

UNITED STATES DEPARTMENT OF LABOR

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BUREAU OF LABOR STATISTICS

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Paid Vacations in  
American Industry  
1943 and 1944



*Bulletin No. 811*

[Reprinted from the MONTHLY LABOR REVIEW, January and February 1945,  
with additional data]

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# Letter of Transmittal

UNITED STATES DEPARTMENT OF LABOR,  
BUREAU OF LABOR STATISTICS,  
Washington, D. C., February 17, 1945.

## The SECRETARY OF LABOR:

I have the honor to transmit herewith a report on vacations with pay. The report is in two parts, which appeared in the January and February 1945 issues of the Monthly Labor Review. In Part I, additional statistical data are included, and in Part II sample vacation clauses from union agreements are appended.

Vacations with pay in selected industries, 1943 and 1944 (Part I) was prepared in the Bureau's Division of Wage Analysis by Pamela Brown under the supervision of Margaret L. Plunkett; tabulation of the statistical material was under the supervision of Ida E. Alpert.

Paid-vacation provisions in union agreements, November 1944 (Part II) was prepared in the Bureau's Industrial Relations Division by James C. Nix under the supervision of Elizabeth F. Stark.

The introduction to the bulletin was written by N. Arnold Tolles, Chief of the Working Conditions and Industrial Relations Branch of the Bureau.

A. F. HINRICHS, *Acting Commissioner.*

Hon. FRANCES PERKINS,  
*Secretary of Labor.*

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## **Paid Vacations in American Industry 1943 and 1944**

### **Introduction**

More than four-fifths of the employees of private industry in the United States are eligible for vacations with pay, provided they have met the requirements as to length and regularity of service. Most office workers have long enjoyed paid vacations and 97 percent of this group is now eligible for them. For most of the plant workers, however, paid vacations were not obtained until recently. At present, vacation provisions apply to about four-fifths of the plant employees of private industry, including those in both manufacturing and non-manufacturing enterprises.

These over-all proportions of workers under vacation plans are derived from the results of the two studies of this subject that are reprinted in this bulletin. The study of Vacations With Pay in Selected Industries (Part I) has been prepared by the Wage Analysis Division of the Bureau as a byproduct of its plant surveys of occupational wage rates. The study of Paid Vacation Provisions in Union Agreements (Part II) has been prepared by the Industrial Relations Division of the Bureau as part of its continuous analysis of trade-union agreements.

The Bureau's two studies of vacation plans provide the basic information for the following estimates of the proportions of workers who are eligible for vacations with pay:

	<i>Percent under vacation plans</i>
All employees of private industry .....	86
Office employees .....	97
Plant employees .....	82
All employees of private industry .....	86
Workers under employer-union agreements .....	86
Workers outside employer-union agreements .....	85
All employees of private industry .....	86
Manufacturing industries .....	86
Nonmanufacturing industries .....	85
Factory workers .....	86
Office employees of manufacturing plants .....	97
Plant employees .....	84
Workers in nonmanufacturing establishments .....	85
Office employees .....	97
Plant employees .....	79

Among the workers employed under union agreements, a greater proportion have vacations in manufacturing (90 percent) than in nonmanufacturing (75 percent). The reverse is the case for workers

who are not employed under union agreements; slightly more of these have vacations in the nonmanufacturing industries (87 percent) than in manufacturing industries (81 percent). The explanation of this situation lies in the fact that union agreements in nonmanufacturing are concentrated in industries such as construction, where vacations with pay are infrequent. Vacation provisions are also common among the office workers who are numerically more important in nonmanufacturing than in manufacturing industries. Thus, nonmanufacturing (only moderately unionized) has a slightly higher proportion of workers with vacations than manufacturing (highly unionized). The details are as follows:

	Total number of workers (in millions)	Estimated percent under vacation plans
Manufacturing.....	15.6	86
Union.....	8.8	90
Nonunion.....	6.8	81
Nonmanufacturing.....	16.8	85
Union.....	5.0	75
Nonunion.....	11.8	87
Unionized manufacturing.....	8.8	90
Office workers.....	.3	100
Plant workers.....	8.5	90
Nonunion manufacturing.....	6.8	81
Office workers.....	2.3	97
Plant workers.....	4.5	73
Unionized nonmanufacturing.....	5.0	75
Office workers.....	.7	100
Plant workers.....	4.3	73
Nonunion nonmanufacturing.....	11.8	87
Office workers.....	4.4	97
Plant workers.....	7.4	82

Among the nonmanufacturing industries, there are sharp contrasts in the prevalence of paid vacations. Practically all of the coal miners and almost nine-tenths of the workers in trade and finance are employed under vacation plans. About three-fourths of the workers in transportation have similar benefits. On the other hand, very few of the workers in the construction industry enjoy paid vacations.

Where vacation plans exist, there are wide differences in the liberality of the benefits. The length of the paid vacation varies from a few days to several weeks. The right to any vacation with pay depends upon a period of service with the employing company. This may be less than half a year or more than 5 years. Under some plans, the length of the allowed vacation is graduated in accordance with the length of service. In other cases, there is a single vacation period for all who have been employed for the minimum period of time. Some of the vacation plans are conditional on a minimum work requirement, that is, a stipulated length of service within the previous year.

The nature of the characteristic vacation provisions are presented in detail in the two parts of this bulletin. It should be noted that there is considerable divergence in industry coverage. Also, while these two studies are entirely consistent as regards their general findings, there are apparent inconsistencies in detail which arise from different methods of approach to the subject. In Part I attention is directed to the amount of vacation pay. Hence, vacation pay is

expressed in relation to the actual earnings of workers on the basis of the prevailing workweek. In Part II attention is directed to the standard provisions of union agreements, hence the length of vacation is expressed in terms of normal weekly hours as provided by the agreement. To illustrate the difference in approach, suppose that a plant which normally worked 40 hours per week has provided 1 week of vacation with pay. The plant now moves to a 48-hour week. In terms of the union agreement, the vacation provision is for 1 week. In terms of the current workweek, the provision gives the worker the equivalent of what he would earn, not in 6 days, but about what he would earn in 5 days.

These two studies, taken together, provide the most comprehensive and detailed analysis ever presented of the vacation benefits provided to workers in the United States. The findings of the two studies are reprinted for the purpose of providing a balanced account of vacations with pay as now provided by private industry in this country.

## PART I.—Vacations With Pay in Selected Industries, 1943-44

### *Summary*

Vacations with pay in American industry have become increasingly widespread during the past few years. Although the vacation movement has been gradually gaining in acceptance since the first World War, it is only in recent years that the practice of granting paid vacations has become common in many industries. While it is true that vacation allowances have been considered a prerogative of office workers for some time, the majority of industrial plant employees have gained this benefit only in the last few years. In manufacturing industries vacation plans now apply to about nine-tenths of the workers in unionized plants and to three-fourths of those in unorganized plants. In some of the nonmanufacturing industries the proportions are even higher.

Wide differences exist among the various vacation plans now in operation, especially in the liberality of these plans as between the different branches of manufacturing and nonmanufacturing industry. The length of the vacation ranges from a few days to several weeks. The right to any vacation with pay depends on a period of service with the company, which may be less than half a year or more than 5 years. Under some plans the length of vacation is graduated according to length of service; under other plans, there is a single provision for all who meet the minimum terms of eligibility.

The current interest of trade-unions in vacation provisions is well known, and the extension of such provisions has assumed a prominent place among union objectives. During the war period, in which wage increases have been controlled by the Government, one of the most important benefits that a union could obtain for its members has been a new or more liberal vacation arrangement. The National War Labor Board has been deeply concerned with the subject, and its general policy has been to permit the establishment, and sometimes the liberalization, of paid-vacation allowances. Specifically, the Board has usually approved vacations of 1 week after 1 year's service

and 2 weeks after 5 years of service. Its recent award in the "Basic Steel" case is a notable example of this policy.<sup>1</sup>

Over 15,000 establishments and 4 million workers in a variety of important manufacturing and nonmanufacturing industries in all sections of the country were covered in a study, made by the Bureau of Labor Statistics, of vacations with pay in the war year of 1943. In this period 66 percent of the establishments reporting on plant employees and 86 percent of those reporting on office employees allowed these groups of workers some vacation with pay, after various specified periods of service. More than 3 million plant workers and over 430,000 office workers were found in these establishments, constituting 85 and 97 percent, respectively, of all such workers studied.

Paid vacations were more widespread and applied to somewhat higher proportions of workers in retail trade and the other selected nonmanufacturing industries that were studied than in the manufacturing groups as a whole. In individual manufacturing industries, however, particularly in some branches of metalworking, equally high proportions of workers were covered by paid-vacation plans.

One week's vacation after 1 year of service was the allowance most commonly provided for plant employees under both single- and graduated-type plans in all industries studied. Over 60 percent of all plant workers covered by some type of paid-vacation plan, however, could receive a maximum vacation of more than 1 week after meeting varying service requirements. Seventy-one percent of the workers covered by single-plan provisions received a week or less of paid vacation, generally after 1 year or less of service; another 25 percent were in plants providing 2 weeks' vacation. The same type of concentration applied to workers covered by graduated plans, 97 percent being found in plants allowing a minimum of up to 1 week after a specified minimum service period. Seventy-three percent of the workers in such plants, however, could receive up to 2 weeks' vacation, usually after longer periods of service. In two-thirds of the 10,000 plants granting paid vacations the single-type plan prevailed, but the majority of employees covered were found in establishments having some form of graduated-type plan.

Practically all the office workers studied (97 percent of the nearly 450,000 office workers for whom data were available) were covered by paid-vacation provisions. More of these employees were covered by graduated than by single-type plans. In single-type-plan establishments, 63 percent of the office employees received a 2 weeks' vacation with pay, usually after 1 year of service. Under graduated plans the majority had 1 week off with pay after less than a year's service and a maximum of 2 weeks after a longer period.

### *Scope of Study*

#### SOURCE OF DATA

The wealth of material collected in connection with the Bureau's Nation-wide Occupational Wage-Rate Surveys in 1943 and 1944 provides a new opportunity for an analysis of provisions for vacations with pay in a broad cross section of American industry. Occupational wage-rate surveys of the major industries in all important cities have been made in the last 2 years, primarily to furnish the War Labor

<sup>1</sup> For "Basic Steel" decision, see *Monthly Labor Review*, January 1945 (p. 41).

