PREM 19/4202

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Public Holidays

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June 1979

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PREM 19/4202

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POLICY IN CONFIDENCE

cc PO

→ File

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5802/03
Telex 915564 Fax 071-273 5967

The Rt Hon David Hunt MBE MP
Secretary of State for Employment

Mark Adams Esq
Private Secretary
10 Downing Street
London SW1A 2AA

16 December 1993

Dear Mark,

As you know, my Secretary of State is making an announcement on the future of the early May bank holiday in England, Wales and Northern Ireland by written Parliamentary Answer this afternoon. He has asked me to send you a copy of the Question and Answer, and associated briefing.

I am sending copies of this letter to the Private Secretaries to members of the Cabinet and to Melanie Leach (Cabinet Office).

Yours,

Simon.

SIMON COURAGE
Private Secretary

Employment Service
Health and Safety Executive • ACAS

DEPARTMENT OF EMPLOYMENT

WRITTEN REPLY

THURSDAY 16 DECEMBER 1993

512 **MR BOWEN WELLS (HERTFORD AND STORTFORD):** To ask the Secretary of State for Employment, if he will make a statement on the future of the early May Day bank holiday in England, Wales and Northern Ireland.

MR DAVID HUNT:

On 1 December 1992 the Government issued a consultation document on the future of the Early May bank holiday in England, Wales and Northern Ireland.

It is clear from the representations received by my Department that there is no clear consensus in favour of a move. While some favour permanently moving the holiday, businesses anticipate difficulties with such a change.

In light of its goal of reducing burdens on business, the Government has decided not to move the Early May bank holiday from the first Monday in May on a permanent basis. However, for 1995 only, the holiday will be held in England, Wales and Northern Ireland on the second Monday in May, to link with events on and near VE Day commemorating the 50th Anniversary of the ending of the Second World War. In Scotland the Anniversary will be marked by an additional day's bank holiday, also on the second Monday in May and for 1995 only. My right hon. and learned Friend, the Secretary of State for Defence, is making an announcement today on the commemorative arrangements for 1995.

THE FUTURE OF THE EARLY MAY BANK HOLIDAY

Questions and Answers

Results of the Consultation Exercise

Q DID THE CONSULTATION EXERCISE SHOW A DESIRE FOR A CHANGE OR THE STATUS QUO?

A As the announcement points out, there was no clear consensus for a move.

Q HAS THE GOVERNMENT CHANGED ITS MIND ON THE ISSUE?

A No. The Government said it would consult on the issue which it did. The decision has been taken in the light of that consultation.

Q WHY HAS IT TAKEN THE GOVERNMENT ALMOST A YEAR TO DECIDE WHAT TO DO ABOUT THE EARLY MAY BANK HOLIDAY ?

A As the announcement explained, the consultation revealed no clear consensus over what to do about the Early May bank holiday. Given the wide range of views and the strong feelings many people have about the mattter, the Government wished to consider it carefully. The Government also felt it was important to link the decision on the future of the holiday with its plans to mark in 1995 the 50th Anniversary of the ending of the Second World War. All this took time, but it was well worth it in order to get the best decision possible.

Employers

Q DID EMPLOYERS FAVOUR CHANGE/OCTOBER?

A The CBI and EEF favoured the status quo. Business has generally adapted to the current arrangements; many employers have negotiated arrangements to incorporate bank holidays in annual leave entitlements to minimise disruption. Moving the holiday to October would upset these arrangements and be potentially disruptive during a peak period of manufacturing production.

Q WHAT ABOUT THE IOD PROPOSAL TO LEAVE IT TO EMPLOYERS AND EMPLOYEES TO NEGOTIATE WHEN A SET NUMBER OF STATUTORY HOLIDAYS ARE TAKEN?

A It is already open to employers to negotiate alternative arrangements for bank holidays if they wish. The CBI and EEF responses demonstrate that to some extent this is already happening. There is no statutory requirement on employers to close on bank holidays. The IOD are therefore asking for legislation and regulation where none is required.

Tourism and leisure

Q BUT WHAT ABOUT THE TOURISM INDUSTRY; SURELY AN END-SEASON HOLIDAY WOULD BE BENEFICIAL?

A The response from the tourism industry to the consultation exercise was mixed. The main tourism organisations including the Tourism Boards - with the exception of the Welsh Tourist Board - generally favoured a bank holiday in October. However, my Department received a number of representations from organisations - including coastal resorts - which favoured the Status Quo. They feel that extending the season until the last Monday in October when the weather is uncertain and the days are

shorter will not compensate for the kick start to the season provided by a fine holiday in early May.

TUC and Trade Unions

Q HOW DID THE TRADE UNIONS RESPOND TO THE CONSULTATION DOCUMENT?

A Not surprisingly the trade unions were generally against any change.

Economic costs/benefits

Q WERE THERE ECONOMIC CONSIDERATIONS?

A Any holiday causes disruption and has an effect on output. The extent to which moving the holiday to another date would increase this disruption would depend on how individual employers dealt with the change. A number of employers said they would have difficulties with moving to October. This was a significant factor in the Government's decision, given its concern to minimise burdens on business generally.

May Day festivals/ Morris dancers

Q DID THE MAY DAY FESTIVALS' ORGANISERS/ SUPPORTERS INFLUENCE THE DECISION?

A In reaching its decision the Government took into account the representations it had received from organisers and supporters of traditional May festivals.

Being Beastly to Foreigners?

Q HAS THE GOVERNMENT GIVEN IN TO THE FCO MANDARINS?

A In his letter to the Telegraph on 8 March responding to an article suggesting that "Foreign Office mandarins" were trying to block a Trafalgar Day holiday, the then Minister of State at the Foreign Office (Mr Garel Jones) made clear that there was no foundation whatsoever for this story. That was the position then and is still the position now.

Q BUT THE GOVERNMENT DECISION WAS INFLUENCED BY THE NEED TO AVOID UPSETTING THE FRENCH?

A No. Bank holidays in the United Kingdom are a matter for the United Kingdom Government. The Government's decision has been taken in light of the consultation launched on 1 December last year. This showed that business envisaged problems with a move and that amongst people who favoured change there was no clear consensus as to what might be a suitable alternative date.
These were the factors that influenced the Government's decision.

Q WON'T A BANK HOLIDAY ON THE 8 MAY VE DAY OFFEND OUR EC PARTNERS GERMANY AND ITALY?

A The purpose of the holiday is not to commemorate our victory in the Second World War. It is to celebrate, in 1995, 50 years of peace and reconciliation. The French have a similar holiday on VE Day which does not seem to have caused offence to Germany or Italy.

EC implications

Q DO OTHER EC MEMBER STATES CELEBRATE MAY DAY?

A In 1992 eight of the twelve EC Member States had public holidays on 1 May (irrespective of the day of the week). These were Belgium, France, Greece, Germany, Italy, Luxembourg, Portugal and Spain.

Q ARE THERE ANY EC PLANS TO HARMONISE PUBLIC HOLIDAYS?

A Not aware of any formal proposals.
Any such plans would be unlikely to be popular; for example, unrealistic to have all Europe celebrating French Bastille Day (14 July), Italian Liberation Day (25 April), and Spanish Constitution Day (6 December), or to imagine the countries concerned abandoning these days.

Commemorative dates

Q WHAT ARRANGEMENTS ARE BEING MADE TO COMMEMORATE THE 50TH ANNIVERSARY OF THE END OF WORLD WAR 11, IN 1995?

A The Defence Secretary has announced that the Government will sponsor two church services, each followed by a parade. One will be on Sunday 7 May, the other in mid-August. The Government envisages that there will also be events around the nation. The themes will be to recognise the sacrifices made and to celebrate peace and reconciliation. In addition, for 1995 only, the Early May bank holiday in England, Wales and Northern Ireland will be moved to Monday 8 May in association with these events. In Scotland the Anniversary will be marked by an additional day's bank holiday, again for 1995 only.

Q IS THE PROPOSED HOLIDAY FOR VE CELEBRATIONS A DEPARTURE FROM THE GOVERNMENT'S OWN VIEW, IN THE CONSULTATION DOCUMENT, THAT HOLIDAYS SHOULD NOT BE COMMEMORATIVE. WHY NOT MARK OTHER EVENTS/PEOPLE TO WHICH WE OWE OUR NATIONAL HERITAGE?

A The well-established tradition of avoiding associations with events, individuals and institutions applies to permanent bank holidays; the practice of using "one off" public holidays to mark truly important events in our national life is well established - as illustrated by the holiday to commemorate the Queen's Silver Jubilee in 1977 (also the Prince of Wales' Wedding in 1981). This sensible approach allows us to commemorate landmark events, while avoiding the division and argument that linking permanent holidays to events would undoubtedly cause.

Scotland

Q WHY IS IT THAT IN SCOTLAND IN 1995 THERE WILL BE TWO BANK HOLIDAYS IN EARLY MAY AND ONLY ONE IN ENGLAND, WALES AND NORTHERN IRELAND?

A Along with the rest of the people of the United Kingdom, the Scots played a vital role during the Second World War and it is only right that they should take part fully in the peace celebrations on 8 May 1995. In Scotland the first Monday in May was enshrined in legislation as a bank holiday in 1871 and later incorporated into the 1971 Banking and Financial Dealings Act. The Government would not wish to interfere with the legislation on this.

cc PK

nbpm

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

16 December 1993

Dear David

THE EARLY MAY BANK HOLIDAY

In your letter of 14 December to Tony Newton, you set out how you propose to proceed following EDH's decision that the Early May Bank Holiday should remain on the first Monday in May (following a special arrangement for 1995 only when the holiday will be held on the second Monday in May to tie with the 50th Anniversary celebrations of VE Day). You enclosed a draft Written Parliamentary reply which you intend to give on Thursday 16 December.

I understand that all colleagues are content with your proposed procedure and draft Parliamentary reply, which will be amended slightly to reflect the particular arrangements in Scotland. Your reply and that which the Defence Secretary is giving the same day on the commemorative arrangements for 1995 are fully consistent.

The way is therefore clear for you to proceed as proposed. I understand that your office will circulate Q and A briefing to other Departments.

I am copying this letter to the Prime Minister, EDH colleagues, the Foreign Secretary, the Defence Secretary, the Attorney General, the Chief Whip and to Sir Robin Butler.

Yours ever

WAKEHAM

The Rt Hon David Hunt, MP

CAB

→ File

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5802/03
Telex 915564 Fax 071-273 5967

The Rt Hon David Hunt MBE MP
Secretary of State for Employment

The Rt Hon Tony Newton OBE MP
Lord President of the Council
68 Whitehall
London SW1A 2AT

14th December 1993

Dear Tony

THE EARLY MAY BANK HOLIDAY

As you know, Lord Wakeham wrote to the Prime Minister last Thursday to inform him of EDH's view that:

- the Early May Bank Holiday should remain on the first Monday in May;

- there was no support for the second Monday in May on a permanent basis, following a move to that date in 1995 to tie in with events to mark the 50th anniversary of the ending of the Second World War.

I understand the way is now clear for me to proceed with an announcement on the future of the bank holiday before the recess. I agree with the proposal that my announcement should be made in a written reply to an arranged PQ this Thursday and be tied in with a separate announcement on the same day by another Secretary of State (to be decided) on the commemorative arrangements for 1995. Officials will need to liaise closely to ensure that the timing and cross references are right and some last-minute changes to the draft may be necessary to secure this.

Secretary of State
for Employment

The decision to associate the bank holiday with VE Day in 1995 may cause some people to remind us that we have said that public holidays are not used to commemorate specific events or individual ones apart from those associated with the Christian religion. But we can point out that the policy applies to permanent public holidays and that the practice of using "one off" public holidays to mark truly important events in our national life is well established - for example the holiday to commemorate the Queen's Silver Jubilee.

I would be grateful if you could confirm that you are content with these arrangements and my draft reply by midday tomorrow, to enable the question to be tabled on Wednesday for answer on Thursday.

I am sending a copy of this letter and attachment to the Prime Minister, members of EDH, the Foreign Secretary, the Defence Secretary, the Attorney General, the Chief Whip and to Sir Robin Butler.

Yours ever

DAVID HUNT

DRAFT WRITTEN PARLIAMENTARY QUESTION

To ask the Secretary of State for Employment whether he will make a statement on the future of the Early May bank holiday in England, Wales and Northern Ireland.

DRAFT REPLY

On 1 December 1992 the Government issued a consultation document on the future of the Early May bank holiday in England, Wales and Northern Ireland.

It is clear from the representations received by my Department that there is no clear consensus in favour of a move. While many favour permanently moving the holiday, businesses anticipate difficulties with such a change.

In light of its goal of reducing burdens on business, the Government has decided not to move the Early May bank holiday from the first Monday in May on a permanent basis. However, for 1995 only, it will be held on the second Monday in May to link with events on and near VE Day to commemorate the ending of the Second World War. My Rt. Hon Friend, the Secretary of State for [to be decided] is making an announcement today on the commemorative arrangements for 1995.

CONFIDENTIAL

FILE
MPJ

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 December 1993

Dear Joan,

EARLY MAY BANK HOLIDAY

The Prime Minister was grateful for the Lord Privy Seal's minute of 9 December, reporting on the outcome of that day's discussion in EDH of the future of the early May Bank Holiday.

The Prime Minister notes the committee's agreement that the early May Bank Holiday should be retained. As the Lord Privy Seal reported to EDH, the Prime Minister has also decided that the early May Bank Holiday should be moved in 1995 to Monday 8 May, to commemorate the end of World War II.

The Prime Minister would like the decision to retain the early May Bank Holiday, but to move it in 1995, to be announced before the recess, by the Secretary of State for Employment through a Written Parliamentary Answer. The announcement will need to be sensitive to the fact that previous commitments to move the early May Bank Holiday have been given. It will also need to be linked to a separate announcement, being co-ordinated by the Cabinet Office, about the other arrangements being made in 1995 to commemorate the 50th anniversary of the end of the World War II.

I am copying this letter to Private Secretaries to members of EDH, Murdo Maclean (Chief Whip's Office) and Melanie Leech (Cabinet Office).

Yours
Mark

MARK ADAMS

Mrs Joan Bailey
Lord Privy Seal's Office

CONFIDENTIAL

Prime Minister
EDH did not support the idea of the Bank Holiday moved to the second Monday in May. The decision will be announced by Mr Hunt by written PQ on Thursday, together with the announcement of the moving of the holiday in 1995 to mark the 50th anniversary of the end of WWII
MCA 10/12

PRIME MINISTER

EARLY MAY BANK HOLIDAY

At EDH this morning we looked at David Hunt's proposal not to move the early May bank holiday to late October.

Some colleagues still favoured a late October date which could have advantages for schools and was still supported by sections of the tourist industry. But most EDH members considered that in view of the growing opposition from industry to an October date, the balance of advantage had changed and we should stick to a bank holiday in early May.

We also looked at the case for moving the bank holiday from the first to the second Monday in May from 1996 as set out in David Hunt's letter of 8 December. I explained that a decision on bank holidays in 1995 associated with the 50th anniversary of the end of World War II was being settled separately but that a bank holiday in 1995 on VE Day - 8 May - in place of 1 May was a reasonable working assumption. There was however no support in the Committee for moving the bank holiday to the second Monday in May on a permanent basis. It was argued that this would be regarded as tinkering, would lead to continuing problems with Far East veterans, would generate criticism from traditionalist May Day interests, would lead to a greater bunching of bank holidays in May and would leave a mismatch with Scotland (where no new primary legislation to move away from the first Monday in May is contemplated).

I said I would report these conclusions to you. Subject to your agreement, we now have the basis for a firm announcement before the Christmas Recess. I think that any presentational difficulties of retaining a bank holiday on the first Monday of May in the longer term are eased by the fact that the holiday will fall several days after 1 May in 1996 and 1997, and will not fall on 1 May again until 2000.

I am copying this to other members of EDH, Douglas Hurd, Malcolm Rifkind, Gillian Shephard, Nick Lyell and to Sir Robin Butler.

John

WAKEHAM

9 December 1993

Prime Minister

The handling of the Mayday issue has gone badly. Any decision now could be presented as a U-turn, so a decision can be taken on its merits. The argument against the October date is the strengthening business opposition. Option 3 is unlikely to fool anyone but, as a face-saving way of abolishing 'Mayday' may work. If not, we will have to go for October. Do you have a view to feed into EDE, or would you prefer the Committee to take a view?

MRA 12/11

From: Alan Rosling
Date: 9 November 1993

PRIME MINISTER

MAY DAY BANK HOLIDAY

Officials met this morning to consider options on the Bank Holiday. The possibilities seem to be:

1. **Status Quo** (ie first Monday in May)

Pro: Favoured in consultation, especially by industry and Morris dancers.
Mr Hunt in favour.

Con: Continuation of 'Socialist' holiday.
You are on record favouring change (see Hansard extract attached).

2. **October**

Pro: Ends 'Socialist' holiday.
Tourist trade in favour.
Spreads holiday more evenly.
EDH agreed to this and decision was trailed.

Con: In consultation majority in favour of status quo, most importantly industry.

3. **VE Day Option**

The Committee planning celebrations in 1995 for the end of World War II has considered recommending a Bank Holiday for one year only in May, July or August. VE day is 8th May. Subject to the Queen being available to attend events, in 1995 we could celebrate VE day, and reconciliation in Europe, with a Bank

Holiday on Monday 8th May. This would break the association of the May holiday with 'Labour Day'. In subsequent years we could have an 'Early May Bank Holiday'. The first Monday in May falls as follows:

1995	1st
1996	6th
1997	5th
1998	4th

We could announce that in 1996 the holiday would be 6th May and leave it open thereafter.

Pro: Association with VE Day would add cover to what could be perceived as a change in your position.
Industry content (?).

Con: Bank holidays still bunched in May.
'Early May Bank Holiday' likely to be called 'May Day'.
Celebrating VE day could upset the Germans and Far East veterans.

Can I advise Mr Hunt and Lord Wakeham of your preference?

ALAN ROSLING

747.ar

Q4. **Mr. Conway:** To ask the Prime Minister if he will list his official engagements for Thursday 3 December.

The Prime Minister: I refer my hon. Friend to the answer I gave some moment ago.

Mr. Conway: Does my right hon. Friend agree that the people of this country never wanted to celebrate the Marxist anniversay of May day? Given the new spirit of European co-operation, will my right hon. Friend consider replacing the May day bank holiday with a bank holiday to mark the anniversary of the battle of Trafalgar, the battle of Agincourt or, better still, the battle of Waterloo?

The Prime Minister: I share my hon. Friend's enthusiasm for removing the May day bank holiday in precisely the same way in which are seeing the removal of the political system that it supports. Perhaps Trafalgar day would be appropriate; perhaps other days, but certainly not May day.

cc PA

agree for now
but b/u with any other
replies

FCS/93/201
Secretary of State for Employment

Moving the May Day Bank Holiday

I should like to support your recommendation to EDH that the May Day Bank Holiday should be retained. This is not because of any Departmental interest: the Foreign Office does not have an interest in the issue either way.

My concern is that changing the dates of public holidays can only be justified if a strong case exists. Your Memorandum of 3 November shows that there is no such case. It is nonsense to argue that May Day is a left-wing festival simply because it was appropriated by the Left in the last century. May Day has a long tradition in British life, dating back many centuries and it is reasonable that it should continue to be celebrated.

I am copying this minute to Members of the Cabinet and to Sir Robin Butler.

DH

Douglas Hurd

Foreign and Commonwealth Office
9 November 1993

8-4

CONFIDENTIAL

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5802/03
Telex 915564 Fax 071-273 5967

The Rt Hon David Hunt MBE MP
Secretary of State for Employment

The Rt Hon The Lord Wakeham FCA JP
Lord Privy Seal
Privy Council Office
68 Whitehall
London SW1A 2AT

8 December 1993

Dear Lord Privy Seal,

MAY DAY BANK HOLIDAY

I understand that at EDH tomorrow morning you will inform colleagues of the options currently being considered elsewhere for celebrating the 50th Anniversary of the end of World War II in 1995.

One of those options involves moving the May Day bank holiday in 1995 to the second Monday in May (8 May VE Day) to provide a holiday for the celebrations. I would be content for this to happen. A move in 1995 also raises the possibility of leaving the holiday on the second Monday in May thereafter, thereby providing a long term alternative to the status quo.

This new dimension has of course arisen since my paper was circulated. However, I believe that when EDH meets tomorrow, it should consider the possibility of a permanent move to the second Monday in May, alongside my paper.

Employment Service
Health and Safety Executive • ACAS

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Secretary of State
for Employment

I am sending a copy of this letter to the Prime Minister, other members of EDH, Douglas Hurd, Malcolm Rifkind, Gillian Shephard, Nicholas Lyell and Sir Robin Butler.

