

B. 労働法

Labor Law of Mongolia (1st July 99)

Chapter I

Article 1. Purpose of the law

1.1. The purpose of the law shall be to determine the general rights, obligations collective agreement, contract, or single or collective debate of labor, working conditions, management, supervision of employee and employer who are in labor relations and the responsibility that shall be charged to the person who violated the legislation, and in providing the mutual equality of rights of the sides on the basis of contract of employment

Article 2. Labor Legislation

2.1. The legislation on labor shall be comprised of the Constitution of Mongolia, this law and other legislation which is consistent with them.

2.2. If the International Treaties to which Mongolia is a signatory provide differently than the present Law then the former shall prevail.

Article 3. Terms of definition

3.1. The terms used in the law shall be considered as a meaning mentioned below;

3.1.1. "Employee" means the side who takes employee on the basis of a labor contract.

3.1.2. "Employer" means the citizen whom works concluding a labor contract with employer.

3.1.3. "Labor contract" means an agreement that the employee carries out a work from employer following the internal labor rules enacted in conformity with the law, on the other hand, the employer distributes the wage for the employee, and provide working conditions referred in collective agreement & contract.

3.1.4. "Collective contract" means an agreement concluded between employer and representatives of workers / employees on the matters which are not directly conformed by this law and provide the right of the employee to work.

3.1.5. "Collective agreement" means an agreement concluded between employer, representative of employee, administration in the area of state and certain region, administration, territory units and profession for the purpose of jointed protection of citizen's rights and legal interests to work.

3.1.6. "Representatives of the employee" means an authorized side from leadership of the business entity or employer and an organization, which has responsibility to protect rights and legal interests of the employer.

3.1.7. "Representatives of employees" means a trade union, which has responsibility to protect rights and interests of employee, if there's not an organization, representative elected from all employees meeting.

3.1.8. "Single labor dispute" means a difference of opinions / suggestion originated between the parties of the labor contract in the frame of right to work.

3.1.9. "Collective labor dispute" means a difference of opinion originated between the parties entered into contract or agreement during the conclusion of collective contract or agreement, performance of it and control over implementation of the contract or agreement.

3.1.10. "Abnormal working conditions" means a condition of working place which is not conformed labor standard or impossible to eradicate the bad influence / affection in the frame of health requirement and safety functions of labor.

3.1.11. "Industrial accident" means an accident that the employee had while fulfilling the obligation to work.

3.1.12. "Disease depended on profession" means a disease originated depending on contra factor's influences of production in working process.

3.1.13. "Strike" means to stop the work completely or partially for the period of time for the purpose to decide collective debate of labor.

Article 4. Relations Regulated by the Labor Law

4.1. Labor contract & other labor relations between sides mentioned below are regulated by the labor law.

4.1.1. Labor relations between foreign & domestic business entities that run their businesses within Mongolian territory or between any organization and citizen of Mongolia.

4.1.2. Labor relations between citizen of Mongolia, foreigners, person without jurisdiction and between citizens of Mongolia

4.1.3. Labor relations between domestic business entity and foreigner without jurisdiction .

4.1.4. Labor relations between foreign business entity and citizen, unless it is provided differently in the international treaties of Mongolia.

4.2. If people, who are joining their properties and labor, did not set up a regulation on labor relations or agreed to follow present law, they can use related decisions of the law.

Article 5. Rights & Obligations of Employer

5.1. The Employer is entitled to adopt and pursue internal labor regulations which: conform with the legislation of Mongolia; require employees to comply with their obligations under the applicable labor contract; and impose liabilities as prescribed by this law.

5.2. The employer's obligation is to provide the work of the employees in an efficient manner, remunerate the employees according to their work results, fulfill the obligations as prescribed by this law, labor contract, agreement and internal working rules.

Article 6. Rights & Obligations of Employee

6.1. Employee is entitled to be provided with healthy & safe working conditions, receive wages, to enjoy the right to rest, to join for the purpose of defending his rights and interests through the representative organization, to receive allowances and other benefits as denoted in collective contract & agreement.

6.2. Employee's obligation is to work faithfully, to keep the secrets related to his own duties that is set up by law, and shall strictly observe the labor and collective contract, internal labor regulations and regulations of safe and healthy working requirements.

Article 7. Prohibition of Exclusion, Limitation or Preference in Labor Relations

7.1. Nobody shall work under pressure.

7.2. It's prohibited to make any exclusion, limitation or preference in labor relations on account of social extraction, sex, religion, property status or political opinion.

7.3. Employer has an obligation to prove the basis, if he made limitation on employee's rights and freedom, depending on special requirements of certain work, during the process of labor relations.

7.4. In case of it's not related to the work, it's prohibited to ask about his life, opinion, marital status, political opinion, religion and whether she's pregnant.

7.5. If the employer puts questions violating 7.4. of this law, the employee doesn't have to give any answer.

Article 8. Conclusion of Collective Contract and Agreement

8.1. Following principles shall be kept for the conclusion of collective contract and agreement:

8.1.1. To be clear

8.1.2. Conformed with legislation

8.1.3. Equal representative number of parties

8.1.4. Parties shall have equality of right

8.1.5. Problems for the collective contract and agreement shall be chosen freely and discussed.

8.1.6. Voluntarily to be in charge with responsibility

8.1.7. Liabilities to be imposed shall be prescribed clearly

Article 9. Providing with Information

9.1. When consider a draft of collective contract, agreement or during the process of agreement, relevant state officials and the employer shall provide representatives of employees with required information.

9.2. When supervising on implementation of collective contract and agreement, the parties shall mutually exchange the information they have.

Article 10. Prohibition of Outsider's Attendance

10.1. It's prohibited to be limit the parties' rights or disturb fulfillment of their rights by Governmental or non Governmental organizations, religious organization, political parties and authority during the process of collective contract and agreement conclusion.

Article 11. Initiating Collective Contract and Agreement

11.1. Both parties shall initiate to conclude collective contract and agreement and to make any addition or amendment in the contract agreement.

11.2. The party, which is initiating to conclude collective contract and agreement, shall inform about this to the another side in written.

11.3. As prescribed in Article 3.1.6. of this law, the representatives of the employer have a right to make agreement on employer's behalf.

11.4. As prescribed in Article 3.1.7. of this law, the representatives of the employee have a right to make an agreement, to conclude collective contract and agreement on employee's behalf.

11.5. If there are several of trade unions in the state and in certain regional administration territory units and in standard of profession, as well as in the business entity and organization, they shall attend in conclusion of collective contract, agreement and in negotiation, nominating joined representatives on the basis of proportion of their member's number.

Article 12. Negotiation

12.1. The Parties may conclude a collective contract and agreement in the way of negotiation.

12.2. The party, initiated the negotiation, shall consider a team of negotiation, a draft collective contract and agreement and it's amendments and submit them enclosing in the notice of the negotiation to the other party.

12.3. The party, received the notice of negotiation, shall reply within 5 working days.

12.4. The party, received the notice of negotiation, shall begin the negotiation in the period of time mentioned below:

12.4.1. Within 10 working days after they received notice related to conclude collective contract, agreement and its amendments

12.4.2. Within 15 working days after receiving the notice to conclude collective contract and agreement

12.5. If shall be conformed in accordance with regulation on confirming collective dispute of labor as prescribed in Chapter 10 of this law, in case of the party that received the notice did not reply and did not begin the negotiation in the period of time prescribed in Article 12.3. and 12.4. of this law or did not come to agreement in the process of negotiation.

12.6. The parties, attended in the negotiation, shall be responsible on keeping the secret of information that they obtained during the process of the negotiation.

12.7. The costs related to the negotiation and wages for experts who attended in the negotiation on the basis of the agreement of the parties and other costs shall be paid in accordance with regulations prescribed in the collective contract and agreement.

12.8. The negotiation attendants that are still the trade union officials or the elected persons, shall not be imposed with a disciplinary sanction related to his elective functions, transferred to another position or be dismissed from his job during the negotiation or within a year after the negotiation is completed, without getting a permission from his administrative authorities.

12.9. The negotiation shall be ended right upon signing the collective agreement, by all representatives of the parties concerned.

Article 13. Framework of Collective Contract, Agreement

13.1. Collective contract, agreement shall serve for all the employers and employees of the parties concerned in the contract, agreement that protects the rights and legal interests of them.

Article 14. Conclusion of Collective Contract, Agreement

14.1. In concluding the collective contract and agreement, the regulations prescribed in Article 12. of this law shall be followed.

14.2. Only one collective contract shall be concluded in a business entity including its branches.

14.3. Only one agreement shall be concluded not concerning the number of parties that initiated to conclude an agreement.

14.4. In concluding a collective contract, agreement, the employer shall be in charge to provide a place for meeting during the non-working hours, stationary and information and give an assistance for propaganda.

14.5. Collective contract shall be concluded for one year or longer and the agreement shall be concluded for two years .

Article 15. Registration of Collective Contract, Agreement

15.1. Employer shall submit the collective contract to the administration of soum and certain district where he lives in, within ten days after the date of sign.

15.2. The agreement, concluded in frame of branch, region, province, capital and of professional tariff, shall be submitted to the state labor organization, within ten days after the date of sign, to be registered.