Board with necessary information for use in the setting of wage brackets. In addition to the wage and occupational information, however, these surveys also extended into related subjects in the field of working conditions and labor relations. Among data collected was information on paid-vacation provisions in effect at the time these establishments were studied. As a result it is possible to summarize information on this subject as obtained from several thousand establishments in all sections of the country.

#### INDUSTRY AND AREA COVERAGE

Twenty-one major industry groups were selected for analysis in this study, 13 in manufacturing, and 8 in nonmanufacturing (table 1). The major manufacturing industries covered are in the broad fields of metalworking, foods, textiles, and printing; the major nonmanufacturing industries are retail trade, banking, metal mining, and power laundries. The manufacturing industries included are widely representative of that group, but some significant omissions in the nonmanufacturing industries should be noted. The only extractive industries for which data were available—crude-petroleum production and metal mining—obviously represent the mining groups to only a limited extent. The omission of the construction industry, which does not generally provide for paid vacations, and of certain services such as public utilities and transportation, also undoubtedly affects the results shown for the nonmanufacturing group. The results of the study are believed, nevertheless, to be generally significant for American industry as a whole at the beginning of 1944.

TABLE 1.—Number of Establishments and Employees Studied, by Industry Group, April 1943–April 1944

Industry group	Number of establishments	Number of employees		
		Total	Plant	Office
All selected industries.....	15,172	4,167,543	3,622,377	544,666
Selected manufacturing industries.....	11,047	3,665,159	3,220,998	444,161
Aircraft.....	100	1,152,326	963,735	188,591
Chemicals and allied products.....	673	94,281	78,770	15,511
Electrical machinery.....	593	380,028	326,490	53,538
Food and kindred products.....	2,527	286,043	261,409	24,634
Iron and steel products <sup>1</sup> .....	1,374	364,118	333,536	30,282
Leather and leather products.....	368	57,815	55,126	2,689
Lumber and timber basic products.....	315	22,257	20,833	1,424
Machinery (except electrical).....	2,022	477,873	421,388	56,485
Ordnance and accessories.....	432	406,629	368,340	38,289
Paper and allied products.....	605	65,527	60,265	5,262
Printing, publishing and allied industries.....	1,105	90,748	72,238	18,460
Smelting—nonferrous metals.....	111	29,155	27,018	2,137
Textile-mill products.....	822	238,359	231,500	6,859
Selected nonmanufacturing industries.....	4,125	562,384	401,879	100,505
Banking.....	649	54,206	54,206	54,206
Crude-petroleum production.....	155	14,133	8,521	5,612
Ferrous and nonferrous metal mining.....	314	73,987	70,824	3,163
Power laundries.....	724	56,455	53,177	3,278
Retail trade:				
Department stores.....	521	208,000	182,282	25,718
Dry goods stores.....	57	2,399	2,148	251
Women's ready-to-wear stores.....	566	30,490	27,033	3,457
Grocery stores.....	1,139	62,714	57,894	4,820

<sup>1</sup> Exceeds the number of establishments reporting for plant employees by the number of banking establishments, all of which are considered to have only office employees.

<sup>2</sup> Includes 97,837 office employees for whom definite information on paid-vacation provisions was not available. This total thus exceeds, by that number, the total of office employees for whom detailed information is shown in tables 2 and 10.

<sup>3</sup> Includes iron and steel foundries, tin, wire, hand tools and hardware, sanitary ware, boiler shop, metal stamping and fabricated structural-metal products; excludes blast furnaces, steel works, and rolling mills.

After selection of these significant industries for study, 83 important wage areas throughout the country were chosen as a basis for geographical representation. These areas covered 115 cities of 50,000 population and over (including most of the largest cities) as well as many towns of less than 50,000 population. A distribution of the establishments and employees covered, by major geographical region, is shown in table 2. Not all of the industries used in the present study are found in each of these selected wage areas, however, since in the occupational wage-rate studies on which this summary is based only those industries were scheduled which were most important in each individual area. Because of this variation in industry coverage from one area to another, no attempt has been made in the survey to apply weights in order to arrive at comprehensive Nation-wide figures.

TABLE 2.—*Geographic Distribution of Establishments and Employees Studied, by Type of Paid-Vacation Provision, April 1943–April 1944*

Class of employee and geographic region	Establishments				Employees covered			
	Total	With single plan	With graduated plan	With no provision	Total	By single plan	By graduated plan	No provision
<b>Plant employees: All regions.....</b>	<b>14, 523</b>	<b>6, 388</b>	<b>3, 249</b>	<b>4, 886</b>	<b>3, 622, 877</b>	<b>1, 177, 389</b>	<b>1, 891, 346</b>	<b>554, 142</b>
Northeast.....	4, 572	1, 934	1, 169	1, 469	1, 067, 433	318, 165	629, 053	120, 215
Southern and Border States.....	2, 875	926	382	1, 567	516, 154	186, 685	155, 739	173, 730
Middle West.....	5, 433	2, 533	1, 431	1, 469	1, 631, 515	419, 607	969, 331	242, 577
Mountain and Pacific States.....	1, 643	995	267	381	407, 775	262, 932	137, 223	17, 620
<b>Office employees: All regions.....</b>	<b>10, 869</b>	<b>6, 847</b>	<b>2, 523</b>	<b>1, 499</b>	<b>446, 779</b>	<b>192, 770</b>	<b>240, 170</b>	<b>13, 839</b>
Northeast.....	3, 528	2, 280	854	394	125, 691	39, 479	83, 600	2, 612
Southern and Border States.....	2, 231	1, 316	370	545	69, 380	33, 178	34, 306	1, 596
Middle West.....	3, 886	2, 413	1, 125	348	203, 099	79, 252	116, 810	7, 037
Mountain and Pacific States.....	1, 224	838	174	212	48, 609	40, 861	5, 454	2, 294

<sup>1</sup> Excludes 2,003 establishments reporting no office employees and 2,300 for which definite information on paid-vacation provisions for office employees was not available.

Since establishments usually have varying provisions for plant and office workers, the data have been tabulated separately for the two groups and are discussed in separate sections of this report. In general the term "plant employees" refers to maintenance, custodial, and processing workers and may be considered to cover much the same segment of industrial employees as the term "wage earners." All employees in banks have been classified as office employees.

### *Method of Analysis and Definition of Terms*

*Computation of vacation period.*—Any study of paid vacations in wartime requires an important decision as to the treatment of the lengthened workweek. Since the beginning of the war the workweek in many industries has been extended far beyond the usual pre-war week of 40 hours. In some establishments it has risen to 70 hours. In attempting to interpret paid-vacation provisions for such a period, numerous difficulties are inevitably encountered in collating data for companies having widely varying workweeks. For purposes of this study, therefore, the length of the paid vacation allowed to plant employees has been related to the current prevailing workweek in each establishment, rather than to any standard agreement that may have previously been in effect, and is equivalent to the number of workdays

in a workweek under prevailing wartime conditions, paid for at no less than straight-time rates.

A simple example will suffice to illustrate the point. Suppose that a vacation plan, whether included in a union agreement or not, was drawn up when a plant was working on a 40-hour schedule, and that it provided for a week's vacation (40 hours) with pay. Later the plant shifted to a 48-hour schedule. The worker is still entitled under the agreement to take a full week's time off, but with pay for only the previously scheduled hours (e. g., 40 hours). The above situation is classified in the following analysis as providing only 5 days of vacation pay, rather than 1 week. Similarly, a 60-hour-week establishment providing 40 hours of paid vacation, is classified as having a 4-day vacation period. For statistical consistency, establishments currently having a 40-hour workweek and providing 40 hours of paid vacation have been considered 5-day-vacation establishments. Although in these establishments the vacation period is the same as the current workweek, the treatment given below avoids their classification in the same group as 48-hour establishments granting 48 hours or 6 days (1 week) of paid vacation. Establishments providing extra pay in lieu of vacation have been treated in the same manner as though time off were allowed, but allowances for additional days off without pay have not been regarded as the equivalent of paid vacation.

No vacation-period adjustment has been necessary in the data for office employees, since, in most establishments, office employees are paid on a weekly or monthly salary basis and receive their regular pay for vacation periods, regardless of the length of the workweek.

*Service period.*—The term "service period," as used in this study, represents the length of time an employee must have worked to become eligible for a specified paid vacation. It should be noted that for the service period designated as "1 year and less than 2 years" the greater number of plants fall at the lower end of the bracket, completion of 1 year of service being the most common requirement in the 1- to 2-year range.

*Single and graduated plans.*—Paid-vacation provisions may be divided into two general types—single or graduated plans. The "single" or "uniform" plan is one which provides a vacation of uniform length after a fixed minimum period of service but does not increase the length of vacation after additional years of service; for instance, in many establishments an employee becomes entitled to a week's vacation after a year's service, and his vacation allowance thereafter remains 1 week, regardless of the length of time he remains in the company's employ. The "graduated" plan, on the other hand, varies the length of vacation with length of service up to a fixed maximum so that, within limits, the longer an employee works in a given plant the more vacation days he is allowed; for example, an establishment may allow 5 days of paid vacation after 1 year of service and an additional day, up to a maximum of 10 days, for each subsequent year of service, the maximum vacation in this case being reached after 6 years of service. There are many variations, of course, in the amount of increase and required length of service leading up to whatever maximum vacation period is allowed. Frequently, a graduated plan provides for a single change from a minimum of 1 week to a maximum of 10 days or 2 weeks.

*Vacation Provisions for Plant Employees*

## PROPORTION OF WORKERS RECEIVING PAID VACATIONS

Over 3½ million plant workers were employed in the establishments studied. Eighty-five percent of these workers, employed in two-thirds of the establishments, were eligible for paid vacations after some minimum service period (table 3).

**TABLE 3.—Existence of Paid-Vacation Provisions for Plant Employees, by Type of Industry and Unionization, April 1943–April 1944**

Type of industry and unionization	Establishments						Employees covered					
	Total		With paid-vacation provisions		With no provisions		Total		By paid-vacation provisions		No provisions	
	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent
All selected industries.....	14, 523	100	9, 637	66	4, 886	34	3, 622, 877	100	3, 068, 735	85	554, 142	15
Manufacturing industries <sup>1</sup> .....	11, 047	100	7, 104	64	3, 943	36	3, 220, 998	100	2, 712, 641	84	508, 357	16
Union.....	4, 892	100	3, 994	82	896	18	2, 344, 873	100	2, 065, 836	88	279, 037	12
Nonunion.....	6, 055	100	3, 058	51	3, 000	49	865, 441	100	637, 708	74	227, 733	26
Nonmanufacturing industries <sup>1</sup> .....	3, 476	100	2, 533	73	943	27	401, 879	100	356, 094	89	45, 785	11
Union.....	926	100	842	91	84	9	181, 575	100	174, 986	96	6, 589	4
Nonunion.....	2, 524	100	1, 667	66	857	34	216, 274	100	177, 116	82	39, 158	18

<sup>1</sup> The manufacturing and nonmanufacturing subtotals include establishments and employees for which unionization was not reported. Therefore, the sum of union and nonunion figures in each group will not equal the group total. A grand total of 123 establishments and 14,714 employees could not be classified by union status.

