Vacation and Holiday Provisions
in Union Agreements
January 1943

Bulletin No. 743
[Reprinted from the Monthly Labor Review, May 1943, with additional data]
LETTER OF TRANSMITTAL

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,

The Secretary of Labor:

I have the honor to transmit herewith a report on vacation and holiday provisions in union agreements. This report is based on an analysis of approximately 12,000 agreements on file in the Bureau of Labor Statistics which were current during all or part of 1942.

This bulletin, a portion of which appeared in the May 1943 issue of the Monthly Labor Review, was prepared under the general supervision of Florence Peterson, chief of the Industrial Relations Division. Constance Williams was in immediate charge of the agreement analysis and writing of the report.

A. F. Hinrichs,
Acting Commissioner.

Hon. Frances Perkins,
Secretary of Labor.

CONTENTS

<table>
<thead>
<tr>
<th>Vacation provisions:</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extent of paid vacations</td>
<td>1</td>
</tr>
<tr>
<td>Length of vacation and service requirements</td>
<td>2</td>
</tr>
<tr>
<td>Bonus in lieu of vacation</td>
<td>4</td>
</tr>
<tr>
<td>Vacation pay</td>
<td>4</td>
</tr>
<tr>
<td>Conditional vacation rights</td>
<td>5</td>
</tr>
<tr>
<td>Vacation rights when leaving job</td>
<td>5</td>
</tr>
<tr>
<td>Timing of vacation period</td>
<td>6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Holiday provisions:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay for holidays not worked</td>
<td>6</td>
</tr>
<tr>
<td>Pay for work on holidays</td>
<td>7</td>
</tr>
<tr>
<td>Holidays specified</td>
<td>7</td>
</tr>
<tr>
<td>Make-up for holidays</td>
<td>7</td>
</tr>
<tr>
<td>Holidays during war emergency</td>
<td>7</td>
</tr>
</tbody>
</table>

| Sample vacation clauses in union agreements| 8    |
| Sample holiday clauses in union agreements | 10   |
VACATION AND HOLIDAY PROVISIONS IN UNION AGREEMENTS IN EFFECT JANUARY 1943

Vacation Provisions

EXTENT OF PAID VACATIONS

During the last few years there has been a great increase in the number of union agreements providing vacations with pay. At present almost eight million workers, representing about 60 percent of all workers under agreement, are covered by agreements which provide vacation allowances. In 1940 two million workers, or about 25 percent of all workers under union agreement at that time, were entitled to paid vacations if they met certain eligibility requirements. (These estimates do not include vacation plans not included under terms of collective bargaining. Some unorganized wage earners and many salaried workers customarily have been granted paid vacations.)

Vacations with pay are least often found in industries marked by seasonal lay-offs and intermittent work, and where workers are employed by a number of different employers during the course of the year. Building-trades workers, actors, and musicians, for example, are almost entirely without paid vacations, primarily because of their frequent shifting in employment. The small proportion of workers entitled to paid vacations in most of the clothing trades reflects the seasonal character of these industries.

Outstanding among the industries where vacations with pay have been obtained during the past few years are coal mining, railroad transportation, and shipbuilding. Vacations and vacation bonuses were provided for the first time in the 1941 anthracite and bituminous-coal agreements. The arbitration award which settled the railroad dispute in December 1941 extended paid vacations to the non-operating railroad employees.

Vacation allowances in the shipbuilding industry became extensive after the inclusion of a paid-vacation provision in the Pacific Coast master shipbuilding agreement. Other industries where there has been a considerable increase in the proportion of agreements providing paid vacations are newspaper printing and publishing, electrical equipment, trucking, flat glass, hosiery, and leather tanning.