Given the sensitivity of this issue, I would be grateful if this letter was circulated within Departments on a need to know basis.

Simon Gray

Mr DAVID HUNT

(Approved by the Secretary of State and signed in his absence.)

CONFIDENTIAL

aPV

PRIVY COUNCIL OFFICE

WHITEHALL, LONDON SW1A 2AT

5 August 1993

Dear Secretary of State,

THE MAY DAY BANK HOLIDAY

will attend if required

In your letter of 2 August, you proposed that EDH should return to this issue early in September.

In the light of colleagues' comments on your earlier letter of 22 July, I agree that an EDH discussion is called for. The arrangements will be put in hand. Meanwhile you will no doubt be preparing a paper for EDH's consideration.

I am copying this letter to the Prime Minister, other members of EDH, Gillian Shephard and to Sir Robin Butler.

Ann McGregor

WAKEHAM

(Approved by the Lord Privy Seal
and signed in his absence)

The Rt Hon David Hunt MBE MP

QUEEN ANNE'S GATE LONDON SW1H 9AT

8th August 1993

Dear David

MAY DAY BANK HOLIDAY

Thank you for copying me your letter to John Wakeham about the May Day Bank Holiday.

I share the views expressed by William Waldegrave and Michael Portillo. The CBI's view was known at the time and I am not clear why we should reverse our position simply because of their pressure. We also need to bear in mind that a move from May Day is popular with our supporters.

I am copying this letter to the Prime Minister, members of EDH, Gillian Shephard and Sir Robin Butler.

Yours
Michael

MICHAEL HOWARD

The Rt Hon David Hunt MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

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c-PU

rtpm

Treasury Chambers, Parliament Street SW1P 3AG
071-270 5000
Fax 071-270 5456

The Rt Hon David Hunt MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
London
SW1H 9NF

29 July 1993

Dear David

THE MAY DAY BANK HOLIDAY

Thank you for your letter of 22 July. I have also seen colleagues' reactions.

2. I am more than a little surprised at your proposal to change tack on the proposal to abolish the May Day bank holiday. Little seems to have changed since EDH reached a consensus on the way forward last March.

3. A quick announcement signalling a reversal will immediately provoke criticism that our thinking is confused. If we really must abandon our earlier decision, public expectations will need to be managed down carefully and gradually. I believe that the matter is worth more careful consideration. I am not at all convinced we should resile from our proposal to abandon this relic from an inglorious chapter of our political history.

4. I am copying this letter to the Prime Minister, other members of EDH, Gillian Shephard and Sir Robin Butler.

Yours ever

Michael

MICHAEL PORTILLO

nbpm

DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

My ref:

Your ref:

The Rt Hon David Hunt MBE MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

27 JUL 1988

Dear David,

MAY DAY BANK HOLIDAY

Thank you for copying to me your letter of 22 July to John Wakeham in which you propose not to proceed with the EDH decision to replace the May Day Bank Holiday with a new one on the last Monday in October. I agree with John Gummer that this is a matter which needs careful consideration and I see no reason to rush into an announcement.

I am also concerned, although this has not been made public, given the expection of change, that an early announcement in this area could be presented as a U-turn.

Yours ever,

JM

JOHN MACGREGOR

Copies to the Prime Minister, other members of EDM, Gillian Shephard and Sir Robin Butler.

CC

SCOTTISH OFFICE
WHITEHALL LONDON SW1A 2AU

The Rt Hon David Hunt MBE MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

27 July 1993

Dear David,

THE MAY DAY BANK HOLIDAY

Thank you for sending me a copy of your letter of 22 July to John Wakeham seeking colleagues agreement that the EDH decision to replace the May Day bank holiday in England, Wales and Northern Ireland should not now proceed and your proposed announcement on the matter.

Although replacement of the May Day bank holiday did not directly affect Scotland, it did however, create a further mismatch of bank holidays north and south of the border, which was of concern to the Scottish banks. I am therefore in agreement with your decision not to proceed with replacement of the May Day bank holiday.

My officials have been in touch with yours to suggest a slight re-wording of the draft Question to make it clear that the matter only relates to England, Wales and Northern Ireland. Otherwise I am content.

I am copying this letter to the Prime Minister, members of EDH, Gillian Shephard and Sir Robin Butler.

Yours ever,

Ian

IAN LANG

SAS01420.073

Home Aff: Public Hols 179

c-PU

The Rt. Hon. Tim Sainsbury MP
Minister for Industry

nbpm

CONFIDENTIAL

Department of Trade and Industry

Ashdown House
123 Victoria Street
London SW1E 6RB

Direct line
071-215 5144

DTI Enquiries
071-215 5000

Rt Hon David Hunt MBE MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NF

27 July 1993

Dear David

THE MAY DAY BANK HOLIDAY

WILL ATTACH FOLLOWING

You copied your letter of 22 July to Michael Heseltine.

As you say, this has always been a finely balanced decision, where the information on both industry's views and the potential costs have not been as good as one would ideally like. Since the CBI clearly feel strongly about the matter, I am content to proceed as you suggest.

Given the widespread anticipation that we would decide to make a change, careful presentation of our decision will be important. I suggest that the last sentence of the draft PQ answer enclosed with your letter be deleted, since it tends to suggest that our decision may not be a firm one. which it isn't!

I am copying this letter to the Prime Minister, members of EDH, Gillian Shephard and Sir Robin Butler.

Yours ever
Tim

TIM SAINSBURY

dti
the department for Enterprise

Recycled Paper

c-PM

DEPARTMENT OF HEALTH

Richmond House
79 Whitehall
London SW1A 2NS
Telephone 071 210 3000
From the Secretary of State for Health

The Rt Hon David Hunt MBE MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

27 July 1993

Dear David,

MAY DAY BANK HOLIDAY

In your letter to John Wakeham you asked for comments on the draft parliamentary question and answer announcing that the Government has decided not to proceed with changing the May Day bank holiday.

When consulted earlier this year about the proposal to move the May Day bank holiday the Department expressed a strong view that this would be helpful because the present cluster of Spring holidays causes operational difficulties in running Day Hospitals and Outpatient Clinics.

This remains the Department's position. However, in view of the reaction from industry to the proposed change, I understand your reasons for wishing to maintain the status quo and am content to accept your proposal. I hope that the situation can be kept under review.

I am copying this to the Prime Minister, other members of EDH and Sir Robin Butler.

Yours ever
Virginia

VIRGINIA BOTTOMLEY

pr\data\dm2\ewr\kinder\may day1

FROM THE RIGHT HONOURABLE THE LORD MACKAY OF CLASHFERN

HOUSE OF LORDS.
LONDON SW1A 0PW

DL40/267/1

26 July 1993

The Right Honourable
The Lord Wakeham
Lord Privy Seal
68 Whitehall
LONDON SW1A 2AT

Dear John,

THE MAY DAY BANK HOLIDAY

As you know, David Hunt has copied to me his letter of 22 July. I appreciate that the change proposed to this holiday will not be universally popular, and understand the views set out in David's letter. Nevertheless EDH agreed the move, and did so after careful consideration; paying particular attention to those views expressed as a result of the consultation carried out by the Department of Employment.

Since EDH has made a decision on this subject, I feel I cannot agree to the proposition put forward by David unless, and until, EDH has had an opportunity to deliberate on this matter further.

I am copying this letter to David Hunt, the Prime Minister, other members of EDH, Gillian Shephard and Sir Robin Butler.

Yours ever,

James.

cc PU

File

2 MARSHAM STREET
LONDON SW1P 3EB
071-276 3000

My ref:

Your ref:

The Rt Hon David Hunt MBE MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1

26 July 1993

Dear Secretary of State,

THE MAY DAY BANK HOLIDAY

File with MA

Thank you for copying me your letter of 22 July to John Wakeham, proposing not to proceed with the EDH decision to replace the May Day Bank Holiday with a new one on the last Monday in October.

I think this is a matter which needs more careful consideration, and I suggest that we return to it in the autumn. As we are not proposing an October Bank Holiday this year, I am not clear why the need for an announcement is as urgent as you suggest, and I am by no means sure that simply abandoning our proposal for change is necessarily the best outcome.

I am copying this letter to the recipients of yours.

Yours sincerely

JOHN GUMMER

CONFIDENTIAL

DEPARTMENT FOR EDUCATION

SANCTUARY BUILDINGS GREAT SMITH STREET WESTMINSTER LONDON SW1P 3BT
TELEPHONE 071 925 5000

The BARONESS BLATCH CBE, FRSA
Minister of State

The Rt Hon David Hunt MBE MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
London
SW1H 9NF

Dear David,

26 JUL 1993

THE MAY DAY BANK HOLIDAY

Thank you for copying to John Patten your letter of 22nd July to John Wakeham proposing that you make an announcement that no changes are to be made to the present arrangements for the May Day Bank Holiday. I am replying in John's absence through illness.

As you will know from earlier consultations we supported the abolition of the May Day Bank Holiday in favour of a Bank Holiday in October. Although it has proved difficult to find an alternative, I do believe there remains a problem of "bunching" and indeed there appeared to be support to move it. However, I welcome your keeping the mattter under review.

I am copying this letter to the recipients of yours.

THE BARONESS BLATCH

CONFIDENTIAL

DEPARTMENT OF NATIONAL HERITAGE

2-4 Cockspur Street
London SW1Y 5DH
Telephone: 071-211 6238
Facsimile: 071-211 6249

From the Secretary of State for National Heritage
The Rt. Hon. Peter Brooke, CH, MP

C93/ /7951

The Rt Hon David Hunt MBE MP
Secretary of State for Employment
Caxton House
Tothill Street
London
SW1H 9NF

26 July 1993

Dear David

MAY DAY BANK HOLIDAY WILL ATTACH IF RESUMED

Thank you for copying to me your letter of 22 July to John Wakeham.

I take your point about the burden on business which a move to October might cause, especially in view of our initiatives on deregulation. However I do feel that the suddenness of this about-turn in policy is regrettable. I understand your wish to put an end to uncertainty by making an announcement before the recess, but I fail to see why the decision has been left so late, given that almost four months have elapsed since the EDH decision.

As you know, my Department has consistently supported the proposal for a move to October, following strong advice from the Tourist Boards and others in the industry that such a move would benefit tourism by extending the season.

This is a difficult issue and I, like you, have received representations opposing the change. I do not think the position is sufficiently clear-cut for me to argue at this stage that the CBI's arguments should be ignored. Rather than announce a result now, I suggest that we undertake further research into the costs and benefits of replacing May Day with an October bank holiday. We need to be able to compare the likely costs to manufacturing industry with the likely increase in tourism revenues, to make some assessment of the overall impact.

> I am copying this letter to the Prime Minister, other members of EDH and Gillian Shephard, and to Sir Robin Butler.

Yours ever
Peter

PETER BROOKE

You will not need reminding that tourism's contribution to employment significantly exceeds its contribution to GDP.

Y SWYDDFA GYMREIG
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 071-270 3000 (Switsfwrdd)
071-270 0538 (Llinell Union)
Fax: 071-270 0561
Oddi wrth Ysgrifennydd Gwladol Cymru

WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 071-270 3000 (Switchboard)
071-270 0538 (Direct Line)
Fax: 071-270 0561
From The Secretary of State for Wales

The Rt Hon John Redwood MP

CT/9115/93

26th July 1993

Dear Secretary of State,

Will attach it looking

Thank you for a copy of your letter of ~~22~~ July to John Wakeham about the May Day Bank Holiday.

I can understand the reasons in favour of retaining the May Day bank holiday and your wish to reconsider the earlier EDH decision. I am content with the proposed arrangements for making the announcement to the House.

I am copying this letter to the Prime Minister, other members of EDH, Gillian Shephard and to Sir Robin Butler.

Yours sincerely,
Judith Knight

(approved by Mr Redwood and signed in his absence)

The Rt Hon David Hunt MBE MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NF

Ministry of Agriculture, Fisheries and Food
Whitehall Place, London SW1A 2HH

From the Minister

CONFIDENTIAL

The Rt Hon David Hunt MBE MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
London
SW1H 9NF

26 July 1993

Dear David

THE MAY DAY BANK HOLIDAY

In your letter of 22 July to John Wakeham you asked for comments on the draft parliamentary question and answer announcing that the Government has decided not to proceed with changing the May Day bank holiday.

I am not aware of any adverse reaction from the agriculture and allied industries to the proposal agreed at EDH to dispense with the May Day bank holiday in favour of one later in the year. This change would have gone some way towards bringing our holiday arrangements more into line with those of our EC partners and I feel there is some merit in trying to achieve this objective. However I do of course acknowledge the pressure you are experiencing from other sectors which has resulted in the line you are now proposing and with that in mind I am content to go along with your proposals.

I am copying this to the Prime Minister and other members of EDH and Sir Robin Butler.

Yours ever

Gillian

GILLIAN SHEPHARD

Home Aff: Public Holidays

→ File cc PU

CABINET OFFICE
70 Whitehall, London SW1A 2AS
Telephone: 071-270 0400

Chancellor of the Duchy of Lancaster
Minister of Public Service and Science

Kb 01566

The Rt Hon the Lord Wakeham
The Lord Privy Seal
Privy Council Office
68 Whitehall
London SW1A 2AT

23 July 1993

Dear Tony,

MAY DAY BANK HOLIDAY

Will regret if agreed

I have seen David Hunt's letter of 22 July to you.

I must say that I find the decision not to move the May Day Holiday both surprising and regrettable. For better or worse, the clear impression had been given that we were determined to get rid of this legacy of socialist government one way or the other. So a decision to do nothing after all will be seen not only as another policy U-turn, but as an enfeebling of political will, the last thing we need at the present time.

I do of course recognise the argument that industry might face additional costs if the holiday were moved. But I do not see this as a deregulation issue, and in any case I do not see any conclusive proof that the burden of business - which has in any case several years to gear up for the change - will actually be increased. We are as a Government doing a great deal to demonstrate our concern for business, but that does not mean that we must allow this to overrule every other consideration, where our willpower and credibility are at stake.

Apart from the principle of the matter, I also object to the terms of the proposed announcement. If we <u>are</u> going to give in on this issue, then at least let us clearly make a virtue of minimising the burden to business in announcing that decision. As it stands, the draft Reply suggests that the Government is simply leaving matters as they are because it cannot, in the light of the consultation exercise, make up its mind what to do next.

I am copying this letter to the Prime Minister, other members of EDH, Gillian Shephard and Sir Robin Butler.

WILLIAM WALDEGRAVE

mb.wakeham1

CONFIDENTIAL

CCPU

16pm

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5802
Telex 915564 Fax 071-273 5967

The Rt Hon David Hunt MBE MP
Secretary of State for Employment

The Rt Hon The Lord Wakeham
Lord Privy Seal
Privy Council Office
68 Whitehall
London
SW1A 2AT

22nd July 1993

Dear John

THE MAY DAY BANK HOLIDAY

On 30 March EDH considered the results of the consultation exercise on the future of the May Day bank holiday and agreed that it should be replaced with a new one on the last Monday in October. I have been looking again at the issue, on which an early announcement must be made.

As you know, the outcome of the consultation earlier this year was finely balanced. Since then my Department has received many representations (mainly from individuals) which do not support such a change. More importantly, Howard Davies has emphasised to me personally the strong views of the CBI that the present arrangements for May Day are preferable to any alternative. The Engineering Employers Federation agree, and I have also received representations from others within industry opposing the move.

I believe we must take these views seriously in view of our commitment to reduce burdens on business as part of our general approach to deregulation. Industry is concerned that a change to October would disrupt the uninterrupted run of production between the end of August and Christmas, and while our compliance cost assessment was not able to offer conclusive evidence on the cost of the change, we can be sure that many employers would resent what they would regard, however mistakenly, as change imposed by Government.

The reaction of industry to a change to October, and the current climate of public opinion, lead me to the conclusion that, subject to colleagues' agreement, we should not now proceed with the EDH decision. I would therefore propose to announce this, but to make clear that I shall continue to keep the situation under review.

It is important that we make an announcement before Parliament rises for the recess so that industry and the public at large are aware of our decision. I hope that we can clear the matter by correspondence and make the announcement next week. I attach a draft parliamentary question and answer on which I would welcome comments by noon on Monday 26th July.

I am copying this letter to the Prime Minister, other members of EDH, Gillian Shephard and Sir Robin Butler.

Yours ever

DAVID HUNT

DRAFT WRITTEN PARLIAMENTARY QUESTION

To ask the Secretary of State for Employment whether he will make a statement on the future of the May Day bank holiday?

DRAFT REPLY

On 1 December 1992 the Government issued a consultation document on the future of the May Day bank holiday in England, Wales and Northern Ireland.

It is clear from the representations received by my Department that opinion on whether a change should be made is finely balanced. Some favour abolishing the May Day bank holiday, but many, in particular business, anticipate difficulties with any change.

The Government has therefore decided not to change the arrangements for the May Day bank holiday. It will continue to keep the situation under review.

KR

CONFIDENTIAL

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5803
Telex 915564 Fax 071-273 5821

Secretary of State

Prime Minister

Tony Newton may want to raise this at Parliamentary Business Managers ~~on~~ on Monday. This may be an implicit request for the policy to be reconsidered.

WBC
11/6.

The [illegible]on Tony Newton MP
The [illegible] President of the Council
Pri[illegible] [illegible]ncil Office
Whitehall
London SW1A 2AT

10 June 1993

Dear Tony

THE MAY DAY BANK HOLIDAY

As we discussed last night, there has not yet been an announcement of the decision taken in EDH on 30 March to replace the May Day bank holiday with a new bank holiday on the last Monday in October. I understand you agreed with Gillian Shephard that the matter would be looked at again once Parliament returned from the Whitsun recess.

I have just heard from the CBI urging no change and attach a copy of Howard Davies' letter of 26th May. Nevertheless an announcement of the Government's decision has long been delayed and if the change is to take effect in 1995 we need to make an announcement soon. It is important that we give those sectors of industry, such as diary manufacturers, and others who need to plan eighteen months to two years in advance, time to prepare for the change. To delay any further will prevent this, attract further press interest and fuel speculation that the Government is undecided on the issue.

EDH agreed that the announcement should be by way of written answer in both Houses. I am content with this but I would welcome your views. Whatever form the announcement takes I feel we should now resolve this matter as quickly as possible.

CONFIDENTIAL

Secretary of State
for Employment

I am copying this letter to the Prime Minister, the Lord Privy Seal, the President of the Board of Trade, the Chief Whip and Sir Robin Butler.

Yours ever

DAVID HUNT

Confederation of British Industry
Centre Point
103 New Oxford Street
London WC1A 1DU
Telephone 071-379 7400
Facsimile 071-836 0645
Telex 21332

From
Howard Davies
Director-General

CBI

HD/RG

26 May 1993

The Rt Hon Mrs Gillian Shephard
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

Dear Gillian

Recent press reports have suggested that you are moving towards a decision on the future of the May Day Bank Holiday. It is being suggested that the Government is minded to change to a date in October.

As you will know, we responded in some detail to the consultation exercise which was conducted a few months ago. Many of our members, particularly those in manufacturing, value the unbroken run from the August Bank Holiday to Christmas. It is useful to them as stocks build up for the Christmas sales period.

More businesses believe that it would be better to stay with the current arrangement than any alternative. They have grown used to the holiday at that time and it does not unduly disrupt business links abroad, where May Day is also commonly a holiday.

I hope that you will be able to take these views into account as you come to your decision.

Yours sincerely

Howard Davies

075/05/A

c-pu

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

19 May 1993

Dear Simon,

THE MAY DAY BANK HOLIDAY

WILL ATTACH IF REQUIRED

Your Secretary of State's letter to the Lord President of 13 May asked for agreement to announce the Government's decision on the May Day bank holiday.

The Lord President spoke to the Employment Secretary on Tuesday and agreed that no announcement should be made before the Spring Adjournment. The Business Managers will consider further how to proceed after Whitsun.

I am copying this letter to William Chapman (Prime Minister's Office), Joan Bailey (Lord Privy Seal's Office), Peter Smith (DTI), Murdo Maclean (Chief Whip's Office) and to Melanie Leech (Sir Robin Butler's Office).

Yours sincerely.

Hilary Paxman

MRS H R M PAXMAN
Private Secretary

Simon Courage Esq
PS/The Rt Hon Mrs Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
London SW1H 9NF

KR

CONFIDENTIAL

nbpm

cc Prem Office

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5803
Telex 915564 Fax 071-273 5821

Secretary of State

The Rt Hon Anthony Newton MP
The Lord President of the Council
Privy Council Office
Whitehall
London
SW1A 2AT

13 May 1993

Dear Tony

THE MAY DAY BANK HOLIDAY

You will recall that the announcement of the Government's decision on the May Day bank holiday was postponed until after this year's May Day holiday, the county council elections and the Newbury by-election.