In the particular nonmanufacturing industries studied, 73 percent of the establishments allowed vacations with pay, as compared with 64 percent of the manufacturing establishments. On the basis of workers rather than establishments, however, less variation was found between the two industry groups, 84 percent of the employees in manufacturing and 89 percent in the particular nonmanufacturing industries being covered by some form of vacation plan. That the larger establishments tend to be more liberal in providing paid vacations is apparent from the uniformly greater proportion of employees, as compared with establishments, covered by such provisions.

Considerable variation is observable also among individual industry groups; for example, 85 percent or more of all the workers in the metalworking industries studied, except iron and steel products, were employed in plants providing some type of vacation. Chemicals, food, and paper manufacture showed equally high proportions, while in leather and lumber less than half the workers were covered. Among those nonmanufacturing groups that were studied the most liberal industries were banking and retail trade, in which over 90 percent of the employees enjoyed vacation privileges. Only half of the laundry workers, on the other hand, received any time off with pay.

## TYPE OF PAID-VACATION PROVISION

Single- rather than graduated-type plans were in effect in the majority of both the manufacturing and nonmanufacturing establishments having paid-vacation provisions, but this type of plan appeared to be most common in the smaller plants, since only 38 percent of the covered workers studied were employed in plants having this type of provision (table 4). It is of interest to note that efforts to liberalize vacation plans frequently take the form of an attempt to change from the single to the graduated type of plan.

TABLE 4.—Type of Paid-Vacation Plan for Plant Employees, by Type of Industry and Unionization, April 1943–April 1944

Type of industry and unionization	Establishments having—						Employees covered by—					
	Paid-vacation provisions: Total		Single plan		Graduated plan		Paid-vacation provisions: Total		Single plan		Graduated plan	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
All selected industries.	9,637	100	6,388	66	3,249	34	3,068,735	100	1,177,389	38	1,891,346	62
Manufacturing industries <sup>1</sup> .....	7,104	100	4,744	67	2,360	33	2,712,641	100	1,037,481	38	1,675,160	62
Union.....	3,994	100	2,502	63	1,492	37	2,065,836	100	756,328	37	1,309,508	63
Nonunion.....	3,058	100	2,206	72	852	28	637,708	100	276,314	43	361,394	57
Nonmanufacturing industries <sup>1</sup> .....	2,533	100	1,644	65	889	35	356,094	100	139,908	39	216,186	61
Union.....	842	100	518	62	324	38	174,986	100	70,455	40	104,531	60
Nonunion.....	1,667	100	1,115	67	552	33	177,116	100	68,388	39	108,728	61

<sup>1</sup> The manufacturing and nonmanufacturing subtotals include establishments and employees for which unionization was not reported. Therefore, the sum of union and nonunion figures in each group will not equal the group total. A grand total of 76 establishments and 13,089 employees could not be classified by union status.

## LENGTH OF VACATION AND SERVICE PERIODS

Generally speaking, the length of vacation allowed to a plant worker depends upon the length of time he has worked for a given employer. If an attempt is made to measure the maximum vacation allowed under both single and graduated types of plan, it is found that 65 percent of the establishments within the scope of this survey, providing paid vacations for plant employees, allowed a maximum of 1 week or less, but that these establishments employed only 36 percent of the plant workers studied (table 5). The majority of the plant workers (56 percent) were found in the smaller number of establishments providing a maximum of from 8 days to 2 weeks, the exact amount again being related to length of service. Five percent of the employees studied were eligible for more than a 2-weeks vacation after working for longer periods, usually 10 years or more. Workers receiving a maximum of only 1 week or less were usually required to have worked 1 year before any vacation was allowed; for workers receiving a maximum of from 8 days to 2 weeks the most common service period required was from 2 to 6 years.

TABLE 5.—Percentage Distribution of Establishments and Plant Employees, by Maximum Paid-Vacation Period<sup>1</sup> and Service Requirement, April 1943–April 1944

Maximum paid-vacation period and service-period requirement	All selected industries		Manufacturing		Nonmanufacturing	
	Establishments	Employees	Establishments	Employees	Establishments	Employees
All plants.....	9, 637	3, 068, 735	7, 104	2, 712, 641	2, 533	356, 094
	Percentage distribution					
Vacation of 1 week or less.....	65	36	68	36	58	36
Service of—						
Less than 1 year.....	7	5	8	6	4	2
1 year and less than 2 years.....	48	27	48	26	47	30
2 and less than 6 years.....	3	2	4	2	3	2
6 and less than 10 years.....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
10 years and over.....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Service period not specified.....	6	2	7	2	4	2
Vacation of 8 days–2 weeks.....	32	56	29	56	39	50
Service of—						
Less than 1 year.....	1	1	( <sup>2</sup> )	1	1	1
1 year and less than 2 years.....	9	13	7	14	11	9
2 and less than 6 years.....	17	30	16	29	22	31
6 and less than 10 years.....	1	6	1	7	1	1
10 years and over.....	2	5	3	5	2	6
Service period not specified.....	2	1	2	( <sup>2</sup> )	2	2
Vacation of over 2 weeks.....	1	5	1	4	2	13
Service of—						
Less than 1 year.....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
1 year and less than 2 years.....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
2 and less than 6 years.....	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	3
6 and less than 10 years.....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	1
10 years and over.....	1	4	1	4	1	9
Service period not specified.....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Vacation period not specified.....	2	3	2	4	1	1
Total.....	100	100	100	100	100	100

<sup>1</sup> Represents all vacation provisions under single-type plans and the maximum vacation allowed under graduated-type plans.

<sup>2</sup> Less than 0.5 percent.

The full significance of the type of vacation plan—single or graduated—is apparent only upon more particular analysis of vacation allowances under both types. One week or less was by far the most common paid-vacation period for single-plan establishments, only 11 percent of such establishments granting longer paid-vacation periods (table 6). Of over 6,000 establishments that had single-type plans, only 429, employing 291,612 workers, allowed paid vacations of 2 weeks. These workers were heavily concentrated in a comparatively small number of plants in the aircraft and ordnance industries; a much larger number of establishments granting this comparatively liberal vacation were in the food industry, but these establishments employed relatively few workers. An insignificant number of establishments, operating under the single-type plan, gave more than a 2-weeks' vacation, and these were all in retail trade.

TABLE 6.—Percentage Distribution of Establishments and Plant Employees, by Type of Plan and Length of Vacation, April 1943–April 1944

Length of paid-vacation period	Establishments having 1—			Employees covered by 1—		
	Single plan	Graduated plan 2		Single plan	Graduated plan 2	
		Minimum period	Maximum period		Minimum period	Maximum period
All selected industries.....	6,398	3,249	3,249	1,177,389	1,891,346	1,891,346
Manufacturing.....	4,744	2,360	2,360	1,037,481	1,675,160	1,675,160
Nonmanufacturing.....	1,644	889	889	139,908	216,186	216,186
Percentage distribution						
All selected industries: Vacation of—						
1 week or less.....	88	99	20	71	97	15
Less than 5 days.....	3	32	1	2	36	1
5 days.....	36	25	10	32	33	8
1 week (6-7 days).....	49	42	9	37	28	6
8 days-2 weeks.....	11	( <sup>3</sup> )	74	27	( <sup>3</sup> )	73
8-10 days.....	4	( <sup>3</sup> )	31	2	( <sup>3</sup> )	48
2 weeks.....	7	( <sup>3</sup> )	43	25	( <sup>3</sup> )	25
Over 2 weeks.....	( <sup>3</sup> )	1	4	( <sup>3</sup> )	3	8
Vacation period not specified.....	1	1	2	2	3	4
Total.....	100	100	100	100	100	100
Manufacturing industries: Vacation of—						
1 week or less.....	88	99	25	69	97	16
Less than 5 days.....	4	38	1	3	37	1
5 days.....	46	32	13	35	35	9
1 week (6-7 days).....	38	29	11	31	25	6
8 days-2 weeks.....	10	( <sup>3</sup> )	69	29	( <sup>3</sup> )	73
8-10 days.....	4	( <sup>3</sup> )	40	2	( <sup>3</sup> )	51
2 weeks.....	6	( <sup>3</sup> )	29	27	( <sup>3</sup> )	22
Over 2 weeks.....			4			7
Vacation period not specified.....	2	1	2	2	3	4
Total.....	100	100	100	100	100	100
Nonmanufacturing industries: Vacation of—						
1 week or less.....	86	99	6	86	100	3
Less than 5 days.....	1	15		1	28	
5 days.....	5	7	( <sup>3</sup> )	10	16	( <sup>3</sup> )
1 week (6-7 days).....	80	77	6	75	56	3
8 days-2 weeks.....	13	1	87	12	( <sup>3</sup> )	73
8-10 days.....	2	( <sup>3</sup> )	10	2	( <sup>3</sup> )	21
2 weeks.....	11	( <sup>3</sup> )	77	11	( <sup>3</sup> )	52
Over 2 weeks.....	( <sup>3</sup> )		5	( <sup>3</sup> )		22
Vacation period not specified.....	( <sup>3</sup> )		2	1		2
Total.....	100	100	100	100	100	100

<sup>1</sup> Includes data for establishments for which unionization was not reported; in total there were 76 establishments employing 13,089 workers; 47 of these establishments, employing 5,904 workers, had single plans, and 29 establishments, employing 7,185 workers, had graduated plans.

<sup>2</sup> The minimum vacation period under a graduated plan represents the shortest paid-vacation period provided after a specified minimum service period, whereas the maximum is the longest paid-vacation period provided after a specified longer service period.

<sup>3</sup> Less than 0.5 percent.

In establishments having graduated plans, the workers have greater opportunity, depending on length of service, for longer vacation periods. Although it is true that the most common minimum vacation under such plans is again 1 week or less (fewer than 1 percent of such plans provide a minimum of over a week) the maximum period allowed in such establishments ranges up to more than 2 weeks. In the manufacturing industries, the most usual maximum was from 8 to 10 days of vacation at regular pay, while in nonmanufacturing, 2 weeks was the most common maximum allowance.

