celebrate our national identity, but boost retail trade and tourism. I have many more points about the value that a St Andrew’s day holiday would generate for the Scottish economy and about questions that members may have on implementing the bill and dealing with staff in relation to bank holidays. However, I am happy to take questions on those matters later.

Paul Jennings (Association of Scottish Visitor Attractions): The Association of Scottish Visitor Attractions represents the interests of more than 400 attractions across Scotland. I believe that I represent the industry in its entirety at this meeting because I also chair a destination marketing company called Destination Dundee and in my day job I am the chief executive of a tourism business in Dundee.

I have consulted widely on the bill and it is apparent to me, especially as an operator, that bank holidays have a significant impact on visitor attractions in particular and, by association, other tourism businesses. I am keen to discuss whether the proposed bank holiday would fall on 30 November or on the nearest Friday or Monday. That issue has particular significance for the tourism sector because, if the holiday fell in a way that extended a weekend, it would encourage people to travel and tourists to use Scotland’s wide accommodation base.

The timing of the proposed bank holiday is excellent from the industry’s perspective. We are heavily focused on the summer periods and it strikes me and others that having a bank holiday at the end of November would set up the opportunity to kick-start the festive season. In addition, in relation to encouraging national pride, it would also give the opportunity to have a host of festivals and associated activities.

We believe that the creation of an additional bank holiday would have a positive impact on the Scottish tourism sector, which has ambitious growth targets over the next 10 years. It would also be an important opportunity to extend the seasonal offering.

Dave Moxham (Scottish Trades Union Congress): I represent the Scottish Trades Union Congress and its 43 affiliated trade unions, whose views on the issue I think I can confidently say I represent.

We have looked at three areas of the proposal. First, there is the positive effect that the proposed bank or public holiday would have on the hard-working Scottish workforce, particularly given the fact that we do not do too well just now compared with the number of public holidays in the rest of Europe. Secondly, there is the positive opportunity that a St Andrew’s day holiday would provide for the celebration of Scotland’s culture and history. I will go on, if asked, to say something about how
we think that that culture should be celebrated. Thirdly, we looked at the issue in practical terms and we agree with the whole panel, I think, in favouring having the holiday on the day closest to 30 November that would extend a weekend. We prefer a Monday, with Friday being an outside possibility.

**Murdo Fraser (Mid Scotland and Fife) (Con):** Good afternoon. I have a couple of questions first for Fiona Moriarty and Paul Jennings, because I think that you are coming at the issue from a similar position. I see the logic in your submission that it would be good for both the retail and tourism industries to have an additional bank holiday, particularly in the run-up to Christmas when people are out spending more money and would perhaps take their families to visit tourist attractions. However, presumably you would not be giving your employees a holiday on that day because they would have to work to keep the visitor attractions and shops open. Have you canvassed the various employers that you represent to find out what their views are on giving their employees an additional holiday to compensate them for the fact that they will not have that day off?

14:15

**Fiona Moriarty:** I said that the vast majority of our members are supportive and so they are. There are some reservations, however, and some of our members have said that they would prefer it if a St Andrew's day holiday were to replace an existing bank holiday. Nonetheless, those members are in the minority and their concerns revolve around an imbalance between people living in different parts of the United Kingdom managing different entitlements and the additional costs in relation to premium payments. I have to stress that I have spoken to a lot of my members on the issue and the bottom line is that the benefits would outweigh any additional costs or problems associated with having an additional bank holiday.

In my opening statement, I should have said that we would like the additional holiday to be on a Monday, in order to maximise benefit. We envisage that the holiday would be like any other bank holiday, which retailers deal with in a number of ways, such as offering time off in lieu, time and a half or double-time rates of pay or a combination of those various types of entitlement.

**Paul Jennings:** What Fiona Moriarty has said also applies to how most operators in the tourism sector would deal with the extra holiday. Of course, the tourism industry is dominated by small and medium-sized enterprises, so we need to take proper cognisance of the potential impact on employment rights and staffing. However, the day falls at what is traditionally one of the quieter periods of the year, so I think that the holiday could have a positive impact on staffing rather than a negative one. As an employer operating something that might be classed as a microbusiness rather than an SME, we would certainly embrace the proposal, as we feel that the benefits would far outweigh any downside.

**Murdo Fraser:** My second question is to Dave Moxham. I can quite understand that the STUC would favour any additional holiday, regardless of when it fell. However, it is quite clear that Dennis Canavan's bill is a permissive piece of legislation. As far as I can see, it does not create a holiday—I am not sure that that would be legally competent, although I am sure that Dennis Canavan will expand on that later—but, instead, allows the opportunity for a holiday to be taken.

The STUC's submission says:

"It would however be important, following a positive decision of the Scottish Parliament that all available levers were used to ensure that private, public and third sector employers granted the holiday as an additional day's leave."

Would you expand on that? What levers are you referring to?

**Dave Moxham:** I should refer to the fact that the manifesto of the Westminster Government outlines the intention to ensure that the 20 days' leave to which employees are currently entitled are additional to, rather than inclusive of, bank holidays. That would go some way towards ironing out the anomaly that currently exists.

You are right to ask the question that you do, because we are aware that the levers differ. The levers in the public sector are, obviously, clearer than they are in the private sector. We would be looking to the Scottish Executive to provide strong encouragement. The question of enforcement without legislation from Westminster is a problem that would be on-going until that legislation was put in place.

**Murdo Fraser:** If the bill were passed, you would hope that—despite the fact that it would not be legally obliged to do so—the Scottish Executive would grant a holiday to its employees and encourage other public sector employers to do the same.

**Dave Moxham:** Absolutely.

**The Convener:** Of course, that is what we do in the Scottish Parliament.

**Christine May:** I note the points that all of you have made in your submissions and, like Murdo Fraser, I see where you are coming from. I want to put to you some points that have been made by others.
One point relates to the business about a bank holiday not necessarily being a public holiday. At present, there are discrepancies between the situation in Scotland and the situation in England, where public holidays and bank holidays tend to coincide. Could you comment on your perception of that issue and its impact on businesses and individuals?

Fiona Moriarty: As to how retailers would deal with that in Scotland, a person would have their annual leave entitlement as per their contract. On top of that, the majority of retailers will give an additional eight days. If the bill were passed, that would be an additional nine days. Scotland is unique in that, in pretty much every month from the beginning of March all the way through to September, there is at least one public or town holiday in any town or city the length and breadth of the country. There is a confusing scenario anyway with public holidays, bank holidays, town days and Victoria day, but retailers just get on with it. They start debates with their employees at the beginning of any year, they agree which days are statutory holidays and they agree additional entitlement over and above that as well as compensation in lieu of working on public or bank holidays.

Christine May: I will press you on that before I invite the others to comment. You are basically saying that, as long as there is an extra holiday and an opportunity for retail to cash in on that, it does not matter when it is. It is not necessarily relevant that the proposed holiday is on St Andrew's day; the issue is more that a holiday would give an increased opportunity.

Fiona Moriarty: Any bank holiday is good, as the figures in our submission show. We are particularly excited by the idea of a St Andrew's day holiday, because of everything that we could wrap around it. It could kick-start the Christmas shopping season. It could also be fantastic in relation to the synergy between retail and tourism for city breaks. It would be the right holiday sending the right message at the right time of the year.

Christine May: But only as long as it is on that day.

Fiona Moriarty: Our preference is that it should be on the last Monday of November so that it becomes part of the national psyche and so that we all know that St Andrew's day is celebrated on the last Monday in November.

Christine May: Do the others want to comment?

Paul Jennings: Again, I agree with Fiona Moriarty. Perhaps that is something to do with the similarity between our sectors—there is certainly some crossover.

I had a meeting yesterday with the director of Dundee Contemporary Arts and the Dundee Rep Theatre. We touched on the possibility of having a bank holiday on St Andrew's day and started to talk about how we might celebrate that. Running a science centre, we could celebrate the role that Scots have played in science, but, with the others, we could celebrate the role of Scots in the arts and theatre, too. The tourism sector is dominated by small businesses, but those business are entrepreneurial and so would seek to maximise the opportunities of having the bank holiday coincide with a chance to celebrate.

The proposal would probably have more impact if the day coincided with a public holiday, because that would increase the critical mass of tourists. Even without that, it would still have an economic benefit for the Scottish tourism industry.

Dave Moxham: I endorse the points made about the ability, for want of a better term, to market St Andrew's day as a holiday. Unlike most countries in Europe, we do not have a holiday—apart from the scattered ones that have been mentioned—between the end of September and 25 December. Apart from the fact that St Andrew's day is a good day in itself, it falls in a good period in which to have a holiday for a range of reasons.

Christine May: My second question is on the point in the Committee of Scottish Clearing Bankers submission that banking services would not necessarily be available to business on that day, which would mean that cheques might take longer to clear and that other cash facilities might not be available. Will you comment on that?

Fiona Moriarty: Not in any detail—I will leave that to Professor Munn. However, as long as our members had sufficient notice of when bank and public holidays fell, their business planning process would just kick in and their accounts departments would work around those set days as they would with bank holidays earlier in the year.

Paul Jennings: The tourism industry is used to dealing with bank holidays, so what you describe would not have a negative impact on tourism operators. The proliferation of cashpoints means that money would be readily available for tourists. We are used to dealing with bank holidays and another one would not cause the sector any problems at all.

Christine May: Dave, I will tweak the question ever so slightly for you. The clearing banks raised the issue of the additional effort and allied cost of changing banks automated clearing system payments for salaries and so on. Could you comment on that?

Dave Moxham: Not with any certainty, because it is not my background. However, there are other occasions during the year when similar problems...
are dealt with and we are not aware of them causing inordinate difficulties. Given that we lag behind other successful European countries in the number of holidays that we have, we have to assume—without knowing the details—that the problems are surmountable.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): In the STUC submission, the bill’s explanatory note and elsewhere, references are made to work-life balance and general issues of improving our quality of life, addressing long hours and changing the working culture. I would like to explore that further, not with a series of specific questions, but by sharing some thoughts and asking you all to provide feedback.

Addressing those issues is a laudable objective, but I struggle to see how this one holiday would have a significant impact, particularly if it is not applied universally and does not become a school holiday. I would like you to share your thoughts on the importance of aligning school holidays with the St Andrew’s day holiday and on how that might be done.

Fiona Moriarty: I do not have children and I am unfamiliar with when the school holidays are—I do not know whether St Andrew’s day is near the mid-term break—so I am unable to comment on aligning school holidays. I do not know whether it is an option.

If St Andrew’s day is made a holiday, that will take a while to bed down. There will be an organic process of growth year on year. We will be clear about what we are celebrating. There will be a snowball effect, similar to that experienced in Ireland with St Patrick’s day, which 20 or 30 years ago was not celebrated with all the pomp and ceremony that we see now. On 17 March, Dublin, Galway and Cork are pretty much party towns. The issue is about growing the importance of St Andrew’s day, which will not happen overnight. In time, as its importance grows, special days off for schoolchildren, for example, are likely to happen.

Paul Jennings: If the St Andrew’s day holiday coincided with a school holiday, the impact of the day would be multiplied, especially because many visitor attractions are child oriented. At the meeting that I attended yesterday, a Scot said that they celebrated St Patrick’s day more than they did St Andrew’s day. That shows that there is an opportunity to build the momentum and significance of the day and in doing so build national pride, which should not be underestimated. In areas for which St Andrew has particular significance, such as Arbroath and Angus, the authorities might decide to grant a school holiday, which I encourage, if it is at all possible.

14:30

Dave Moxham: The STUC is responsible for introducing the issue of work-life balance, partly in anticipation of responses from some of our business colleagues, who will give evidence later. They suggest that the issue is about productivity and question whether any hours that are lost to the economy will be repaid in other ways.

We wanted to make it clear that, although no one day or piece of legislation can of itself sort out the long-hours culture and the large amount of pressure that parents and other carers are under in our society, the proposal can make a positive contribution. It recognises that people have a right to another day’s holiday. Moreover, that holiday would sit in the period between September and December when people cannot have much expectation of many other holidays from work.

We believe that the proposal sends out a positive message and that there will be gains from adopting its general approach. The Federation of Small Businesses contends in its submission that Scots will have to show productivity gains before they get the holiday, but we believe that the relationship between employers and employees is more complicated with respect to the time that people are given at work to generate productivity.

The question about schools was well put. Many of our work-life balance assumptions are based on the hope—nay, the desire—that people will be able to spend their time with their families and will not have to worry about child care issues. I am not aware of what mechanisms might be necessary to effect the required change, but we are certainly in support of the proposal.

Susan Deacon: Does the STUC have any data on current choices and preferences? I recognise that the work-life balance is not simply about children, although parents find trying to be off work at the same time as the children to be a big issue. You are correct to say that there are no bank holidays between September and December, but there is of course the October week, when a great many parents want to try to be off. If they are to get extra time, they would probably like it to be then. Do you have any data about preferences for the future or about current practice in people’s choices about when to take leave?

Dave Moxham: We do not have data on that, but anybody who inhabits a large city will notice that, during the October week and at other times of year, the city somewhat empties of cars—I can park outside my house during the October week, but can rarely do that at any other time of year. There is a raft of other important measures to achieve flexibility, but we do not think that they should be used as a counter-argument to the granting of a specific November holiday.
Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I have a supplementary to Christine May’s question. Paul Jennings mentioned the number of cash machines that exist. How many of the businesses that Fiona Moriarty and Paul Jennings represent bank online? I bank online, and it seems possible to pay bills, pay in cheques and move money any day, even on a public or bank holiday.

Fiona Moriarty: The majority of our larger members would not bank online, although some of our small members would. When I say “small”, I mean one-man or two-man band retailers. Traditional convenience stores and other smaller retailers, for example, might bank online. The FSB might be better placed to answer that question, given its membership base. The vast majority of our retailers would not do any banking online.

Mr Stone: I am trying to get to the bottom of what we have been told in the written evidence. The banks are saying that transactions between banks would be delayed by one day. There are many reasons why the banks do not like the proposal.

Fiona Moriarty: I am sorry—I have perhaps misunderstood your question. I perceived your question as being about domestic banking online, with people logging on to their accounts. BACS and macro transactions would be affected, but Professor Munn is probably best placed to describe the sort of delays that would occur as a result of including the additional bank holiday.

I return to my original point. We manage eight other bank holidays throughout the year, and I really do not think that an additional bank holiday will rock the boat too much.

Dennis Canavan: I have only one question to ask. As you are probably aware, there is widespread support in the country and in the Parliament for a St Andrew’s day holiday, but the business community seems to be divided—some people in that community are in favour of it, some are against it and some are sceptical. Do you have any suggestions to make about how to persuade the sceptics and opponents to see the proposal not as a threat to business but as a great opportunity, particularly for the retail trade, tourism and the hospitality, leisure and recreation industries? How can they be persuaded that the celebration of St Andrew’s day and the St Andrew’s day holiday could mean a great boost to Scottish business and the Scottish economy and could help to promote Scotland internationally?

Fiona Moriarty: In respect of retail and tourism, it is a no-brainer. We have shown in our written evidence that an extra bank holiday to celebrate St Andrew’s day would be worth an extra £39 million for one day’s trading. The suggestion is sensible and we whole-heartedly support it.

On getting other business organisations on board, I suppose that the day would give them a platform from which express everything that is important and Scottish about their businesses and that they should consider the benefits rather than the costs. The costs of introducing an additional bank holiday have been explored in the submissions that I have seen to date, but there has been limited analysis of what the benefits could be. Perhaps there should be a more detailed debate about the benefits. I am sure that the Confederation of British Industry Scotland and the FSB will be more than happy to enter into that debate later.

Paul Jennings: I can see where concerns may have arisen 40 years ago, but Scotland’s industry base is becoming much more service oriented than manufacturing oriented and most organisations in the service sector would encourage having the holiday, which could be a great opportunity, particularly given the time of year and its proximity to the festive period. I think that the argument is swinging in our favour. Tourism currently contributes £4 billion to the Scottish economy and VisitScotland’s target is to increase that figure by 50 per cent over the next 10 years. Days such as St Andrew’s day are an ideal opportunity that can encourage us to work towards such targets.

Dave Moxham: The STUC will do its small bit by organising the St Andrew’s day rally on the Saturday that falls closest to 30 November. That will bring a significant number of people into Glasgow to celebrate Scotland’s multicultural make-up.

In more general terms, the word “self-confidence” could be used. I see the potential holiday as a day that could deliver enhanced self-confidence to Scotland as a result of celebrating its culture, creation and everything that it has achieved. Exactly where things stack up cannot tangibly be written on the balance sheet, but if the Irish and other successful models are considered, there is little doubt that self-confidence matters. The holiday would be a positive addition to Scotland’s self-confidence and therefore its long-term performance.

Fiona Moriarty: Some of the most compelling evidence that I read last night in the papers that the clerks provided was from individuals who live outwith Scotland. The evidence was emotional, but those people clearly set down why they thought that having a day that recognises our national identity is important. The 10 or 15 papers that hit home for me personally—as opposed to in my capacity as the representative of an organisation—were those in which people explained why it is so important to be proud to be Scottish, to celebrate our past and to look forward
to the future. Those papers struck a chord with me.

Paul Jennings: The tourism market is becoming increasingly aggressive and new markets are coming online every day. Scotland has a great deal to be proud of, and wrapping that up in a day is a great opportunity that can send out a national as well as an important international message.

Shiona Baird (North East Scotland) (Green): My question follows on quite nicely from those sentiments. This is an important opportunity for us in Scotland to say what we believe in. It is vital that the day falls as near as possible to 30 November so that we can emphasise what we are celebrating on that day. You have all suggested that it would be preferable to have it on the Monday following or closest to the 30th. How disruptive would it be to have it on the 30th every year?

Fiona Moriarty: I do not think that it would be particularly disruptive; it would just mean that we would not be able to capitalise on it as much as if it was held on the Friday or the Monday. Leaving aside people who live and work in Scotland and how they want to celebrate the day—I will let Paul Jennings comment on that because it is his area—and considering people who come to Scotland from other parts of the UK and further afield, most people would come for a long weekend that encompassed a Friday or a Monday, but they would be less inclined to go for a city break if the holiday fell on a Wednesday or Thursday, as all the entertainment, support and excitement would not be attached to their weekend. However, if the holiday fell at the weekend, people would come to see Scotland and to enjoy St Andrew’s day and the festivities around it.

Paul Jennings: The most important market for Scottish tourism is the Scots. Where we can, we ought to encourage mobility. People will not travel to Scotland if the 30th were to fall on a Wednesday. Therefore, while there would be every likelihood that visits to attractions would increase through the local and day-trip market, the accommodation base would not benefit in the same way. From a Dundee perspective—I mentioned Destination Dundee earlier—we are very clear that our major targets will be in Scotland, because that is a key market for us.

Dennis Canavan: And Russia.

The Convener: Yes. We have concentrated on the domestic benefits but is there not an international dimension from an enterprise and culture point of view?

Fiona Moriarty: Most definitely. Some of the figures that we have collected during the past few years on spending patterns and what non-UK tourists are spending their money on show that 80 per cent of those who come to Scotland will spend a substantial amount on traditional Scottish produce such as whiskies, cashmeres and arts and crafts. If we could cleverly wrap that up into something that represents St Andrew and everything Scottish, we could market the day in the same way that Bastille day is marketed in France or St Patrick’s day is marketed in Ireland. If we were to do that, major capital could be made of the day.

Dave Moxham: It is our view—this is evidenced by people taking short holidays—that employees prefer to take a day or two that are next to the weekend. That seems fairly obvious.

I cannot provide evidence for this—it is only a feeling that I have—but I believe that business tends to handle more easily a day that sits next to the weekend rather than one in the middle of the week.

Paul Jennings: VisitScotland has moved away from marketing geography towards a portfolio approach, and many of those portfolios market themselves well to the Scots. Portfolios such as golf, genealogy and city breaks would benefit from the day being at a weekend.

The Convener: I want to ask about the international dimension. One of the things about St Patrick’s day is its impact, particularly in the United States, and the way in which it raises the profiles of Ireland and Irish products. There is another dimension, in the sense that another four or five countries have St Andrew as their patron saint—Greece is one example—

Paul Jennings: The international tourism market is very competitive and many of the new European countries have a geography that is similar to ours. If there is any competitive advantage that we can work with, we should be doing that.

There is a bigger story that needs to be told about Scotland of which many people around the world are not aware. There is a great opportunity to tell that story and make a compelling case for people to visit Scotland.

Dave Moxham: My ears pricked up when you mentioned Greece, convener. It is one of the very few countries that also does not have a holiday between September and December. Indeed, it is
the only other European country whose workers work longer hours than people in the UK do. I see positive opportunities for Scotland to link up with Greece.

The Convener: It is an obvious link-up—Greece staged the Olympics, of course.

I thank the witnesses for their evidence, which was extremely helpful.

I did not realise that, although Easter Monday is a holiday south of the border, it is not a bank holiday in Scotland. That said, 2 January is a bank holiday in Scotland but not south of the border, and Northern Ireland has 10 bank holidays, including St Patrick's day and the day that marks the battle of the Boyne. There is a wide variation in the number of holidays.

Murdo Fraser: We need a political balance.

Michael Matheson (Central Scotland) (SNP): Some take one day and others take another one.

The Convener: I welcome our second panel, which comprises Alan Mitchell, head of policy at the Confederation of British Industry Scotland, Professor Charles Munn, chief executive of the Chartered Institute of Bankers in Scotland, and Niall Stuart, parliamentary affairs officer with the Federation of Small Businesses in Scotland. I invite panel members to say a few words by way of introduction, after which we will move to questions.

Alan Mitchell (Confederation of British Industry Scotland): The CBI represents businesses of all sizes and all sectors, including manufacturing, services and the retail sector. We understand the retail companies' perspective on an additional bank holiday.

We have consulted our membership twice on the issue: first when Dennis Canavan announced his proposal for the bill, and secondly when the committee invited us to submit evidence. On both occasions, the consensus was against the concept of an additional bank holiday.

Our members are not against the idea of celebrating St Andrew's day or of having a bank holiday that is timed to facilitate the celebration; they are against the concept of creating an additional bank holiday in order to do that.

Professor Charles Munn (Committee of Scottish Clearing Bankers): I am at committee today to represent the Committee of Scottish Clearing Bankers, not the Chartered Institute of Bankers in Scotland. The Committee of Scottish Clearing Bankers has the Bank of Scotland, the Royal Bank of Scotland, the Clydesdale Bank and Lloyds TSB Scotland as its members.

In some ways, I wish that there was a cross-bench on which to sit this afternoon. As we said in our submission, we are not against the celebration of anything that enhances the international identity of Scotland or anything that contributes to the celebration of St Andrew and St Andrew's day. However, we have quite serious reservations about the concept of the celebration being a bank holiday.

The nature of a bank holiday has changed since I was a young bank clerk in Glasgow in the 1960s. In those days, the whole bank closed on a bank holiday and many other businesses also closed for the day. Very often, bank holidays occurred at the same time as a public holiday. There is a lot of confusion—or at least conflation of terms—in the papers that are in front of the committee. One of the previous speakers mentioned the contribution of people who live overseas. However, those people were referring to a national holiday, which may be thought of as something else again.

The Banking and Financial Dealings Act 1971 is the modern legislation that regulates what is and what is not a bank holiday and even allows banks to open on such days. The nature of the banking business has changed greatly since that legislation was passed, and it would now be impossible to close certain departments, such as internet banking, that customers expect to be available 24/7.

There is also a question about certain aspects of branch banking. The previous group of contributors said that shops would remain open and it appears that one of the great advantages of having a St Andrew's day holiday is that it would allow people to go shopping. Many of the banks feel that if shops have to open they would also have to open. Obviously, no decision has been made about that.

Some years ago, Scottish banks experienced some difficulties in their settlement business and in other areas, particularly because Scottish bank holidays are different to those in England. In order to introduce some conformity to the arrangement, parliamentary time was sought. That process began in 1987 and continued until 1996, by which point it was clear that parliamentary time would not be available—we have to remember that this was Westminster. The banks in Scotland then decided that their celebration of Scottish bank holidays should conform to practice in the rest of the UK, notwithstanding the fact that some of those days are not legally bank holidays in Scotland. For example, under the 1971 legislation, the first Monday in August is still legally a Scottish bank holiday; however, in order to conform to the rest of the UK, we celebrate it on the last Monday of the month.

As a result, the nature of a bank holiday is considerably different to what it used to be. It is not clear from the papers in front of us how the
creation of a bank holiday would contribute to the celebration of St Andrew.

Niall Stuart (Federation of Small Businesses Scotland): The FSB has no principled objection to a St Andrew's day public holiday. However, as our written submission makes clear, we would expect it to substitute for another public holiday. The Scottish Retail Consortium has said that having such a holiday would increase retail sales by £30 million a year. However, the bill's explanatory notes and the financial memorandum make it clear that the estimated cost of this proposal to the public sector alone is £42 million. We can only estimate the cost to the private sector, but I guess that it would be in the same region. As a result, we have to set the £80 million combined cost of the holiday to business and the public sector against the £32 million increase in retail sales. Because of the cost, we are opposed to an additional public holiday.

I realise that many tourism and retail businesses have spoken in favour of the holiday; however, after speaking to our members, I am clear that the majority of small businesses are against the introduction of an additional Scottish bank holiday.

The Convener: Professor Munn, instead of arguing against the specific proposal, are you not arguing against the whole bank holiday system? After all, we already have eight bank holidays. It could be argued that, given the changes since 1971, we should not have bank holidays; instead, we should simply have public holidays. However, given that we are dealing with the status quo—which is that we already have a bank holiday system—the argument should centre on whether St Andrew's day should be another bank holiday, not on whether there should be a bank holiday system at all.

Professor Munn: The whole bank holiday system has become confused and is confusing. I am not sure whether adding another bank holiday will lift any of that confusion.

The Convener: It might apply some pressure for change.

Professor Munn: The banks' position is that we are in the service sector of the economy and that our obligation to our customers is to provide them with the service that they need as and when they want it. That is what we are trying to do. If many of our customers decide to open on a supposed bank holiday, it is likely that the banks will open, which raises the question how any of that contributes to the celebration of St Andrew.

