Act I: In the house of a broom-maker deep in a German forest, Hansel and Gretel have been left by their parents, who are off in town. Gretel puts down the stocking she is knitting to recite a nursery rhyme, which Hansel interrupts with cries of hunger. Gretel runs after her playful brother, calling him a complaining crocodile. She shows him a pitcher of milk hidden in the cupboard, but will not let him drink it. To keep him happy, she begins to teach him how to dance. The two become hilarious and roll together all over the floor. Suddenly the door to the hut springs open and Gertrude, their mother, comes in and angrily reproves them for their horseplay. When Hansel laughs at Gretel's punishment, his mother chases him around the hut; in a flash the milk pitcher falls to the floor and smashes. Furious, Gertrude chases both children out of the house and sends them into the wood to find wild strawberries. She exhaustedly puts her head down on the table just as the happy voice of her husband Peter is heard in the distance. Slightly tipsy, he walks around outside the hut and sits down to finish his bottle before entering. He shows Gertrude all the food he has bought and tells her that he sold his brooms to a wedding party for the best price he has ever received. They celebrate their good fortune with a toast to all broom-makers and he then asks where the children are. When Gertrude tells him that they have gone to the wood, he is horrified. He tells her about the Witch who lives there and who bakes children into bread. The two rush off to find Hansel and Gretel.

In a forest glade, Gretel is making a wreath of wild flowers as Hansel picks the last of the wild strawberries. He offers his basket to Gretel, who eats one; as they start to leave, a cuckoo calls, and the children parrot the bird’s call, eating strawberries all the while. As darkness falls, they realize they cannot refill the basket, and worse, that they are lost. Their fears multiply as they see wild animals behind every tree. A large owl menacingly glowers from an overhanging branch, just as an old man carrying a large sack appears. He scatters gold sand and promises restful sleep. When the Sandman leaves, the two children kneel to say their prayers and quickly fall asleep. The glade is gradually transfigured as a golden light filters down from above. Fourteen angels clothed in light forest-green and gold surround the sleeping forms and place a golden diaphanous blanket over them. As two angels ascend to keep guard, the curtain falls.

Act II: The Dewfairy, sprinkling silver dust around her, awakens Gretel, who tries to drag the sleepy Hansel to his feet. Mist covering the back of the stage disappears, the trees vanish, and there appears a many-turreted pink-and-green candy house, with rows of gingerbread children forming a fence on either side. When Hansel breaks a piece of cake from one of the windows, he hears a voice from inside the house. An ancient crone comes out and grabs the children by their arms. She tells both of them that she is Rosina Dainty-mouth; when they refuse her blandishments, she puts a spell on them and claps Hansel in a large cage. Gretel is released to go into the house to set the Witch’s table, and a huge oven comes into view. In a paroxysm of joy at her prospective banquet, the Witch jumps on her broomstick and rides all around, laughing as she flies. Gretel has overheard the Witch's plan to bake her, and while the Witch feeds Hansel raisins to fatten him up, Gretel whispers the Witch’s magic words, which break the spell on Hansel. Hungry for Gretel, the Witch calls her to the oven. Gretel cleverly asks the Witch to show her how to make the oven work. As the Witch leans in, Gretel frees Hansel and they push her in and slam the door. The two dance about joyously while the stage fills with animals from the enchanted forest who join in their dance. The oven gets hotter and hotter until it explodes. Hansel and Gretel see that all the gingerbread children have become real children, still asleep. Hansel recites the Witch's spell and the children spring to life. As Peter and Gertrude rush in and
embrace their children, a huge gingerbread cake of the Witch is found in the oven. Before eating, all join in giving thanks for the Lord's deliverance.