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VICTORIA / TASMANIA

The Economic Impact of an Easter Sunday Public Holiday in Tasmania

Contents

Executive summary	3
Jurisdictional comparison	4
Wage implications	6
Broader economic impact	9
Conclusion	13
References	14

Executive summary

On 6 May 2026, the Tasmanian House of Assembly passed the *Statutory Holidays Amendment Bill 2026*. If the bill is supported in the Legislative Council, a new public holiday will be created in Tasmania on Easter Sunday.

This report assesses the economic impacts of such a change. Through independent modelling and by adjusting findings from research in other states to reflect Tasmania's relative size, the report finds:

- No statistically significant impact on employment is evident in the Australian jurisdictions that have established an Easter Sunday public holiday
- Total wages payable in Tasmania would increase by between 0.024% and 0.029%, or less than one per cent of a standard annual payrise
- The total economic impact would be between 0.009% and 0.012% of gross state product, or a reduction of between $7 and $9 in gross state product per capita
- Any economic impacts would be partially offset by economic benefits

The report therefore concludes there are no sound economic reasons Tasmanians should be paid less for working on Easter Sunday than workers in every other state and territory.

Jurisdictional comparison

Tasmania is the only Australian state or territory that does not recognise Easter Sunday as a public holiday.[1]

Easter Sunday was added as a public holiday in New South Wales in 2010, the ACT and Victoria in 2015, Queensland in 2016 and Western Australia in 2021.

From 2028, when Western Australia's latest changes come into effect, every Australian jurisdiction except Tasmania will also recognise Easter Saturday as a public holiday.[2]

Tasmania also will have the fewest number of public holidays of any jurisdiction in 2026.

State/Territory	Easter Saturday public holiday?	Easter Sunday public holiday?	Total public holidays[3]
New South Wales	Yes	Yes	13
Victoria	Yes	Yes	14
Queensland	Yes	Yes	13
South Australia	Yes	Yes	13
Western Australia	Yes (from 2028)	Yes	13
Tasmania	No	No	11
Northern Territory	Yes	Yes	13
Australian Capital Territory	Yes	Yes	15

Analysis of weekly payroll jobs data from the Australian Bureau of Statistics (ABS) shows no statistically significant impact on employment from the introduction of an Easter Sunday public holiday in Western Australia.[4] In the two years prior to the introduction of the public holiday, employment in Western Australia was very slightly lower than the national average (relative to their respective pre-COVID benchmarks) in the week of Easter Sunday compared to the week preceding it, and slightly higher compared to the week following it. This remained true over the three years following the introduction of the public holiday.

Similarly, over the five years covered in the data series, employment in Tasmania was slightly lower than the national average in the week of Easter Sunday compared to the week preceding it, and slightly higher compared to the week following it. If the existence of an Easter Sunday public holiday had any meaningful impact on employment, Tasmania, as the only state without an Easter Sunday public holiday, should show less change over the Easter Sunday week than other jurisdictions. Yet it does not, and in any event, the differences in the results of Tasmania, Western Australia and the other jurisdictions are so small they should be considered statistically irrelevant.

There is therefore no evidence from the ABS's Payroll Jobs data that the existence or otherwise of an Easter Sunday public holiday has any impact on employment.

Wage implications

Submissions from the Tasmanian Government and business sector

One of the primary reasons other Australian jurisdictions have added a public holiday on Easter Sunday is to recognise the special nature of that day in Australian society, and to adequately compensate those who are required to work. Doing so inevitably represents an additional cost for employers.

The cost of additional penalty rates has been the main focus of the Tasmanian Government and employer groups opposed to the *Statutory Holidays Amendment Bill 2026*. Deputy Premier Guy Barnett argued during debate in the House of Assembly on 6 May 2026 that "now is not the time to be adding costs onto business".[5] Colleen Reardon, CEO of the Tasmanian Chamber of Commerce and Industry, said "Tasmanian businesses are being smashed by rising costs, including increased fuel costs as a result of the Iran War, the last thing they need is even more government-imposed costs".[6] Robert Mallett from the Tasmanian Small Business Council argued that "small businesses across Tasmania operate on razor-thin margins" and that "an additional public holiday imposes genuine costs through increased penalty rates".[7]

So how significant are these costs?