1 That diversity of place of employment does not present insurmountable barriers is evidenced by a few plans providing for the pooling of the various employers' contributions and the administration of the vacation program through a central office. Such plans exist, for example, in some branches of the women's clothing industry and for ship clerks in San Francisco.
Proportion of Workers Under Agreements in Effect January 1943, Who Were Covered by Vacations With Pay or Vacation Allowances

### MANUFACTURING INDUSTRIES

<table>
<thead>
<tr>
<th>Industry</th>
<th>Almost all</th>
<th>Large proportion</th>
<th>About half</th>
<th>Moderate proportion</th>
<th>Very few</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Aluminum</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Automobiles</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Blast furnaces, steel works, rolling mills</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Cement</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Chemicals, industrial</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Cigarettes</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Electrical machinery, including radio and appliances</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Flour and other grain products</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Glass, flat</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Hosiery</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Nonferrous metals, smelting and alloying</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Paints and varnishes</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Petroleum and coal products</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Rayon yarn</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Sugar refining, beet and cane</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
</tbody>
</table>

### NONMANUFACTURING INDUSTRIES

<table>
<thead>
<tr>
<th>Industry</th>
<th>Almost all</th>
<th>Large proportion</th>
<th>About half</th>
<th>Moderate proportion</th>
<th>Very few</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airline pilots and mechanics</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Bus and streetcar, intercity and local</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Coal mining</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Crude oil and natural gas</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Newspaper offices</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Nonferrous metal mining</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Office, technical, and professional</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Railroads, nonoperating employees (shopmen, clerical, etc.)</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Telegraph service and maintenance</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
<tr>
<td>Telephone service and maintenance</td>
<td>Almost all</td>
<td>Large proportion</td>
<td>About half</td>
<td>Moderate proportion</td>
<td>Very few</td>
</tr>
</tbody>
</table>

Paid vacations have been common practice for some years in the rubber, petroleum, steel, aluminum, meat-packing, and other industries, as well as among professional and clerical groups. In some of these cases, paid vacations antedated the establishment of collective-bargaining relations, and recent efforts of the unions have been directed toward liberalizing and extending vacation benefits.

### LENGTH OF VACATION AND SERVICE REQUIREMENTS

**Minimum vacation allowances.**—In a majority of industries the most recurrent type of vacation clause is that which grants 1 week's vacation with pay after 1 year of service. Two weeks' vacation after 1 year of service is provided in varying numbers of agreements in many industries and is frequently provided in agreements covering maritime workers, telegraph and radio operators, office, technical,
professional, and utility employees. Both the anthracite and bituminous-coal agreements provide a vacation of 10 days (including the Fourth of July).

Longer than 1 year's service for a week's vacation is required in some agreements. Several of the large rubber companies require 2 years' service before a week's vacation with pay is granted. 'Three years' service for 1 week's vacation and 15 years' service for 2 weeks' vacation is specified in practically all of the agreements in the basic iron and steel industry.

Most agreements require at least a year's seniority before a week's vacation is allowed, although some specify 6 months. Many agreements specify that eligibility for vacations is contingent upon the employee's having worked a given number of hours, days, or months during the year. In the hosiery industry 9 months' actual employment is sufficient to earn a week's vacation. The work requirement most often established in the canning industry calls for between 1,600 and 1,800 hours within the year, in the lumber industry 1,400 hours, while many of the shipbuilding agreements require 1,200 hours of work. The major flat-glass agreements specify a minimum of 500 hours for employees with 1 year's service, provided the employee has worked during the preceding busy season. Agreements of the Anaconda Copper Mining Co. state that employees with less than 10 years' service must have worked 230 days within the year in order to be eligible for a vacation; employees with 10 years' service must have worked 215 days, and employees with 20 years' service must have worked 200 days. Many agreements in the basic steel industry provide that employees must have received earnings in at least 60 percent of the pay periods within the year.

A number of agreements make some special provision for new employees who have not yet accumulated the required service for a full week's vacation. Thus, an employee with 3 months' and less than 1 year's continuous service may be given a vacation of 3 days. Similar arrangements for shortened vacations are sometimes made for part-time or extra workers, as for example, a 3-day paid vacation after 800 hours of work.

