GOVERNMENT OF MONGOLIA

INVESTMENT AND TRADE AGENCY



LAW ON LABOR

Revised version
as of 2 July 2021

LAW OF MONGOLIA

July 2, 2021 Ulaanbaatar city

ON LABOR

/Revised edition/

CHAPTER ONE

GENERAL PROVISIONS

Article 1. Purpose of the Law

1.1. The purpose of this Law is to establish the principles and fundamental norms of labor relations, define the common rights and duties of the parties to labor relations, and to ensure proper balance among them.

Article 2. Labor legislation

2.1. The labor legislation shall consist of the Constitution of Mongolia, this law and the other legislative acts enacted in conformity therewith.

2.2. If an international treaty to which Mongolia is a party provides other than this law, the former shall prevail.

2.3. The acts determining legal norms on labor shall be applied as prioritized below, except as stated in the paragraph 2.5 of this law:

2.3.1. this law;
2.3.2. other laws of Mongolia;
2.3.3. acts on administrative norms;
2.3.4. sectoral and intersectoral collective bargaining;
2.3.5. collective agreement;
2.3.6. employment contract; and
2.3.7. internal labor regulations of a business entity and organization.

2.4. The collective agreements, collective bargaining, employment contracts and internal labor regulations that are in line with the labor legislation shall be observed by respective parties.

2.5. If the acts determininglegal norms on labor specified in Paragraph 2.3 of this law are in conflict, the regulations that provide more favorable conditions to employee shall prevail.

Article 3. Scope of the Law

3.1. This law shall regulate the labor relations that are:

3.1.1. arisen in relation to work performed and services rendered on the territory of Mongolia or;

3.1.2. agreed mutually by the parties to regulate under this law.

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3.2. Occupational safety and health relations shall be regulated under the Law on Occupational Safety and Health.

3.3. Social insurance related relations between employee and employer shall be regulated under the Law on Social Insurance.

3.4. Civil servant labor relations, that are not regulated expressly under the Law on Civil Service and other relevant laws, shall be regulated by this law.

3.5. Cooperatives and partnerships shall observe this law if they neither outline, nor establish the labor relations of the members in their rules expressly.

3.6. Every person working, searching job or studying for occupation in formal and informal economies, including a self-employer, herder, cooperative or partnership member, apprentice and intern, shall be subject to the common rights and duties set forth in Paragraph 5.1 of this law.

Article 4. Terms and definitions

4.1. The following terms and definitions used in this law shall mean as follows:

4.1.1. "employer" means a national or foreign business entity or organization (its branch or representative office), a Mongolian citizen, a foreign citizen, a stateless person, and international organization or its representative office or office or unit, unless international treaty to which Mongolia is a party states otherwise, employing a person on the basis of employment relations;
4.1.2. "employer's representative" means an organization or individual/natural person that represents the employer on an issue as authorized by the employer or the body that represents and protects the employer's rights and legitimate interests;
4.1.3. "employee" means a Mongolian citizen, a foreign citizen, and a stateless person working on the basis of employment relations;
4.1.4. "employee's representative" means a trade union or its representative that undertakes to represent and protect the employee's rights and legitimate interests, or, where no such organization exists, the employee elected from a meeting of all employees;
4.1.5. "strike" means an action of employee whereby he/she voluntarily stops the work wholly or partially for a definite period with the purpose of resolving a collective labor interests dispute or a labor rights dispute set forth in Paragraph 25.2 of this law;
4.1.6. "minor employee" means a person, who is under the age of 18, engaging in labor relations as prescribed in this law;
4.1.7. "collective agreement" means an agreement established, and properly registered in accordance with relevant procedures, between an employer and employee representatives of the business entity or organization to ensure employment, rights and legitimate interests related to employment of an employee not undermining the fundamental norms guaranteed by labor legislation, to provide for more favorable conditions to the employee, and to resolve the matters not specifically regulated by law, such as employment conditions and social protection;
4.1.8. "collective bargaining" means an agreement established and properly registered in accordance with relevant procedures among the respective parties in national, aimag, soum, capital city, district, sector and intersectoral level for the purpose of protecting a person's employment and rights and legitimate interests related to his/her employment;
/This sub-paragraph was amended by the law as of April 22, 2022/
4.1.9. "employment contract" means a mutual agreement between an employer and an employee on the basis of employment relations;
4.1.10. "internal labor regulations" means a written document issued by an employer on the labor and social protection matters pursuant to the relevant legislation, collective agreement and collective bargaining to observe internally at a business entity or organization;

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4.1.11. "working condition" means workplace and industrial environment specified in Sub-paragraph 3.1.4 of the Law on Occupational Safety and Health;
4.1.12. "labor interests dispute" means a disagreement between the parties to a collective bargaining, all types of collective agreements or collective negotiations in relation to concluding or changing thereof, or changing employment contract;
4.1.13. "labor relations" means all collective labor relations and employment relations;
4.1.14. "collective labor relations" means the relationship among an employer, its representative and employee representatives, as well as the representatives of an employer and an employee and the state central administrative organizations and local administrative organizations with the aim of enhancing the fundamental norms established in the labor legislation and ensuring social partnership;
4.1.15. "employment relations" means the relationship arisen upon agreement of the mutual rights and obligations where an employee performs certain duties under the employer's management, guidance and control at workplace instructed by the employer, except as prescribed specifically in this law, while the employer pays salary and provides with other employment conditions to the employee;
4.1.16. "labor rights dispute" means a disagreement among the parties with regard to implementing the labor legislation, all types of collective agreements, collective bargaining, employment contract and internal labor regulations, or interpreting such regulations;
4.1.17. "employment conditions" means the factors, including workplace, its location, rate of pay, working condition, and work and rest hours, that are indispensable for an employee's duly performance of the job duties under employment relations.

Article 5. Basic principles and fundamental rights in employment and labor relations

5.1. A person who engages in employment and labor relations shall be subject to the following basic principles and related fundamental rights to:

5.1.1. non-discrimination;
5.1.2. assurance of freedom to employment, free choice of job and profession, getting provided favorable labor conditions, wages and rest;
5.1.3. prohibition of pressure, violence, sexual harassment;
5.1.4. prohibition of forced labor;
5.1.5. disuse of security;
5.1.6. ensuring rights to assembly, entry into collective agreement and collective bargaining, and management of relations among employer, employee and their representatives;
5.1.7. prohibition of unfairness;
5.1.8. security of social partnership;
5.1.9. prohibition of child labor and elimination of intolerable forms of child labor.

Article 6. Prohibition of discrimination in employment and labor relations

6.1. Direct and indirect discrimination, limitation of rights and provision of privileges in employment and labor relations based on nationality, language, race, age, sex, social origin, social and marital status, wealth, religion, ideology, political ideology, membership to trade union, health status, pregnancy and maternity, sexual orientation, gender identity and expression thereof, disability, and appearance shall be prohibited.

6.2. Any decision and act setting a distinction or privilege based on the grounds specified in Paragraph 6.1 of this law shall be understood as the "direct discrimination", while any decision or act which is stated to be applied equally to all people but leads to a loss of equality or opportunity of an individual or group of people through discrimination, limitation of rights, provision of privileges on the grounds specified in Paragraph 6.1 of this law during implementation of such decision or act shall be understood as the "indirect discrimination".

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6.3. An employer shall be obliged to ensure discrimination-free conditions in employment and labor relations and the following cases shall not be deemed as discrimination, limitation of rights and setting of privileges:

6.3.1. distinction, limitations or privileges arisen out of the attributes of a particular job duties;

6.3.2. special protection measures and support to be provided to employees of some groups specified in this law.

6.4. Unless relevant to the job duties, an employer shall be prohibited to ask questions, collect information, and ask to undergo medical, mental disorder and HIV tests, except the cases specified in law, and inquire about pregnancy of the employee when employment relations start off and while the employee performs his/her job duties.

6.5. A candidate or employee shall not be obliged to give true response and information and undergo the tests to the employer that is in breach of Paragraph 6.4 of this law.

6.6. A person, employee or employee's representative, who considers being discriminated in employment and labor relations, may file a complaint to executives or higher level leader of the business entity or organization, relevant NGO, trade union, labor dispute settlement body, law enforcement body, labor inspection body, National Human Rights Commission of Mongolia, and court, respectively. The employer shall put the name, address, telephone number and e-mail address of the organization or personnel that receives a complaint in visible places to which all employees access.