Michael Matheson: I will follow on from Alex Neil's comments. When I read the submission from the Committee of Scottish Clearing Bankers, I could not help but feel that it made the argument for having no bank holidays whatever. The reality is that, despite the fact that some automated telling machines may get a bit empty and folk might not be able to get a cheque cashed for another day, most people and businesses adapt their lives around bank holidays. I hear the point that if the shops are open, the banks feel that they are under pressure to open as well, but there are already bank holidays on which the banks are closed and the shops are open. I do not understand why there would be additional pressure on banks to open on the proposed holiday just because shops were open.

Professor Munn: There would be additional pressure to open because that is what the customers want, and we are in the service sector of the economy.

Michael Matheson: At the moment, on some bank holidays, the shops are open, but the banks are closed. You have resisted the pressure to open until now, so why would that change?

Professor Munn: As you say, people adapt to the circumstances. The question is why we would want to create another situation in which inconvenience was caused.

Michael Matheson: I turn to the CBI's submission. The final paragraph of the first page states:

"Advocates of the Bill argue that UK workers compare unfavourably to their EU counterparts in terms of holiday entitlement." The submission goes on to state that other countries have a significantly higher level of unemployment, the implication being that extra holidays may contribute to the level of unemployment. Do you have evidence of that?

Alan Mitchell: The list of the number of public holidays in European Union comparator countries is instructive. The countries whose totals are closest to those of Scotland and the UK, such as the Baltic states, Poland and Ireland, are the countries on which we seek to model our economic growth. I was not suggesting for a second that, by creating an extra day's bank holiday, we would automatically create X amount of unemployment, but the amount of holiday entitlement that we give the workforce is part of the overall labour market mix. If we get the wrong labour market mix, there is a chance that we will have higher unemployment. It is instructive to consider the EU countries that have the most public holidays: they are the larger economies in Europe and those that are in the greatest difficulty now.

Michael Matheson: Do you accept that there is no direct relationship between unemployment and the number of holidays that workers receive?
Alan Mitchell: Clearly, there is no direct link between creating one more day’s holiday and generating X amount of unemployment. However, if we add additional holidays at a time when many businesses have to cope with other pressures on labour markets, ultimately, there will come a point at which unemployment will come about as a consequence. I do not suggest that that could be pinned down exactly to a St Andrew’s day bank holiday, because business competitiveness and the creation and displacement of jobs are complicated and it is hard to suggest that one thing connects to another. However, it is clear that the accumulation of inflexible labour market policies will lead to higher unemployment—we are seeing that in France and Germany.

Michael Matheson: I turn to the FSB submission, which contains a section on international comparisons that refers to the fact that productivity in Scotland is low compared to that in countries such as England, France and Germany. The submission states that, perhaps once Scottish workers reach the productivity levels of their European counterparts, they can expect to get an equivalent level of holidays. Is it the FSB’s suggestion that we should deduct holidays until workers become more productive?

Niall Stuart: No, absolutely not. We wanted to debunk a myth. A constant comparison is made between the number of holidays that Scottish workers have and the number that other workers have. However, there is a series of correlations and no one really understands the causes and effects. Workers in the United States have a smaller holiday entitlement than British workers have, but they are more productive. However, French workers have a larger holiday entitlement, but are, again, more productive. Therefore, there are no clear links.

The other thing to say about international comparisons is that I am not sure whether they include local holidays. Most employees in Scotland have the working time regulation entitlement of 20 days holiday a year. They also receive eight bank or public holidays and many also receive two or three local holidays a year—for example, the Glasgow fair Monday or the September weekend. Again, that makes international comparisons difficult.

15:00

Michael Matheson: Do you have any evidence that providing an extra day’s bank holiday will actually reduce productivity in Scotland?

Niall Stuart: It will probably not reduce productivity per hour, but I think that it is common sense to believe that one day less at work will result in less output over the year for a typical Scottish business or Scottish worker.

Michael Matheson: But you have no direct evidence.

Niall Stuart: We have no scientific evidence.

Susan Deacon: I am finding this an interesting discussion and I thank all of you for doing exactly what we asked you to do, which was to assess Dennis Canavan’s proposal and tell us what you think of it. However, with the greatest of respect to Dennis, I will park his bill to one side for a moment.

Given that all of you said that you are not necessarily against having another public holiday—although Professor Munn said that he wished he could sit on a cross-bench on the issue—if you had the chance to propose something tangible that the Parliament and the Executive could do to try to fulfil some of your shared ambitions for the promotion of Scotland around a specific day, the most obvious of which would be St Andrew’s day, what shape or form would that take?

Professor Munn: I disagree with your final point about St Andrew’s day being the most obvious day for a new public holiday. It seems to me that Burns night is the most obvious.

Michael Matheson: That is the next bill.

Professor Munn: Those of us who celebrate Burns night, of course, have grievous need of a holiday the next day.

The Convener: We would need to make it a week.

Christine May: Speak for yourself.

Professor Munn: At least in terms of the Scottish diaspora, Burns night is the most obvious choice. For example, my institute has a Burns supper in London every year that is attended by 1,000 people. It is a big event that puts Scotland on the map in London. English bankers vie with one another to get invitations to come along. I am sure that you know that Burns suppers are held all over the world. There is a case to be made for celebrating Burns. St Andrew, as you are probably aware, never actually made it to Scotland.

The Convener: Do you have a supplementary question on that, Susan?

Susan Deacon: I hate supplementaries. I will leave the debate about St Andrew versus Burns just for a second. I will stick with the approach of looking for solutions to achieve what I believe are shared objectives. I want to pick up on the issue of bank holidays. Again, I for one have certainly learned a huge amount about what bank holidays are and are not during this meeting and from reading the various papers on the issue.
I think that everyone—whether a bank or a customer—would agree that the current situation is a guddle, no matter how we look at it. I touched earlier on the relationship between bank holidays and school holidays. Again, in the spirit of seeking solutions, can the witnesses suggest what they think we as parliamentarians could do, with or without legislation, to address the inconsistency that we face at the moment, given that Westminster has not made the parliamentary time to do that in the past?

Niall Stuart: You are right. Having different local holidays throughout the country causes businesses problems. When we discussed the bill at our policy committee, the debate on the bill was hijacked by the debate on that matter. People complained that they never knew when places were going to be open and so on. However, I think that the bank holidays issue will be taken out of your hands because there is a proposal at Westminster to set the eight bank holidays in statute. I am not sure whether Westminster will set down dates for the eight days or leave that to local authorities, the business community, trade unions and so on. However, I imagine that before the next Westminster general election that matter will be taken out of your hands and that the eight public holiday days will be set in statute as an employee’s right.

Alan Mitchell: One of the points that I made in our paper was that for those members who represent larger organisations the concept of the bank holiday is disappearing fast anyway. Staff will just have an annual holiday entitlement that they will take in agreement with their employer taking account of mutual needs. Therefore, to that extent, businesses with such arrangements would make their own judgments. When there are or are not bank or public holidays is not a key issue for them, because they will probably be open 24/7 for 365 days a year anyway and their staff will be able to take holidays as and when it suits them, as long as that fits in with the businesses’ needs.

Therefore, for a large number of our members, confusion about public holidays and bank holidays will not be a huge issue, although it will be an issue for small businesses. When I was seeking views for this paper, I did not ask about that, so I am unable to give a definitive answer on that. From the point of view of those businesses that shut on bank holidays, as long as the bank holiday to celebrate Scotland is not an additional bank holiday, you could pick and choose between St Andrew’s day, Burns night, or whatever.

Susan Deacon: I am genuinely confused about what the three of you are in favour of. I do not know whether you think that it would be a good or a bad thing to have a day on which there was a pretty widespread closedown. Alan Mitchell talked about the distinction between large and small businesses but, as we heard from our previous witnesses, in some sectors, such as tourism and retail, it would not be sufficient for them to be able to choose to take that holiday. Indeed, the opposite is the case because, for them to flourish, they would require the rest of the country universally to take that day off.

Could you clarify whether, in principle, you think that the notion of having a day to celebrate Scotland that is not an additional holiday is a good idea, irrespective of whether legislation is involved?

Alan Mitchell: I think that a number of businesses would have a problem with the concept of being told that, on a certain day of the year, they had to shut. That is because those businesses are increasingly globally active and are trying to provide a 24/7, 365-days-a-year service to their customers. Christmas and new year, of course, are the one exception and some of those businesses might close then but, on all the other bank holidays, they will be open. If you were to say, “We are going to close every business in Scotland on this day in order to celebrate St Andrew’s day,” those businesses might have a problem. Some businesses might decide to do that because they believed that they could create some business opportunities by doing so, but others would not and would fall back on the system that they currently use, whereby employees are given their holiday entitlement and can take a bank holiday if they want to.

Professor Munn: We would have a similar problem. Quite large numbers of people working in the financial services sector in Scotland are providing services to other parts of the United Kingdom, principally England, but also Wales and Northern Ireland, as well as to the Republic of Ireland. Having a day on which there was a statutory requirement to close would produce enormous difficulties.

Niall Stuart: We can see the benefits of having a national day, such as St Patrick’s day in Ireland. That is where I agree with the previous panel. I suppose that it is up to the people of Scotland to decide whether they want to have such a day and, if they do, what day they want that to be.

Susan Deacon: How would the people of Scotland decide that other than through this institution, given that, arguably, it is the closest that we will get to a place where we can give a voice to the aspirations of the Scottish people?

We should focus on ends rather than means for a minute. What ends should we be working towards? Niall Stuart seems to have parted company from the rest of the panel by saying that
having a day on which there is a pretty widespread closedown is not necessarily a bad idea and that he might even support it.

Niall Stuart: A national day can be a good thing if it delivers the kinds of benefits that St Patrick’s day brings to Ireland, Bastille day brings to France and thanksgiving brings to America. It could reinforce national identity and be a day of celebration. We would not have a clear opinion about what day that should be. It could be Burns day, St Andrew’s day or another day that might be suggested.

The Convener: We might eventually be able to make it independence day.

Susan Deacon: You could not resist, could you?

Margaret Jamieson: I will not go there, convener.

In the consultation that he undertook with his members, did Alan Mitchell ask them whether there were any areas in which having such a holiday would create opportunities for the growth of their business?

Alan Mitchell: I did not ask that specific question. The broad question that I asked my members was, “The proposal is for X. If it were implemented, what would be the implications for your business?” They were perfectly capable of coming back with, “We’d be for it because of X, Y and Z” or, “We’d be against it because of X, Y and Z.” The majority who responded were opposed to the proposal for a variety of reasons. We did not pose the question in such a way as to say, “We’re going to oppose this. What do you think?” Instead, we asked, “What line should we be adopting on this?” which is how we carry out our consultations. By and large, our members did not come back in favour and they certainly did not come back saying, “We are in favour because of X, Y and Z.”

Margaret Jamieson: So they chose to consider the negative aspects of the proposal rather than the positives, which for larger businesses could include growth in their export market, particularly to areas where there are a significant number of ex-pat Scots.

Alan Mitchell: No. They chose to respond in terms of their informed assessment of what the provision would mean to their business. They are all perfectly capable of doing that, because they have to look for opportunities daily. That is how they are all surviving in an increasingly competitive world. They have considered the proposal and the additional cost implications and they have decided that the costs outweigh the benefits.

Margaret Jamieson: Did Niall Stuart get similar feedback from his members?

Niall Stuart: The trouble with this kind of proposal is that the costs will always be obvious to businesses. They know how much money their business generates in a single day’s production or trading. What they are not sure about are the benefits of a greater sense of national identity, or whether people will spend more. Who is really sure what the benefits will be? We can guess that there will be some benefits, but they are intangible and unreal at this stage, whereas the costs are all too apparent and all too obvious to businesses.

Professor Munn: In considering the other side of that economic equation, no one has really addressed the question of where the additional income is to come from. Where is the additional income to be earned so that people have the money to spend in the shops and to go on the holidays? That is not addressed anywhere here.

Margaret Jamieson: The previous panel identified that, should the holiday be the last Monday in November, it would be in the lead-up to Christmas markets and that—although these words were not used—it would give people an opportunity to start their Christmas shopping. There would be an effect for the clearing banks because there would be greater circulation of money over that weekend.

Professor Munn, to take you back to your earlier points, particularly about bank branches, how can you balance your comments about people using branches against the fact that the number of branches is decreasing each year in Scotland?

Professor Munn: Although the number of branches may be declining, I am sure that you are aware that some banks have stated clearly that they do not have branch closure programmes. The facility for doing banking business is expanding through other channels, particularly through telephone banking, and through internet banking and the facilities opened by some banks through the Post Office. That is being addressed.

Margaret Jamieson: So you do not think that the reduction in the number of branches has impact at all.

Professor Munn: No, I do not see that the issues are connected.

15:15

Margaret Jamieson: So if branches were closed for that day, there would be no impact. If the number of branches is being reduced, does that not turn on its head your argument that branches could not be closed for that one day?

Professor Munn: I did not say that we could not close branches. If St Andrew’s day was a bank holiday, each bank would be entitled to make its own decision. They would ask, “Do we open our
branches or do we not? Do we open all our branches or do we not?” They would probably decide on a branch-by-branch or region-by-region basis, depending on their view of likely customer demand for their services.

Christine May: My line of questioning is allied to Susan Deacon’s. For the avoidance of doubt, are you in favour of an additional national public holiday, whether we call it a bank holiday or not?

Alan Mitchell: No. The consensus view of the CBI’s members was that if you want to create a holiday to replace one of the existing holidays, that is fine, but you should not create an additional day’s holiday.

Christine May: Is that everyone’s view?

Niall Stuart: Yes.

Christine May: I invite you to speculate slightly. If you were to have another day’s national holiday, would the optimum date be a day at the end of November?

Alan Mitchell: There are so many different businesses with so many different requirements that there is no such thing as an optimum day. We have talked about festive spending, but for companies that supply the festive market the period from August through to November and even into December is their busiest time of the year, so any kind of closure during that period would cause major problems. The problems would not be the same for other businesses. There is no optimum time.

I return to the point that, increasingly, larger businesses would not take the bank holiday anyway. Frankly, I think that the majority of them would not take it as a designated bank holiday or day off but would have the normal arrangements whereby as many of the staff as possible who wanted to be off on that day could take the day off, either by using their annual leave or by swapping shifts and using the multitude of other informal ways that people can use to engineer their work time better around their family commitments. However, unfortunately, there is no optimum time to have a holiday, because there is no standard business.

Professor Munn: We would be keen to avoid a date at the end of the month because, as you are aware, that is when most people are paid. It is also when a lot of settlements for various transactions take place, including mortgages. Any closure or reduction of service at that point that might inhibit access would not be desirable.

Niall Stuart: If the purpose of the holiday is to have a Scottish national holiday, I do not think that there is any great difference between 30 November and 25 January. However, if you asked 100 businesses what the optimum day would be for an extra holiday, you would get 100 different answers. There would be no consensus on what was a good day and what was a bad day.

Murdo Fraser: I have a couple of questions, the first of which is probably for Charles Munn. I am looking for clarity because, from teasing out your answers to Susan Deacon’s and Christine May’s questions, I think that two parallel discussions are going on. There is a discussion about whether a St Andrew’s day holiday is a good thing, but the committee has to consider Dennis Canavan’s bill, which is quite different. I would be grateful if you could confirm that you agree with my understanding, which is that Dennis’s bill is permissive, and seeks to allow the banks to carry forward their business if they wish to close on the day.

Professor Munn: That is true.

Murdo Fraser: Do you therefore see any advantage in our passing the bill?

Professor Munn: If the objective of the legislation is to celebrate St Andrew and St Andrew’s day, the answer is no.

Murdo Fraser: That is interesting. I have a second follow-on question for Alan Mitchell and Niall Stuart. Given what has been said, if the Parliament passes the bill, what do you think the reaction of your members will be? Will they be more likely to grant their employees a holiday?

Niall Stuart: Obviously, the point of passing the bill would be to give people the holiday. I think that the public sector would be more likely to take the holiday than the private sector, but there will ultimately be pressure on private sector employers to grant it. People will come to expect it in the same way that they have come to expect the existing eight bank holidays.

As I said at the start, we are against the holiday because the economics do not stack up. The costs would be around £80 million, but the perceived retail benefits would be around £30 million.

Murdo Fraser: Given that the proposed legislation is purely permissive, unless the Scottish Executive, for example, is prepared to give a lead and grant its employees an extra day’s holiday, I presume that there would be no pressure on the private sector to do so.

Niall Stuart: Pressure would ultimately come from staff, the trade unions and so on. They would embrace the opportunity to have an extra day’s holiday.

Alan Mitchell: The STUC’s paper shows that the STUC would immediately campaign for the wide implementation of the bank holiday, if not through companies closing, through every employee getting an extra day’s annual leave.
There will be internal pressure on business to respond to that campaign, but that pressure will be greater if there is a wider take-up of the holiday in the public sector. Most of our members fear that the holiday will be much more widely implemented in the public sector than in the private sector, which will inevitably create pressures for businesses to respond, simply because people who want to recruit and retain staff must offer competitive benefits packages. Holidays are one factor in such packages, although they are not the only factor. Therefore, there would be tremendous pressure on many businesses. It does not matter which way businesses go. If they give the holiday, they will take on the extra costs; if they do not give it, they will run the risk of losing key people. Neither approach will help businesses to grow.

**Niall Stuart:** In addition, there is uncertainty about the legal status of bank holidays in the light of the Government’s manifesto proposal to enshrine them in statute, and the legislation may be worded in such a way that any bank holiday will be an automatic right. In that case, staff in Scotland will have an automatic right to nine bank holidays and staff in England will have an automatic right to eight.

**Murdo Fraser:** As there is uncertainty about what the bill’s impact would be, it seems essential to me that we take evidence from the Executive to try to ascertain what its response would be to the legislation.

**The Convener:** We can certainly ask the Executive whether it wants to give evidence, but it would need to do so very soon because we are working to a timescale. Such evidence has not been volunteered so far.

**Dennis Canavan:** I want to pursue the point that Margaret Jamieson made. If I may say so, none of your submissions refers much to business opportunities that would arise from the creation of a St Andrew’s day holiday; indeed, the submissions are so negative in that respect that they seem to display a Scottish business cringe mentality.

In contrast, I draw your attention to the policy memorandum that accompanies the bill, which quotes Lord Macfarlane of Bearsden, who is, as the memorandum states, “widely respected for his business acumen”.

He sees “enormous potential” in celebrating St Andrew’s day and believes that the nation is not maximising its “strong marketing assets adequately for the long-term benefits of Scotland plc”.

He has said:

“I share the vision that the time has come to capitalise on these assets and make St Andrew’s Day a focus for worldwide celebrations of Scotland and Scottish achievement.”

Does none of you share that vision? Do you not see great business opportunities arising from the proposal, particularly for tourism, retail, hospitality, leisure and recreation? Do you not see that a holiday on St Andrew’s day will give a huge positive boost to Scottish business and the Scottish economy and that it will help to promote Scotland internationally?

**Niall Stuart:** All those opportunities and benefits could be enjoyed simply by moving one of the existing bank holidays to St Andrew’s day. That would mean that there would be no extra costs for business and that we would be able to embrace the opportunities that you have mentioned, which are outlined in the accompanying documentation.

**Alan Mitchell:** I take a similar view. Lord Macfarlane is obviously a well-known businessman. Equally clever business folk will look at the proposal and not see any great opportunity for their business; what they will see is extra costs that we cannot afford in a very competitive environment.

**Professor Munn:** I know Lord Macfarlane well, but I listen to and represent the views of other leading Scottish businessmen. You have already heard those views.

**The Convener:** We contacted Lord Macfarlane, but, unfortunately, although he was keen to give oral evidence he was unable to do so due to pressure of business.

**Dennis Canavan:** Professor Munn, you state in your written submission that a new bank holiday may not be observed and that there is no automatic connection between a bank holiday and a holiday for schoolchildren and workers, whether in the public or private sector. I cannot argue with that. However, do you not accept that in the UK a bank holiday is the only mechanism for declaring anything resembling a nationwide holiday?

**Professor Munn:** No. The holidays that are celebrated widely are public holidays such as Christmas and Easter.

**Dennis Canavan:** Christmas is a bank holiday too.

**Professor Munn:** That is true, but that is an historical accident. I am suggesting that bank holidays are not in the vanguard of what creates the kind of holiday that you are trying to achieve.

**Dennis Canavan:** Can you name anything resembling a nationwide holiday that is not a bank holiday?

**Professor Munn:** No.
“The creation of a new bank holiday on 30 November would therefore run contrary to the stated objective of the banks which was to have a standard practice throughout the UK.”

The fact is that banking practices vary from one part of the UK to another. For example, there are different banknotes—I applaud your efforts to retain them. Similarly, there is no standard practice on bank holidays throughout the UK. Scotland is unique in having a holiday on 2 January; England and Wales and Northern Ireland have Easter Monday, but we do not; Northern Ireland already has two additional bank holidays, 12 July and St Patrick’s day; and, of course, St Patrick’s day is also a bank holiday in the Republic of Ireland. Do you not agree that it would be preposterous to suggest that a St Patrick’s day bank holiday is somehow bad for Irish banking, bad for Irish business, and bad for the Irish economy?

Professor Munn: That is not what I am suggesting. As I said in my opening submission, Scottish banks decided some years ago to conform to UK practice in observing bank holidays, even though the Banking and Financial DEALINGS ACT 1971 decrees which days are bank holidays in Scotland. I agree that the position is confused. We observe bank holidays on days that are not legally bank holidays.

Dennis Canavan: Do you not agree then that that lack of uniformity throughout the UK is not necessarily bad for banking, bad for business and bad for the Scottish economy?

Professor Munn: What I am saying is that we now have uniformity because of how we observe bank holidays.

Dennis Canavan: But we do not. The second of January is a bank holiday in Scotland but not south of the border.

Professor Munn: But it is not observed in Scotland. That is my point.

Dennis Canavan: It is observed by a huge section of the workforce. The purpose of the bill is to create a climate in which an increasing number of employers will enter into serious negotiations with their employees to grant the St Andrew’s day holiday.

Professor Munn: The point that we have been making is that there is no automatic connection between the creation of a bank holiday and the follow-on effects that you are hoping for.

Dennis Canavan: Yes, but do you not agree that Parliament has no other mechanism to create anything resembling a nationwide holiday?

Professor Munn: I am unaware of the powers of Parliament in that regard.
access to any other way of paying the bill, they may well incur penalties. As Mr Canavan says, that is something that we would have to work our way around.

Mr Stone: I would like to clear the decks a little. To follow Susan Deacon’s line of questioning, is it not fair to say that a lot of the discussion about bank holidays and the effects that they have is increasingly less relevant? When it is Monday in Scotland it may be Sunday in Delhi. When one rings up the bank, one might find oneself talking to a call centre in Delhi, where it is a different time of day.

As I said to the previous panel, I never go into a bank. My credit card is paid automatically. It is a fact that fewer and fewer customers go into bank branches and there are not many branches in which people can see their bank manager. In a global context, is not the concept of a bank holiday a complete anachronism? That might not be true for my mother’s generation, but it will be true within 10 to 15 years. In a global banking world, we will not have bank holidays.

Professor Munn: That might well be the outcome.

Mr Stone: Is that not pertinent to today’s discussion? Are we not discussing the merits or non-merits of the matter on the wrong foundations?

Professor Munn: We are not suggesting that bank staff will get fewer holidays. Indeed, bank staff are, for the most part, treated moderately generously when it comes to holidays. However, we now operate in a global business environment and, as we have heard several times this afternoon, we are expected to be available to our customers wherever they may be. We now have customers not just in Scotland but all around the world and anything that limits our ability to do that business will probably be considered unhelpful. To return to the original point, I cannot see how the Parliament would expect a bank holiday, nebulous as the concept might be now, somehow to change into a major celebration of St Andrew.

The Convener: That concludes a robust and enjoyable evidence session.
The purpose of my bill is to establish a national holiday on or around St Andrew's day to recognise our patron saint and to give the people of Scotland the opportunity to celebrate our national identity and our ethnic and cultural diversity. Scotland is one of the few countries in the world that does not have a national day. We are also at the bottom of the European league in respect of number of public holidays.

My bill has widespread support in the Parliament and in the country. Seventy-five MSPs from all political parties and none have expressed support. Many other expressions of support have been received from various sources, including the trade union movement, local authorities, all the major churches and other faith organisations, the Commission for Racial Equality, the Saltire Society and the St Andrew Society. I have also received messages of support from as far away as Dubai, Moscow and North America. A recent MORI opinion poll indicates that 75 per cent of Scots are in favour of the proposal. Moreover, 85 per cent of respondents to my nationwide consultation proposal and 81 per cent of respondents to the Enterprise and Culture Committee’s consultation are in favour of it.

The only serious opposition to the proposal has come from certain elements within the business community, but it would be wrong to imagine that the business community is entirely opposed to it. The business community is divided, with some for, some against and some sceptical. As you might recall from last week’s evidence, the Scottish Retail Consortium and the Association of Scottish Visitor Attractions are strong supporters, whereas the Confederation of British Industry, the Federation of Small Businesses and the Committee of Scottish Clearing Bankers expressed opposition or reservations. However, even those groups indicated that they would go along with the proposal, provided that the St
Andrew’s day holiday was a replacement for an existing holiday rather than an additional holiday.

On the matter of additional holidays, it is worth pointing out that Northern Ireland already has two additional bank holidays: one on 12 July and the other on St Patrick’s day, which is also a bank holiday in the Republic of Ireland. The St Patrick’s day celebration raises about €80 million for the Dublin economy alone and helps to boost Irish business and to promote Ireland internationally.

It would surely be preposterous to suggest that the St Patrick’s day bank holiday is somehow bad for the Irish economy. Similarly, it would be preposterous to suggest that a St Andrew’s day bank holiday would be bad for the Scottish economy. On the contrary, a St Andrew’s day bank holiday would present many opportunities, particularly in retail, tourism, hospitality, leisure and recreation. The celebration of St Andrew’s day would give a huge boost to Scottish business and the Scottish economy as well as helping to promote Scotland on the international stage.