15.3. An agreement, concluded in frame of certain soum or district, shall be submitted to the municipality of the province and capital for the registration within 15 days from the date on when their governor sign.

15.4. The authorized parties, prescribed in the present article, shall control over the collective agreement whether it's conformed with the legislation and if so they shall register the agreement within 10 days, but if it's not conformed with the legislation they shall refuse to register the agreement.

15.5. A collective contract, agreement, which is not registered and conformed with the legislation or caused to deteriorate the employee's rights, shall be considered as invalid and shall not be implemented.

Article 16. Observance of Collective Contract, Agreement

16.1. Collective contract, agreement shall become valid on the date of its registration in accordance with the prescription of Article 15 of this law.

16.2. It will not be a basis to annul the collective contract, if jurisdiction of the business entity such as district, structure and colleague of management have been changed.

16.3. In case of reorganizing a business entity and replacing its owner, the employer and representatives of the employee shall organize a negotiation and make decision on observing the collective contract as before or making any amendment to the contract or re-concluding the collective contract.

16.4. When a business entity is dissolved, in accordance with regulations prescribed in the law, the collective contract shall be observed in the period of dissolution.

16.5. Amendments on the collective contract and agreement shall be decided by the arrangement of the parties, in accordance with regulations determined in the collective contract and agreement. If it's not prescribed clearly in the collective contract and agreement, the regulations used when concluding the collective contract and agreement shall be observed.

Article 17. Control of the Parties, on observance of collective Contract, Agreement

17.1. The parties and their representatives shall control on observance of collective control.

17.2. An agreement, concluded in all levels, shall be controlled by the parties and their representatives, as well as state labor organization, head of administration office of aimag, capital, SORM and district.

17.3. Implementing the control, the parties shall exchange all the information, they have, about collective control, agreement.

17.4. The parties should summarize the implementation and it's process of collective control, agreement together or oneself in each half year or in the period of time prescribed in the agreement and should inform the results to employees.

Article 18. Relations Regulated by Collective Contract

18.1. Following relations, not conformed directly by this law, shall be conformed by collective contract:

18.1.1. Determine basic wages level, improve the wage, it's form, distribution period, addition, additional wage, reward, additional grant, benefits, aid, allowance, payment and set up labor standards, change the labor standards.

18.1.2. Provide by conditions to raise employees specially and skill, acquire a new profession, and provide the guaranty of working place.

18.1.3. Fix a schedule working and resting hours.

18.1.4. Improve safe labor function, health conditions of employee consisting of pregnant women, minor (under age).

18.1.5. In case of privatizing and re-organizing the business entity and it's branch and unit, protect / defend employee's rights and interests.

18.1.6. Improve wages depending on improvement of price and inflation.

18.1.7. Determine the size of fund which to be spent for employee's social security.

18.1.8. Providing the safety of ecology, working condition, safe function and requirements and standards of health.

18.1.9. Allowance shall be granted from employer for the employee who studies while working.

18.1.10. Build and use building / hostels, of the business entity, kinder garden, culture, to grant allowance for the facility that have many children, mother who is leading family and single father (man who lives with children), employee who has invalid child, improve the living standards of employees that work at the business entity, such as elders, invalid people, employees whose health was damaged because of accident of production, poisoning, professional disease.

18.1.11. Provide the working condition and possibility for the trade union and it's member.

18.2. The guarantee for worker by this law may include in the collective contract.

18.3. Control on collective contract implementation, summarization and information of implementation, development of two or three parties' relations should be included in the collective contract.

Article 19. Relations Regulated by Collective Agreement

19.1. A Collective agreement shall regulate following relations:

19.1.1. Common problem of labor relations arise in the frame of social security of population and citizen's rights to work and protection of related interests that should be observed in the state following the state agreement.

19.1.2. Problems on labor wage of employee, working conditions, organization of labor and labor standards by an agreement of branch.

19.1.3. Problems on lower rate of wage, payment, protection of citizen's rights and interests to work that shall be observed by an agreement of the region.

19.1.4. Problems on labor relations that shall be observed in the administration, territory unit following the agreement of aimag, capital, SOUM and district.

19.1.5. Problems on labor relations in the frame of certain professional by an agreement of professional tariff.

Article 20. Parties Participated in Collective Agreement

20.1. Representative of state administrative organization may participate in the collective agreement in addition to representatives of employer and employee referred in Articles 3.1.6. and 3.1.7. of this law.

20.2. A collective agreement could be mutual or triple parties, depending on number of parties participated.

20.3. A collective agreement may be in following types, depending on the parties and it's agenda, such as a collective agreement of state or branch in state level; of region, aimag, capital, SOUM and district in administration and territory unit levels and professional tariff in professional level.

20.4. Following parties may participate in collective agreement depending on its types:

20.4.1. In state agreement, Government, national organization, protects rights and interests of employer and employee;

20.4.2. In agreement of branch - central organization of state administration, which is in charge of the branch, organization of the branch, defends rights and interests of employer and employee;

20.4.3. In agreement of region, head of administrative office of aimag, capital in the region, regional organization, defends rights and interests of employer and employee.

20.4.4. In agreement of aimag, capital, SOUM and district, head of administrative office of the territory unit, organization of the territory, defends rights and interests of employer and employee.

20.4.5. In agreement of professional tariff related state administrative organization, organization, defends rights and interests of employer and employee of the profession.

Chapter III

Article 21. Labor contract

21.1 Following treatment should be agreed in the labor contract:

21.1.1 Description of working place or position

21.1.2 Prescription of duties

21.1.3 Rate of basic wage or wage of the position

21.1.4 Working conditions

21.2 It is prohibited to wholly change any decision of the labor contract, by any part

21.3 It shall not be considered that the labor contract is concluded, if the parties did not agree on any treatment mentioned in Article 21.1. When concluding the labor contract.

21.4 Labor contract shall comply with legislation and collective agreement.

21.5 Treatment of the labor contract is not in force when it is lower than the treatment prescribed in the legislation and the collective agreement.

21.6 Parties may agree on other treatments, except the main treatments referred in Article 21.1 of this law

21.7 The labor contract shall be in force from the date that the parties sign.

Article 22. Contract

22.1. To implement certain part of its right of property, the owner and the one who is authorized by him shall form a contract with a citizen, to hire his/her labor and an employer who is to hire a worker's talents and skills.

22.2. List of jobs and positions that a citizen can perform through forming a contract as described in Article 22.1 shall be approved by the Government member who is in charge labor matters.

Article 23. Duration of the labor contract

23.1 Labor contract may be concluded with or without term.

23.2 Terms of the labor contract shall be determined by the both parties, depending on duties.

23.3 When the duration of the labor contract is expired, the contract shall be considered as extended by the term that is equal to its original duration, if the parties do not propose to terminate the contract and certain employee is still continuing to perform his agreed work.

Article 24. Conclusion of labor contract

24.1 Employer shall form a labor contract with its employee as written and give a copy.

24.2 In case of the employer has several employees to work at the same place, it shall conclude the labor contract with each employee.

24.3 In case of the contracted employee is not confirmed in written way, performance of work under that contract is forbidden.

Article 25. Conclusion and meaning of the contract

25.1 The labor contract shall be concluded as written.

25.2 Duration of the contract shall be up to 5 years.

25.3 At the time of conclusion of the contract, duration of the contract, final results of works to be performed by the employee, his duties to the employer, rules to summarize the contract, rate of possession provided to the employee, rules to own and use that, promotions, supply, discount and commission rate from the operational results and profit and responsibilities to be imposed on him shall all be clearly described.

25.4 At the time to summarize the contract, duration of the contract may be extended, if the employee has been performing his duties.

Article 26. Performance of several works at the same time

26.1 Employee may work in his and in any other organization, performing different duties with a labor contract, at the same time, within his working hours and replace the absent employee, temporarily performing her duties, or enriching its existing duties, through negotiating with the employer and functionary.

26.2. A worker may work concluding comparative agreement with several of employees where the other cases referred to in article 28 of this law

Article 27. Prohibition on joint work

27.1 In governmental and half-governmental organizations it is prohibited to hire a married couple or relatives and delicate them together on positions to supervise one another or include the one in another one's span of control.

Article 28. Prohibition on working for several of employee

28.1 Functionary, who works at the governmental organization with the position to implement a right of disposal, is prohibited to sign double contract and agreement with

other organization that has the same ownership or different and perform any administrative and supervisory functions or work at the same position as of himself.

28.2 The Article 28.2 shall also be observed in case of doing multiple jobs.

28.3 Damages occurred to the employer due to violating this article, shall be refunded by the guilty employee, according to this law.

Article 29. Terms to consider the labor contract, which was formed with a disable person, as invalid

29.1 Labor contract formed with a disable or limited person shall be considered as invalid from the date when the person quit his job.