Now that these have passed, I wish to make an announcement as soon as possible. I believe that it is important not to delay the announcement beyond the end of this month. To delay further will draw criticism from industry that they have been given insufficient time to prepare for the change. In addition, delay will only serve to heighten media interest and possible speculation of Government indecision on this issue. This is particularly likely as we approach another bank holiday.

I should be grateful, therefore, if you could confirm that you are content for me to make the announcement as agreed by EDH on 30 March, before Parliament rises for the Whitsun recess. I should also welcome your views on what form the announcement should take.

I am copying this letter to the Prime Minister, the Lord Privy Seal and the President of the Board of Trade, the Chief Whip and Sir Robin Butler.

Yours ever
Gillian.

GILLIAN SHEPHARD

Employment Service
Health and Safety Executive ACAS

CONFIDENTIAL

File SR

Fax'd to GB.

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

30 April 1993

Dear Graham,

Following our telephone conversation, I enclose the latest line to take which the Prime Minister had a month or so ago on May Day Bank Holiday. You may also find useful this copy of the near final draft of the consultation document issued by Department of Employment.

I am afraid we do not have a copy of the final version to hand and, in the time available, it seems better to send you this.

I think an important point to make to anyone who says we have too many Bank Holidays is that many countries in Europe have far more public holidays, especially Roman Catholic countries with commemorations of Saints Days.

If there is anything else you would like me to get you, please give me a ring.

Yours ever,
William

WILLIAM CHAPMAN

Graham Bright, Esq.

MAY DAY BANK HOLIDAY - UPDATE ON THE CONSULTATION EXERCISE

Line to Take

- the Government published a consultation document on the future of the May day Bank Holiday on 1 December 1992.

- the majority of responses to the consultation document favoured a c

- the respor
being ana
Government
decision as

GB

0638. 720208

720109

Fax no. (anyone) Mark?

Guardian

Background

- Minister n document or

- the docu a clear steer t on either a e on the last Monday in October, t May Day Bank Holiday;

- other dates, including the possibility of retaining the status quo, were not ruled out if there was a strong preference for them.

- on 3 December in answer to a supplementary question from Derek Conway (copy attached) the Prime Minister underlined his own commitment to removing the May Day Bank Holiday and indicated that Trafalgar Day might be appropriate by way of example.

- whilst the consultation document referred to the fact that annual bank holidays in Britain do not, by tradition, commemorate particular individuals, events or institutions, other than those associated with the Christian religion, it did not explicitly rule this out.

- consultation period has now ended. Officials are analysing replies and will report to Ministers on the results of the exercise as soon as possible.

- attached article, published in today's Daily Telegraph, reflects continued press speculation over a Trafalgar Day holiday, and claims "overwhelming public demands for a new October bank holiday".

- preliminary analysis shows of the replies to the consultation document some 60% favoured a move away from May Day. The majority of these favoured the option given in the consultative document of the last Monday in October.

MAY DAY BANK HOLIDAY - UPDATE ON THE CONSULTATION EXERCISE

Line to Take

- the Government published a consultation document on the future of the May day Bank Holiday on 1 December 1992.

- the majority of responses to the consultation document favoured a change.

- the responses are currently being analysed and the Government will announce a decision as soon as possible.

Background Notes

- Minister of State for Employment launched a consultation document on the May Day Bank Holiday on 1 December 1992.

- the document reflected decisions taken at ED(H) and gave a clear steer for the Secretary of State for Employment to consult on either an extended August bank holiday, or an alternative date on the last Monday in October, as a replacement for the current May Day Bank Holiday;

- other dates, including the possibility of retaining the status quo, were not ruled out if there was a strong preference for them.

- on 3 December in answer to a supplementary question from Derek Conway (copy attached) the Prime Minister underlined his own commitment to removing the May Day Bank Holiday and indicated that Trafalgar Day might be appropriate by way of example.

- whilst the consultation document referred to the fact that annual bank holidays in Britain do not, by tradition, commemorate particular individuals, events or institutions, other than those associated with the Christian religion, it did not explicitly rule this out.

- consultation period has now ended. Officials are analysing replies and will report to Ministers on the results of the exercise as soon as possible.

- attached article, published in today's Daily Telegraph, reflects continued press speculation over a Trafalgar Day holiday, and claims "overwhelming public demands for a new October bank holiday".

- preliminary analysis shows of the replies to the consultation document some 60% favoured a move away from May Day. The majority of these favoured the option given in the consultative document of the last Monday in October.

CONSULTATION DOCUMENT ON THE MAY DAY BANK HOLIDAY

Introduction

1. This Consultation Document seeks the views of interested organisations and the public on:

a) whether to retain the existing May Day bank holiday in England, Wales and Northern Ireland;

b) what alternative dates might be preferable; in particular, whether respondents would prefer an extra day added to the August bank holiday, or a new bank holiday on the last Monday in October.

Background

2. The first Monday in May was first celebrated as a bank holiday in England, Wales and Northern Ireland in 1978. It had been announced by the then Labour Government in 1976, without prior public consultation.

Objections to May Day bank holiday

3. Ever since its inception, the May Day bank holiday has attracted criticism. Most complaints have mentioned its position in the calendar, which leads to a "bunching" of holidays in the Spring. Easter, May Day and the late Spring bank holiday on the last Monday in May can all fall within five weeks of each other (as they did in 1992).

4. A strong body of opinion finds this very inconvenient, and feels that several long weekends in quick succession is excessive. This has led to suggestions that May Day be replaced by an alternative holiday. Some people have proposed adding a day to an existing bank holiday to make a longer break; others have said they would prefer a new bank holiday between September and Christmas, to break up a long stretch of holiday-free weeks.

5. In particular, tourism interests have repeatedly recommended replacing May Day with a new bank holiday in October, since they believe that this would lengthen the tourism season. These calls have been echoed by Members of Parliament. When the House of Commons Employment Committee reported on Tourism in 1990, it referred to the British Tourist Authority's recommendation for moving the May Day holiday, and recommended that "the Government should consider the more even distribution of bank holidays".

Government Position

6. The May Day bank holiday has attracted criticism and is unpopular with many people. The Government thinks it likely that an alternative date could be found for England, Wales and Northern Ireland which was thought more convenient and more generally acceptable.

7. The Government is not considering changes to bank holidays in Scotland, where May Day has been a holiday since 1871.

<u>The Government would welcome comments from respondents on whether they would support a change to the present May Day bank holiday in England, Wales and Northern Ireland.</u>

Options for change

8. If respondents agree that a change to the May Day bank holiday is desirable, the Government would welcome views on what alternative might replace it. In particular, the Government would welcome views on two possible dates:

a) <u>Adding a day to the present August bank holiday</u>

9. The August bank holiday falls on the last Monday in August. An extra day could be added to this holiday, thus giving a two day break around the end of August. This would extend an already popular bank holiday weekend, at a time of year when there are still reasonable chances of good weather. However, the two day break might prove inconvenient for some people, especially if it

involved the closure of public buildings. It might also be thought too close to the start of the school term.

b) Creating a new holiday on the last Monday in October

10. This would introduce a new bank holiday in the period between September and Christmas where none exist at present. It might brighten up an otherwise drab time of year. However, it might also disrupt school terms, and inconvenience manufacturing industry by breaking an otherwise uninterrupted run of production during the autumn months.

The Government would welcome comments from respondents on which of these alternative dates they would prefer, if May Day were to be replaced.

11. If respondents wish to suggest other possible dates to replace the May Day holiday, the Government would welcome their views. Annual bank holidays in Britain do not, by tradition, commemorate particular individuals, events or institutions, other than those associated with the Christian religion.

Timing of any change

12. If a change to May Day were to be decided, the earliest it would take effect would be in 1995.

Deadline for responses

13. Responses to this Consultation Document should be sent to

Alison Moore
IRD 3
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NF Tel: 071-273-5927

It would be helpful to have responses by **17 February 1993**.

cc PU/ W&C

The Rt. Hon. Michael Heseltine MP
President of the Board of Trade

CONFIDENTIAL

Secretary of State
Department of Trade and Industry
Ashdown House
123 Victoria Street
London SW1E 6RB
Direct line
071-215 4440
DTI Enquiries
071-215 5000

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
London
SW1H 9NF

file

26 April 1993

Dear Gillian

THE MAY DAY BANK HOLIDAY

Thank you for your letter of 26 April about the announcement of the changes to the May Day bank holiday.

I am disappointed that the Compliance Cost Assessment has not more fully analysed the costs of change, particularly in respect of establishing the case that the existing arrangements are disruptive. However the assessment is probably enough to justify the conclusion that the costs of the change will be small.

I am therefore content that you should proceed with the announcement as soon as possible this week. The draft answer should make it clear that the assessment has taken account of the information received during the consultation period. I am enclosing an amended draft.

I am copying this letter to the Prime Minister.

I am most grateful for your help

Yours ever

Michael

JW4195

CONFIDENTIAL

dti
the department for Enterprise

MAY DAY BANK HOLIDAY

AMENDED DRAFT PARLIAMENTARY ANSWER

On 1 December 1992 the Government issued a consultation document on the future of the May Day bank holiday in England, Wales and Northern Ireland.

Over 600 responses to the consultation were received.

Having considered the information given in the responses to the consultation the Government has decided to replace the May Day bank holiday in England, Wales and Northern Ireland with a new bank holiday on the last Monday in October. Our assessment of the costs, **drawing on the information provided during consultation,** is that they are likely to be small. The change will come into effect in 1995.

Home Affairs : Public Holidays June '79

em.heseltin

CONFIDENTIAL

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5803
Telex 915564 Fax 071-273 5821

Secretary of State

The Rt Hon Michael Heseltine MP
President of the Board of Trade
Department of Trade and Industry
Ashdown House
123 Victoria street
London
SWIE 6RB

26 April 1993

Dear Michael

THE MAY DAY BANK HOLIDAY

Thank you for your further letter concerning the inclusion of a statement on costs in the announcement on changes to the May day bank holiday about which we spoke in the House on Wednesday evening.

I enclose a Compliance Cost Assessment on the EDH decision to abolish the May Day bank holiday and replace it with a new holiday on the last Monday in October. The CCA takes account of comments made by your officials. I also enclose a revised draft announcement which takes account of the CCA.

We are agreed that an early announcement is needed to give industry the maximum time to prepare for the change. Furthermore, it is important that we make an announcement as soon as possible this week if we are to avoid further press speculation before this year's May Day bank holiday. I should, therefore, be grateful if you could confirm by close today that the CCA and amendments to the draft answer meet your concerns and that we can now move to an announcement.

I am copying this letter to the Prime Minister.

Yours ever
Gillian

GILLIAN SHEPHARD

Employment Service
Health and Safety Executive ACAS

POLICY IN CONFIDENCE

COMPLIANCE COST ASSESSMENT

DRAFT FINAL

Title

1. Moving the May Day Bank Holiday.

Purpose of the proposal

2. Ever since its inception, the May Day bank holiday has attracted criticism. Most complaints have mentioned its position in the calendar, which leads to a "bunching" of holidays in the Spring. 1992 was a prime example of the timing problems of the present system with the Easter, May Day and the late Spring bank holidays can all falling within five weeks of each other.

3. This has lead to suggestions that May Day be replaced by an alternative holiday. Some people have proposed adding to an existing bank holiday to make a longer break; others have said they would prefer a new bank holiday between September and Christmas, to break up a long stretch of holiday-free weeks.

Consultation

4. Following initial identification of potential areas where bank holidays may impose costs upon the economy, the Department undertook a Consultation exercise to determine the strength and depth of opinion of interested parties on:

a. whether to retain the existing May Day bank holiday in England Wales and Northern Ireland; and

b. whether respondents would prefer an extra day added to the August bank holiday, or a new bank holiday on the last Monday in October.

5. The Department received over 600 responses to this Consultation exercise, although only 44 of these quantified costs. This Cost Compliance Assessment provides an overall appraisal of the costs identified and places them in the wider context of the consultation exercise's results.

6. The limited number of responses which mentioned costs may indicate that costs were not considered a problem. However, it also makes it difficult to quantify any effects there might be, particularly since little quantification was given even by those respondents who mentioned costs. Therefore, in what follows it is generally only possible to draw out qualitative findings which also take into account the qualitative information on benefits provided by respondents.

7. In addition there are many sectors which necessarily operate on bank holidays, such as the Energy sector and much of the Service sector. As the wage costs of working on a Bank Holiday are generally subject to premia this leads to costs to business directly resultant from the existence of any bank holiday. These costs would be incurred whichever date the bank holiday falls upon and therefore are **date neutral**.

Responses to the Consultation Process

8. Potential costs to business outlined in the responses were in the following areas: seasonal changes in staff levels; the loss of a key day for triggering the sale of summer/gardening goods and the loss of events which celebrate May Day and the associated tourism levels.

9. Another potential, more specific cost to business occurs when the bank holidays fall on the last Monday of the month. This is because in order to ensure that money is available and cleared on the due date transfers need to start earlier, resulting in a loss of interest to the employer. However, figures suggest that the lost interest in each year affected would be less than 0.01 per cent of the annual wage bill. While the Department recognises that all labour costs are important, the significance of this lost interest as a cost to business is minimal.

10. There were also responses which pointed out the costs of having any bank holiday at all as it forces continuous manufacturing processes to close down.

11. The next section looks at each of the areas of the economy in which costs were highlighted, gauging the extent of the costs incurred and the representativeness of the respondents.

Manufacturing Sector

12. Having a predetermined bank holiday will lead to costs to manufacturing industry in two main ways. Firstly, if the existence of a bank holiday means that the production process closes down, costs are incurred both on the day of lost production and secondly, in the half days before and after the close down, since production takes time to close down and start up.

13. It was strongly stated in the consultation that introducing a four day bank holiday in August would increase the likelihood of close down since more staff members would desire to take annual leave at that time. The cost implications for a move to August are therefore significantly greater than those for May and October.

14. As to the choice between May and October it appears that it is the existence of a bank holiday rather than its timing which is important. One respondent did suggest that, as a number of European countries have May Day as a holiday, a move away from this date would reduce the number of days upon which business might be carried out. However, a degree of mismatch already exists with eight of our European partners (Belgium, France, Greece, Germany, Italy, Luxembourg, Portugal and Spain) as they have holidays on 1 May, irrespective of the day of the week.

Agricultural Sector

15. The seasonal aspects of agriculture vary in different areas. The predominant indication given in the responses from this sector was that the October date represented the least cost option since it fell outside the busiest periods of farmers' years. For example, the lambing business is concentrated in Spring, therefore the costs of the status quo for sheep farmers would be greater than a move to either August or October.

16. Nevertheless, some evidence provided also suggests that farmers may be affected by a change in the date of the bank holiday as a result of diversification into other areas of land use and the holding of events upon their land. This would lead to similar results as those discussed in the Tourism section below.

Tourism Sector

17. A move to the August bank holiday was not supported anywhere in the Tourism sector. This weekend already represents the busiest of the year for the sector, and any further incentives for people to partake in tourist based activities would lead to a net cost to the sector and the economy as a whole as a result of congestion costs which would be increased significantly around that time period were the holiday to be extended.

18. The British Tourist Authority fully supported a move to the last Monday in October. The reasons given were that a bank holiday at this time, together with the overlap with the school half terms, would provide an significant extension to the main tourism period, while the present May bank holiday, falling as it does so close to those holidays on either side of it, does not provide an effective trigger to summer season.

19. There were, however, a number of presentations made in relation to maintaining the status quo since there are a several May Day events held around the country - events which might be lost were any change to go ahead. However, given that neither the May Day bank holiday nor the May Day Festivals are necessarily on 1 May, it is difficult to see why the organisers can not be versatile in the day of holding the events and move them to the first weekend in May, for example.

Retail Sector

20. The only respondent to mention costs from a change in the bank holiday date saw the potential loss of May Day as the loss of a day which triggered the Summer season for retailers involved in the Gardening sector.

21. However, the net effect upon the retail sector is unlikely to differ between any of the three options. While there may be some minor redistribution of spending within the sector, but this would represent a displacement of spending from elsewhere - not a reduction.

Financial Sector

22. The arguments for and against the move are well documented in the report from the Committee of Scottish Clearing Bankers. To sum, mismatch between Scotland and England and Wales is a cost, both to Scottish Banks financially, with each day of mismatch estimated to cost each bank some £25 thousand, and in terms of the levels of customer satisfaction provided.

23. The Scottish banks and the Bank of England argue that this opportunity should be used to reduce the number of mismatch days, not increase them.

Conclusion

24. Overall, the effect is likely to be small.

25. In three areas there appears to be some increase in costs associated with a mismatch of dates where change leading to a reduction in the number of days when trade can be carried out. Of these the effect will be on Scottish Banks because of the different bank holiday structure; the other two effects, trade with EC partners and the effect upon tourism are likely to be of a lesser order.

26. As to the choice between August and October there appeared to be a slight overall preference for October on cost grounds.

MAY DAY BANK HOLIDAY:
REVISED DRAFT PARLIAMENTARY QUESTION AND ANSWER

QUESTION: To ask the Secretary of State for Employment, if she will make an announcement on the future of the May Day bank holiday.

DRAFT REPLY:

On 1 December 1992 the Government issued a consultation document on the future of the May Day bank holiday in England, Wales and Northern Ireland.

Over 600 responses to the consultation were received.

Having considered the information given in the responses to the consultation the Government has decided to replace the May Day bank holiday in England, Wales and Northern Ireland with a new bank holiday on the last Monday in October. Our assessment of the costs of the change is that they are likely to be small. The change will come into effect in 1995.

Home Affairs:
Public Hol
June 79

CSPA

CONFIDENTIAL

The Rt. Hon. Michael Heseltine MP
President of the Board of Trade

Secretary of State
Department of Trade and Industry

Ashdown House
123 Victoria Street
London SW1E 6RB

Direct line
071-215 4440

DTI Enquiries
071-215 5000

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

21 April 1993

Dear Secretary of State,

— will request, w/o ms? - file with for reference

THE MAY DAY BANK HOLIDAY

I have seen your letter of earlier today.

I am afraid that I do not think it is sufficient simply to state in the draft reply that the overall cost of the change is anticipated to be minimal. If we are to take seriously the requirement to assess the costs of compliance by industry with new government measures then we must surely do so before committing ourselves to them. As you know, we have concerns over what the costs of the proposed change might be.

In view of your wish to proceed quickly with an announcement, I am prepared to ask my officials to discuss this urgently with yours. I hope that, in the meantime, you will be prepared to wait until we have clearer advice on this.

I am copying this letter to the Prime Minister.

Yours sincerely,

Peter Smith

pp MICHAEL HESELTINE
(Approved by the President
and signed in his absence)

PE4228

CONFIDENTIAL

HOME AFFAIRS: Public Holidays June '79.

em.he

CONFIDENTIAL

cc PU

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5803
Telex 915564 Fax 071-273 5821

File

Secretary of State

The Rt Hon Michael Heseltine MP
President of the Board of trade
Department of Trade and Industry
Ashdown House
123 Victoria Street
London SW1E 6RB

21 April 1993

Dear Michael

not attach. f reqd

THE MAY DAY BANK HOLIDAY

Thank you for your letter of 20 April.

I fully agree that we need to cost our decisions if we are to be able to present them effectively.

As I said in my earlier letter, I had intended to deal with the issue of costs outside the formal announcement. However, in light of your comments, I have included a statement on costs in the announcement and enclose a copy. I intend that the announcement should be made tomorrow and would, therefore, welcome any comments you might have on it by close today.

I am copying this letter, and my earlier letter, to the Prime Minister.

not attached

Yours ever

Gillian

GILLIAN SHEPHARD

Employment Service
Health and Safety Executive ACAS

MAY DAY BANK HOLIDAY:
REVISED DRAFT PARLIAMENTARY QUESTION AND ANSWER

QUESTION: To ask the Secretary of State for Employment, if she will make an announcement on the future of the May Day bank holiday.

DRAFT REPLY:

On 1 December 1992 the Government issued a consultation document on the future of the May Day bank holiday in England, Wales and Northern Ireland.

Over 600 responses to the consultation were received.

Having considered the information given in the responses to the consultation the Government has decided to replace the May Day bank holiday in England, Wales and Northern Ireland with a new bank holiday on the last Monday in October. It is anticipated that the overall cost of the change will be minimal. The change will come into effect in 1995.

