

dti

SUNDAY SHOPPING

Summary of Stakeholder
Conference on Sunday
Shopping

10 May 2006

JULY 2006

URN 06/1344

On 10th May the DTI held a stakeholder conference in Westminster Central Hall, which Ian McCartney, Minister for Trade, Investment and Foreign Affairs opened. Nearly 70 participants attended. This document is a written record of that event.

The main purpose of the conference was for Indepen to present their cost benefit analysis and to allow stakeholders to ask questions about it. There were also optional forums allowing attendees to have their say on a number of aspects of Sunday shopping.

Indepen's slides from the conference, as well as their cost-benefit report are also available on the DTI website at:

www.dti.gov.uk/consumers/buying-selling/Sunday%20Shopping

Contents

Main session.....	3
Forum 1 – Sunday Shopping and Society (Yellow Group).....	7
Forum 2 – International Comparisons (Red Group).....	12
Forum 3 – Impact on Employees (Blue Group).....	15
Forum 4 – Impact on Retailers (1) (Green Group)	19
List of organisations attending.....	24

Main session

Indepen gave a presentation of their cost benefit analysis followed by a question and answer session. The main points raised were:

1. The Association of Convenience Stores (ACS) thought the full impact of a small store closing on a local community had not been captured. They did not think that the cost of an internet delivery was a realistic reflection of the disbenefit of a small store closing, especially as this would affect the community every day of the week, not just on Sunday.
2. Indepen said that the cost of an internet delivery was a proxy for a range of possible responses, for example, driving or walking further or catching a mini-cab. Some of these responses would cost less than £5; others would cost more. They were not implying that people who lost their local shop would necessarily shop online instead.
3. USDAW stated that their survey across the food and non-food retail sectors showed that 94% of staff did not want any extension to Sunday trading hours. USDAW were concerned about the report's assumptions that some staff would want to work longer on Sunday, when their survey of 4,000 staff showed that only 3% wanted to work longer hours on Sunday and 35% wanted to work fewer hours. In addition, USDAW felt that the average Sunday premium was time and a half, rather than time and a quarter, as Indepen had assumed. If retailers continued to pay these premiums it would impact on unit costs. Alternatively if retailers were to benefit from increased Sunday trading, it was likely to be at the expense of staff (through a lower premium), who were generally paid at or near the minimum wage. History showed this had been the case after 1994, because costs had to be spread over seven days rather than six.
4. Responding to USDAW, Indepen said that they had only assumed that somehow the demand for more labour would be met. This could be met solely by recruiting new people. Indepen referred to a table in their report, which set out the premiums paid by a number of retailers, which showed how they reached the time and a quarter figure. Indepen also said that it had carried out sensitivity analysis on the level of the premium and this had not changed the figure materially. Indepen had not assumed the premium would fall in future, but it had fallen historically, which, would indicate that some people wanted to work on Sundays. Finally, Indepen said that previous studies had assumed that there was a 100% premium but had still concluded there would be positive net benefits from liberalisation. If stores had to pay significant premiums in order to attract staff to work on Sunday, their likely response would be to extend their Sunday hours only by a limited amount. In addition shop workers had special rights compared with other workers in the economy who also worked on Sundays.
5. The Relationships Foundation thought the terms of reference of the study were flawed by focusing only on the economic impacts, that there was a lack of full objectivity in the report and that there was little attempt to address the counter-arguments or to look at who would lose out. The Relationships Foundation wanted to know why there was a gap between the 4% growth in sales and the 3.5% of

sales that the report estimates would be left from the convenience sector, and how quickly this adjustment would take place. In addition, the Relationships Foundation did not feel the implications of losing rents in the high street had been examined.

6. Indepen responded by saying that with growth in the retail sector running at 4% per year, and some stores already showing excess demand on a Sunday, they felt the adjustment period would be quick. In terms of the impact on family life, Indepen said that it was important to look at the impact on consumers, which were a much larger group, as well as the impact on employees. Consumers were likely to find it easier to fit in family activities if they did not have to shop in the middle of the day.
7. Asda said that their strategy as a company would be to recruit additional Sunday-only staff primarily from two pools: retirees and students. Applying the headcount figures from Scotland, to England and Wales, meant that around 7,600 full-time equivalent jobs would be created. Asda commented that the market had changed. Asda, B&Q and Ikea, three of the best employers in the country, were not allowed to open, while small shops could. Tesco already had 1,000 convenience stores and was therefore already open without restriction on a Sunday. In addition, the growth of internet shopping was changing the market. Finally, Asda pointed to the regeneration of Leeds' city centre through the growth of a coffee shop culture.
8. Indepen commented that their report assumed no change overall in employment levels, because retail sales were not expected to change. In terms of changes in the market, Indepen said that Sunday premiums had fallen and also, the level of retailing on a Sunday, even with the current restrictions, was higher than previous studies had assumed.
9. The Rural Shops Alliance thought that the report made some questionable assumptions such as that extending Sunday opening would increase existing capacity, reducing the need for new stores, and that productivity gains would be passed through to consumers. The RSA argued that if such assumptions were shot down, it would devalue the whole report. In addition the RSA felt that a cavalier approach had been adopted to examining the impact of the closure of small shops, for example in terms of the impact on the community, or on elderly or vulnerable consumers. The RSA felt that there was still more work to be done on the report.
10. Indepen responded that there would only be an impact on small shops if some consumers currently using those small shops would prefer to shop at a large store if they were given the opportunity. This benefit to consumers was not actually quantified in the report, which was a conservative assumption. Furthermore, not all small shops would be losers. Small shops in shopping centres and some high streets stood to gain.
11. A student who worked for the Co-op congratulated Indepen on a thoughtful and well-compiled report and commented that he worked long hours on Sunday because that was the only time he could work. He wanted to know more about whether there seemed to be any adverse effects from liberalisation in Scotland.