**Maximum vacation allowances.**—In many instances 1 week's vacation after a year's service is a minimum allowance, with 2 or more weeks provided for those employees having longer service records. Although it is not known how many workers actually benefit from vacations of more than a week, it is estimated that well over two million are entitled, under the terms of their union agreements, to longer vacations (usually 2 weeks) after having attained a specified length of service beyond the minimum required for a 1-week vacation.

The service requirements for 2 weeks' vacation vary, the most common range being from 2 to 5 years. A considerable number of agreements in the electrical-equipment, aluminum, rubber, shipbuilding, and aircraft industries provide 2 weeks' paid vacation after 2 or 3 or, in some cases, 5 years' service. Railroad clerks' agreements provide 9 days' vacation after 2 years' service and 12 days after 3 years' service. Most of the steel agreements, as already indicated, require 15 years' service for a 2-week vacation.
UNION AGREEMENT PROVISIONS

BONUS IN LIEU OF VACATION

In normal times unions generally oppose the granting of a bonus in lieu of time off for vacation. However, a number of agreements negotiated during the past 2 years specify that bonuses shall be paid as a substitute for vacations or that vacations may be waived in the interest of war production. In all cases the waiving of the vacation period is compensated for by the payment of a bonus, usually equal to the vacation pay. Such clauses have become widespread in a few key war industries, but remain uncommon in industry in general.

Most of the agreements in the basic iron and steel, automobile, and aircraft industries now grant bonuses in lieu of vacation or provide that this substitution is allowable. The 1942 shipbuilding stabilization agreement provides that employees may waive their vacations if their services are needed by their employers. Over half of the workers under machine-tool agreements are covered by waiver clauses. Bonuses in lieu of vacations also are allowable in a number of the agreements in the electrical-equipment, copper, aluminum, rubber, and steel-products industries.

There is no consistent practice in most of these clauses in the matter of implementing the permissive waiver. Some agreements specify that the substitution of bonuses for vacations shall be made by mutual agreement of the employer and union. A large number of the agreements permit the employer to decide whether or not the vacation shall be waived in favor of the bonus. A small proportion of the agreements leave the matter to the individual employees, and a few agreements specify that vacations may be waived at "Government request."

VACATION PAY

In agreements covering time workers, the vacation pay provided is usually based on the "regular rate of pay," "base rate," or "current rate." Since workers paid by the hour sometimes work at different rates during the same week because of job transfers, some agreements specify that vacation pay shall be based on the "highest" or "predominating" rate; others specify the average wages over a given period, exclusive of overtime. Most agreements covering workers paid at piece rates or under other incentive methods state that vacation pay shall equal the average earnings during a specified period, or an established percent of annual earnings, excluding overtime, although some specify that vacation pay shall equal the "base" or guaranteed rate. For salaried workers vacation pay is generally based on the employee's weekly or monthly rate in effect when the vacation takes place.

The Government has not been inclined to discourage the practice of annual vacations. When the question has been raised before the National War Labor Board, the Board has almost always granted vacation allowances. The Chairman of the War Production Board in April 1942 stated: "Experience here and abroad is indicating that the worker, even when stimulated by the urgency of the Allied war situation, cannot work long hours and maintain peak output indefinitely. We know that he benefits in peacetime from an annual vacation. After the extensive overtime and the added emotional strain of the war effort, we can be sure some rest period this year is going to prove doubly effective in the restoration of his energy and determination . . . ."

In July 1942 eight Government agencies (War, Navy, Commerce, and Labor Departments, War Manpower Commission, War Production Board, Maritime Commission, Public Health Service) issued a joint statement of labor policy for the purpose of safeguarding the health and improving the efficiency of workers. The fourth point stated: "Vacations are conducive to sustained production." To avoid interference with maximum plant production, they recommended that vacations be staggered over the largest possible period.
The period used for computing average earnings is commonly the month preceding the vacation, although many agreements refer to a period of 3 months preceding the vacation. Some agreements which provide certain perquisites, such as meals or lodging, in addition to cash wages, require that the cash value of such items be included in the base pay for vacation purposes. Agreements which base vacation pay on annual earnings most frequently provide for 2 percent of the annual earnings, exclusive of overtime; a number, however, specify 2½ percent. The annual earnings method of computing vacation pay would, of course, reflect absences from work during the year.