Article 30. Invalidity of some of the provisions in the labor contract

30.1 Invalidity of some of the provisions in the labor contract does not mean that the whole contract is invalid.

Article 31. Prohibition on performing a work not included in the labor contract

31.1. Employer shall not require employee to perform other work not included in contract of employment.

Article 32. Temporary transfer of the employee to another job in case of unavoidable industrial need

32.1. If an unavoidable industrial need occurs, such as the prevention of natural calamity or industrial accidents or elimination of the aftermath thereof, the administration may transfer the employee to another job unforeseen in his/her labor contract for a period of up to 45 days. In such cases, the employee's remuneration shall be according to the amount of the work done, provided that such a transfer does not result in a decrease in that employee's average wages.

Article 33. Temporary transfer to other work in case of idle time

33.1. In the event of a period of idle time occurring, the administration transfer an employee to a job not provided for in the labor contract within its own organization or to another locally situated organization for a period of time which is to be agreed with the employee.

Article 34. Transfer to other work no affected the employee's health

34.1. On the basis of discussion of medical and labor and labor expert commission, employee may be transferred to other job that not affecting to his health, agreeing with the worker.

Article 35. Retention of job & post

35.1. A worker shall retain his job or post in the following cases of absence;

- 1) Temporary discharge of selected duty in Government body for a period not exceeding 3 months
- 2) Regular annual leaves
- 3) Short term leave on account of medical examination or fulfilling donor duties medical award or with administration's permission
- 4) Leave on pregnant and other delivery and looking after baby
- 5) Participation in conclusion of collective contract and agreement, negotiation and in a strike organized in accordance with law and legislation
- 6) Until decision of mobilization commission, on calling to active military service for the worker who received order to military service
- 7) Other cases provided in the laws

Article 36. Reinforcement in Job & Post

36.1. Employee shall have duty to reinstate a worker to his former job or post in the following cases;

36.1.1 If the worker who has been absent due to an incapacity caused by an industrial accident or an occupational disease, and the contract of employment is terminated subsequently returns to work within a month of the date being declared fit to work.

36.1.2. When the commit decision, on restarting the worker who dismissed without grounds to his former job or post, in force.

36.1.3. Other cases provided by laws

36.2. If the former job and post was deducted, the employer, upon agreement with the worker, shall provide the worker with another job or post of a similar category which another job or post of a similar category which acceptable to the worker.

36.3. Although there was a reduction on the number of personnel, as provided by Article 40, paragraph 1, sub-paragraph 1, the personnel is restablished within 3 months and resolved that the reduction in the number of personnel was without grounds, the worker shall be reinstated to his former job or post.

Article 37. Grounds for Termination of Labor Contract

37.1. A contract of employment may be terminated on any of the following grounds;

- 1) with the mutual consent of both parties
- 2) death of employer or employee
- 3) on expiring of the term of the contract of employment without further extension
- 4) authority prescribed by the laws issuing a requirement for termination

- 5) where the worker, who was wrongly dismissed, was reinstated to his former job or post
- 6) if the worker is drafted for active military service
- 7) on the entry into force of a court decision indicting the worker for a criminal act which makes it impossible to continue his work
- 8) termination of a contract of employment at the initiative of the employer or employee

Article 38. Ground for Cancel of Labor Contract

38.1. A labor contract shall be cancelled on any of the following grounds;

38.1.1. At the initiative of the employee

38.1.2. At the initiative of employer

Article 39. Cancel the Contract of Employment at the initiative of worker

39.1. Unless otherwise provided by the law or contract of employment, the contract of employment shall be cancelled on the expiration of (one-month) 30 days from the days of submission by the worker of a request to be discharged.

39.2. The employment contract may be cancelled prior to the term set forth in the Article 39. of the law. If there are valid grounds for such cancel or if the worker and the employer are agreed

Article 40. Cancel at Contract of Employment at Initiative at Employer

40.1. A contract of employment at the initiative of an employer on any of the following grounds;

40.1.1. Dissolution of the organization or changes in its structure or reduction in number of personnel

40.1.2. Failure of the worker to meet the requirements of the job or post on account of qualification, skill or health reason;

40.1.3. Employee age is 60 and has a right take retired

40.1.4. Sustained violation by the worker of the rules of the administration relating to labor discipline or if the worker commits a serious offence leading to immediate termination of work relations as stipulated in the contract of employment

40.1.5. If the worker is convicted of an offence involving the breach of any pecuniary or material responsibility or trust reposed in him by the employer.

40.1.6. Working for another job or post by election or nomination;

40.1.7. The basis, prescribed in the contract, has been arise

40.2. If a Court finds that a worker dismissed was unjustified and orders reinstated, the employer shall cancel the contract of employment with the new

worker doing the work of dismissed worker and if reasonably possible shall provide the worker and if possible shall provide the new worker with other work of similar nature.

40.3. It's prohibited to cancel a contract of employment, at he initiative of employer of a worker whose job or post was retained, any cases except of abolishment of the business entity

40.4. Changes in the ownership of an organization or its administration shall not constitute a basis for termination of a contract of employment.

40.5. Notice to cancel of an employment contract on the basis of article 40, paragraph 1, sub-paragraph 1, and 2, shall be reserved a month prior to such cancel and because of the dissolution of the organization or changes it's structure notice of negotiation shall be submitted to representatives prior 45 days.

Article 41. Grounds to cancel contract

41.1. A contract the owner considered that the worker did not work to meet requirement may be cancelled on any of following rounds except of prescribing in this law;

41.1.1. When summarizing the contact the owner considered that the worker did not work to meet requirements in the contract

41.1.2. A worker concluded a comparative agreement or contract with another employer violating article 28 of this law

41.1.3. Employer completely transferred his right to own to other party / person

41.1.4. Case of properties transferred to the functionary, according to the contract, was used or lost or he abused his power

41.1.5. Canceling the contract, In the cases set forth in article 41, paragraph 1, sub paragraph 3 of this law, employer shall give a notice on this to the worker prior 2 months or more, and shall pay benefits equals to his average wage of three months or more.

Article 42. Dismissed Benefits

42.1. Employee shall pay to a worker, who's dismissed on the basis of Articles 37.16, 40.1.1, 40.1.2, and 40.1.3. of this law, a benefit equal to his average wage of one month or more

42.2. When at the time of a whole dismissal, (dismissed of many people at one time), the rate of dismissed benefit shall be fixed by employer upon agreement with workers representatives.

Article 43. Dismissal and Transfer of Work

43.1. When an employer terminated a contract of employment by dismissing a worker, the employer shall determine the date on which that worker is to transfer his work and shall fix that date in the notice given to the worker of the dismissal decision.

43.2. The last day of the transfer of work shall be deemed to be the date of dismissal.

43.3. The employer shall give the worker his workbook (social or health insurance book), decision on termination of employment contract and shall pay to the worker .Any dismissal benefit payable, if it's prescribed in the law, on the day of dismissal.

43.4. The employer shall, at the worker's request, provide a certificate of his work record, qualification, official position and wage status.

Article 44. Temporary Suspension from holiday a Job or Post

44.1. If an authorized body requires, in conformity with law and legislation that a worker shall be temporarily suspended from holiday a job or post, that worker shall be suspended and payments to that worker shall be withheld.

Article 45. Training on Production

45.1. Employer shall provide worker conditions to train and shall organize training for workers to improve their skill or qualification.

45.2. Where, at the time of training on production, the theological and practical lesson may be driving the hours of work.

Article 46. Social Insurance

46.1. Unless otherwise provided by the law, the employer and worker, who is working under the contract of employment shall have social insurance in every month, according to the percentage prescribed in the law.

46.2. The employer shall start the social and health insurance book of the worker & shall record on monthly payment of the insurance.

46.3. For the business entity that performs reasonable production and services, the employer shall pay the insurance of the basic employee on account of minimum rate of wage.

46.4. Social and health insurance fees of the employee who works in any foreign business entity under the labor contract shall be paid in accordance with the legislation.

Chapter IV. Wage and compensation

Article 47. Wage

47.1. The wage consists from basic salary, additional payment, compensation, commission and rewards.

Article 48. Conformity of wage

48.1. The minimum rate of the wage shall be determined by the law.

48.2 The Central State Administrative Authority that is in charge of the labor matters shall approve a method to edit reference on qualification, certain job or post tariff specialty, job specifications and terms, regulations of labor standards or the basis of suggestion from national organization that represents to protect legal rights and interests of the employer and the employee.

48.3 The employer may adopt the following rules to in compliance with legislation, collective agreement and pursued:

48.3.1 List of jobs or posts

48.3.2 Description of working place and reference of job or post

48.3.3 Labor standards

48.3.4 Practice of basic salary, additional payment, rate of addition, commission, rewards and its treatments and rules to grant

Article 50. Additional payment

50.1 Additional payment may be granted to the employer on addition to his basic salary, depending on work results.

50.2 Additional payment shall be granted to the employee on account to his basic salary rate, when the employee combined two occupations and temporarily executed an absent employee's work, work that is not mentioned in description of working place and worked for the overtime during the night time.

50.3 Additional payment shall be fixed by this law and by the rate determined through a collective agreement between the employer and the employee.

Article 51. Addition

51.1 Addition of occupational rank, status, and others shall be fixed and granted to the employee, by the collective agreement, on the basis of description of the working place.

Article 52. Remuneration for work on public holidays

52.1 Where it's impossible to grant a day of leave in compensation for performing work on a public holiday, the employee concerned shall be remunerated with double rate payment of his wage.

