

# Workmen's Compensation Act 1987

*Commencement: 1st January, 2004*

REPUBLIC OF VANUATU

## THE WORKMEN'S COMPENSATION ACT

NO. 2 OF 1987

Arrangement of Sections

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3. Insurance.
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SCHEDULE

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## THE WORKMEN'S COMPENSATION ACT

NO. 2 OF 1987

Assent: 11<sup>th</sup> June, 1987

Commencement: 1<sup>st</sup> January, 2004

An Act to provide for compensation for injuries and death suffered by workmen in the course of their employment.

**BE IT ENACTED** by the President and Parliament as follows:-

### **EMPLOYERS TO PAY COMPENSATION**

**1.** (1) An employer shall pay compensation to any of his employees who suffers injury from any accident arising out of and in the course of his employment.

(2) An employer shall pay compensation to the person or persons entitled to the estate of any of his employees who dies as a result of any accident arising out of and in the course of his employment.

### **AMOUNT OF COMPENSATION**

2. The amount of compensation payable under section 1 shall be in accordance with the Schedule to this Act.

## **INSURANCE**

3. (1) Every employer shall insure, and maintain insurance, against liability for payment under this Act, and shall display a copy of such insurance at his principal place of business.

(2) Any person not complying with sub-section (1) shall be guilty of an offence, and liable on conviction to a fine not exceeding VT. 100,000.

(3) This section shall not apply to:

- (a) the government;
- (b) any person who employs only his spouse, parent, child or grandchildren;
- (c) employment in a fishing vessel where the crew are remunerated wholly by shares in the profits of such vessel;
- (d) employment exclusively in domestic premises;
- (e) any other person or class of persons whom the Minister may by Regulation specify.

## **BANKRUPTCY**

4. All rights of an employer against an insurer under section 3 shall vest in the employee in the event of the employer becoming bankrupt, or having winding-up proceedings commenced, or any other similar circumstance whatsoever.

## **APPLICATION**

5. This Act shall apply-

- (a) to all contracts of employment (which in this Act includes any apprenticeship or similar legal relationship) in Vanuatu or in the Greater Economic Zone as from time to time defined;
- (b) any ship or aircraft registered in Vanuatu.

## **COMMENCEMENT**

6. This Act shall come into operation on such date as the Minister shall by Order decide, and different sections may be brought into operation on different dates.

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## **SCHEDULE**

## AMOUNT OF COMPENSATION

1. The amount payable for death or total disability shall be three times the annual wages of the employee, subject to a maximum limit of two million vatu.

2. For the purposes of this Schedule-

(a) "total disability" means an injury, whether of a temporary or permanent nature, which incapacitates an employee for any employment which he was capable of undertaking at the time of the accident;

(b) "annual wages" include gross wages and any allowance paid to an employee by the employer and the value of any food, fuel or quarters supplied to an employee by the employer; and any overtime payments or other special remuneration for work done; whether by way of bonus or otherwise, if of constant character or for work habitually performed; but shall not include remuneration for intermittent overtime, or casual payments of a non-recurrent nature, any ex gratia payment whether given by the employer or other person, or the value of any travelling allowance, or the value of any travelling concession or a contribution paid by the employer towards any pension or provident fund, or a sum paid to an employee to cover any special expenses entailed on him by the nature of his employment.

3. The amount payable for any of the following injuries shall be calculated as a percentage of the amount payable for total disability in accordance with the following scale, except [that in](#) no case shall the total amount payable exceed the amount payable for total disability:

	<u>Percentage of Incapacity</u>
Loss of two limbs	)
Loss of both feet	)
Loss of both hands or of all fingers and thumbs	)
Total loss of sight	) 100
Total paralysis	)
Injuries resulting in being bedridden permanently	)
Any other injury causing permanent total disablement	)
Loss of remaining eye by one-eyed workman	)
Loss of remaining arm by one armed workman	)
Loss of remaining leg by one legged workman	
Very severe facial disfigurement	
Loss of arm at shoulder	90
Loss of arm between elbow and shoulder	80
Loss of arm at elbow	70
Loss of arm between wrist and elbow	65

Loss of hand at wrist	60
Loss of thumb (including part of a bone)	20
The pulp of the thumb	6
Loss of a finger (including part of a bone)	10
The pulp of a finger	2
Loss of metacarpals-	
first or second (additional)	3
third, fourth or fifth (additional)	2
Loss of leg above knee resulting in a stump less than 6 inches long	90
Loss of leg above knee resulting in a stump more than 6 inches long	70
Loss of leg below knee	45
Loss of foot	40
Loss of toes-	
all of one foot	15
great, both phalanges	8
great, one phalanx	4
other than great, each part with some loss of bone	1
Loss of eye -	
eye	out 40
loss of sight of	eye 40
loss of lens of	eye 30
loss of sight of, except perception of light	40
Loss of hearing-	
both ears	70
one ear	30
Total Loss of natural Permanent Teeth-	
Loss of 1, 2, or 3 teeth	4
Loss of 4, 5 or 6 teeth	5
Loss of 7 or more teeth	6

Total permanent loss of use of member shall be treated as loss of member.

The percentage of incapacity for ankylosis of any joint [shall be](#) reckoned as from twenty-five to one hundred per cent of the incapacity for loss of the part that joint, according to whether the joint is ankylosed in a favourable unfavourable position.

Where there is a loss of two or more parts of the hand, the percentage of incapacity shall not be

more than for the whole hand.

For the purpose of this Schedule a "one-eyed employee" means an employee who has lost the sight of one eye.

4. The amount payable in the case of an injury not specified in paragraph 3 shall be such percentage of 208 weeks wages as is proportionate to the loss of earning capacity permanently caused by the injury, subject to a maximum limit of two million vatu.