12. Indepen said that they didn't have any evidence of any adverse effects but that they didn't have too much information about Scotland; it would be interesting to know more. However the travel pattern information suggested that shops were not any more sparsely distributed in Scotland than south of the border.
13. Another student from the Co-op stated that he also worked weekends but that it was sometimes difficult for his store to fill Sunday shifts, and asked what protection was available to young workers to be able to refuse to work on Sunday.
14. Indepen commented that there was a legal right enabling shop workers (except those employed solely to work on Sundays) to opt out of Sunday working. USDAW argued that the legal opt-out was not effective in practice.
15. SPAR stated that Sunday was a very important trading day and the restricted hours at the end of the day were particularly important. If large stores opened for longer, SPAR would lose sales and profits and some stores would close. In about 100-150 cases their store was the last store in a local community and if those stores closed, the local community would lose the use of that store every day of the week and convenience costs would increase substantially. SPAR did not feel this was reflected in the report.
16. Indepen repeated that small stores would only close if consumers chose not to shop there and primarily we should be focused on the consumer benefit.
17. The Colchester Pagan Network asked if the report took account of the increased number of large retailers taking over small shops.
18. Indepen said they had certainly noted this trend, but in terms of consumers, it was the prices they paid, the service they got etc, that was important rather than the ownership of the store. Indepen also noted that large retailers taking over small format stores may have been motivated in part by the Sunday trading restrictions, and if that was the case, this source of pressure on independent stores would ease as a result of liberalisation.
19. The Relationships Foundation said that Keep Sunday Special (KSS) had decided to boycott the event because Indepen did not speak to them and the report did not refer to the opinion of shop workers as reported in the research done by USDAW and the Joseph Rowntree Foundation, a report by Mark Abrahams of Age Concern and a range of relevant research KSS had done. The Relationships Foundation argued that the report did not analyse properly the impact on vulnerable consumers who were often made up of elderly people who did not have cars or internet access and said that the claim in the report that low-income consumers would benefit disproportionately was "extraordinary". The transport costs would push up the costs of shopping and there would also be health risks to the elderly from waiting for public transport in the cold.
20. Indepen said that the key point was that some people were already having difficulty accessing retail outlets. The question was how much did extended Sunday shopping have an impact on the existing situation. Indepen commented that it was a shame that Keep Sunday Special had not attended to have an interchange of views.

21. The Horticultural Trades Association asked Indepen how the consumer benefit could be looked at if DTI decided to take this further, as the HTA's members certainly felt that their customers were being disadvantaged by turning up early at garden centres on a Sunday expecting them to be open, or being asked to leave early.
22. Indepen said that it would be good to have evidence in the form of the number of people turning up early at garden centres for example. Indepen added that there did seem to be a lack of consumer awareness of what exactly the restrictions were.
23. The National Consumer Council said that the cost benefit analysis was very interesting but only a limited tool and that many valid issues had been raised by people. However the question of how far social issues were affected by the rather strange restrictions we had on Sunday shopping, and how far they reflected wider changes in society had not yet been bottomed out. NCC were glad to see a review as it was their view that consumers should be able to choose when to shop rather than have a choice imposed on them by regulation.
24. The Trades Union Congress asked if the report was sensitive to the assumption that there was good competition in the retail sector.
25. Indepen responded that the report did not assume that all of the benefit went to consumers but most of it did. If a greater proportion went to retailers, this would have some impact but not a substantial one. Indepen noted that the Competition Commission's report in 2000 concluded the retail sector was "broadly competitive" but that it was now looking at the sector again.
26. The Archbishops Council asked for confirmation that Indepen had not looked at the knock-on effects of extending Sunday shopping hours, for example, on local authorities.
27. Indepen confirmed that this was the case. Guidance on cost-benefit analysis studies generally advised against looking at the costs and benefits in secondary markets to avoid double counting.
28. A symbol group retailer did not think the sales pattern for symbol retailers shown in the graph on page 61 of the report reflected his sales pattern. He said there were a lot of hidden drivers in the Saturday figures such as lottery sales.
29. Indepen said they were surprised by the graph on page 62 which showed how similar sales patterns were on Saturday and Sunday and that it would be interesting to investigate this further.
30. A sole proprietor from Norfolk spoke about the knock-on impact the closure of his two small shops would have on their sixty local suppliers and said this had not been taken into account.
31. Indepen responded by saying that the distribution of costs and benefits would not be even across the whole country, but if there was a national benefit on average, there must be a benefit across local areas too.

Forum 1 – Sunday Shopping and Society (Yellow Group)