Article 53. Remuneration for work performed with overtime and on weekly days of rest

53.1 Where it's not granted, a day of leave in compensation for performing work on weekly days of rest and for overtime, the employee concerned shall be remunerated with 1.5 times and more rate pay.

53.2 Additional pay to be granted, in accordance with Article 53.1 of this law, shall be conformed by the collective agreement or the labor contract.

Article 54. Remuneration for work at night time

54.1 Where it's not granted, a day of leave in compensation for performing work at night times, the additional remuneration to be granted to the employee shall be conformed by the collective agreement or the labor contract.

Article 55. Compensation for annual leaves

55.1 Compensation for annual leave shall be paid to the employee, during the annual leave duration.

55.2 Compensation for annual leave shall be fixed by the average rate of the employee's annual wage.

Article 56. Payment during idle time

56.1 Where an employee can not be transferred to another job during a period of idle time, not because of his fault, he shall be paid by the amount set in the collective agreement.

56.2 Wage amount for the idle time specified in the collective agreement shall be 60% or more of the normal tariff wages of the employee and not lower than the minimum labor wage amount.

56.3 If the employee has been idle due to his own fault, he shall not be paid for the time involved.

56.4 An employee transferred to another work during the period of idle time shall be remunerated according to his work performed and payment for such work shall not be less than that employee's previous average wages.

56.5 An employee who refuses for no valid reasons to be transferred to another job shall not be remunerated.

Article 57. Remuneration during the temporary transfer of the employee to another job in case of unavoidable industrial needs

57.1 Based on provisions denoted in Article 38 of this law, if the employee was transferred to another job he shall be remunerated according to work performed. In case of the salary is lowered than the previous average salary, the difference shall be refunded.

Article 58. Wages for the employee of age under 18 years

58.1 Labor payment for the employee of age under 18 years shall be paid on work piece or by hourly rate with compensation for the payment of reduced hours.

Article 59. Labor remuneration during time of work transfer

59.1 Where an employee has been transferred to another job, the entity for which the employee has been transferred full pay the worker's wages

59.2. IF the time allotted for performance of the work to which the worker has been transferred expires through the fault of the administration / employer, wages due to the extended period shall be paid to the worker concerned.

59.3. In cases where the time allotted for performance of the work to which the worker has been transferred is to be extended due to the fault of the transferred worker, no payment shall be made to the worker for the extended period.

Article 60. Payment Period

60.1. Wages shall be paid twice or more a month at fixed date

60.2. Wages may be paid in account into hour, day and week

60.3. Advances may be given at the request of the worker concerned

Article 61. Terms of Payment

61.1. Payment, of concerned worker, of normal tariff rate wages, additional payment, addition, remuneration should be in manner of money

Article 62. Notification about changes in Wage Rates

62.1. The employer shall notify all the workers prior 10 or more days to pursue the decision on changing the wage manner and rate / amount in accordance with collective agreement and shall change to contract of employment.

Article 63. Deduction from wages and restriction on deduction

63.1. Deductions from wages may only be made in the following cases;

63.1.1. When the employer's decision made on getting compensation for damage caused by the worker, such compensation should not exceed the monthly average wage of the worker concerned

63.1.2. Other cases provided by the laws and legislation

63.2. Total deduction, not including income tax from workers' monthly wages should not exceed 20 percent, and in case of levying child alimony or where more than one deduction is made at the same time the total sum of deductions should not exceed 50% of the total of that worker's wages

63.3. If the worker is not agree with the decision of decision from his wages or deduction amount, he may appeal to Labor Dispute Settlement Commission

63.4. Claims, on compensate the losses which is exceeded the monthly average salary of the worker, can be sent to court

63.5. If the employer illegally deducted from the worker wages, the worker shall appeal to Labor Dispute Settlement Commission on paying back to the worker

Article 64. Wages and Benefits for retained Job & Post

64.1. A Worker shall be granted equal to his average wages in the cases laid down in article 35, paragraph 1 and article 35, paragraph 1 and article 35, paragraph 1 (6) of this law

64.2. Other than prescribed in article 64, paragraph 1 of this law, benefit and wages, to be granted in the cases referred in article 35, shall be conformed by this law, other related laws, and collective contract, agreement, contract of employment

Article 65. Compensation in case of transfer to local assignment

65.1. Where an employee is transferred from one Aimag or town to another Aimag or town, as well as within an Aimag or a town or from one Soum or district to another Soum or district as a result of being elected or appointed to a certain position, the receiving organization shall pay his/her travelling expenses, baggage transportation costs and a per diem allowance for the travel period together with travelling expenses and baggage transportation costs for the members of his/her family and other dependent persons.

Article 66. Compensation during absence for valid reason

66.1. If an employee is unable to attend work because of natural or other wide-spread calamity or for other valid reasons and excuse, he/she shall be paid compensation equal to 50 percent of his/her normal tariff-rate wages.

66.2. If the employee has taken a part in the removal of the aftermath of such calamity or disruption, he/she shall be paid 100 percent of the tariff-rate wages.

Article 67. Payment during reduced hour of work

67.1. Reduced laws of work of employee prescribed in article 71, paragraph 1, 2 & 4 of this law shall be considered as work hours and average wages shall granted.

67.2. A worker, whose hours of work have been reduced under article 71, paragraph 3 & 5 of this law, shall for a period of 6 moths from such reduction, be paid an amount equal to his average wages.

Article 68. Payment during the time of transfer

68.1. If the wages, of a pregnant women or women who has a infant in arms transferred to other work under article 107, paragraph of this law, are to become lower due to improved working conditions as a result of the transfer, she shall be paid an amount equal to the difference between previous & present wages

68.2. If the wages of a worker transferred to other work under article 34 of this law, are to be lower due to improved working conditions as a result of the transfer for a period of 6 months from such transfer, shall be paid an amount equal to the difference between his previous and present average wages.

Article 69. Payment in connection with wrong dismissal or transfer

69.1. If an employee is restored to his/her job or post after having been wrongfully dismissed or transferred to another job or post, he/she, for the period during which he/she was out of work or during which he/she was transferred to a job or post with lower pay, shall be compensated by payment of the difference between the wages he/she actually received and the wages he/she should have received during the period of the dismissal or transfer had he/she not been wrongfully dismissed or transferred.

Article 70. Hours of work

70.1. Hours of work per week shall not exceed 46 hours

70.2. The length of an ordinary work day shall be 8 hours

70.3. The length of the period of rest between two consecutive working days shall not be less than 12 hours.

Article 71. Reduction of hours of work

71.1. The hours of work per week shall not exceed 30 hours for workers of 14 to 15 years of age and 36 hours for workers of 16 to 17 years of age.

71.2. The administration, taking account of labor standards:

- 1) shall determine if the conditions of work are arduous, hazardous, noxious, hot or underground; and
- 2) if such conditions exist shall reduce the hours of work in recognition of such conditions.

71.3. The hours of work of an employee may be reduced in accordance with an award of the Medical and Labor Expert Commission.

71.4. The employee shall reduce hours of work of the worker who is in training of improving his qualification at the industry

71.5. Hours of work may be reduced depending on work that performed by invalid or dwarf people.

Article 72. Night Hours

72.1. The period from 10pm until 6am (local time) shall be considered as night hours.

Article 73. Aggregation of hours of work

73.1. Where the keeping of the usual daily or weekly arrangements of the hours of work proves to be not practicable due to the specific nature of the work or undertaking in question, an alternative procedure for counting the aggregate hours of work may be applied.

73.2. In such cases as denoted in Article 73.1. , the aggregate amount of hours worked in any given period shall not exceed the usual amount of hours of work permitted in respect of such a period.

73.3. Regulation for aggregation of hours of work, shall be approved by Government.

73.4. Aggregation of hours of work should not be a restriction using treatments prescribed in law and legislation on annual leave of a worker, counting the terms paid for social insurance

Article 74. Restriction on Overtime Work

74.1. The use, at the initiative of the administration, of that administration's internal labor regulations to extend the hours of work per day established under this law, shall be deemed as introducing overtime work.

74.2. Making employees perform overtime work through the decision of the administration is prohibited except in the following cases:

72.4.1. Where there is a need to execute work which is indispensable for the country's defense or for protection of human life, health or well-being;

72.4.2. When there is a need to carry out work to prevent natural and other public disasters, industrial accidents or to urgently eliminate the aftermath thereof;

72.4.3. When there is a need to eliminate disruption to the water supply, electric or heating systems or transport or communication facilities;

72.4.4. When urgent unforeseen work occurs, which unless carried out without delay, it may cause interference with the normal function of an organization or its units.

74.3. It shall be prohibited to make an employee perform two consecutive shifts.

Article 75. Rest and Meal Breaks

75.1. An employee shall be granted a break for rest and a meal.

75.2. Beginning and ending time of break shall be fixed by internal labor regulation

75.3. The administration shall provide a worker with the ability to have a meal during working hours in cases where it is not possible for the worker to have break because of the specific nature of the work or undertaking.

