

GLOSSARY

A number of special terms are used in this guide. These terms and their meanings are presented in the following table.

TERM	MEANING
Bonus rate/Penalty rate	Rate per hour that is paid in addition to normal rate per hour. Bonus rates are paid for things such as overtime or work in excess of normal hours, and assuming additional duties.
Casual (employment)	<p>Popularly casual employment is where an employee is employed as and when and if needed, as per the needs of the organisation and where there is no particular expectation of a continuing employment relationship.</p> <p>Casual employment is not defined in Vanuatu's law and whether an employee is defined as full time or part time by their employer does not affect their benefits. What is important is whether someone is in continuous employment for the purposes of claiming statutory benefits (see continuous employment) and whether someone has worked enough hours to be eligible to claim overtime (see overtime).</p>
Commission based payments	Payments made that are additional to salary payments that are subject to completion of certain tasks.
Common Law	Law that is developed by judges through the decisions of courts. Common law is also known as case law or precedent.
Constructive Dismissal	When an employee terminates their contract with or without prior notice, due to the conduct of the employer.
Continuous employment (annual leave)	<p>An employee's unbroken service/employment with an organisation since their initial appointment.</p> <p>In Vanuatu's law continuous employment, for the purposes of determining eligibility for annual leave, has been defined as working 22 or more days per month.</p>
Continuous employment (severance allowance)	<p>An employee's unbroken service/employment with an organisation since their initial appointment.</p> <p>In Vanuatu's law continuous employment, for the purposes of determining eligibility for severance allowance, is defined as working 4 or more days per week.</p>
Continuous employment (practical interpretation)	Vanuatu's law has 2 different interpretations of what continuous employment means. This is confusing and most employers use the definition of working 4 or more days per week to determine whether someone is in continuous employment for the purposes of all leave benefits and severance allowance.

Domestic worker	A worker within the employer's household. Domestic workers include housekeepers, gardeners, nannies et cetera.
Employment Grievance	A dispute concerning terms and conditions of employment and/or termination of employment.
Fixed term contract	A contract that exists for a pre-determined time. There is a clear start and end date of the contract. (Compare with open ended contract)
Force Majeure	Unforeseeable circumstances that prevents someone from fulfilling their contract.
Frustrated	When unexpected events arise which make a contract impossible to be performed.
Full time (employment)	Popularly full time employment is regular employment for approximately 40 hours per week. Full time employment is not defined in Vanuatu's law and whether an employee is defined as full time or part time by their employer does not affect their benefits. What is important is whether someone is in continuous employment for the purposes of claiming statutory benefits (see continuous employment) and whether someone has worked enough hours to be eligible to claim overtime (see overtime).
Gratuity	Gratuity is a part of salary that is received by an employee from his/her employer in gratitude for the services offered by the employee in the company. An example of a gratuity is a Christmas bonus.
ILO/International Labour Organisation	The International Labour Organization (ILO) is a United Nations agency dealing with labour issues, particularly international labour standards and decent work for all.
In lieu of	In place of or instead of.
Labour Officer	An employee of the Department of Labour that is responsible for proper administration of labour laws and issues.
Legal Tender	Legally recognised money; cash.
Maternity Leave	A period of approved absence for a female employee granted for the purpose of giving birth and taking care of infant children.
Minimum wage	The lowest wage permitted by law to be paid to any employee.
Nursing allowance	Time allowed for mothers to nurse their infant children up to the age of 2 years old.
Open ended contract	A contract that does not have an end date. The contract will continue until one party brings it to an end.

Oral contract	An agreement that is not in writing and is not signed by the parties. Oral contracts are still legally binding contracts.
Order	A form of subsidiary legislation, or law that is made by the Minister, without going to Parliament, under powers given in an Act of Parliament.
Overtime	Time worked in addition to scheduled or normal hours. In Vanuatu most employees are entitled to overtime if they work more than 8 hours in one day, or 44 hours in one week or 6 days in one week.
Part time (employment)	Popularly part time employment is regular employment for short hours. Part time employment is not defined in Vanuatu's law and whether an employee is defined as full time or part time by their employer does not affect their benefits. What is important is whether someone is in continuous employment for the purposes of claiming statutory benefits (see continuous employment) and whether someone has worked enough hours to be eligible to claim overtime (see overtime).
Parties	The people who agreed to the contract and are therefore legally bound by the terms and conditions of that contract.
Probation period	The period at the beginning of employment when both the employer and the employee have a trial to see whether they "fit" well. During the probation period either party can terminate employment without notice and without giving a reason.
Remuneration	Pay and other benefits (such as transport and housing allowances) given for working.
Repatriation	Returning to one's home country.
Salary	Salary is usually used to refer to payments to employees that are not directly related to the number of hours worked, but are an agreed payment per year or month.
Salary Advance	Employees request for an advance payment of their salary or wage.
Severance allowance	A payment given by the employer on termination. Vanuatu's Employment Act provides for severance allowance to be paid in certain circumstances.
Sick leave	Leave of absence granted because of sickness.
Subsidiary legislation	A law (usually called regulations or orders) that is made by the Minister, without going to Parliament, under powers given in an Act of Parliament.

Termination at will	A term for terminating by giving notice, but not having, or stating a reason for giving notice. Vanuatu's law allows termination at will.
Time off in lieu	Taking time off instead of receiving overtime payments.
Trade union membership fees	Dues paid to a trade union organisation to enable membership privileges and enjoyment of services that the organisation has to offer.
Usual hours of work	The agreed hours of work determined by agreement
Wage	Wage is usually used to refer to payments to employees that are calculated based on the number of hours worked.