6.7. A complainant, who considers being discriminated in employment and labor relations, shall attach the evidence in his/her possession to the complaint.

6.8. Where collective agreement, collective bargaining, employment contract, and internal labor regulations allows discrimination, limitation of rights or provision of privileges, such regulations shall be void.

Article 7. Prohibition of pressure, violence and sexual harassment in employment and labor relations

7.1. Verbal, physical, electronic and other forms of pressure and violence as provided below shall be prohibited among the employer, employee and third party in employment and labor relations:

7.1.1. act of violence or threatening to act violence against other's health, such as assault or hit;
7.1.2. insult with words, damage of reputation and honor;
7.1.3. creation of intolerable work environment through discrimination, physical and psychological pressure, sexual harassment, violence, and threatening for the grounds prohibited in Paragraph 6.1 of this law.
7.2. Sexual harassment shall be prohibited for the employer, employee and third party in the employment and labor relations through verbal, physical, electronic and other forms of expression of sexual motivation when unwanted, and through encouragement or threatening to damage or compelling or quid pro quo in financial and other forms, including offering a job, position, or wages for sexual relations.

7.3. An employer, employee or third party, considering being under pressure, violence or sexual harassment in the employment and labor relations, may file a complaint to executives or higher level personnel of the business entity or organization, relevant NGO, trade union, labor dispute settlement body, law enforcement body, labor inspection body, National Human Rights Commission of Mongolia, and court, respectively. The employer is obliged to put the name, address, telephone number and e-mail address of the organization or personnel that receives a complaint in visible places to which all employees access.

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7.4. An employer is obliged to create the environment where pressure, violence, sexual harassment is disallowed by incorporating the procedure on prevention and termination of pressure, violence, sexual harassment in the employment and labor relations and on complaint resolution in the internal labor regulations.

7.5. The complainant specified in Paragraph 7.3 of this law shall attach the evidence in his/her possession to the complaint.

7.6. The person who perpetrated pressure, violence, sexual harassment in the employment and labor relations shall be subject to liabilities specified in the Law on Offense and Criminal Code and such liabilities shall not be a justification to release him/her from disciplinary action.

7.7. The employment and labor relations in this article shall include the performance of job duties, working on business trips, arrival at/from work, shift change, handover of tasks, attendance in training, and public events organized by the employer, business entity or organization.

Article 8. Prohibition of forced labor

8.1. Nobody shall be forced to work.

8.2. "Forced labor" means the work or service performed against a person's wish through intimidation by fine or penalty, use of force, and threatening to use force.

8.3. The following work and services shall not be pertinent to forced labor:

8.3.1. study for basic education;
8.3.2. military-purpose work or services performed by a soldier in definite period military service;
8.3.3. simple landscaping or cleaning performed as a resident of a particular area, town, village, or settlement;
8.3.4. public work undertaken as per valid court decision, or work and services performed during serving in jail under control and supervision of public organization and civil servants. Working at, and transfer of a convict to, any individual, business entity or organization shall be prohibited;
8.3.5. indispensable tasks for national defense, life saving and protection of health, and work and services related to prevent and urgently eliminate the consequences of a catastrophe, natural disaster, or accident.
8.4. An individual or legal person, that has any person worked under force or mediated for and organized the forced labor, shall be subject to liabilities specified in the Criminal Code.

Article 9. Assurance of the right to assembly in employment and labor relations

9.1. An employee and employer shall have the right to form an organization, assemble free, conduct activities, approve rules, and select representatives to represent and protect the rights and legitimate interests without obtaining permission from any authority or personnel.

9.2. The conditions and procedure on exercise of the right to assembly shall be determined by law.

Article 10. Prohibition of use of security in employment and labor relations

10.1. An employer shall be prohibited to receive and demand money, items, and personal documents in original copies, such as national identity card, foreign passport, certificates of education and profession, and immovable and movable property certificates, as a security from a candidate and employee.

10.2. A person who is in breach of the provisions of Paragraph 10.1 of this law shall be subject to the liabilities specified in Law on Offense.

Article 11. Prohibition of unfairness in employment and labor relations

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11.1. The following unfair acts and non-acts in employment and labor relations shall be prohibited to an employer and its representatives:

11.1.1. obstruction of employee's right to assembly, freedom of opinion and expression, and freedom of speech, interference in activities of the organization that represents and protects the employee's rights and legitimate interests, and promise and provision of financial and other supports for such purpose;
11.1.2. compelled founding of trade union and assembly under employer's control;
11.1.3. undermining employee's employment conditions in relation to his/her membership to trade union and engagement in its activities;
11.1.4. interference, constraint, use of coercion in collective bargaining of employee representatives;
11.1.5. refusal of providing information required for entry into of collective agreement or collective bargaining;
11.1.6. attempt of keeping under employer's control through promise or provision of financial and other supports to employee representatives.
11.2. The following unfair labor acts and non-acts in employment and labor relations shall be prohibited to an employee and employee's representatives:

11.2.1. compelling or persuading an employer by a requirement which is likely to lead to discrimination of employees;
11.2.2. demanding or receiving financial and other supports from an employer on the terms of holding collective negotiation and resolving labor dispute;
11.2.3. interference in employee's or trade union member's exercise and non-exercise of the rights to assembly, selection of representatives, and engagement in joint activities on the terms of receiving financial and other supports from an employer.
11.3. A person who is in breach of Paragraphs 11.1 and 11.2 of this law shall be subject to the liabilities specified in Law on Offense.

Article 12. Requirements for collective agreement, collective bargaining, employment contract, and internal labor regulations

12.1. An employer or employer's representatives shall have the right to hold a joint negotiation with employee representatives for the purpose of entering into a collective agreement or collective bargaining, enter into an employment contract and supporting agreements upon coming to an understanding with an employee, and develop internal labor regulations on labor and social protection relations.

12.2. Collective agreement, collective bargaining, employment contract, and internal labor regulations must meet the following requirements:

12.2.1. to meet the labor and social protection legislation fully, not undermine assured level of the rights and fundamental norms of employee guaranteed in legislation, and improve them in favor of employee through mutual agreement;
12.2.2. to not conflict with the laws other than the labor and social protection legislation;
12.2.3. to consider the other factors that have a direct effect on sectoral, job and professional specifics, and employment relations between employer and employee.
12.3. If any regulations of collective agreement, collective bargaining, employment contract, and internal labor regulations undermine employee's rights guaranteed in legislation, such regulations shall be deemed void.

12.4. Unenforceability of some regulations of collective agreement, collective bargaining, employment contract, and internal labor regulations shall not serve as a justification to consider it unenforceable wholly.

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CHAPTER TWO

SOCIAL PARTNERSHIP IN LABOR RELATIONS

Article 13. Social partnership in labor relations and its principles

13.1. Social partnership is a bilateral and tripartite cooperation between an employer and an employee, their representatives and public organizations to build a social consensus by aligning the related parties' interests in terms of labor relations and its related matters.

13.2. The principles to be observed in social partnership shall include:

13.2.1. rule of law;
13.2.2. equal engagement of parties;
13.2.3. mutual respect of the rights and legitimate interests of each other;
13.2.4. undertaking of any duty on a voluntarily basis;
13.2.5. the state support to social partnership.

Article 14. Levels and forms of achieving social partnership

14.1. Tripartite social partnership shall be achieved by the Government, state central administrative body or local government, and the organization that represents and protects the rights and legitimate interests of employer and employee, by aligning the interests of the partieson labor and social protection matters, developing policies, holding consultation and reaching mutual understanding to implement the policies, and entering into collective bargaining.

14.2. Bilateral social partnership shall be achieved by sectoral, intersectoral and corporate level parties through mutual consultation, joint negotiation, collective agreement and collective bargaining on the employee's right to employment and legitimate interests.

14.3. The following documents may be concluded as part of tripartite social partnership, depending on the issues being discussed:

14.3.1. tripartite national, sectoral, intersectoral, aimag, soum, capital city, and district collective bargaining of social partnership on policy matters;
/This sub-paragraph was amended by the law as of April 22, 2022/
14.3.2. joint tripartite notice on social partnership;
14.3.3. recommendation, guidance or approach on policy implementation; and
14.3.4. other documents provided in law.
14.4. The following documents may be concluded as part of bilateral social partnership:
14.4.1. sectoral and intersectoral collective bargaining;
14.4.2. collective agreement; and
14.4.3. other documents provided in law.