The Convener: That was helpful, Dennis.

Murdo Fraser (Mid Scotland and Fife) (Con): I find the arguments in favour of a St Andrew’s day holiday to be quite persuasive. The holiday would provide a new opportunity to celebrate Scotland as well as providing economic opportunities. I should qualify that by saying that I would prefer it if it were a replacement for another holiday at another time of the year.

I want to ask about the detail of the bill, which seems not to create a St Andrew’s day holiday; rather, it is a permissive piece of legislation that permits the banks to celebrate a holiday on that day if they wish to do so. Were any other mechanisms available to you by which you could try to establish your aim of a St Andrew’s day holiday? I am not convinced that your bill would achieve that aim.

Dennis Canavan: As far as I know, the bill is the only mechanism that the Parliament can use to establish anything resembling a national holiday in Scotland. The power under the schedule to the Banking and Financial Dealings Act 1971 is devolved to the Scottish Parliament under the Scotland Act 1998. I assume, therefore, that the drafters of the 1998 act specifically wanted to give the Scottish Parliament the power to create an additional bank holiday if that were the will of the Parliament.

Murdo Fraser: As I understand it, if your bill is passed by the Parliament, that does not automatically create a holiday. It will be up to public sector bodies and private sector companies to decide whether to grant a holiday on St Andrew’s day. Have you had discussions with the Executive as to whether it would be likely to give a lead to the public sector if the bill became law?

Dennis Canavan: You are absolutely correct in saying that the bill does not enforce a holiday. It is my understanding that the Parliament does not have the powers to enforce a holiday that would involve every workplace in Scotland closing down on a particular day. As you know, employment legislation is reserved to Westminster. However, the bill would create an additional bank holiday in Scotland.

It is correct to say that that holiday would be permissive rather than mandatory, but that is true of all bank holidays. Bank holiday legislation does not compel any workplace, including banks, to close on any given day. However, my hope is that the bill would create a climate in Scotland in which employers would get into serious negotiations with their employees about recognition of the holiday, bearing in mind that it has the potential to be not just an additional bank holiday but a national holiday. I hope that the Executive would take the lead in that.

I have had informal discussions with the First Minister about my proposal. It would be unfair of me to attempt to quote what he said in those private discussions, but I hope that the Executive could be persuaded to support my bill and, if not, to remain neutral and to give members of the Executive parties a free vote on the matter.

It remains to be seen how the Executive will react as a public sector employer. It did not indicate to me what it would do, but in view of the fact that the Scottish Parliament already gives its employees a St Andrew’s day holiday, I hope that the Executive will follow suit. Of course, there would always be a need for certain essential and emergency workers to work on that day, as on all bank holidays.

Murdo Fraser: Thank you, that was helpful. I think that you would agree that the point is crucial. It is one thing for the Parliament to pass the bill; it is another whether the legislation then achieves your objective of a public holiday.

The Convener: We can assume that when Murdo Fraser takes the St Andrew’s day holiday, he substitutes it for another one during the year.

Murdo Fraser: I work on all my holidays, convener.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): My questions follow on from many of the points that Murdo Fraser was pursuing. Given what you have just said, Dennis, is it not the reality that even if we wanted to—and I am not sure about the desirability of it—neither this Parliament nor any other has the levers to enforce a national holiday? Whichever route we
take, we still need to win hearts and minds for the holiday to happen in practice. Why then have you not taken an entirely hearts-and-minds approach? For example, would it not be in the Parliament’s gift to work in concert with the Executive, the wider business community and other employers in the public sector to reach a point of agreement or—dare I use the word—consensus that it would be desirable to move towards the objective of having a holiday, so that people are really buying into it as opposed to feeling that there is an element of compulsion? There is a paradox, because the bill would not actually compel people, so taking the legislative route that you propose feels like the worst of all worlds when there might be shared objectives towards which people could work.

**Dennis Canavan:** I accept that there is a need to win hearts and minds, which is precisely why I conducted an extensive nationwide consultation even before my bill was lodged. The consultation showed that 85 per cent of people are in favour. Moreover, as I indicated earlier, 81 per cent of respondents to the committee’s consultation are in favour and the MORI opinion poll indicated that 75 per cent are in favour. Perhaps that is not an absolute consensus, but it is a massive majority of the people of Scotland, including those within the business community. I quoted Lord Macfarlane last week and we heard from the Scottish Retail Consortium and the Association of Scottish Visitor Attractions—they all spoke in favour of the proposal.

There will be few occasions when the Parliament passes legislation with 100 per cent of the people’s support, but all the evidence that the committee and I have is that the overwhelming majority of people in the country are in favour of the proposal. I am still working hard to persuade the doubters and opponents of the proposal in the business community to see it as a business opportunity rather than just to consider the negative aspects.

**Susan Deacon:** You and those who work with you are to be applauded for promoting the debate, which undoubtedly has engaged a great number of people. However, is it not the case that the body of opinion and agreement—the consensus, as you call it, or the majority view—centres on the end and not the means? Let us say that the Parliament, either at this stage or later in the process, does not support the bill as proposed. Members may say that they do not believe that the bill is an appropriate and effective means of moving forward. If that were to happen, do you have a plan B? How can the body of support be harnessed in some way—short of legislation, that is—to take forward the principle?

**Dennis Canavan:** I do not see how the objective can be achieved without legislation. We would have to go round every employer in the country and try to persuade them to get into negotiations with their employees. As I said, employment legislation is reserved to Westminster. The schedule to the 1971 act is the only instrument available to the Parliament to bring about anything resembling the creation of a nationwide holiday. I agree that that route does not enforce the holiday, but it would create a mood throughout the country whereby, in the fullness of time, the holiday would become more and more recognised and Scotland would have a national day of celebration.

**Susan Deacon:** So if the bill were to fall, would that be an end to the process as far as you were concerned or could the idea and objective be pursued by another route?

**Dennis Canavan:** It would not be the end of the story, by any means. Like Robert the Bruce and the spider, I would have to try, try and try again. I see no other legislative means available to the Parliament to bring about the objective that we share.

**Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD):** I am somewhat persuaded of the merits of your suggestion, Dennis, but I have two questions. First, I have a bit of a daft-laddie question. In Russia or Greece, for example, is St Andrew’s day on a day other than 30 November? One of the good things about St Patrick’s day is the time of year when it falls. It is a great time of year for tourists. I appreciate that the counter-argument on shoulder months can also be made.

**Dennis Canavan:** I know of nowhere in the world where St Andrew’s day is celebrated on a day other than 30 November. For centuries, 30 November has been recognised in Scotland and throughout the world as St Andrew’s day.

Some people use the wrong-time-of-year argument and I accept that November is a dreich month by any measure of the imagination for having a holiday. However, the tourism industry describes it as a shoulder or slack period when tourism is not exactly at a peak. The date could therefore be an advantage for that sector and could give it a boost. Indeed, it could give the whole population a boost by providing us with something to celebrate in dreich November. I do not accept the wrong-time-of-year argument. As the Scottish Trades Union Congress said last week, there are no bank holidays between August and Christmas.

**Mr Stone:** Secondly, what is your reaction to the point that was made to us last week—certainly in the written evidence and to some extent in the oral evidence—that the introduction of the bank holiday
would stand in the way of cheque transactions, direct debits, people being paid at certain times of the month and all that sort of thing?

**Dennis Canavan:** That criticism could be made of any bank holiday and not only a St Andrew's day bank holiday. Surely if the banks and their customers can overcome whatever difficulties arise on other bank holidays, they can do so on a St Andrew's day bank holiday. Nowadays, many people are into online and telephone banking, which are 24-hour services. I suspect that the inconvenience to customers during a bank holiday nowadays is much less than it was when bank holidays were created in the 19th century.

**Christine May (Central Fife) (Lab):** To what extent was the positive response—which was considerable—that you and the committee received to the proposal influenced by people's understandable desire to have an extra day's holiday in the year? Do you think that people did not appreciate that the proposed holiday might have consequences for them?

**Dennis Canavan:** I think that people realised from the consultation document that I issued that Scotland is right at the bottom of the European league for the number of public holidays. On that ground, there is a strong case for saying that employees in Scotland should have an additional day's holiday.

There is an extra dimension to the argument for having a holiday on St Andrew's day. That day should be a national day on which Scots can celebrate their Scottishness and their internationalism, which would help to put Scotland on the international stage. It is rather sad—and an indictment of the Scottish cringe—that St Andrew's day is more celebrated in places such as Canada, the United States, New Zealand and Australia than it is in Scotland. Expatriate Scots come back here and say that they have a great dinner, party, concert, cultural activity or something else every St Andrew's day, but in comparison there is nothing here. We ought to show a lead in trying to put Scotland on the international stage and in celebrating our national identity and internationalism.

**Christine May:** That gives rise to two related questions. First, why do we need a holiday to do such things? The second question follows from the first. Can we not celebrate St Andrew's day in the same way as we celebrate Burns, for example? Burns is celebrated all over the world, including in this country—sometimes there seem to be celebrations on all the 10 days around Burns night—without a national holiday being created.

**Dennis Canavan:** I do not want to get into arguments about St Andrew's day versus Burns day. However, Robert Burns would recognise that, for centuries before he was born, St Andrew was the patron saint of Scotland, as he still is. St Andrew is a unifying figure throughout Scotland.

We need a holiday because, if we want a national and international celebration, the declaration of a holiday would show that we were serious about such a celebration. It is obvious that, if everybody simply went to work as they normally do on St Andrew's day, that would decrease the opportunities for celebrating that day and for organising cultural, sporting or other events to mark it.

**Christine May:** But you agree that Burns is adequately and widely celebrated without people having a holiday that is either tacitly or overtly supported by the Scottish Parliament or the Scottish Executive.

**Dennis Canavan:** I would not say that Burns day is adequately celebrated—there should be more opportunities for celebrating it. Having a holiday on St Andrew's day would give us many more opportunities to celebrate that day and Scotland's identity and to project ourselves on the international stage. Many economic and cultural benefits would flow from that.

**Christine May:** I have a final question, on an altogether different issue. In last week's evidence, we heard about the potential costs to industry and business as well as the financial benefits that could accrue. You mentioned Ireland's income from St Patrick's day. Do you have any figure for the costs to industry of the shutdown on St Patrick's day?

**Dennis Canavan:** I do not have any accurate figures for that, but I am informed that the Irish Government provided seed funding of €2.5 million for the St Patrick's day festival. Obviously, there are opportunities for public expenditure to be regarded as public investment rather than as money that is just going down a black hole. If the Scottish Executive and/or local authorities were to invest in St Andrew's day celebrations as the Irish do for St Patrick's day celebrations, I believe that great benefits would flow into the Scottish economy and that the advantages would far outweigh the disadvantages, as the Scottish Retail Consortium, for one, pointed out at last week's meeting.

**Christine May:** My question related rather to the wider costs to industry of closing down for a holiday. Perhaps, convener, we can ascertain whether such figures are available so that we can make a comparison.

**Michael Matheson (Central Scotland) (SNP):** For me, there are two aspects to the bill. The first is the social aspect of providing an extra day's holiday, from which many workers would benefit. Given our poor level of bank holidays and annual
holidays compared to our European neighbours, I think that that is a desirable objective from a social policy viewpoint.

The second aspect is the cultural element, which I want to focus on by picking up on the issue of hearts and minds, to which Susan Deacon referred. Clearly, if we passed the bill, the potential benefits of a St Andrew’s day holiday would not be realised without ensuring that there was a public programme to promote the day as a holiday and a cultural event that would attract people to Scotland. Have you had any discussions with organisations such as VisitScotland and EventScotland, or with the First Minister or the Executive, about whether they have considered the work that they could undertake to promote the cultural element of a St Andrew’s day holiday?

Dennis Canavan: I have had informal discussions with people from VisitScotland and EventScotland. From what I can gather, there is considerable support for my proposal from their contacts. The Executive at this stage has not given any indication of its view, but I hope to be able to persuade it to come on board, because I think that a St Andrew’s day holiday would be a tremendous opportunity to promote Scottish culture at home and abroad.

Susan Deacon: I wonder whether I could—

The Convener: I am sorry, but I must intervene because I am told that the broadcasting system is not functioning properly. I must suspend the meeting until broadcasting can recommence.

14:28

Meeting suspended.

14:31

On resuming—

The Convener: The good news is that the broadcasting system has been switched on again. Susan Deacon has another question, after which I will call Shiona Baird.

Susan Deacon: I was keen to ask Dennis Canavan to comment on the schools issue that I raised at last week’s committee meeting. If one reason for the bill is to establish something that looks and feels like a national holiday and enables people to spend more time with their families, achieving some alignment with school holidays will be critical.

Dennis Canavan: You raise an important point, because we want the children of Scotland, too, to join in the celebration of St Andrew’s day. It is interesting to note that at least three local authorities—Clackmannanshire, Dumfries and Galloway and Angus Councils—recognise St Andrew’s day by giving their employees and schoolchildren a holiday on or around that day. I understand that when St Andrew’s day falls mid-week, for example, Dumfries and Galloway and Angus Councils manage to co-ordinate teachers’ in-service days so that children are off not just for one day, but for perhaps two or three days to celebrate St Andrew’s day.

If and when my bill becomes law, I hope that the Scottish Executive will take a lead by sending a circular to ask all local education authorities to try to ensure that children have the opportunity to celebrate St Andrew’s day by having a holiday, for example. That could be done within the existing number of statutory minimum openings. The creation of an additional school holiday might bring us up against educationists and require a change in education legislation. However, even within the statutory number of school openings, a reorganisation could be made by dropping a local holiday to celebrate St Andrew’s day instead, for example.

Susan Deacon: It strikes me that that could be done without legislation, which leads me to my second question. Is the bill capable of amendment at stage 2—should that be Parliament’s wish—to decouple the issues of the additional day and the designation of St Andrew’s day as a national bank holiday? What would be your views if that were to be the outcome?

Dennis Canavan: The bill is a simple two-section bill. It can be amended in several ways, including that which you suggest. At stage 2 or stage 3, it would be open to any member of the committee or the Parliament to lodge an appropriate amendment. If they did that, I would examine what I considered to be the merits or otherwise of the amendment and perhaps take on board the views of the member or members who had lodged the amendment. My mind is not closed on some aspects and I am willing to consider constructive amendments.

Shiona Baird (North East Scotland) (Green): The witnesses from whom we heard last week supported the proposed bank holiday, but their strong preference was for the holiday to be allocated to a Monday to comprise part of a long weekend. Would it detract from the aim of celebrating our national identity and our nation’s patron saint if the holiday did not fall on 30 November?

Dennis Canavan: Personally, I believe that it would not detract from that aim completely. However, in response to the consultation on the bill, some church representatives, the St Andrew Society and the Saltire Society indicated a strong preference for the holiday to be on 30 November. I am prepared to consider the issue. The bill currently provides that the holiday will fall on
“30th November, if it is not a Saturday or Sunday or, if it is a Saturday or Sunday, the first Monday following that day.”

The bill is so drafted because the majority of respondents to the consultation expressed that preference. However, I accept that the majority of witnesses who gave evidence last week seemed to be in favour of always having the holiday on a Monday. If that is the majority view of the committee or of the Parliament after the full debate, the bill can easily be amended to accommodate that.

The Convener: Is it not Ireland’s experience that, although many of the things that have been suggested could happen on our national day without legislation, such things just do not happen without the symbolism of having the day made into a bank holiday?

Dennis Canavan: Absolutely. A national day needs some statutory basis. It is no use a minister or community leader merely encouraging people to close down their workplaces on a particular day to celebrate our national identity. If a Government or Parliament is serious about creating a national holiday to celebrate national identity, the day must have some statutory basis.

The Convener: The Irish experience is that St Patrick’s day generates some €80 million, I think, inside Ireland alone—

Dennis Canavan: Inside Dublin.

The Convener: The Irish also benefit hugely from what happens elsewhere—especially in America, where the president holds a special St Patrick’s day celebration in the White House. Have you asked George Bush whether he would do the same for St Andrew’s day?

Dennis Canavan: I am not so sure that George Bush would be the best person to ask.

However, seriously, the transatlantic celebrations of St Patrick’s day have provided Ireland with great advantages, for both the advancement of the peace process and trade and the economy in general. I am informed that the Republic of Ireland has started only recently, for the first time in its history, to export more to the United States than it does to the United Kingdom. In part, that is due to the transatlantic connections that are forged and strengthened through the celebration of St Patrick’s day on both sides of the Atlantic.

The Convener: I thank Dennis Canavan for his helpful evidence. As he knows, the Parliamentary Bureau has given us a timetable—which was agreed to by the Parliament—that requires us to have our stage 1 report ready no later than 6 October.
Letter Dated 22 November 2005

ST ANDREW’S DAY (SCOTLAND) BILL

I look forward to our meeting on Thursday 24 November to discuss Denis Canavan’s St Andrew’s Day (Scotland) Bill.

I thought it would be useful if I set out some of our thinking on the Bill before our meeting. I would very much like the Scottish Executive and the Parliament to work together to come up with proposals to celebrate St Andrew’s Day.

During the Stage 1 debate on 6 October there was widespread consensus that we should do more to celebrate St Andrew’s Day in Scotland. The Executive has been working on a programme of activities for this year taking place in Scotland and in Brussels. This is the most ambitious range of St Andrew’s Day events ever held. Also over 41 events are being hosted or supported by the Foreign and Commonwealth Office around the world. The First Minister will be sending his annual message to all FCO overseas posts to be used at events around the world.

In Edinburgh we are hosting a free public One Scotland Ceilidh which will draw on our strong national identity while reflecting our increasing cultural diversity. There will be a number of artists and bands taking part in a diverse programme of dance and music. As you can see from the attached list of events, Scottish Executive Ministers, including myself, will be taking part in events throughout the day.

As you are aware the St Andrew’s Day (Scotland) Bill would only allow Banks to close on 30 November without incurring penalties. It would not create a public holiday. I have a number of concerns if the Bill was passed:

- In passing the bill we risk giving the incorrect impression that Parliament has instituted a public holiday: we would have created public expectation which we could not then satisfy;
- Observance of St Andrew’s Day as a holiday would be patchy and would create confusion in the banking and other sectors;

I believe there are non-legislative ways of taking this forward and we should build on this year’s initiatives to increase awareness and celebration of St Andrew’s Day.

I said during the Stage 1 debate that we are keen to work with the Parliament on ways to upscale the celebration of our national day. I hope we can agree that it would be in everyone’s interest to do so without incurring the risks referred to earlier.

TOM MCCABE

ANNEX

1. Scottish Ministers will be involved in a number of events around St. Andrew’s Day:

   - The First Minister will attend the Glenfiddich Awards Ceremony in Edinburgh on 30 November;
   - The Minister for Finance and Public Service Reform will attend the annual Brussels St Andrew’s Lecture on November 29. This year, the lecture will be delivered by best-selling author Alexander McCall Smith.
   - The Minister for Tourism, Culture and Sport will attend a St. Andrew’s Day event at the University of Glasgow’s Crichton campus in Dumfries, at which Scottish songwriters will perform, for the first time, selected songs in the Burns tradition;
• The Minister for Communities will attend a Race Equality Champions lunchtime event being hosted by the Commission for Racial Equality in the Scottish Parliament;

• The Minister for Environment and Rural Development is to host a Taste of Scotland evening reception in Brussels;

• The Minister for Communities and the Minister for Education and Young People will attend an evening reception being hosted by the Scottish Inter Faith Council in the Scottish Parliament. This reception is part of the celebration of interfaith work between Scotland’s diverse faiths and religions and is linked to the ‘One Scotland Many Cultures’ theme of St. Andrew’s Day; and

• The Minister for Communities will open the Executive’s One Scotland ceilidh concert.

2. For the first time, the Scottish Executive will be hosting St Andrew’s Day festivities. On November 30 we will be holding a ‘One Scotland Ceilidh’ in Edinburgh. The free ceilidh will take place at an open-air stage in the Lawnmarket and indoors at the Hub. The event is themed around our ‘One Scotland Many Cultures’ campaign, and the evening’s bill of entertainment will draw on Scotland’s strong traditions for inspiration and will reflect our country’s increasing cultural diversity. Artists participating include Dougie Maclean, Tartan Dholies, Peatbog Faeries, Wild Cigarillos Ceilidh Band and Croft 5. There will also be a programme of diverse dance and music.

3. South Lanarkshire Council is hosting a St. Andrew’s Night event in Rutherglen Town Hall. The event, which is being organised by the Scottish Council on Archives, is entitled Documents that Shaped the Nation. It will feature a panel of Scotland’s top historians, as well as MSPs Wendy Alexander and Tommy Sheridan.

4. A St Andrew’s Day message from the First Minister will be sent to all FCO British Embassy networks.

5. The Foreign and Commonwealth Office were contacted in October to offer a special package of promotional items for St Andrew’s Day celebrations. The FCO British Embassy networks are holding or supporting a large number of events around the world to celebrate St Andrew’s Day. The 41 events identified include:

• Abuja, Nigeria: Caledonia Ball to be held;
• Amman, Jordan: The Embassy Club with 70-strong UK police contingent to hold a St. Andrew’s Day party on 24 November;
• Ankara, Turkey: Caledonia Society holding St. Andrew’s Day ball;
• Australia: St Andrew’s Day celebrations;
• Belgrade, Serbia and Montenegro: event;
• Boston: St Andrew’s Day event;
• Bratislava: St Andrew’s Day events;
• Brunei: St Andrew’s Society events;
• Brussels: St Andrew’s Day events;
• Chicago, USA: Deputy Management Officer at British Consulate holding St. Andrew’s Day event;
• Denmark: Ambassador and representatives to attend Caledonia Society St. Andrew’s Day Ball;
• The Gambia;
• Jeddah, Saudi Arabia: British Consulate to hold Caledonia Society St. Andrew’s Day ball;
• Kolkata, India: Embassy to hold a grand charity ball on 26 November to celebrate St. Andrew’s Day;
• Latvia: The British Chamber of Commerce in Latvia is organising its monthly dinner with a Scottish theme for St Andrew’s Day;
• Lusaka, Zambia: Caledonia Society to hold St. Andrew’s Day Ball;
• Macedonia: St. Andrew’s Day reception;
• Mumbai, India: British Deputy High Commission to hold a St. Andrew’s Day event on 19 November;
• Madrid, Spain: Caledonia Ball to be held;
- Moscow: St Andrew’s Day event;
- New York: St Andrew’s Day event;
- Panama City: St Andrew’s Day event;
- Papua New Guinea: St Andrew’s Day celebrations;
- Peru: St Andrew’s Day events;
- Prague, Czech Republic: Caledonia Society Ball to be held;
- Riyadh: St Andrew’s Ball;
- Seychelles: St Andrew’s Day celebrations;
- Sri Lanka: St Andrew’s Day events;
- St Petersburg: St Andrew’s Day celebrations;
- Tashkent: several events taking place;
- The Netherlands: St Andrew’s Day celebrations;
- Tokyo, Japan: British Embassy to hold a St. Andrew’s Day ball;
- Ulaanbaatar: British Embassy holding an event;
- Warsaw: St Andrew’s Day competition; and
- Zagreb, Croatia: to organise a St. Andrew’s Day event.
The Convener opened the meeting at 14:00

St Andrew’s Day Bank Holiday (Scotland) Bill: Stage 1

14:00

The Convener: Item 2 is stage 1 of the St Andrew’s Day Bank Holiday (Scotland) Bill. I welcome to the meeting Dennis Canavan, who is joining us for items 2 and 3. I also welcome the Minister for Finance and Public Sector Reform, Tom McCabe. I will let the minister introduce his colleagues and make a few introductory remarks.

The Minister for Finance and Public Service Reform (Mr Tom McCabe): Good afternoon.

I welcome the opportunity to come to the meeting to present to members the Scottish Executive’s position on the St Andrew’s Day Bank Holiday (Scotland) Bill and our views on how we should celebrate our national day. I am accompanied by Judy Torrance, Jane McLeod and Ian Donaldson.

I begin by emphasising that the Executive is committed to celebrating our national day and that we are by no means opposed in principle to Scottish employers recognising that day by giving their employees a holiday. Celebrations on St Andrew’s day are growing and the Executive, the committee and the Parliament would all, I am sure, welcome and encourage that.

The First Minister has shown his personal commitment to enhancing the celebration of our national day. This year’s activities under the theme of one Scotland, many cultures have demonstrated that progress has been made. Members know that we hosted the one Scotland ceilidh in Edinburgh’s old town, for example, which attracted around 4,000 people and was opened by the Minister for Communities. The event drew on Scotland’s strong traditions in music, but reflected our increasing cultural diversity. A number of international guests attended the pre-ceilidh reception at the Hub, including people from the international media and fresh talent scholars who are currently studying in Scotland.

The committee will also know that Scottish ministers have been involved in a number of events in Scotland and Brussels. The First Minister attended the Glenfiddich awards ceremony at Prestonfield House and the Minister for Tourism, Culture and Sport attended a St Andrew’s day event at the University of Glasgow’s Crichton campus in Dumfries, at which Scottish songwriters performed. The Minister for Communities attended a race equality champions lunchtime event in the Parliament and, with the Minister for Education and Young People, attended an evening reception in the garden lobby.
that was hosted by the Scottish Inter Faith Council. I attended the St Andrew’s day lecture in Brussels and the Minister for Environment and Rural Development hosted a taste of Scotland evening reception in Brussels the following evening. It is important to stress that the Executive sees such activities as being catalysts for other organisations throughout Scotland to get involved and to organise events to mark St Andrew’s day.

Last month, I wrote to all 32 Scottish local authorities to ask for their views on the one Scotland message. I received around 20 replies, which were published on our website on St Andrew’s day. I understand that South Lanarkshire Council hosted a successful St Andrew’s night in Rutherglen town hall.