32. An individual Co-op shop worker said many students like him were keen to work weekends and evenings. He felt their views were not represented either by the Co-op or by USDAW. In effect the restrictions on Sunday opening were preventing students from working.
33. The Relationships Foundation was concerned that the DTI was focusing too narrowly on the economic picture: other policy objectives must be taken into account. A joined-up approach would, for example, consider the Department for Education and Skills' work on parenting. Consumers were only one part of the equation. It was suggested that parents were also consumers. Workforce figures suggested that relatively few parents worked on Sundays.
34. Indepen said that many single parents liked working on Sundays as childcare was easier to arrange.
35. The Relationships Foundation pointed out that 35% of Sunday workers were full-timers. Behavioural studies showed that it was important that parents had time to spend with their children.
36. The Colchester Pagan Network pointed out that many employees in other sectors worked on Sundays and that the Indepen study didn't look at the proportion of Sunday workers that were in retail. The CPN suggested that the special treatment for retail workers was unfair: they could use other services, but people in other sectors couldn't go to large stores. Indepen added that customer-facing staff were only part of the picture.
37. SPAR (UK) Ltd countered that small stores were open, so no one was prevented from shopping. The evidence from Scotland was that deregulation would make little difference to opening hours.
38. ASDA thought this was precisely why everyone should take a measured view of the issues, as the consumer demand did not indicate massive change would take place. Customers could maximise their weekend family time together if they could, for example, pick up the groceries on Sunday evening. Employees were not helped by the current restrictions, as the best employers were the ones whose hours are rationed, whereas the worst could open 24/7. It was also illogical that the shop-worker with limited hours expected the Pizza Hut waiter to be working late on Sunday night.
39. DayOne Christian Ministries said that they would not be making a case based on the Christian Sunday because it was a minority argument. They did not believe that the big supermarkets would not open long hours where demand was low: they felt they were seeking market share as well as simply profitability. There would be knock-on effects on workers in other sectors, such as transport. At Gatwick Airport, a completely deregulated environment, most workers were paid the minimum wage, and some retail outlets (e.g. McDonald's) were unable to open as much as they would like because they could not get the staff. People were pushed into working at times they did not want to because they needed the money.

40. USDAW agreed on the last point. They were pleased that Tesco had withdrawn their support for (full) deregulation (they now favour partial liberalisation). Sunday was often the only day that single fathers could get access to their children. No one starved in the old days when shops closed every evening and there was half-day closing once a week.
41. The British Hardware Federation felt that the Sunday trading battle was lost in 1994. Big companies were taking market share from smaller companies and the battle was an unequal one. The owner or manager of a small shop must often be present for it to open; large shops had subsidised parking (a point ASDA denied); the big supermarkets were adding non-food products. It was in consumers' long-term interest for the balance to be redressed so that a choice of shops was preserved. The commercial pressures on small shops were huge and they needed protection.
42. The British Hardware Federation said the battle was in fact in-town vs. out-of-town. Traffic flow on Sundays was out-of-town, whereas most independents were on the High Street.
43. The Mothers' Union felt that just as the report divided shops into different types, consumers should not be considered as one block. Some still saw the weekend as a separate time and it would be useful to find out where the divide was.
44. The Archbishops' Council of the Church of England admitted that the people they represented tended to work on Sundays! The Scottish experience was important and it would be useful to see comparisons. Religion in Scotland had declined. Knock-on effects were also of concern and they wondered if there were a move to protect other employees.
45. Houghton Trading Ltd wondered how many Sunday employees there would be. They would all be missing from their families and from Sunday events such as birthday parties and barbecues. Houghton only allowed half-shifts at weekends in recognition that people had social commitments. They felt large companies were less flexible and that it might be harder for them to keep the flexibility if they had to compete with the big stores. Without the effect of the Lottery, a football driver on Saturdays, Sunday would be the biggest day for community stores. They felt their stores added value to the community and were therefore supported by the community; Houghton was restoring an old village shop. Small stores like theirs were able to win new customers on Easter Sunday, when consumers had no choice but to shop there, and by demonstrating how much value they added, they often held on to those customers.
46. ASDA pointed out that Tesco had convenience stores, BP had forecourt shops, etc., that did open; it was just the large stores that couldn't. On the question of low-income groups, deregulation would provide more opportunities to earn money and give them lower prices as consumers. The pensions gap meant that people such as ex-Ford workers in Barking sometimes found it useful to top up their income. The time ASDA staff preferred not to work was often Saturday morning rather than Sunday.

47. Deregulate thought Houghton Trading Ltd's plans sounded great and was sure customers wanted such good local shops. The point was that customers should be able to choose; ultimately that would determine which shops opened when.
48. SPAR (UK) Ltd thought that community retailing was necessarily more expensive because of catchment areas for customers. This was even more the case for independent retailers (including those in symbol groups) because of purchasing power. They did provide extra services, but operated on margins as slim as 2%, so there was a tipping point where they would become unsustainable.
49. ASDA felt longer Sunday opening hours would not move customers from the big supermarkets to small retailers; ASDA's stores would simply be less congested and staff less stressed.
50. The Relationships Foundation thought the 'tipping point' SPAR (UK) Ltd had mentioned was critical for social categories C, D and E, who would be affected negatively if they were employees or if they had no access to a supermarket and their local shop closed. They would benefit as consumers however, if they did have access to a supermarket. On the question of whether large stores would use the potential longer opening hours, the Foundation agreed that market share would be the driver. Morrisons had said so in their evidence to the DTI. Morrisons had claimed that if Sunday were deregulated, they would then want it to be a normal trading day without curfews for deliveries or premium pay for staff. This would have wider consequences for society.
51. The British Hardware Federation said most surveys seemed against deregulation, including surveys of shop staff. There could be peer pressure on staff to take Sunday shifts. The compromise reached in 1994 was a sensible one and there was no need to change it. Independents paid more wages per sale than the big groups.
52. The Colchester Pagan Network made the case that Sunday shopping hours should be treated as a stand-alone issue. Protecting communities from out-of-hours deliveries was a matter for local authority planning; staff rights were a matter for employment legislation for all employees; a desire to protect community shops could be dealt with through legislation to recognise their status as community centres, perhaps with favourable tax status such as charities enjoy. Opening hours were a separate matter. The wish to regulate on Sundays stemmed from religion and specifically a desire to protect the idea of Sunday as a day of rest and worship. As non-Christians, the CPN thought it was unfair to have a day imposed, which recognised someone else's faith. It should be a matter of personal choice.
53. USDAW said that staff worked much longer than the opening hours. Shops trading 10.00-16.00, for example, often opened for browsing from 9.30am, and staff arrived well in advance of that; and they then stayed to cash up and clear up long after the customers had left around 16:15pm. Sunday was the one family day. Closing shops on Christmas Day had only been achieved after years of campaigning. The Queen was still head of state and head of the Church of England, and though it was right that we were a multicultural society, we still observed the Christian public holidays. People should remember how low wages were: so low that everyone in retail qualified for working tax credit. The

USDAW representative's own wages were £6.21 per hour from Tesco, whose pay was the best of the big groups.