Article 15. Management of tripartite social partnership

15.1. Management of tripartite social partnership shall be carried out by national labor and social partnership tripartite committee ("National Committee"), sectoral labor and social partnership tripartite committee ("Sectoral Committee"), and aimag and capital city labor and social partnership tripartite committee ("Aimag and Capital city Committee"), respectively.

15.2. The national committee, comprised of equal number of representatives of the Government and national bodies that represent and protect the rights and legitimate interests of employer and employee, shall operate under the Government.

15.3. The sectoral committee shall comprise of equal number of representatives of the state central administrative body in charge of a particular matter and sectoral institutions that represent

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and protect the rights and legitimate interests of employer and employee, and may operate under the cabinet member in charge of a particular matter.

15.4. The aimag and capital city committee may be formed at the initiative of an employee and employer with the equal number of representatives from local government and aimag/capital city institutions that represent and protect the rights and legitimate interests of employer and employee. The aimag and capital city committee shall operate under the Governor.

15.5. The national, sectoral, aimag and capital city committees and their members shall work individually and independently.

15.6. The national committee members shall be approved by the Prime Minister, sectoral committee members shall be approved by the cabinet member in charge of the matter, and aimag and capital city committee members shall be approved by the respective Governor based on the opinions of the parties.

15.7. The national committee shall have a task force office. Operating expenses of the office shall be funded by state budget.

15.8. The national committee rules shall be approved by the Government, while sectoral, aimag and capital city committee rules shall be approved by the national committee.

Article 16. Powers of the national committee

16.1. The national committee shall exercise the following powers:

16.1.1. to propose improvement of labor and social protection legislation, review of draft legislation in advance, deliver comments prior to adoption, promote and implement legislation;
16.1.2. to provide support to develop bilateral and tripartite social partnership;
16.1.3. to approve and ensure compliance with the relevant procedures, rules and approach within the powers guaranteed in this law and adopt resolutions;
16.1.4. to approve, assess, and make conclusion on, the approach to implement the principles specified in Sub-paragraph 102.1.1 of this law;
16.1.5. to organize training and advocacy on prevention of labor disputes;
16.1.6. to establish a labor arbitration, soum and district tripartite labor rights dispute settlement committee;
16.1.7. to issue recommendations on pertinence of certain employment forms to employment relations;
16.1.8. to issue a list of labor intermediaries and labor arbitrators and appoint, release and specialize them; and
16.1.9. the other powers specified in law.

Article 17. National specialization framework

17.1. Approval of national classification, definition and standard of jobs and professions, and determination, acknowledgement and confirmation of level of specialization shall be pertinent to national specialization framework.

17.2. Approval of the standards of jobs and professions, and identification, assessment and confirmation of the outcomes of education and training as well as coherence of professional levels, and transfer among the levels shall be regulated by law.

17.3. The procedure on building and managing the national specialization framework shall be approved by the Government, based on the opinions of the state central administrative body in charge of labor, organizations that represent and protect the rights and legitimate interests of employers, and professional associations.

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17.4. The procedure on assessment, acknowledgement and confirmation of an individual's level of specialization shall be approved by the cabinet members in charge of labor and education.

17.5. The organizations that represent and protect the rights and legitimate interests of employers and professional associations shall formulate the standards of jobs and professions jointly.

17.6. The standards of jobs and professions shall set the assessment criteria for labor conditions and employee's work practices, experience, knowledge, skills, capability, attitude, level of specialization, and performance.

17.7. National classification and definition of jobs and professions shall be formulated by the state central administrative body in charge of the sector based on the opinions of the organizations representing and protecting the rights and legitimate interests of employers and professional associations and approved by the cabinet member in charge of labor.

CHAPTER THREE

COLLECTIVE NEGOTIATION

Article 18. Collective negotiation

18.1. Collective agreement and collective bargaining shall be concluded through collective negotiations.

18.2. State organizations shall be obliged to provide all required information and professional and methodological guidance to the participants of collective negotiations.

Article 19. Basic principles for collective negotiation

19.1. The following principles shall be observed by the parties to a collective negotiation:

19.1.1. to aspire to hold businesslike talks and consultation on the subject and reach an agreement through mutual understanding;
19.1.2. to have equal rights;
19.1.3. to be transparent;
19.1.4. to define the scope of negotiation themselves as advised in Paragraphs 34.1 and 37.1 of this law;
19.1.5. to provide and exchange the required information, not disclose corporate and personal secrets;
19.1.6. to consider gender ratio for determining the representatives;
19.1.7. to be free from political control;
19.1.8. to ensure equal representatives of the parties; and
19.1.9. to undertake responsibilities by the parties voluntarily as part of the negotiation.

Article 20. Initiation of collective negotiation

20.1. Any party may initiate a collective negotiation. To do so, such party shall deliver a proposal, which meets the requirements of Paragraph 21.1 of this law, to the other party in writing.

20.2. Where there are multiple trade unions at a business entity or organisation, they shall set the number of representatives who will join in the collective negotiation based on the ratio of their members.

20.3. Where there are multiple trade unions and organizations representing and protecting the rights and legitimate interests of employers at national, aimag, soum, capital city, district and sectoral level, they shall set the number of representatives who will join in the collective negotiation based on the ratio of their members.

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/This paragraph was amended by the law as of April 22, 2022/

20.4. Unless otherwise stated in a collective agreement or collective bargaining, the parties may initiate a new collective agreement or collective bargaining at least 6 months prior to expiry of the effective date of the former.

Article 21. Commencement and conduct of collective negotiations

21.1. The party that has initiated a collective negotiation shall deliver a notice to the other party, along with a composition of the negotiation and a proposal on the matters to be resolved under a collective agreement or collective bargaining.

21.2. The parties shall commence a collective negotiation within:

21.2.1. 10 business days of a receipt of the notice with respect to a negotiation on a collective agreement; and
21.2.2. 15 business days of a receipt of the notice with respect to a negotiation on collective bargaining.

21.3. Where the party that has received a notice of negotiation fails to commence a collective negotiation within the timeframe set forth in Paragraph 21.2 of this law or disagreement has arisen during the collective negotiation, the dispute shall be resolved in accordance with the procedure stipulated in Chapter eleven of this law.

21.4. No party to a collective negotiation shall disclose and use for other purposes the confidential corporate and personal information learned and known in the course of negotiations.

21.5. Representatives of the parties shall agree on the rules of a collective negotiation beforehand and approve it in writing for observance.

21.6. The parties may invite experts, consultants and specialists upon mutual agreement during the collective negotiation.

Article 22. Prohibition of interference in collective negotiations

22.1. Interference in, lobby and any forms of obstruction of collective negotiations by governmental, non-governmental and religious organisations, political parties, business entities, organizations, individuals and officials shall be prohibited.

22.2. A person who is in breach of the provisions of Paragraph 22.1 of this law shall be subject to the liabilities set forth in Law on Offense.

Article 23. Provision with information

23.1. Representatives of an employer and employee shall be obliged to mutually provide information required for collective negotiations.

23.2. At request of the parties that need information and documents with respect to the country's economic and social conditions, current and future perspective of the sector for collective negotiations and drafting of collective agreement or collective bargaining, the state organizations shall provide such information and documents within the extent authorized in legislation.

Article 24. Guarantees for participants of collective negotiations

24.1. Remuneration to be paid to the participants of collective negotiations and relevant expenses shall be set under the rules set forth in Paragraph 21.5 of this law.

24.2. Imposition of labor disciplinary actions, transfer to another job, reduction of remuneration or termination of employment relations at an employer's request due to the

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liquidation of a business entity, organization or its branch or the grounds except provided in Sub-paragraphs 80.1.4, 80.1.5 and 80.1.6 of this law during and within 1 year following the negotiation shall be prohibited for the trade union officers, elected persons and employee's representatives, who participate in collective negotiations, for their participation in collective negotiations.

24.3. A person who is in breach of the provisions of Paragraph 24.2 of this law shall be subject to the liabilities specified in Law on Offense.

Article 25. Strike and initiation thereof

25.1. Trade unions shall have the right to initiate and organize strike where:

25.1.1. an employer fails to commence collective negotiations within the timeframe stated in Paragraph 21.2 of this law;
25.1.2. collective negotiations get stagnant due to an employer;
25.1.3. an employer or its representatives fail to meet the obligation to participate in reconciliation prescribed in Paragraph 147.1 of this law;
25.1.4. an employer or its representatives refuse to join in a labor mediation or fail to resolve a labor dispute in a mediation phase;
25.1.5. an employer or its representatives refuse to join in arbitration.