Article 76. Public Holidays

76.1. The following dates are designated as public holiday:

76.1.1. New year- 1st of January;

76.1.2. White Moon Days (2 days) - the beginning of the first spring month by Lunar Calendar;

76.1.3. Mother's day - 1st of June;

76.1.4. Anniversary of the Mongolian People's Revolution - 11th, 12th, and 13th of July;

76.1.5. Day of the Proclamation of the MPR- 26th of November.

Article 77. Weekly days of Rest

77.1. Saturday & Sunday are the public day of rest

77.2. Where an employee is not able to rest on Saturday and Sunday due to the specific nature of the work or post, he/she shall be granted a rest day on another two consequent days of the week.

Article 78. Work Restriction on Holidays and Weekly days of Rest

78.1. It shall be prohibited to compel an employee to perform work on public holidays or weekly days of rest at the initiative of the administration except in the following cases:

78.1.1. In cases envisaged in Article 30, paragraph 2 of this law;

78.1.2. In cases of non-stop operation of enterprises or work connected with public services or urgent repair or loading and unloading.

78.2. The employer may make the worker to perform work on a public holiday or weekly days of rest upon agreement with the worker.

78.3. In case of provisions denoted in Article 78.2 of this law, the employee shall be granted with another day for rest or add it to his/her annual leave.

Article 79. Annual leave and its duration

79.1. An employee shall personally enjoy a grant of annual leave for every year.

79.2. A worker's basis period of annual leave shall be 15 working days

79.3. The length of the annual leave for the employee under 18 years of age shall be 20 working days. The employee may have his/her annual leave at the time he/she requests.

79.4. A worker may have his annual leave partially at his request

79.5. In addition to the basic period, employees shall be awarded leave days taking into account the length of their record of service under normal working conditions as follows:

79.5.1. 6-10 years of service 3 days

79.5.2. 11-15 years of service 5 days

79.5.3. 16-20 years of service 7 days

79.5.4. 21-25 years of service 9 days

79.5.5. 26-31 years of service 11 days

79.5.6. 32 and more years of service 14 days

79.6. In addition to the basic period, employees shall be awarded leave days taking into account the length of their record of service under arduous, noxious or hot conditions as follows:

79.5.1. 6-10 years of service 5 days and more

79.5.2. 11-15 years of service 7 days and more

79.5.3. 16-20 years of service 9 days and more

79.5.4. 21-25 years of service 12 days and more

79.5.5. 26-31 years of service 15 days and more

79.5.6. 32 and more years of service 18 days and more

79.7. Additional days of rest for the state officials shall be fixed by related laws.

Article 80. Leave of Absence

80.1. The administration may grant to an employee a short term leave of absence on request.

80.2. The question of whether or not to grant the employee benefits in connection with such leave shall be decided in accordance with the relevant collective agreement, labor contract and internal labor rules.

Chapter VI

Working Conditions, Standard of health and safe working conditions

Article 81. Classification of working conditions

81.1. The condition of working place is divide into normal & abnormal

81.2. Valuation of working place condition shall be done by professional organization

81.3. The provision and regulation to grant benefits with facilitated treatment for to worker who perform work in normal working conditions shall be fixed by law.

Article 82. Establishment of work safeness & sanitary standards

82.1. Standard of satisfy work and health shall be approved by an organization of standard, discussing with central state authority of law which has responsibility on labor in accordance with related law & legislation

82.2. Central state administrative authority approves the regulation of work safeness & sanitary standards

Article 83. General Requirement for working place

83.1. The structure of a working place shall meet requirement of production technology, and shall meet safety & health requirements

83.2. Chemical, physical & biological contra factors that could be arise in the process of production in a working place, shall not be exceed the permitted limit of health which is approved by the organization referred to article 82, paragraph 1 of this law.

Article 84. Requirements for Industrial Building

84.1. Professional organization shall summarize and give permission on designing sketch of industrial building contracting and renovating the building.

Article 85. Requirements for jointly holding the industrial building

85.1. In case of the industrial buildings is owned y two or more parties, the owners shall meet the following requirements;

85.1.1. Owners should fix a rule & pursue it

85.1.2. Provide the safety condition informing to other owners in the cases of using chemical or explosive substance in production process.

85.2. It's prohibited to hold jointly the industrial building in case of not meeting the requirements referred to article 85, paragraph 1

Article 86. Requirements for Machinery and Equipment

86.1. Machinery & requirements should be operated in accordance with rules of safe work

86.2. For fixing the machinery and equipment or after complete service the permission shall making control, be taken by professional control organization.

86.3. The trial, adjustment and guarantee should be done on machinery to load up or transport, container with pressure and piping system

86.4. Electric power and equipment should be fixed up following the sketches and should meet the requirements of power usage and safe working rules

Article 87. Requirements for special work clothing

87.1. An employer shall provide the worker by special work clothing, individual protective equipment, that meet the safe work & health requirements, which is convenient to his working conditions, and job or post

87.2. An employer shall have a duty on washing & cleaning the special work clothing & individual protective equipment

Article 88. Requirement for performing work using chemical toxins and explosive substance

88.1. An employer shall notify to organization of labor control and other related professional organization about using the chemical toxins and explosive substance in production process and shall pursue the regulations adapted by authorized organization

Article 89. Requirements for safe condition of fire

89.1. An employer shall approve internal regulations on providing safe condition of fire

89.2. Business entities or organization, that equipped by fire signal and special equipment to extinguish fire, should keep these equipment ready to use, and the workers should have practice how to use the equipment

89.3. An employer shall make and implement all the measurements required to prevent from fire

Article 90. Requirement for performing work under unfavorable weather conditions

90.1. In accordance with labor standards, an employer shall provide worker a place for temporary breaks, who is working under unfavorable weather conditions such as extremely hot or cold, windy and raining.

Article 91. Provide favorable working conditions

91.1. An employer shall provide the favorable working conditions for the worker and shall establish conditions of chemical, physical and biological factors arise in process of production should not affect the environment and health requirement in working place

91.2. An employer shall provide to those workers who perform work under noxious conditions, special food or substances for the prevention and removal or to alleviate the effect of such conditions, special work clothing and individual protective equipment

91.3. An employer shall enclose the amount of property in annual plans and collective contract, requires to provide safe work and health conditions

Article 92. Health examination

92.1. An employer shall organize a medical examination of worker, related to production, job services, in accordance with regulation approved by authorized organization

92.2. An employer shall have a responsibility on expenses required for medical examination prescribed in article 92, paragraph 1.

Article 93. Department committee of safe work & health

93.1. A department or committee of safe work and health should work in any business entity and organization

93.2. A Control state administrative authority shall adapt a rule to organize safety work on health in the business entity

Article 94. Suspension of work in case of conditions occurring which is extremely prejudicial to life, body & health

94.1. Any worker who in the course of performance at his work is faced any situation which is violation of safety working rule & extremely prejudicial to life, body and health shall stop work and shall notify the employer

94.2. The employer shall immediately eliminate the violation and such situation referred to an article 94, paragraph 1

Article 95. Registration and investigation of industrial accidents and occupational disease

95.1. The administration shall take prompt measures to provide the employee affected by the accident transport to medical aid or the expenses thereof and to remove the causes and aftermath of the accident at the place of work.

95.2. The employer shall be obliged to register and investigate every industrial accident in conformity with the procedure prescribed by the government and shall organize a permanent commission, which is not on the staff, to determine the findings of industrial accident.

95.3. The acts of the commission shall be approved by the state inspector for the supervision of labor

95.4. If an administration refuses to draw up a report on an industrial accident or the employee does not agree with the report concerning causes and conditions of the accident, the employee may submit a complaint to the organization responsible for the supervision of the implementation of the labor legislation.

95.5. The administration shall comply with the decision of such organization relating to that complaint.

95.6. The administration shall bear the expenses connected with the investigation of the industrial accident and the determination of the causes and conditions thereof.

95.7. The organization responsibility for the supervision of the implementation of the labor legislation shall investigate the occupational diseases and poisoning in accordance with the established procedure and shall register it considering equally with industrial accident and shall take related measure.

95.8. The employer shall inform of any industrial accident, occupational disease or poisoning in accordance with established procedure

95.9. Concealing industrial accidents, occupational diseases or poisoning shall be prohibited

95.10. Regulation on registration and investment of industrial accident, occupational disease and poisoning shall be approved by Government

Article 96. Occupational disease

96.1. The list of occupational disease shall be approved by the central state administrative organization responsible for health

96.2. The related professional organization shall fix occupational disease

Article 97. Compensation for industrial accident, occupational disease, poisoning

97.1. The compensation, mentioned below, shall be paid by the worker affected by industrial accident, poisoning and occupational disease and for the family of a worker who is dead by the above cases not regarding whether the worker is insured of industrial accident and occupational disease

97.1.1. The partly disable worker, because of industrial accident, poisoning or occupational disease, shall be granted for the compensation which is equal to his monthly average wages of 9 or more months and the disable worker, because of the industrial accident, poisoning or occupational diseases, shall be granted for the compensation which is equal to his monthly average wages of 18 or more months, one or more times

97.1.2. The family of a worker who is dead by industrial accident, poisoning or occupational disease shall be granted for the one or more times of compensation equal to his 36 or more of months wages.