The Rt. Hon. Michael Heseltine MP
President of the Board of Trade

1) Mary to note - absolutely right!
2) File

Secretary of State
Department of Trade and Industry

Ashdown House
123 Victoria Street
London SW1E 6RB

Direct line
071-215 4440

DTI Enquiries
071-215 5000

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

20 April 1993

Dear Secretary of State

MAY DAY BANK HOLIDAY

Thank you for your letter of 19 April. We have agreed that our decisions are to be costed. I appreciate the difficulties in this case but I cannot agree to waive this rule. We will be open to legitimate criticism that the moment it suits us we impose costs on industry regardless.

It is exactly this sort of thing that I was asked to challenge via the Deregulation Initiative. We will lose all credibility if we do not include a statement on costs in the announcement.

I am copying this letter to the Prime Minister.

Yours Sincerely

M Heseltine

(Approved by the President
and signed in his absence)

PE4209

c/PU

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

nbpm

15 April 1993

Dear Gillian

at Flep

THE MAY DAY BANK HOLIDAY

Thank you for your letter of 5 April seeking agreement to the terms of a draft arranged Question and Answer, and also on the timing of the announcement of the changes to the May Day Bank Holiday as discussed in EDH Committee on 30 March.

David Hunt was content with the timing and draft as was Patrick Mayhew who also suggested that the announcement should be made as soon as possible after the Easter recess and before the May Day Bank Holiday. Ian Lang said that the draft Answer should make it clear that the change did not relate to Scotland. Michael Heseltine was generally content with the terms of the draft and also supported an early announcement. He was, however, concerned that the costs to industry in implementing the change should not be overlooked and suggested that it would be useful to produce estimates of such costs when explaining the decision to make the change.

No other colleague has commented. You may take it, therefore, that, subject to your being able to take colleagues' points on board, you have approval to proceed with the announcement as proposed.

I am copying this letter to the Prime Minister, members of EDH Committee, John Gummer, Nick Lyell and Alan Rodger, and to Sir Robin Butler.

Yours ever

WAKEHAM

The Rt Hon Mrs Gillian Shephard MP

Home Affairs: Rabbi
Hon Jne 79

c - PU

The Rt. Hon. Michael Heseltine MP
President of the Board of Trade

Secretary of State
Department of Trade and Industry

Ashdown House
123 Victoria Street
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071-215 5000

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

nbpm

14 April 1993

Dear Gillian

THE MAY DAY BANK HOLIDAY

I have seen your letter of 5 April to John Wakeham requesting comments on your draft arranged question and answer and timing for the announcement of the changes to the May Day Bank Holiday.

I am happy to confirm that I am broadly content with the draft question and answer enclosed with your letter. However, as you are no doubt aware, I continue to believe that it is important that we do not overlook the likely costs to industry of implementing these changes. I appreciate the difficulties involved in determining these costs but feel that estimates would be useful in explaining our decision.

On the timing of the announcement, I am sure that you will agree that it is important that industry is given the maximum amount of time to plan for these changes. I would therefore favour an early announcement if possible.

I am copying this letter to the Prime Minister, members of EDH, John Gummer and Sir Robin Butler.

Yours ever

Michael

PE4117

cc CP
PM

Northern Ireland Office
Stormont Castle
Belfast BT4 3ST

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

13 April 1993

Dear Gillian:

MAY DAY BANK HOLIDAY

Thank you for copying to me your letter to John Wakeham of 5 April and the draft PQ and answer which you propose to use to announce the replacement of the May Day Bank Holiday with a new one on the last Monday in October.

I can confirm that I am entirely content with the terms of the proposed announcement. On the question of timing, I note that EDH has already agreed that it should be made after the Easter recess but before the May Day Bank Holiday. This suggests that the announcement should be made as soon as possible after the Easter recess: at the very least an early announcement will serve to minimise any press speculation about the proposed shift of the holiday.

I am copying this letter to the Prime Minister, members of EDH, John Gummer and Sir Robin Butler.

Yours ever,
Patrick

SOFS/13693

Home Affairs
Pub Holidays —
June 79.

copy

Y SWYDDFA GYMREIG
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 071-270 3000 (Switsfwrdd)
071-270 0538 (Llinell Union)
Fax: 071-270 0561
Oddi wrth Ysgrifennydd Gwladol Cymru

WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 071-270 3000 (Switchboard)
071-270 0538 (Direct Line)
Fax: 071-270 0561
From The Secretary of State for Wales

The Rt Hon David Hunt MBE MP

CT/9061/93

13th April 1993

CONFIDENTIAL

Dear Gillian

WILL ATTACH IF REQUIRED

I have seen your letter of 5 April to John Wakeman about the May Day Bank Holiday.

I welcome your decision to abolish the May Day holiday and establish a new holiday in October, and I am content with the proposed arrangements for making the announcement to the House.

I am copying this letter to recipients of yours.

Yours ever

David

The Rt Hon Mrs Gillian Shepherd MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NF

LEG

SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

Abpm

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

13 April 1993

Dear Secretary of State

THE MAY DAY BANK HOLIDAY

WILL ATTACH IF REQUIRED

Thank you for sending me a copy of your letter of 5 April to John Wakeham covering your proposed announcement for the future of the May Day Bank Holiday in England, Wales and Northern Ireland.

My officials have been in touch with yours to agree a slight rewording of the draft Question to make it absolutely clear that the change only applies to England, Wales and Northern Ireland. Otherwise I am content.

I am copying this letter to the Prime Minister, members of EDH, John Gummer and Sir Robin Butler.

Yours sincerely

pp IAN LANG
(Approved by the Secretary of State and signed in his absence)

MAB00708.043

lms.wakeham

CONFIDENTIAL

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5803
Telex 915564 Fax 071-273 5821

Secretary of State

The Rt Hon The Lord Wakeham
Lord Privy Seal and Leader of the House of Lords
Privy Council Office
68 Whitehall
London
SW1A 2AT

5 April 1993

Dear John.

THE MAY DAY BANK HOLIDAY

At its meeting on 30 March EDH agreed that the May Day bank holiday should be replaced with a new holiday on the last Monday in October. The meeting also agreed that the announcement of the change should be made in both Houses after Easter, and I attach a draft arranged question and answer which I propose to use for this purpose.

I should therefore be grateful for any comments you, and colleagues to whom I am copying this letter, have on the draft and the timing of the announcement by noon on Tuesday 13 April at the latest.

I am copying this letter to the Prime Minister, members of EDH, John Gummer and Sir Robin Butler.

Yours ever
Gillian.

GILLIAN SHEPHARD

Employment Service
Health and Safety Executive ACAS

CONFIDENTIAL

MAY DAY BANK HOLIDAY: DRAFT PARLIAMENTARY QUESTION AND ANSWER

QUESTION: To ask the Secretary of State for Employment, if she will make an announcement on the future of the May Day bank holiday.

DRAFT REPLY:

On 1 December 1992 the Government issued a consultation document on the future of the May Day bank holiday in England, Wales and Northern Ireland.

Over 600 responses to the consultation were received.

The Government has considered the information given in the responses to the consultation and has decided to replace the May Day bank holiday with a new bank holiday on the last Monday in October. The change will come into effect in 1995.

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WHITEHALL LONDON SW1A 2ER
Tel. 071-270 3000 (Switchboard)
071-270 0538 (Direct Line)
Fax: 071-270 0561
From The Secretary of State for Wales

The Rt Hon David Hunt MBE MP

CT/9151/92

17th November 1992

20/11

Dear Gillian

MAY DAY HOLIDAY

Thank you for copying to me your letter of 28 October to John Wakeham enclosing a copy of the draft consultation document on the future of the May Day Bank Holiday.

I have no comments to make on the draft. I would of course be grateful if you could advise me of the results of the consultation exercise in due course.

A copy of this letter goes to the Prime Minister, members of ED(H), John Gummer and Sir Robin Butler.

Yours ever

David

Rt Hon Mrs Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

DEPARTMENT OF SOCIAL SECURITY
Richmond House, 79 Whitehall, London SW1A 2NS
Telephone 071-210 3000
From the Secretary of State for Social Security

CCPU

Noted for now

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
London
SW1H 9NF

11 November 1992

Dear Gillian

CONSULTATION DOCUMENT ON MAY DAY

Thank you for copying to me your letter to John Wakeham of 28 October with the draft consultation document on the future of the May Day Bank Holiday.

I am broadly content with the document, but I should like to see a little more made of the advantages of creating a new holiday on the last Monday in October. Far from disrupting the school terms this should coincide with the Autumn half-term holiday which traditionally falls in the last week of October. Many employees already take some time off around this time.

I am copying this letter to members of ED(H), to John Gummer and to Sir Robin Butler.

Yours

Peter

PETER LILLEY

cc Duty Clerk CCPU
No. 10
CW

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 5803
Telex 915564 Fax 071-273 5821

Secretary of State

The Rt Hon Lord Wakeham
Lord Privy Seal and
Leader of the House of Lords
Privy Council Office
68 Whitehall
LONDON
SW1A 2AT

28th October 1992

Dear John,

CONSULTATION DOCUMENT ON MAY DAY

As you will recall, ED(H) agreed on 1 October that I should issue a consultation document on the future of the May Day Bank Holiday.

I now attach a copy of the draft consultation document and would welcome any comments from colleagues. I would be particularly grateful if Ian Lang could indicate whether he is content with the reference to the position in Scotland in paragraph 7, or whether he would want to expand it. It would be helpful to receive comments by 13 November 1992.

I am copying this letter to members of ED(H), to John Gummer and to Sir Robin Butler.

Yours ever

Gillian.

GILLIAN SHEPHARD

CONSULTATION DOCUMENT ON THE MAY DAY BANK HOLIDAY

Introduction

1. This Consultation Document seeks the views of interested organisations and the public on:

a) whether to retain the existing May Day bank holiday in England, Wales and Northern Ireland;

b) what alternative dates might be preferable; in particular, whether respondents would prefer an extra day added to the August bank holiday, or a new bank holiday on the last Monday in October.

Background

2. The first Monday in May was first celebrated as a bank holiday in England, Wales and Northern Ireland in 1978. It had been announced by the then Labour Government in 1976, without prior public consultation.

Objections to May Day bank holiday

3. Ever since its inception, the May Day bank holiday has attracted criticism. Most complaints have mentioned its position in the calendar, which leads to a "bunching" of holidays in the Spring. Easter, May Day and the late Spring bank holiday on the last Monday in May can all fall within five weeks of each other (as they did in 1992).

4. A strong body of opinion finds this very inconvenient, and feels that several long weekends in quick succession is excessive. This has led to suggestions that May Day be replaced by an alternative holiday. Some people have proposed adding a day to an existing bank holiday to make a longer break; others have said they would prefer a new bank holiday between September and Christmas, to break up a long stretch of holiday-free weeks.

5. In particular, tourism interests have repeatedly recommended replacing May Day with a new bank holiday in October, since they believe that this would lengthen the tourism season. These calls have been echoed by Members of Parliament. When the House of Commons Employment Committee reported on Tourism in 1990, it referred to the British Tourist Authority's recommendation for moving the May Day holiday, and recommended that "the Government should consider the more even distribution of bank holidays".

Government Position

6. The May Day bank holiday has attracted criticism and is unpopular with many people. The Government thinks it likely that an alternative date could be found for England, Wales and Northern Ireland which was thought more convenient and more generally acceptable.

7. The Government is not considering changes to bank holidays in Scotland, where May Day has been a holiday since 1871.

The Government would welcome comments from respondents on whether they would support a change to the present May Day bank holiday in England, Wales and Northern Ireland.

Options for change

8. If respondents agree that a change to the May Day bank holiday is desirable, the Government would welcome views on what alternative might replace it. In particular, the Government would welcome views on two possible dates:

a) Adding a day to the present August bank holiday

9. The August bank holiday falls on the last Monday in August. An extra day could be added to this holiday, thus giving a two day break around the end of August. This would extend an already popular bank holiday weekend, at a time of year when there are still reasonable chances of good weather. However, the two day break might prove inconvenient for some people, especially if it

involved the closure of public buildings. It might also be thought too close to the start of the school term.

b) Creating a new holiday on the last Monday in October

10. This would introduce a new bank holiday in the period between September and Christmas where none exist at present. It might brighten up an otherwise drab time of year. However, it might also disrupt school terms, and inconvenience manufacturing industry by breaking an otherwise uninterrupted run of production during the autumn months.

The Government would welcome comments from respondents on which of these alternative dates they would prefer, if May Day were to be replaced.

11. If respondents wish to suggest other possible dates to replace the May Day holiday, the Government would welcome their views. Annual bank holidays in Britain do not, by tradition, commemorate particular individuals, events or institutions, other than those associated with the Christian religion.

Timing of any change

12. If a change to May Day were to be decided, the earliest it would take effect would be in 1995.

Deadline for responses

13. Responses to this Consultation Document should be sent to

Alison Moore
IRD 3
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NF Tel: 071-273-5927

It would be helpful to have responses by **17 February 1993**.

003/08/P

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

7 August 1992

Dear Gillian,

MAY BANK HOLIDAY

You will by now be aware that the Ministerial Committee on Home and Social Affairs (EDH) is now scheduled to meet on Thursday 1 October, when it is planned to discuss your proposals on the May Bank Holiday.

I know that you have discussed this with John Wakeham and have agreed that the Committee would decide whether it was appropriate to issue a consultation paper in time to refer to this during the Party Conference. You should therefore ensure that work is in hand to meet the target date of 1 October.

I am copying this letter to the Prime Minister, other members of EDH Committee, John Gummer, Nicholas Lyell, Alan Rodger, and to Sir Robin Butler and First Parliamentary Counsel.

Yours ever,
Tony

TONY NEWTON

The Rt Hon Mrs Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

fst.nb/fst/03.08.92

CLPD

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

4th August 1992

Dear Gillian

MAY BANK HOLIDAY

Thank you for copying to me your letter of 6 July to John Wakeham.

I support your proposal to abolish the May Bank Holiday and extend the late summer holiday at the end of August. It seems sensible to have a more even distribution of public holidays throughout the year and a Bank Holiday at the end of August would cause less disruption both to manufacturing industry and to schools. I am therefore happy for Michael Forsyth's consultation exercise to go ahead.

I understand that implementing the change in England, Wales and Northern Ireland but not in Scotland may cause operational difficulties for Scottish banks. The banking problems that arise form existing mismatches are summarised in the 1989 Jack Report on Banking Services. I would expect the Committee of Scottish Clearing Banks to voice their concerns with some vigour during Michael Forsyth's consultation exercise, though it is fair to point out that other countries seem to be able to overcome the difficulties caused by regional holiday patterns.

I am copying this letter to the Prime Minister, members of ED(H), John Gummer, the Attorney General, the Lord Advocate and Sir Robin Butler.

Yours
Stephen

STEPHEN DORRELL

Home Affairs.
Public Mtgs,
Jun 79

CCPY

DEPARTMENT OF HEALTH

POLICY IN CONFIDENCE

nbpm

Richmond House
79 Whitehall
London SW1A 2NS
Telephone 071 210 3000
From the Secretary of State for Health

The Rt Hon Gillian Shephard MP
Secretary of State
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

30 July 1992

Dear Gillian

MAY BANK HOLIDAY

I have seen your letter of ~~6 July~~ 4 ao suggesting the abolition of the May Day Holiday and the extension of the late summer holiday at the end of August.

It may be that colleagues will find no objection, but I think it would be helpful if we could know more about the reasons behind your proposed alternative.

Extending the August Bank Holiday would not help the NHS. Many NHS staff already tack one of the additional extra-statutory days holiday to which they are entitled on to the Bank Holiday and so turn that week into a 3 day week. This causes Management problems in re-rostering duties and paying overtime rates. To have to do it for 3 days will add burdens and will increase the cost of overtime and compensation payments. Managers already face this at Christmas. It causes considerable disruption to them and to patients.

Without prejudice to the outcome of your consultation exercise, you may find a late autumn holiday (say the week-end nearest to 1st November) an acceptable alternative (many EC Member States have a Bank Holiday at this time) or one in late July after the schools have broken up.

A break in the current long gap between August and Christmas would also perhaps send a helpful message to EC colleagues during our EC Presidency.

July could be sold as an Equal Opportunities measure enabling working mothers to have an additional days' holiday during a traditionally difficult period for many parents.

I am copying this letter to the Prime Minister, members of EDH, John Gummer and Sir Robin Butler.

Yours ever
Virginia

VIRGINIA BOTTOMLEY

HOME AFFAIRS : Public Holidays
June

DEPARTMENT OF SOCIAL SECURITY
Richmond House, 79 Whitehall, London SW1A 2NS
Telephone 071-210 3000

From the Secretary of State for Social Security

cc PU

POLICY IN CONFIDENCE

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
London
SW1

24 July 1992

Dear Secretary of State.

MAY BANK HOLIDAY

Thank you for copying to me your letter to John Wakeham of 6 July. It is widely recognised in this Department, including our Executive Agencies and Independent Statutory Bodies, that the bunching of holidays in the Spring is disruptive and we would welcome the abolition of the May bank holiday. But I do not favour the idea of extending the August bank holiday by an additional day.

We find in my Department that, while the public can cope with the closure of our offices for a single day's holiday, closing offices for two consecutive days does impact on the service we provide to our customers. Such a move would be particularly unwelcome at a time when we are committed to improve our service to the public.

I am in complete agreement with the suggestion that any proposals on this subject should be put out to consultation, and I see considerable merit in John Gummer's idea of a holiday on 1st November. I would also favour restoring the Whitsun holiday in place of the late May bank holiday to bring us more into line with most other EC countries.

Yours sincerely

Peter Lilley

PETER LILLEY
(approved by the
Secretary of State
and signed in his absence)

The Rt. Hon. Michael Heseltine MP
President of the Board of Trade

Secretary of State
Department of Trade and Industry

Ashdown House
123 Victoria Street
London SW1E 6RB

Direct line
071-215 4440

DTI Enquiries
071-215 5000

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
London SW1H 9NF

24 July 1992

Dear Gillian

Thank you for copying me your letter of 6 July to John Wakeham about the arrangements for public holidays.

I am conscious of the disruption, not least to businesses, that is caused by the concentration of a number of public holidays in the Spring. I therefore welcome your proposal to look at ways of arranging public holidays so that they cause less interference with working patterns.

I am concerned however that moving the holiday may simply result in moving the disruption. The CBI indicated in 1989 that <u>any</u> change to public holidays would be unwelcome to industry. Their view was that businesses have adjusted to the difficulties of taking several breaks during a short period of time and have, if necessary, applied the holidays flexibly.

Your proposal to extend the August Bank Holiday does appear to be less disruptive for businesses than the numerous May holidays. Without consulting industry however I am wary of presuming that businesses would prefer this proposal to their existing arrangements. I would therefore welcome the opportunity to raise the issue with business interests and to establish their views before a firm decision is reached by ED(H) committee. It would also be helpful to look at a cost-benefit analysis of this option. You may wish to consider having a Compliance Cost Assessment exercise on this and other options.

I strongly believe that we must make sure of careful consultation before any firm decision is announced. We should avoid the risk of suggesting to those we are consulting that our minds are already made up.

I am copying this letter to the Prime Minister, other members of ED(H), John Gummer and Sir Robin Butler.

Yours ever

Michael

JW7282

cc PU

DEPARTMENT OF NATIONAL HERITAGE
Horse Guards Road, London SW1P 3AL
Telephone: 071-270 5925
Facsimile: 071-270 6026

From the Secretary of State for National Heritage
THE RT. HON. DAVID MELLOR QC MP

MBPM

C92/4450

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

23 July 1992

Dear Secretary of State.

MAY DAY HOLIDAY

MAP

Thank you for copying to me your letter of 6 July to the Lord Privy Seal. If you feel it would be helpful to put out a consultation paper to gain opinions, I would have no objections.

Public holiday arrangements are, of course, a matter of some importance to tourism. For some years now, a large part of the tourism industry has been advocating a change in the arrangements. There has been a large measure of support for creating an Autumn holiday, ideally coinciding with the October half-term school holiday. This would have the advantage of lengthening the holiday season, one of our own long-standing objectives. I would expect the tourism industry to argue in that sense.

The tourism industry is likely to be concerned that your proposal to add a day to the late summer bank holiday might have precisely the opposite effect. They will see a real danger that such an arrangement could signal the end of the holiday season, to the detriment of late season trade. They may also argue that such a move could also harm the increasingly important short break market, by reducing the number of long weekends.

It is important that the possible effect of any change on tourism are fully recognised. For my part, I fear that your proposal to consult on only one option to replace the May Bank holiday would imply that the door had already been closed to alternative arrangements. This would, I am sure, be seen by the tourism industry as Government ignoring its very real concerns. To avoid this, and to give the tourism industry the opportunity to make its views fully known, I would suggest that the consultation exercise should explore a wider range of possibilities; even if this is at the expense of a rather longer time-scale.

I am copying this letter to the recipients of yours.