25.2. Where the grounds set forth in Sub-paragraphs 25.1.4 and 25.1.5 of this law have arisen during settlement of the disputes regarding the implementation of a collective agreement and sectoral, intersectoral or national collective bargaining through the labor interests dispute resolution procedure, a strike may be initiated and organized.

25.3. The following principles shall be adhered to initiating and organizing a strike:

25.3.1. to decide on whether to organize a strike in consideration of the importance of a disputed matter and its time and scope;
25.3.2. to choose and initiate a strike as a final step after all potential agreement opportunities have been used;
25.3.3. to transfer to a normal operation immediately after completion of a strike.

25.4. An employee shall have the right to participate in strike voluntarily regardless of her/his membership to trade union.

25.5. An employee shall not be compelled to participate in, refuse to participate in, continue or stop a strike, except provided by law.

Article 26. Announcement of strike and lockout

26.1. A decision to strike shall be made by the trade union executives of a respective level if a great majority of the employees of a business entity, organization or its branch or unit join in a vote on a strike and support it.

26.2. A decision to sector-wide or nationwide strike shall be made by the confederation of trade unions of a respective level if a great majority of the member organizations of such confederation of trade unions join in a vote on the strike and support it.

26.3. A decision on announcing a strike shall include:

26.3.1. the disagreement led to a strike;
26.3.2. the date, time and scope of the strike;
26.3.3. the individual delegated to communicate with an employer in terms of organizing a strike, and representatives who will hold a negotiation.

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26.4. A person who will lead a strike shall forward a decision on the strike to the employer in writing at least 5 business days prior to commencement of the strike.

26.5. Those who are on strike may peacefully call for the employees who are at workplace to join in the strike during the strike or temporary lockout.

26.6. Temporary employment of external workers during a strike at the workplace of the employees who are on strike shall be prohibited to an employer.

26.7. The employees who are not on strike shall have the right to perform the job duties and obstruction to exercise of such right shall be prohibited.

26.8. Where an employer deems that the employees' demands are not acceptable, it may lockout the workplace partially or wholly.

26.9. An employer shall communicate the decision on lockout to employee representatives in writing at least 5 business days prior to the event in which the disagreement led to a lockout and the date, time and scope of the lockout shall be stated.

26.10. The parties shall be obliged to take steps to resolve the labor dispute through consensus during the strike or lockout.

26.11. The organizer of a strike or lockout shall take steps to protect public order, health and safety of individuals, and property, and where necessary, provide assistance to relevant state authorities and personnel.

Article 27. Lead, suspension, resumption and termination of strike

27.1. A strike shall be led by a respective trade union.

27.2. The trade union organizing a strike shall have the right to call a meeting of all employees, to obtain from the employer information on the matters that affect the employees' rights and legitimate interests, and to invite an expert to make conclusions on the disputed matters.

27.3. The trade union organizing a strike shall have the right to suspend the strike.

27.4. Where a decision to resume a strike has been made, it shall be communicated to the employer in writing at least 24 hours prior to resumption.

27.5. A strike shall be terminated upon reaching an agreement by the representatives to a negotiation as to resolving the labor dispute, or collective agreement or collective bargaining are entered into, or when the strike is declared unlawful by court, or as initiated by the trade union organizing the strike.

Article 28. Prohibition, adjournment and suspension of a strike and lockout

28.1. The employees and officers of the organizations in charge of providing essential services to population, such as defense, national security and social order, shall have the right to assembly and initiation of a collective agreement, but shall be prohibited to initiate, organize and participate in a strike. A list of the business entities and organizations providing essential services shall be approved by the Government in consideration of the national committee's opinions.

28.2. Labor interestr disputes occurred at business entities and organizations set forth in Paragraph 28.1 of this law shall be resolved by labor arbitration whose decision shall be implemented by the Government and employers immediately.

28.3. A strike and lockout shall be prohibited at the stage of negotiations of a disagreed matter or resolution of a labor dispute by a labor intermediary, labor arbitration or court.

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28.4. The parties shall be obliged to terminate a strike or lockout if they accept the labor arbitration's decision on the labor dispute.

28.5. The employees and officers of the business entities and organizations in charge of the electricity, heating and water supplies, international, inter-city, town and settlement public transport, telecommunications, railway and civil aviation traffic services shall have the right to initiate, organize and participate in a strike or lockout. An extent of elemental services such organizations provide to population shall be approved by the Government in consideration of the national committee's opinion.

28.6. In the event of a threat or potential threat to human life, security and health, the Government shall make decision to adjourn a strike and lockout for up to 30 days or, if the strike or lockout has already commenced, to temporarily suspend it for the same period. Should the Government's decision is not accepted, court referral may be allowed.

28.7. A person who *is* in breach of the provisions of Paragraph 28.1 of this law shall be subject to the liabilities specified in Law on Offense.

Article 29. Deeming a strike or lockout unlawful

29.1. Any party shall have the right to refer to court for deeming the organization of a strike or lockout unlawful.

29.2. Court shall consider the organization of a strike or lockout unlawful if:

29.2.1. the procedures of this law have been violated;
29.2.2. it occurs in the course of reconciliation;
29.2.3. it occurs at the stage of labor mediation;
29.2.4. it occurs at the stage of labor arbitration.

29.3. If the court decides that the strike or lockout is unlawful, the relevant parties shall immediately stop such actions.

Article 30. Guarantees for exercise of the right to a strike

30.1. For an employee or employee representatives who participate in a strike, it shall be prohibited to modify the employment terms by imposition of a disciplinary action, transfer to another job, or termination of employment relations at employer's initiative for participation in the strike.

30.2. During the settlement of a labor dispute the parties may decide to provide compensation to the employees who participated in the strike.

30.3. The employer shall pay compensation to an employee who did not participate in the strike, but has not been able to perform his/her job due to the strike, in an amount equal to his/her average salary for the period of strike.

30.4. A person who is in breach of the provisions of Paragraph 30.1 of this law shall be subject to the liabilities specified in Law on Violations.

CHAPTER FOUR

COLLECTIVE AGREEMENT AND COLLECTIVE BARGAINING

Subchapter one
Recital

Article 31. Conclusion of collective agreement and collective bargaining

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31.1. Collective agreement and collective bargaining shall be concluded as per the procedures set forth in Articles 18, 19, 20, 21, 22, 23 and 24 of this law.

31.2. Regardless of the number of persons initiating the collective bargaining, only one bargaining shall be established for the respective level.

31.3. Collective agreement and collective bargaining shall be concluded for the period of 3 years at most.

31.4. For remuneration, collective agreement and collective bargaining shall be concluded for the period of at least one year.

31.5. The term of a collective agreement and collective bargaining may be extended for the period equal to its initial term upon mutual agreement of the parties.

31.6. An employer shall reflect the funding required for implementation of a collective agreement or collective bargaining in budget to ensure the conditions of implementation.

31.7. The procedure in an original collective agreement or collective bargaining shall be adhered to make any changes or amendment to the collective agreement or bargaining unless otherwise stated therein.

Article 32. Registration and database creation of collective agreement and collective bargaining

32.1. Employee representatives or employer's representative shall submit a collective agreement and aimag, soum, capital city, and district collective bargaining for registration to the state organization in charge of labor of the jurisdiction and sectoral and inter-sectoral collective bargaining for registration to the state central administrative organization in charge of labor within 10 business days.

/This paragraph was amended by the law as of April 22, 2022/

32.2. A competent registration body shall review a collective agreement and collective bargaining within 5 business days whether they are in conformity with the legislation and shall register and enter them in the database if they meet the legislation. Upon such registration, a collective agreement or collective bargaining shall come into force.

32.3. If a competent registration body refuses to register a collective agreement and collective bargaining, it shall explain a justification of the refusal and allow the parties to conform the collective agreement and collective bargaining with the legislation. A complaint may be filed to a superior level personnel or court as regards the decision on the refusal of registration of a collective agreement and collective bargaining.

32.4. The procedure on registration and database creation of collective agreements and collective bargaining shall be approved by the cabinet member in charge of labor.