Findings from other jurisdictions

Before the introduction of the Easter Sunday public holiday in Western Australia in 2021, the Western Australian Department of Mines, Industry Regulation and Safety released a Regulatory Impact Assessment. This report found the total additional wages payable across Western Australia as a result of a new Easter Sunday public holiday would be $28.88 million, not including on-costs such as superannuation and payroll tax.[8]

The finding also included an estimate from the Department of Treasury that the cost of paying additional penalty rates to public sector workers on Easter Sunday to be $2.6 million, not including employees of government-owned businesses.[9]

Adjusting these figures to current-day Tasmania is a relatively straightforward exercise. By increasing the total estimated additional wages by the wage inflation in Western Australia since 2021[10], adding 15 per cent for on-costs, and then adjusting that figure by the ratio of total

Tasmanian wages to total Western Australian wages[11], a current Tasmanian estimate of $5.3 million including on-costs is arrived at.

Western Australia 2021 additional wages	Adjusted to 2026 wages and adding on-costs	Adjusted to Tasmania
$28.9m	$38.4m	$5.3m

A similar, albeit somewhat cruder, calculation can be performed to estimate the direct wages cost to the Tasmanian Government. By adjusting for the changes in public service employment and employment costs since 2021[12], and adjusting the total to account for the size and cost of Tasmania's public service[13], an estimate of $0.91m can be arrived at.

Alternatively, an analysis conducted by PwC for the Victorian Department of Economic Development, Jobs, Transport and Resources found 49.9 per cent of the additional wages payable on a public holiday would be borne by medium and large businesses, 25.5 per cent by government employers, and 24.7 per cent by small business. While noting public sector employment is proportionately higher in Tasmania than Victoria, a similar ratio would imply a cost across all public sector employers of $1.35 million.

Independently modelling the wage implications

Desktop modelling untaken independently by the McKell Institute estimated the additional wages likely to be payable in Tasmania as a result of an Easter Sunday public holiday to be $6.48 million, including employment on-costs.

The figure has been derived using a range of sources and assumptions.

The estimated number of current Tasmanian employees–that is, total employment less sole traders and those who work in their own small business–was estimated using the ABS's Characteristics of Employment survey.[14]

This figure was then adjusted to reflect the fact that only a relatively small proportion of people regularly work on Sundays, and to account for the average number of hours worked on Sundays.[15]

To better reflect the nature of Sunday work, median hourly earnings in Tasmania were weighted ahead of average earnings in determining the Sunday wage base.[16] A review of the penalty rates contained in major employment awards and agreements was then undertaken to determine the average difference between a regular Sunday and a public holiday (i.e. between Easter Sunday being a public holiday or not).

Additional employment on-costs such as payroll tax and superannuation were applied at a standard rate of 15 per cent, and assumptions were made about the extent to which employers would seek to manage rostering and the allocation of duties to minimise penalty rates, such as by rostering owners or lower-paid junior staff on a public holiday, and by deferring non-urgent duties to subsequent days.

Finding on estimated wages impact

Based on the two approaches outlined above, this report estimates that declaring Easter Sunday a public holiday in Tasmania would result in between $5.3 million and $6.48 million of additional wages being payable to Tasmanian employees.

That represents between 0.024% and 0.029% of total wages paid in Tasmania, or an increase of between $22.65 and $27.70 on average full time earnings ($94,692). Put another way, this is less than one per cent of a standard annual payrise.

At an aggregate level, introducing an Easter Sunday public holiday in Tasmania would therefore not make any meaningful difference to total employer costs.[17]

Broader economic impact

Submissions from the Tasmanian Government and business sector

In response to the introduction of the *Statutory Holidays Amendment Bill 2026* to the Tasmanian Parliament, employer groups and the Tasmanian Government have also raised the potential for broader economic impacts due to businesses currently operating on Easter Sunday instead deciding to close their doors. Ms Reardon claimed "businesses have already indicated to the TCCI that they would not be in a position to trade if Easter Sunday was a public holiday", while Mr Mallett described the choice to open despite having to pay higher wages as a "brutal decision" for small business.[18] Mr Barnett told Parliament the "Treasury's advice, based on the proportional scaling of the national estimates, [is that] an additional public holiday is expected to reduce Tasmania's economy by about $24 million".[19]

Separating wage implications from economic impact

It is important to understand that, in economic terms, wage implications from an Easter Sunday public holiday are distinct from an economic impact.