Yours sincerely

Nicholas Ridley

DAVID MELLOR

(approved by the Secretary of State and signed on his behalf)

DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

My ref:

Your ref:

22 JUL 1992

The Rt Hon Mrs Gillian Shephard MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

Dear Gillian,

correspondence attached

MAY BANK HOLIDAY

I agree with you that there is a good case for abolishing the May Bank holiday and creating an alternative holiday later in the year. The present bunching of holidays around May is, as you say, incomprehensible and inconvenient.

From a purely transport point of view, the effect on traffic levels would probably be broadly neutral. However, the present bunching of holidays causes disruption to major road maintenance works, and the abolition of the May Bank Holiday would bring benefits to my Department and local authorities in allowing longer continuous working. This benefit is no doubt also to be found in other parts of the economy where continuous working or processes are needed.

I think your proposal of linking a new holiday later in the Summer to the existing holiday at the end of August is a good one. This provides the least disruption, whilst combining the benefit of a longer break which would be likely to be widely welcomed.

I am sending a copy of this letter to the Prime Minister, members of ED(H), John Gummer and Sir Robin Butler.

Yours ever,

JM

JOHN MACGREGOR

Home Affairs
Public Hly
June 79

SECRETARY OF STATE FOR THE ENVIRONMENT

2 MARSHAM STREET
LONDON SW1P 3EB
071-276 3000

POLICY IN CONFIDENCE

My ref

Your ref

The Lord Wakeham
Lord Privy Seal and Leader of
the House of Lords
Privy Council Office
68 Whitehall
London SW1A 2AT

20 July 1992

Dear John

MAY BANK HOLIDAY

I have seen a copy of Gillian Shephard's letter to you of 6 July proposing a change to the May Bank Holiday.

I personally favour this proposal.

The only area within my departmental responsibilities where the proposal might have an impact is on the construction industry. It seems likely that they would favour the proposal, but because there has so far been no public discussion of it we have no record of their views. I would therefore be happy for a short public consultation exercise to be launched on the basis that the construction industry's views would be taken into account at that time.

I am copying this letter, as before, to the Prime Minister, members of ED(H), John Gummer and Sir Robin Butler.

Yours ever

Michael

MICHAEL HOWARD

HOME AFFAIRS: Public Hols June '79.

Ministry of Agriculture, Fisheries and Food
Whitehall Place, London SW1A 2HH

From the Minister

File for now

POLICY - IN CONFIDENCE

The Rt Hon The Lord Wakeham
Lord Privy Seal
Privy Council Office
68 Whitehall
London
SW1A 2AT

16 July 1992

MAY BANK HOLIDAY

file with MA

I have seen a copy of Gillian Shephard's letter of 6 July to you suggesting the abolition of the early May bank holiday and the addition of an extra day to late August holiday.

I strongly favour the abolition of the bank holiday in early May in England coming so soon after Easter and before the late May holiday as it is highly disruptive. I would also favour restoring the Whitsun holiday in place of the late May bank holiday to bring us more into line with most other EC countries. It is inconvenient to have a holiday that is unnecessarily out of line with our neighbours when so much of our work involves communication with Europe. While I recognise the advantages to industry I do wonder if a double bank holiday at the end of August would not unduly restrict the access of the public to Government services which is something that we are pledged to improve under the Citizen's Charter. A single bank holiday on 1st November might overcome any objection of this kind and would have the added advantage of bringing another of our holidays close to those of most of our Community partners.

most of EC have mayday !!

I fully support the need to put any proposals on changes to bank holidays out to consultation.

I am copying this letter to the Prime Minister, members of EDH and Sir Robin Butler.

Yours ever

JOHN GUMMER

POLICY IN CONFIDENCE

file for now

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

14 July 1992

Dear Gillian

MAY BANK HOLIDAY

flag

I refer to your letter of 6 July, proposing a public consultation exercise on the basis that the May Day Holiday will be abolished and replaced by an extension of the late summer holiday at the end of August.

As I mentioned to you earlier today, although I doubt if colleagues will challenge the abolition of the May Day Holiday, I think that the question of what its replacement should be, and how the matter should be handled, will call for a discussion in EDH. I was grateful to you for agreeing that you would prepare a paper setting out the background, discussing the alternatives you had considered and explaining why you think an August holiday is the best time to choose. You will wish to take account of the comments which colleagues have made in correspondence.

We agreed that it would be appropriate for such a paper to be considered at a meeting of EDH in the autumn, before the House resumes, and we will aim to find a date in late September or early October.

I am copying this letter to the Prime Minister, members of EDH, the Minister of Agriculture, Fisheries and Food, the Attorney General and the Lord Advocate, and Sir Robin Butler.

Yours ever
John

WAKEHAM

The Rt Hon Gillian Shephard, MP

HOME AFF: Public Hols June 79

cc PU

File for now

QUEEN ANNE'S GATE LONDON SW1H 9AT

POLICY IN CONFIDENCE

14 JUL 1992

Dear Gillian,

MAY BANK HOLIDAY

Thank you for copying to me your ~~letter~~ at flag of 6 July to John Wakeham.

Whilst I have no direct Departmental interest, my own view is that there would be a good case for replacing the May Bank Holiday with one not so close to Easter (which, of course, can fall at any time between 22 March and 25 April) or to the late May Bank Holiday. Your proposal to extend the late summer holiday at the end of August would seem to be an attractive alternative and I would fully support a short consultation exercise conducted on that basis.

I am copying this letter to the Prime Minister, to John Wakeham and other members of EDH, to John Gummer and to Sir Robin Butler.

Yours ever,

KENNETH CLARKE

The Rt Hon Gillian Shephard, MP
Department of the Employment
Caxton House
Tothill Street
London SW1

POLICY IN CONFIDENCE

Home Affairs. Bank
Hols June 79

CEPO

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GWYDYR HOUSE
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071-270 0538 (Llinell Union)
Fax: 071-270 0561

Oddi wrth Ysgrifennydd Gwladol Cymru

file for now

WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
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071-270 0538 (Direct Line)
Fax: 071-270 0561

From The Secretary of State for Wales

The Rt Hon David Hunt MBE MP

POLICY IN CONFIDENCE

CT/9084/92

13th July 1992

Dear Gillian

MAY BANK HOLIDAY

with MA?

Thank you for copying to me your letter of 6 July to John Wakeham in which you set out your intention that there should be a Government announcement before the Recess of your plan to consult on a proposal that the May Bank holiday be abolished and replaced by a holiday on the Tuesday following the late August Bank holiday.

Given the closeness of the summer Recess there has been little time here for officials to consider your proposal in any depth. However I can see no reason to dissent from your proposal to undertake a consultation on this matter.

I would be grateful if you would keep me informed of the arrangements for the consultation.

... I am sending a copy of this letter to the Prime Minister, members of ED(H), John Gummer and Sir Robin Butler.

Yours ever

David

The Rt Hon Mrs Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON SW1H 9NF

10 DOWNING STREET

Mark

I have not put the attached into the weekend box (and have told Alan Rusbridger so) because I know the Lord President and the Home Secretary (at least) are likely to comment.

William.
7/7.

File

PRIME MINISTER **10 July 1992**

MAY BANK HOLIDAY

Gillian Shephard has written to colleagues proposing that DEmp should undertake a short consultation exercise on the proposal that the May Bank Holiday should be abolished and replaced with an extra day on the Tuesday after the August Bank Holiday.

The proposal makes some sense as Bank Holidays are currently bunched in the Spring, particularly if Easter is late. A more sensible policy on Bank Holidays would be to spread them more evenly in the year, while seeking to keep to a minimum the resulting disruption to industry.

Adding the extra day to the end of the August holiday is designed to achieve these objectives. Industry would prefer one fewer holiday as it would reduce start-up and disruption costs. But, the major drawback of the proposal is that many people are on holiday anyway in August and will therefore lose the benefit of the holiday.

This subject has been raised before. We consulted in 1982 on replacement of the May Bank Holiday (which was introduced in 1978 as a new holiday). The response was fragmented, with the tourism industry wanting a new holiday in October to extend the season, educators seeking a holiday to coincide with half-term, and industry resisting any new holiday especially in the peak production months leading up to Christmas. The Commons Select Committee returned to the subject in 1990 and recommended an October holiday to boost the tourism industry.

The drive of the current review has come from Mr Forsyth who dislikes the idea of 'Labour Day'. DEmp are likely to run into strong opposition from David Mellor who will want to secure a victory for tourism by having a new holiday in early October. Other colleagues are likely to have views as widely diffuse as those of the respondents to the proposed consultation process.

John Wakeham is concerned about re-opening a political battle which has been fought before, and ended in a draw.

<u>Recommendation</u>

1. I would favour a longer Whitsun holiday over a longer August holiday, as in August many people are on holiday anyway. A new holiday, especially in October, should be ruled out on economic grounds.

2. Nevertheless, any consultation exercise should be widened to include options other than the longer August holiday. We should also add the options of:

   - the status quo;

   - a longer Whitsun holiday;

   - an October holiday.

3. Rather than an extra holiday on a Tuesday, the extra day attached to either Whitsun or August Bank Holidays should be on the Friday before the weekend. This would further reduce the disruption involved in a longer holiday.

Alan Rosling

ALAN ROSLING (013)

POLICY IN CONFIDENCE

028/07/A
PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

10 July 1992

Dear Gillian,

MAY BANK HOLIDAY

Thank you for copying to me your letter of 6 July to the Lord Privy Seal.

I can see the attraction in taking action to deal with the bunching of holidays in and around May. I wonder, however, whether it is quite right to think in terms of moving the holiday to August, close to many people's annual holiday and not long after the schools have resumed. A possible alternative, which could have some attractions, would be to have a Bank Holiday mid-way between Christmas and Easter providing a break in what can often be the longest uninterrupted section of the year. I have discussed this with Richard Ryder, and we both think that this idea merits some consideration before a firm decision is reached. It is, of course, almost inevitable that the question of a fixed Easter would arise in this context.

All this raises quite different issues and I imagine a meeting of EDH would be necessary.

I am copying this letter to the Prime Minister, the Lord Privy Seal and members of EDH, the Minister of Agriculture, Fisheries and Food; to the Attorney General and the Lord Advocate with copies of your letter; and to Sir Robin Butler.

Yours ever,
Tony

TONY NEWTON

The Rt Hon Gillian Shephard MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON SW1H 9NF

PROMS AFFAIRS: Public Holiday June 79

POLICY IN CONFIDENCE

cc PU

DEPARTMENT FOR EDUCATION

SANCTUARY BUILDINGS GREAT SMITH STREET WESTMINSTER LONDON SW1P 3BT
SWITCHBOARD 071 925 5000 CENTRAL FAX 071 925 6000 GTN 3060

THE RT HON JOHN PATTEN MP

The Rt Hon Mrs Gillian Shephard
Secretary of State for Employment
Caxton House
Tothill Street
LONDON SW1H 9NF

10 JUL 1992

Dear Secretary of State AKO WITH HA

Thank you for your letter of ~~6~~ July proposing early consultation on replacing the existing May Day Bank Holiday with one on the Tuesday following the late summer holiday.

I see some merit in the change you propose which, as you say, would reduce the present bunching of bank holidays, causing less disruption in the period before examinations than is the case at present, in schools colleges and universities (in so far as the letter observe the current May Day break). I am therefore content for you to proceed with an announcement that we intend to consult about the proposed change.

I am copying this letter to the recipients of yours.

Yours sincerely

Rosemary Pearce
(PRIVATE SECRETARY)
pp JOHN PATTEN

(Approved by the Secretary of State and signed in his absence)

POLICY IN CONFIDENCE

DFE

CABINET OFFICE
70 Whitehall, London SW1A 2AS
Telephone: 071-270 0400

POLICY IN CONFIDENCE

Chancellor of the Duchy of Lancaster
Minister of Public Service and Science

Kb4540

Rt Hon Gillian Shephard MP
Secretary of State
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

8 July 1992

Dear Gillian,

MAY BANK HOLIDAY

Thank you for copying me your letter of 6 July to John Wakeham.

I very much agree with your proposal to abolish the May Bank Holiday and create an alternative later in the year. The overall effect of a late Easter followed closely by the May Bank Holiday, and soon after that by Whitsun, can cause weeks of disruption in the working environment. This is even more likely to be the case in Government Departments, as the Civil Service enjoys a day and a half's Privilege Holiday at about this time as well. All this is bound to affect the quality and continuity of service which Government Departments provide during this period, and I am sure that moving one of the holidays to the traditionally quieter time at the end of August will be beneficial in this respect.

I am therefore content for Michael Forsyth's consultation exercise to go ahead. I would hope that this will conclude that the May Bank Holiday - which has generated scant public affection since it was introduced by the last Labour Government - can be abolished not later than 1995.

I am copying this letter to the Prime Minister, members of ED(H), John Gummer and Sir Robin Butler.

Yours,

WILLIAM WALDEGRAVE

POLICY IN CONFIDENCE

Home Affairs:

Public Holidays

June 79

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 . . . . . **5802**
Telex 915564 Fax 071-273 5821

Secretary of State

nbpm for now

The Rt Hon John Wakeham MP
Lord Privy Seal and Leader of the
House of Lords Privy Council Office
68 Whitehall
LONDON
SW1A 2AT

6 July 1992

Dear John,

MAY BANK HOLIDAY

Colleagues will be aware that the present public holiday arrangements in the spring are unpopular in some quarters. The May Bank holiday causes a bunching of holidays at that time of the year which many people find incomprehensible and inconvenient. It is too close to the holiday at the end of May and often also to Easter which can fall anywhere between 21 March and 25 April each year. In England and Wales there are no public holidays in the summer or early autumn apart from the late August holiday. This does not seem a very sensible way of making the best use of either the holiday season or our climate.

I believe there is a good case for abolishing the May Bank holiday and creating an alternative holiday later in the year. There are bound to be conflicting preferences for different alternative dates and it is clearly not possible to reconcile all interests. This argues for linking a new holiday to one of the existing ones and it seems to me that the best option would be to extend the late summer holiday at the end of August. This would cause least disruption both to manufacturing industry (who would oppose a public holiday falling in the peak production period between the beginning of September and Christmas) and to schools. It would also provide an extended break at the height of summer when weather conditions are likely to be at their most favourable.

I therefore propose that we should abolish the present May Bank holiday in England, Wales and Northern Ireland and establish a new public holiday on the Tuesday following the last Monday in August.

Secretary of State
for Employment

I am convinced that this would be generally popular although many people may have become used to the present arrangements. However, it would be my intention to launch a short public consultation exercise before we took a final decision.

Moving the May Bank holiday in England Wales and Northern Ireland would be administratively straightforward. It would simply involve specifying the relevant Tuesday in August or September as a holiday in the annual Royal Proclamation on bank holidays instead of the first Monday in May. In Scotland, the situation is different. The May Day holiday is much more deeply rooted there and has associations with the Act of Union. In August, there is a bank holiday on the first Monday in the month but not on the last Monday. Changing the arrangements would require amending legislation to the Banking and Financial Dealings Act 1971 and may well be unpopular. Ian Lang will no doubt wish to consider whether he would want to change the current arrangements.

If colleagues are content, I intend asking Michael Forsyth to undertake a short public consultation exercise on a firm proposal to replace the May Day holiday with one on the Tuesday following the late summer holiday in August. Since the dates of public holidays up to and including 1994 have already been published, it would not be realistic to introduce the change before 1995 at the earliest. I would like Michael to be in a position to make an announcement just before the Summer Recess with a view to consultations in the autumn and a decision early on in the new year. I should be grateful for colleagues' views.

I am copying this letter to the Prime Minister, members of ED(H), John Gummer and Sir Robin Butler.

Yours ever

Gillian

GILLIAN SHEPHARD

nbpm cabh

NORTHERN IRELAND OFFICE
WHITEHALL
LONDON SW1A 2AZ

SECRETARY OF STATE
FOR
NORTHERN IRELAND

Patrick Nicholls Esq MP
Parliamentary Under Secretary
of State
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9MF

18 September 1987

Dear Mike

MAY DAY BANK HOLIDAY

cat-Hap

Thank you for sending me a copy of your letter of 13 August to the Chancellor of the Exchequer.

From a Northern Ireland perspective there appears to be little to choose between the three alternative dates for the present May Day Bank Holiday which you canvass. Of the three, my preference (reinforced by the knowledge that the present late May and late August Bank Holidays are not generally observed by industry in Northern Ireland) would be for the mid-October date, which would offer a welcome break between August and Christmas. You may also, however, wish to consider the merits of linking the holiday with the statutory Christmas holidays; many firms already close for a fortnight during this period.

More generally, I am not convinced that the case against the status quo has yet been convincingly made out. Many of the suggested alternatives do not meet the objective of reducing the existing 'bunching' of Bank Holidays, and the political case for change does not seem to me to be conclusive.

I would also wish to consult representatives of Northern Ireland industry, when the likely outcome of the review has become clearer than it is at present.

I am copying this to members of E(A), to Nigel Lawson, Douglas Hurd, Kenneth Baker and Sir Robert Armstrong.

Yours sincerely

G. H. H. Smith

pp TK
(Approved by the Secretary of State and signed in his absence)

SMN281

CC86

Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

From the
Minister of State

nbpm

Patrick Nicholls Esq MP
Parliamentary Under Secretary of State
Department of Employment
Caxton House
Tothill Street
London
SW1H 9NP

9 September 1987

Dear Minister,

"MAY DAY" BANK HOLIDAY

You sent me a copy of your letter of ~~13~~ August to the Chancellor of the Exchequer inviting views by the beginning of September about the Bank Holiday on the first Monday in May.

I would certainly welcome a change in the date. A holiday at the beginning of May brings further disruption in a short period in which we already celebrate Easter and the Spring Bank Holiday. It is therefore, I believe, quite widely unpopular. I have no firm views on the alternative options and am content to leave the review to make recommendations. But I do hope it will conclude in favour of abandoning 1 May.

I am copying this to members of E(A), to Nigel Lawson, Douglas Hurd, Kenneth Baker and Sir Robert Armstrong.

Yours sincerely
A Bastian (Private Secretary)
for JOHN SELWYN GUMMER

Approved by the
Minister of State and
signed in his absence

HOME AFFAIRS: Public Holidays
June

MM

nbpm CCBG

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref: R/PSO/16321/87

Your ref:

Patrick Nicholls Esq MP
Parliamentary Under Secretary of
State for Employment
Department of Employment
Caxton House
Tothill Street
London
SW1H 9NF

8 SEP

Dear Patrick

file with MEP/AB

MAY DAY BANK HOLIDAY

You asked for views by the beginning of September on the options for a change in the date of the 'May Day' bank holiday.

I would favour having the bank holiday in mid-February since this would provide a break between New Years' Day and Easter.

I note the reference to limited consultation with outside bodies having a direct interest. I trust that this will not preclude consultation with representatives of my Department's main fields of activity including the local authority associations. It is important that the alternative date achieves a reasonable degree of consensus which makes it desirable to include such major employers as local government.

Copies of this are being sent to other E(A) colleagues, to Douglas Hurd, to Kenneth Baker and to Sir Robert Armstrong.

Yours ever

Nicholas

NICHOLAS RIDLEY

HOME AFFAIRS: Bank Holidays 6/79

cc BG

nbpm

ELIZABETH HOUSE
YORK ROAD
LONDON SE1 7PH
01-934 9000

Patrick Nicholls Esq MP
Parliamentary Under Secretary of State
for Employment
Department of Employment
Caxton House
Tothill Street
London SW1H 9NF

8 September 1987

Dear Patrick,

MAY DAY BANK HOLIDAY

Thank you for sending me a copy of your letter of 13 August to Nigel Lawson.

I should be content to await the promised review, though if there is to be a change I start with something of a preference for the Tuesday under option (a). This would put the May Day holiday into the half-term break in schools and remove a day's loss of work in a term when many pupils face public examinations. Option (b) would fall at the end of the summer holiday in most - but not all - places. If option (c) is pursued, those undertaking the review should note that most schools take their half-term holiday at the end of October.

You say that there will be limited outside consultation. On the educational side I suggest that this should include at least the Council of Local Education Authorities. If you want to go further, my officials will advise.

I am copying this letter to members of E(A), to Douglas Hurd and to Sir Robert Armstrong.

Kenneth

HOME AFFAIRS
PUBLIC HOLIDAYS
6/79

CCBG

NEW ST. ANDREW'S HOUSE
ST. JAMES CENTRE
EDINBURGH EH1 3SX

Pbpm

Patrick Nicholls Esq MP
Parliamentary Under Secretary of State
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

8 September 1987

Dear Patrick,

MAY DAY BANK HOLIDAY

Thank you for the copy of your letter of 13 August to Nigel Lawson inviting views on the options you see for changing the bank holiday on the first Monday in May.