32.5. National collective bargaining shall come into force upon signing of the parties.

Article 33. Monitoring and implementation of collective agreement and collective bargaining

33.1. Implementation of a collective agreement and collective bargaining shall be monitored by the parties and monitoring ways and forms shall be reflected in the collective agreement and collective bargaining upon agreement of the parties. Unless otherwise expressly stated in collective bargaining, implementation of aimag, soum, capital city, and district collective bargaining shall be monitored by the Governor of the respective level and implementation of national collective bargaining shall be monitored by the national committee.

/This paragraph was amended by the law as of April 22, 2022/

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33.2. In the course of monitoring the parties shall exchange information in their possession concerning to implementation and progress of the collective agreement or collective bargaining.

33.3. Interference in and obstruction of implementation of a collective agreement and collective bargaining shall be prohibited.

33.4. Collective agreement and collective bargaining shall describe in conformity with labor legislation a precedent resolution of the disagreement arisen between the parties during implementation and interpretation of a collective agreement and collective bargaining through consensus.

33.5. An employer shall put a collective agreement and collective bargaining applicable to the business entity or organization at visible places to which all employees access.

Subchapter two
Collective bargaining

Article 34. Relations governed by collective bargaining

34.1. The following relations shall be regulated by collective bargaining:

34.1.1. national policy directions on protection of a person's employment and the rights and legitimate interests related to employment by national collective bargaining;
34.1.2. matters concerning the employment terms, organisation of labor, labor norms and quotas, rate and salary of the sector-wide employees under sectoral and inter-sectoral collective bargaining;
34.1.3. the areas on protection of a person's employment and the rights and legitimate interests related to employment to be adhered to in respective administrative and territorial units under aimag, soum, capital city, and district collective bargaining.
/This sub-paragraph was amended by the law as of April 22, 2022/

34.2. Implementation of the fundamental rights and basic principles, set forth in Paragraph 5.1 of this law, of self-employers, herders, cooperative and partnership members, and those working in informal economy and support of their occupational safety, health and employment may be reflected in respective area's collective bargaining for implementation.

Article 35. Scope of collective bargaining

35.1. National collective bargaining shall apply to all employees and employers in Mongolia.

35.2. Sectoral and intersectoral collective bargaining shall apply to all employees and employers who are represented by the participants of the bargaining.

35.3. Any party to sectoral and intersectoral collective bargaining may lodge a request to the state central administrative body in charge of the sector regarding the application of a whole or partial collective bargaining to all employers and employees of the sector.

35.4. The state central administrative body in charge of the sector shall resolve the request specified in Paragraph 35.3 of this law, in collaboration with the state central administrative body in charge of labor in consideration of representativeness of the parties to the sectoral collective bargaining and opinions of the employer and employee representatives that will be added to the bargaining.

35.5. Aimag, soum, capital city, and district collective bargaining shall apply to respective administrative and territorial units.

/This paragraph was amended by the law as of April 22, 2022/

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35.6. Where the content of a collective bargaining is in conflict with the superior level collective bargaining, the regulation undermining employee's rights shall be deemed void.

Article 36. Parties establishing collective bargaining

36.1. Collective bargaining shall be established by the following parties:

36.1.1. with respect to national collective bargaining - the Government and the national organisations representing and protecting the rights and legitimate interests of the employers and employees;
36.1.2. with respect to sectoral and intersectoral collective bargaining – the sectoral organisations representing and protecting the rights and legitimate interests of the employers and employees;
36.1.3. with respect to aimag, soum, capital city, or district collective bargaining – the respective Governor and the organisations representing and protecting the rights and legitimate interests of the employers and employees of the area.
/This sub-paragraph was amended by the law as of April 22, 2022/

36.2. If the state is an employer in the sector, the relevant state central administrative body shall participate in a collective bargaining solely or with representatives of the other employers of the sector.

36.3. If the state is not an employer in the sector, the state central administrative body in charge of the sector shall participate in collective bargaining at request of any party to sectoral and intersectoral collective bargaining.

Subchapter three
Collective agreement

Article 37. Relations governed by collective agreement

37.1. The parties shall agree on the relations to be regulated by a collective agreement and the following matters related to the right to employment and legitimate interests may be outlined in a collective agreement:

37.1.1. the base pay bands, the amounts of additional pay, extra pay, award and bonuses, allowances, and compensation;
37.1.2. the threshold, rate and frequency of indexing of base pay;
37.1.3. the amounts of pensions, benefits, assistance and privileges to employee to be provided by an employer;
37.1.4. flexible arrangement of employment terms;
37.1.5. the terms and procedures on employee retraining and training for a new specialization;
37.1.6. the measures to improve occupational safety and sanitary conditions of workplaces, along with required costs;
37.1.7. the measures to use new forms of employment, introduce technical and technological advancements, and protect employees' rights and legitimate interests in the cases of privatization, liquidation and restructuring of a business entity or organization or its branches or units;
37.1.8. the measures to ensure conditions and opportunities for trade unions, their workers and elected members to conduct their activities;
37.1.9. the measures to support the elderly who were previously employed at a business entity or organization and employees who suffered from an industrial accident, acute poisoning or occupational disease;
37.1.10. construction and use of housing, kindergartens, pre-school day-care centres, buildings and facilities for social and cultural purposes by a business entity or organisation and provision of privileges to the employees with many children, or who are a single mother or father heading a household, or with disabled family members;

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37.1.11. other.

Article 38. Parties concluding a collective agreement

38.1. A collective agreement shall be concluded by an employer's representatives and trade unions, and if the latter is not existent, the employee representatives selected at all-employee meeting.

Article 39. Scope of collective agreement

39.1. A business entity or organization shall conclude a single collective agreement including all its branches, units and sections.

39.2. The scope of employees to be pertinent to a collective agreement concluded by a trade union shall be agreed by the parties. The collective agreement concluded by the representatives selected at all-employee meeting shall apply to all employees of the business entity or organization.

Article 40. Compliance with a collective agreement

40.1. Changes in the jurisdiction, legal entity form, management structure and composition of a business entity or organisation shall not serve as a ground for terminating a collective agreement.

40.2. In the event of the reorganisation or a change of owner of a business entity or organization, continued compliance with or amendments to or renewal of the collective agreement shall be resolved by the representatives of employer and employees through negotiation.

40.3. A collective agreement shall be followed until completion of the liquidation process of a business entity or organisation.

CHAPTER FIVE
EMPLOYMENT RELATIONS

Subchapter one
Recital

Article 41. The conditions where employment relations arise

41.1. An employer or its authorized representative shall introduce the job duties, employment terms, and salary to the person who is going to be recruited prior to arising of employment relations.
41.2. An employer or its authorized representative shall agree the job duties, amount of salary and other employment terms with the person who is going to be recruited and the employment relations shall commence as of the person starts performing the job duties.
41.3. If the relations between an employer and employee have a nature of employment relations specified in Sub-paragraph 4.1.15 of this law, concluding a contract other than employment contract shall be prohibited. Where the relations have a nature of employment relations although a contract other than the employment contract has been concluded, the contract shall be deemed as an employment contract.
Article 42. Employee's basic rights and obligations

42.1. An employee shall be subject to the basic rights, as follow:

42.1.1. to conclude, change or terminate an employment contract with an employer voluntarily;
42.1.2. to work in a workplace which meet occupational safety and health requirements and standards, to receive concrete information thereon;
42.1.3. to receive remuneration suitable for the performed job duties;

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42.1.4. to take annual leave and personal leaves as per proper procedures;
42.1.5. to file a complaint to a competent person if an employee considers that his/her right to employment or legitimate interests have been violated;
42.1.6. to control payment and documentation of social and health insurance, demand correction of wrong or incomplete entries or errors; and
42.1.7. the other rights specified in legislation.

42.2. An employee shall be subject to the following basic obligations:

42.2.1. to work in person honestly and properly using own skills and potential;
42.2.2. to comply with the labor legislation, collective agreement, collective bargaining, employment contract, and internal labour regulations, follow and spend work hours on performance of the job duties only;
42.2.3. to be fit or able to perform duties when arriving, not use alcohol, intoxicating medicines or psychotropic substances, pressure, violence or sexual harassment during work;
42.2.4. unless the employer authorizes specifically, not hold any work or service that is in a direct competition or match with the employer's business;
42.2.5. to adhere to technical and technological regime, accomplish the tasks assigned by the employer in terms of occupational safety and health legislation;
42.2.6. to report immediately of any cases that are dangerous to own and others' life, health or employer's properties to the employer or direct leader;
42.2.7. to respect the employer's execution of its managing duties, fulfil the employer or its representative's lawful assignments in timely manner;
42.2.8. to not disclose the corporate and personal secrets and information related to the employer's business known or acquainted with during work;
42.2.9. to provide the true job-related information as demanded by the employer and report the tasks performed;
42.2.10. to be covered in mandatory social and health insurance;
42.2.11. to improve specialization and skills;
42.2.12. the other obligations specified in legislation.