TABLE 7.—Percentage Distribution of Establishments and Plant Employees, by Length of Required Service Period, April 1943–April 1944

Length of required service period	Establishments having 1—			Employees covered by 1—		
	Single plan	Graduated plan <sup>2</sup>		Single plan	Graduated plan <sup>2</sup>	
		Requirement for minimum period	Requirement for maximum period		Requirement for minimum period	Requirement for maximum period
All selected industries.....	6,388	3,249	3,249	1,177,389	1,891,346	1,891,346
Manufacturing.....	4,744	2,360	2,360	1,037,481	1,675,160	1,675,160
Nonmanufacturing.....	1,644	889	889	139,908	216,186	216,186
Percentage distribution						
All selected industries: Service of—						
Less than 1 year.....	10	34	3	11	37	3
1 year and less than 2 years.....	74	59	22	80	58	15
2 and less than 6 years.....	3	5	57	3	5	54
6 and less than 10 years.....	( <sup>1</sup> )	( <sup>1</sup> )	3	( <sup>1</sup> )	( <sup>1</sup> )	11
10 years and over.....	( <sup>1</sup> )	-----	11	( <sup>1</sup> )	-----	16
Service period not specified.....	13	2	4	6	( <sup>1</sup> )	1
Total.....	100	100	100	100	100	100
Manufacturing Industries: Service of—						
Less than 1 year.....	11	36	4	12	36	3
1 year and less than 2 years.....	72	56	23	79	59	16
2 and less than 6 years.....	3	6	54	3	4	54
6 and less than 10 years.....	( <sup>1</sup> )	( <sup>1</sup> )	4	( <sup>1</sup> )	( <sup>1</sup> )	12
10 years and over.....	( <sup>1</sup> )	-----	11	( <sup>1</sup> )	-----	14
Service period not specified.....	14	2	4	6	( <sup>1</sup> )	1
Total.....	100	100	100	100	100	100
Nonmanufacturing industries: Service of—						
Less than 1 year.....	7	28	1	5	41	1
1 year and less than 2 years.....	80	65	19	83	49	12
2 and less than 6 years.....	4	5	65	4	9	68
6 and less than 10 years.....	-----	-----	2	-----	-----	2
10 years and over.....	( <sup>1</sup> )	-----	9	( <sup>1</sup> )	-----	25
Service period not specified.....	9	2	4	7	1	2
Total.....	100	100	100	100	100	100

<sup>1</sup> Includes data for establishments for which unionization was not reported; in total there were 76 establishments employing 13,089 workers; 47 of these establishments, employing 5,904 workers, had single plans, 29 establishments, employing 7,185 workers, had graduated plans.

<sup>2</sup> The minimum service period under a graduated plan represents the shortest service period required before any paid vacation is allowed, whereas the maximum is the shortest service period required before the maximum paid vacation is allowed.

<sup>3</sup> Less than 0.5 percent.

Analysis of the data for individual industries shows that the industries in which vacation provisions were most common (aircraft, electrical machinery, chemicals, food, and retail trade) were also those in which the longer vacation periods were provided. It is also of interest that graduated rather than single-type plans predominated in these industries. Among establishments having the single-type plan, the aircraft, chemical, and crude-petroleum industries were the only ones in which over 50 percent of the plant workers were allowed a paid vacation of more than 1 week. By contrast, in another group of industries—textiles, smelting, paper, electrical machinery, and laundries—over 95 percent of the workers were allowed vacations of 1 week or less.

In graduated-plan establishments the majority of workers were covered by provisions for a maximum paid-vacation period of over 1 week in all industries except textiles and lumber products. The

aircraft, chemical, ordnance, electrical machinery, food, and non-ferrous-smelting industries had the highest proportion of workers eligible for the more liberal paid-vacation allowances. Practically all workers in the chemical and food industries and in the nonmanufacturing industries surveyed, other than laundries, were in plants providing a maximum of over 1 week. Over 40 percent of the workers in the food industries, one-fifth of those in electrical-machinery production, and about one-third of those in department stores were employed in plants providing a maximum of over 2 weeks.

Establishments shown in the "not specified" vacation-period group include chiefly those which paid a fixed amount of money to the worker for the vacation period, unrelated to a day's wage. Many of these paid a percentage of annual earnings. In some establishments having graduated plans the minimum but not the maximum vacation period was specified; hence, with respect to the maximum, these plants were classified in the "not specified" group.

The service period required for eligibility for the various paid-vacation periods was usually 1 year under the single-plan provisions and for the minimum allowed by the graduated plans (table 7). Many graduated-plan establishments, however, granted the minimum vacation after less than 1 year's service. From 2 to 6 years' service was required for the maximum vacation under graduated plans in 54 percent of the manufacturing and 65 percent of the nonmanufacturing establishments.

#### EFFECT OF UNIONIZATION

Plants are classified by the Bureau as union or nonunion on the basis of whether or not the majority of their workers are covered by union agreements. Hence, not all of the employees shown under "union" are actually covered by union agreements.

The number of establishments operating under union agreements represented only 40 percent of all establishments covered in the study and a considerably smaller proportion of the nonmanufacturing industry groups alone (table 3). However, workers in union establishments accounted for 70 percent of all plant workers studied.

A much higher proportion of union establishments had paid-vacation provisions than did nonunion establishments in manufacturing industry. Although in terms of the number of employees the variation between union and nonunion plants was not quite so great, there was still a very noticeable difference. It is generally true, of course, that more liberal provisions prevail in larger plants and larger communities. Examination of establishments by size, however, indicates that although both union and nonunion plants in the larger-size group more often had paid-vacation provisions than did the smaller plants, in each size group a considerably larger proportion of union than of nonunion establishments had such provisions.

A somewhat larger proportion of union than of nonunion establishments had graduated rather than single plans (but, as for all establishments, these were fewer in number than single-plan establishments, table 4). The length of paid vacations and service-period requirements in union establishments (tables 8 and 9) do not differ markedly from those shown for the entire group of plants studied.

TABLE 8.—Percentage Distribution of Establishments and Plant Employees, by Unionization and Type of Vacation Plan, April 1943–April 1944

## UNION ESTABLISHMENTS

Length of paid-vacation period	Establishments having—			Employees covered by—		
	Single plan	Graduated plan <sup>1</sup>		Single plan	Graduated plan <sup>1</sup>	
		Minimum	Maximum		Minimum	Maximum
All selected industries.....	3,020	1,816	1,816	826,783	1,414,039	1,414,039
Manufacturing.....	2,502	1,492	1,492	756,328	1,309,508	1,309,508
Nonmanufacturing.....	518	324	324	70,455	104,531	104,531
Percentage distribution						
All selected industries: Vacation of—						
1 week or less.....	89	98	19	69	96	11
Less than 5 days.....	2	30	1	2	31	(?)
5 days.....	45	31	11	35	40	7
1 week (6-7 days).....	42	37	7	32	25	4
8 days-2 weeks.....	9	(?)	75	28	(?)	76
8-10 days.....	4	(?)	38	2	(?)	51
2 weeks.....	5	(?)	37	26	(?)	25
Over 2 weeks.....			4			8
Vacation period not specified.....	2	1	2	3	4	5
Total.....	100	100	100	100	100	100
Manufacturing industries: Vacation of—						
1 week or less.....	88	98	22	67	96	12
Less than 5 days.....	3	34	1	2	31	(?)
5 days.....	52	36	13	37	42	8
1 week (6-7 days).....	33	28	8	28	23	4
8 days-2 weeks.....	9	(?)	72	29	(?)	76
8-10 days.....	4	(?)	44	2	(?)	52
2 weeks.....	5	(?)	28	27	(?)	24
Over 2 weeks.....			4			7
Vacation period not specified.....	3	1	2	4	4	5
Total.....	100	100	100	100	100	100
Nonmanufacturing industries: Vacation of—						
1 week or less.....	93	100	3	93	100	2
Less than 5 days.....	1	14		1	31	
5 days.....	8	7		8	19	
1 week (6-7 days).....	84	79	3	84	50	2
8 days-2 weeks.....	7	(?)	90	7	(?)	78
8-10 days.....	2	(?)	14	2	(?)	30
2 weeks.....	5		76	5		48
Over 2 weeks.....			5			19
Vacation period not specified.....			2			1
Total.....	100	100	100	100	100	100

See footnotes at end of table.

TABLE 8.—Percentage Distribution of Establishments and Plant Employees, by Unionization and Type of Vacation Plan, April 1943–April 1944—Continued

## NONUNION ESTABLISHMENTS

Length of paid-vacation period	Establishments having—			Employees covered by—		
	Single plan	Graduated plan <sup>1</sup>		Single plan	Graduated plan <sup>1</sup>	
		Minimum	Maximum		Minimum	Maximum
All selected industries.....	3,321	1,404	1,404	344,702	470,122	470,122
Manufacturing.....	2,206	852	852	276,314	361,394	361,394
Nonmanufacturing.....	1,115	552	552	68,388	108,728	108,728
Percentage distribution						
All selected industries: Vacation of—						
1 week or less.....	87	99	22	74	99	24
Less than 5 days.....	4	34	1	4	51	1
5 days.....	28	17	9	26	11	12
1 week (6-7 days).....	55	48	12	44	37	11
8 days-2 weeks.....	12	(?)	72	26	(?)	66
8-10 days.....	4	(?)	22	2	(?)	41
2 weeks.....	8	(?)	50	24	(?)	25
Over 2 weeks.....	(?)	(?)	4	(?)	(?)	8
Vacation period not specified.....	(?)	(?)	2	(?)	1	2
Total.....	100	100	100	100	100	100
Manufacturing industries: Vacation of—						
1 week or less.....	90	100	31	73	99	29
Less than 5 days.....	5	47	1	5	57	2
5 days.....	41	23	14	29	11	15
1 week (6-7 days).....	44	30	16	39	31	12
8 days-2 weeks.....	10	(?)	64	27	(?)	65
8-10 days.....	5	(?)	32	2	(?)	49
2 weeks.....	5	(?)	32	25	(?)	16
Over 2 weeks.....	(?)	(?)	3	(?)	(?)	4
Vacation period not specified.....	(?)	(?)	2	(?)	1	2
Total.....	100	100	100	100	100	100
Nonmanufacturing industries: Vacation of—						
1 week or less.....	83	99	7	78	99	4
Less than 5 days.....	1	16	(?)	1	26	(?)
5 days.....	3	7	(?)	11	13	(?)
1 week (6-7 days).....	79	76	7	66	60	4
8 days-2 weeks.....	16	1	86	21	1	69
8-10 days.....	2	(?)	7	3	(?)	13
2 weeks.....	14	1	79	18	(?)	56
Over 2 weeks.....	(?)	(?)	5	(?)	(?)	24
Vacation period not specified.....	1	(?)	2	1	(?)	3
Total.....	100	100	100	100	100	100

<sup>1</sup> The minimum vacation period under a graduated plan represents the shortest paid-vacation period provided after a specified service period, whereas the maximum is the longest paid-vacation period provided after a specified longer service period.