97.2. The compensation granted in accordance with article 97, paragraph 1, of this law shall not affect for the grants of benefits according to the law

97.3. Issues related to indexing on compensation that is consistent with changes on living expenditure shall be denoted in the collective contract to observe.

Article 98. Medical and Labor expert commission

98.1. The medical labor shall make decision on questions concerning the determination of the fact of disablement, invalid and degrees of incapacitation

98.2. The charter of the Medical and Labor Expert Commissions shall be approved by the Mongolian Government.

Article 99. Enterprises which fail to meet labor protection requirements and suspension or cease of production at such enterprises

99.1. If it's proved the operation, of any enterprise, establishment or branch, is likely to cause danger or injuring to the life or health of worker, the organization for the supervision of labor or authorized person / state inspector shall take measures in eliminating the breach

99.2. If the breach prescribed in article 99, paragraph 1 of this law is not eliminated, the organization for the supervision of labor or authorized person shall suspend or cease the production of the enterprise until the requirements of labor protection, job safety and health have been complied with

Chapter VII

Employment of Women

Article 100. Prohibition on dismissal of pregnant women, women who has children under 3 years of age and single father.

100.1. It's prohibited for an employer to dismiss a women, because she's pregnant or has children under 3 years of age, in the cased other than the business entity is abolished or prescribed in article 40, paragraph 1.4-5

100.2. The article 100, paragraph 1 of this law is also concerned for single father who has children under 3 years of age

Article 101. Prohibited jobs for women

101.1. The member of Government responsible for labor shall approve the list of jobs which women are prohibited from performing

Article 102. Restriction on night and overtime work and assigned trip

102.1. No pregnant women mother with children under 8 years of age, and single mothers with children under 16 shall be required to undertake night or overtime work or assigned trips

102.2. The article 102, paragraph 1 of this law is also concerned for the single father with children under 16 years of age.

Article 103. Breaks for feeding and nursing of infants

103.1. Besides the general rest and food breaks, additional breaks during the hours of work shall be granted for the feeding and nursing of infants. The duration of such breaks shall be: two hours for mothers with an infant under 6 months of age or with twins under 12 months of age, and one hour for mothers with an infant aged between 6 and 12 months; and as directed in a medical certificate for mothers with children over one year of age who need special care.

103.2. The Article 103.1 of this law is also concerned for the single father

103.3. Break time for feeding and nursing of infants shall be incorporated into the hours of work.

Article 104. Maternity and post delivery leaves

104.1. Mother shall be entitled to maternity and post delivery leave of 120 days

104.2. Maternity and post delivery leave, referred to 104.1. Of this law, shall also be granted to women who, after 196 days of carriage, suffer a miscarriage and to women who after such time undergo a shorten because of health reason, and

when women give birth before 196 days of carriage to children capable of living on

Article 105. Leave for adoptive mother of newborn children

105.1. A mother who has adopted a new-born child shall be entitled to the same leave and benefits as a mother who gives birth to a child, such leave being 60 days from the adopted child's date of birth.

105.2. This provision shall also apply to single father who has newborn children

Article 106. Granting mother baby cares leave

106.1. Upon expiry of post delivery and annual leave, a mother who have children under 3 years of age, shall be granted baby care if they wish

106.2. The administration shall allow a mother to take up her previous job or post upon the expiry of her leave or before the expiry, if the mother wishes so and shall provide another job or post if the previous one has been eliminated because of a reduction in staff or the number of jobs.

106.3. The provision of paragraph 1 & 2 of this law article apply to single father with children under 3 years, and to persons who have adopted children of the same age.

Article 107. Reduction of hours of work of pregnant women and mother with new born children and transfer to other job

107.1. If a medical award is made relating to the easing of working conditions of a pregnant woman and a mother with two children, the working hours of them shall be reduced or she shall be transferred to other work not hazardous to her health

Article 108. Limitation on load handled by women

108.1. It is forbidden to employ women in jobs connected with lifting or carriage of loads if the weight of such loads exceed the limits prescribed by the central state administrative body responsible for labor issues.

Chapter VIII

Employment of young invalid person and veterans / elder persons

Article 109. Employment of minors

109.1. Previous, who are 16 years of age, enjoy rights to work

109.2. It's not breach article 109, paragraph 5 of this law, person who reach 15 year of age may only be admitted to employment with the permission of their parents or guardians

109.3. Persons who reach 14 years of age may be allowed to take up employment for the purpose of imparting vocational guidance and work experience but only with the consent and under the supervision of their parents or guardians or the central state administrative body in charge of labor issues.

109.4. It's prohibited employing a person under age in a job, which has had influence for his mind and health

109.5. The list of working place, which is prohibited to employed a person under age, shall be approved by a member Government responsible for labor issues

Article 110. Protection of the health of workers under age

110.1. An employee under 18 years of age shall be admitted to employment only after he or she has undergone medical examinations. Half-yearly medical check-ups shall be compulsory until he or she reaches 18 years of age.

110.2. It is prohibited to require workers under 18 years of age to perform night or overtime work or to work on public holidays or weekly rest days.

110.3. It is prohibited to employ a person under 18 years of age in a job which has arduous, noxious or hot conditions or is underground.

110.4. It's prohibited to employed minors in jobs connected with lifting or carriage of loads, if the weight of such load exceed the limits prescribed by the central state administrative body responsible for labor issues

Article 111. Employment at invalid or person

111.1. If it's not incompatible with the job or production feature, business entity with 50 or more of workers shall provide work for the invalid or person in three or more of percentage of staffs or job or post

111.2. If the business entity did not provide job for the invalid or persons in percentage prescribed in article 111.1, the business entity shall pay for the percentage of staffs of invalid or persons in each month

111.3. The amount of the payment prescribed in article 111.2. of this law shall be fixed by Government

111.4. The amount of the payment prescribed in article 111.2. shall be spent for funding the measures of social protection for the invalid or persons concentrating the payment in state budget

111.5. It's prohibited to refuse employing the invalid or persons in the reasons of working conditions or their body view where the working conditions are not incompatible for invalid and persons and their body view does not disturb to perform a work

Article 112. Employment of veterans / elder person

112.1. The veterans who are in retirement may be admitted to employment

112.2. It shall not be the basis to restrict wages of veterans when they are earning benefits

112.3. The employer may reduce duration of working days or transfer him to other job at his own request

Chapter 9

Employment of foreign citizen and citizen who work
at foreign business entity and organization

Article 113. Employment of foreign citizen

113.1. The employer may employ foreign citizen on the basis of contract of employment

113.2. Regulations, to conform foreign citizen's employment in Mongolia in accordance with this law and other laws, shall be fixed by Government

113.3. The provision of paragraph 1 & 2 of this article shall apply to expatriate persons

Article 114. Employment of citizen who work at foreign entity

114.1. The foreign business entity, in Mongolia territory, may employ citizen of Mongolia

114.2. In case of referred in to article 114.1., the employer shall conclude a contract of employment with worker according to this law

114.3. The foreign business entity that employ worker, shall have a duty to give real / truthful / information on wages or other income of the worker to authorized organization or person.

Chapter IX

Settlement of Collective Labor Dispute

Article 115. Origination of collective labor dispute

115.1. Representatives of workers enjoy the rights to originate a collective labor disputes making demand on implementation of collective contract, agreement decision and on questions of different opinions / suggestions which are formed in the process of concluding a collective contract, agreement in accordance with the article 12, paragraph 5 of this law

115.2. The party, which is participated in the contract, agreement, shall submit demand / requirement in writing to the another party

115.3. The copy of the demand shall be submitted to the Governor of the stage

115.4. The party, which received the demand, shall reply in writing within three working days

Article 116. Type of settlement of collective labor dispute

116.1. The collective labor dispute shall be settled by the measures mentioned below;

116.1.1. Invite a mediator

116.1.2. discussion with labor arbiter

116.2. The parties should not refuse to participate in settlement ensures referred in to article 116, paragraph 1 of this law

116.3. Where, at the time of the settlement, representatives of workers have a right to organize a demonstration or worker meeting in the purpose of promotion their requirements

116.4. Representatives of the parties, mediators, labor arbiters have duties to use all the possibilities granted for them by law and legislation to settle the collective labor disputes

Article 117. Invitation of mediator for settlement of collective labor dispute

117.1. The mediator may be invited for the settlement of collective labor dispute in the cases that the employer did not accept the demand / requirement, prescribed in article 115, did not reply in time or the representatives of workers considered that it's impossible to accept the answer of employer

117.2. The parties may choose the mediator upon his agreement and if they cannot meet with agreement they can request to Governor of the SOUM or district on assignment trip of a mediator

117.3. The Governor of the SOUM and district shall assign a mediator within three working days

117.4. The parties don't have to refuse the mediator assigned by the Governor

117.5. Government approved the regulation on settlement of collective labor dispute with participation of mediator

117.6. The mediator enjoy a right to have information and relevant documentation requiring from the parties

117.7. The parties should review and discuss in participation with the mediator about the dispute within 5 days since invited the mediator, and the activity shall be considered as finished making a discussion a mutual agreement in writing a notice that the opinion are still in difference