The First Minister sent a St Andrew’s day message to people in all 272 Foreign and Commonwealth Office posts overseas, which was read out at many St Andrew’s day events and was published in some local newspapers. We also wrote to all embassies to offer promotional material for St Andrew’s day events that they were hosting. We had 59 requests from across the world for Scotland in a box promotional material to support various St Andrew’s day activities—we have examples of that material with us if members want to see what it comprises. Some 41 of those events were organised or supported by the Foreign and Commonwealth Office.

This year has therefore taken us further and we are committed to building on the events that we have held this year, to bringing forward other ideas and to making resources available where doing so is necessary. I would very much like to work with this committee and others on considering ways in which we can collaborate further to celebrate our national day.

That is a pretty comprehensive account of where we were, how we built up to this year’s activities and what happened on St Andrew’s day both at home and abroad.

I turn my attention to the St Andrew’s Day (Scotland) Bill. During the stage 1 debate, I said in my speech and in the Executive’s amendment that there are two important principles that we think should underpin the Parliament’s legislative work. First, we should legislate only when it is necessary to do so and, secondly, we should be able to give such legislation practical effect. I believe that concern about meeting those important tests led the Parliament to vote to return the bill to the committee.

The bill’s only direct legal effect would be to suspend financial and other dealings on St Andrew’s day. In effect, that would allow banks to close, although it would not compel them to do so, and would remove the possibility of penalties for delayed payments caused by such closures.

There is no legal concept of a mandatory public holiday in Scotland. Holidays are a contractual matter between employers and employees.

My concern about not being able to give practical effect to the bill is that if we add a day to the list in the Banking and Financial Dealings Act 1971, we cannot force the banks to acknowledge that day, and even if they do so, we cannot force anyone else to do so. What worries us is that we would raise public expectation of a new national public holiday, yet neither the legislation nor the Parliament’s powers can bring that about.

However, the committee and the Parliament might feel that there is justification in trying to encourage a holiday on St Andrew’s day. As the committee concludes its stage 1 report, which it will now consider as a result of deliberations today and perhaps on other days, it might wish to investigate whether anything further needs to be done to encourage a move in that direction.

The committee might also feel that there is a case for an additional holiday and might wish to investigate what the various consequences might be in terms of cost, service disruption or indeed the beneficial effects of such a holiday. Equally, the committee might wish to consider what could be done to encourage employers to consider swapping an existing holiday for one on St Andrew’s day, as they are currently at liberty to do without any intervention from the Parliament. The Scottish Executive would be very happy to consider the committee’s recommendations that might emerge from any rigorous examination of the variety of options that are available.

Having said all that, I stress strongly that in offering those thoughts we are trying to be helpful and to find a way forward. It is not for the Executive to determine the approach that a committee takes in its scrutiny of a bill; we recognise fully that that is for the committee to do. However, experience—sometimes hard experience—tells us that even the best of intentions can be misinterpreted, which I want to avoid.

If the committee is minded to do further work on the bill, incorporating some of the suggestions that I have made, or adopting some other approach, we would be happy to consider the outcome of its work at that time.

The Convener: Thank you, minister. That was helpful. Thank you for agreeing to the private meeting that we had, which was helpful in giving the committee a steer on its options.
Dennis Canavan (Falkirk West) (Ind): Thank you for that statement, minister. I found at least parts of it to be helpful.

During the stage 1 debate on 6 October you told Parliament:

"Referring the bill back to the committee will keep it alive".

Your deputy, George Lyon, went even further. He was asked by Mike Rumbles:

"Will the minister guarantee that the Executive will support the committee in bringing the proposal back at stage 1 in the next few months?"

Replying on behalf of the Executive, George Lyon said:

"I certainly give that assurance. We expect the committee to bring the proposal back as quickly as possible".—[Official Report, 6 October 2005; c 19875, 19898 and 19899.]

The Executive gave Parliament the clear impression that the bill would be kept alive and that it would proceed to stage 2. Would it not be in keeping with the will of the Executive and of Parliament for the committee to compile a further report for the Parliament? Would the Executive give serious consideration to that report before deciding how to respond to any recommendations in it, particularly those that refer to the bill?

Mr McCabe: You raise several points. You are perhaps putting a particular interpretation on Mr Lyon’s words. I will explain what I mean by that. When the Parliament passed the motion—it was the Parliament that did so, not the Scottish Executive—the intention was that the bill should come back for another round of scrutiny at stage 1. As normal, when the committee concludes its stage 1 consideration, it will produce a report for the Parliament to consider. I have no way of prejudging what recommendations may be contained in that report and it would be wrong of me to try to do so. It would be entirely wrong of the Executive to try to pre-empt decisions of the Parliament at stage 1. We have no way of knowing whether the bill will find its way to stage 2, as that is dependent on the decision that the Parliament takes on the principles of the bill after its next stage 1 debate.

Dennis Canavan: You said that one of the principles is that we should legislate only when it is necessary to do so. Do you accept that, for the Scottish Parliament to create a bank holiday, it is necessary to legislate by amending schedule 1 to the Banking and Financial Dealings Act 1971?

Mr McCabe: No, I do not. As I said a few moments ago, no legal concept of a public holiday exists in Scotland. Although it is possible to legislate to add a day to the list of days in the 1971 act, that in itself would not automatically create a bank holiday.

Dennis Canavan: How can the Scottish Parliament create a bank holiday without legislation?

Mr McCabe: We are talking at cross purposes. You asked whether it is in the power of the Parliament to amend the 1971 act and add a day to the existing days that are listed as potential bank holidays. The answer to that is yes. However, the answer to the question whether the Parliament has the power to compel banks and other financial institutions not to trade on that day is no. Further, it is not in the power of the Westminster Parliament to compel banks not to trade on those days.

Dennis Canavan: Can you name any other mechanism that is available to the Scottish Parliament to declare anything resembling a nationwide holiday?

Mr McCabe: No.

Dennis Canavan: Can you name any national or nationwide holiday in Scotland or in the UK that is not a bank holiday?

Mr McCabe: I can certainly name holidays in Scotland that are not bank holidays.

Dennis Canavan: I asked about a national or nationwide holiday.

Mr McCabe: A variety of holidays are taken here, which is an important distinction between Scotland and England. South of the border, the recognised bank holidays tend to be adhered to, but in Scotland we have always had a different tradition—we have a range of local holidays that take place on a wide variety of days.

Dennis Canavan: The tradition in Scotland is not all that different. Do you accept that exactly the same mechanism, namely schedule 1 of the 1971 act, was used to create bank holidays in the United Kingdom, including Scotland, on days such as Christmas day, boxing day, new year’s day, 2 January, good Friday and, more recently, May day?

Mr McCabe: I do not accept that statement in its entirety, because May day was formalised as a holiday for banks by the Bank Holiday Act 1871. That was then overtaken south of the border in, I think, 1978 by royal proclamation. The holiday continues to take place south of the border by annual royal proclamation.

Dennis Canavan: Yes, but it is based on the 1971 act. It is based on legislation.
Mr McCabe: No. I am afraid to say that, south of the border, May day is a holiday by royal proclamation. We exhort Her Majesty to make that proclamation each year.

Dennis Canavan: What about the other public holidays? What about Christmas day, boxing day, new year’s day, 2 January, good Friday and so on?

Mr McCabe: I believe that those holidays are within the generalities of the schedule in question, but I do not have any knowledge of how that came about. They probably go back a fairly long way, but I will take advice on that.

14:15

Jane McLeod (Scottish Executive Legal and Parliamentary Services): Most of the days that you have mentioned are specified in the schedule to the 1971 act but, for Scotland, boxing day and the late May holiday are appointed by royal proclamation. I should point out that the act contains a provision that allows for extra or substitute days to be appointed by royal proclamation.

Dennis Canavan: The Scottish Parliament does not have the power to make a royal proclamation. However, am I correct to say that under the terms of the Scotland Act 1998, we have powers to add to the list of Scottish bank holidays in schedule 1 to the 1971 act?

Mr McCabe: We might have powers to add to the list, but we have no power to give practical effect to any additions. As a result, we can add as many days as we like to the list, but we have no power to ensure that, on that day, everyone takes a holiday, the financial institutions cease trading and so on.

Dennis Canavan: But that is the traditional way of encouraging a national holiday in Scotland and the rest of the UK. If the Parliament were to pass the bill, would it not be declaring the desirability of having such a holiday? You yourself have said that the Executive has nothing against encouraging the celebration of a holiday on St Andrew’s day. Passing the bill would serve as a declaration or encouragement.

Mr McCabe: My point is relevant to the second of what we think are the important principles that should be followed, which is that we should legislate only when necessary. No legislation is required to encourage individuals in the public or private sector to move an existing day’s holiday to St Andrew’s day. Our Parliament did not legislate to give its staff a holiday to celebrate St Andrew’s day. Public authorities and private concerns could consult their employees. If they prefer to take an existing day’s holiday on St Andrew’s day or at any other time, they are perfectly free to do so without recourse to legislation.

Dennis Canavan: But you are unable to give me an example of anything resembling a nationwide holiday that is not a bank holiday.

I have one final question, convener.

The Convener: Okay, but I have to move on and give committee members a chance to ask some questions.

Dennis Canavan: I know that you are rather sceptical about the bill, Tom, but I hope that you are still open to persuasion. I remind you of that story in the New Testament in which a simple fisherman called Andrew showed much greater faith than doubting Thomas.

The Convener: You do not need to answer that, minister.

Mr McCabe: Even though it was very profound, I will resist the temptation to respond.

Murdo Fraser (Mid Scotland and Fife) (Con): I will try to avoid biblical references, if I can.

The Convener: Even to David?

Murdo Fraser: Sadly, there is no Goliath in there, so David is bound to win.

I thank the minister for his presentation on the celebration of St Andrew’s day and I am sure that committee members across the political spectrum welcome many of the initiatives that the Executive is pursuing. However, the committee’s remit was not to examine the wider context of the celebration of St Andrew’s day but to consider the general principles of Dennis Canavan’s bill. Members unanimously felt that we should support the bill’s general principles, despite the fact that we had different perspectives on the matter. For example, my support was predicated on its being a substitute for another holiday.

That said, in the debate and in your comments this afternoon, you have made a good case against the bill’s general principles, because you have explained why we should legislate only where necessary and where we can give practical effect to the legislation. However, would it not have been more honest for the Executive to have opposed the bill’s general principles instead of remitting it to the committee for further consideration? Given that we have already considered the matter once, I am not entirely sure how the committee is supposed to do so again.

Mr McCabe: That places me in a dilemma. I am not sure that Mr Canavan, the bill’s promoter, would have appreciated it if we had shown outright opposition to the bill. We are genuinely trying to be helpful. As I said at the start of my opening remarks, we have no objection to employers
asking the people whom they employ whether they would like to move an existing holiday to St Andrew’s day. However, there is no need to legislate to bring that about.

You say that you are in favour of substituting St Andrew’s day for a holiday at a different time of year. I can see that there is a case for that, but we do not need to pass legislation to make that a reality. We did not need to do that to make it a reality for the staff whom we employ and I do not see why any other employer in Scotland needs legislation to be passed to make it a reality. They would need to consult the people whom they employ and do their best to put their views into effect.

Murdo Fraser: The logic of your position still seems to be that the Parliament should oppose the general principles of the bill. I put it to you that it was embarrassing for the Executive to be seen to oppose the bill and the creation of a St Andrew’s day holiday, so, instead of doing the honest thing and simply opposing the bill, you kicked it into the long grass by sending it back to the committee.

Mr McCabe: I take it that you are not saying that we behaved dishonestly in the chamber—I would object to that kind of language. I do not know whether we need guidance from the convener, but that is not the kind of language that we should be employing in these exchanges. The Executive said at that point—we have said it again today—that we are doing our best to be helpful and that, if the committee wants to undertake a rigorous examination of any actions that it thinks would be necessary to move an existing day’s holiday to St Andrew’s day, we would welcome that. The committee may wish to examine whether there should be an additional day’s holiday on St Andrew’s day. It may wish to examine exactly what that would entail in terms of cost, service disruption and the beneficial effects that the holiday might have on Scottish society.

If we are talking about trying to be as straightforward as possible, a straightforward examination of the situation says that employers the length and breadth of Scotland could move an existing holiday to St Andrew’s day without the Parliament taking up its time in legislating to bring that into effect. The Executive was a bit surprised that the committee did not recognise that. Perhaps, following the debate that took place in the chamber, the committee may wish to examine other aspects of that option. Perhaps the committee is unconvinced—as you would be entitled to be—that an existing day’s holiday could freely move to St Andrew’s day without legislation.

The Convener: I remind committee members that we must treat the minister with a degree of respect and be careful in the language that we use.

Murdo Fraser: I take that reprimand, convener.

Nevertheless, it seems almost insulting, minister, for you to come along to the committee and suggest that members of the committee did not properly understand or consider the issues when we examined the general principles of the bill. I assure you that we examined all the issues carefully before we came to our considered opinion on the general principles.

I have a final question for the purpose of clarity. Is the Scottish Executive, in principle, in favour of a holiday on St Andrew’s day?

Mr McCabe: As I think that I said in my opening remarks, we have no objection in principle to employers consulting the individuals whom they employ on whether to move an existing day’s holiday to St Andrew’s day. In fact, if the committee felt that it would be helpful, we would positively encourage employers—especially in the public sector—to do that. Ultimately, however, it is a decision to be reached between employers and the people whom they employ. I offer Mr Fraser the assurance that, far from wishing to insult the committee, the Executive is doing its best to be helpful in the consideration of the bill.

Christine May (Central Fife) (Lab): Good afternoon, minister. From your meetings with various groups around the country, do you have any feel for whether people wish there to be greater recognition of St Andrew’s day?

Mr McCabe: There is undoubtedly a wish to see a greater recognition of our national day. People are pleased that we are upscaling the way in which we mark that day. That is reflected by the fact that 4,000 people attended the ceilidh that I mentioned earlier. That does not happen by accident, so it is clear that there is a warmth for the idea.

In Brussels, I attended the St Andrew’s day lecture and Mr Finnie attended the taste of Scotland event. We received strong feedback from our European representatives, our staff in the Brussels office and representatives of other countries that we had done a good job of promoting Scotland in the way that we marked St Andrew’s day this year. Having personally attended the event, I can testify to that. Alexander McCall Smith’s lecture on St Andrew’s day was certainly well received.

Christine May: Let me move on to my second question. The minister can correct me if I am wrong, but I get the strong sense from what he has said today that, although the Executive is not convinced of the need to legislate, for the reasons
given, it is convinced that more could and should be done to celebrate St Andrew’s day.

Mr McCabe: Yes, that is right.

Christine May: If, after taking further evidence on the costs and discussing the issues with employer and public sector representatives, the committee determined that there was a case for giving a steer on the issue in legislation and presented evidence to that effect, would the Executive’s view remain as it is now? Could you be convinced by those arguments?

Mr McCabe: As I said earlier, if the committee wished to undertake a rigorous examination of the variety of options that are available to it, we would be obliged to consider that and we would do so at that time. However, it would be wrong for me to try to predetermine that decision.

Karen Gillon (Clydesdale) (Lab): I approach the issue from a slightly different perspective, as I was not a member of the committee when it considered the bill. When I listened to the stage 1 debate in the Parliament, I was somewhat confused by the fact that some members seemed to want an additional bank holiday, whereas others, such as Murdo Fraser, wanted an existing bank holiday to be transferred.

The Presiding Officer has confirmed that, as no financial implications are attached to the bill, it does not require a financial memorandum. I think that I am right in saying that.

Dennis Canavan: The bill does not require a financial resolution of the Parliament.

Karen Gillon: Yes. That leads me to the view that any St Andrew’s day bank holiday would need to replace an existing bank holiday rather than provide an additional one. We need to consider that further. In my view, it would be difficult to move any bank holiday other than May day but—like Dennis Canavan—I would be inexorably opposed to moving the May day holiday. We would therefore need to find another national holiday in Scotland that could be moved to St Andrew’s day, although I accept that it is possible that a local holiday could be moved.

Has the Executive carried out any calculation of the cost of having an extra bank holiday? Given that passing the bill might be seen as a declaration of encouragement to the public sector to have an additional bank holiday, what preliminary work has the Executive done on the costs that might arise to the public sector from having an additional public holiday on St Andrew’s day?

Mr McCabe: I am not fully aware of the depth of the work that was carried out by the Parliament’s Finance Committee, but I understand that that committee concluded that the costs for the public sector would be in the region of £40 million.

However, I do not know what factors were included in that committee’s consideration of the matter. As I understand it, no study has yet put a figure on what the potential costs are for the private sector.

Karen Gillon: If the committee decided to consider the matter further, could the minister’s officials assist us in trying to put a figure on what an additional bank holiday would cost the public sector? Also, is the minister prepared to work with the Minister for Enterprise and Lifelong Learning to encourage private sector representatives to work out how much it would cost the private sector to have an additional bank holiday? Will officials also assist in considering whether we could substitute one bank holiday for another?

14:30

Mr McCabe: Yes. We would be more than willing to do that, with the caveat that although we are genuinely trying to assist the committee in its deliberations, there is a very thin line between giving every assistance and being accused of steering the committee.

I would be more than happy to encourage the Minister for Enterprise and Lifelong Learning to work with private sector interests to quantify the potential costs. That would be helpful, because if we pass the bill in its present form, the fear is that we will create an expectation among the Scottish public that we have created an additional day’s holiday when that is not the practical effect.

Karen Gillon: My view, for what it is worth, is that if we passed the bill, the Parliament would be obliged to give the public agencies that we fund an additional day’s holiday—if the bill is not merely to be a symbolic piece of legislation. It would be useful to have an indication of the financial impact of having an additional day’s holiday on St Andrew’s day, even if only for the public sector. I welcome the opportunity to get such information.

Mr McCabe: If the committee is desirous of examining that position, the Scottish Executive will do all that it can to assist its consideration.

Michael Matheson (Central Scotland) (SNP): Before we start examining the bill again, is it possible to get clarity on the Executive’s position? Is the Executive opposed to the idea of an additional bank holiday being created on St Andrew’s day?

Mr McCabe: We think that considerable costs would be attached to creating such a holiday. We have not been able to quantify those costs, and we have not been able to discuss with the variety of interests across Scotland—public and private—their view of creating an additional holiday. We would rather carry out the work that Karen Gillon
asked us to do and give you our view once we have done that.

Michael Matheson: Therefore, at this stage, the Executive is open to the possibility of adding a bank holiday to the existing list.

Mr McCabe: The Executive is open to the possibility of the committee examining rigorously the potential implications. If the committee were minded to make recommendations on the matter, we would consider them and give our view.

Michael Matheson: Therefore, the Executive does not have a view at present on creating an additional holiday.

Mr McCabe: If the committee is minded to carry out its examination, it would be wrong of me to try to pre-empt it.

Michael Matheson: I understand what you say, but before we can begin that process, it would be helpful to know exactly where the Executive stands on the issue. Do you not support the idea of an additional day?

Mr McCabe: I cannot give a definitive answer at the moment, as the implications of an additional holiday have not been quantified. Therefore, it would be irresponsible of me to give a commitment on behalf of the Scottish Executive. Although it is unlikely that the committee will say, “We think that it will cost the economy £1 billion,” none of us knows, so it is too soon to give a view.

Michael Matheson: Would any benefits come from having a bank holiday on St Andrew’s day?

Mr McCabe: Certainly, there would be benefits. There could be benefits in employers consulting their employees with a view to moving one of their existing holidays in order that we mark better our national day. However, it is not for me or the Parliament to proclaim that people must do that. There is no requirement to introduce legislation to allow that to happen—the Parliament reached such an agreement with its employees and an existing holiday was moved to mark St Andrew’s day better. That facility is open to people in either the public or the private sector. If they decided to operate in the same way as the Parliament and to agree that with their staff, we would have no objections whatever.

Michael Matheson: If there is a possibility of gaining benefits from having a St Andrew’s day holiday—and you conceded that point—what do you believe those benefits would be?

Mr McCabe: From an additional holiday or a moved existing holiday?

Michael Matheson: Either/or.

Mr McCabe: It is not as simple as either/or.

Michael Matheson: Well, let us go for your preferred option of transferring a holiday.

Mr McCabe: I am not necessarily saying that that is our preferred option. I am saying that it is an option that employers in any sector of the economy can take up if they choose. It is also an option on which employees in any sector of the economy could make representations to their employers through their trade unions or workforce representatives. If people in Scotland were minded to move one of their existing holidays to St Andrew’s day, the nation would be indicating that it was prepared to mark its national day much more comprehensively than it does at the moment.

The Convener: Michael, you will need to make your next question your last one, because the minister has a time constraint and three other members want in.

Michael Matheson: I will let the others in.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I hope that we take the decisions seriously and do not rush them. I respect what Karen Gillon says and the attachment of some of my colleagues to May day.

Mr McCabe: I am not presuming what the committee will decide, but does the minister agree that, if the committee agreed to move one of the other holidays early in the year to St Andrew’s day, the nation—including the banks—might be encouraged to recognise it if we were to legislate to make 30 November a bank holiday?

I am not necessarily saying that the minister has a time constraint and three other members want in.

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Michael Matheson: I will let the others in.
Andrew’s day a bank holiday but to delete one of the other holidays, would you be more inclined to warm to the concept?

Mr McCabe: I honestly cannot say what the benefit of that would be. Are you suggesting that we would add St Andrew’s day and take away another day?

Mr Stone: Yes, but I am not suggesting anything as dangerous as removing Christmas day.

Mr McCabe: That would be a matter for the committee to consider, but it raises the potential of removing some sensitive days. You would get a reaction if you decided to abolish Christmas day—the committee would certainly get a headline. Equally you would get a reaction if you decided to move May day. You would certainly get a reaction from me, because I think that we should keep May day.

The Convener: We would get a reaction if we decided to abolish the holiday on 1 January as well, I would think.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): The discussion today, like much of the discussion about the bill, has centred on places of work and what employers might do to facilitate a holiday, but I will ask the minister about school holidays, about which I have asked other witnesses, including Dennis Canavan. What mechanisms exist to create school holidays in Scotland? How might it be possible to encourage more local authorities to move towards a St Andrew’s day holiday? How might the bill contribute to that process, if at all? Do you care to comment on how important or otherwise you think that school holidays are in the debate, given that one of the bill’s secondary objectives is to create a more family-friendly environment in Scotland?

Mr McCabe: In its totality, the bill will not make any difference. As you know, there is a legislative requirement for 190 school days. If schools are currently in on St Andrew’s day, and they cease to be, that day will have to be replaced, because they need to make an overall 190-day envelope.

You are well aware that the arrangements for school holidays in Scotland are extremely diverse. Sometimes it seems as if there is not a day in the year that some school or other in Scotland is not off for one reason or another.

The Minister for Education and Young People is better able to speak on those matters than I am. However, thinking back to my previous experience as a council leader at the time of reorganisation, I naively thought that it would be simple to harmonise school holidays across Scotland or even, dare I say it, within Lanarkshire. I failed spectacularly in that and there is still a great diversity of holiday times even in a geographical area as small as Lanarkshire. The motivations for when holidays are taken seem to vary greatly throughout Scotland.

Last Easter, because of the exam cycle, we even had a situation in which schools in some areas only took a weekend and then took their holidays after Easter. That was a strange situation, but it underlines the diversity in when school holidays are taken.

The 190-day envelope is an important point. If a school takes a day off that it does not currently take, it would have to work out a way of fitting that day back in.

Susan Deacon: If that was an issue that the committee was minded to explore further, would it be possible for your officials to provide further details to us on the existing situation and how that might be influenced—or not, as the case might be?

Mr McCabe: As I am sure you appreciate, the situation is varied across Scotland, but we will do our best to get whatever information you request from us.

Shiona Baird (North East Scotland) (Green): Does the Executive’s St Andrew’s day holiday replace an existing holiday, or is it an extra one?

Mr McCabe: The Executive does not have a St Andrew’s day holiday; the Parliament does.

Shiona Baird: I beg your pardon; I meant the Parliament.

Mr McCabe: Yes. As I understand it, an existing holiday was moved to accommodate the St Andrew’s day holiday.

Shiona Baird: Can you tell me which one it was?

Mr McCabe: No. I was not involved in that.

Jane McLeod: It might have been the September holiday.

Shiona Baird: How much consultation of staff was done about that?

Mr McCabe: Again, that is a matter for the parliamentary authorities, not the Scottish Executive.

Shiona Baird: I was just interested to know about the process by which the decision was arrived at.

Mr McCabe: I am sure that it would have been done through consultation. I would be very surprised if, in this place of all places, it was done by diktat. I am sure that there was extensive consultation.

Mr Stone: I do not know about that.
The Convener: The decision was the responsibility of the Scottish Parliamentary Corporate Body, not the Scottish Executive, so it is unfair to ask the minister about that.

Shiona Baird: I am sorry; my mistake.

The Convener: Minister, you mentioned royal proclamations. For the sake of argument, let us say that the committee, having undertaken additional work, reaches the conclusion that there should be an additional holiday, recognising that adding St Andrew’s day to the schedule of bank holidays does not make it a public holiday per se. If there was a royal proclamation, that would make it a public holiday. I see that your officials are nodding their heads.

Who makes recommendations to Her Majesty the Queen on royal proclamations? Is making such a recommendation a reserved matter or is it within the power of the Executive? What status does it have in terms of enforceability?

Mr McCabe: None, is the short answer. Each year, south of the border, the Queen is requested to make a royal proclamation with regard to May day. It is legal, but—and I do not mean this to be disrespectful to Her Majesty—it is not enforceable.

The Convener: Who advises the Queen on royal proclamations?

Mr McCabe: As I understand it, it is the Government of the day.

The Convener: Does the Executive have the power to recommend royal proclamations?

Ian Donaldson (Scottish Executive Finance and Central Services Department): Yes. The Executive writes to the Privy Council about royal proclamations for bank holidays in Scotland about a year in advance to advise the Queen of the dates that it recommends, for the second bank holiday in May in particular.

14:45

The Convener: But it is still not a statutory public holiday.

Ian Donaldson: That is correct. It is a bank holiday but not a public holiday.

