

(2) Nearly all factories, offices, wholesalers, and merchants closed down for at least two weeks over the Christmas - New Year period, and this practice now seems to have come to stay. Some firms use the opportunity to clean and overhaul machinery and carry out minor plant adjustments. Fewer retail shops tend to close in most centres, but the closing of many restaurants causes some inconvenience, particularly in the main centres where persons in lodgings are dependent on restaurant meals. In at least one centre a portion of the retail shops remain open, and when those who take the fortnight's holiday reopen the first group closes for a fortnight—a kind of voluntary roster. A few firms, especially in the building trade and operating under the Timber-workers' award, are taking advantage of the provision of the Act which enables them, by agreement with their employees, to divide the annual holidays into two separate weeks, the practice being to take one week with the Christmas - New Year holidays and the other at Easter. The concentration of holidays during the Christmas - New Year period resulted in transport services, hotels, restaurants, and holiday accommodation houses being taxed to the limits, but most people prefer to take their holidays at this time and cheerfully accept some inconvenience.

(3) A large number of inquiries was received by district offices concerning the entitlement of short-service workers. Some firms desire to pay a proportionate allowance to such workers, so that all employees may commence the next qualifying period from the same date. This practice which does not conform with the Act is growing and has much to commend it, although if a firm closes for a fortnight the worker is without pay for a portion of the time. The greater proportion of employers are paying short-service workers in full for the fortnight's holiday, trusting that they will return and remain for the full year or, in a few instances, securing an agreement from them to refund the portion not due in the event of earlier termination of services. There were some cases of compromise by giving a week's pay, the balance being without pay. The 1947 Amendment to the principal Act appears to have been completely effective in discouraging firms from dismissing workers who have had short service and re-engaging them after the holiday period.

(4) The Department is having discussions with representatives of the New Zealand Federation of Labour and the New Zealand Employers' Federation with a view to considering possible amendments to the Annual Holidays Act to overcome certain difficulties that at present arise in connection with those workers who have not completed twelve months' service at the time that the undertaking closes down for the annual holidays, normally during the Christmas vacation. The effectiveness of the holiday-card system is also being discussed with the organizations referred to.

(5) The following are particulars of the amounts paid by the Post and Telegraph Department on surrender of holiday cards in the last three years :—

Year.			Number of Transactions During Period.	Amount Paid Out During Period.
				£ s. d.
1946-47	..	..	33,977	53,533 17 11
1947-48	..	..	40,812	62,428 10 1
1948-49	..	..	42,469	62,512 3 8

The Post and Telegraph Department was given considerable trouble by persons trying to cash their cards before the twelve-months period has expired. This is possible only in the event of death or intention to leave the country. Five persons were prosecuted and convicted for fraudulently altering or presenting cards for payment.