I note that your aim is to complete the review of this issue by the end of the year so that a decision could be announced early in 1988. My letter of 15 July to Norman Fowler drew attention to the current review by the Jack Committee of the law affecting banking services, including the question of harmonisation of bank holidays in the United Kingdom, and suggested that a separate review now might therefore be premature. I do feel that it would be inappropriate (not to say discourteous to the Jack Committee) to embark on a separate review of the May Day bank holiday - which would clearly involve consultation with at least some of the bodies, particularly the Scottish banks, already being consulted by the Committee - without either awaiting the Committee's views on the harmonisation issue or, alternatively, informing the Committee of what is afoot and seeking their preliminary view.

Your options for change did not include simple abolition of the holiday. Since holidays by definition lower industrial output there may be an argument to be developed here. Even this option would need to be handled carefully to avoid creating a disparity north and south of the Border.

As regards the options you list, moving the holiday away from May Day only in England, Wales and Northern Ireland would add to the disharmony in UK bank holidays, which the Scottish banks are keen to reduce or at best eliminate. It would be wrong to adopt this course without consulting them. Moving the holiday in Scotland is of course possible, but would require legislation. The option of adding to the end-August holiday would also aggravate the disharmony, since there is no end-August

holiday in Scotland. I see no particular problem about a mid-October holiday applying throughout the UK.

Whatever course we pursue ought to further the objective of harmonious bank holidays throughout the UK. This concern is a matter not so much of public holidays as of banking law and practice as regards the effective date of transactions.

Of greater political concern is the danger of creating a situation in which May Day is celebrated as a public holiday in Scotland only: that would provide our opponents with an ideal annual opportunity to exploit the Scottish political scene to our severe embarrassment. The fact that the Jack Committee's report will deal with bank holidays will of course create a further requirement for us to look at the topic; and I think that we would do much better to take only a single bite at this particular cherry.

I am copying this letter to the members of E(A), Douglas Hurd, Kenneth Baker and to Sir Robert Armstrong.

Yours ever,

Malcolm

MALCOLM RIFKIND

MAB243A1

HOME AFFAIRS

PUBLIC HOLIDAYS

6/77

CCBS

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

21 August 1987

Prime Minister ②
MCT 25/8

MT

Dear Kathryn

"MAY DAY" BANK HOLIDAY

The Lord President was grateful to your Minister for sending him a copy of his letter to the Chancellor of the Exchequer which canvassed views about the "May Day" bank holiday.

The Lord President's own inclination would be to leave the bank holiday arrangements as they are at present. He does not believe that the possible gain from a change is worth the rather futile but nevertheless emotionally charged political argument.

I am sending a copy of this letter to the Private Secretaries to the members of E(A), the Chancellor of the Exchequer, the Secretaries of State for the Home Department and for Education and Science, and to Sir Robert Armstrong.

Yours sincerely

Nick Gibbons

N F J GIBBONS
Asst Private Secretary

Mrs Kathryn Jenden
Private Secretary to Patrick Nicholls MP
Parliamentary Under Secretary of State
Department of Employment

H AFFAIRS

PUBLIC HOLIDAYS

6/79

HK-D-40

Parliamentary Under
Secretary of State

Department of Employment
Caxton House Tothill Street London SW1H 9NF
Telephone Direct Line 01-213.....4884.....
Switchboard 01-213 3000

PATRICK NICHOLLS MP

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
HM Treasury
Great George Street
LONDON
SW1

3 August 1987

Dear Nigel,

"MAY DAY" BANK HOLIDAY

Following our reply to Lord Mountgarret's question Norman Fowler has asked me to carry out an initial canvass of views within the Government about the bank holiday on the first Monday in May.

The main options it seems to me, if there is to be a change, are:

(a) move the present "May Day" bank holiday so as to link it with the bank holiday on the last Monday in May - either the Friday before or the Tuesday after;

(b) move to a link with the summer bank holiday at the end of August - again either the Friday before or the Tuesday after;

(c) move to a new Monday date in the autumn, say mid-October.

I should be very grateful for your views and those of other colleagues by the beginning of September. After that we envisage some limited consultation with outside bodies having a direct interest.

The aim would be to complete the review before the end of the year so that a decision could be announced early in 1988. That would allow a change to be made in time for 1989 or, if that were too short a lead time for the tourist industry, diary manufacturers etc, for 1990. I am of course aware of the special considerations applying to Scotland on which Malcolm Rifkind has already written.

I am copying this to members of E(A), to Douglas Hurd, to Kenneth Baker and to Sir Robert Armstrong.

Yours ever,

Peter

NORTHERN IRELAND OFFICE
WHITEHALL
LONDON SW1A 2AZ

SECRETARY OF STATE
FOR
NORTHERN IRELAND

Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1

24 July 1987

MAY DAY BANK HOLIDAY

Dear Norman,

Thank you for copying to me your minute of 10 July to the Prime Minister. I have now seen colleagues' comments and the reply to Viscount Mountgarret on 15 July.

I should perhaps just make the point that Northern Ireland already has, of course, a bank holiday for St Patrick's Day (17 March). Any suggestion that there should be a holiday on St George's Day or, conceivably, that the St Patrick's Day holiday should be reconsidered, would be insensitive. I should like, therefore, to be kept closely in touch with the current review.

I am sending copies of this minute to the Prime Minister and E(A) colleagues.

Yours

TK

SMN/4681

HOME AFFAIRS

PUBLIC

HOLIDAYS

6/79

cc 3/5

SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

16pm

RESTRICTED

The Rt Hon Norman Fowler MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

16 July 1987

Dear Norman,

MAY DAY BANK HOLIDAY

at time

You sent me a copy of your minute of ~~10 July~~ to the Prime Minister inviting colleagues' views on your proposal to re-open the question of changing the May Day bank holiday.

As you say, the position in Scotland is different from that in the rest of the United Kingdom in that the first Monday in May has been a statutory bank holiday here for over 100 years. There is also the point that whereas in England and Wales a bank holiday is generally observed as a public holiday, in Scotland bank holidays apply only to banks, apart from those at Christmas and New Year.

In considering whether to undertake a review at this time you may wish to keep in mind the fact that one of the topics being considered by the Jack Committee set up by the Government towards the end of last year to review the law affecting banking services is the harmonisation of bank holidays in the United Kingdom. Clearly, any move away from the May Day bank holiday in England, Wales and Northern Ireland would be a further obstacle in the way of harmonisation in the United Kingdom.

I note that you would exclude Scotland from your review, as in 1982, but it would seem to me difficult to do so in view of the current review, and perhaps also premature for the same reason. Should not the reply to Viscount Mountgarret simply refer to the current review being conducted by the Jack Committee?

You might also like to bear in mind that the first of May is also the anniversary of the coming into effect of the Act of Union in 1707. I would personally be very happy to see the May Day bank holiday redesignated the Act of Union Day.

HMP19708

I am sending copies of this letter to the Prime Minister, the members of E(A), the Home Secretary and to Sir Robert Armstrong.

Yours ever,

Malcolm

MALCOLM RIFKIND

HMP19708

HOME AFFAIRS: Public Holidays, June 79

015/3298

CCBG

Treasury Chambers, Parliament Street, SW1P 3AG

nbpm

John Turner Esq
Private Secretary
to the Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
London
SW1H 9NF

15 July 1987

Dear John,

MAY DAY BANK HOLIDAY

Your Secretary of State's minute of 10 July to the Prime Minister suggests a review of the arrangements for the May Day holiday.

This is to confirm that the Chief Secretary is content for this issue to be looked at again. As the Treasury is the lead Department for Bank holiday legislation the Chief Secretary would be grateful if Treasury officials could be involved in any consultation process.

I am copying this letter to Andy Bearpark at No. 10 and to the Private Secretaries to members of E(A).

Yours sincerely

M C Felstead

M C FELSTEAD
Private Secretary

HOME AFFAIRS : Public Hols.

June 78

CONFIDENTIAL

CCBG

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref: nbpm

The Rt Hon Norman Fowler MP
Department of Employment
Caxton House
Tothill Street
LONDON
SW1

14 July 1987

Dear Norman

MAY DAY BANK HOLIDAY

You minuted the Prime Miniser on 10 July, proposing to announce a review.

My office has already told you that I have no objection to the announcement. I note that you are planning only a restricted consultative exercise. I hope that it will be wide enough to secure your objective of achieving a reasonable degree of consensus about an alternative date. I would certainly want to consult representatives of my Department's main fields of activity.

Copies of this go to the Prime Minister, other E(A) colleagues, and Sir Robert Armstrong.

Yours ever

Nicholas

NICHOLAS RIDLEY

HOME AFFAIRS: Public Hols
June 79

Y SWYDDFA GYMREIG
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel 01-270 3000 (Switsfwrdd)
01-270 0538 (Llinell Union)
Oddi wrth Ysgrifennydd Gwladol Cymru

WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-270 3000 (Switchboard)
01-270 0538 (Direct Line)
From The Secretary of State for Wales

The Rt Hon Peter Walker MBE MP

13 July 1987

Dear Secretary of State

16pm

MAY DAY BANK HOLIDAY

I understand the proposition in your letter of 10 July that we could take this opportunity of looking again at the question of the May Day Bank Holiday.

A Bank Holiday on St George's Day is impossible for Wales. To have four different bank holidays in the United Kingdom would be a folly. I therefore see no point in a consultation. Why not abolish it and add one day to the existing statutory holidays, the day to be agreed between employer and employee?

/ I am copying this letter to the Prime Minister and to E(A) colleagues.

Yours sincerely

D D Smurthwaite

Approved by the Secretary of State
and signed in his absence

The Rt Hon Norman Fowler MP
Secretary of State for Employment

HOME AFFAIRS: Public Holidays

June 1979

CONFIDENTIAL

nbpm

PRIME MINISTER

MAY DAY BANK HOLIDAY

I have seen Norman Fowler's minute to you of 10 July. I very much support his proposal that we should discontinue the May Day Bank Holiday. Quite apart from the political nature of the holiday, it is at a most inconvenient time. For that reason I would prefer, at least in England and Wales and Northern Ireland, that it was replaced by a date later in the year, possibly the first Monday in October.

2 I agree with Norman Fowler that extensive consultations are unlikely to yield anything. A more restricted consultative exercise would certainly be more appropriate.

3 I am copying this minute to colleagues on E(A).

D Y

July 1987

DEPARTMENT OF TRADE AND INDUSTRY

JF5CAO

HOME AFFAIRS : Public Holidays
JUNE 1979

FILE
DA

HMT
NIO
DTI
DSS
LPSO
DTI
CAB
MAFF
CST
DOT
CO
LPO

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

13 July 1987

Dear Beverley

The Prime Minister has seen your Secretary of State's minute of 10 July about the May Day Bank Holiday. She has no objection to the issue being looked at again.

I am copying this letter to Private Secretaries to Members of E(A).

Yours ever

Andy

(P.A. BEARPARK)

Ms. Beverley Evans,
Department of Employment.

Any PPS?

Prime Minister

THE PRIME MINISTER

Content for this to be looked at again?

MAY DAY BANK HOLIDAY

On Wednesday 15 July we face a question in the House of Lords from Viscount Montgarret which is

> To ask Her Majesty's Government whether the May Day Bank Holiday should be discontinued and replaced by a Bank Holiday either on St George's Day for the whole of the United Kingdom or on the appropriate Saints' days for the individual countries of the United Kingdom.

I think it may be worth looking at this position again.

The political nature of this holiday has been a consistent source of irritation to our supporters and a number of attempts have been made to abolish it. In addition, a number of organisations representing industry and tourism still complain about the bunching of holidays between Easter and the end of May.

Undoubtedly there is still little regard for this holiday from many sections of the community, and I believe it is appropriate to look at these arrangements again before the

passage of time makes it difficult to change it. The holiday is only 9 years old and has yet to become accepted as a permanent feature of our life.

There is therefore the opportunity for a brief review. The main issue is whether we can achieve a reasonable degree of consensus about an alternative date. It was the lack of consensus about a substitute date that led Ministers to decide in 1982 to keep the present arrangements.

The earliest date any change could take place is 1989, as the 1988 May Day Bank Holiday has been declared by Royal Proclamation. In England, Wales and Northern Ireland because the holiday is declared by Royal Proclamation, legislation is not necessary to change arrangements. The position in Scotland is of course different in that May Day is a statutory holiday, and has been observed for over 100 years, so that different considerations apply. I would therefore exclude Scotland from the review, as was done in 1982.

The last time we reviewed May Day we embarked upon extensive consultations with industry, tourism and education, but this time I believe a more restricted consultative exercise would be appropriate and I propose asking Patrick Nicholls to undertake this on my behalf.

I would propose then to reply on the basis that we will review arrangements and I will then bring forward proposals to colleagues. Realistically I think this is our last opportunity for such a review.

If E(A) colleagues have any immediate views about my reopening the question of changing the holiday I will be pleased to hear from them by Monday 13 July.

Beverley Evans

10 July 1987

for NORMAN FOWLER

(Approved by the Secretary of State and signed in his absence)

HMG

Parliamentary Under Secretary of State

Department of Employment
Caxton House Tothill Street London SW1H 9NF
Telephone Direct Line 01-213 6670
Switchboard 01-213 3000

Tim Flesher Esq
Private Secretary
(Parliamentary Affairs)
10 Downing Street
LONDON SW1

30 April 1985

Dear Tim

I understand that Robin Squire MP has withdrawn the Question he was to have asked the Prime Minister on Thursday 2 May about the early May Bank Holiday.

The Parliamentary Secretary has nevertheless asked me to send you a copy of the draft reply he had approved and a note to the Prime Minister, in case they may be of interest to her.

Yours sincerely

Anne O'Neil

ANNE O'NEIL (MRS)
Assistant Private Secretary

Prime Minister

We could move the early May Bank holiday to St. George's Day or the first Monday after (or leave it on May Day but move to the Monday before, rather than after), but I believe this could wait until the Churches fix Easter within the next twenty years or never.

Peter Bottomley

26.4.85

Department of Employment PRESS NOTICE

Caxton House Tothill Street London SW1H 9NA
Telephone Direct Line 01-213 7439 (24 hour answering service)
Exchange 01-213 3000 Telex 915564 DEPEMP

June 10, 1982

NO CHANGE TO BE MADE TO MAY BANK HOLIDAYS SAYS EMPLOYMENT MINISTER

No change will be made to the present arrangements for May bank holidays, Mr Michael Alison, Minister of State for Employment, said today in reply to a Parliamentary Question from Mr Mark Wolfson MP (Sevenoaks). The Government made its decision after considering the views of a large number of interested parties who would have been affected.

The full text of the Question and Answer is as follows:

QUESTION: To ask the Secretary of State for Employment whether the Government has yet reached a decision about the future of the bank holiday on the first Monday in May.

ANSWER: Consultations have shown that opinion on this issue is divided; and that a substantial body of opinion, particularly in industry and commerce, has doubts as to whether there would be practical advantage in moving this holiday to the end of the month. In view of this division and these doubts, the Government has decided not to change the present arrangements.

NOTES TO EDITORS

1 On February 16, 1982 Mr Michael Alison announced in answer to a written parliamentary question from Mr Robert Dunn MP (Dartford) that he was starting consultations on the possibility of moving the bank holiday in England and Wales on the first Monday in May to link it up with the spring bank holiday held on the last Monday in May. Mr Alison wrote direct to the TUC, CBI and other interested parties asking their views, and the press release invited public comment. The reason for seeking views was that the Department of Employment had received many complaints that there are too many holiday breaks in the spring, and the intervals between them are too short, thus causing disruption to industry and the schools.

2 Public consultation revealed a division of opinion. Some, including educational and tourist interests, favoured change and saw advantage in reducing the number of holiday breaks early in the year. But others were opposed to change. Employers in a number of industries saw practical difficulties in coping with a long shutdown of four days (a weekend and two bank holidays) which they thought more difficult to cope with, and perhaps more costly, than two shutdowns lasting three days.

DE

3 There are eight bank holidays each in England and Wales and Scotland and seven in Northern Ireland, as follows:

England and Wales	Scotland	Northern Ireland
Christmas Day	Christmas Day	Christmas Day
Boxing Day	Boxing Day	Boxing Day
New Years Day	New Years Day	New Years Day
	2 January	
		St Patrick's Day (March 17)
Good Friday	Good Friday	Good Friday
Easter Monday		Easter Monday
First Monday in May	First Monday in May	First Monday in May
Last Monday in May	Last Monday in May	Last Monday in May
		Orangemen's Day (July 12)
	First Monday in August	
Last Monday in August		Last Monday in August.

4 A bank holiday does not give any employee a legal right to a paid holiday - it permits the banks to close. All holiday entitlements, as for pay and other conditions of employment, are a matter for negotiation between employers and employees. It depends on what agreement someone has with their employer therefore whether they are entitled to a day off on any particular bank holiday, or to a day in lieu, or to extra payment if they have to work. The only exceptions to this are:

a) first, section 94 of the Factories Act 1961, which gives women and young people in scope of that Act entitlement to a holiday on those bank holidays listed in schedule 1 to the Banking and Financial Dealings Act 1971;

b) secondly, the existence of Wages Council Orders, some of which specify holiday entitlements; it will depend upon the wording of each order whether or not a particular bank holiday is covered.

5 Bank holidays were consolidated in the Banking and Financial Dealings Act 1971. New holidays since 1971 - New Years Day introduced in 1974 and the first Monday in May introduced in 1978 - are declared annually by Royal Proclamation under powers given by the 1971 Act, as are occasional holidays such as that for the Royal Wedding on July 29, 1981. In England and Wales and Northern Ireland there is no statutory basis for Christmas Day and Good Friday which are common law holidays.

6 Arrangements for the early May bank holiday in 1983 and for bank holidays at Christmas and the New Year will be given legal effect in a Royal Proclamation to be issued shortly. The substitute dates were announced in a press notice issued on August 8, 1980, and were also published in the December 1980 issue of 'Employment Gazette' (page 1213).

1206/1985

Party: Conservative

Constituency: Hornchurch

FOR ORAL ANSWER ON THURSDAY 2 MAY

QUESTION: **MR ROBIN SQUIRE (HORNCHURCH):** To ask the Prime Minister, if she will consider replacing the early May Bank Holiday with a more appropriate day of celebration.

DRAFT REPLY: A public consultation about the desirability of moving the bank holiday on the first Monday in May showed that opinion on this issue was divided. The Government announced in June 1982 that it had decided not to change the current arrangements.

Background

1. The early May holiday in England, Wales and Northern Ireland was introduced in 1978 by the then Labour Government. The late May holiday in Scotland was introduced at the same time, since Scotland already had a bank holiday on the first Monday in May.

2. The bank holiday on the first Monday in May is controversial because of its political overtones and because it falls inconveniently close to both Easter and the Spring Bank Holiday at the end of May.

3. A number of alternative holidays have been suggested over the years. St George's Day, April 23, is a popular suggestion. Unfortunately it is even closer to Easter than the first Monday in May. A move to St George's Day would add to rather than reduce the problems associated with having bank holidays too close together.

4. In the first half of 1982 the Department of Employment carried out consultations on a proposal to abolish the early May holiday in England and Wales, and replace it with a new holiday tacked on to the late May holiday. This was because its abolition without a substitute was not seriously considered since that would be seen as the Government robbing employees of a day's holiday. Moving the holiday back to March or April would still be too close to Easter. June or July would interfere with the school examination season. The main summer holiday period was seen as inappropriate, and it was considered that few people would want a holiday in the winter months other than the existing Christmas and New Year holidays.

5. Consultations revealed a division of opinion. Educational and tourist interests were generally in favour of the move. The TUC and individual unions were opposed. Employers' organisations were divided. CBI and some other employers' organisations were opposed to change - partly because a 4-day holiday would be more disruptive for some industries than two 3-day holidays, and partly because a different Administration might reinstate the early May holiday without cancelling the new substitute holiday, perhaps even on 1 May rather than on a Monday.

6. In May 1982 E(EA) considered Mr Tebbit's report of the consultations and his recommendation to move the holiday to the Tuesday following the last Monday in May. The Committee concluded that any practical advantages to be gained from the move would be outweighed by the political controversy the change would engender. They agreed no change should be made to the existing pattern of May bank holidays. This decision was announced by arranged PQ on 10 June 1982 (a copy of the accompanying press notice is attached).

E(EA)(82) 6th Home Affairs
26.5.82 Item 2.

2. BANK HOLIDAY: FIRST MONDAY IN MAY
Previous Reference: E(EA)(82) 1st Meeting, Item 1

The Sub-Commitee discussed a memorandum by the Secretary of State for Employment (E(EA)(82) 11) proposing that the Bank Holiday on the first Monday in May should be replaced by a new holiday on the Tuesday following the holiday on the last Monday in May.