54. The Co-op shop worker thought the NOP survey was skewed by biased information in the USDAW literature. He said his store was half-unionised and even the union members (including him, a union rep) didn't agree with the union line.
55. ASDA said that three ASDA shop workers were at the conference, two of whom wanted to work more on Sundays. He added that there was scope for minimising the work done outside of opening hours through better working practices.
56. The Deregulate representative said that when she worked in retail, the shop closed at 16.00, the manager spent a few minutes cashing up, and that was the end of the day. All shops were different. As a student, she had chosen to work Saturdays; others chose to work Sundays. Also, the retail sector as a whole had to be considered, not just groceries / supermarkets.
57. Houghton Trading Ltd thought there needed to be analysis of how much independent stores would lose. Margins were under pressure and the survival of independents was under threat. Some large stores were running Sunday-only promotions, which seemed unfair.
58. Indepen concluded the session by saying that their brief had been specifically to look at the economic effects. The effects on society were not well covered by this. They thought the most interesting questions in the plenary session had been on social effects. Indepen had considered three groups: employees, consumers and communities. All were affected especially by the potential openings and closures of small convenience stores. There were few reliable sources of data, so Indepen had performed a national quantification of the effects on customers, which were by far the biggest group and therefore would tend to dominate aggregate figures. If the effects on shop workers and communities were to be analysed in detail, it was worth asking whether they were big enough groups to have a significant effect on the overall picture. Indepen agreed that there was scope for further work looking at Scotland and at the economics of the small shop sector, but here again, lack of data was a problem. They hoped that the wider consultation process would fill in these gaps.
59. SPAR (UK) Ltd asked whether the evidence that had been submitted to the DTI by various groups had been included in Indepen's work.
60. Indepen said that their work was economic analysis rather than consultation. They had seen the submissions, but mostly used them to identify issues on which economic evidence was then sought elsewhere. Some evidence from the submissions to DTI was used, where it was relevant and considered unbiased. Indepen had not assumed that submissions from pressure groups or from big supermarkets were always entirely objective.
61. DayOne Christian Ministries asked if the fact Indepen had spoken to some large supermarkets but not to USDAW was evidence of bias.

62. Indepen said that their role had been to get the evidence they needed, rather than to consult with stakeholders, which was for the DTI. Indepen had not needed to speak to USDAW.
63. The Relationships Foundation asked whether Indepen were now retained by DTI. The Chairman answered that this would need to be considered and discussed with the new Minister. There was some further process for the DTI to undertake and some further economic analysis might be required; if so, Indepen might or might not be asked to provide it.

Forum 2 – International Comparisons (Red Group)

64. Indepen opened the debate with a presentation on international comparisons. The main points of the presentation were as follows:
65. Across Europe the pattern of Sunday trading hours was varied although generally restricted compared to countries such as the United States and Australia. In Italy, Sunday trading was permitted up to twelve days a year. In Germany, shops were closed on Sundays (except for convenience and travel goods at railway stations and airports), although local authorities could give permission to retailers to open on a maximum of four Sundays a year. In Sweden, shops were permitted to open between 12.00 and 16.00 on Sundays. The general trend across Europe was for further liberalisation of Sunday shopping hours.
66. In Australia, the reform of retail trading hours had developed progressively over time and varied between states or territory jurisdictions. In the Australian states or territories where deregulation has taken place, impacts included a large increase in Sunday shopping, an increase in retail sales (not just by the big chains), and an increase in retail employment. In New Zealand, retail trading hours were deregulated in 1990. Retailers could choose their own opening hours without restriction (except for Christmas day, Good Friday, Easter Sunday and Anzac day).
67. Overall, international comparisons suggested that the liberalisation of Sunday trading hours would result in an increase in retail sales, an increase in retail employment, a decrease in retail prices, some distributional impact i.e. winners and losers, and benefits to consumers
68. Points raised in discussion were:
69. The Relationship Foundation broadly agreed with Indepen's conclusions on the impact of deregulation in Australia but felt that it was not appropriate to compare the likely impacts of further liberalisation of Sunday shopping hours in the UK with the impacts experienced in Australia. There were huge differences in population and traffic flow etc. Indepen felt that the differences in population and traffic flow might actually increase the potential benefits to the UK.
70. The Relationship Foundation's representative relayed her personal experience of life in Victoria and suggested that deregulation had been introduced with very little regard for the detrimental impacts on the local community and family life. Bond Pearce felt that it was important to recognise the counter argument, that deregulation in the UK had, to date, helped to revitalise a number of the mid-size cities, making them good places to live and work.
71. IKEA felt that consumers throughout Europe were sending clear signals of their demand for Sunday shopping. In Germany, where shops were closed on Sundays, consumers crossed the border into Belgium and Holland to shop at IKEA stores. In the UK, IKEA shops were full on Sundays. There was considerable congestion in the stores. Consumers, often with full trolleys, had to be turned away at closing time. Cross border shopping was not really a viable option for UK consumers.