Article 118. Discussion on collective labor dispute by labor arbiter

118.1. In the case of not meeting an agreement after discussion collective labor dispute with participation of mediator, the Governor of the stage shall establish labor arbitration and assign arbiters within three working days, on discussion of collective labor dispute

118.2. The labor arbiter consists of the parties in collective labor dispute and three arbiters proposed by the Governor

118.3. The parties should not refuse the arbiters assigned by the Governor

118.4. The representatives, of the parties in collective labor dispute, should not be consist in the team of labor arbiter

118.5. The labor arbiter shall make a recommendation on review and discussion of collective labor dispute with the participation of representatives of the parties, within 5 working days since the date that the labor arbiter established

118.6. The parties in collective labor dispute, should make a decision if they accepted the recommendation of labor arbiter and met on agreement to implement it

118.7. The parties shall have a duty to fulfil the decision referred in the article 186, paragraph 6.

118.8. The State Hural shall adopt the regulation of labor arbiter on the basis of proposals of national committee.

Article 119. Implementation of rights for strike

119.1. The representatives of worker may enjoy rights to strike in the cases mentioned below;

119.1.1. The employer did not fulfil the obligations to participate in the measures prescribed in article 116, paragraph 1

119.1.2. The employer did not implement the decision with the participation of mediator

119.1.3. The employer did not implement his decision accepting the recommendation from labor arbiter

119.1.4. Although the collective labor dispute is discussed by labor arbiter, employer did not accept it's recommendation and did not make decision

119.2. A worker should voluntarily participate in strike

119.3. It's prohibited to require worker to refuse participation in or stop the strike in other cases than prescribed in the law for participation in or continuation of strike

119.4. It's prohibited for the representatives of worker to organize or participate in any strike

Article 120. Proclamation of a strike, temporary suspension of working place

120.1. The discussion of strike shall be made by all worker's meeting and meeting of the members of organization for representative protection of workers right and legal interests

120.2. The meeting shall be considered that it's in force in the case of the major part of workers of the business entity or of the members of organization for representative protection of worker's rights and legal interests

120.3. The strike may be proclaimed when the major part, has participated in the meeting, promoted the strike

120.4. Following questions shall be included in the discussion made on strike:

120.4.1. Questions which have different opinions on strike

120.4.2. Date to start the strike, duration of it, and member of the people who will participate in strike

120.4.3. Person who organize and lead the strike and team of representatives that shall participate in settlement of dispute

120.4.4. List of work relevant to provide health and safe conditions at the time of organizing the strike

120.5. The person who will lead the strike shall submit a discussion of strike to the other part prior to 5 working days of strike

120.6. The employer may temporary lockout the working place if he considers that it's impossible to accept the requirements of workers

120.7. In the purpose of not performing any temporary work in the working place that workers are participating in the strike, the representatives of workers may temporary picket the business entity and organization

120.8. The employer shall notify about strike and temporary lockout of working place to the customers or to other relevant parties to 3 or more of working days

120.9. It's prohibited for any outsider to take part, other than prescribed in the law, in organizing a strike, temporary lockout of working place, exchanging opinions on the questions which has different proposals and making a free choice.

120.10. In the duration of strike, the parties shall have duties to take measures on settlement of collective labor disputes

120.11. The party that organized the strike or temporary lockout the working place, shall prepare the above measures and shall take measures, on protection of social routine, health, safety conditions and property of people, with the help of related state organization

Article 121. Person to lead strike, temporary stop , restart it and termination of it

121.1. Strike shall be leaded by representatives of workers

121.2. Person who leads the strike shall be authorized to announce an employees' meeting, get information about any matters related to employee's rights and

legal interests, from the employer, and in case of dispute, it shall invite professionals from others to have a final decision.

121.3. The person who leads the strike has a right to temporarily stop it

121.4. To start the strike which one was stopped for temporary, it shall not be sent over to mediators denoted in Article 116.1. and labor arbitration, to be decided.

121.5. Employer must be informed about restarting the strike 3 working days ago

121.6. The strike shall be expired only after signing on negotiation that parties decided their mutual, labor dispute or after considering the strike as illegal.

Article 122. Prohibition on strike

122.1. Defense, state security or other organization in charge of observing the social discipline are forbidden to organize any strike.

122.2. During the process of negotiating dispute and deciding it through mediators, labor arbitration court, there shall not be any strike organized.

122.3. In case of harmful or dangerous situation to man's health occurred, the court shall delay the strike for 30 days and if the strike already exists, the court shall temporarily stop it.

122.4. If the strike of economic entities and organizations of railway traffic line, telecommunication, city public transportation, public water supply, heating and electricity may affect on national security and public rights, the Government shall delay the strike for up to 14 days, the court makes its final decision.

Article 123. Considering the strike or closing the working place as illegal

123.1. Strike organized due to mutual labor dispute shall be considered as illegal in the following cases;

123.1.1. Transgressed Article 119.1. of this law

123.1.2. The organization denoted in Article 122.1. organized a strike

123.1.3. Strike that was organized that are not related with relations which must be regulated by mutual agreement

123.1.4. Denoted in Article 18,19 of this law

123.2. The party who thinks that strike or closing the working place are illegal, shall send it's inquiry to the court

123.3. If the court made its final decision whether to consider the strike and closing the working place as illegal or not, the parties shall quit their operation right upon then.

Article 124. Right guarantee related to deciding collective labor dispute of employees

124.1. Mediators and labor arbiter shall be freed from their work and get compensation that is equal to their average salary, during the period of their absence to participate in collective labor dispute.

124.2. Disciplinary sanction, transfer to other position or fire from job by the initiative of administration is forbidden during the period of participation in collective labor dispute.

124.3. Employees who took a part in the strike that is not considered as illegal shall be imposed with a disciplinary sanction.

124.4. Parties may decide to compensate the employees who took a part in the strike, during settlement of the collective labor dispute

124.5. In case, that the court considered as illegal when person who didn't strike but due to the strike had to stop its operation and closed their work place, the employee who was included in that matter shall get a compensation that is equal to his average salary.

Chapter XI

Regulation of single labor dispute

Article 125. Supervision and settlement of single labor dispute

125.1. Single labor dispute that arise between employer and employee shall be settled by commission of labor dispute settlement, according to their jurisdiction

Article 126. Disputes to be settled by the commission of labor dispute

126.1. Despite disputes to be settled by the court, all other disputes shall be settled by the commission of labor dispute

126.2. Operation rules of the commission of labor dispute shall be approved by the Government

Article 127. Appealing against decision of the Labor Dispute Settlement Commission

127.1. If a decision of the Labor Dispute Settlement Commission is not acceptable, the administration or the employee concerned may appeal to the court within 10 days of receipt of the decision of the Commission.

Article 128. Disputes to be settled by the Court

128.1. The following disputes shall be settled by the court.

128.1.1. Complaint appealed the decision from commission of labor dispute according to article 127 of this law

128.1.2. Employee's complaint concerning wrongful dismissal or wrongful transfer to other work at the initiative of an administration

128.1.3. Litigation initiated by an administration concerning claims for compensation for loss or damage inflicted on the administration's organization by an employee

128.1.4. Litigation by an employee concerning claims for losses sustained through injury to his or her body or health inflicted in the course of performance of work

128.1.5. Disputes concerning the questions set forth in Article 69 of this law

128.1.6. Disputes concerning a labor contract between citizens

128.1.7. Litigation concerning an unfair disciplinary sanction

128.1.8. Litigation claiming non compliance with the requirements of the legislation of Mongolia, a collective agreement or a labor contract

128.1.9. Employee's claim for labor rules were inconsistently formed to the legislation

128.1.10. If it's not defined differently in laws and contract, labor dispute between employees who cooperate or property dispute

128.1.11. Other disputes that may be referred to the court, pursuant to the legislation of Mongolia

Article 129. Period to send a complaint on dispute

129.1. Of the parties of the labor contract finds their rights inquired, they shall send a complaint to the labor dispute settling organization within 3 months, unless certain is defined in article 129.2. of this law

129.2. Employee shall send his complaint about he was irregularly transferred to another job or fired, in one month from the date he was confirmed about the employer's decision to the court

129.3. If the period of limitation was expired with a reasonable excuse, the court shall remain this period and settle the case

Chapter XII

Internal Labor Regulation, Labor Discipline and Material Liability

Article 130. Internal labor regulations

130.1. The administration shall adopt and pursue internal labor regulations in accordance with the Mongolian legislation.

130.2. Internal labor regulations shall determine the labor organization, and the rights, obligations and liabilities of the employer and the worker

130.3. Special disciplinary rules may be adopted by the competent Government body

Article 131. Labor discipline liabilities

131.1. The employer or its legal representative, authorized person may impose the following penalties on a worker who commits an act in breach of contract of employment and internal labor discipline;

131.1.1. admonish

131.1.2. 20% of fine deducted from the wages for 3 months

131.1.3. dismissal

131.2. Disciplinary liabilities shall be imposed within 6 months from the date on which the offence was committed or within 1 month from the date on which the employer aware / found of the offence

131.3. Imposing a double penalty for one and the same offence is prohibited

131.4. Upon the expiry of one year after imposition of a disciplinary penalty, the worker shall be deemed as not having no disciplinary penalty

Article 132. Basis for Material Liability

132.1. An employee who in the course of work performance causes loss or damage to the organization through his/her own fault, shall be subject to material liability, irrespective of whether or not other disciplinary, administrative or criminal penalties are imposed.