The Convener: So that has the same net effect as adding the day to the schedule; it is not another route. It achieves the same end.

Ian Donaldson: Yes.

The Convener: It was useful to clarify that—I had never heard of the power of royal proclamations before.

Under our next agenda item, we will discuss how to move forward. I emphasise that the discussion is not an opportunity to go back over old ground about the debate that we had in Parliament. We want to draw a line under that and to decide how to make progress.

I thank the minister and his officials for giving evidence today.

Mr McCabe: I thank the convener and members—I appreciate the way in which the conversation was conducted.

The Convener: We will now discuss the St Andrew’s Day Bank Holiday (Scotland) Bill. Paper EC/S2/05/26/3, in my name, with some ideas and options, has been circulated. The options are not exhaustive by any means and members might suggest other ways to proceed.

A fairly basic decision needs to be taken about the extent to which we want to take the matter forward. As a result of the resolution passed by Parliament, we are obliged to report back to Parliament the next time we consider the bill at stage 1. At one extreme, we could decide simply to send back the existing report; at the other extreme, we could undertake a three-year inquiry into St Andrew’s day. I am sure that the answer lies somewhere in between.

I was critical of what happened to the bill during the parliamentary debate, but we have to move on. I think that the committee should reconsider the issue in some detail. We should consider what happens in other countries, costings and benefits to see whether we can get a better handle on what the net costs and benefits of a St Andrew’s day holiday would be, on whether it should be a recommended holiday and on what other activities need to be undertaken to celebrate St Andrew’s day.

Such an approach would be in the spirit of what the Parliament decided, but we should put a deadline on that work, not least because we have a lot of other work to do. My gut feeling is that we should impose a deadline of about three months. We should do what the Parliament asked us to do timeously. We will include additional, thorough work on costings, in particular, make comparisons with what happens in other countries and gather any additional information that would be useful.

We have a commitment from the Executive to provide us with some support and information if that is required. I ask Dennis Canavan, whose bill it is, whether he is thinking along the same lines.

Dennis Canavan: Your suggestion is a good one. It is not for me to dictate the timetable of the committee—I am not a committee member and members know what other items are in their work programme.

I would not like a further investigation to go on indefinitely. The convener’s proposal to impose a deadline of three months is reasonable and would
give the committee time to gather further written and oral evidence.

Paragraph 12 of the paper states:

"Members are also invited to consider the extent to which the Committee wishes to develop an additional set of non-legislative alternatives to the bill."

I am all in favour of non-legislative measures to back up the bill, but I do not see those as alternatives to the bill. There is a legislative route and a non-legislative route; I do not see it as being an either/or situation. I believe that one set of measures would complement the other.

The Convener: I accept that point.

Christine May: I welcome the convener’s statement of his personal view, which to a large extent coincides with mine. I also respect Dennis Canavan’s position in defence of his bill. He has done much to generate the debate that we are having today, which it was legitimate to do.

On option A in the convener’s paper, we should take account of the various points that members raised in their questions. For example, Karen Gillon asked about the Deputy First Minister and Minister for Enterprise perhaps encouraging employer organisations to talk to their employees and looking for employers to encourage greater recognition. It is essential that when we consider such suggestions, costsings are done of both the benefits and the costs to the economy. We should get a balanced view.

Lessons can be learned from what other countries do to celebrate their national day. Although such events will not be without cost, they also generate a benefit. We must try to get a handle on the costs and benefits. I seem to recall that we tried to get such information in our original evidence, but we did not have time to do so.

Finally, I agree that three months seems about right. The inquiry will be concentrated and tight, but we should aim to do it in that time.

Murdo Fraser: I must say that I do not entirely accept the premise that the committee did not examine thoroughly those issues first time round. I was aware of the various options that we were considering and I think that we gave the matter proper consideration. Having said that, in the interests of consensus, I am happy to go along with the proposal for further study. However, I am firmly of the view that, given the committee’s heavy workload, we should truncate it as much as we can and come to an early view on the matter.

Mr Stone: I have two points. Although I hear what Murdo Fraser says, I think that one of the questions that it would be interesting to put to business and the banks is the one that I hinted at in my second question to the minister: how would the Executive feel about it if we were minded to delete a holiday, such as the second May holiday, and replace it with St Andrew’s day? We cannot predict what they would think, but that proposal might appear more cost neutral.

I do not know whether we can get to it, but it would be useful if in some way, shape or form we could understand the Executive’s thinking apropos whether there should be the same number of holidays or an extra holiday. The minister could not be drawn on the issue, but it would be helpful if we could get an answer to that question so that we would at least know which way the tide is running in the Executive.

Susan Deacon: I, too, broadly agree with the convener’s proposal. I will make a couple of points. The first is that, not for the first time in this Parliament, I have found it frustrating that we have taken a long time to plod through oral evidence to establish basic factual information that we could probably have elicited in other ways. To an extent, that happened today on issues such as royal proclamations and the like; it certainly happened in our earlier evidence sessions when we were trying to understand bank holidays.

My plea is that we should maximise the work done outside formal evidence sessions to establish the factual basis for the debate. We should be willing to utilise or to work in co-operation with the Executive. I appreciate the minister’s comment that there is a fine line between assisting the committee and steering it, but I think that we are big enough and ugly enough to make that distinction. The Executive has the resources to do much of the work or, certainly, to work with parliamentary researchers and so on to feed in information. We should employ all the resources that are available to us—including the Executive—to commission research so that we have a good factual basis on which to build.

My second point is about the further work that we must do through written evidence or oral evidence sessions. We have still to conclude what further evidence we will take—the Convention of Scottish Local Authorities has a particularly important role to play. I, for one, would like to explore the issue of school holidays a little further. There are also issues around local holidays and so on. I am not sure where that fits in, but I am open-minded about where and how it fits in—as long as we do not lose sight of COSLA’s particular importance in that regard.

Michael Matheson: I agree with the position that the convener set out. I think that the three-month timescale for taking further evidence is reasonable. It is clear from the evidence that we have heard from the minister today that there is an issue over whether the St Andrew’s day holiday should be additional, whether it should be a
substitute day for an existing holiday that is transferred or, indeed, whether there should be a St Andrew’s day holiday at all. We need clear evidence about the pros and cons of each.

I sound a note of caution, which goes back to Dennis Canavan’s point about paragraph 12 of the convener’s note. I do not believe that, in a stage 1 report, it is our responsibility to make a list of recommendations on how the Executive should go about celebrating St Andrew’s day. Our job is to scrutinise the bill, its intentions and its various pros and cons. There might be additional provisions that we think ought to be built into the legislation to make celebrating St Andrew’s day more beneficial should a bank holiday be made but, as I have said, I do not believe that it is our responsibility, in a stage 1 report, to provide the Executive with a St Andrew’s day celebration programme.

Karen Gillon: Like Michael Matheson, I am keen for us to get a handle on each of the three options. When it came to the parliamentary debate, some of my confusion was about what members were talking about—whether they were talking about an additional day or a replacement day. I would be keen to get more of an idea about that—perhaps a briefing from the clerks—as I was not involved with the bill previously. I refer in particular to the evidence that the committee received about having an additional day’s holiday. I am drawn towards the option of the additional day when it comes to proposed legislation. What evidence does the committee have on whether or not the banks in particular would implement the holiday differently? Are there other bank holidays—as opposed to public holidays—that are different north and south of the border? I am not clear about that. I am sure that the committee has such evidence; it would be useful for me to have a look at it.

The Convener: The clerks can, I think, supply you with the evidence that we have taken on many of those matters.

I think that there is a consensus that we should undertake additional work, with a three-month deadline. I agree with Susan Deacon that the initial stage is more about research than taking oral evidence. My view is that we need some outside, professional assessment of the costs and benefits of the various options of having a replacement or an additional holiday, and that we need more hard evidence about what other countries do to celebrate their national days, taking into account the costs and benefits for them.

I suggest that we ask the clerks to prepare, in time for our next meeting on 17 January, a detailed work programme, building in a facility—subject to approval by the Scottish Parliamentary Corporate Body, if necessary—to have outside research work undertaken, particularly with regard to costs and to what happens in other countries. There might be further aspects to take into account. We can then consider the matter at our meeting on 17 January.

We obviously need to undertake a fairly rapid piece of work. A number of companies will have information on the costs of public holidays and so on fairly readily to hand, so it should not be difficult to do the work within the proposed timeframe. We should think about having a report ready in time for the Easter recess, which would give us a reasonable period.

If we agree in principle to proceed along those lines, we will return with a proposed work programme for the committee’s consideration on 17 January. Subject to approval of that programme, we can then move forward.

Christine May: I would like the clerks also to consider what evidence might be obtained without particular cost. For example, a letter to COSLA would not generate enormous costs, and it would probably give us quite a lot of the public sector, local authority, or Executive—

The Convener: The Executive, through the Foreign and Commonwealth Office, might be able to find out what happens in other countries.

Christine May: Yes. Let us use external support where we absolutely have to or where it would be difficult for our staff to get the information. However, I suspect that we can get some of the information that we need.

The Convener: The costings need to be independent of the Executive. We need to estimate the cost of undertaking a reasonably objective exercise. Susan Deacon is right to say that we should start with the facts and then consider the issues. Is everyone happy for us to move forward on that basis?

Members indicated agreement.

The Convener: I thank Dennis Canavan.
Scottish Parliament

Enterprise and Culture Committee

Tuesday 6 June 2006

[The Convener opened the meeting at 14:00]

St Andrew’s Day Bank Holiday (Scotland) Bill

The Convener (Alex Neil): Welcome to the 16th meeting of the Enterprise and Culture Committee. We have apologies from Susan Deacon and from Shiona Baird. Mark Ballard will substitute for Shiona Baird today. For the first two items, we have with us Dennis Canavan.

Agenda item 1 concerns the St Andrew’s Day Bank Holiday (Scotland) Bill and our consideration of the draft report that is based on the external research that we commissioned into the costs and benefits to the Scottish economy of the various options for celebrating St Andrew’s day. It is a fairly extensive report.

Members might recall that, after the stage 1 debate on the bill, the Parliament referred the matter back to the committee for additional work, whereupon we commissioned this piece of research. We did not want the research to come down on one side or the other. Rather, we wanted it to provide the data that we required in order to have an informed debate in the committee and in the next stage 1 debate, which is scheduled for the end of September.

Today, I would like members to air their initial views on this draft but not to make any final decisions, as they have not had a chance to study it in detail. It might be that we would like some additional quantitative analysis to be undertaken before the final report is produced—certainly, the Scottish Executive officials on the steering group have requested that that be done.

I will go around the table and ask people for their general comments. We will start with the sponsor of the bill, Dennis Canavan.

Dennis Canavan (Falkirk West) (Ind): Much of the report simply reiterates or corroborates information that we already had through the consultation process and the evidence that was given to the committee. For example, the document makes the point that Scotland has eight bank holidays, which is one of the lowest numbers in Europe. The report also makes specific reference to the situation in other countries. For example, it says that the St Patrick’s day celebrations contribute up to £54 million to the Irish economy and that the French national holiday on 14 July was established by an act of the French Parliament in 1880. Further, it says that the French research suggests that granting an additional holiday will not necessarily lead to a proportionate loss in output. The comparison that the paper makes with thanksgiving day in the United States of America is important because it falls around the same time of year as St Andrew’s day, which is in the lead-up to the Christmas shopping season. The paper says that, in 2003, that period accounted for 23 per cent of annual retail sales in the USA.

The report has many positive aspects, but I would question some of the findings, particularly those regarding quantitative analysis. For example, paragraph 6.4.1 refers to an alleged cost of £11.67 million for retail sales. That figure is based on a comparison with the holiday for the Queen’s golden jubilee in 2002. I do not think that that is a fair comparison because the 2002 holiday was a one-off that was held in midsummer—in June—and which coincided with the world cup, when many people would have been sitting at home watching the television instead of going out shopping or whatever else retailers want us to do on a bank holiday.

Under the terms of my bill, St Andrew’s day would of course be an annual event on or around 30 November, rather than midsummer, and it would not clash, as far as we know, with any other big international event. Therefore, I find it difficult to understand why the researchers who wrote the report are so much at odds with the Scottish Retail Consortium, according to whose calculations there would be a massive benefit to retail sales in Scotland from a St Andrew’s day bank holiday because it would be in the lead-up to the Christmas period. The SRC firmly supports my bill.

I have read criticisms in the press and elsewhere that the report draws no firm conclusions. I do not voice such a criticism because, as I understand it, the researchers’ remit was not to draw firm conclusions but to come out with facts, figures and evidence. It is up to the committee to draw its own conclusions.

I will finish by quoting from the editorial in today’s edition of The Scotsman, which describes the report as “an independent study which claims that making St Andrew’s Day a holiday for all workers would benefit the economy (marginally) through boosting retail sales and tourist income. However, the case for or against making St Andrew’s Day a national holiday cannot be settled by a appeals to cost-benefit analysis, if only because the numbers are subject to too much guesswork. In the end, the case for St Andrew’s Day is not about economics but about building national pride and civic identity.”
In my opinion, it is also about promoting Scotland on the international stage.

Taking into account all the evidence that the committee has received from various sources, including all the witnesses who gave written or oral evidence to us and all the evidence from the consultation process, and the evidence in the report, I stand by the view that the advantages of my bill would greatly outweigh any alleged disadvantages. I hope that the committee will take the bill forward. Thank you, convener.

The Convener: I emphasise Dennis Canavan’s point that it was not part of the consultants’ remit, which we agreed, to make a recommendation for or against the bill. Their remit was to provide us with data and information on which our judgment could be based. I also emphasise that the steering group that oversaw the study from the beginning, which included approving initial proposals on the remit, had an Executive representative. The Parliament paid for the report, but it was produced in close co-operation with the Executive.

I will go round the table and give every member an opportunity to have their say.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I would like to say two things, the first of which is directly related to the report, while the other is slightly away from it. I found that the report tested my mental capacity almost to destruction because it is pretty complicated and detailed, to say the least. To be honest, I have not formed an overall conclusion based on the report. The algebra in the appendix is truly something to marvel at, as are the economic statistics.

First, we need to be careful to reach a considered conclusion. I agree with Dennis Canavan that the research was not commissioned to point us in any particular direction, but we must make a judgment based on it. I am not saying that we should keep the matter in the long grass for weeks and weeks, but I would rather take a day or two to read it again two or three times before I draw a final conclusion on it.

Secondly, as we have talked about the matter more generally recently, I have been watching the reaction to public holidays both in my constituency and here in the Scottish Parliament to see how they apply to people going about their working lives. I point out to the committee that the second May bank holiday that the Parliament took at the end of that month was not observed to any great extent in my home town of Tain. There is a curious paradox in that observing the impact of bank holidays on people is somewhat different from doing a straightforward paper exercise that states that there should be eight, nine or 11 holidays. That reinforces my opinion, which I have discussed with Dennis Canavan in the past, that if we were to go down the St Andrew’s day route—I am certainly not ruling it out—we should tidy up the May bank holidays, which do make a great deal of sense to me or a lot of other ordinary people.

Richard Baker (North East Scotland) (Lab): I agree with everything that Jamie Stone said and I would certainly value more time to digest what is an in-depth report. When we consider our approach to the bill today, I hope that the report will play a valuable part in informing our decision on whom we will seek oral and written evidence from. In that sense, the report is very welcome.

Christine May (Central Fife) (Lab): You spoke about our having an informed debate. I regret that my ability to participate in such a debate will be limited by the fact that I printed off the report only this morning because of various things that happened over the weekend, not least of which was that the recent May bank holiday that we had at the end of May was observed yesterday in Fife. My office was therefore closed, remote access was down—

Mr Stone: I rest my case.

Christine May: Exactly.

The Convener: The question is when they celebrate St Andrew’s day in Fife.

Christine May: One argument for having a fixed date is that staggered holidays tend not to be observed. We in Fife find that we get neither May holiday because we work when everybody else is off and as everybody else is working when we have our holiday, we have to work then too. I make a plea for sympathy for Fifers, although I am not seeing much from around the table.

I would like to explore further some significant issues in the report, such as the idea of extending the Christmas season from St Andrew’s day to Burns night. That has a certain attraction if one wants to increase the number of visitors to Scotland over that period, which takes in winter festivals such as the well-established Celtic connections and the hogmanay celebrations in Edinburgh and Glasgow. Further exploratory work might need to be done on that.

We have to set retail opportunities against the cost to the public sector, which is another point identified in the report. There was a suggestion that if 50 per cent of the population were working on the day and the remainder were off, there would be knock-on costs.

There is an issue about the time of year. We cannot get away from the fact that the end of November is not a particularly attractive time of year to have a day’s holiday when we set it against, for example, a sunny day such as today, which has undoubted attractions. Nevertheless,
hordes turn out for Edinburgh’s hogmanay and for Celtic connections, so the time of year is not necessarily a deterrent.

I agree that we need to do further work on the cost-benefit analysis. What is in the report is helpful, but I would like some more detail.

I would like to explore further the matter of national pride and identity, although that might be covered in the report, which I have yet to read in detail. Do we need a bank holiday to express that or do we need something a good deal more subtle than just saying, “There shall be a day off”? I would like the committee to hear from the Minister for Finance and Public Service Reform; have some time to read and digest the report; ask the clerks to get further information from the consultants; ask questions; consider the key issues; and have the opportunity for a debate later in the session.

14:15

Michael Matheson (Central Scotland) (SNP): I had an opportunity to go through most of the report yesterday. I agree with much of what Dennis Canavan said about the cost-benefit analysis in the report. The thing that struck me most about the report is the way in which it set out the cultural and social benefits of having a national holiday such as St Andrew’s day by drawing international comparisons. The other countries that have established national holidays and a national day derive considerable social and cultural benefits as well as economic benefits, for a variety of reasons. I was struck by the level of detail with which the consultants provided us and found the report helpful overall, although it was rather difficult to get my head round some of the economic impact stuff.

I am conscious of having to decide where we are going with the bill. We have considered the matter previously and had two evidence-taking sessions in the original stage 1. We published a stage 1 report and had a stage 1 debate in Parliament. The bill was sent back to the committee and we have carried out research into it, which is helpful in putting more flesh on the bones of the arguments in favour of a St Andrew’s day holiday.

I am cautious about being drawn into taking more evidence from a variety of organisations to consider the matter in greater detail yet again, given that the report supports the committee’s original position at stage 1. It would be helpful if we could get guidance on where we should be taking this. I am rather reluctant to go through the stage 1 process yet again.

The Convener: We will discuss under item 2 how we are going to proceed.

Mark Ballard (Lothians) (Green): I found the report difficult to deal with, partly because I have not had to deal with the bill before. The economic impact section attempts to apply the impacts of the one-off jubilee holiday to an annual St Andrew’s day holiday, at an entirely different time of the year. It states that in the absence of detail about the likely form of celebrations, it is difficult to assess what the economic benefit of having a St Andrew’s day holiday would be. If we could celebrate St Andrew’s day in the way that St Patrick’s day is celebrated in the Republic of Ireland, it would have major economic effects. Whether we have the tradition in Scotland that would lead us to have that level of celebration is open to question. There are so many intangibles in the economic analysis.

The analysis of the social and cultural impact becomes completely intangible. I thought that the attempt to base an analysis of the benefits of St Andrew’s day on the benefits of the Olympics was an interesting tack to take. I understand why in casting around for something to base figures on, the authors of the report chose the Olympics. I note that the research on the Olympics found:

“70% to 80% of people thought that intangible benefits ... were more important than more tangible economic impacts such as jobs or new infrastructure.”

Ultimately, the question is whether we think that having a St Andrew’s day holiday is the right thing to do. We can chase our tails to some extent in trying to quantify whether it would be more like the jubilee holiday, Easter, the Olympic games or St Patrick’s day. I still get the feeling that the committee was correct at stage 1 to say that having the holiday was the right thing to do. I am not sure how much further the research can take us. We have no St Andrew’s day holiday on which to base any scientific experiment.

Murdo Fraser (Mid Scotland and Fife) (Con): I concur with colleagues on the report’s timing. I was unable to look at it at the weekend—indeed, I looked at it in detail for the first time only this morning and I certainly have not had any time to digest it. In fact, I have not really got past its conclusions. As a result, I find it difficult to talk in detail about the report. We need some more time to give it more serious consideration.

Nevertheless, I will set out some initial thoughts. Drawing on the comparison with Ireland, Dennis Canavan said that the proposal could benefit the economy by up to £54 million, which is presumably based on a boost in retail spending. I have to say that it will not be much of a holiday for the people in the retail sector who will have to work on that day to generate the increase in
spend. Moreover, giving people the additional time off could cost up to £180 million.

If, as I suggested previously, the St Andrew’s day holiday were a substitute instead of an additional holiday, we could get the best of both worlds by securing a proportion of the additional retail spend without incurring any additional costs. To that extent, the report rather helps my argument.

As I have said, we need a bit more time to consider the report. Indeed, I would be interested in hearing the Executive’s response to it. I appreciate that this spills over into the next agenda item, but we need to know what the Executive thinks before we can take this matter forward. I tend to agree with Michael Matheson that there is not much point in repeating all the work that we carried out at stage 1.

Other members have pointed out that the report provides helpful background material. However, it tells us what I think we already knew, and I wonder how useful it is in moving the agenda forward. How much did it cost to produce?

Dennis Canavan: It cost £26,000.

Murdo Fraser: Given that the report does not take us much further forward, I wonder whether that was a good use of resources.

Karen Gillon (Clydesdale) (Lab): It would be wrong of me to comment on the report, because I have not been able to read it. I did not receive it by e-mail; indeed, I received it only this morning and I have been in committee most of the day.

The Convener: It has been useful to get members’ views, if only to highlight the consensus on the view that we need more time to digest this draft report. Moreover, some members share the Executive’s view that additional information should be sought—without, I should add, making it an expensive exercise.

I realise that this ties into the next agenda item, but I ask that members submit through Stephen Imrie their observations, including requests for additional information, to the steering group. The same applies to the Executive. The group will then tell us within the next two or three weeks when it hopes to complete the exercise and submit its final report, which I imagine we will discuss after the recess. If it is possible—and if it is not too expensive—the consultants could give us a presentation on their final report, which will in turn give us an opportunity to ask them questions. Do members feel that that is a reasonable way of dealing with the report?

Members indicated agreement.

The Convener: In light of that discussion and in addition to what we have agreed, I suggest that, once we have received the final report and the presentation on it, we invite Tom McCabe, the minister with responsibility for this matter, to give us the Executive’s view not only on the report but, more important, on the bill. Again, I think that that will need to take place on our first—or, at the latest, second—meeting after the recess. We will then be in a position to draft our stage 1 report, which has to be submitted in time for the stage 1 debate on 29 September. Are members agreed?

Members indicated agreement.

The Convener: Dennis, are you happy with that?

Dennis Canavan: Yes.

The Convener: I also suggest that it would be proper procedure formally to refer the final report to the Finance Committee because it will have to update its report to the Parliament on the bill. I presume that it will do that in the light of what the final report says. In that way, we will keep ourselves right. I do not want the Executive to suggest that, because it does not have the Finance Committee’s update, the bill should be referred back to us again.

Do members agree to that way forward? We will finalise the report, invite the minister to tell us the Executive’s position and publish our stage 1 report. The stage 1 debate will be held on 29 September.