<sup>2</sup> Less than 0.5 percent.

TABLE 9.—Percentage Distribution of Establishments and Plant Employees, by Unionization and Length of Required Service Period, April 1943–April 1944

Length of required service period	Establishments having—			Employees covered by—		
	Single plan	Graduated plan †		Single plan	Graduated plan †	
		Requirement for minimum period	Requirement for maximum period		Requirement for minimum period	Requirement for maximum period
All selected industries.....	3,020	1,816	1,816	826,783	1,414,039	1,414,039
Manufacturing.....	2,502	1,492	1,492	756,328	1,309,508	1,309,508
Nonmanufacturing.....	518	324	324	70,455	104,531	104,531
Percentage distribution						
All selected industries: Service of—						
Less than 1 year.....	9	27	2	8	31	2
1 year and less than 2 years.....	76	65	17	84	64	14
2 and less than 6 years.....	3	6	61	3	5	57
6 and less than 10 years.....			5			10
10 years and over.....	(?)		12	(?)		16
Service period not specified.....	12	2	3	5	(?)	1
Total.....	100	100	100	100	100	100
Manufacturing industries: Service of—						
Less than 1 year.....	11	30	3	8	31	2
1 year and less than 2 years.....	74	63	18	84	65	14
2 and less than 6 years.....	2	5	60	3	4	57
6 and less than 10 years.....			4			11
10 years and over.....			11			15
Service period not specified.....	13	2	4	5	(?)	1
Total.....	100	100	100	100	100	100
Nonmanufacturing industries: Service of—						
Less than 1 year.....	4	17	1	2	34	1
1 year and less than 2 years.....	83	69	8	88	48	10
2 and less than 6 years.....	7	13	67	4	17	58
6 and less than 10 years.....			4			3
10 years and over.....	(?)		17	1		27
Service period not specified.....	6	1	3	5	1	1
Total.....	100	100	100	100	100	100
NONUNION ESTABLISHMENTS						
All selected industries.....	3,321	1,404	1,404	344,702	470,122	470,122
Manufacturing.....	2,206	852	852	276,314	361,394	361,394
Nonmanufacturing.....	1,115	552	552	68,388	108,728	108,728
Percentage distribution						
All selected industries: Service of—						
Less than 1 year.....	11	42	4	19	55	6
1 year and less than 2 years.....	72	52	29	70	40	21
2 and less than 6 years.....	3	4	51	3	4	45
6 and less than 10 years.....	(?)	(?)	3	(?)	(?)	13
10 years and over.....	(?)		9	(?)		13
Service period not specified.....	13	2	4	8	1	2
Total.....	100	100	100	100	100	100
Manufacturing industries: Service of—						
Less than 1 year.....	12	46	6	21	57	8
1 year and less than 2 years.....	69	45	30	68	37	23
2 and less than 6 years.....	4	7	43	3	5	41
6 and less than 10 years.....	(?)	(?)	4	(?)	(?)	17
10 years and over.....	(?)		12	(?)		10
Service period not specified.....	15	2	5	8	1	1
Total.....	100	100	100	100	100	100
Nonmanufacturing industries: Service of—						
Less than 1 year.....	9	35	1	9	49	2
1 year and less than 2 years.....	79	62	26	78	49	14
2 and less than 6 years.....	2	1	63	4	1	58
6 and less than 10 years.....			1			1
10 years and over.....	(?)		5	(?)		22
Service period not specified.....	10	2	4	9	1	3
Total.....	100	100	100	100	100	100

† The minimum service period under a graduated plan represents the shortest service period required before any paid vacation is allowed whereas the maximum is the shortest service period required before the maximum paid vacation is allowed.

‡ Less than 0.5 percent.

## GEOGRAPHICAL VARIATION

Geographically, the Southern and Border States had the lowest proportion of establishments (less than half) with paid-vacation provisions for plant workers (table 2). In other regions, from 68 to 77 percent of the establishments provided some vacation for their plant employees, and from 85 to 96 percent of the workers were found in these plants.

*Vacation Provisions for Office Employees*

Paid vacations have been provided for office workers for a much longer time and much more generally than for plant workers. In fact, this type of perquisite has been considered one of the advantages of office work. Because of the more general acceptance of paid-vacation provisions for these workers, discussion and presentation of data on their current situation is of less immediate significance than the data relating to plant employees. This section, therefore, gives only a brief summary of paid-vacation data applicable to office workers and is included merely to round out the picture with respect to the establishments studied.

About 11,000 of the establishments included in the study reported definite information on paid-vacation provisions for office workers (table 10). These establishments employed almost half a million office workers, of whom 80 percent were in the manufacturing industries. Banks are included in the office-worker tabulations in addition to the industries studied in connection with plant employees.

TABLE 10.—*Type of Paid-Vacation Provision for Office Employees, by Type of Industry, April 1943–April 1944*

Type of industry	Total		Paid-vacation provisions		No provisions		Paid-vacation provisions					
							Total: Percent	Single plan		Graduated plan		
	Number	Percent	Number	Percent	Number	Percent		Number	Percent	Number	Percent	
Establishments: All selected industries <sup>1</sup> .....	10,869	100	9,370	86	1,499	14	100	6,847	73	2,523	27	
Manufacturing industries.....	8,452	100	7,265	86	1,187	14	100	5,448	75	1,817	25	
Nonmanufacturing industries.....	2,417	100	2,105	87	312	13	100	1,399	66	706	34	
Employees: All selected industries.....	446,779	100	432,940	97	13,839	3	100	192,770	44	240,170	56	
Manufacturing industries.....	355,366	100	344,173	97	11,193	3	100	164,028	47	180,145	53	
Nonmanufacturing industries.....	91,413	100	88,767	97	2,646	3	100	28,742	32	60,025	68	

<sup>1</sup> Excludes 2,003 establishments reporting no office employees, 1,113 not reporting on vacations for office employees, and 1,187 for which provisions were not designated as being applicable to plant or office employees. The latter are included only with plant data.

Although only 86 percent of the establishments had regular vacation plans for office workers, 97 percent of the office employees studied were working in these establishments. In general, the paid-vacation period allowed for office workers was more liberal than that for plant employees. Almost half of the single-plan establishments, employing almost three-fourths of the office workers covered by such plans, provided for from 8 days to 2 weeks of paid vacation. Two weeks was the most common maximum under graduated plans, although 133 establish-

ments with over 30,000 office employees allowed a maximum of more than 2 weeks.

One year was the most usual service period required for any paid vacation under the single-type plan. Under graduated plans the service requirement for the minimum paid vacation was generally less than a year, except in metal mining, and for the maximum paid-vacation period, 1 year and from 2 to 6 years were almost equally common requirements.

TABLE 11.—Percentage Distribution of Establishments and Office Employees, by Type of Paid-Vacation Plan, April 1943–April 1944

Length of paid-vacation period	Establishments having—			Employees covered by—		
	Single plan	Graduated plan <sup>1</sup>		Single plan	Graduated plan <sup>1</sup>	
		Minimum period	Maximum period		Minimum period	Maximum period
All selected industries.....	6,847	2,523	2,523	192,770	240,170	240,170
Manufacturing.....	5,448	1,817	1,817	164,028	180,145	180,145
Nonmanufacturing.....	1,399	706	706	28,742	60,025	60,025
	Percentage distribution					
All selected industries: vacation of—						
1 week or less.....	53	98	8	27	98	5
Less than 5 days.....	( <sup>2</sup> ) 6	19	( <sup>2</sup> ) 1	( <sup>2</sup> ) 6	24	( <sup>2</sup> ) 2
5 days.....	47	15	6	6	18	3
1 week (6-7 days).....	47	64	1	21	56	3
8 days-2 weeks.....	47	2	86	73	2	81
8-10 days.....	9	( <sup>2</sup> )	17	10	( <sup>2</sup> )	20
2 weeks.....	38	2	69	63	2	61
Over 2 weeks.....	( <sup>2</sup> )		5	( <sup>2</sup> )		13
Vacation period not specified.....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )	1
Total.....	100	100	100	100	100	100
Manufacturing industries: vacation of—						
1 week or less.....	53	98	9	27	99	6
Less than 5 days.....	( <sup>2</sup> ) 7	19	( <sup>2</sup> ) 2	( <sup>2</sup> ) 8	24	( <sup>2</sup> ) 3
5 days.....	45	18	7	8	19	3
1 week (6-7 days).....	47	61	2	19	56	3
8 days-2 weeks.....	47	2	87	73	1	86
8-10 days.....	10	( <sup>2</sup> )	20	11	( <sup>2</sup> )	24
2 weeks.....	37	1	67	62	( <sup>2</sup> )	62
Over 2 weeks.....	( <sup>2</sup> )		3	( <sup>2</sup> )		7
Vacation period not specified.....	( <sup>2</sup> )	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )	1
Total.....	100	100	100	100	100	100
Nonmanufacturing industries: vacation of—						
1 week or less.....	55	97	5	28	92	1
Less than 5 days.....	( <sup>2</sup> ) 1	16		( <sup>2</sup> )	22	
5 days.....	53	9		( <sup>2</sup> )	14	
1 week (6-7 days).....	44	72	5	28	56	1
8 days-2 weeks.....	44	3	94	71	8	67
8-10 days.....	5	1	10	6	2	7
2 weeks.....	39	2	74	65	6	60
Over 2 weeks.....	1		10	1		31
Vacation period not specified.....	( <sup>2</sup> )		1	( <sup>2</sup> )		1
Total.....	100	100	100	100	100	100

<sup>1</sup> The minimum vacation period under a graduated plan represents the shortest paid vacation period provided after a specified minimum service period, whereas the maximum is the longest paid vacation period provided after a specified longer service period.

<sup>2</sup> Less than 0.5 percent.