In only a few agreements does the vacation pay differ from the employee's regular pay or its computed equivalent. In a limited number of agreements, such as those in coal mining, a flat amount is given to each employee regardless of salary level. This amount may be more or less than the regular rate of pay for those receiving it.

Most agreements provide for the payment of the vacation allowance prior to vacations, usually on the pay day preceding. In some instances this is optional with the employer. When payment is made after the vacation, it is usually stipulated that payment must be made on the first day of the employee's return to work.

CONDITIONAL VACATION RIGHTS

In a small number of agreements, the granting of vacation rights is made dependent on some condition other than length of service. The most common of these conditions, usually in cases of small firms, is the financial status of the company. In such cases, vacations are granted provided the company's profits or sales volume, or some other financial criteria, reach a specified level. Another conditional provision sometimes found provides for granting of vacations only if similar vacation privileges are granted by the company's competitors in the industry or locality. Other agreements grant vacations but provide that certain conditions may allow the employer to reopen the question through collective bargaining.

VACATION RIGHTS WHEN LEAVING JOB

Many agreements do not refer to vacation privileges in case of resignations or discharges. Those which do, most frequently specify that termination of employment through voluntary leaving or discharge will result in loss of vacation rights. A few provide that the departing employee shall be given a proportional share of his vacation based on the months already worked. Men leaving for military service who have not received their vacations during the year usually are granted vacation pay upon induction.

A considerable number of agreements specifically provide that short-time lay-offs or absences due to sickness shall not result in a loss of vacation rights. (This situation also exists in many companies where it is not mentioned in the agreements.) The period most frequently mentioned is 30 or 60 days, although some agreements mention 90 days, or even longer periods. Extended lay-offs or leaves of absence usually result either in reduced vacation benefits or complete disqualification. Very rarely does an agreement provide that
an employee who has been absent a major portion of the year shall receive a vacation with pay or its equivalent in a bonus.

**TIMING OF VACATION PERIOD**

A large number of the agreements specify the general time during which vacations may be taken. In the major portion of these, the summer months are fixed as the vacation period. Generally the employees are given the choice, on the basis of seniority, of vacation time during the specified months, providing such time "does not interfere with the efficient operation of the plant." Some agreements require that a schedule of vacations be posted at the beginning of each season, and a few specify the amount of advance notice which must be given to each employee regarding the date of his vacation.

In industries where business is normally slack during a certain time each year, many companies shut their plants down for a vacation period. In some instances, agreements provide for joint negotiations between the union and the employer regarding the exact time of the shut-down. A frequent requirement for such plant shut-downs is that notice be given to all employees sufficiently in advance to enable them to complete their vacation plans.

The splitting up of vacation time is prohibited in many agreements, insuring a continuous period for rest and relaxation. Split vacations are generally permitted only in agreements providing for vacations of more than 1 week.

Many agreements prohibit the postponing of vacations from year to year in order to accumulate longer periods, by stipulating that vacations are not cumulative and must be taken within the year of the vacation period provided; otherwise, vacation rights are forfeited.

**Holiday Provisions**

**PAY FOR HOLIDAYS NOT WORKED**

Although an increasing number of union agreements make provision for paying wage earners for some or all of the major holidays, the majority of agreements in manufacturing, construction, and mining merely provide time off on holidays, without pay. As in the past, holidays with pay are customarily granted to salaried workers as distinct from wage earners.

Among the industries in which agreements commonly provide paid holidays are women's clothing, bakery, wholesale and retail trade, trucking, and office, technical, and professional work. Some agreements in the leather-tanning industry provide two or three holidays with pay a year. In the remaining industries a varying number of agreements provide for paid holidays, but these agreements cover only a negligible proportion of the total workers.