Members indicated agreement.
Celebrating St Andrew’s Day –
An Assessment of the
Economic, Social & Cultural
Costs and Benefits

Presentation of Findings of the Final Report
to the Enterprise and Culture Committee of
the Scottish Parliament Corporate Body

5th September 2006
Introduction

• Dr. Neil Blake Director of Economics & Forecasting, Experian Business Strategies
• Richard Sweetnam, Project Manager, Associate Director, Experian Business Strategies
• Josephine Burns, Director, Burns Owens Partnership
Definition - St Andrew’s Day Bank Holiday (Scotland) Bill

• Introduced in May 2005

• To establish a bank holiday on St Andrew’s Day (30 November) or, if the day falls at a weekend, the following Monday

• To facilitate the creation of a ‘National Day’ to celebrate Scotland and its people in terms of culture, diversity, history, tradition, contemporary society, arts, sport, enterprise and international standing

• Aim – to amend the Banking & Financial Dealings Act 1971 to make a new bank holiday
Research Specification

• Objectives
  – To compile a set of ‘celebration options’
  – Provide information on economic, social and cultural impacts of each option
  – Quantify impacts, in monetary terms where possible
  – Review relevant research on how other countries celebrate ‘national holidays’
Approach

• Desk Based Research
  – How St Andrews Day is celebrated
  – Consultations to date
  – Comparator Research – 5 celebrations

• Primary Research
  – Omnibus Survey
  – Local Authorities
  – 'Umbrella Groups’ – ASVA, Event Scotland, SCVO, STUC, SRC, SFE, CoSLA, CBI, SCDI, SCCB
  – Other – VisitScotland, Homecoming Scotland, Historic Scotland

• Analysis
Celebration Options

1. Changing the date of an existing bank holiday to St Andrew’s Day
2. Establishing an additional bank holiday on St Andrew’s Day
3. Having no bank holiday on St Andrew’s Day, but holding an event/celebration to mark the day
4. Building on existing local practices for the purpose of celebrating St Andrew’s Day
Key Findings - Comparator

• Ireland
  – Bespoke unit to develop a week long programme of activities around March 17th
  – Government-funded
  – Showcasing Ireland

• France
  – Paris-based
  – Network of local activities
  – 0.45% increase in working time does not equate to the same increase in output
Key Findings - Comparator

• **US**
  – Legislation to observe holidays on nearest Monday
  – July 4\textsuperscript{th} vs Thanksgiving Day
  – Start of the ‘Holiday Season’
  – National values – inherent part of the US social/ cultural heritage

• **Sweden**
  – Research suggests the ‘cost’ of additional holiday at up to 0.3\% of GDP
  – Neutral if substitution occurs
Key Findings - Economic

• Negative:
  – Cost of days lost + any extra overtime costs

• Offsetting:
  – Potential for re-scheduling work
  – Workforce more productive on other days

• Positive:
  – Additional spending
    • Tourism
    • Retail/leisure (*has to be additional*)
Key Findings - Economic

- Problems in measuring offsetting & positive effects:
  - Most existing Bank Holidays taking place every year
  - Cannot distinguish between normal seasonal movements (in sales, productivity etc) and the impact of the Bank Holiday
  - Have to focus on Bank Holidays that move:
    - Easter
    - Queen’s Jubilee
  - Neither are perfectly comparable with St Andrew’s Day (Easter is better) but they give some idea of magnitudes/directions
<table>
<thead>
<tr>
<th>Event</th>
<th>Retail sales</th>
<th>Manufacturing</th>
<th>Gas and electricity</th>
<th>Distribution</th>
<th>Hotels and catering</th>
<th>Transport and communications</th>
<th>Financial and business services</th>
<th>International tourist spending – UK residents visiting overseas</th>
<th>International tourist spending – overseas residents visiting the UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Queen's Jubilee / World Cup</td>
<td>Mild negative impact</td>
<td>Strong negative impact</td>
<td>No significant impact</td>
<td>Strong negative impact</td>
<td>Strong positive impact</td>
<td>Mild negative impact</td>
<td>Strong negative impact</td>
<td>No significant impact</td>
<td>No significant impact</td>
</tr>
<tr>
<td>Easter</td>
<td>Mild positive impact</td>
<td>No permanent impact</td>
<td>No permanent impact</td>
<td>Mild positive impact</td>
<td>No significant impact</td>
<td>Mild positive impact</td>
<td>Mild positive impact</td>
<td>No significant impact</td>
<td>Strong positive impact</td>
</tr>
</tbody>
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**Enterprise and Culture Committee, 15th Report 2006 – Annex D**
Key Findings - Economic

• Impact of Easter (UK & Scotland Adjusted)
  – GVA => +£61m and +£4.6m (0.1% increase)
  – Retail Sales => +£107m and +£9.5m
  – Tourism (UK) => we travel more, and spend more, net ‘cost' of £14m

• Alternative Method (Scotland)
  – Value output on a productive day
  – Assumptions on which sectors operate
  – GVA => - £135m or 0.18%
Key Findings - Cultural

- Mechanism to celebrate St Andrew’s Day conducive to achieving optimum cultural impact
- Options 1 & 2 – greatest impact, and greatest benefit and costs
- Option 3 – impact mitigated – no time to celebrate, nighttime activity restricted by time of year, but could still develop some activities
- Option 4 – Localised impact in the short term
Key Findings - Social

- How would people in Scotland spend their free time
  - Omnibus Survey
    - Higher proportion of people in Scotland worked – indicative of observing local holidays?
    - Non work – ‘at home’ (46%), VFR (21%), Short Break (12%)

- UK Time Use Survey – indicate how people could spend additional free time
  - 2.3m in employment (FT and PT) => a day off
  - 17% of residents could benefit from a day off
  - 36% of jobs in sectors that will remain open, rest ‘mixed’, and ‘closed’

- Willingness to pay
  - Enterprise and Culture Committee, 15th Report 2006 – Annex D
Source: Experian 2006, based on ONS data

Enterprise and Culture Committee, 15th Report 2006 – Annex D
Conclusions

• Clarify what it is about St Andrew’s Day that Scottish residents identify with
• Distinct, but complements existing offer
• 5-10 year gestation period – financial support
• How to celebrate depends on presence of a holiday, and then what day?
• Winners & Losers
  – In general Options 3/ 4 more popular with private sector, yet dilute cultural impact
  – Option 1 (substitution) favoured in mitigating against perceived disruption/ loss but reluctance?

Enterprise and Culture Committee, 15th Report 2006 – Annex D
Celebrating St Andrew’s Day –
An Assessment of the Economic, Social & Cultural Costs and Benefits

Presentation of Findings of the Final Report to the Enterprise and Culture Committee of the Scottish Parliament Corporate Body

5th September 2006
Scottish Parliament  
Enterprise and Culture Committee  
Tuesday 5 September 2006

[THE CONVENER opened the meeting at 14:01]

St Andrew’s Day Bank Holiday (Scotland) Bill: Stage 1

The Convener (Alex Neil): As it is now one minute past 2, I welcome everyone to the 19th meeting in 2006 of the Enterprise and Culture Committee. I remind everyone to switch off their mobiles.

We have received three apologies, of which two are for absence. Jamie Stone is unable to join us. Karen Gillon is also unable to join us but we welcome Margaret Jamieson, who is here in her place. Christine May will be slightly late.

I welcome Dennis Canavan, who has joined us for item 1, which is the St Andrew’s Day Bank Holiday (Scotland) Bill. Members will recall that, in consultation with the Executive, we commissioned fairly major research into and evaluation of the implications of the bill. The full report has been circulated to members. We have asked the consultants to give us a presentation, at the end of which we will ask questions and, I hope, get some answers. We will not take any decisions today as this is essentially a briefing session for members and for the public.

I ask Richard Sweetnam to introduce his team and to give us a presentation.

Richard Sweetnam (Experian Business Strategies): First, I thank the committee for giving us the opportunity to discuss further our research paper, “Celebrating St Andrew’s Day—An Assessment of the Economic, Social and Cultural Costs and Benefits”. Representing the research team is Neil Blake, on my right, who is director of economics and forecasting for Experian Business Strategies. He led on the economic analysis in the report. On my left is Josephine Burns, who is a director of Burns Owens Partnership. She assisted on the cultural assessment. I am associate director of Experian Business Strategies and was project manager for the research.

For the next 10 or 15 minutes, I will speak about the research specification, our approach to the research, some of the options for celebrating St Andrew’s day and our key findings. We will then break into the question and answer session.
national celebration. The third option was to have no bank holiday on St Andrew’s day but to hold an event or celebration to mark the day. Similarly, option 4 was to build on existing local practices to celebrate St Andrew’s day. The public sector would undoubtedly be involved in all options, but under option 4, local authorities could have a greater role to play.

I move to the key findings. From the comparator evidence, an interesting finding about St Patrick’s day in Ireland is that a bespoke unit was established about 10 years ago to develop a week-long programme of activities around 17 March. That is a Government-funded initiative that aims to showcase Ireland for a week at home and abroad, and which culminates in the St Patrick’s day parade in Dublin on 17 March.

Similarly, in France, the main focus of national celebration is on the capital. However, that is supported by a network of local activities throughout the country on 14 July and the following weekend. Some research has been done into France giving up a holiday; our review of that research suggested that the 0.45 per cent increase in working time from giving up a holiday did not equate to the same increase in output.

The findings from the United States suggest that holidays are observed on the nearest Mondays, so the intention is to maximise leisure time and minimise disruption to key sectors. We examined 4 July and thanksgiving day. One day is a national holiday about independence, whereas the other is about going home and family celebrations and marks the beginning of the Christmas season. The day after thanksgiving is the busiest retail day in the US calendar. Both holidays are about national values and are an inherent part of the US’s social and cultural heritage.

Sweden was added to the comparison because it recently introduced a national holiday on 6 June. Some research suggests that the cost of that additional holiday through lost output is 0.3 per cent of gross domestic product. However, if a holiday were taken in place of another holiday, the impact would be broadly neutral. In terms of the economic analysis—[Interruption.]

Sorry—there seems to be a glitch with the PowerPoint presentation, but I will continue. On the economic analysis, we took three overall approaches. The first approach was a cost analysis. We considered the negative impact and the cost of a day of lost output. That analysis does not take any account of positive impacts or gains.

Our second approach was a net analysis. We considered the off-setting costs and benefits and the impact on the economy of a bank holiday. We took cognisance of the fact that not everyone takes a holiday and that those who do might work harder before and after the holiday to compensate for the day off.

Thirdly, we undertook a positive analysis of the impact and considered actual spending behaviour on two holidays. The problem with such an approach lies in distinguishing between normal movements in output and those on a bank holiday. To do that, we examined two bank holidays that move. In considering March and April, we compared months with an Easter to those without. We also examined the Queen’s jubilee holiday in 2002. We acknowledge that a St Andrew’s day bank holiday is not directly comparable, but the analysis indicated the magnitude and the potential direction of movements.

What can we conclude? There is a table in the report that summarises the fact that Easter is good for retailing and the jubilee weekend was bad, whereas both holidays were good for hotels and catering. Easter has no lasting effect on manufacturing because losses are made up elsewhere in the month, before and after the holiday. On the Queen’s jubilee holiday, drops in value added might show that the time of year was significant. For example, the retail sector might suffer more in warmer months than in colder months, given a lack of real alternatives for our leisure time.

The Convener: I am sorry to interrupt you, Richard, but should we suspend the meeting for a few minutes to give you time to sort out your PowerPoint presentation?

Richard Sweetnam: Whatever the committee feels. I am happy to plough on.

The Convener: You have taken a lot of time to prepare your presentation, so it would be a shame if we did not see it. I suspend the meeting for a couple of minutes.

14:13

Meeting suspended.

14:16

On resuming—

The Convener: Okay, we are back on course, so I reconvene the meeting. I hope that this time the technology is working. Over to you again, Richard.

Richard Sweetnam: Thanks.

Of the three approaches that I outlined, I refer particularly to the offsetting approach, which involves examining the actual behaviour of the economy on two bank holidays: the Queen’s jubilee and the Easter holiday. What can we conclude? The Easter holiday was good for
retailing, but the jubilee weekend was bad for that sector. However, both holidays were good for the hotel and catering sectors. The Easter holiday had no lasting effect on manufacturing, as losses were made up elsewhere, either before or after the month of the holiday.

On the jubilee holiday, drops in value added may be because of the time of year. For example, retailing may suffer more in warmer months than in colder months, when there may be a lack of real alternatives for leisure time. Obviously, St Andrew’s day has a greater affinity with Easter. Our research discounted the jubilee holiday for two crucial reasons. One was the time of year—it was June of 2002—but there was also the complicating factor of the jubilee coinciding with the 2002 world cup.

On the net analysis, the impact of Easter at both United Kingdom and Scotland levels—as adjusted—is an increase in gross value added of £61 million and £4.6 million respectively for the UK and Scotland. On retail sales, the analysis indicates an increase of £107 million and £9.5 million, respectively. On the tourism impact, which was done on the basis that we travel and spend more at Easter, there was a net cost to Scotland of some £14 million.

I referred before the technical glitch to the cost analysis, which entails looking at the actual cost of output. By way of an alternative method, we valued output on a productive day, made assumptions about which industrial sectors would be most affected and came up with a cost—or a loss—of £135 million. However, I stress that that does not account for any productivity gains that are accounted for in the previous method.

On the cultural impacts in the findings, we were striving to present to the committee evidence on ideas rather than give recommendations about how Scottish residents should celebrate St Andrew’s day. Overall, if there was a bank holiday for St Andrew’s day, we would need a mechanism to celebrate it and to ensure that Scotland fully benefited culturally. As options 1 and 2 would involve a bank holiday, there would be more scope to develop an integrated programme of activities around a national celebration. That scope would be reduced somewhat under options 3 and 4, which would not provide a day off. There would be less time, and the time of year and climate would perhaps restrict some night-time activities. Given how option 4 could be developed, there would inevitably be a greater localised impact in the short term.

For the social analysis, we drew on the online omnibus survey and asked respondents at UK level how they spent their time on a recent May bank holiday. The results indicated that a higher proportion of people in Scotland than elsewhere worked on that bank holiday, which may be indicative of our culture of observing local holidays. Of those who did not work, 46 per cent stayed at home, 21 per cent visited friends and relatives and 12 per cent participated in short breaks.

We used the United Kingdom time-use survey as another indicator of how people could spend additional free time. Again, that indicated that in our spare time we tend to participate in sports, hobbies and cultural pursuits. We also quantified the number of Scottish residents who could benefit from a day off in relation to how economically active they are and the sectors of the economy in which they work. Based on there being some 2.3 million people in employment, we came up with the figure that about 17 per cent of Scottish residents—about 800,000 people—could benefit from a day off.

Our social analysis also considered the concept of willingness to pay. Essentially, it is a method of valuing intangible impacts, such as the so-called feel-good factor from an intervention, and it is common in health and environmental economics. If we assume that St Andrew’s day would have similar effects to those that were quoted in research on the London 2012 Olympics—the benefits of national pride, uniting people and increased participation—and a willingness among Glaswegians to pay about £12, we can monetise the benefit at some £27 million per annum.

We also estimated which sectors could operate in the event of a holiday. We did that to assess the number of beneficiaries. Based on data from the Office for National Statistics on employment across key sectors of the Scottish economy, and on assumptions on whether those sectors would be open, closed or mixed, we came up with the estimates that are shown on page 46 of our report.

There are some key points in our conclusions. Research suggests that we need to clarify what it is about St Andrew’s day that Scottish residents identify with. If there was a holiday around St Andrew’s day, it would need to be distinct from other bank holidays and to integrate with what is already a busy period in the Scottish events calendar. Research also suggests that there would be a five to 10-year gestation period in the deliverability and branding of a national holiday. That would inevitably require financial support.

How to celebrate St Andrew’s day depends on two things: first, whether we have a bank holiday; and secondly, if we do, the day on which we choose to celebrate it. Would it be fixed to 30 November, or would it be celebrated on the nearest weekend day?

Options 3 and 4 are generally more popular with the private sector, but they would perhaps dilute
the cultural impacts. Option 1—substitution—is generally favoured as it would mitigate the perceived disruption or losses to the economy, but there may be a reluctance to surrender an existing bank holiday.

The Convener: Thank you—that was very helpful. Before we move to questions, I remind committee members and people in the public gallery that the committee has been given two remits by Parliament: one is to consider the bill and the other is to consider other ideas for celebrating St Andrew’s day. There might be a tendency for us to concentrate on the bill but we should bear in mind our dual remit. We should cover both sides.

Dennis Canavan (Falkirk West) (Ind): First, I would like to thank Richard Sweetnam and his colleagues for a helpful and interesting presentation.

A criticism has been that the bill would not in itself achieve the objective of a national celebration of St Andrew’s day, so other measures would be required. Your international comparison seems to indicate that considerable social, economic and cultural benefits could arise from a national holiday on St Andrew’s day. Can we learn from other countries how to celebrate the day and make it a day of national celebration?

Richard Sweetnam: The crucial point is that there will be a day off in order to celebrate. We therefore need to develop something unique to St Andrew’s day. Our research across all countries might provide innovative ways of how the idea might be delivered, and might suggest ways in which central Government and local authorities could join in or lead national celebrations.

Ireland is an obvious example of where there has been a specific intervention from a unit that develops activities and celebrations not only in Ireland but around the world. There is good practice to learn from.

I suspect that we have to come back to how Scottish residents want to recognise St Andrew’s day and celebrate it. If the bill unlocks a bank holiday, we will have to do something to celebrate it.

Dennis Canavan: Your paper refers to consultations of local authorities. You may have seen the document that summarises the responses to my consultation on the bill proposal. The document says:

“The vast majority of elected politicians who responded expressed support”

for the proposed bill, and

“a majority of local authority responses were in favour”.

Can you confirm that the responses that you received from local authorities were, in general, from local authority officials such as chief executives and heads of human resources departments? There was virtually no consultation of elected representatives in local councils because of time constraints—some of the responses refer to that.

Richard Sweetnam: I confirm that there was no formal approach to elected representatives. However, within the time constraints to which you referred, we spoke to people in chief executive’s offices.

In general, across the sectors, there is support in principle for a St Andrew’s day celebration. Our consultation shows that. Among other things, we asked local authorities—with the caveat that means chief executive’s offices—about the propensity to surrender a local holiday. We were trying to home in on issues to do with option 4.

14:30

Dennis Canavan: My final question of clarification concerns the possible uptake and observance of the holiday. This morning, an organisation called icScotland.co.uk reported:

“Fewer than one in five Scots would get a day off work if St Andrew’s Day became a public holiday, a report before MSPs has said”.

That is a clear reference to your report. Do you accept that that distorts its findings somewhat? On page 46, the report says:

“We … estimate that up to 36% of Scotland’s jobs are in sectors that are likely to operate on a Bank Holiday.”

I therefore assume that, in your estimation, 64 per cent of workers would work on the bank holiday. How did you arrive at those figures?

Moreover, 64 per cent of Scotland’s 2.3 million workforce equates to 1.5 million people working on the holiday. If we assume that the bank holiday is also a school holiday, that means that 3.5 million people will not work. As a result, approximately 70 per cent of people will observe it.

Richard Sweetnam: This comes back to our assumptions about how people in each sector might react. The fact that the report covers a range of potential beneficiaries might address your point.

The estimate in question is based on our views on how sectors might react, which have been informed by our consultations. For example, the Scottish banking sector would mostly stay open; however, employers in various sectors are moving towards offering flexibility. As a result, the one in
five figure to which Dennis Canavan referred might well be a distortion in that it is a specific figure. After carrying out the research, we do not know how people might behave. I should point out that there is no correlation between our omnibus survey on people's behaviour on bank holidays and the figure; we simply came up with an indication of the number of beneficiaries—that is, workers—and the time that they might get off.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): Thank you for a very interesting report and presentation. Following from Dennis Canavan's question, I am interested in—and concerned about—not so much the desirability of having this national holiday as its deliverability. Given your research, are you able to elaborate on how we can make it happen?

Although the full report provides quite a bit of information on them, you have not said too much about the legislative framework in other countries. I wonder whether you can summarise the features and effects of the frameworks elsewhere. How important has legislation been in driving and delivering such changes? Does it, in fact, come later and reflect what has already happened in practice?

As far as delivering change is concerned, at earlier stages of considering the bill, I have asked about schools. Dennis Canavan, in passing, asked us to assume that the holiday would also be a school holiday. I do not like to make any assumptions, and experience suggests that we cannot assume that school holidays are necessarily aligned with holidays that business takes. Of course, that creates all kinds of issues for individuals and families throughout the land.

Richard Sweetnam: The two crucial issues are the deliverability and the legislative framework. In some cases, holidays are apparent and we have inherited them. The legislative framework is important, in the sense that it protects the work-free days in the comparator countries. Certainly in Ireland and France and, I suspect, in Sweden, they are a legal right of employees and employees who work on public holidays are entitled to compensation of the equivalent time off work. In that sense, the legislative framework protects the workers and is important to delivering and sustaining bank holidays.

If your question related to the deliverability of holidays for celebrations, that depends on what kind of celebrations Scotland has in mind for St Andrew's day. My colleague Josephine Burns may be able to comment on that.

On schoolchildren, research should reflect on the social element about logistics and managing children and work, particularly on bank holidays.

Josephine Burns (Burns Owens Partnership): The heart of the question that Susan Deacon posed is whether legislation drives change and creates a signal to which the population responds or whether it reflects the public will, which in this case is the desire to celebrate and understand the national identity in a particular way and at a particular time and place. I stress that our research was limited and that the work that you asked us to do concentrated very much on the economic aspect. My caveat is that we did not consider every celebration, but only those that are mentioned in the report that is before you. On balance, we see a legal desire to reflect grass-roots celebrations. That is certainly the case with St Patrick's day. [Interruption.]

The Convener: That is the fire alert. We are to remain in the building, so we will carry on in the meantime, but if we get another alert, I will have to suspend the meeting.

Josephine Burns: I hope that what I said did not cause that. [Interruption.]

The Convener: The alerts may continue for a fair period, if 9 o'clock on a Wednesday morning is anything to go by. I am sorry, but we will try to carry on as if nothing is happening until we hear something serious. [Interruption.] I think that we had better suspend the meeting until further notice. It would be unfair to the witnesses not to suspend until the situation is resolved.

14:39

Meeting suspended.

14:49

On resuming—

The Convener: I think that we can reconvene. The fire alert message has stopped, but that does not mean that the mini-crisis is over; we may still have to vacate the building. At least we can continue without the background music.

Jo Burns was in the middle of her answer to Susan Deacon's question. It is probably best if you start again.

Josephine Burns: Okay. The two issues that Susan Deacon asked about were deliverability and legislative consequences or legislative importance. As you will see from our report, there is no clear answer to the question whether the legislation makes the day. As Richard Sweetnam has described, it protects the day—it enshrines it—but does it make it a cultural celebration? Does it reach into people's hearts and into the heart of the culture of a place? No, legislation probably does not do that.
We must, therefore, consider the question slightly differently and say that, on the basis of our limited research—this is not the principal area of benefit that you asked us to look at—which included an interesting interview with Calum Iain MacLeod, the chief executive of An Comunn Gàidhealach, which organises the Mod, it is clear that a desire is emerging to celebrate Scotland’s culture within a European and international context. Although there are many different small, medium-sized and even large celebrations, none of them coalesce into something in which each kind of celebration comes together to celebrate the thing called Scotland. There are the highland games, the common ridings, the Mod and a range of evidence of culture and cultural celebration—not forgetting sport.

Deliverability and legislative importance are linked. Deliverability depends on structures that can be harnessed to make something happen. Action from the top down—the Parliament and the Executive deciding that you want to have this day and, let us say, hold a ceilidh in Edinburgh castle—is not the thing that will make St Andrew’s day a real celebration as the bill wishes.

As our report suggests, there would have to be a gestation period in which we could examine and try to build capacity—that is consultantspeak. We need to build the extent to which existing structures or, indeed, new structures that might come through can develop local community celebrations that will somehow relate—inevitably and quite properly—to the big initiatives that the Parliament may wish to take, which might include a firework display at the castle or whatever. In our report, we have hazarded a few guesses at some of the things that might be involved in creating deliverability. In section 5.3.1 we give a brief and not comprehensive—or thoroughly researched—list of ideas of what the thing might look like.

I hope that I have responded adequately to the question.

Susan Deacon: Yes. Thank you for both answers, which were very informative.

I want to clarify two factual points. The first goes back to something Richard Sweetnam said. You talked about how legislation in other countries protects the day and said that it ensures that, when employees work on the day, they are entitled to an alternative day off. Does the legislation protect both the date and the time, as happens in Ireland and Sweden.

Richard Sweetnam: The United States has a slightly different legislative framework, but I suspect that the legislation protects both the date and the time, as happens in Ireland and Sweden.

Susan Deacon: Thank you.

My second question goes back to my chicken-and-egg, cause-and-effect question. Did you come across any examples of legislation being used as a catalyst to bring about a holiday? We know that the dates exist as significant dates in the calendar. Has legislation elsewhere been used as a catalyst in that way or, more than that, as a means of forcing businesses or schools to close on a particular day?

Richard Sweetnam: I would be reluctant to answer that question in relation to holidays that have been established for a long time, such as St Patrick’s day, or Bastille day in France.

This is not a direct comparison, but in Sweden the catalyst was the desire for a national day. A way had to be found to deliver that within the existing calendar of public or bank holidays in that country. In terms of cause and effect, the legislation delivered the desire for the national holiday. I may need to defer on other evidence from Canada. It was not formally assessed as part of our comparator research, but it is an example of a relatively recent legislative change in delivering public holidays.

Susan Deacon: My final point may be out with the scope of your remit. It is naughty of me to ask you to take a broad-brush view of this, but in general would you say that the other legislative frameworks that you have examined are comparable in terms of the number of teeth that they have? Are we comparing like with like when we are comparing the bill, the powers that we have and the legislative frameworks that exist elsewhere?

Richard Sweetnam: I would need to give further consideration to the legislative comparability across countries, nations and Parliaments. National holidays such as St Patrick’s day are not specifically enshrined in legislative frameworks, but there are a number of bank holidays and public holidays that are delivered by legislation. We will have to examine specific legislation in relation to the more recent holidays, such as those in Sweden and Canada.

Murdo Fraser (Mid Scotland and Fife) (Con): I am interested in what you call option 1: the idea of creating a new holiday, but in substitution for another holiday at a different time of year. The research that you did on Sweden was interesting, because if I read your submission correctly that is exactly what was done there. In 2005, the first year after the creation of the new national day holiday on 6 June, an existing holiday, Whit Monday, was effectively removed from the list of holidays. I understand that the information that you have on Sweden in the report is comparatively limited, but I wonder whether you can add anything to what has been said about the public reaction in Sweden to the idea of creating a
national day holiday at the expense of another holiday. How was that received by the public? Was there any resistance to the idea?

Richard Sweetnam: Not that we have come across. The Swedish comparator was unearthed during our research. We were reacting to something we found. Uniquely, some research had been done on the economic costs of a public holiday. That was the trigger for us to look at Sweden. Our focus was specifically on that research. That said, nothing emerged during our research that indicated support or lack of support for a substitution.

Neil Blake (Experian Business Strategies): Richard Sweetnam will correct me if I am wrong, but the move from Whitsun tide to 6 June is not particularly significant in terms of time—it is a change in the purpose of the holiday—but moving from Whitsun tide to November could have a different effect.

Murdo Fraser: I understand that. If I read your report correctly, I think you are saying that there was no negative economic impact of moving the holiday and that the general effect was relatively neutral.

Richard Sweetnam indicated agreement.

Murdo Fraser: It may be too early to say because the national day holiday in Sweden was introduced only in 2005 and you may not have information about it, but I would like to know the extent of take-up of national day celebrations and information about it, but I would like to know the extent of take-up of national day celebrations and how they have been aided by the fact that the national day holiday at the expense of another holiday. How was that received by the public?

Richard Sweetnam: Not that we have come across. The Swedish comparator was unearthed during our research. We were reacting to something we found. Uniquely, some research had been done on the economic costs of a public holiday. That was the trigger for us to look at Sweden. Our focus was specifically on that research. That said, nothing emerged during our research that indicated support or lack of support for a substitution.

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15:00

Richard Sweetnam: That too would warrant additional research by us. As I have said, the Swedish comparator came to us late when we were carrying out our case studies. However, you are right: it may be too early to assess the impact.

Murdo Fraser: Okay. Thank you.

Shiona Baird (North East Scotland) (Green): It is important to point out that Sweden has 11 public holidays and that it could replace one holiday with another holiday. Perhaps that makes a difference to the options for Scotland, which has fewer bank holidays.