THE SECRETARY OF STATE FOR EMPLOYMENT said that the Bank Holiday on the first Monday in May had been created for purely political reasons. It was disliked by a large majority of the Government's supporters and by much of the general public. Moreover, it meant that there were a number of holidays at relatively short intervals during the Spring. He had, therefore, with the agreement of the Sub-Committee, sought the views of all interested parties on the replacement of the Bank Holiday on the first Monday in May by one linked with the Bank Holiday held on the last Monday in May, either on the Friday before it or on the Tuesday after it. The proposal was favoured by educational and tourism interests. The professions were divided in their opinion. The majority of employers' organisations, including the Confederation of British Industry, were opposed, partly because they feared that a different Administration might replace the Bank Holiday at the beginning of May without correspondingly reducing the holidays at the end of May. The financial institutions were not opposed to the proposal. The Trades Union Congress, as expected, strongly opposed it. If a change were to be made, an overwhelming majority of those consulted favoured having the new Bank Holiday at the end of May on the Tuesday following the existing holiday, rather than the Friday before it. It would be difficult to introduce the new arrangement in 1983, since a number of arrangements had already been made on the assumption that 2 May 1983 would be a Bank Holiday. The Prime Minister had commented that May 1984 would be a bad time for such a change to take effect. He therefore proposed that revised arrangements should come into force from May 1985, and that there should be an early announcement of the Government's intentions.

THE SECRETARY OF STATE FOR INDUSTRY, summing up a brief discussion, said that whilst the Sub-Committee sympathised with the Secretary of State for Employment's proposals, they felt that any practical advantages to be gained from them would be overwhelmingly outweighed by the political controversy to which they would give rise. The Sub-Committee therefore favoured no change in the existing Bank Holiday arrangements.

The Sub-Committee -

Agreed that no change should be made in the existing pattern of Bank Holidays in May.

CONFIDENTIAL

Home Affairs

File.

10 DOWNING STREET

From the Private Secretary

17 May 1982

BANK HOLIDAY: FIRST MONDAY IN MAY

The Prime Minister saw your Secretary of State's memorandum E(EA)(82)11 over the weekend with his proposals to alter the existing holiday arrangements for the first Monday in May.

The Prime Minister has commented that May 1984 would be a bad time for such a change to take effect.

I am sending copies of this letter to the Private Secretaries to Members of E(EA) and to David Wright (Cabinet Office).

M. C. SCHOLAR

J.B. Shaw, Esq.,
Department of Employment.

CONFIDENTIAL

BR

RESTRICTED

ACTION

Prime Minister

To see that Mr Tebbit proposes replacing the early May Bank Holiday with a day at the end of May.

MCS 14/5

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

E(EA)(82)11 COPY NO 2

May 1982 would be a bad time for such a change to take effect

13 MAY 1982

CABINET

MINISTERIAL COMMITTEE ON ECONOMIC STRATEGY

SUB-COMMITTEE ON ECONOMIC AFFAIRS

BANK HOLIDAY : FIRST MONDAY IN MAY

Memorandum by the Secretary of State for Employment

When E(EA) met on 14 December 1981 it considered my memorandum E(EA)(81)42 and agreed that public consultations should be held about moving the bank holiday held on the First Monday in May to link with the Spring Holiday at the end of May. The sub-Committee also agreed that any change would be restricted to England and Wales.

2. Consultations are now complete. A copy of the consultation letter is attached at Annex A and a summary of replies at Annex B.

3. The main issue is whether the early May holiday should be moved. The unions, as expected, are opposed to change and wish to preserve the early May holiday with its 'labour day' associations. Employers organisations are divided. Some are in favour of change which they think would reduce disruption and be attractive to their employees. The majority however, including the CBI and EEF are opposed to a move; three main arguments are advanced. First, some industries think it would be harder to cope with a four day shut down than with two three day shutdowns. Secondly, some employers fear that a four day shutdown would prompt pressure from employees for a full week's shutdown. Thirdly, there is a widespread fear that a different Administration would re-introduce the early May Holiday, perhaps on 1 May itself, without removing the extra day's holiday at the end of May.

4. The City (the only group of employers statutorily bound by bank holiday legislation) generally favours change. There is general support for change in the tourist industry. The balance of opinion in the universities and in the legal profession favours change. The independent schools favour it. The local authorities (with the ACC for change and the AMA against it) and the medical profession are divided. The overwhelming majority of individual companies and members of the public who commented supported change; few supported existing arrangements.

RESTRICTED

5. Views were also sought on which alternative day any new holiday should be held. Opinion was almost unanimously in favour of the Tuesday following the existing holiday on the last Monday in May. Many organisations, particularly those in the retail trade, strongly opposed the alternative suggestion of a new holiday on the Friday before the last Monday in May.

6. Few expressed a view about the timing of any change but some organisations pointed to commitments already entered into on the assumption that 2 May 1983 would be a bank holiday. They asked for deferment until 1984.

7. In addition to commenting on the narrow issue of May Bank Holidays the CBI and Institute of Directors asked for a broader examination of the whole concept of bank holidays with the aim of encouraging greater flexibility in the arrangement of holidays. There is something in this, although legally employers are free to ignore bank holidays if they choose to do so. But, major change would require primary legislation, it would be highly controversial and many people would think Government was trying to rob them of their holiday entitlements. Moreover, it might open up pressure for statutory rights to holiday entitlements. I propose to take no action on this request.

8. No primary legislation would be required to implement any change to the May holidays. In June each year a Royal Proclamation declares the first Monday in the following May to be a bank holiday. It would be sufficient for the proclamation simply to specify an alternative date.

9. An early announcement of our intentions is desirable so that employers, employees and others can plan holiday arrangements from 1983 onwards.

10. In my view there is sufficient support to justify going ahead with change. The most significant body of opinion opposed to change, (other than the TUC) is the CBI. I have discussed their views with them and while they remain opposed it is clearly not a matter to which they attach undue importance. At the end of the day they could live with change, and a significant minority of employers would in any case positively welcome change.

11. I invite colleagues to agree:

(i) that we should replace the existing holiday on the First Monday in May by a new holiday on the Tuesday following the holiday on the last Monday in May;

(ii) that this should take effect as from May 1984 by means of a Royal Proclamation made in June 1983;

(iii) that there should be an early announcement of our intentions.

Department of Employment
13 May 1982

N T

ANNEX A

Minister of State

Department of Employment
Caxton House Tothill Street London SW1H 9NA
Telephone Direct Line 01-213 7790
Switchboard 01-213 3000

GTN 213

I am writing to seek your views on whether it would be sensible to move the Bank Holiday which, in the last few years, has been held on the first Monday in May and link it with the Bank Holiday which is held on the last Monday in May. This could be achieved by replacing the earlier holiday by a Bank Holiday on either the Friday before, or the Tuesday after, the last Monday in May.

I have received a great number of complaints about the Bank Holiday on the first Monday in May. The most common criticism is that, since its introduction, there have been too many Bank Holiday breaks in the Spring (Easter, the first Monday in May, and the last Monday in May) and that the intervals between them, which vary of course depending on when Easter falls, are too short. This is seen by many as unnecessarily disruptive to schools and industry; and inconvenient for individuals. These disadvantages would be remedied if the two May holidays were to be linked in the way suggested.

A possible alternative approach in theory might be to move the later of the two holidays and link it with the earlier one. But the Bank Holiday on the last Monday in May, which took the place of the old Whit Monday, was introduced as long ago as 1971, after widespread consultations and a trial period, and has become widely accepted. I do not therefore consider that it would be sensible to move it.

I should make it clear that any change would apply only to England and Wales. Traditions are rather different in Scotland where there has been a Bank Holiday on the first Monday in May since 1871; and somewhat similar considerations apply to Northern Ireland. I should add that any change would not affect the arrangements already announced for this year and would not take effect before the Spring of 1983.

I would be grateful for your views by 26 March.

MICHAEL ALISON

ANNEX B

SUMMARY OF REPLIES

(A) The Merits of Change

1 Trade Unions

The TUC is opposed to change which it regards as 'narrow ideological hostility to the trade union movement's traditional celebrations around May Day'. The AUEW, the Confederation of Shipbuilding Unions and the GMWU were the only other trade unions to comment, and all opposed change.

2 Employers Organisations

The CBI said that a minority of members supported change because of administrative convenience. The majority however opposed change. Three arguments were advanced against change. First a four day weekend is more difficult to cope with and is more expensive in additional overtime costs than two three-day weekends; industries affected by this include agriculture, food, retail and service sectors, continuous process industries, printing and publishing and transport industries. Secondly, there is a fear of pressure to close for the remaining three days to make a complete holiday week. Thirdly, a different administration might restore the holiday, perhaps on 1 May itself, and without abolishing the extra day at the end of May. The Federation of Bakers, the Engineering Employers Federation, the National Sawmilling Association and the National Association of Master Bakers, the Association of Retail Distributors and the Confederation of British Road Passenger Transport oppose change for the same reasons as the CBI. The Retail Consortium are also opposed. The British Chamber of Commerce, the British Multiple Retailers Association, the Union of Independent Companies and the Federation of Master Builders support change because of administrative convenience. The Company Chemists Association and the National Chamber of Trade reported an even division of opinion between its members. The Association of Independent Businesses and the British Rail Board favoured change on its merits but feared re-introduction by a different administration. A clear majority of employers who wrote individually instead of through their associations were in favour of change. A reduction in disruption and the convenience both for employers and employees of a concentrated holiday, were the main reasons for supporting change. Some employers thought that the opportunity to concentrate holidays and shut down for a complete week was an advantage.

3 The City

No city institutions are opposed to change. The Finance Houses Association, and the Building Societies Association welcomed the proposals for change. The Stock Exchange, the British Bankers Association, the Bank of England and the Committees of Scottish Clearing Banks said that they would be content with whatever decision Government thought right.

4 Education

The Association of County Councils were in favour of a change. The Association of Metropolitan Authorities said that it would agree with whatever view the TUC expressed. The Incorporated Association of Preparatory Schools and the Independent Schools Joint Council welcomed the proposals for change as beneficial to the schools. The majority of Universities supported change because it would reduce disruption to teaching timetables. The Workers Educational Association also welcomed change to reduce disruption to timetables.

5 The Professions

The British Dental Association said that its members were equally divided in their opinions. The British Medical Association wrote twice (from different committees); one letter supported change the other opposed it. The Law Society and the Senate of the Inns of Court and the Bar welcomed change as reducing disruption but the latter also drew attention to the danger of restoration by a different administration.

6 Tourism

The English Tourist Board said that the tourist industry would generally support a long weekend at the end of May. The British Tourist Authority supported moving the early May holiday, although some members thought it should be transferred to October rather than late May.

7 The General Public

About 60 people wrote to express a view. As with earlier correspondence an overwhelming majority disliked the existing holiday arrangements. Only a handful of people wrote asking for the holiday on the 1st Monday in May to be retained.

8 (B) Friday or Tuesday

The overwhelming majority of opinion was in favour of Tuesday and no significant body of opinion preferred the Friday. The attraction of concentrating disruption into a single week was the main reason for this preference.

9 (C) Timing

The great majority of respondents did not comment about when any change should be introduced. The Stock Exchange and the tourist and leisure interests, however pointed out that they had already planned events (eg settlement dates, racing calendars and conferences) on the assumption that 2 May would be a bank holiday in 1983. They pointed to the inconvenience which cancellation might cause and asked for any change to be postponed to 1984.

Department of Employment PRESS NOTICE

Caxton House Tothill Street London SW1H 9NA
Telephone : Direct Line 01-213 7439 (24 hour answering service)
Exchange 01-213 3000 Telex 915564 DEPEMP

February 16, 1982

MAY BANK HOLIDAYS

Mr Michael Alison, Minister of State for Employment, announced today that he is starting consultations on the possibility of moving the Bank Holiday in England and Wales that is presently held on the first Monday in May and linking it with the Bank Holiday which is held on the last Monday in May.

Mr Alison was replying to a written Parliamentary Question from Mr Robert Dunn MP (Dartford).

The full text of the Question and Answer is as follows:

QUESTION: To ask the Secretary of State for Employment whether the Government intends that there should continue to be a Bank Holiday on the first Monday in May?

ANSWER: I have received a great number of complaints about this holiday to the effect that since its introduction there have been too many Bank Holiday breaks in the Spring; that the intervals between them have been too short; and that this causes unnecessary disruption and inconvenience. I am therefore today writing to consult the financial institutions, organisations representing employers and employees, and other interested parties, as to whether it would be sensible to move this holiday and link it with the Bank Holiday, which is held on the last Monday in May. This could be achieved by replacing the earlier holiday by a Bank Holiday on either the Friday before, or the Tuesday after, the last Monday in May. Any change would apply only to England and Wales and would not take effect before the Spring of 1983.

NOTES TO EDITORS

1. Anyone wishing to comment on this suggestion is invited to write to Mr J M Dewsbury, Department of Employment, Caxton House, Tothill Street, London SW1H 9NF.

DE

2. There are eight bank holidays each in England and Wales and Scotland and ten in Northern Ireland, as follows:

England and Wales	Scotland	Northern Ireland
Christmas Day	Christmas Day	Christmas Day
Boxing Day	Boxing Day	Boxing Day
New Years Day	New Years Day	New Years Day
	2 January	St Patrick Day (17 March)
Good Friday	Good Friday	Good Friday
Easter Monday		Easter Monday
First Monday in May	First Monday in May	First Monday in May
Last Monday in May	Last Monday in May	Last Monday in May
	First Monday in August	Orangemen's Day (12 July)
Last Monday in August		Last Monday in August

3. A bank holiday does not give any employee a legal right to a paid holiday - it permits the banks to close. All holiday entitlements, as for pay and other conditions of employment, are a matter for negotiation between employers and employees. It depends upon whatever agreement someone has with their employer therefore whether they are entitled to a day off on any particular bank holiday, or to a day in lieu or extra payment if they have to work. The only exceptions to this are:

a) first, section 94 of the Factories Act 1961, which gives women and young people in scope of that Act entitlement to a holiday on those bank holidays listed in schedule 1 to the Banking and Financial Dealings Act 1971;

b) secondly, the existence of Wages Council Orders some of which specify holiday entitlements; it will depend upon the wording of each order whether or not a particular bank holiday is covered.

4. Bank holidays were consolidated in the Banking and Financial Dealings Act 1971. New holidays since 1971 - New Years Day introduced in 1974 and the first Monday in May introduced in 1978 - are declared annually by Royal Proclamation under powers given by the 1971 Act, as are occasional holidays such as that for the Royal Wedding on 29 July. In England and Wales and Northern Ireland there is no statutory basis for Christmas Day and Good Friday which are common law holidays.

E(EA)(82) 1st
19.1.82 Item 2

CONFIDENTIAL

Home Affairs

2. BANK HOLIDAY: FIRST MONDAY IN MAY

The Sub-Committee discussed a memorandum by the Secretary of State for Employment on the Bank Holiday in the first Monday in May (E(EA)(81) 42).

THE PARLIAMENTARY UNDER SECRETARY OF STATE, DEPARTMENT OF EMPLOYMENT said that there was a good case of abolishing the Bank Holiday on the first Monday in May in England and Wales and adding a day to the late Spring holiday at the end of the month. Such a change would reduce disruption to industry, the schools and the courts. It was clear, however, that any proposal to abolish the Bank Holiday at the beginning of May would be strongly criticised by the Labour Party and the trades unions. It would be unsatisfactory for the Government to begin consultations that lead people to expect that the Bank Holiday arrangements would be changed but then to be unwilling to go through with abolishing the early May Bank Holiday even though the consultations showed that this was what many people wanted. The Liberal/Social Democratic Alliance might be critical of the Government in such circumstances.

THE SECRETARY OF STATE FOR INDUSTRY, summing up a brief discussion, said that the Sub-Committee recognised that the Government might run into difficulties by consulting on this change in Bank Holiday arrangements. They agreed nevertheless that the consultations should go ahead, while the change would certainly be criticised by the Labour Party and the trade union movement, the Government needed to establish what were the views of industry and commerce and of others. Until it was known what those views were there could be no guarantee that the change would be made. It should be made clear that the Government proposed no change to the existing Bank Holiday arrangements in Scotland and Northern Ireland, which were popular and worked well.

The Sub-Committee -

Invited the Secretary of State for Employment to arrange for consultations on the lines indicated in E(EA)(81) 42.

Cabinet Office

21 January 1982

RESTRICTED

Prime Minister (2)

Home Affairs MS ✓ 7/12

ACTION

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

E(EA)(81)42 COPY NO 2

4 December 1981

CABINET

MINISTERIAL COMMITTEE ON ECONOMIC STRATEGY

SUB-COMMITTEE ON ECONOMIC AFFAIRS

BANK HOLIDAY: FIRST MONDAY IN MAY

Memorandum by the Secretary of State for Employment

There is good cause for moving this holiday to link it with the Spring Holiday at the end of May. Many people would prefer a longer interval between public holidays at this time of year; and the change would reduce disruption to industry, the schools and the courts. I have received a number of representations from the public complaining about the present arrangements; and it is clear that the May Day holiday, introduced by the previous Administration in 1978, has never been entirely accepted - not least by our own supporters.

2. Parliamentary approval for a change is not required. The present holiday, and any replacement, depends upon a Royal Proclamation being made annually on advice from the Chancellor. But the Opposition may of course choose to debate it.

3. Widespread consultations would first be necessary; and I wrote to colleagues on 9 October suggesting that I set these in train. Many have welcomed my proposal but others, including the Chancellor, in his letter of 4 November, although not opposing consultations, have expressed doubts as to whether there would be sufficiently clear advantage to justify a possible controversial move of this kind.

RESTRICTED

4. I am inclined to proceed with consultations but am anxious not to raise expectations of change and then be obliged to back-off in the face of the predictable reaction from the TUC and the Opposition. I would prefer to leave matters as they are if there is a real possibility that colleagues would not at the end of the day support change. There is a danger however, in leaving matters alone that we may have to defend this holiday not only against existing critics but also agianst the Liberal/Social Democrat Alliance. This holiday is unpopular and around May Day each year it generates considerable correspondence to Ministers, to Members of Parliament and in the newspapers. The Alliance may find abolition a popular cause to champion.

5. Traditions and practices vary in different parts of the Kingdom. I shouldmake it clear therefore that no change is proposed for Scotland; and that the Secretary of State for Northern Ireland would consult interests there separately.

6. I invite colleagues to endorse consultations; and to agree provisionally, if these indicate general support, that we should move the holiday despite the predictable hostility of the unions and the Opposition. I would of course report the outcome of the consultations before a final decision is taken.

Department of Employment N T

4 December 1981

A

Home Affairs

2 MARSHAM STREET
LONDON SW1P 3EB

My ref: H/PSO/18251/81

Your ref:

10 NOV 81

Dear Norman

BANK HOLIDAY: FIRST MONDAY IN MAY

In your letter of 9 October you asked for views on your proposals to move the early May Day Holiday and link it permanently with the existing Spring Holiday.

We have no major departmental interest, but I am broadly in favour of the proposal which could have certain practical advantages, in the management of ancient monuments, for example. You will no doubt be bearing in mind, however, that most civil servants already enjoy the Friday before the Spring Bank Holiday as a Privilege holiday.

I should be grateful if you would include the local authority associations when you go out to consultation.

I am copying this letter to the Prime Minister and the other recipients of yours.

Yours ever

MICHAEL HESELTINE

Norman Tebbit Esq MP

Home Affairs

FILE

10 DOWNING STREET

From the Private Secretary

9 November, 1981.

Dear Richard

Bank Holiday: First Monday in May

The Prime Minister has seen your Secretary of State's letter to the Chancellor of the Exchequer of 9 October, and the ensuing Ministerial correspondence.

She is content for your Secretary of State to proceed to consultations on his proposal to move the early May Bank Holiday to the end of the month, and to link it with the Spring Holiday.

I am sending copies of this letter to the Private Secretaries to the members of the Cabinet, the Paymaster General, and to Sir Robert Armstrong.

Yours

Willie Rickett

Richard Dykes, Esq.,
Department of Employment.

RHD.

Home Affairs

DEPARTMENT OF HEALTH AND SOCIAL SECURITY
ALEXANDER FLEMING HOUSE
ELEPHANT AND CASTLE
LONDON S.E.1

TELEPHONE: 01-407 5522

The Rt Hon Norman Tebbit MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON SW1

9 November 1981

WM
9/11

Dear Norman.

BANK HOLIDAYS: FIRST MONDAY IN MAY

You copied to me your letter of 9 October to Geoffrey Howe about changing the May Day public holiday to link this with the Spring Bank Holiday at the end of May.