TABLE 12.—Percentage Distribution of Establishments and Office Employees, by Length of Required Service Period, April 1943–April 1944

Length of required service period	Establishments having—			Employees covered by—		
	Single plan	Graduated plan <sup>1</sup>		Single plan	Graduated plan <sup>1</sup>	
		Requirement for minimum period	Requirement for maximum period		Requirement for minimum period	Requirement for maximum period
All selected industries.....	6,847	2,523	2,523	192,770	240,170	240,170
Manufacturing.....	5,448	1,817	1,817	164,028	180,145	180,145
Nonmanufacturing.....	1,399	706	706	28,742	60,025	60,025
Percentage distribution						
All selected industries: Service of—						
Less than 1 year.....	12	55	4	9	67	8
1 year and less than 2 years.....	69	41	44	84	30	48
2 and less than 6 years.....	1	1	40	(?)	1	27
6 and less than 10 years.....		(?)	1		(?)	1
10 years and over.....	(?)		6	(?)		12
Service period not specified.....	18	3	5	7	2	4
Total.....	100	100	100	100	100	100
Manufacturing industries: Service of—						
Less than 1 year.....	11	53	4	8	68	9
1 year and less than 2 years.....	69	43	44	86	30	53
2 and less than 6 years.....	1	1	41	(?)	1	27
6 and less than 10 years.....		(?)	1		(?)	1
10 years and over.....			5			6
Service period not specified.....	19	3	5	6	1	4
Total.....	100	100	100	100	100	100
Nonmanufacturing industries: Service of—						
Less than 1 year.....	12	60	4	16	65	7
1 year and less than 2 years.....	73	37	46	73	30	32
2 and less than 6 years.....	2	(?)	36	1	(?)	27
6 and less than 10 years.....			1			1
10 years and over.....	(?)		9	(?)		28
Service period not specified.....	13	3	4	10	5	5
Total.....	100	100	100	100	100	100

<sup>1</sup> The minimum service period under a graduated plan represents the shortest service period required before any paid vacation is allowed, whereas the maximum is the shortest service period required before the maximum paid vacation is allowed.

<sup>2</sup> Less than 0.5 percent.

## PART II.—Paid-Vacation Provisions in Union Agreements, November 1944

### *Summary*

Clauses providing for vacations with pay have become a standard feature of union agreements in most of the major industries, and recent efforts of the unions have been directed toward liberalizing such vacation allowances. At present, approximately 85 percent (11½ million) of all workers under agreement are covered by paid-vacation clauses. In manufacturing industries nearly 90 percent (7.8 million) and in nonmanufacturing industries nearly 75 percent (3.7 million) of the workers under collective-bargaining arrangements are now covered by paid-vacation clauses. The smaller proportion in nonmanufacturing is due to the fact that agreements for building-trades workers, longshoremen, actors, and musicians are almost entirely without paid-vacation provisions.<sup>1</sup>

### *Extent of Paid Vacations*

Early in 1943 about 60 percent of all workers under union agreements were covered by paid-vacation provisions, as compared with only 25 percent in 1940. Although the nonoperating employees of railroads have received vacations with pay since 1941, operating employees were granted their first vacations by the terms of the agreement which settled the railroad dispute in December 1943. Prior to 1944 only a small proportion of the workers in the clothing industry were employed under agreements providing paid vacations, but recently negotiated agreements covering a large number of workers in both the men's and the women's clothing trades have included paid-vacation clauses. Other industries in which the proportion of workers eligible for paid vacations has increased considerably in the past year are lumber, machinery, cotton textiles, shoes and other leather products, furniture and finished wood products, and pottery. Coal miners were first granted vacations and vacation bonuses by their 1941 agreements. Vacation allowances also became widespread during 1941 and 1942 in the shipbuilding, aircraft, steel, and other metal industries.

Vacations with pay are least prevalent in seasonal industries and occupations (such as the building trades) in which the workers are employed by a number of different employers during the course of the year. However, the difficulty presented by diversity of place of employment is sometimes solved by pooling employers' contributions and paying vacation allowances from a central fund. Several agreements covering large numbers of workers in the men's and women's clothing trades, for example, provide such plans.

A few agreements make the granting of vacation rights contingent upon the financial status of the company. In such cases vacations are allowed only if the company's profits, sales volume, or dividends reach a specified level.

<sup>1</sup> In general, paid vacations are more common in nonmanufacturing than the above figures indicate since there is comparatively little union organization in retail trade and offices in which vacations are most common.

**TABLE 1.—Percent of Workers Under Agreements in Effect in 1944, Who Were Covered by Paid-Vacation Clauses**

Paid vacation clauses covering—		
90 percent or more workers	60-90 percent of workers	40-60 percent of workers
<b>Manufacturing industries</b>		
Agricultural machinery Aircraft Automobiles Baking Blast furnaces, steel works, rolling mills Cement Chemicals Clocks and watches Confectionery products Electrical machinery Flour and other grain products Glass, flat Hosiery Jewelry and silverware Machinery, excluding machine tools Meat packing Nonferrous metals Paper products Petroleum refining Rubber Sugar refining Woolen and worsted textiles	Breweries Canning and preserving foods Clay products, structural Clothing, men's Clothing, women's Concrete, gypsum, and plaster products Cotton textiles Dyeing and finishing textiles Furniture and finished wood Leather tanning and finishing Lumber Machine tools and accessories Newspaper printing and publishing Paper and pulp, primary Pottery Shipbuilding Shoes Steel products Tobacco	Book and job printing and publishing Glass containers Leather products, except shoes Silk and rayon textiles
<b>Nonmanufacturing industries<sup>1</sup></b>		
Building service Bus and streetcar, intercity and local Coal mining Crude oil and natural gas Electricity, water, and gas Hotels and restaurants Iron mining Laundry and dry cleaning Newspaper offices Nonferrous-metal mining Office, technical, and professional Railroads, operating and nonoperating personnel Telephone and telegraph service and maintenance Trade, wholesale and retail	Maritime, licensed and unlicensed personnel Nonmetallic mining and quarrying Trucking, local and intercity	

<sup>1</sup> Building-trades workers, longshoremen, fishermen, actors, and musicians are almost entirely without paid vacations.

### *Vacation Provisions in Nonmanufacturing-Industry Agreements*

#### MINING INDUSTRY

The agreements in both anthracite and bituminous-coal mining provide a lump-sum vacation payment of \$50 to all employees with service records of a year or longer. In the anthracite agreement, payment of the full amount is predicated on an employee's having worked in each of the 24 semimonthly pay periods; employees who have not worked during all the pay periods receive a vacation allowance prorated according to the number of pay periods worked. The Appalachian agreement for the bituminous miners contains no specific rule other than the year's service requirement but states that the various district conferences shall adopt their own "proper rules and regulations." Both the anthracite and bituminous agreements provide for 10 days' time off; during 1943 and 1944, however, the miners agreed to accept a bonus in lieu of vacation, in order to take care of war production needs.

Practically all of the iron-ore miners are employed under paid-vacation clauses which allow 1 week after 3 years' service and 2 weeks after longer service. For about three-fourths of these workers the service requirements for 2 weeks' vacation is 15 years, and for the remaining workers 10 years.

Agreements covering about two-thirds of the nonferrous-metal miners under paid-vacation clauses allow 1 week's vacation after 1 year of service and 2 weeks after 5 years. Most of the remaining one-third of the workers are employed under single vacation plans which provide 1 week's vacation after a year of service.

About 60 percent of the workers employed under paid-vacation clauses in nonmetallic mining and quarrying are eligible for a maximum of 1 week's vacation, usually after a year of service. Most of the remaining workers are employed under graduated vacation plans which allow 1 week after a year of service and 2 weeks after service varying from 2 to 15 years.

#### TRANSPORTATION INDUSTRY

Both operating and nonoperating employees in the railroad industry receive a week's vacation with pay, provided they have worked 160 days within the year. Railroad clerks' and telegraphers' agreements also provide 9 days' paid vacation after 2 years' service and 12 days after 3 years.

Although a considerable number of agreements in the trucking industry allow 2 weeks' paid vacation after 1 year of service, and some provide 2 weeks after longer periods of service, over half of the workers under paid-vacation clauses in this industry are covered by agreements which allow a week's vacation after a year of service.

In the street-railway and bus industry, the major portion of the workers are employed under agreements allowing a maximum vacation of 2 weeks; for about half of these workers the service requirement for 2 weeks' vacation is 1 year, while the remaining workers are employed under graduated vacation plans which allow a week's vacation after service varying from 6 months to 1 year and 2 weeks after service varying from 2 to 5 years.

Because the nature of their work requires prolonged absences from home, the vacation allowances for most maritime employees are comparatively liberal. Union agreements covering personnel on tankers commonly allow 30 days' paid vacation after a year of service for licensed officers and 21 days after a year for unlicensed personnel. On dry-cargo ships, officers usually receive 2 weeks after 1 year and the unlicensed personnel 1 week after 1 year and 2 weeks after 2 years.

#### PUBLIC UTILITIES

In the light and power industry, most of the workers are employed under agreements allowing a maximum of 2 weeks' paid vacation. The service requirement for a considerable number of these workers is 1 year, but the majority receive only a week's vacation after a year's service and must work from 2 to 5 years to be eligible for 2 weeks' vacation.

Most of the telephone and telegraph operating and maintenance workers under paid-vacation clauses are eligible for 1 week's vacation after 1 year of service, 2 weeks after 2 years, and 3 weeks after longer

periods of service; for about half of those eligible for 3 weeks, the service requirement is 15 years, but for employees of the Western Union Telegraph Co. it is 30 years.

#### TRADE, CLERICAL, AND PROFESSIONAL WORKERS

In wholesale and retail trade the most prevalent type of vacation clause is that which grants 1 week's vacation after 1 year of service, although many agreements allow a maximum of 2 weeks, usually after 2 years' service.

Nearly all agreements covering office, technical, and professional workers provide for at least 2 weeks' paid vacation, usually after a year of service.