In a number of agreements which grant holiday pay, such pay is allowed only to employees who have worked all or part of the preceding week. In a few agreements part-time workers are given prorated holiday pay. Some agreements specify that absence on the day preceding or immediately following a holiday results in the loss of holiday pay. This, of course, is intended to prevent a pronounced drop in production during the holiday week.
Holiday pay for hourly workers is usually calculated by applying the employee's regular rate to the usual number of daily working hours. For piece workers, holiday pay is frequently determined by averaging the employee's daily earnings for a specified period.

PAY FOR WORK ON HOLIDAYS

Whether or not provision is made for payment of regular wages on holidays not worked, if unusual circumstances make work necessary, special penalty rates are usually provided. However, the amount of the rate of pay for work on holidays tends to be higher under agreements providing pay for holidays not worked than those which do not provide for paid holidays.

Of the agreements which provide pay for holidays not worked, 70 percent establish holiday penalty rates of double time, and an additional 20 percent provide penalty rates of either $2\frac{1}{2}$ or $3$ times the regular rate. Most of the remainder provide time and a half for work performed on holidays.

Of the agreements which do not provide for paid holidays, approximately 50 percent specify that double the regular rate shall be paid for work performed on holidays, and most of the remainder provide holiday rates of time and a half. Only a very few specify higher than double time for holiday work.

HOLIDAYS SPECIFIED

The number of holidays specified in union agreements varies considerably, some providing as few as 2 or 3 while a few specify as many as 12 or 13. Both the agreements which provide paid holidays and the agreements which provide holidays without pay most commonly specify 6 holidays—New Year’s Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day. Some additional holidays frequently observed are Armistice Day, Election Day, Columbus Day, Washington’s Birthday, and sometimes Lincoln’s Birthday. Special local patriotic and labor holidays, as well as religious holidays, are also included in some agreements.

MAKE-UP FOR HOLIDAYS

When the observance of holidays seriously curtails production, employers may require the time so lost to be made up by the employees. Some agreements, however, specifically prohibit making up time lost because of holidays. A few agreements which provide unpaid holidays give employees the option of making up holidays in order to avoid a decrease in normal weekly earnings. Make-up time, if permitted, is frequently worked on Saturday, if this is a regular day off. In some cases lost time is made up by working extra hours a few days preceding or following the holiday.

HOLIDAYS DURING WAR EMERGENCY

Regardless of the holiday provisions in existing union agreements, on all work relating to the prosecution of the war the number of holidays to be observed, and the rate of pay for work performed on
such holidays, are now covered by Government regulation. Executive
Order No. 9240, effective October 1, 1942, states:

No premium wage or extra compensation shall be paid for work on customary
holidays except that time and one-half wage compensation shall be paid for work
performed on any of the following holidays only: New Year’s Day, Fourth of
July, Labor Day, Thanksgiving Day, Christmas Day, and either Memorial Day
or one other such holiday of greater local importance.

Sample Vacation Clauses in Union Agreements

2-WEEK MAXIMUM

Clause A.—The employer agrees that all employees shall receive 2
weeks’ vacation with pay after 2 years’ service with the company;
1 week’s vacation with pay after 1 year’s service; and one day for each
2 months of service, when less than 1 year.

Vacation pay for each employee will be based on a 40-hour week
at his or her average hourly earnings, not including overtime, for
the 2 months preceding the vacation.

Clause B.—All employees who have worked 2 months or more dur­
ing 1943, and who have more than 1 year’s seniority rating, will be
eligible for vacation.

Employees who have 1 to 3 years’ seniority will receive 1 week’s
vacation.

All employees having seniority of more than 3 years will receive
2 weeks’ vacation.

The vacation may be divided into not more than two periods.

In case of sickness, vacation time may be applied, but not more
than twice during the year. If vacation time is so applied against
time off for sickness, no further vacation will be allowed.

Seniority for vacation will be figured as of May 1, each year, and
vacations must be taken between May 1 and December 31.

Each employee shall be granted full pay at his regular rate during
his vacation. If an employee has worked at two or more rates during
the 6 months preceding his vacation, he shall be paid according to
whichever rate is higher.