I see no significant objection to what you have in mind so far as Social Security operations are concerned, provided of course that consultations lead to a national change. There might be some effect on the operations of our large Central Offices and our local offices because individuals may seek to add days of their annual holiday allowance to extend this weekend to a longer break. This would be particularly attractive to Civil Servants who customarily have an additional privilege day for the Queen's Birthday on the Friday before the Spring Bank Holiday. It would of course be for management to control such requests for the additional days and I think if the change is made thought should be given to whether or not the Queen's Birthday holiday should continue in its present form.

As to the National Health Service, the proposals should not give rise to major difficulty that we can foresee. Operations - clinics, operating lists and so on - might be affected however, and NHS Management should be among the interested parties to be consulted if the proposal is to be pursued.

I am copying this letter to the recipients of yours.

Yours ever
Norman.

NORMAN FOWLER

Wh 9/11 Home Affairs

SECRETARY

QUEEN ANNE'S GATE LONDON SW1H 9AT

7 November 1981

Dear Norman

BANK HOLIDAY: FIRST MONDAY IN MAY

You sent me a copy of your letter of 9 October to Geoffrey Howe about the possibility of moving the bank holiday on the first Monday in May to the Tuesday following, or the Friday preceding, the bank holiday on the last Monday in May.

I have a Departmental interest in your proposal's possible implication for the main religious festivals. In view of the assurances which have been given in the past to the Churches that there is no question of tampering with Easter, I am glad to see that you propose to stick to that view.

On the wider issues, while I have no very strong views, I am inclined to share the reservations which Geoffrey Howe has expressed in his letter of 4 November.

I am sending copies of this letter to the Prime Minister, other Cabinet members, the Paymaster General and Sir Robert Armstrong.

Yours ever
Willie

The Rt. Hon. Norman Tebbit, M.P.

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

4 November 1981

Prime Minister

Most members of Cabinet have now agreed that Mr Tebbit should open consultations on his proposal to move the early May Bank Holiday to the end of the month, to link with the Spring holiday. This is perhaps the most grudging of the replies. Are you content for Mr Tebbit to proceed at least to consultations?

Yes No

WR 5/11

The Rt. Hon. Norman Tebbit, MP.,
Secretary of State for Employment

Dear Norman

BANK HOLIDAY: FIRST MONDAY IN MAY

Thank you for your letter of 9 October. I have also seen the letters from Patrick Jenkin, Peter Walker, George Younger, Nick Edwards, Jim Prior, Keith Joseph and Quintin Hailsham.

My initial instinct was to favour your proposal - but further reflection has raised some doubts about the idea. It would not reduce the number of Bank Holidays in the period in question, nor the total number. It would give a longer clear period after Easter; but against that it would have the disadvantage of requiring another four-day shutdown of the money markets, in addition to Christmas and Easter.

Against the lack of obvious advantage we have to set the fact that this would undoubtedly be a controversial move. You are best placed to judge the reactions of the trade unions but I imagine they would be less than ecstatic. And if ever a different administration restored the May day holiday, the overall effect could be to increase the number of Bank Holidays.

I quite see the force of your views and those of Patrick Jenkin. The present position is not one which we would have chosen. I would not object to some consultations of the kind you have in mind; but my present inclination is towards leaving things as they are.

I am copying this letter to the Prime Minister, other members of the Cabinet, the Paymaster General and to Sir Robert Armstrong.

Yours ever
Geoffrey

GEOFFREY HOWE

DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

The Rt Hon Norman Tebbit MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1

WN
4/11

4 November 1981

Dear Norman

BANK HOLIDAY: FIRST MONDAY IN MAY

Thank you for sending me a copy of your letter of 9 October to Geoffrey Howe about the proposal to move the May Day Holiday by linking it with the existing Spring Bank Holiday.

Speaking generally, I accept the force of the argument that the existence of a holiday at the beginning of May sits uneasily with the other public holidays at this time of the year and I therefore agree with the proposal to move it to a later date.

From a Departmental point of view, there do not appear to be any serious implications for the transport industries. Whether it would be more advantageous to those industries to have "May Day" immediately before or after the Spring holiday is difficult to say, but the consultations which you propose will no doubt reveal which is the most attractive alternative.

I am copying this to the Prime Minister and to other recipients of your letter.

Yours ever

David

DAVID HOWELL

House of Lords,
SW1A 0PW

With the
Lord Chancellor's Compliments

GR
Home Affairs

HOUSE OF LORDS,
SW1A 0PW

27th October 1981

Dear Norman,

On 9th October you wrote to the Chancellor of the Exchequer with copies to Cabinet colleagues about the inconvenient bunching of bank holidays in the spring.

I see merit in your suggestion that the bank holiday on the first Monday in May should be abolished and compensation be given by a two day Spring Bank Holiday. This would probably involve less disruption of court business than the present pattern.

It is my impression that many parents of school children would welcome the change, as the week is frequently taken as a half-term holiday by schools, but the Secretary of State for Education will be able to comment more authoritatively on this point.

If a change is to be made, the timing of negotiations needs cautious handling. John Boyd-Carpenter's proposal to this effect in the Lords on 7th October, which seemed to me to be ill-timed, generated some resentment and appeared to be regarded by the Opposition as motivated by political spleen. The change might be more readily accepted in discussions with industry and the unions if we waited a little before embarking on them.

I am sending copies of this letter to the Prime Minister, other members of the Cabinet, the Paymaster General and Sir Robert Armstrong.

Yrs:
Q.H.

The Right Honourable Norman Tebbit, MP,
Secretary of State for Employment,
Caxton House,
Tothill Street,
London, SW1H 9NF

DEPARTMENT OF EDUCATION AND SCIENCE
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH
TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

The Rt Hon Norman Tebbit MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NA

26 October 1981

Dear Norman

BANK HOLIDAY: FIRST MONDAY IN MAY

Thank you for sending me a copy of your letter of 9 October to Geoffrey Howe.

I see no objections as far as this Department's interests are concerned to your suggestion that the May Day Holiday should be linked with the existing Spring Bank Holiday. Indeed there would be a measure of advantage as the present holiday on the first Monday in May falls in the middle of the important period when schools and other educational institutions are in the final stages of preparing their examination candidates. What you suggest would be less disruptive.

I am grateful too for your acknowledgment that I might wish to consult the education sector about the proposals. It seems to me, however, that what you suggest should not be contentious educationally, and that the issues raised in consultation are more likely to relate to your Department's concerns than mine. In view of this, I will be happy for you to consult the education sector, although it would be sensible if your officials agreed with mine which educational bodies should be involved. It would also help if they told us of any objections raised by the education sector where these had educational implications.

Like you, I am sending copies of this letter to the Prime Minister, other members of the Cabinet, the Paymaster General and to Sir Robert Armstrong.

Yours

Keith

Home Affairs

Northern Ireland Office
Stormont Castle
Belfast BT4 3ST

Secretary of State

The Rt Hon Norman Tebbit MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON SW1H 9NA

23 October 1981

Dear Norman

BANK HOLIDAY: FIRST MONDAY IN MAY

I appreciate this problem of the "bunching" of holidays which you described in your letter of 9 October to the Chancellor as it affects England and Wales. The position in Northern Ireland however, is rather different in that the Spring Bank Holiday, while listed in the Banking & Financial Dealings Act 1971 as a Northern Ireland Bank Holiday, does not attract wide acceptance. The banks and the Civil Service acknowledge it as a holiday, but for industry and commerce it is, for the most part, very much a matter of business as usual. The May Day holiday on the other hand has quite wide acceptance in all sectors in Northern Ireland.

I very much doubt whether employers here would welcome the coupling of the May Day and Spring Bank Holidays. If that happened, employers would find it difficult not to grant both days as a holiday, so that they would be put in the position of having to allow two days' holiday in May instead of one. Moreover, the trade unions are scarcely likely to welcome the distancing of May Day from its traditional place at the beginning of the month. We have the added factor here of a 2-day break on the 12th and 13th July (for the Battle of the Boyne anniversary). Not to mention a Bank Holiday on 17 March for St Patrick's Day.

I agree that you should initiate discussions with industry, but I think that at the same time I would need to write to employer, trade union, banking and other interests here inviting their views. I would therefore like you to keep me closely in touch with what you propose to do.

I am copying this letter to the recipients of yours.

Yours ever
Jim

PD

Y SWYDDFA GYMREIG
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switsfwrdd)
01-233 6106 (Llinell Union)
Oddi wrth Ysgrifennydd Gwladol Cymru

WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switchboard)
01-233 6106 (Direct Line)
From The Secretary of State for Wales

The Rt Hon Nicholas Edwards MP

23rd October 1981

Dear Norman

BANK HOLIDAY: FIRST MONDAY IN MAY

Thank you for letting me have a copy of your letter of 9 October to Geoffrey Howe.

There is a good case for moving the early May Holiday to link with the later Spring Holiday. The strength of feeling against such a change is perhaps less clear and therefore, best tested in discussion with interested parties. Accordingly, I support your proposal to consult with them.

I should be glad if you and Keith Joseph, should he decide to act separately, would keep me informed of the arrangements for the consultations.

I am sending a copy of this letter to the Prime Minister, other members of the Cabinet, the Paymaster General and Sir Robert Armstrong.

Yours ever

Nick

The Rt Hon Norman Tebbit MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON

Home Affairs

Civil Service Department
Whitehall London SW1A 2AZ
Telephone 01-273 4400

Chancellor of the Duchy of Lancaster

21 October 1981

WM who

The Rt Hon Norman Tebbitt
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NA

Dear Norman,

BANK HOLIDAY: FIRST MONDAY IN MAY

Thank you for sending me a copy of your letter of 9 October to Geoffrey Howe.

I see no objection to your initiating discussions with the two sides of industry and other interested parties about your proposal to move the early May holiday to the end of May and link it permanently with the Spring Bank Holiday. As you say, you can expect strong resistance to it from the Trade Union movement and from the Opposition and I doubt if it would be in anyone's interest to make this Holiday into a political football.

If we do make the change you propose, we shall of course need to consider the effect on the Sovereign's Birthday Holiday, a privilege holiday enjoyed by civil servants normally on the Friday before the Spring Bank Holiday. There would be no complication for this if the new Bank Holiday were to be fixed for the following Tuesday, apart from the 3 day closure of most Government offices that would result. If, however, the Friday in question were to become a Bank Holiday, it would be necessary to find an alternative for the Sovereign's Birthday Holiday and that would require the approval of the Palace.

I am copying this letter to the recipients of yours.

Yours ever
Peter

BARONESS YOUNG

Home Affairs

SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

The Rt Hon Norman Tebbitt MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NA

20 October 1981

BANK HOLIDAY: FIRST MONDAY IN MAY

Thank you for sending me a copy of your letter of 9 October.

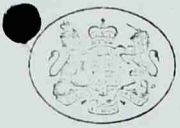
I am gl[illegible] to note that no change is proposed for Scotland; and, if any alternative to the first Monday in May is canvassed for the rest of the United Kingdom, this point should be made clear. In Scotland Bank Holidays, except at Christmas and New Year, are not generally observed as local public holidays which have always been fixed by the individual local authorities here in consultation with local interests. With very few exceptions the May Day Holiday is in fact observed in Scotland on the first Monday in May and I suspect that you may find that many interests south of the Border will be reluctant to see a change from this date. However I am content with what is proposed from the Scottish point of view.

I am copying this letter to the recipients of yours.

GEORGE YOUNGER

JU601

Home Affairs



DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB
TELEPHONE DIRECT LINE 01-212 3301
SWITCHBOARD 01-212 7676

Secretary of State for Industry

19 October 1981

The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
HM Treasury
Great George Street
London SW1

Dear Geoffrey,

BANK HOLIDAY: FIRST MONDAY IN MAY

Norman Tebbit sent me a copy of his letter of 9 October about the early May Bank holiday.

2 I very much welcome Norman's suggestion of abandoning in England, Wales and Northern Ireland, this Bank Holiday, which was introduced by the last Administration, in favour of a two day late May Spring Bank Holiday and his intention to initiate discussions with industry and other interested parties.

3 Such a change could well be of advantage to sectors of industry, particularly if it resulted in one rather than two interrupted working weeks.

4 I am sending a copy of this letter to the Prime Minister, other members of the Cabinet, the Paymaster General and to Sir Robert Armstrong.

Yours ever

Patrick

Home Affairs

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON SW1A 2HH

From the Minister

WM 19/10

The Rt Hon N Tebbit MP
Secretary of State for Employment
Caxton House
Tothill Street
London
SW1H 9NA

19 October 1981

BANK HOLIDAY: FIRST MONDAY IN MAY

Thank you for the copy of your letter of 9 October to Geoffrey Howe.

I see no objection on Departmental grounds to your suggestion for moving the May Day holiday and linking it with the Spring Bank holiday. The effect on agricultural overtime costs of moving a holiday from the first Monday in May to the end of the month is likely to be minimal. The spring sowing should be finished by then and silage making should be well on the way and it is the June/August period when most overtime is worked. But no doubt the Unions representing farmers and farmworkers will be among the interested parties whom you will be consulting in the autumn either directly or via the CBI and TUC.

Public holidays for agricultural workers in England and Wales are a matter for our Agricultural Wages Board who list these dates in their main Order, published annually. The AWB Order provides, in effect, for bank holidays to be paid days off for whole-time workers (but not for part-time or casual workers). Any work done on a public holiday would however be counted as overtime, currently paid at the rate of one-and-a-half times the basic rate.

I am copying this letter to the Prime Minister, other members of the Cabinet, the Paymaster General and to Sir Robert Armstrong.

PETER WALKER

mc

Home Affairs

Mr. Wolfson

Caxton House Tothill Street London SW1H 9NA

Telephone Direct Line 01-213 6400
Switchboard 01-213 3000
GTN 213

Prime Minister

Mr Tebbit proposes to move the early May Bank Holiday to the end of May, to link up with the Spring Bank Holiday (see overleaf).

9 October 1981

Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
Treasury
Great George Street
LONDON SW1

Dear Geoffrey,

BANK HOLIDAY: FIRST MONDAY IN MAY

In the Spring of this year there were four bank holidays very close to each other; Good Friday on the 17 of April, Easter Monday on the 20 of April, Monday the 4 of May and the Spring Holiday on the 25 of May. In a seven week period only three were full working weeks. This bunching is partly because Easter is a moveable feast between mid March and late April and partly because of the relatively new holiday on the first Monday in May introduced by the previous administration. The problem is not so acute in those years when Easter falls in March when there is a gap of more than two months before the Spring holiday. I have received a number of representations from Members of Parliament and the public complaining about this bunching, as I believe have other Ministers. I am inclined to the view that there is a genuine basis to these representations and that we should make a favourable response.

It would be quite wrong to tamper with Easter because of its religious significance. The Spring Bank Holiday was fixed in 1971 following a public consultation and a trial period and is now widely accepted as an appropriate time for public holiday. Moreover, neither of those holidays could be changed without primary legislation to amend the Banking and Financial Dealings Act 1971. The holiday on the first Monday in May is different. It is relatively new, it falls inconveniently between Easter and the Spring Holiday and it has never been entirely accepted, not least by our own supporters. But, the introduction of this holiday was warmly received by the TUC and I have no doubt that the opposition would support the TUC in arguing strongly for its retention. Although it can be cancelled or moved to some other date by Royal Proclamation under existing powers in the 1971 Act

and without Parliamentary time, we may expect some opposition to any proposal for change. Nonetheless, on balance I think the time has come to end this holiday.

I rule out a straight cancellation without providing a substitute because employees would feel that the Government had robbed them of a day's holiday. Moving it back into March or April simply moves the bunching problem to years where Easter falls earlier which rules out popular suggestions for holidays on Patron Saint Days, all of which are in March or April. Moving it forward into June or July would interfere with the school examination season. The main Summer holiday period is inappropriate and few people would want a holiday in the Winter months other than the existing Christmas/New Year holidays. The best alternative is to make the Spring Bank Holiday at the end of May into a two day break, either Friday/Monday or Monday /Tuesday. I propose therefore that we should initiate discussions with industry, the trade unions and other interested parties about moving the early May Holiday permanently to link with the existing Spring Holiday.

A

If colleagues agree with this proposal it would be my intention to seek views from interested parties in the Autumn with a view to an announcement early next year to take effect from 1983. I think the lead on consultations is best taken by my Department although Keith Joseph may wish to consult the education sector separately. At the end of the day however, it would fall to you to arrange the necessary Royal Proclamation.

Finally, I should make it clear that my proposal relates to England, Wales and Northern Ireland only. The position in Scotland is quite different. There has been a bank holiday there since 1871; Scottish banking interests expressed a clear wish to retain the holiday when it was reviewed prior to the 1971 Act and change would require primary legislation. I therefore see no advantage to seeking change in Scotland where the tradition of public holidays is in any case rather different to that in other parts of the United Kingdom.

I am copying this letter to the Prime Minister, other members of the Cabinet, the Paymaster General and to Sir Robert Armstrong.

Yours ever

Norman

Home Affairs

CENTRAL POLICY REVIEW STAFF
CABINET OFFICE
70 WHITEHALL LONDON
SW1A 2AS

7798
01-233 ~~3000~~
Qc.02168

14 June 1979

Dear Melvyn,

Bank Holidays

Regrettable S.T.P.

We had a word about Mr Prior's letter of 12 June to Sir Keith Joseph about the Biggs-Davison Question on public holidays. I understand you will be advising Treasury Ministers on this and here are one or two points you might like to take into account.

2. I really do wonder if the proposed Answer strikes the right note. In particular:-

(i) Singling out the May Day holiday for review may have some political attraction. But this is bound to antagonise the Unions who are already dissatisfied because (unlike most EEC countries) the holiday does not fall on 1 May. Nor is this the holiday which creates the problem of extended absences from work. Do we really want to be provocative just at this moment?

(ii) To point out that we have fewer public holidays than any other EEC country except the Netherlands will only increase the appetite for more. We could do without this pressure both on productivity grounds and because any increase in holiday time should reflect people's preferences for more flexible holidays to be taken at a time of their own choosing.

3. In the circumstances would it not be better to give the deadpan Answer that "the Government has no plans for an immediate change in public holidays"?

Yours,

Gordon.

G S DOWNEY

M G Jeremiah Esq
Treasury
London SW1

cc Mr Taylor
Mr Norris
Mr Brown
Mr Wilson
Mr South
Mr Bound
Mr Allison
Mr Lowe
Mr Raff
Mr Hardman
Mr Shepherd

12 June 1979

To fee.
HWF
12/6.

SECRETARY OF STATE FOR EMPLOYMENT

8 ST. JAMES'S SQUARE LONDON SW1Y 4JB
Telephone Direct Line 01-214 6025
Switchboard 01-214 6000

Sir Keith Joseph BE MP
Secretary of State
Department of Industry
Ashdown House
123 Victoria Street
LONDON SW1

Dear Keith

PA

BANK HOLIDAYS

A question has been put down by John Biggs-Davison for Tuesday 19 June asking me to "state the policy of Her Majesty's Government on public holidays". We have not yet had an opportunity to consider our line on this subject. This letter therefore sets out some of the main points.

The legal position is broadly that the Government merely prescribes days on which the banks are to be closed to the public. The granting of holidays on those or any other days is in general a matter for agreement between employers and their employees although it is of course customary to grant either these days or other days in lieu and the entitlement to such holidays may be part of a contract of employment.

There are 8 such "public holidays" in all: New Year's Day, Good Friday, Easter Monday, the first Monday in May, the Spring and Summer Bank Holiday, Christmas Day and Boxing Day. Most EEC countries have more but with a similar distribution, including a May Day holiday. Annual holidays are on average longer in most other EEC countries.

The position in Scotland is somewhat different but comes to the same number of days.

The main matter of controversy is the May Day Bank holiday. The options here are to rescind, to tack it on to the Spring Bank Holiday, to transfer it to some other time of year (eg the autumn) or to leave things as they are for the moment. Any change would require us to consult the banks, the CBI the TUC and several other interested organisations. The earliest year in which a change could reasonably take effect would be 1981.

In these circumstances I suggest we might reply in the following terms:

> "The Government has no plans for an immediate change in public holidays. We have fewer public holidays than any other EEC countries except the Netherlands and I have no evidence of any general desire for change; nevertheless I propose to invite the views of the banks, the CBI and the TUC and other organisations concerned on the way in which the arrangements for the new May Day holiday have worked in practice."

I will assume this line is acceptable unless I hear to the contrary by Friday afternoon.

I am copying this letter to other members of E(EA) and Sir John Hunt.

REVISED VERSION

"The Government has no plans for an immediate change in public holidays, and I have no evidence of any general desire for change. I propose to review the way in which arrangements for the new May Day holiday have worked in practice"