72. A student employed by the Co-op suggested that the problems of congestion in IKEA stores might be better addressed through an increase in the number of IKEA stores rather than through extended opening hours. IKEA felt that, while more stores would be desirable, it was important to make better use of existing resources and to provide a better service to customers. Further liberalisation of Sunday trading hours in the UK would help IKEA to achieve that.
73. Bond Pearce emphasised the need to identify the policy levers that had persuaded some countries to retain restrictions on Sunday trading i.e. protection of employees, religious considerations, quality of life, or a mixture of these issues. Many of the restrictions were historical and were originally introduced when 'small' shops were independents. A lot of 'small' shops were now owned by large retailers. It was important to distinguish between 'small' and 'independent' shops when considering whether or not the restrictions were still relevant.
74. The representative from the Czech Embassy said that in the Czech Republic (where there was full liberalisation), the unions were lobbying for the introduction of employee protection regulation.
75. The Relationships Foundation felt that further liberalisation of Sunday trading in the UK would result in the big retailers 'poaching' sales from small independent convenience stores. This would have an adverse impact on the high street and on local communities. Indepen said that small stores that benefited from the footfall generated by large stores would benefit from liberalisation of Sunday trading hours. However, those stores that were particularly dependent on the out-of-hours sales of goods also sold by large stores could be expected to suffer a detriment. Indepen emphasised the importance of disentangling the potential impact of extended Sunday trading from other ongoing changes in the sector.
76. The Relationships Foundation stressed the importance of considering all stakeholders, not just consumers. Consumers would adapt to opening hours whatever restrictions were in place. Further liberalisation of Sunday shopping hours would have a detrimental impact on family life. Individuals would have much less time to spend with their families and on other activities.
77. Bond Pearce emphasised the need to recognise that a further liberalisation of Sunday shopping hours would not necessarily mean that shops would open every hour that was available. On Saturdays, in the UK, it was consumers and retailers who decided the hours that shops would open, not the Government through regulation. In countries that were totally deregulated very sensible shopping hours existed.
78. IKEA stressed the importance of individual choice. Consumers should, within reason, be given the choice of when and where to shop. If there was no demand, and/or shops were unable to attract workers, then shops would remain closed. In Switzerland and Austria, for example, consumers complained very vociferously about current restrictions and that was why they went shopping over the border.
79. The Trading Standards Institute emphasised the need to consider the issue of enforcement. A further liberalisation of Sunday shopping hours would place increased demand on Trading Standards Officers and have resource implications

for the Trading Standards Institute. IKEA agreed that the issue of enforcement should be considered but felt that partial regulation often lead to confusion and avoidance. Consumers were confused as to when shops were open and some retailers might be tempted to avoid the restrictions. It was these factors that tended to place an increased demand on the enforcement authorities.

Forum 3 – Impact on Employees (Blue Group)

80. The Chartered Institute of Environmental Health (CIEH) felt Indepen’s report was in conflict with the wider government agenda on issues such as health, wellbeing, and the family. Also, although, they were pleased to learn that Asda provided employment opportunities to students and retirees, they felt that other employers might not do the same.
81. The British Retail Consortium (BRC) said they were officially neutral on Sunday shopping as their membership covered a wide breadth of views, although they thought that further liberalisation was likely to create more employment opportunities.
82. USDAW said that Indepen’s report was in conflict with the government’s wider agenda, and also with its deregulation agenda. It failed to consider issues such as the impact on employees with caring responsibilities. They added that 1994 had seen the introduction of employment rights protection for shop workers and Sunday premium pay, in recognition of the difficulty employers might have recruiting staff to work Sundays and that we should learn from this. They were concerned that the level of Sunday premiums, which began at double time, had eroded since then, and further liberalisation would put premiums under greater downward pressure. Some large retailers had told USDAW that they anticipated that sales would just be distributed more thinly and would not increase as a result of longer opening hours on Sunday. This meant that retailers would decrease the Sunday premium, to pay for increased operating costs.
83. The Trades Union Congress (TUC) emphasised the need for government to be joined-up. They raised a number of issues which government should consider with regard to this review: the excessive hours currently worked by UK workers and the Working Time Directive; the government’s Respect Action plan, where the importance of parents spending time with their children was stressed; and access to childcare. On this last issue they felt the assumption that greater Sunday shopping would be good for single parents merited further thought, in connection to providing further employment opportunities, as there might be an adverse impact on their family life and also they might struggle to find childcare provision.
84. Asda employees then entered the discussion, saying that they did not feel pressurised to work Sundays. In fact they chose to do so, voluntarily, and enjoyed Sunday working. They commented that for some of their colleagues it was more practical to work Sundays as they lived further out and met less traffic than Saturdays. They strongly emphasised that Sunday working was a matter of choice; that everyone was capable of thinking and deciding for themselves whether they wanted to work. They did not feel that people needed to be told and commented that whilst they may be checkout staff they were not stupid! All workers were asked to work either Saturday or Sunday and this was made clear before joining the company. They added that colleagues could also choose not to work weekends at all and in the store where one of the Asda employees worked, 26 colleagues did not work weekends for family reasons. GMB then asked Asda whether students were able to opt-out to study or revise and Asda answered that

they provided study leave to students; students simply needed to request it for it to be granted.