Article 43. Employer's basic rights and obligations

43.1. An employer shall be subject to the basic rights, as listed below:

43.1.1. to change, terminate and end an employment contract concluded with an employee in conformity with the relevant legislation;
43.1.2. to demand an employee to perform his/her obligations and comply with labor legislation, employment contract and internal labor regulations;
43.1.3. to reward or incentivize an employee;
43.1.4. to impose labor disciplinary action and liability of property on employee in conformity with legislation;
43.1.5. to receive required information from an employee within legislation;
43.1.6. to develop internal labor regulations and ensure compliance in consideration of employee representatives' opinions;
43.1.7. the other rights specified in legislation.

43.2. An employer shall be subject to the following basic obligations:

43.2.1. to pay remuneration suitable for the job duties in due times, set reasonable labor norms unless it is set in collective agreement or collective bargaining, inform payroll system and procedures followed at the business entity or organization to employee;

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43.2.2. to comply with the labor legislation, collective agreements, collective bargaining, employment contracts and internal labour regulations, provide certified copies of the job description and employment contract to an employee;
43.2.3. to conclude an employment contract with an individual as stated in this law, provide a workplace that meets the requirements and standards of the Law on Occupational Safety and Health and is free from discrimination, pressure, violence, and sexual harassment;
43.2.4. to respect employee's rights, freedom, legitimate interests, reputation or honor;
43.2.5. to not disclose employee's personal secrets;
43.2.6. to provide an employee with work and equipment, tools, documents and other things and instructions required for performance of his/her job duties;
43.2.7. to cover an employee in mandatory social and health insurance, pay and report the premiums at the rate stipulated in law, and document payment of social and health insurance premiums;
43.2.8. where monitoring equipment is operated at workplace for indispensable requirements, inform of it to employee in advance, develop use procedure for compliance, and not place monitoring equipment at workplaces specified in Sub-paragraph 3.1.15, Law on Occupational Safety and Health;
43.2.9. to provide an employee with opportunities of refresher training or upgrade of qualifications pertaining to the job duties as per legislation;
43.2.10. to explain and introduce the grounds for termination or end of an employment contract;
43.2.11. to not work an employee over the maximum limit of work hours determined in law;
43.2.12. the other obligations specified in legislation.

43.3. An employer shall support to ensure a balance of employee's work and rest through arrangement of work and rest hours and use of flexible employment terms, and implement employee's child-friendly and child protection policy by outlining it in collective agreement and internal labor regulations.

Article 44. Common requirements for receipt, processing, maintaining and use of employee's data by employer

44.1. An employer may receive, process, maintain and use the required data of an employee during employment relations for the purpose of recruitment of an individual and communication with the employee.

44.2. In the event of a need to receive an employee's data from a third party, the employer shall introduce its need and purpose to the employee in advance.

44.3. Unless otherwise stated in law, a receipt, processing and maintaining the data pertaining to an employee's personal secret or his/her membership to a political party, public organizations or trade union shall be prohibited.

44.4. An employer shall be responsible for the cost related to maintaining and protecting employee's data.

44.5. An employer is obliged to provide employee's data as demanded by the competent state authorities pursuant to law.

Article 45. The procedure on receipt, processing, maintaining and use of employee's data

45.1. The procedure on receipt, processing, maintaining and use of employee's data shall be developed and approved by the employer in conformity with legislation for compliance.

45.2. An employer shall place the procedure on receipt, processing, maintaining and use of employee's data and its amendments visibly to all employees.

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Article 46. An employee's right to protection of his/her data

46.1. An employee is entitled to receive his/her full data maintained by the employer free of charge.

46.2. An employee is entitled to demand the employer to correct his/her wrong or incomplete data.

46.3. If an employer received, processed, maintained, used or transferred employee's data illegally, the employee is entitled to file a complaint to a competent authority.

Subchapter two
Common regulations of employment contract

Article 47. Employment contract and its parties

47.1. An employer and employee shall conclude an employment contract through mutual agreement.

47.2. An individual as an employer shall have a full legal capacity.

Article 48. Forms of employment contract

48.1. An employer is obliged to execute an employment contract in writing for signing of the parties and give one copy of the employment contract to the employee.

48.2. If an employment contract is not executed in writing for a valid reason, an employer is obliged to execute it in writing within 10 business days of the employee's commencement of work.

48.3. Employment relations shall be deemed commenced as of an employee starts performing the job duties, regardless of failing to execute the employment contract in writing.

48.4. A person in violation of Paragraph 48.2 of this law shall be subject to the liabilities specified in Law on Offense.

Article 49. Terms of employment contract

49.1. The following basic terms shall be set forth in an employment contract:

49.1.1. the name of job and duties in job description;
49.1.2. the location of work;
49.1.3. the amount of salary; and
49.1.4. the working conditions.

49.2. The parties may add the following terms in an employment contract:

49.2.1. work and rest hours;
49.2.2. the procedure on provision of remuneration;
49.2.3. the grounds for termination or end of employment contract;
49.2.4. the procedure on labor discipline and grievance procedure;
49.2.5. the requirements for role skills and capability;
49.2.6. the other matters agreed by the parties.

49.3. In addition to the terms set forth in Paragraph 49.1 of this law, additional terms related to the nature of job duties, such as property liability, confidentiality, training or non-competition, may be outlined in an employment contract under mutual agreement or a special contract may be concluded on these matters as a supplementary one to the employment contract.

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Article 50. Term of employment contract

50.1. An employment contract shall be concluded for an indefinite term, except listed below:

50.1.1. working as an apprentice;
50.1.2. working in probationary period;
50.1.3. undertaking seasonal jobs;
50.1.4. working instead of an employee whose position is being retained;
50.1.5. working in a temporary workplace;
50.1.6. undertaking the work or duties limited by timeframe due to funding or scope of the work.

50.2. An employment contract shall be concluded for an indefinite term with the employee who permanently undertakes seasonal jobs.

50.3. Unless the employer reminds of an expiration of an employment contract set forth in Sub-paragraphs 50.1.3, 50.1.4, 50.1.5, 50.1.6 of this law when the term of the contract expires and the employee continues to perform his/her work, the contract shall be considered extended for the period of the initial term.

50.4. If initial and extended terms of the contract concluded for a definite term total more than 2 years, except for the provisions set forth in Sub-paragraphs 58.1.3 and 139.1 of this law, such contract shall be considered as concluded for an indefinite term.

50.5. The term of an employment contract shall be determined by calendar years, months and days, or by the timeframe required for undertaking the jobs set forth in Sub-paragraphs 50.1.3, 50.1.4, 50.1.5, and 50.1.6 of this law and by unavoidable events.

Article 51. Receipt of a reference on employment

51.1. If deemed required, an employer may receive a reference from an employee's previous employers when concluding an employment contract with the employee.

Article 52. Changes to employment contract

52.1. The parties may change an employment contract upon mutual agreement.

Article 53. Restricting performance of duties unspecified in an employment contract

53.1. An employer may not demand an employee to perform the work which is not specified in the employment contract or when the employee does not admit, except otherwise provided expressly in this law.

53.2. If an employee acknowledges to perform the work which is not specified in the employment contract, the employer shall agree on the work and remuneration in advance with the employee.

Article 54. Employee's right to refuse to work

54.1. An employee shall have the right to refuse to work in the following cases:

54.1.1. the circumstance that is likely to damage employee and third party's life and health has occurred;
54.1.2. the employer has demanded to work beyond the maximum limit of overtime set by law;
54.1.3. the employer has failed to pay employee's salary within 30 days after the due date.

54.2. An employee shall inform a refusal of working as specified in Paragraph 54.1 of this law to the employer or its representative immediately and have the right to not work until the circumstance for refusal is eliminated.