132.2. The extent of the loss or damage shall be determined by the actual physical damage immediately inflicted (excluding any loss of expected profit)

132.3. Any unavoidable loss or damage arising from industrial experiment or production adjustment shall not be compensated for by the worker concerned.

132.4. An employee shall not be required to pay compensation for any loss or damage caused through the failure of the administration to provide conditions for keeping property entrusted to that worker secure and undamaged.

Article 133. Limited Material Liability

133.1. An employee who in the course of work performance causes loss or damage to the organization through his/her own fault, shall be subject to limited material liability, that is up to his wage for a month in cases besides denoted in Article 135 of this law.

Article 134. Material Liability by Contract

134.1. A worker, who is working by contract, in the course of performance of work causes loss or damage to the property of the organization through his own fault, shall, except in the cases prescribed in article 135, be subject material liability which shall not exceed the average wage, of 6 months of the worker

Article 135. Full Material Liability

135.1. An employment shall be held subject to full material liability in the following cases:

135.1.1. When the employee is convicted of a criminal offence in accordance with the appropriate procedure in respect of those actions of the employee which caused loss or damage to the organization;

135.1.2. Where the legislation of Mongolia provides for full material liability for loss or damage caused by the employee during work performance;

135.1.3. When property or assets taken on warranty for subsequent account are not returned or paid for by the time specified in such warranty;

135.1.4. When the employee, though not eligible for property responsibility, losses, or damages property such as special work clothing or other individual protective facilities expressly entrusted to him/her under his/her full responsibility or in his/her custody;

135.1.5. When an organization incurs loss or damage due to an employee being under the effect of alcohol or abusing drugs, or due to actions of the employer which are outside the performance of his/her work duties.

135.2. Other procedures for the imposition of penalties in respect of the misappropriation of or causing shortage in certain categories of property and assets shall be prescribed exclusively by the legislation of Mongolia.

135.3. The employer shall conclude a contract with the worker on full material liability in accordance with the list of job or post for full material liability

135.4. It's prohibited to subject, for the worker, full material liability if the contract of full material liability or it's not included in the contract of employment concluded with the worker.

Article 136. Determination of Extent of Loss or Damage

136.1. The extent of the loss or damage sustained by the organization shall be determined by the actual loss or damage suffered, which is to be computed by deducting the appropriately valued wear and tear costs from the applicable book value of that property or asset that has been lost or damaged.

136.2. In case of misappropriation or deliberate destruction or breakage of property or assets, the extent of loss or damage shall be fixed on the basis of replacement cost.

Chapter XIII Management and Structure of Labor

Article 137. Structure / System of Labor Management

137.1. System of labor management consists of central state administrative authority responsible for labor issues, employment and control organization, employment organizations of aimag, capital and district and labor inspector of SOUM

137.2. Central state administrative authority responsible for labor issues shall worked under the member of Government, the local organization shall be worked under the management of the Government

137.3. Central state administrative authority shall provide the local organization by qualification and management of methodology

137.4. Government of all instances shall implement the management of labor within the parameters of their respective competence.

Article 138. Triple National Community of Labor and Social Negotiation

138.1. Triple national committee of Labor and social negotiation that is the state representative organization to protect rights and legal interests of the employees and the employer shall be established under the authority of the government.

138.2. Number of representatives of the three parties of this national committee shall be equal.

138.3. Rules of the national committee shall be approved by the Government through negotiating with state organization which is in charge to represent and protect the employer's and employee's rights and interests

138.4. Head, vice director and the membership of the national committee shall be appointed by the Prime Minister for a period of 6 years and 3 parties shall negotiate and choose the vice director of the committee from any of themselves, for 2 years

138.5. The national committee shall be powered as followings:

138.5.1. Influence on initiation and implementation of state policies related to citizen's labor relations matter and develop the triple system of social negotiation

138.5.2. Regulate collective dispute based on citizen's right to work and relevant economic, social and legal interests

138.5.3. Control over the implementation of the labor and social negotiating triple state agreement and negotiate about common matters related to economical or social policies

138.5.4. Other power defined by the legislation

Chapter XIV

Labor Control

Article 139. Supervision of implementation of labor legislation

139.1. The following entities shall supervise on the labor legislation implementation:

139.1.1. The state supervision of the implementation of the labor legislation shall be exercised by the state parliament, the Government, Governors of all instances and other organizations empowered by the laws of Mongolia, within the parameters of their respective competence.

139.1.2. State labor supervision in locality shall be implemented by certain province, city, sumon or district's governor and its supervision agency.

139.1.3. Non-state organization and public shall supervise on implementation of labor legislation according to their contribution, the organizations to protect employee's rights and legal interests.

Article 140. State supervision process of Labor

140.1. State department of labor supervision shall be managed by the Government member, who is in charge of labor matters, and local agency or state inspectors by certain instance Governor.

140.2. State labor supervision shall be regulated by state labor supervision rules

140.3. The Government shall affirm the state labor supervision rules.

Chapter XV Other Provisions

Article 141. Responding the Legislation Transgression

141.1. If the transgression of the labor legislation is to be criminally responded, certain guilty person shall be imposed the following administration sanction.

141.1.1. Functionary who forced the employees to labor illegally shall be fined with 5000T - 50000T and if business entity or organization shall be fined with 100,000 - 250,000T, by the judge.

141.1.2. Functionary who concealed any industrial accident, professional sickness and any other serious inflammation shall be fined sickness and any other serious inflammation shall be fines with 10,000-50,000T, business entity and organization with 100,000-250,000T, by the state labor inspectors or judge.

141.1.3. In labor relations nationality, social status and standing, race, sex point of view and religion discrimination, limited, charter occurred rights and freedom of an employee were limited not relating to work the functionary shall

be fined 5,000-25,000T, business entity and organization with 50,000-100,000T, by the court.

141.1.4. If invalid dwarf physical condition is suitable to work and labor condition is consistent with him, functionary who refused to hire in according to the reasons above shall be fined with 5,000-25,000T and business entity and organization with 50,000-100,000T, by the judge.

141.1.5. Business entity and organization who didn't pay the payment denoted in article 111.2. Of this law, shall be fined with 50,000-100,000T, by the state labor inspector and the judge.

141.1.6. Functionary who let women and young persons to perform the jobs prohibited for them, to carry over too much load, let midgets under 18 years to work in abnormal condition or working place that might harm his health and rain development, on holidays, with overtime and at night time or forced the employee to work with overtime, delicting the article 74 of this law, shall be fined with 15,000-30,000T, by the state labor inspector or the judge.

141.1.7. Business entities and organization who can't meet the requirements of healthy and safety labor conditions shall be fined with 150,000-250,000T, the ones who jointed owned the factory building not meeting the requirement denoted in article 35 of this law shall be fined with 50,000-100,000T, by the state labor inspector and or the judge.

141.1.8. Functionary who refused to take a part in forming a collective agreement make any amendment on it, postponed it or disagreed to send labor dispute to mediators and labor arbitration, without any reason, shall be fined with 10,000-50,000T, by the judge.

141.1.9. Functionary that replaced the employee who participated in collective labor dispute settlement with a new employee, imposed a disciplinary sanction on representatives of the employee who accompanied the negotiation and settlement of the collective labor dispute, dismissed the certain employee or changed his position shall be fined with 10,000-50,000T by the judge.

141.1.10. Individuals and functionaries who interference in forming a collective agreement, organization a strike, temporarily closing the working place, debating and negotiating of parties on ad exitum or making a choice shall be fined with 5,000-20,000T, business entities and organizations with 50,000-150,000T, by the judge.

141.1.11. In case of the labor contract is not formed as written, the functionary who gave a task to be performed shall be fined with 5,000-20,000T, business entities and organizations with 50,000-100,000T, by the state labor inspector or the judge.

141.1.12. Functionary who abolished the labor contract of the employee that whose job position still remained, by the employee's initiative, should be fined with 5,000-25,000T, unless the business entity and organization was wound up.

141.1.13. If the functionary didn't pay the employee's salary on time, delayed it, didn't pay the compensation for lack of production, due to the reasons that not because of the employee's guilt or paid lower compensation than defined in the law, he shall be fined with 5,000-15,000T by the judge.

141.1.14. Citizen and functionaries who organized a strike in organizations where it was forbidden, against the article 122.1, shall be fined with 40,000-50,000T, business entities and organizations with 100,000-200,000T by the judge.

141.2. Due to the action defined in the article 141.1.6. of this law, if there occurred any harm to the employee's health, the damages shall be refunded according to the consistent articles in civil law of Mongolia

141.3. If any delay of salary or lack was found, the employer shall be penalized by the court and the employee shall be refunded.

Article 142. Effective of the Law

142.1. This law shall be effective from the date of 1st July 99.

Head of Mongolian State Parliament
R.Gonchigdorj