85. USDAW commented that they had sought views on volunteering and pressurisation from their key union reps and discovered that in practice the opt-out had disappeared. The majority of their members answered 'no' when asked whether they genuinely wanted to work Sundays. They therefore felt that liberalising Sunday shopping would be counter to the government's promotion of work-life balance. USDAW believed that employees should be allowed time to spend with their families at the weekend but this came under pressure from employers, as hours not worked on the weekend were often not replaced with hours on a weekday, a serious financial issue for many families. USDAW were questioned about how much surveying they had done of staff in small shops where there were no restrictions. USDAW said that 10%, (about 400 staff) of those surveyed worked in small shops. It was noted that a relatively small percentage of shop workers belonged to a union.
86. The question was raised of whether employees would move from small stores to work in large stores, where there could be better conditions, if large stores opened for longer. USDAW commented that many companies were recruiting weekend-only workers. They noted that the Scottish experience showed that liberalisation would lead to more part time workers and these workers contribute less to the economy (national insurance and tax payments). Indepen said that there were distributional effects and that it would be for Ministers to say which workers were of more value to the economy: full time workers or students that wanted to work weekends. USDAW said that they had surveyed more than 100 part-timers/students/young people and found that they did not want to work Sunday evenings. They were also aware that many students dropped out of Sunday working because they needed to complete coursework.
87. The TUC thought that it was unlikely that workers would move from small shops to large shops. They pointed out that there would be an impact on the distribution chain: HGV workers work long hours and if deliveries increased then so would their hours, which could be of concern from a safety perspective. There would also be an impact on other workers, such as street cleaners. However, ASDA noted that HGV drivers already make deliveries on Sundays.
88. The British Retail Consortium (BRC) asked whether USDAW's survey could be representative of shop workers when it only had 4,000 respondents. USDAW thought that it was. However, Asda's employees pointed out that there was extremely low USDAW representation in their respective stores (8 out of 500+ employees in one store; and only 5% in another that had over 460 employees).
89. The Chartered Institute of Environmental Health commented that Indepen's report focussed on the economy and neglected to consider the impact on environmental health officers who would be needed for enforcement activities and emergency service workers who would have an increased workload due a the greater number of accidents due to longer opening hours. The Chair reminded stakeholders that a Regulatory Impact Assessment would accompany any policy decision and also questioned the CIEH's assertion that longer opening hours would result in more accidents in shops. The Ikea example mentioned had been caused by restricted

opening hours. CIEH replied that those that shop at the weekend are mainly children who are more liable to injury and this could result in a greater burden on the emergency services. However, Indepen said that shops, such as DIY centres where shop accidents may be expected to occur more frequently, already had procedures in place, and that removing the restrictions may not change the number of accidents in shops.

90. The Relationships Foundation agreed that relaxing the restrictions would have an impact on public services.
91. The question of whether Sunday was still regarded as 'special' was discussed. Asda employees said that Sunday was different; there was a different atmosphere, rather like a social event. They saw many families shopping together, many of whom came every Sunday. Shoppers were more relaxed and included many churchgoers who visited the supermarket after the church service to pick up their Sunday dinner. They and their colleagues thoroughly enjoyed working Sundays and volunteered to do so.
92. USDAW agreed that Sunday was special, saying that it was a day many families wanted to spend together and that a value could not be placed on this family time. They added that they respected the views of Asda's employees and noted that retail workers were consumers as well as workers. They also repeated their earlier comment that England and Wales had the most deregulated trading laws in Europe and added that any policy change would depend on the value government placed on social costs. In their opinion, the government, by its review, had opened a debate on the retail sector and they felt a sense of balance was needed.
93. USDAW added that of the 4,000 they surveyed, only 3% wanted to work more hours on Sunday. Asda employees commented that longer opening hours did not necessarily mean longer shifts for workers. The Relationships Foundation then asked how many employees worked more than 6 hours in the current regime. USDAW replied that in the evidence submitted to DTI was a graph showing hours worked: 69% worked 3-6 hours; 24% worked 7-8 hours; and 7% worked 9-10 hours.
94. USDAW said that many employees seeking promotion, such as managers at all levels, not just store managers, were often required to work Sundays. One of the reasons behind this was that managers found it difficult to get staff for Sundays and so they themselves had to work long hours. However Asda said that this was not the case in their company and gave an example of a checkout manager that had been with Asda for 17 years who did not work Sundays. They emphasised their earlier point that at Asda all workers had the choice to opt-out.
95. The GMB raised the issue of transport links and asked whether any Regulatory Impact Assessment would address this. USDAW added that a serious review of the Sunday trading laws would need to look at social impacts and this would alter the government's assessment. They added that government has a dilemma on the sensible proportion for work-life balance and thought that any further liberalisation would detrimentally affect society.

96. The BRC then asked USDAW whether they had any evidence from Scotland, as it would be useful to learn from their experience of liberalisation. USDAW responded that their survey only looked at England & Wales. Indepen mentioned that they had struggled to obtain data about Scotland.
97. Further discussion of the Sunday premium followed. USDAW felt there was a need to look at employers differently according to whether they paid a Sunday premium or not as employers would face different cost structures. Indepen reminded everyone that all shops have the choice to open on Sundays. USDAW commented that the retailers that had opposed the 1994 Act had done so because they felt that they would be forced to open for competitiveness reasons. They believed the reason for Tesco's recent announcement supporting partial rather than full liberalisation, was because Tesco had considered the increased labour costs (Tesco pay a premium of time and a half). USDAW thought it was possible that employers would recruit students and only pay single time. They added that they felt the Indepen report was flawed because it used guesstimates, rather than evidence from the ground. They were aware that Sainsburys and Morrisons were opposed to further liberalisation; they felt that further liberalisation would mean they would have to open longer, matching their competitors' hours in order to retain market share, but that they wouldn't receive increased revenue. This would mean extra costs putting more downward pressure on premiums. USDAW felt that lower premiums (or none at all) would lead to employees working longer in order to make the same amount of money.
98. The BRC asked whether the number of jobs that had been created since the 1994 Act was known. USDAW replied that retail employment had increased as the retail sector had grown and repeated their previous point that the evidence from Scotland showed that liberalisation would lead to more part time workers, who were of less value to the economy.
99. The Relationships Foundation then asked others round the table whether they felt the government's commitment to retain the employment rights protection for shop workers was enough, was it sufficiently enforceable, or did it need strengthening? USDAW said that their submission to DTI included 10 suggestions on how it could be strengthened, such as requiring employers to replace proposed Sunday hours on another weekday. The TUC also supported strengthened protection, and noted that it was unlikely government would extend protection to other employees, such as distribution workers.