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54.3. An employer shall be prohibited to impose labor disciplinary actions on the employee for a refusal of working as specified in Paragraph 54.1 of this law.

Article 55. Suspension of performance of job duties

55.1. If a competent personnel makes decision to suspend an employee's work for a definite period as specified in the Criminal Procedure Code, the employer shall suspend his/her performance of the job duties and stop payment of salary.

55.2. If the personnel's decision set forth in Paragraph 55.1 of this law is revoked, the decision maker shall inform of it to the employer within 3 business days.

55.3. An employee's employment relations shall be deemed resumed when the definite period set forth in Paragraph 55.1 of this law is over or from the date the circumstance set forth in Paragraph 55.2 of this law has occurred.

55.4. Where the decision on suspending the work has been found out to be unjustified, an employee shall have the right to claim and receive the salary for the suspension period as specified in Chapter forty-five, Criminal Procedure Code.

55.5. If an employee, who perform the job duties in electricity, heating and water supplies, international, inter-city, town and settlement public transport, special-purpose transport, telecommunications, railway and civil aviation traffic management services that relate to ensuring people's security, health and rights to living in comfortable environment, refuses without grounds to get examined for use of alcohol, intoxicating medicines or psychotropic substances and for fitness for the professional duties in terms of health or has been found to be under influence of alcohol, intoxicating medicines or psychotropic substances, the employee's performance of duties shall be suspended until elimination of such circumstance.

Article 56. Performance of several job duties at the same time

56.1. An employer may work an employee for simultaneous jobs, as a temporary replacement of an absent employee, for another position or work within the limits of an employee's work hours by increasing the employee's workload.

56.2. The employee who will work as prescribed in Paragraph 56.1 of this law shall be provided additional remuneration suitably to his/her job duties.

Article 57. Concluding simultaneous employment contracts

57.1. An employee may enter into simultaneous employment contracts with employers other than the primary one and in this case, the employee is obliged to inform about it to the primary employer.

57.2. An employee shall get permission from his/her primary employer in the following cases to enter into simultaneous employment contracts:

57.2.1. an employee concluded an employment contract with special terms as provided in Article 65 of this law with the primary employer;
57.2.2. an employee will work at a business entity or organization that runs the same activities as the primary employer or competes on market;
57.2.3. an employee performs the job duties to ensure people's security, health and rights to living in comfortable environment, including electricity, heating and water supplies, international, inter-city, town and settlement public transport, special-purpose transport, telecommunications, railway and civil aviation traffic management offices.

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57.3. Total work hours of the employee who has simultaneous employment contracts must be within the maximum limit set forth in Paragraph 84.4 of this law, that will be overseen by the employee, primary and secondary employers.

Article 58. Temporary transfer to another position

58.1. An employer may transfer an employee to another position temporarily for the duration and grounds provided below:

58.1.1. within, or at other, business entity or organization upon agreeing with the employee in the course of downtime;
58.1.2. for the period up to 45 days in the event of an unavoidable need to prevent or eliminate the consequences of industrial accident or disaster or any unforeseen circumstances that leads to interruption of the normal operations of a business entity or organisation;
58.1.3. for performing another job that does not adversely affect an employee's health based on a medical-labor examination commission's decision for the period until the employee's ability to work restores;
58.1.4. for pregnant or breastfeeding woman, for the period specified in medical verification;
58.1.5. for the period set forth in a competent person's decision when an employee is under protection as a witness or victim;
58.1.6. for another work of the same nature upon agreement with the employee.

58.2. An employee shall continue his/her previous job as soon as the term of transfer to another job for the grounds specified in Paragraph 58.1 of this law ends.

58.3. Where a medical-labour examination commission determines that ability to work of the employee who was transferred temporarily to another job for the grounds set forth in Sub-paragraph 58.1.3 of this law is no longer restore, he/she shall be allowed to retain the job to which he/she transferred or transferred to another suitable job upon agreeing with him/her.

Article 59. Working in rotation

59.1. An employer may work an employee in rotation upon agreement with the employee within the business entity or organization or among branches or units for the term of up to 3 years for the following grounds:

59.1.1. to balance workload;
59.1.2. to prepare or specialize to hold a certain position;
59.1.3. to have skilled at working in several positions;
59.1.4. to prevent improper external impact that is likely to occur due to holding the same position for a long time.

59.2. An employer shall be responsible for unavoidable direct cost incurred in relation to a change of a place of work of the employee who will work in rotation.

59.3. Unless agreed with the employee, demotion and salary reduction shall be prohibited when working an employee in rotation.

59.4. When the term of working in rotation ends or if the cases set forth in Sub-paragraphs 80.1.1, 80.1.2 and 80.1.3 of this law have arisen for the employee who is working in rotation, the employee shall be returned to his/her previous job.

59.5. If it is impossible to return to the previous job, the employee shall be employed for the job of similar nature.

59.6. Imposing labor disciplinary actions shall be prohibited to an employee for his/her refusal to work in rotation.

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Article 60. Retaining employee's job

60.1. An employee's job shall be retained in the following circumstances where the employee does not work:

60.1.1. the employee is on an annual leave;
60.1.2. the employee is acting as a donor or is under medical verification due to health issues, except the cases set forth in Sub-paragraphs 80.1.4, 80.1.5 and 80.1.6 of this law;
60.1.3. the employee is on pregnancy, maternity or child care leave;
60.1.4. the employee is participating in negotiations, conclusion of collective agreement or bargaining or in a lawfully organized strike;
60.1.5. for the employee who is under protection as a witness or victim, for the term up to 1 year;
60.1.6. with respect to an employee who has received a call-up, until a competent body makes a decision on call-up to active military service;
60.1.7. the employee is serving in the army for a definite time;
60.1.8. the employee is transferred to another job temporarily as set forth in Article 58 of this law;
60.1.9. the employee's performance of the duties has been suspended by a competent body;
60.1.10. in respect of the employee who refused to work for the grounds set forth in this law, until such condition is eliminated;
60.1.11. the employee is having training for the period as permitted by the employer;
60.1.12. the employee is on personal leave;
60.1.13. such other cases as provided in the legislation, collective agreement or bargaining, internal labor regulations, or as agreed with the employer.

60.2. If an employee neither come back to work within 15 business days after the term set forth in Sub-paragraphs 60.1.3 and 60.1.7 of this law ends, nor make a request for extension of such term for a valid reason, the employer's obligation to retain his/her job shall cease.

60.3. If a business entity or organization or its branch or unit is liquidated, employment relations of the employee whose job is retained shall be deemed terminated and the allowance set forth in Article 82 of this law shall be provided to the employee.

60.4. If an employee's retained job has been cut or the employer reduced jobs, the employer shall conclude a new employment contract with the employee to hire him/her at another job of a similar nature on the basis of agreement with the employee.

Article 61. Reinstatement of an employee to his/her previous job or position

61.1. An employer shall be obliged to reinstate an employee to his/her previous job or position for the following grounds:

61.1.1. an employee, who has become disabled as a result of an industrial accident, acute poisoning or occupational disease and his/her employment relations have terminated, has made a request for work within 30 days after the medical-labor examination commission has issued a decision regarding restoration of his/her ability to work;
61.1.2. a decision by a labor rights dispute resolution commission, soum or district tripartite labor rights dispute settlement committee or court to reinstate an employee to his/her previous job has come into force;
61.1.3. an employee, whose job had been cut, but within 3 months thereafter it has been re-established, made a request for employment within 30 days after its re-establishment;
61.1.4. the other grounds provided in law.

61.2. In the event of reinstatement of an employee to his/her previous job or position on the grounds set forth in Sub-paragraphs 61.1.2 and 61.1.3 of this law, the employee's previous employment relations shall restore wholly. The terms of employment contract may be changed through mutual agreement of the parties.

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61.3. In the event of reinstatement of an employee to his/her previous job or position, employment relations of the employee who is replacing him/her shall cease as prescribed in this law.

Subchapter three
Types of employment contract

Article 62. Employment contract for working as an apprentice

62.1. An employer may conclude an employment contract with the aim of providing work experience and skills to an employee as an apprentice under the guidance of an experienced colleague.

62.2. An employment contract for apprentice shall describe specifically the apprenticeship period, a person from whom the apprentice will learn, and work experience and skills he/she will learn, in addition to the terms set forth in Article 49 of this law.

62.3. The term of an employment contract for working as ordinary apprentice shall be up to 3 months. The parties may extend the employment contract once for 3 months at most upon reaching an agreement.