I found your report positive, particularly on how important national holidays can be and their various cultural and social benefits. We should consider what happens on thanksgiving day in America against the concerns that have been expressed about the proposed St Andrew’s day holiday being at the end of the year, when the weather is not good. As your report points out, the experience from America is positive—thanksgiving day is used to visit family and friends and is a national day of celebration.

I have a concern. Such holidays are well established in other countries and their social and cultural impacts have been seen to far outweigh their impact on the economies of those countries. Social and cultural impacts are seen as much more important than any economic downturn that may result. However, with the new holiday in Sweden, there has been an immediate assumption that GDP matters and is more important than social and cultural impacts. Do you think that the cultural and social importance of recognising a national day far outweighs the importance of there being a slightly negative impact on the economy, which is possible? Am I putting words into your mouth?

Richard Sweetnam: I suspect that the cultural and social momentum in those countries has gathered over many years. There has never been a need to quantify the economic impact on some of our comparators. There has been academic research on the economic costs of the bank holiday in Sweden, but that does not mean that economic costs are more important than cultural and social benefits. That is my initial reaction.

I want to clarify something. Any negativity that I conveyed when I compared St Andrew’s day with other days arose from comparing it with the Queen’s jubilee holiday and a June holiday. St Andrew’s day is, of course, in November, at the same time as thanksgiving, as has been pointed out.

Josephine Burns: It might be dangerous to say that our report absolutely and conclusively proves that the cultural and social benefits would outweigh any marginal or greater economic loss. I do not think that we can prove that they would, partly because it is extremely difficult to compare people’s evaluation of cultural or social benefits with their evaluation of economic factors, as we found in undertaking the work. It depends on what a person feels and what their values are, which is both a collective and an individual matter. Having a St Andrew’s day bank holiday is a collective matter in respect of whatever decisions the Parliament might make and an individual matter in respect of how the person on the Musselburgh omnibus might feel about it.

I should perhaps point out that my taxi driver on the way here was very keen on having a St Andrew’s day bank holiday. However, what taxi drivers think is not necessarily the litmus test.

Shiona Baird: Both the presentation and the report say that 30 November is a busy time of year. For the life of me I cannot think what is being referred to, apart from the run-up to Christmas, as
there are no bank holidays from August onwards—

Christine May (Central Fife) (Lab): The run-up to Christmas is what is being referred to.

Richard Sweetnam: In addition to the run-up to Christmas, some activity already takes place around St Andrew's day and there are winter festivals in places such as Edinburgh. After Christmas, we start to get into Burns territory. In the calendar of Scottish events, the end of November is a relatively busy period.

The Convener: An interesting point that is highlighted in the report is that St Andrew's day is celebrated more in the town of St Andrews than anywhere else. In that area, the deliberate strategy has been to use St Andrews day as the beginning of a six-week festival running through Christmas and new year and right into Burns day—in fact, that is eight weeks—which is at the end of January. One issue is the degree to which St Andrew's day can give energy to the run-up to Christmas and hogmanay celebrations, which could finish off with the Burns thing.

Shiona Baird: From the report, it is clear that thanksgiving day has a significant impact on that period. I will leave the issue at that.

Christine May: I remember when Fife Council, of which I was then leader, picked up the St Andrews celebrations of St Andrew's day and began to develop them into a week of celebration and activities. The success of hogmanay over the past five to 10 years demonstrates that it is possible to generate sufficient interest and public support around a day or date in the calendar without legislative designation for it. After hearing the responses that we have been given today, I am coming to the view that we may need simply to hold our noses and jump one way or the other—there seems to be no definitive evidence either way.

I have one question about the slide in the presentation that referred to the need for support. It was suggested that if we are serious about promoting St Andrew's day as a national day of celebration or as a day that, as Alex Neil suggested, kicks off eight weeks of celebration that end with Burns night, we would need to provide public support. Demands for additional public sector support have also been made for the Edinburgh festival and for hogmanay. Is there any evidence to quantify how much support would be required over five to 10 years? Is there evidence from Ireland—where what was already, by and large, an established Church holiday was moved into a week of celebrations—or Sweden, where I presume some funding had to be put in place?

Richard Sweetnam: In our research, we were reluctant to attribute a cost to celebrating something when we did not know the form of celebration. On that basis, we did not come up with an attributable cost. However, developing St Andrew's day as part of a bigger offer to get more people into Scotland would involve costs for marketing and so on.

By way of evidence—the caveat is that we are not comparing like with like—the Irish Government's most recent contribution to support St Patrick's day celebrations amounted to £690,000. However, it would not be correct to assume that Scotland would face similar costs; the cost would depend on what we were trying to deliver and what we were trying to achieve.

Christine May: Are any figures available for Sweden?

Richard Sweetnam: Our research did not uncover any.

Margaret Jamieson (Kilmarnock and Loudoun) (Lab): I want to ask about the practicalities. I note that you conducted primary research through local authorities, the Convention of Scottish Local Authorities and the STUC, COSLA and local authorities. Did they express a view on the practical application of the four options? In the public sector, a significant number of people have reduced their public holidays from 10 to five fixed holidays and five floating holidays. Local authority staff say that they will move some holidays so that they can have a Christmas closedown. Were the practicalities discussed with the Executive, particularly the Health Department, the STUC, COSLA and local authorities?

Richard Sweetnam: Yes. All the interviews were structured and all interviewees were presented with the different options. Our research flagged up the shift, among some local authorities in particular, to allowing employees the flexibility of so-called banking bank holidays—staff having an aggregate number of days and choosing how to spend them.

Margaret Jamieson: Did that not influence those who were involved in your research to say that one of the four options was a better fit for them?

Richard Sweetnam: We presented evidence around the options without articulating the preferences of individual consultees. Across sectors there is broad consensus about celebrating Scotland in some form. The no holiday option was a better fit for the private sector. All public sector and local authority consultancies fed back the need for flexibility. The proof of the pudding is in the eating. In general, the respondents said that they would need a lot more information before they could commit to saying how they might behave.
The Convener: I have a couple of questions about how to generate the celebration of St Andrew’s day both inside and outside Scotland. Two things struck me. The first is that there is a dedicated unit in the Irish Government to coordinate St Patrick’s day activities. I suppose that EventScotland could take responsibility for organising St Andrew’s day activities; otherwise, we could simply have a dedicated unit. How important would that be in making a success of the celebrations?

Secondly, what kind of celebrations have the most impact domestically and internationally? In Boston, at least, where I lived, St Patrick’s day is almost as important as thanksgiving and independence day, because of the Irish community there. What kind of celebrations are most effective for getting the message across?

Richard Sweetnam: You asked about a dedicated unit, or some other intervention to deliver a successful celebration. The unit in Ireland is a relatively recent important intervention to rejuvenate the flagging brand of St Patrick’s day, which you are right to say has always been a major event in America.

A parade-driven event, with a series of satellite parades or events, that is focused around a capital or major city seems to be one common denominator in the events that have the most national and international impact. It would be interesting to know whether that is a legacy of the history of national days.

15:15

Josephine Burns: It is quite hard to quantify success. There is something about the large, civic public display that is extremely important. It is the big signal, but that must not be all there is. The most successful days seem to be those in which such displays are linked to and somehow in relationship with a local community engagement that involves family or other structures.

Thanksgiving day has been mentioned. In thanksgiving day, the community is the family; people stay at home to be with, and eat with, their families. You must signal the flavour of St Andrew’s day—the kind of day you want it to be—and there will need to be a lot of engagement with the local community to define what it might be and might become over the years.

The Convener: That was an extremely helpful evidence-taking session. I thank the consultants very much for a helpful and well-researched piece of work. We will schedule for next week a discussion on the committee’s attitude to the bill and other ideas on the celebration of St Andrew’s day and will discuss a draft report on 19 September. We are working to a fairly tight timetable, which has been set by the Parliamentary Bureau, but on that schedule we should be able to complete our consideration in time for the stage 1 debate, which is scheduled for 29 September.

As we have had two suspensions, I am inclined to move straight to item 2.
Dear Alex,

ST ANDREW’S DAY BANK HOLIDAY (SCOTLAND) BILL

I am writing to inform you of the Scottish Executive’s position regarding the St Andrew’s Day Bank Holiday (Scotland) Bill ahead of my meeting with the Committee tomorrow.

Ministers have been considering the way forward on the Bill, taking into account the findings of the consultants’ report commissioned by the Committee, and of other consultations we have undertaken with stakeholders. The First Minister has also discussed the Bill with Dennis Canavan.

We have concluded that the Executive will not oppose the Bill on the basis that, although it will not in itself create a new national holiday, it would encourage employees and employers to substitute an existing local holiday in favour of a national St Andrew’s Day holiday, and thus help accommodate the desire we share for the Day to be recognised as one for national celebration.

We hope that the Committee and the Parliament will share this view and will endorse a statement to that effect, which has been agreed by the First Minister and Dennis Canavan, and which I attach.

I look forward to discussing this further with the Committee tomorrow.

Best wishes,

TOM MCCABE
St Andrew’s Day Bank Holiday (Scotland) Bill – Joint Statement

The Scottish Parliament shares the aspiration that St Andrew’s Day should be an occasion for national pride and a celebration of Scottish culture and heritage.

A greater celebration of St Andrew’s day in Scotland will be both an economic opportunity at home and a further opportunity to promote Scotland overseas. However, the independent research report commissioned by the Committee confirmed that we should not be complacent about any potential negative economic impact of adding an additional day to the annual holiday entitlement.

Where such concerns exist, creating the legal framework that would allow for a Bank Holiday on 30th November would encourage employers and employees to substitute an existing local holiday in favour of a National St Andrew’s Day holiday. A model of this approach is to be found in the Scottish Parliament itself which decided in 1999 to substitute St Andrew’s Day for an existing September holiday.

Parliament recognises that passing this Bill does not in itself create a national holiday. The Bill is largely symbolic, but if passed, provides an important signal that Scotland’s Parliament, over time, wishes to see a greater national celebration of St Andrew’s Day.
Scottish Parliament
Enterprise and Culture Committee
Tuesday 12 September 2006

[The Deputy Convener opened the meeting at 14.01]

St Andrew’s Day Bank Holiday (Scotland) Bill: Stage 1

The Deputy Convener (Christine May): Good afternoon everybody. The technological issues are now resolved, so welcome to the 20th meeting of the Enterprise and Culture Committee in 2006. We have apologies from Alex Neil, the convener.

I welcome the Minister for Finance and Public Service Reform, Tom McCabe, and Dennis Canavan, who are here for agenda item 1, which is consideration of the St Andrew’s Day Bank Holiday (Scotland) Bill at stage 1. The committee will take evidence from the minister. Would you like to make an opening statement, minister?

The Minister for Finance and Public Service Reform (Mr Tom McCabe): Yes. Thank you, convener, and good afternoon to you and the committee members. Thanks again for the opportunity to come along and say a few words about the St Andrew’s Day Bank Holiday (Scotland) Bill.

I begin by acknowledging all the work that has been done on the bill, including the additional work that we gave the committee following the previous stage 1 consideration. We recognise that the bill looked at first glance like straightforward legislation, but after closer examination we all now know that that is not the case.

When I came along to the committee last December, I said that I would be happy to consider the committee’s conclusions about ways in which to celebrate St Andrew’s day that were based on a rigorous examination of the options. I was pleased to see that the committee decided to undertake further research on how national and bank holidays are celebrated in other countries, and to consider the various consequences of such holidays in terms of costs and benefits. We welcomed the opportunity for the Executive to provide input to the steering committee for the research. I think that that was another good example of Parliament and the Executive working together to seek solutions.

The final report on the research that was undertaken by Experian Business Strategies illustrates the complexity of the issue and the difficulties in dealing with the bill. The committee will reach its own conclusions, but it seems to me that the Experian report in itself did not provide decisive evidence in favour of a new bank holiday on St Andrew’s day. However, I acknowledge that the report is open to interpretation, especially as it has not produced a robust assessment of the costs and benefits; indeed, it seems to suggest that the economic impact of a bank holiday could be either positive or negative. The report does give us useful information about how national holidays are celebrated in other countries, along with the legislative framework that accompanies them.

I understand that in their discussions with the committee at last week’s meeting the consultants said that the primary purpose of national holiday legislation in comparator countries was to protect the rights of workers in relation to those holidays. As we know, the bill that we are considering would not achieve that. However, the bill has brought about a great deal of discussion about how our national day should be celebrated, which in itself is a considerable achievement for the member in charge of the bill.

I emphasise that the Executive remains committed to improving the celebration of our national day and I think that our actions have already amply demonstrated that. Government should take a lead, which must be consistent over a long time. It was generally acknowledged that we were successful last year in upscaling our St Andrew’s day celebrations at home and abroad. We will continue that, and we will do so this year under the unifying theme of one Scotland, many cultures, with an emphasis on young people celebrating our modern Scotland. In those endeavours, we expect a strong partner to be the Parliament itself. In that regard, we look forward very much to hearing the committee’s suggestions on what more we can do to celebrate our national day.

I turn to the bill. The bill will not give anyone an automatic right to an additional day’s holiday. It is important that we are clear and honest with people in Scotland about that. The bill is aspirational. It seeks to improve our celebration of St Andrew’s day and to encourage more people to enjoy a holiday while engaging in those celebrations. That chimes well with the broad consensus that exists to improve the celebration of St Andrew’s day. The Executive agrees with that consensus.

If the Parliament seeks to pass the bill, the Executive will not stand in its way. However, we believe that Parliament should, at the same time, endorse a statement that makes it clear that the
bill creates not an automatic entitlement to a holiday, but a legal framework to encourage employers and employees to substitute an existing local holiday in favour of St Andrew’s day.

We have all been considering what the best way would be for the Executive and the Parliament to support the celebration of St Andrew’s day. As the committee will be aware, the First Minister and the member responsible for the bill, Dennis Canavan, have agreed a statement, which was attached to the letter that I sent to the convener yesterday. I am sure that that letter has been circulated. We hope that the committee and, subsequently, the Parliament, will endorse that course of action.

I said earlier that this has not been a straightforward bill. I emphasise strongly that the Executive believes that, over time, the bill could contribute to encouraging greater national celebration of St Andrew’s day. On that basis, we will not block the passage of the bill into law. The consideration has not been straightforward, and we appreciate the time that the committee has taken over its consideration of the bill. I also thank you for giving me the opportunity to attend the committee meeting this afternoon. If members have any questions, I will do my best to answer them.

The Deputy Convener: Thank you. Members now have an opportunity to ask questions.

Dennis Canavan (Falkirk West) (Ind): I thank Tom McCabe for that helpful statement. As you know from my previous statements, my preferred option was—and still is—that the St Andrew’s day national holiday should be an additional holiday. However, I am realistic enough to recognise that my bill has virtually no chance of getting through if it is not accompanied by an act of legislative consent from the Parliament. Nevertheless, I hope and expect that, having arrived at a position that would allow the bill to pass into law, but with the accompanying statement.

I have one further question. In the letter that you sent yesterday to the convener, you refer to the fact that the Executive undertook consultations with stakeholders. Who were the stakeholders and did they all agree to what the Executive now proposes?

Mr McCabe: The people to whom I spoke agreed that it was an acceptable and sensible way forward.

Dennis Canavan: Who were the stakeholders?

Mr McCabe: They included various members of the Parliament who had signed the bill and were considering their position. They were aware of the position that the Executive took at the stage 1 debate and were encouraged that there was a possibility of finding a way forward. There were also external stakeholders, such as the business community and others, who were pleased that we had arrived at a position that would allow the bill to pass into law, but with the accompanying statement.

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I have two questions for the minister. The first is quite general. You mentioned stakeholders. Yesterday, I met a journalist who asked me whether I knew the definitive list of national holidays in Scotland. There has always been some confusion about that. In my workplace, before I entered politics, it was always an open-ended subject. I welcome what you and Dennis Canavan have said today, which is a positive way forward. How will what you propose be disseminated to the workplace? Does the Executive have a role in that? At the moment, there is confusion about what is and is not a national holiday. I am thinking of the two May holidays. Will industry, business, local government and so on be given advice on what exactly is meant and how it can be tied into the present context?

Mr McCabe: When I attended the committee previously, I said that we would be more than happy to encourage employers, especially employers in the public sector, to engage with the people whom they employ and to seek their views on when it will be best for them to take the range of holidays that are available to them. We are prepared to do the same with the staff of the
Scottish Executive. By taking a lead, the Scottish Executive will send a signal to others, especially in the public sector. I mentioned that one business organisation was pleased with the situation that had been arrived at. Private sector employers are aware that they are involved in a constant dialogue with the people whom they employ. Employers will always want to test what range of holidays best suits the people whom they employ, because by making available the holidays that best suit those people, they make a positive contribution to their businesses.

Mr Stone: In the joint statement by Dennis Canavan and the First Minister, reference is made to the fact that

“A model of this approach is to be found in the Scottish Parliament itself which decided in 1999 to substitute St Andrew’s Day for an existing September holiday.”

I am not suggesting that you should be prescriptive, but have you—or the Scottish Executive more generally—thought about what might be the most appropriate day for which to substitute St Andrew’s day?

Mr McCabe: It would be prescriptive to offer my thoughts on the matter, so I do not want to do that. It is a matter for discussion by individual employers. I have said that we will ensure that approaches are made to trade unions in the Scottish Executive. Those approaches will not be along the lines of suggesting a day. Instead, we will initiate a discussion and allow the people who work for us to consider the options that they think are most appropriate.

Murdo Fraser (Mid Scotland and Fife) (Con): I very much welcome the conversion of the Scottish Executive to the stance that the Conservative party and I have taken on the issue since day one—namely, that we should have a St Andrew’s day holiday, but that it should not be an additional holiday and should be substituted for a holiday at another time of year. We could have reached this stage much earlier. When the stage 1 debate was held on 6 October last year, the Executive argued against the stance that the Conservative party and I took. What were the key factors in changing your mind?

Mr McCabe: I was going to say that I do not mean to be disrespectful, but what I say will sound disrespectful. The opinions of the Conservative party are hardly likely to guide the overall consensus of opinion in the Parliament. You may wish that to be the case at some point in the future, but that is not the current situation.

The Executive has been consistent in saying that it seeks to improve the celebration of our national day. I said earlier that by our actions we have proved our sincerity. I am confident that in the years to come we will continue to do so. We also said that we did not want to mislead people. I still think that we are being consistent today. The Executive’s position is not so much a conversion as a clarification. I always believe that, when people engage in dialogue, we are far more likely to find solutions. I am pleased that, over time, we have engaged in dialogue with the member in charge of the bill and that that has produced the potential for a solution.

14:15

Murdo Fraser: I do not mean to be disrespectful, but the minister has not answered my question, which was about the factors that led the Executive to change its mind on the matter. However, if the minister will not answer that question, let me try another one.

The Executive’s conversion came subsequent to the committee commissioning a report from Experian Business Strategies, which, frankly, provided few conclusions, if some interesting background. The report cost in the region of £25,000. Could that money not have been saved if the Executive had come to a view at an earlier opportunity?

Mr McCabe: First, I answered your question about the factors. I said that a major factor was the Executive’s desire to improve our celebration of St Andrew’s day and to find ways in which we could include in that the intention behind the bill. I answered your question, but you are entitled to your opinion on the matter.

If I were to allow my cynicism to come to the fore, I might suggest that the report will hardly be the first consultants’ report that has been less than conclusive. There is perhaps a series of lessons that we could learn before we commission consultants.

Michael Matheson (Central Scotland) (SNP): Good afternoon, minister. I welcome the Executive’s conversion to the proposed St Andrew’s day holiday. I want to raise two points.

First, I note that, as Dennis Canavan mentioned, your letter of yesterday states that the Executive has been in further consultation with stakeholders. I am conscious that the decision to go for a local holiday means that the public sector, especially our local authorities, will have a key role in showing leadership within local communities by designating a local holiday that should be switched to St Andrew’s day. What feedback did the Executive get from local authorities about the possibility of switching a local holiday to St Andrew’s day?

Mr McCabe: I think that local authorities said that, as they have demonstrated for a long time, they are keen to speak to their employees. Local
Michael Matheson: If the bill is passed, how will the Executive try to encourage bodies such as local authorities to ensure that they switch one of their local holidays to St Andrew’s day?

Mr McCabe: We can do that by indicating to people that we have approached our own employees and offered them the opportunity to consider the St Andrew’s day holiday. For instance, the Executive can suggest to local authorities that we are keen to improve the comprehensive nature of the way in which we celebrate our national day and that, if their employees consider taking a holiday on that day, the celebrations might be improved. Ultimately, the decision is for the people whom local authorities employ. Those are two obvious examples of how the Executive can make its view very clear to different parts of the public sector.

Michael Matheson: What factors led the Executive to decide that the best way to pursue the issue is to try to switch a local holiday, rather than a national holiday, to St Andrew’s day?

Mr McCabe: I do not know that anyone has put a particular emphasis on the fact that it will be a local holiday. It is for employers to approach their employees and, considering the totality of their holidays, engage in a discussion with people about the possibility of moving one of those holidays to St Andrew’s day.

Michael Matheson: Would you be happy for people to switch one of the several national bank holidays that we have, rather than one of the local holidays, to St Andrew’s day?

Mr McCabe: Ultimately, the decision is for them. I would be very unhappy if anyone considered moving May day; I think that that would be tragic, but most people in Scotland would not do that. Some people might raise it as a possibility, but my strong view is that such a move would not be advisable.

Michael Matheson: How about going for the Queen’s birthday?

The Deputy Convener: We can discuss that in detail when we discuss our report.

Richard Baker (North East Scotland) (Lab): As you rightly said, minister, the bill on its own will not create a St Andrew’s day holiday; other work will need to be done to support that aim. Will the Executive continue to promote events that help people to celebrate St Andrew’s day? I hope that you will develop a number of events in that respect.

The minister will be aware that, for a number of years, the Scottish Trades Union Congress has used St Andrew’s day to celebrate Scottish internationalism and anti-racism. Will the Executive use examples such as that to inform its approach to organising events on a national basis to celebrate St Andrew’s day?

Mr McCabe: Certainly; as I have indicated, we very much wish to improve the range of celebrations that mark our national day. We will do that on an on-going basis and, I hope, in conjunction with other organisations. The more that we do that, the more we will add to the overall weight of the celebrations. Certainly, our minds are not closed to any potential option.

If I may, convener, I will return to Mr Matheson’s question on moving the Queen’s birthday. I would not want any misunderstanding to arise or the impression to be given—if Mr Matheson was speaking on behalf of the committee—that the committee has something against the Queen. I am not sure whether that is what Mr Matheson meant, but I am sure that he will want to clarify what he said.

Michael Matheson: I would be happy for the Queen’s birthday to be moved.

The Deputy Convener: I am sure that Mr Matheson will put any proposal to the committee in due course. We will decide on any proposal that we receive.

Mr McCabe: I am sure that Mr Matheson will not mind my portraying what he said as the SNP having something of a disregard for the Queen.

Susan Deacon (Edinburgh East and Musselburgh) (Lab): Minister, you said that lessons may need to be learned before consultants are commissioned again. Can the Parliament or the Executive apply other lessons from their experience of the bill?

Mr McCabe: We all benefit from discussion. The view that I am about to express is not a new one. Indeed, I express it as someone who was the Minister for Parliament. At times, we can run too quickly at legislation. If there is a bit more space in the timetable, we can take the opportunity to think a bit more about legislation and to indulge in conversations that are not allowed for under a tight timetable. The lesson that we can learn from the bill is that getting the chance to step back a bit may allow us to make an examination of the issues. Frankly, in this case, time did not allow for that.

Susan Deacon: For example, using the bill as but one experience, will the Executive reflect on the ways in which it could engage with non-Executive bills at an earlier stage? I am thinking in...
particular of instances where there is an element of shared aspiration and objective.

Mr McCabe: That could be the case, yes. The Parliament is only seven years old; we will still be learning lessons when it is 70 years old. It would be foolish of me to say that there will never be a case for saying that there are no ways in which we could, on reflection, approach certain subjects differently.

Susan Deacon: The joint statement says: “The Bill is largely symbolic”.

At some of the earlier stages of our consideration, the query was raised whether it was appropriate to use legislation in a symbolic fashion. I am concerned about that. Given, as you said a moment ago, that you are a former Minister for Parliament, what are your thoughts on the fact that we may be moving towards putting on the statute book legislation that is, as the joint statement says, “largely symbolic”? Are you concerned about the precedent that that may set?

Mr McCabe: To be honest, I was concerned about that and I continue to be concerned, although my concern is more for the institution of the Parliament than anything else. One of the worst criticisms that has been levelled against us is that we do not take our legislative responsibilities seriously. Some people have alleged—I do not necessarily agree with them—that we have concentrated on legislation that is not exactly of the moment, if I can put it that way. On this occasion, the accompanying joint statement qualifies and explains clearly to people exactly what we are doing. It is always extremely important that we treat with great caution our ability to legislate. We must always avoid the possibility of giving people the impression that we are being, in some way, flippant about it.

The Deputy Convener: On the Experian report, I remind Mr Fraser that we specifically asked the consultants not to come up with conclusions, but simply to do research.

Minister, what economic and social benefits do you think will accrue to Scotland as a result of our agreeing to the bill?

Mr McCabe: The economic benefits are hard to define, as the Experian report demonstrated. People might have different opinions on the economic benefits, but it is hard for anyone to say conclusively that they have empirical evidence that there would be a benefit one way or another.

In terms of the social benefits, anything that adds to the cohesiveness of our society and increases the feeling among people in Scotland that they are part of a single unit and that there is a purpose in celebrating our shared history and tradition is a good thing. One of the great concerns in this day and age relates to communities breaking down and people suffering because of individualism and a lack of regard for others. If this celebration, along with other activities, helps to improve that situation and increases individuals’ feeling that they are part of something that matters, that would be a big benefit.

The Deputy Convener: Do you see merit in the argument that the holiday will extend what is traditionally a fairly low season for tourism and festival-type activities into something that extends from the beginning of December to the end of January?

Mr McCabe: The proposal certainly raises that possibility. However, it is clear that imaginations have to be applied to the way in which we develop the celebration. The fact that the celebration might not be focused on one day and might, in time, spread out on either side of that day could contribute in that regard.