### *Vacation Provisions in Manufacturing-Industry Agreements<sup>2</sup>*

#### LENGTH OF PAID VACATIONS AND SERVICE REQUIREMENTS

During 1944 there was not only a great increase in the number of manufacturing workers covered by vacation provisions but also a considerable liberalization in the length of vacations allowed. As already noted, nearly 90 percent of all manufacturing workers employed under union agreements are covered by agreements which grant paid vacations. A year ago the most common type of vacation clause was that which granted a maximum of 1 week's vacation with pay after 1 year of service. At present 2 weeks' paid vacation, after specified service requirements, is provided in agreements covering about 56 percent (4.4 million) of those employed under paid-vacation clauses, while 37 percent (2.9 million) are under agreements providing a maximum allowance of 1 week. Two percent are eligible for a maximum of 3 weeks' vacation; for 1 percent the maximum is between 1 and 2 weeks; and for 4 percent the maximum allowance is not known.<sup>3</sup>

*One-week maximum.*—Agreements covering 28 percent of the workers under paid-vacation clauses allow a week of vacation after a year of service. An additional 5 percent are employed under agreements which allow 3 days' paid vacation to employees with 6 months' service and 1 week to those with 1 year of service. A few agreements allow a full week's vacation after only 6 months' service and a few require employees to work as long as 5 years for a week's vacation.

In the following manufacturing industries, the majority of the workers covered by paid-vacation clauses are employed under plans providing for a maximum of 1 week after 1 year's service: Shipbuilding; textiles; men's clothing; shoes and other leather products; canning and preserving; stone, clay, and glass products; and lumber.

*Two-week maximum.*—Most agreements which provide for a maximum of 2 weeks' vacation have graduated plans which allow 1 week's vacation to employees having less service (most commonly 1 year)

<sup>2</sup> Based on an analysis of over 2,000 union agreements in manufacturing industries. In the baking and printing and publishing industries, data on vacation provisions were compiled from questionnaires which were confined to provisions regarding the amount of vacation allowed and the length of service required.

<sup>3</sup> In the few cases in which agreements allow a specified amount of time off with pay and give employees the option of using this time either as vacation or sick leave, the entire amount of paid time off is considered a vacation allowance in this report. However, if agreements allow both vacation and sick leave, only the vacation allowance is included in this report. Several agreements, particularly in the tobacco industry, provide a split vacation, 1 week of which is to be taken at Christmas. In such cases, if the agreement specifies that the second week's pay is a Christmas bonus, such bonus payment is not included in this report as a vacation allowance, even though the plant may actually be closed during the holidays.

than is required for the full 2 weeks. For example, agreements covering over 40 percent of the workers employed under paid-vacation clauses provide for 1 week's vacation after 1 year's service and 2 weeks after 5 years.

In the following industries the majority of the workers covered by paid-vacation clauses receive a maximum of 2 weeks after meeting specified service requirements: Automobiles, aircraft, basic steel, machinery, rubber, aluminum fabrication, industrial chemicals, petroleum refining, and tobacco.

TABLE 2.—Percentage Distribution of Manufacturing Workers Covered by Paid-Vacation Clauses, by Length of Vacation and Service Requirements, 1944

Length of vacation and service requirements	Per- cent	Length of vacation and service requirements	Per- cent
Plans providing maximum vacation of 1 week	37	Plans providing maximum vacation of 2 weeks—Continued.	
1 week after 6 to 10 months.....	1	1 week after 1 year, 2 weeks after 6 to 10 years.....	2
3 days after 6 months, 1 week after 1 year.....	5	1 week after 2 years, 2 weeks after 4 to 6 years.....	2
1 week after 1 year.....	28	2 days after 6 months, 2 weeks after 6 years <sup>2</sup> .....	3
1 week after 2 to 3 years.....	1	2 weeks after other periods of service.....	2
1 week after other periods of service.....	2	Plans providing maximum vacation of 3 weeks.....	2
Plans providing maximum vacation of over 1 week but less than 2 weeks <sup>1</sup> .....	1	1 week after 1 year, 2 weeks after 5 years, 3 weeks after 20 years <sup>3</sup> .....	4
Plans providing maximum vacation of 2 weeks.....	56	Maximum not known.....	4
1 week after 6 months, 2 weeks after 1 year.....	2	Total workers under paid-vacation clauses.....	100
2 weeks after 1 year.....	1		
1 week after 1 year, 2 weeks after 2 to 4 years.....	3		
1 week after 1 year, 2 weeks after 5 years.....	41		

<sup>1</sup> Nearly all of these agreements allow a maximum of 8 days' vacation after specified lengths of service ranging from 1 to 10 years.

<sup>2</sup> In addition to the minimum and maximum allowances, workers employed under this vacation plan also receive intermediate allowances graduated according to length of service.

<sup>3</sup> For female employees the service requirement for 3 weeks' vacation is 15 years.

*Three-week maximum.*—Practically all of the workers under agreements providing for a maximum of 3 weeks' paid vacation are employed in the meat-packing industry. These agreements allow 1 week's vacation after 1 year of service, 2 weeks after 5 years, and 3 weeks after 15 years for female employees and 20 years for male employees.

#### MINIMUM WORK REQUIREMENTS

Service requirements for vacation eligibility refer to the time an employee has been on the company pay roll, regardless of absences caused by personal reasons or temporary lay-offs resulting from slack work. In addition to service requirements, 20 percent of the agreements providing a week or more of paid vacation, covering 30 percent of the workers under such agreements, specify that an employee must actually have worked a specified minimum time during the preceding year in order to be eligible for the paid vacation. In industries which are unable to provide all their employees with continuous employment throughout the year, stringent work requirements may deprive many employees of the vacation benefits earned through length of service, even though they regularly report for work whenever they are needed. A number of agreements make allowance for absences beyond the employees' control by excluding from minimum work requirements time lost through lay-offs and sickness; in other words, in determining vacation eligibility such absences are counted as time worked.

Agreements providing vacation payments which are based upon a percent of annual earnings automatically reflect absences from work and therefore seldom set minimum work requirements. Since vacation pay equivalent to 2 percent of annual earnings approximates 1 week's pay based on a full year's work, employees who have lost more than a few days' work during the year do not receive a full week's pay under this type of vacation allowance unless, of course, they have worked sufficient overtime during the year to offset their absences.

Almost half of the workers in manufacturing industries covered by agreements with work requirements (most of them employed in the shipbuilding industry) must work a minimum of 1,200 hours during the year to be eligible for a vacation. For over a fourth of the workers covered by agreements with work requirements, the minimum specified is 60 percent of the pay periods during the year. Many of the agreements covering large steel companies have this requirement.

Table 3 shows the distribution of workers by minimum work requirements, expressed in various time units. Since very few agreements specify "full days," "full weeks," or "full months," it is impossible to convert all the work requirements to the same time unit. Only if the requirements are expressed in hours is there certainty that the number given signifies actual work time; where the time is stated in minimum days, weeks, months, or pay periods, the employees usually receive credit for the entire time unit if they work any part of it. Thus, an agreement with a minimum time requirement of 32 weeks might conceivably allow an employee a vacation if he worked only 1 day in each of those weeks.

TABLE 3.—Percentage Distribution of Manufacturing Workers Covered by Paid-Vacation Clauses, by Type of Work Requirements

Type of work requirements	Percent <sup>1</sup>	Type of work requirements	Percent <sup>1</sup>
Specified hours per year.....	63.4	Specified weeks per year.....	4.0
480 to 500 hours.....	.1	12 to 17 weeks.....	.2
750 to 960 hours.....	1.0	20 to 30 weeks.....	1.6
1,000 to 1,120 hours.....	2.8	32 weeks.....	.5
1,200 hours.....	48.3	35 to 39 weeks.....	.5
1,250 to 1,560 hours.....	3.7	40 to 42 weeks.....	1.0
1,600 hours.....	2.0	44 to 48 weeks.....	.2
1,650 to 1,920 hours.....	4.9	Specified months per year.....	2.0
2,040 to 2,350 hours.....	.6	3 months.....	.1
Specified days per year.....	2.1	5 to 6 months.....	1.5
75 days.....	( <sup>2</sup> )	8 to 9 months.....	.4
90 days.....	( <sup>2</sup> )	Specified percent of pay periods.....	28.5
100 to 120 days.....	.2	50 percent.....	2.0
150 to 180 days.....	1.3	60 percent.....	26.2
195 to 225 days.....	.6	65-75 percent.....	.3
		All types of work requirements.....	100.0

<sup>1</sup> Percentages are based on the number of workers covered by agreements specifying work requirements. As indicated in the preceding discussion, no work requirements are specified in the agreements under which 70 percent of the workers eligible for paid vacations are employed.

<sup>2</sup> Less than a tenth of 1 percent.

#### WORK REQUIREMENTS IN RELATION TO TYPE OF VACATION PLAN

The stringency of the specified work requirements seems to have no relation to the liberality of the vacation allowances; although almost all (97 percent) of the workers covered by the comparatively low requirement of 1,200 hours per year receive a maximum of only 1

week's vacation, almost an equal proportion (92 percent) of those covered by 1,600-hour requirements also receive the 1-week maximum vacation. Of those who must work between 1,250 and 1,560 hours per year in order to be eligible for vacations, 42 percent are employed under vacation plans which allow more than a week provided they meet additional service requirements.

Table 4 gives the proportion of workers employed under the most prevalent types of work requirements specified under the various vacation plans. These include 88 percent of all the workers under agreements with work requirements; 12 percent of the workers are employed under agreements having other types of work requirements (see table 3).

TABLE 4.—Percentage Distribution of Manufacturing Workers Covered by Paid-Vacation Plans With Specified Work Requirements, by Type of Plan

Plan providing vacation of—	Work requirement				60 percent of pay periods
	Hours per year <sup>1</sup>				
	1,200	1,250-1,560	1,600	1,650 and over	
	Percent	Percent	Percent	Percent	Percent
1 week after 1 year.....	97	58	92	84	
8 days after 6 months, 8 days after 5 years <sup>2</sup> .....		19			
1 week after 1 year, 2 weeks after 2 years.....		5			
1 week after 1 year, 2 weeks after 5 years.....	1	10	4	3	90
1 week after 1 year, 2 weeks after 6 years.....				9	1
Other.....	2	8	4	4	9
Total workers under specified requirement.....	100	100	100	100	100

<sup>1</sup> Work requirements expressed in days were converted to hours, on the assumption that full 8-hour days must be worked to satisfy the requirement.

<sup>2</sup> In addition to the minimum and maximum allowances, workers employed under this vacation plan also receive 5 days after 1 year and 6 days after 2 years.