Forum 4 – Impact on Retailers (1) (Green Group)

100. The Association of Convenience Stores (ACS) said that there were two areas of analysis, which were hard to quantify. Those areas were: the impact on small stores and where small stores would close. The ACS felt that the cost of inconvenience (£5 per person per shop) used by Indepen did not adequately relate to the cost of inconvenience. They were unable to offer an alternative suggestion but strongly believed that more work was required to quantify this cost. SPAR added that consumers needed access to convenience stores to buy items they had missed when they bought over the internet.
101. Indepen said that further areas of analysis that could be done included closer examination of data from Scotland in order to produce a better estimate of the cost of lost convenience and wider social impacts. Indepen noted that some local stores would only close if some consumers were better off as a result of switching to a large retailer for their Sunday shopping. A data set, which provided information about where people lived, would help to quantify the cost of loss of convenience. Indepen noted that there were three important trends, which would persist irrespective of Sunday trading: an ageing population, an increasing concentration in the retail sector, and online shopping.
102. The Rural Shops Alliance (RSA) said that it would not take a significant shift to push small retailers over the edge, leaving elderly people, for example, with nowhere local to shop. The RSA noted that there were many unintended consequences and wanted to see more analysis.
103. In reply, Indepen said that they hadn't quantified the benefit to consumers from switching retailers to get better prices and that this was an area for future work. Indepen noted that even if the costs of further liberalisation increased due to a revised estimate of the impact of the closure of small shops, this would not change the final outcome from an overall net benefit to net cost.
104. Morrisons said that they were against deregulation as they already struggled to staff stores on Sundays and employees didn't want extra hours, although they would open if the competition did. However, this would result in poorer service and higher costs. Morrisons operation was fresh food driven (which is labour intensive).
105. The Union of Muslim Organisations of UK and Ireland (UMO) said that most religious groups, such as the Church of England, were against an extension in trading hours. The UMO believed that the social impact needed to be examined, especially the impact of parents working at weekends. The UMO believed that families needed at least one rest day a week and that if hours were extended beyond the current restriction this would affect family harmony.
106. Deregulate said that retailers are already over regulated. Deregulate noted that only 34% of trade for convenience stores was done outside the restricted hours and questioned why the ACS were concerned.
107. The ACS said that not all stores opened late on a Sunday; 8-9pm was not a busy trading time so two-thirds of sales did not occur during restricted times. The

ACS added that there were no administrative burdens from the Sunday trading regulation.

108. A small shop owner agreed with the earlier comments from Morrisons. He had two stores and both the owner and his wife worked on Sundays. The small shop owner deliberately avoided selling newspapers or fresh meat as there was already a local newsagent and butchers near his shop. He felt that an extension in hours would result in many small stores closing causing inconvenience for many consumers. He also felt that if his shop closed this would affect the entire parade of local shops.
109. The Body Shop said that extended hours would attract more employees to work on a Sunday because they could offer employees shorter split shifts, which could improve family life. The Body Shop said that all of its stores could open when they wanted and that Indepen highlighted in their report that complementary stores (to large stores) could be 'winners'. The Body Shop asked Indepen if they had examined the issue of small retailers not being able to gain access in retail parks. Indepen said that they had not.
110. Keep Sunday Special said that the current restriction reflected a compromise. Deregulate said that prior to 1994, the majority of shops couldn't open legally; only tobacco, sweets, meals or refreshments could be sold. For example, Heinz beans could be sold but not Heinz puddings; retailers couldn't even sell flour. Deregulate added that in 1994 there was a fear that if large retailers could sell a full set of merchandise this would significantly impact small stores. Deregulate believe that the Verdict report suggested otherwise. SPAR added that one of the drivers of change in 1994 was the level of illegal selling.
111. The National Consumer Council (NCC) said that DTI should review the current Sunday trading restriction. The NCC added that there were social issues and a cost-benefit analysis was not necessarily the right tool to assess these. The NCC mentioned that they were developing a 'food access indicator' and that it was not clear if reforming Sunday trading laws would change access to food. Scotland could be used as a comparator.
112. The CBI said that they had no formal position but would support the review because the retail sector has changed. The CBI noted that the discussion of social impacts had focused on retail workers who work on a Sunday. However, there were other sectors that worked on a Sunday. The Union of Muslim Organisation of UK and Ireland said that workers who provided emergency services on Sundays (for example, plumbers) should not be compared with Sunday retail workers.
113. Debenham Tie Leung (DTZ) said that they had no firm view and that its members had supplied mixed responses.
114. Discussion moved on to whether any economic impacts had been omitted from the study. The Body Shop said that the report was a good attempt. The ACS felt that more work was needed on evaluating the impact on Sunday pay premiums. DTZ questioned if all the financial costs were being covered (for example, service charges). Deregulate said that we must remember that the only

commercial activity that was illegal on a Sunday was restricted opening hours. Deregulate couldn't understand why the retail market was not allowed to regulate itself. The ACS said that the OFT study raised concerns about how the retail market was regulating itself. Deregulate said that small firms had a competitive advantage on Sundays. The ACS replied that small retailers had lots of competitive disadvantages, for example, buying power.