Increased wages, while potentially unwelcome or inconvenient to some businesses, do not in themselves represent an economic loss. Rather, they are a transfer of income from employers to employees.

Economic losses only occur where a business or other entity reduces production as a result of the public holiday. This could arise where a decision is taken not to operate the business or other undertaking at all, or to operate at lower capacity, and not to replace that activity on another day.

Accordingly, it is likely wage implications and economic impacts will work in opposite directions. Where wage implications are greater, it follows that economic impacts will be lower, because that implies employers have not significantly altered production. Where wage implications are lower, it is likely the economic costs will be higher.

Of course, there are steps employers can take to reduce both wage implications and economic impacts. These include shifting non-time sensitive work to other days (such as stocktaking, maintenance or shelf replenishment), applying efficiencies that might not be good for business in the long-term, but which are acceptable for a day (such as increasing customer wait times, reducing the complexity of menus or other product offerings), or optimising staff rostering.

Findings from other states

Research undertaken by PwC in Victoria, as part of a Regulatory Impact Statement accompanying the introduction of pre-Grand Final and Easter Sunday public holidays in 2015, estimated the economic impact of the Easter Sunday public holiday to be between $37 million and $46 million.[20]

Adjusting that figure to reflect the economic growth of the past 11 years would imply a current-day impact in Victoria of approximately $61 million to $76 million. If that figure is then scaled to reflect the relative size of the Tasmanian economy, the PwC estimate for Victoria would suggest an economic impact in Tasmania of between $4.2 million and $5.3 million.[21]

Victoria 2015 estimated economic impact	Adjusted to 2026	Adjusted to Tasmania
$37-46m	$61-76m	$4.2-5.3m

Analysis within the Regulatory Impact Statement accompanying the Western Australian Government's review of public holidays in 2025 found the economic impact of making Easter Saturday a public holiday to be "minimal", though no figure was placed on it. However, it can be assumed it is substantially lower than the cost of a weekday public holiday, which they estimated at 0.02% of gross state product (equivalent to approximately $8.4 million in Tasmania).[22]

Independently modelling the economic impact

Tasmania-specific modelling of the potential economic impact of an Easter Sunday public holiday has also been undertaken as part of this report. This was considered necessary given the potentially important differences between the makeup of the Tasmanian and Victorian economies, and the claims made by the Deputy Premier of a $24 million cost to the Tasmanian economy.[23]

The analysis breaks down the Tasmanian economy into 19 different sectors, and allocates a value to each based on the average of ABS estimates of each industry's gross value added and total factor income.[24] Assessments have been made about the proportion of businesses or other entities in each sector that operate five or seven days per week, which has then been used to develop an estimate of production on any given Sunday. Based on evidence from other jurisdictions, further assumptions have then been made about the extent to which businesses and other entities in each of the 19 sectors will adjust production as a result of a public holiday designation, and the extent to which they will be able to reallocate production to another day of the year.

This approach has produced a total estimated economic impact of $3.77 million, below but not substantially different from the Victorian estimate, and consistent with the findings from Western Australia regarding the impact of weekday and Easter Saturday public holidays.

Potential economic benefits

Unlike the 2015 Regulatory Impact Statement in Victoria, this report does not attempt to quantify the potential economic benefits of establishing an additional public holiday. However, it is expected there would be marginal economic benefits that would offset to some degree the very limited economic impacts of an Easter Sunday public holiday.

First, consumer demand is unlikely to be affected by the public holiday status of Easter Sunday. As such, on standard public holidays some enterprises will experience higher than usual demand as a result of their competitors being closed. While this report does not anticipate major changes in employer operations if Easter Sunday is declared a public holiday, it does anticipate some, and to the extent this occurs some of those businesses that choose to remain open are likely to absorb a portion of that consumer demand.

Second, regional areas in particular are likely to receive some benefit from employees, who would otherwise be working, choosing instead to spend the holiday travelling within Tasmania.[25] While the difference will be small, to the extent that some businesses close or reduce staffing, some of those people who would otherwise have been working will instead visit hotels, pubs, restaurants and other businesses.

Third, additional wages are likely to be spent by workers in the local economy. To the extent that these are spent at a higher rate than business profits are spent or reinvested, there will be an increase in aggregate demand.