We should remind ourselves, however, that this country is increasingly successful in attracting visitors and that low seasons are less low than they used to be. That is a good thing. If the St Andrew’s day celebration can contribute to that trend, all the better.

The Deputy Convener: The Experian report refers to the unit that has been set up by the Irish Government to revive interest in the St Patrick’s day celebration, particularly in Ireland. It also refers to work that has been done in other countries that have recently created holidays based around national days. Have you yet given consideration to that? If not, are you prepared to do so?

Mr McCabe: We have not considered a specific unit.

St Andrew’s day has a lot to contribute, but we are thinking about the way in which Scotland makes its mark throughout the year. Every year, we go to the United States of America and have a week of celebrations around tartan week. That brings us to the fore in various parts of the USA. Our thinking is to do with how we can keep that emphasis up, not only over a longer period of time but across a wider geographic area. We are considering whether there are things that we could do in specific areas to raise the profile of our country in other countries and to make people in those countries aware of our history and of our contemporary society.

The Deputy Convener: Late in the day, Jamie Stone has asked to be allowed to ask a short question. I propose to indulge him.

Mr Stone: You are good to me, deputy convener, it cannot be denied.
Minister, can I take it that you think that it would be a good idea to build on the links that exist between Scotland and other countries that have St Andrew as their national saint, such as Russia and Greece?

Mr McCabe: I believe that those links provide opportunities. As I said, we believe that we should be upscaling our activities at home and abroad and the examples that you have given are useful in that regard. Many countries have St Andrew’s night celebrations. An invitation has been received to attend one outside our borders, and there may be other invitations. We have to pay attention to those things and underline to people that the way in which St Andrew’s day is celebrated in other countries is important to us.

14:30

The Deputy Convener: I thank committee members, Dennis Canavan, the minister and his officials.

Item 2 invites the committee to consider the emerging issues and its stage 1 report.

Dennis Canavan: That was a very helpful session. We should follow up the minister’s response to my first question. At the previous stage 1, the Executive was rather critical and said that the bill would not achieve its objective. It implied that that was what the committee agreed, but in fact the committee was more specific in saying that the bill “of itself” would not achieve the objective of a nationwide celebration of St Andrew’s day. The phrase “of itself” is significant.

With respect, I suggest that committee members might consider reiterating that statement, along with agreement to support the general principles of the bill. Taking on board the previous comment by the Executive, the committee might say that the bill of itself would not achieve the objective but that the bill accompanied by certain recommendations would. There are enough suggestions in the Experian report. If there is not unanimity in the committee about the validity of some of the suggestions, they could be listed simply as suggestions rather than as firm recommendations.

The Deputy Convener: Thank you. Does any other member have any thoughts on our approach to the stage 1 report? Our previous report was relatively short, and the bill is a relatively short one. Given the positions that appear to have been adopted, I wonder whether members want to prepare a much lengthier report this time or whether we are content for the next report to be similarly short, with other matters left for debate in the chamber.

Murdo Fraser: We need to address some of what Dennis Canavan has said on the wider issues. We prepared a very brief report last time, accepting that what the bill seeks to achieve is fairly limited. Our new report should probably expand on the broader issues, as there is quite a lot in the Experian report about the celebration of national days in other countries. It is not for the committee to dictate how St Andrew’s day might be celebrated, but it would be helpful if our report at least explored some of the issues.

The minister said that the Executive was minded to support the bill subject to the caveat that it would not, of itself, create a holiday. He said that if the Executive encouraged employers to grant a holiday on St Andrew’s day, it would be in substitution for a holiday at a different time of the year. I appreciate the fact that members may have different views, but I wonder whether our report should reflect that opinion of the Executive.

The Deputy Convener: We can probably judge from members’ comments whether it is appropriate to include that and whether we will get consensus on that.

Susan Deacon: I am content with the general direction of travel and the likely end result. On numerous previous occasions in the committee, I have said that I am personally supportive of the idea of moving towards a national celebration of St Andrew’s day. It would be honest of us to say that the bill would not deliver an additional holiday. It is important to clarify that.

I am not uncomfortable with the substance of the outcome, but I am uncomfortable with the route by which we got to it. There are several aspects of the way in which the Parliament and the Executive have dealt with the issue that we should reflect on for the future. It is about two years—Dennis Canavan will correct me if I am wrong—since the proposal was initially introduced, yet we have only really been in the position to consider substantial research on the matter over the past few weeks.

The issue of consultation has also been mentioned. With respect to Dennis Canavan and the minister, who referred to additional consultation today, there has been nothing like the degree of consultation, discussion and dialogue on the bill that there would be on an Executive bill. As I alluded in my question to the minister, that shows either that the Executive needs to engage more fully with, and apply its resources and inputs to, non-Executive bills at an earlier stage or that the Parliament needs to take a different approach to how non-Executive bills are handled and resourced at an earlier stage.

It is important that we note that it is agreed that the bill is symbolic. My view is that it should not set any precedent regarding the way in which we use our powers as a legislature in the future.
The Deputy Convener: I propose to go round the table and ask all members whether they have comments to make.

Karen Gillon (Clydesdale) (Lab): I align my view with much of what Susan Deacon has said. I am slightly disappointed that the Executive’s decision was not conveyed to the committee in the first instance, but so be it. The point that Susan Deacon makes about not setting a precedent for the kind of legislation that we pass is important. We should legislate for a purpose rather than for symbolic reasons.

Michael Matheson: The Executive has finally been converted to the idea of having a St Andrew’s day holiday, but I am not persuaded that it has thought out exactly how it intends to build on that to the extent that is possible, given what the Experian report says has been achieved in countries such as the Republic of Ireland. If the Executive views the bill as symbolic, it is important that, in our report, we major on the need to ensure that the Executive builds in the right package of measures to support the bill to ensure that the celebration happens in an effective way.

I am also not clear about the minister’s response concerning local and national holidays. In his letter, he states that the bill “would encourage employees and employers to substitute an existing local holiday in favour of a national St Andrew’s Day holiday”.

In Falkirk, there was a local holiday on Monday. Is the Executive suggesting that people should substitute the St Andrew’s day holiday for that local holiday, or is it suggesting that people should substitute it for one of the existing national bank holidays? From the minister’s response, I got the impression that he was saying that it could be one of the national bank holidays. We need clarity on that. The minister’s letter suggests that it is only local holidays that the Executive thinks should be altered. However, some people who support the idea of having a St Andrew’s day holiday that is additional to the existing holidays or that replaces one of the existing bank holidays might not want to change the local holidays. We must try to get the Executive’s position clarified.

The Deputy Convener: I must invite you to Fife sometime, to let you see how patterns of bank holidays and local holidays mean different things in different places. In some parts of Fife, people do not take bank holidays but take their holidays at different times. I suspect that something similar happens in the rest of the country, with people following local traditions. Whether the new holiday is a bank holiday is likely to be irrelevant to many people. However, I take Michael Matheson’s point.

Richard Baker: The research showed that in places such as France employers and employees reach agreements—I presume on a local basis—on which days should substitute for national holidays. I presume that here, too, things will be agreed locally and not imposed from the centre. I am therefore not sure how much more clarity we need from the Executive on this point at this stage.

I agree that the committee should suggest to the Executive—although not at great length—some other ways in which the Executive could promote St Andrew’s day.

Susan Deacon has raised important issues of process and precedent that should be in our report. We should also reflect on additional measures that could support the aims of the bill.

Shiona Baird (North East Scotland) (Green): I think that we are missing a unique opportunity to celebrate Scotland fully by making the day a national holiday but, like Dennis Canavan, I accept that we have to go for second best. I do not know whether that view can go in our report, because other members might not agree with it.

I would like the report to reflect the evidence in the Experian report on the huge cultural and social benefits. We tend to get hung up on economic benefits or downturns, but the report suggests that we are missing out on the opportunities that other countries have picked up on.

The Deputy Convener: The minister reflected that view in his response to my question. As you say, the Experian report picked up on it too.

Mr Stone: I am not sure that I agree with the notion that we are accepting a conversion or something that is second best, or that we are missing an opportunity. Dennis Canavan thought up the idea and, because of the nature of this Parliament, was able to take the bill as far as he did. There has been constructive discussion. When Parliament decided to refer the bill to the committee for further work, it was an example of something that we do well. To see the First Minister stand together with Dennis and say what he said yesterday was good. I wonder whether that kind of thing could happen in Westminster. I do not know, but I think possibly not.

I am especially keen on the international opportunity for links with countries that share St Andrew with us. What a wonderful opportunity it could be for a link with Russia—a day when it celebrates Scotland and we celebrate Russia. That is something that we could all work on, because we are all brothers at the end of the day.

The Deputy Convener: Thank you—there have been useful comments from round the table. Will the Experian report be appended to our report for Parliament to consider? Will we be able to extract key points to support what members have said?
Stephen Imrie (Clerk): Yes, that will be the case.

The Deputy Convener: I hope that, when the issue is debated, we will reach a sensible compromise between the need not to impose another burden on the economy and the need to recognise that Scotland will have social and economic opportunities. I would like that to be reflected in our report—on the assumption that other members agree with me. We will find out next week whether that is so.

Do the clerks have sufficient information from committee members to allow them to bring us a paper next week?

Members indicated agreement.
ANNEX E: OTHER WRITTEN EVIDENCE

SUBMISSION FROM LUCY BAILEY

I have read the proposal on the Scottish Parliament web site. I run a small business: a couple of shops in Stirling and Falkirk and an internet store. Our shops are just about surviving but our internet store is booming (sales up 40% this year). We currently run the internet store from our Stirling shop and we sell goods to all over the UK, Europe and the world. Last year I took one week’s holiday and paid myself the small sum of 12,000 pounds in salary. The fact is that running an independent store in Scotland is nearly impossible – the sums just don’t add up. An internet store can be run from anywhere – it doesn’t need to be in Scotland.

I am totally AGAINST the imposition of an extra bank holiday. Shops have to open on bank holidays. All the extra bank holiday would mean is that I would need to give the staff a day in lieu of it. I will then have to cover the days they take off, leaving me with no holiday at all. In Scotland we already suffer from the imposition of higher business rates than England. An extra bank holiday would just add an extra burden I have already looked at the possibility of moving our internet business over the border into England where costs are lower. An extra bank holiday would make me consider that option far more seriously. If I did this I would close our 2 Scottish stores.

We consistently find that takings in both our Stirling and Falkirk stores fall on bank holidays. This is because a lot of people simply go off to hotter climates for the weekend.

I find it slightly ironic that Dennis Canavan says he has consulted people. One of our stores is in his constituency of Falkirk but we have never heard anything from him.

SUBMISSION FROM BT SCOTLAND

BT Scotland welcomes the opportunity to comment on the Bill and supports the principal of a St Andrew’s Day holiday. However, we believe for the reasons outlined below that the transfer of one of the existing bank holidays to St Andrew’s Day would be the preferred option.

BT Scotland is a significant contributor to the Scottish economy not only in terms of the electronic infrastructure but also in terms of employment, income generation, investment, sponsorship and community activities. According to research carried out by DTZ Pieda, BT Scotland supports the employment of approximately, 19,000, individuals in Scotland which is broadly equivalent to 0.8 per cent of total employment in Scotland. The employment breakdown comprises 11,772 direct jobs, 1500 indirect jobs and 5980 induced jobs.

As a major employer the Bill, if passed, has the potential to have a significant impact on BT as we have a Universal Service Obligations (USO) we would require at the very least a skeleton staff, who in many instances would be paid at a premium rate. This would add a significant additional cost to our business.

In addition, the timing of the holiday is not ideal from a BT perspective as it would fall at a time of year when the weather often turns, as a result we could be left with a greater fault backlog than a holiday taken in the summer months. Furthermore, as a UK-wide company we would be in favour of greater harmonisation of holidays.

SUBMISSION FROM JOHN COOPER

As an employer, we already grant our staff in excess of the statutory entitlement and would only consider effecting this holiday by removing another holiday day from our schedule.

We already have considerable difficulties with bank holidays which do not mesh with the rest of the UK and the effects of this are felt well beyond the period of closure. The approximate cost in the Public Sector for this holiday is quoted as approximately £42m. We would not welcome this
additional tax burden at this time when GDP figures are so adverse and when the numbers of employees in the Public Sector is rising so quickly.

We note that your remit also encompasses Enterprise – look to the German experience and see how they are trying to claw their industry back to being competitive after the excesses of the past.

Your committee could possibly use some lateral thinking and lay on some special events in the evening to mark the day instead of the easy option and highest cost route proposed. Perhaps that will allow us to gauge how much public interest actually exists.

SUBMISSION FROM DAVID NISBET

I am a law graduate from University of Glasgow, I am currently in California for the summer.

I have just witnessed Independence Day, the 4th of July, here in the USA. I spent the day with an African American family who all got together had a big barbeque, a few drinks, and set off some small red, white and blue fireworks, I witnessed people from all different backgrounds celebrating all that is good about America. The pride and sense of nationhood is instilled young in the children, regardless of where their parents may have come from. In Scotland we have a culture of not being very proud of ourselves, we see pride and patriotism, such as that in the States, as a flaw and not a good character trait. Yet, Scots abroad are numerous and the Diaspora of Scots are proud of their country and their heritage. There is a Scottish Society in Central Valley California, there are highland games that take place all over this country and tartan week in New York. Yet we are one of the few nations that dose not have a national holiday. I think it is imperative that we do. Very rarely in politics and in life do we get the chance to do something relatively easy that can achieve so much good, economically, socially, and for our own sense self and country.

St. Andrew’s Day should be used to eradicate the Scottish disease of introverted insecurity, small mindedness, bigotry, fearing to reach to far in case we fail and when we do fail or succeed being shot down, we need to change our self image as a small unsuccessful nation to one where we are proud of our past achievements and are all pulling together to make it a successful, strong, nation where people and business want to be. This cannot of course all be achieved by merely designating a certain day as a public holiday but that day can be the focal point and the epicentre of a bigger political and social agenda, mobilising grass roots community groups, business and party leaders to make Scotland better. A “Smart, Successful Scotland.”

So what should St. Andrew’s day be? The day should be a celebration of our pride in our past achievements, the way that Scots have shaped the modern world; we should recognize the Great Scots that influenced science and technology, medicine, industry, shipbuilding, economics and the law, education, philosophy, art, literature, music and architecture. And most important of all it should be a day showcasing and celebrating the diverse cultures that contribute to make Scotland a great nation. It should be a day of fun, celebration, coming together and pride. The day could be used to move Scotland from being divided by faith and ethnicity to being united in pride of our past, our present and our future. Each year we should recognise Scottish achievements in whatever field, at home or abroad, big and small. The First Minister should continue to make a St. Andrew’s day speech recognising Scotland’s achievements over the past year. Recognizing the young, the old, black or white, catholic, protestant or Muslim. Outlining the ways we can all work together over the next year to make Scotland better, to be a better neighbour and better citizen and a better nation.

The First Minister has said that he is “yet to be convinced” of the merits. However, if the holiday is combined with a determination to make the day more than just another public holiday then there are immediate economic benefits and potentially very important long lasting cultural benefits. One more public holiday is great, but that is all it is without a continued plan and political and social consensus to make the day mean something. Scotland desperately needs a new identity, now more than ever we do not want groups to feel alienated, it desperately needs a sense of pride in what is a great diverse country. We need to improve the living standards of Scots and to encourage others to live and work here. To do this needs politicians to work together in the consensual spirit the Scottish Parliament was designed for. We need strong leadership from politicians, community
groups and civic-minded citizens. But St. Andrew's Day will not have any merit as a holiday unless it is used as a platform for celebrating our diversity and our pride to be living in Scotland.

I would encourage the First Minister to continue the 'One Nation' theme of his previous St. Andrew's Day speeches, making it a national holiday rather than just a national day would give greater importance, attention and merit to those words.

SUBMISSION FROM IAIN ROBERTSON

The question shouldn't be why St Andrews day should be a national holiday but why isn't it already?

I am currently working in Japan as a teacher and school manager. Scotland simply does not exist as an entity in the minds of most Japanese people or Asians as a whole. Having previously worked in South Korea and travelled extensively across Europe and North America I am acutely aware of how many people view our nation. It is a marketing and cultural nightmare as many watch such events as the Open Championship from St Andrews and think this is a town in England. That will be helpful to the tourist industry when they type in English golf holidays into an internet search engine.

Scotland is a nation that is on verge of extinction as an international reality. With so much to offer and contribute, culturally and intellectually, to the world community we must establish St Andrews day as a national holiday in Scotland and launch the day with celebrations and education to the whole world.

It is time we stopped questioning why we should celebrate ourselves in Scotland and to the world and started doing it. I support St Andrews day as a national holiday and I hope the parliament does.

SUBMISSION FROM SCOTTISH FINANCIAL ENTERPRISE

Scottish Financial Enterprise (SFE) is the independent organisation, formed in 1986, that supports and represents the interests of Scotland’s financial services industry. Our members encompass all sectors of the industry including banks and building societies, general insurance, life assurance and pensions, investment managers, asset servicing, corporate finance and broking services, professional advisors and support services.

By any measure the financial services industry is of major importance to the Scottish economy. The industry accounts for £5bn (nearly 6%) of Scotland’s GDP (measured as Gross Value Added). It includes both Scottish companies that are leaders in global markets and international companies that are investing in bases in Scotland. In the last five years (1999 Q3 to 2004 Q3) financial services in Scotland grew by 36.5% while the overall Scottish economy grew by 9.5% and the whole of the UK financial services industry grew by 17.5% in the same period. The financial services industry accounts for one in 10 Scottish jobs, with over 108,000 people directly employed in the industry and over 100,000 more employed in support services.

It is reasonable that the Scottish Executive is giving due consideration to the potential for a Scotland-wide holiday on St Andrew’s day. However, following consultation with our members, we believe that an additional bank holiday will not achieve the proposed objective of ensuring a public day of celebration in Scotland and may have negative consequences for financial services companies, particularly banks, and the wider business community in Scotland.

Implications to banking activity

Bank holidays are not public holidays, as many people assume. Several businesses and schools remain open on bank holidays and banks, if they so choose, are free to trade on bank holidays under the Banking and Financial Dealings Act 1971. The Scottish banks agreed in 1996 that they would conform to bank holidays observed by the banks based in England.

This decision enables customers to access banking services across the UK without any complications of delayed transaction flows or potential overdraft situations that had previously
occurred on days that banks in Scotland were closed when banks in the rest of the UK were functioning as usual. Creating a new bank holiday that applies only to Scotland could cause public confusion that would be detrimental to banks and their customers. It is uncertain whether any bank operating from Scotland would formally adopt an additional bank holiday since such a move would be contrary to the banking community’s established aim of having a uniform approach to banking practice across the UK.

Were banks in Scotland to close for another Scottish bank holiday, there are many potentially negative implications for banking customers, including the following:

1 Transactions between banks would be delayed. This would mean that businesses would have to pay in salaries and other payments at an earlier date.

2 Cheque clearing would be delayed, thus potentially delaying when customers could access their funds.

3 Retail customers who became overdrawn and were unable to pay in cash to a branch could be faced with overdraft charges.

4 Credit card customers whose payments were delayed by a St. Andrew’s day bank holiday could face late payment charges.

Potential impact on Scotland’s competitiveness as a business location and Scotland’s productivity
Our labour market flexibility is an asset to Scotland and one of the reasons why major financial services companies and other businesses choose to invest here. There is an increasing trend among businesses not to take set local public holidays since observing these undermines smooth international business operations – an important issue for our financial services industry which operates around the world.

Any attempts to force businesses in Scotland to close on a particular day would reduce business flexibility and competitiveness. These factors should be carefully considered before any steps are taken that could potentially undermine Scotland’s competitiveness as a business location and Scotland’s productivity.

If businesses chose not to close on an additional bank holiday, the likelihood is that most of the public sector would implement the holiday closure. Therefore in order to compete effectively in the labour market, companies could be forced to increase holiday entitlement to employees, which would also have a detrimental impact on their competitiveness. SMEs in the financial services industry and other industry sectors could be particularly affected as they would find it harder to attract staff without providing the same holiday entitlement as larger organisations and would be likely to suffer a proportionally greater impact on their cost base.

Implementing an additional public holiday would add further to public sector costs and place increased demands on taxpayers and the wealth-creating sectors of the economy.

In summary we therefore advise that the negatives outweigh the possible gains from the proposal and the Scottish Executive should not be taking any action that could undermine its stated priority of growing the Scottish economy.

Further comment and information
Scottish Financial Enterprise would be very pleased to provide further comment on any of the issues we raise in this response. Please contact Amanda Harvie, Chief Executive, Scottish Financial Enterprise, 91 George Street, Edinburgh EH2 3ES, Scotland, U.K. Tel: +44 (0)131 247 7700; Fax: +44 (0)131 247 7709 E-mail: info@sfe.org.uk.

For more information about SFE and Scotland’s financial services industry, please visit our website at www.sfe.org.uk.
Introduction
This paper constitutes UNISON Scotland’s response to the consultation by Enterprise and Culture Committee of the Scottish Parliament on the St. Andrew’s Day Bank Holiday (Scotland) Bill.

UNISON is Scotland’s largest trade union representing around 150,000 members working in the public sector in Scotland.

UNISON Scotland welcomes the opportunity to respond to this consultation exercise.

Celebrating St Andrew's Day
UNISON Scotland believes there would be a positive impact on having a national holiday concentrating on Scotland as a nation. A day concentrating on Scotland’s past and future would help to galvanise the nation as seen in the opening ceremony for the new Scottish Parliament building. This would be beneficial to the tourist industry as a means of promoting Scotland not only abroad but also at home. If combined with holding the holiday on either a Friday or Monday to produce a long weekend, this could encourage Scots to take short breaks within the country at a time of the year when the tourist industry is usually quiet.

The STUC already celebrate St Andrew’s day with a march and rally against fascism and racism. By having this day as a bank holiday it would provide further emphasis to the STUC rally.

In providing employees an extra days holiday this would help reduce the stress-related illness of working long hours and could provide a positive benefit to Scottish business.

Creating a new bank holiday
Scotland, along with England and Wales, has the lowest number of public holidays in the EU with a figure of only 8 whereas the maximum is 15 days and the average is 12 days. Introducing a new bank holiday helps bring Scotland closer to the EU average. This would have benefits to employees who already suffer from some of the longest working hours in Europe.

There may be some opposition from businesses to establishing this holiday in Scotland either through a complaint about loss of competitive advantage or through having different bank holidays than the rest of the UK.

However as this would be a national holiday and the majority of companies in Scotland would be expected to participate this would limit any fears of a loss of competitive advantage.

Also there are already different bank holidays across the UK – with Northern Ireland actually having two more bank holidays than everyone else, so this should not have a serious impact on the Scottish economy in itself.

Which Day?
As mentioned above there is a positive case to be made about holding the holiday on the closest Monday or Friday to St Andrews Day. Not only would there be the benefits to the tourist industry as mentioned above but a regular fixed date would be easier for businesses to plan into their working year and would limit any possible economic problems that such a holiday may impose.

However as a number of existing bank holidays tend to fall on a Monday there may be a case for holding St Andrew’s Day Bank Holiday on a Friday.

CORRESPONDENCE FROM THE MINISTER FOR FINANCE & PUBLIC SERVICE REFORM

ST ANDREW’S DAY BILL
I am writing to advise you of Scottish Ministers’ position on the St Andrew’s Day Bill, which the Committee will be considering on 27 September.
St Andrew’s Day is important to Scotland and to Scots worldwide and Ministers acknowledge that it is important to mark the day as one of national pride and a celebration of our national heritage and culture, as well as demonstrating modern, vibrant, ambitious, and outward looking devolved Scotland.

For these reasons we wish to further encourage increased recognition and prominence of St Andrew’s Day, both in Scotland and in other parts of the world. However, we have not seen a persuasive case for going down a legislative route to achieve these objectives. It is clear that were Mr Canavan’s Bill to be passed, its provisions in relation to the creation of a public holiday would not be mandatory, and the uptake is likely to be uneven. Preliminary consultation has also revealed that local authorities and the Scottish business community have reservations on proposed Bill.

Ministers believe that there are more effective ways of encouraging Scots to celebrate our national day and work is already underway to develop proposals with partner organisations to mark St Andrew’s Day. We hope to be in a position to announce detailed proposals in the near future, and would welcome the input of Mr Canavan before any announcement is made.

TOM MCCABE

23 September 2005
ANNEX F: ORGANISATIONS AND INDIVIDUALS EXPRESSING A GENERAL OPINION ON THE BILL

Expressions generally in favour of the Bill (64):

Allan, Mr And Mrs D
Allan, Alasdair
Anderson, Alexander
Anderson, John A
Baldwin, David
Bennett, Eric
Birney, Ross
Boyce, John
Brockie, Keith
Brownlee, Bill
Byfield, Rab
Carnegi, Roy
Clark, Carriona C
Clark, William M
Conaghan, Eddie
Cowin, Steven (Aon Consulting Ltd)
Culham, Douglas Archibald
Drummond, G Deas
Duncan, Alistair R
Eachan
Gilmour, Neil
Goldie, Brian
Gordon, Carrie
Haswell, Rosie (Edinburgh International Festival)
Hayter, Simon
Huston, Jan and Bob
Kurilla, Andrew
Leadbitter, Graham
Lindsay, Wm. Andrew
MacCoinnich, Aonghas
Macfarlane of Bearsden, Lord Norman
MacPherson, Callum
Maxwell, Gene
McCorkell, I
McEwan, Gavin
McGinty, Brian R
McGrath, William
McIntyre, Norma
McKay, Bill
McLachlan, Frazer
Expressions generally opposed to the Bill (12):

Craig, James (Carscallan Farm)
Harper, Lindsay
MacBeth, Heather
MacBeth, Alan
MacDonald, Alistair
Menzies, Alasdair
Moir, Ian
Mullay, A.J
Mullay, Marilyn
Ross, E.H
Sinclair, Ian
Wicks, Mike
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