The full amount of vacation pay to which each employee is entitled
shall be paid the employee before he starts on his vacation.

Bonus in Lieu of Vacation Allowed at Option of Management

Clause C.—Each employee in the continuous employ of the
company for 1 year or more shall receive 1 week’s vacation with pay.
Each employee in the continuous employ of the company for 5 years
or more shall receive 2 weeks’ vacation with pay. Vacations will be
paid on the following basis: 2½ percent of annual earnings, said 2½
percent to be computed between the period of July 1 and June 30.

Vacations shall be given during the so called vacation period from
June 1 to September 30 of the year. So far as practicable, employees
may choose vacations on the basis of seniority. Vacation pay shall
be paid in advance.

If, in the opinion of management, this vacation program would
interfere with the attainment of maximum war production, at the
option of the corporation any eligible employee may be required to
continue work and receive vacation pay as above provided, in lieu of
actual vacation from work. However, it is the intent that to the
greatest degree possible, in management's judgment, eligible em­
ployees shall receive the benefit of vacation from work.

1-WEEK MAXIMUM

Bonus in Lieu of Vacation at Option of Employee

Clause D.—Employees on the pay roll for 1 year or more as of
July 1, shall receive 1 week's vacation for which they will be paid at
their regular rates based on a 40-hour week. Employees on the pay
roll more than 26 weeks but less than 1 year as of July 1, shall receive
one-half week’s vacation for which they will be paid at their regular
rate based on a 40-hour week.

Employees eligible for vacations who prefer to work rather than
take time off, will be permitted to take the amount of money they
would have received for their vacation period in a lump-sum pay­
ment. All employees exercising this right, will receive their vacation
pay on any pay day after July 1, that they designate on the cards
provided the employees for this purpose.

Bonus in Lieu of Vacation Disallowed

Clause E.—Employees who complete 1 contract year of service
shall have 1 week's vacation at their regular rate of pay, based on
a 40-hour week. If, after completing the year, the employee either
resigns or is discharged, he shall have 1 week's vacation pay in lieu
of his vacation. Absence of less than 60 days in the aggregate due
to lack of business or illness shall not be construed as interrupting
the yearly service of such employee.

Vacations are to be scheduled any time from June 1 to December 31
of each year. Employees are to select their vacation period in order
of their seniority. No employee shall accept pay in lieu of vacations
under penalty of being suspended from the union.

MINIMUM VACATION PAY ALLOWANCE WHEN DISChARGED OR FURLoughED

Clause F.—Employees who have been in the service of the employer
for a period of 1 year or longer shall receive 1 week’s vacation with
pay in each calendar year. Employees who take their vacation
during a week in which a holiday falls shall be given an extra day or
the equivalent in pay at the discretion of the employer. Employees
are entitled to a second week of vacation, without pay, in each cal­
endar year.

The vacation pay of each employee will be based on a 40-hour week
at his or her average hourly earnings, not including overtime, for
the preceding 6 weeks but not less than $25 for any employee.

Employees furloughed or discharged after April 1 in any year
and prior to their previously assigned vacation period, shall receive
vacation pay as herein specified. Employees discharged or volun­
tarily terminating their employment prior to April 1 in any year shall
not be entitled to vacation pay.

Each employee will be asked to designate his choice for vacation
time, and such choices will be allowed insofar as possible. In cases
where the employee’s choice cannot be allowed, preference will be
given to the employees according to seniority. A schedule of vacation time will be posted not later than [specify date] of each year.

**SPECIFIED BONUS INSTEAD OF VACATION**

**Clause G.**—The company agrees to pay to each employee subject to this agreement, in lieu of vacation, a bonus equal to 3 percent of his total wages earned between October 1, 1941, and October 1, 1942: *Provided, however,* That in no case shall the bonus of one who has been in the employ of the company between 3 and 6 months be less than $20, nor shall the bonus of one who has been in the employ of the company between 6 months and 1 year be less than $25, nor shall the bonus of one who has been in the employ of the company for more than 1 year be less than $30. The bonus herein provided shall be paid between December 1 and December 15, 1942.