Fourth, there might be some limited benefit in an overall move to harmonise public holidays across the country, particularly for larger firms operating across state borders. This has been a feature of several government policy reviews, including in Tasmania where consideration has previously been given to intrastate harmonisation.[26]

Fifth, additional compensation for those working on Easter Sunday is likely to lead to some improvement in overall employee satisfaction, a reduction in absenteeism and an increase in the enthusiasm and productivity of those who are working on Easter Sunday.[27] Again, the total statewide impact is likely to be small, but equally it is unlikely to be zero.

Finally, there is economic value connected with people spending more time with family or their local community. While very difficult to quantify, research connected with Victoria's Regulatory Impact Statement from 2015 estimated the benefits of increased leisure time as offsetting approximately one quarter of the total economic impact.[28]

Finding on estimated economic impact

Based on the two approaches outlined above, this report estimates that declaring Easter Sunday a public holiday in Tasmania would result in an economic impact between $3.77 million and $5.3 million.

That represents between 0.009% and 0.012% of gross state product in Tasmania, or a reduction of between $7 and $9 on Tasmania's gross state product per capita.

While not quantified in this report, this impact will also be offset to some extent by the economic benefits arising from establishing the new public holiday.

On that basis, it appears there would be no meaningful economic impact arising from the introduction of an Easter Sunday public holiday in Tasmania.

Conclusion

This report analysed the likely economic impact of establishing a new public holiday on Easter Sunday in Tasmania.

It found there has been no statistically significant impact on employment in the Australian jurisdictions that have established an Easter Sunday public holiday. Warnings from employer groups in those jurisdictions that such a change would result in businesses “having to close” have not been realised.[29]

The report also finds that total wages payable in Tasmania would increase by between 0.024% and 0.029%, or less than one per cent of a standard annual payrise. In dollar terms, this equates to an impact of between $5.3 million and $6.48 million, of which approximately a quarter might be borne by small business.

While this means there will be almost no impact in the context of the state’s overall wages, it is acknowledged there will be a greater impact for some individual employers. The report has noted several measures these businesses might be expected to adopt to counteract the impact, including applying surcharges to transactions, shifting non-urgent work to other days, and optimising rostering.

Similarly, the report finds there will not be any significant impact on total production if a public holiday is established on Easter Sunday. It estimates the total economic impact would be between 0.009% and 0.012% of gross state product, or a reduction of between $7 and $9 in gross state product per capita.

The report also notes these economic impacts would be partially offset by economic benefits, including the spending of additional wages by workers, increased regional tourism and other leisure activity, improved employee satisfaction and higher demand for businesses that continue to trade.

Accordingly, the report concludes there are no sufficiently significant economic reasons that would justify Tasmanians being paid less for working on Easter Sunday than workers in every other state and territory.