115. SPAR said that its shops were often the main shop for the community. Store closures would affect the community for the entire week and this should be factored into any cost-benefit analysis. SPAR noted that Scotland might not be a good comparator to assess the impact of extended hours as unrestricted Sunday opening was already established.
116. Deregulate said that they did not want partial liberalisation as this would not be deregulation. Garden centres would lose out if a time restriction was imposed, as they wouldn't be able to open early. Indepen added that partial liberalisation would add to current levels of confusion for consumers surrounding opening hours. SPAR believed that 60-70% of consumers were unaware of a restriction and questioned how problematic the current restriction was. Deregulate said that Tesco found that 80% of its survey respondents wanted extended trading hours. 75% of those surveyed said that there should be equality between opening hours between Scotland and England & Wales. Indepen added that a respondent's actual behaviour might be different from their survey response. SPAR added that questions on Sunday shopping needed to incorporate potential small store closures if opening hours were extended.
117. The ACS said that some people might be denied access to low margin services such as post offices if small stores closed.
118. Finally, the National Consumer Council said that they were not surprised that consumers were not lobbying if they did not understand the current restrictions.

Forum 5 – Impact on Retailers (2) (Gold Group)

119. M&S and Stylo plc and other delegates thought the Government should strive to avoid a solution that mirrored the present situation, which felt 'like a compromise made in 1994' to tackle the illegal Sunday trading problem. Delegates were interested to know what partial de-regulation might look like (i.e. might it involve a core period of opening, with flexibility at either end of the day). The Group was keen to avoid a compromise or 'half-way house' when commonsense said they might work different Sunday hours. Delegates mentioned that sometimes there were shoppers queuing outside unsure of opening hours and those baffled by having to leave at 16.00 or 17.00. The Group thought, given factors like the growth potential of internet sales, the Government's policy solution should be future-proofed.
120. The Federation of Small Businesses commented that many small or niche retailers did not want to open on Sundays as they wanted to keep it as their day off.
121. Debenhams and other delegates felt there was a common sense aspect to all this discussion of how the law might change. Their view was that in a completely de-regulated market place, shops would only open where it was profitable to do so, or where they felt they had to, to maintain market presence (because their competitors were open). They noted that Sunday was their fourth largest sales day, better than some weekdays.
122. The British Hardware Federation noted that, from their perspective, footfall in shopping streets was not necessarily a guide to the potential of Sunday sales. They felt that people out and about on Sunday were 'leisure strollers' and they weren't in the frame of mind to make specialist purchases. The Federation seemed content that, in general, a flexible attitude to Easter day trading could prevail as an outcome of de-regulation, although it would not be something smaller businesses would necessarily embrace.
123. In general, the Group thought there could be some sensible seasonal flexibility in the Sunday hours leading up to Christmas or with garden centre hours in the spring / summer period (and Easter Sunday). They felt that consumers wanted gardening centres to open early on Sunday so purchases could be planted on the same day. However, the Group recognised that it would be difficult to frame a legal definition that distinguished between garden centres and other retail outlets. There was also a general view that Government should make good, practical use of the evidence base provided by de-regulated Sunday trading in Scotland when framing revised law for England.
124. Robert Dyas and other delegates commented on the practical issues some businesses could face following de-regulation. For instance, some specialist stores would need to recruit and train staff to provide adequate (knowledgeable) service on a Sunday, which was an additional cost for them to consider. The FSB mentioned the knock-on effects that extra Sunday shopping hours might bring, such as the environmental impact of additional noise and traffic around shopping venues. These environmental impacts would be felt across the extra

Sunday trading hours, although Debenhams noted they did not have deliveries on Sunday at present, which might lessen the predicted impact somewhat.

List of attendee organisations

Archbishops' Council, Church of England
ASDA (employees plus head office)
Asian Trade Publication
Association of Convenience Stores
B&Q - (Kingfisher)
Board of Deputies of British Jews
Bond Pearce
Boots Group PLC
British Hardware Federation
British Retail Consortium
Confederation of British Industry
CCLA Investment Management Ltd
Chartered Institute of Environmental Health
Colchester Pagan Network
Co-op (employees plus head office)
Czech Embassy
DayOne Christian Ministries
Debenham Tie Leung (DTZ)
Debenhams
Department for Environment, Food and Rural Affairs
Deregulate
DSG international
Earlham Shopper
Federation of Small Businesses
GMB (Britain's General Union)
Harrods Ltd
HMV UK Ltd
Houghton Trading Ltd
IKEA
Keep Sunday Special
Leepeckgreenfield
Lord's Day Observance Society
Marks & Spencer
MFI Furniture Group
Morrisons Supermarket
National Association of British Market Authorities
National Association of Master Bakers
National Consumer Council
National Federation of Retail Newsagents
Office of Fair Trading
Relationships Foundation
Robert Dyas Holdings Limited
Rural Shops Alliance (trade association)
Scotsdale Garden Centre
Selfridges Retail Limited
SPAR (UK) Ltd
Stylo plc
The Body Shop
The Free Churches Group
The Horticultural Trades Association
The Mothers' Union
Thresher Group
Trades Union Congress
Trading Standards Institute
Union of Muslim Organisation of UK and Ireland
Union of Shop, Distributive and Allied Workers
WH Smith
Women for Sunday Shopping