**POOLED VACATION FUND FOR INTERMITTENT WORKERS**

**Clause H.**—Every employee shall be credited on the first pay day after January 1, and weekly thereafter, with 3 percent of all weekly earnings on account of pay for the said week's vacation: *Provided, however,* That the employer shall not be obligated to so credit and pay such 3 percent on more than 40 weeks’ full minimum pay of the craft classification of such workers as set forth in the schedule hereto attached. The amount of accumulated vacation credits for all workers in the shop shall be paid to the union weekly. The moneys due for said vacation shall be enforced in the same manner as if they were unpaid wages.

**Sample Holiday Clauses in Union Agreements**

**HOLIDAYS WITH PAY**


Piece workers shall be paid for the afore-mentioned holidays on the basis of their average earnings for the month preceding the week in which the particular holiday falls. Week workers and hourly workers shall be paid for each of those holidays irrespective of whether or not they perform work during the week in which the particular holiday occurs.

There shall be no work on the above-mentioned holidays except in special cases of emergency when double time shall be paid.

**MODIFIED PAY PLANS**

Any regular full-time employee who is ill in any workweek in which a holiday falls, but who has worked at least 1 day during that workweek, shall be entitled to pay, in cash, for said holiday, or at the option of the employer shall receive corresponding time off.

During the week in which a legal holiday occurs, employees working less than a full week shall be paid for the holiday pro rata for the hours worked. No workers shall be discharged in a week preceding a holiday.
Any employee failing to work the day preceding or the day following holidays without a reasonable excuse, shall not receive pay for the holiday.

Any employee working 3 days in any workweek Monday to Friday shall be paid for legal holidays occurring during said workweek.

PARTIAL OPERATIONS

No more than the force absolutely necessary will be kept on duty on the following holidays: _______________. All other employees will be excused without loss of pay for time not worked. Employees will be excused on holidays in rotation.

An employee whose regular shift falls on a holiday will receive a full day’s pay for 4 hours’ work. Any work required beyond this amount will be paid for at the holiday overtime rate.

An employee whose regular shift falls on a holiday will not be required to work more than absolutely necessary, but will receive a full day’s pay in any case.

HOLIDAYS WITHOUT PAY

No employee will be required to work on the following holidays: New Year’s Day, Washington’s Birthday, Decoration Day, Fourth of July, Labor Day, Armistice Day, Thanksgiving Day, and Christmas Day. If any holiday herein named shall fall upon any employee’s regular day off he shall be granted an additional day off.

No production work shall be done on these holidays except in the case of emergencies beyond the control of the company. Time and one-half shall be paid for work done an any of the above-mentioned holidays except watchmen and firemen who shall receive their regular rate.

HOLIDAYS IN CONTINUOUS-PROCESS WORK

New Year’s Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day are regarded as holidays and, except for watchmen and powerhouse employees, workers on continuous processes, and for such repairs as are essential to factory operation, work will be avoided. Overtime will not be paid for these holidays for work required in the continuous processes or for repairs of emergency nature essential to factory operation, except for Christmas Day and Fourth of July. If, however, emergencies arise where work on Sundays or any of the holidays stated is required to fill emergency orders or to avoid the hiring of temporary employees during any rush season, it is agreed that holiday work may be carried on provided overtime is paid for this emergency work.

MAKING UP HOLIDAYS AT PENALTY RATES

Holidays listed above shall be considered as days worked. Any work done on Saturdays to make up holidays shall be compensated at the rate of time and a half.
MAKING UP HOLIDAYS AT REGULAR RATES

*Paid holidays.*—If a holiday intervenes during any given week, and the employees receive payment for that holiday, the employer shall have the right to make up the time so lost without having to pay overtime rates.

*Unpaid holidays.*—No work shall be done on legal holidays and no time made up because of legal holidays unless agreed to between the company and union. Holiday make-up work so agreed upon shall be paid at regular rates.
FOR VICTORY

BUY UNITED STATES WAR BONDS AND STAMPS