#### EFFECT OF LAY-OFFS ON VACATION ELIGIBILITY

Many agreements provide that a lay-off in excess of a specified period causes a break in continuous service and the forfeiture of all rights based on seniority, including vacation rights. For example, a typical clause reads: "Length of service \* \* \* will be computed on total service with the corporation either continuous or intermittent; except that in the case of employees who \* \* \* have been absent from the corporation's employment for a period exceeding 2 years due to being laid off for lack of work, then the service of such employees shall be computed from the time they were reemployed after such lay-off exceeding 2 years." On the other hand, many agreements make no reference to loss of seniority, and some specifically provide that continuous service shall not be considered broken by lay-off. For example, "Service shall be considered broken when an employee voluntarily quits or is discharged but shall not be considered broken \* \* \* by lay-off necessitated by production requirements."

Agreements covering 43 percent of the workers do not mention the loss of accumulated service by lay-off; 6 percent are employed under agreements which specify that seniority rights are retained during lay-off, although most of these workers must notify their employers

at specified intervals that they are available for reinstatement on the seniority list.

The remaining 51 percent of the workers are employed under agreements which provide that continuous service is broken by lay-off in excess of a stated period. Agreements covering two-thirds of these workers specify a definite period of time; for the remaining one-third, the allowed maximum is related to length of service, as, for example, a maximum of 3 years' lay-off for employees with 5 years' service and 2 years' lay-off for those with less than 5 years' service. The following tabulation shows the effect of lay-offs on seniority and vacation eligibility.

	<i>Percent of workers</i>
No mention of loss of seniority when laid off.....	43
Seniority retained during all lay-offs.....	6
Seniority retained for specified maximum periods of lay-off..	51
1 year.....	14
1½ years.....	1
2 years.....	17
3 years.....	2
5 years.....	1
Period related to previous length of service.....	16
Total workers under agreements examined.....	100

Most of the agreements examined are not clear as to whether service continues to accumulate during a period of lay-off; they either do not mention the point or merely say that seniority is "retained" during lay-off. About 12 percent of the workers are employed under agreements which specify that service accumulates during lay-off; time so lost is credited toward their service requirements for vacation, provided the lay-off is not of such length as to constitute a break in service. In contrast, 6 percent of the workers are employed under agreements which specify that time lost because of lay-off is not credited in computing length of service. These employees receive credit only for time actually worked in accumulating the length of service necessary for paid-vacation eligibility.

#### VACATION PAY

Vacation pay is equivalent to normal or regular wages for about 60 percent of the workers covered by agreements providing paid vacations; that is, vacation pay is based on a 40-hour workweek. The rate of pay is either the employee's regular rate at the time of vacation, or his average hourly earnings exclusive of overtime calculated over a specified period preceding the vacation. In the following manufacturing industries 40 hours' vacation pay is the prevalent practice: Automobiles, men's clothing, canning and preserving, shoes and other leather products, machinery, shipbuilding, cotton textiles, and tobacco.

For 8 percent of the workers covered by paid-vacation clauses, vacation pay is based on a 48-hour workweek but usually at the employee's straight-time rate of pay. Very few of the agreements which allow 48 hours' pay include earnings based on overtime penalty rates. Aluminum fabrication is the only industry in which the majority of the workers covered by paid-vacation clauses receive 48 hours'

pay. However, the large majority of all workers eligible for 48 hours' pay are employed in the aircraft industry.

An additional 8 percent of the workers eligible for paid vacations are employed under agreements which are not clear as to whether pay includes an allowance for overtime earnings. These agreements merely provide for "a week's vacation with pay" without specifying the number of hours paid for.

Agreements covering 12 percent of the workers under paid-vacation clauses provide that vacation pay shall equal the average weekly earnings during a specified period, most commonly the month preceding the vacation, although some agreements mention the social-security quarter preceding the vacation. This form of payment would include overtime, but any absences from work during the period over which earnings are averaged would also be reflected in the vacation pay. Many of the agreements in the steel industry base the vacation pay on the average number of hours worked per week during some period preceding the time of vacation, but not less than 40 hours or more than 48.

For about 8 percent of the workers eligible for paid vacation, the vacation pay is computed as a percent of annual earnings, usually 2 percent but sometimes 2½ percent. Overtime earnings are generally included in the annual earnings, although a few agreements specifically exclude overtime earnings. Of course, this method of computing vacation pay would reflect absences from work during the year. It may be noted, in this connection, that 2 percent of annual earnings would approximate a week's pay, provided enough overtime was worked to offset absences from work during the year.

A few agreements provide a flat amount of vacation pay to all employees, regardless of length of service or salary level. Other agreements mention other methods of payment, such as the average earnings of all workers in the department during some specified week, 3 cents per hour for all time worked during the year, etc.

Practically all of the agreements which refer to the time of payment of vacation allowances provide for payment prior to vacation, usually the pay day preceding the vacation. Only a few agreements specify payment on the first day of the employee's return to work or on the first pay day after his return.

#### BONUS IN LIEU OF VACATION

In normal times the unions generally oppose the substitution of a bonus for a vacation, and a number of agreements specifically prohibit this practice. Because of war conditions, however, more than a third of the agreements providing paid vacations, covering slightly over half of the workers employed under such agreements, specify that a vacation bonus may be given in lieu of time off, under certain circumstances.

Over a fourth of the workers covered by agreements which mention a bonus are employed under agreements which state, without qualification, that a bonus will be given in lieu of vacation. Agreements covering more than half of the workers give the employer the option of giving a bonus instead of a vacation, although frequently this option is limited to considerations of war production requirements.

A relatively small number of agreements give the employee the option of taking a vacation bonus instead of time off. Other agreements provide that a bonus may be given in lieu of vacation by mutual consent of the employer and union.

#### VACATION RIGHTS WHEN LEAVING JOBS

Agreements covering about a third of the workers eligible for paid vacations provide that termination of employment through voluntary leaving, lay-off, and in some cases discharge shall not result in loss of vacation allowances already earned. The remaining two-thirds of the workers are covered by agreements which either specifically prohibit the granting of vacation allowances upon termination of employment or do not refer to the matter.

Many agreements provide that men leaving for military service, who have not received their vacations during the year, shall be granted vacation pay upon induction, and some companies continue to forward vacation pay checks each year to their employees in military service.

#### TIMING OF VACATION PERIOD

Agreements often specify the period during which vacations shall be taken, usually the summer months. Ordinarily the employees are allowed their choice of vacation time during the specified period, and frequently employees with most seniority are given first choice. In order to safeguard continuous production, some agreements specify that no more than a given percentage of the employees of any department may take their vacations at the same time, although most agreements merely state that the employee's choice of vacation time must not interfere with the efficient operation of the plant. In such cases, presumably, it is the foreman's responsibility to schedule vacations so that there is no interference with efficient production. Some agreements, mostly in seasonal industries, provide that the company will shut down the plant for the vacation period during the slack season. The week of the Fourth of July is the time most frequently mentioned.

Many agreements specify that the vacation must be taken in the year in which it is earned; otherwise, vacation rights are forfeited. A few agreements provide that employees may take their vacations the following year if they forego their vacations at the request of the company. Some agreements allow employees entitled to more than 1 week of vacation to split their vacation time into two or more periods.

### *Sample Vacation Clauses in Union Agreements*

#### 2-WEEK MAXIMUM

##### *Clause A—Pay Based on Average Earnings*

Each employee who, prior to June 1, 1942, and each subsequent calendar year during the continuance of this agreement, has been in the employ of the company for 1 year shall receive 1 week's vacation with pay. Each employee who has been continuously in the employ for 5 years shall receive 2 weeks' vacation with pay.

A week's vacation pay will be the employee's average weekly earnings during the preceding calendar year.

No vacation will be divided except with the consent of management, nor will vacation time be retroactive or accumulative. The vacation period will be from May 1 to September 1. Employees with longest continuous service will receive first choice of vacation dates. All money due an employee for vacation time will be paid on the regular pay day preceding the vacation.

*Clause B—Minimum Work Requirement*

Employees who complete 1 year of service as of July 1 shall receive 1 week's vacation with pay and employees who complete 5 years of service as of July 1 shall receive 2 weeks' vacation with pay.

Promptly after the commencement of each calendar year each eligible employee shall be required to specify the vacation period he desires. Vacations will, so far as possible, be granted at times most desired by employees (longer service employees being given preference as to choice), but the final right to allot vacation periods, and the right to change such allotments is exclusively reserved to the company in order to insure the orderly operation of the plants.

It is agreed that the intent of this section is to provide vacations to eligible employees who have been consistently employed. Consistent employment shall be construed to mean the receipt of earnings in at least 60 percent of the pay periods within the period intervening between July 1 of each calendar year. For the purposes of this section, "pay period" shall mean a 2-week period or a semi-monthly period.

*Clause C*

*Vacation pay based on 48-hour week.*—During 1944 the company will grant 1 week's vacation with 48 hours' pay at the employee's straight-time hourly rate to employees who have 1 year of continuous service with the company and 2 weeks' vacation with 96 hours' pay at the employee's straight-time hourly rate to employees who have 5 years of continuous service.

*Vacation rights when leaving job.*—It is further agreed that any eligible employee who should leave the employment of the company before the 1944 vacation period begins shall be paid his accumulated vacation pay at the time he leaves the mill.

*Clause D*

*Vacation pay based on percent of annual earnings.*—One week's vacation with pay will be granted to employees who have been continuously on the pay roll for 1 year, and 2 weeks' vacation pay will be granted to employees who have been continuously on the pay roll for 5 years, in both cases previous to the beginning of the vacation period, which commences June 1 of any year. The amount of pay for 1 week's vacation and 2 weeks' vacation will be 2 and 4 percent, respectively, of the wages paid the given employee by the company during the year ending June 1, of the vacation year, which will include accident compensation if received by an employee during the year.

*Vacation rights when laid off or inducted into military service.*—In case of any lay-offs on account of reduction in the force, in which any employees may be included who have sufficient service to entitle them to a vacation in the current year, vacations will be given to these employees before being laid off. Employees who are inducted and accepted into the armed forces of the United States shall receive their accrued vacation pay.

**MINIMUM WORK REQUIREMENT**

*Clause E*

An employee who is enrolled on the employment records of the company as a full-time employee on the eligibility date and who has been so enrolled for 1 year or more, and whose absences from his regularly scheduled work, except for lay-offs, sickness, and injury, in the year immediately prior to the first day of the vacation period, have not aggregated more than 45 days shall be entitled to a vacation of 1 week during the vacation period with pay for 40 hours at his basic hourly rate, exclusive of any premiums, on the date his vacation begins.

*Clause F*

For 1 year's service with the employer, 1 week's vacation per year with full pay (40 hours) shall be granted. Vacation periods are not cumulative. Twelve hundred hours in the employ of the employer shall constitute a year's service and qualify the employee for a vacation.