References

[1] Fair Work Ombudsman, "2026 Public Holidays", https://www.fairwork.gov.au/employment-conditions/public-holidays/2026-public-holidays, accessed 13 July 2026.
[2] *Ibid*.
[3] *Ibid*. Includes additional days where a public holiday falls on a weekend, and an estimate of regional holidays for the average worker in a given state or territory (e.g. Tasmania's Regatta Day and Recreation Day are treated as one public holiday). Does not include partial holidays that do not apply to a majority of workers (such as public holidays from 6-7pm to midnight on Christmas Eve and/or New Year's Eve in Queensland, South Australia and the Northern Territory, or Easter Tuesday for State Service employees in Tasmania).
[4] Australian Bureau of Statistics, "Payroll Jobs", (Week ending 15 March 2025), Table 1, https://www.abs.gov.au/statistics/labour/jobs/payroll-jobs/latest-release, accessed 16 July 2026.
[5] Parliament of Tasmania, "Hansard Uncorrected Proof", (6 May 2026), p. 61.
[6] Tasmanian Chamber of Commerce and Industry et al, "Business Coalition Opposes New Easter Sunday Public Holiday", (8 May 2026), https://dcci.org.au/media-release/business-coalition-oppose-new-easter-sunday-public-holiday/, accessed 16 July 2026.
[7] Tasmanian Times, "Labor Says It's Time Easter Sunday Was a Public Holiday in Tasmania", (29 March 2026), https://tasmaniantimes.com/2026/03/labor-says-its-time-easter-sunday-was-a-public-holiday-in-tasmania/, accessed 16 July 2026.
[8] Government of Western Australia, Department of Mines, Industry Regulation and Safety, "Establishing Easter Sunday as a public holiday in Western Australia: Summary Decision Regulatory Impact Statement", (2021), p. 9.
[9] *Ibid*., p. 10.
[10] Australian Bureau of Statistics, "Wage Price Index", (March 2026), Table 2b, https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/latest-release, accessed 16 July 2026.
[11] Australian Bureau of Statistics, "Monthly Employee Earnings Indicator", (March 2026), Table 2, https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/monthly-employee-earnings-indicator/latest-release, accessed 16 July 2026.
[12] Government of Western Australia, Public Sector Commission, "Public Sector Workforce Report, March 2026", https://www.wa.gov.au/government/publications/western-australian-public-sector-workforce-report-march-2026, accessed 17 July 2026; Government of Western Australia, Public Sector Commission, "Public Sector Workforce Report, March 2021, https://www.wa.gov.au/government/publications/western-australian-public-sector-quarterly-workforce-report-march-2021, accessed 17 July 2026; Government of Western Australia, "2026-27 Budget", (Budget Paper No. 3), p. 247; Government of Western Australia, "2021-22 Budget", (Budget Paper No. 3), p. 227.
[13] Tasmanian Government, Department of Premier and Cabinet, "State Service Workforce Report – Number 2 of 2021", p. 2; Tasmanian Government, Department of Premier and Cabinet, "State Service Workforce Report – Number 1 of 2026", p. 2; Tasmanian Government, "2026-27 Budget", (Budget Paper No. 1), p. 108; Tasmanian Government, "2021-22 Budget", (Budget Paper No. 1), p. 43.
[14] Australian Bureau of Statistics, "Characteristics of Employment", (August 2025), Table 1, https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/characteristics-employment-australia/latest-release, accessed 17 July 2026. Note this produces a higher number of wage earners (and therefore higher total cost) than a calculation using the ABS Labour Force series less the number of small businesses.

[15] David Peetz, "The Impact of the Penalty Rates Decision on Australian and Victorian Workers in Retail and Hospitality Industries", (2017), p. 18.

[16] Australian Bureau of Statistics, "Characteristics of Employment", (August 2025), Table 1.

[17] Depending on the industry, there are also steps employers can take to reduce the impact of additional penalty rates on the profit margins for their specific enterprise (such as imposing public holiday surcharges on transactions).

[18] Tasmanian Times, "Labor Says It's Time Easter Sunday Was a Public Holiday in Tasmania", (29 March 2026.

[19] Parliament of Tasmania, "Hansard Uncorrected Proof", (6 May 2026), p. 61.

[20] Government of Victoria, Department of Economic Development, Jobs, Transport and Resources, "Regulatory Impact Statement on Proposed New Public Holidays in Victoria", (2015), p. 19.

[21] Tasmanian Government, Department of Treasury and Finance, "State Accounts" (2025), p. 1, https://www.treasury.tas.gov.au/Documents/State-Accounts.pdf, accessed 17 July 2026; Tasmanian Government, Department of Treasury and Finance, "State Accounts" (2021), p. 1, https://web.archive.org/web/20220314062044/https://www.treasury.tas.gov.au/Documents/State-Accounts.pdf, accessed 17 July 2026.

[22] Government of Western Australia, "Public Holiday Review – Decision Regulatory Impact Statement", (2025), p. 16.

[23] Note this would imply a cost three times greater than estimates of the cost of a weekday public holiday in Western Australia.

[24] Australian Bureau of Statistics, "Australian National Accounts: State Accounts", (2024-25 Financial Year), Table 7, https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-state-accounts/latest-release, accessed 17 July 2026.

[25] Government of Victoria, "Regulatory Impact Statement", (2015), p. vii.

[26] Government of Western Australia, "Public Holiday Review", (2025), p. 6.

[27] Government of Victoria, "Regulatory Impact Statement", (2015), pp. 46-47

[28] *Ibid.*, pp. vi-vii.

[29] Chamber of Commerce and Industry WA, "Easter Sunday Changes Hit Employers and Workers", (16 February 2022), https://cciwa.com/business-pulse/easter-sunday-changes-hit-employers-and-workers/?srsltid=AfmBOooLoxi7mabGQT7NQgLXrni1cWRpdZzp7n3gtZ9XBQQAimJuLbUz, accessed 17 July 2026.