62.4. The term of an employment contract for working as apprentice to become a subject matter expert may be up to 2 years depending on professional specifics and professional experience and skills to be acquired. The parties may extend the employment contract once not more than a year upon reaching an agreement.

62.5. The procedure on working as an apprentice to become a subject matter expert and a list of profession shall be approved by the cabinet member in charge of the labor based on national committee's opinions.

62.6. Base salary of an apprentice shall be determined by way of agreeing his/her duties and work experience and skills he/she will learn with the apprentice and it shall not be less than 70 percent of a base salary of permanent employee who performs the same job duties.

62.7. A probationary period employment contract shall not be concluded with an apprentice.

62.8. The other regulations and provisions in respect of the additional pay, extra pay and allowances set forth in this law shall apply to an apprentice equally.

62.9. Unless the parties agree expressly, an employer shall not be obliged to hire an apprentice for a permanent job.

62.10. It shall be prohibited to receive any fees from an apprentice for his/her apprenticeship and learning, to restrict his/her right to choose a job or profession openly, and to compel non-competition terms.

62.11. If an intern set forth in Article 63 of this law is to work as an apprentice for a subject matter expertise, the entire term of his/her employment contract shall be up to one year.

62.12. The relations associated with social insurance payment of an apprentice shall be regulated by the relevant legislation.

Article 63. Employment contract for internship

63.1. An employer, intern and training organization may enter into a tripartite employment contract of internship for the purpose of providing vocational education through combination of theoretical knowledge and practices, experience and skills to a student of vocational education and training organization.

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63.2. The parties shall agree on the training program by which training hours at vocational education and training organization, profession, work hours at workplace, job experience and skills an intern must learn will be determined and attach to an intern's employment contract.

63.3. Social insurance premiums to be paid by an intern and employer shall be paid from the Employment Promotion Fund.

63.4. The term of an employment contract for internship shall be up to 3 years depending on profession.

63.5. The parties shall determine an intern's base salary at no less than the minimum wages, in consideration of the ratio of intern's working and training hours, quality and quantity of the work, and stipend received from the vocational education and training organization.

63.6. The other regulations and provisions in respect of the additional pay, extra pay and allowances set forth in this law shall apply to an intern equally.

63.7. Unless the parties agree expressly, an employer shall not be obliged to hire an intern for a permanent job.

63.8. It shall be prohibited to receive any fees from an intern for his/her internship, to restrict his/her right to choose a job or profession and position openly, and to compel non-competition terms.

63.9. A university student may get internship at a business entity or organization by his/her field of study for the purpose of acquaintance with its operations. The terms and procedures on such internship shall be determined by legislation.

Article 64. Probationary employment contract

64.1. An employer may conclude a probationary employment contract when hiring an employee to verify whether he/she meets the job requirements.

64.2. The term of a probationary employment contract must be 3 months at most, which may be extended once for 3 months at most upon mutual agreement.

64.3. A probationary employee's base salary shall be determined at no less than the fixed wage of the job and additional pay, extra pay, award and bonuses, and allowances shall be provided to an intern as prescribed in this law.

64.4. A probationary employment contract shall not be concluded with an employee who will perform one-time seasonal job or work instead of an absent employee whose job is retained or hold temporary job.

64.5. The labor laws and regulations, collective agreement, collective bargaining, and internal labor regulations shall apply to a probationary employee equally.

Article 65. Employment contract with special terms and conditions

65.1. An owner or its authorized person may conclude an employment contract with special terms and conditions with an employee for the purpose of exercising a certain part of its ownership right by the employee or allowing him/her to hold an executive management position at the business entity or organization.

65.2. An employment contract with special terms and conditions may outline the following terms in addition to those set forth in Paragraph 49.1 of this law:

65.2.1. final work output, obligations and responsibilities, contract review procedure;
65.2.2. bonus, supplies, privileges and share from profit.

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65.3. An employment contract with special terms and conditions for exercising a certain part of the ownership right by an employee may outline the amount of assets provided to the employee's power, the right to possess, use and disburse thereof, and property liabilities.

65.4. Unless otherwise stated in law, an employer may terminate an employment contract with special terms and conditions at its initiative on the following grounds in addition to those specified in Article 80 of this law:

65.4.1. the employee performs the duties of his/her employment contract unsatisfactorily without valid reasons;
65.4.2. the employer transfers its full ownership right to another person;
65.4.3. it has been found out that the employee disbursed or lost the properties transferred to him/her under the employment contract inefficiently or exceeded the powers granted by the employer;
65.4.4. the employee lost the employer's trust due to his/her wrong acts or non-acts, violated internal labor regulations repeatedly or seriously.

65.5. An employer shall adhere to the provisions of Paragraphs 80.2, 80.4 and 80.5 of this law to terminate an employment contract with special terms and conditions for the grounds specified in Sub-paragraphs 65.4.2, 80.1.1, 80.1.2 and 80.1.3 of this law.

Article 66. Part-time employment contract

66.1. An employer may conclude a part-time employment contract as agreed with the employee. Part-time employee is an employee who works for less hours than a full-time employee.

66.2. The total daily or weekly or monthly work hours and start and finish times shall be agreed specifically in a part-time employment contract, in addition to the terms set forth in Article 49 of this law.

66.3. Reduction of a full-time employee's work hours as permitted in legislation shall not be considered as part-time work.

66.4. A part-time employee shall be subject to the rights and obligations applicable to full-time employees, except expressly provided in this law, and the labor laws and regulations, collective agreement, collective bargaining, and internal labor regulations shall apply to a part-time employee equally.

66.5. An employer may hire a part-time employee for performance of temporary work and provide remuneration which suits for the job and work hours.

Article 67. Work from home employment contract

67.1. An employee may conclude a work from home employment contract as agreed with the employer to work and get paid under the employer's management and control at home or his/her own selected location that is other than the employer's premises using the employer's or his/her own equipment and raw material.

67.2. The parties shall agree specifically and outline in a work from home employment contract the location where the employee will work, the duties, the date and a form to hand over the performed work, remuneration, payment (tariff) of unit product made or unit service rendered, and the amount of compensation to be paid by the employer if the employee uses his/her own properties and equipment, in addition to the terms set forth in Article 49 of this law.

67.3. An employer is obliged to check safety of the equipment and other tools that will be used by an employee who will work from home and provide occupational safety guidance.

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67.4. An employee who will work from home shall be subject to the rights and obligations applicable to full-time employees working in employer's premises except expressly provided in this law and the labor laws and regulations, collective agreement, collective bargaining, and internal labor regulations shall apply to the employee equally.

67.5. Chapter six of this law shall not apply to an employee who will work from home.

Article 68. Employment contract for remote work

68.1. An employer may conclude a remote work contract and authorize the employee to work always or sometimes remotely using electronic network.

68.2. The parties shall agree specifically and outline in a remote work contract the location where the employee will work, the date and a form to hand over the performed work, and the amount of compensation to be paid by the employer if the employee uses his/her own properties and equipment, in addition to the terms set forth in Article 49 of this law.

68.3. An employee who will work remotely shall be subject to the rights and obligations applicable to other employees performing the same job duties except expressly provided in this law and the labor laws and regulations, collective agreement, collective bargaining, and internal labor regulations shall apply to the employee equally.

Subchapter four
Employment contract to be concluded between citizens

Article 69. Requirements and conditions for employment contract to be concluded between citizens

69.1. The following terms shall be outlined in an employment contract to be concluded between citizens, in addition to those set forth in Paragraph 49.1 of this law:

69.1.1. the routine for work and rest hours;
69.1.2. the payroll dates;
69.1.3. the location where the employee will work;
69.1.4. the others as agreed mutually.

69.2. The work hour limits set forth in this law shall be adhered to determine the routine for work and rest hours in an employment contract to be concluded between citizens, except a contract to be concluded with an assistant herder, house cleaner or equivalent workers.

69.3. The other regulations of this law shall apply equally to an employment contract to be concluded between citizens.

Article 70. Registration and termination of an employment contract concluded between citizens

70.1. At request of a citizen as an employer or as an employee, the state administrative organization in aimag or district in charge of the labor, or governor's office in soum, shall provide guidance on whether the employment contract concluded between them is in conformity with legislation.

70.2. The state administrative organization in aimag or district in charge of the labor, or governor's office in soum, shall register employment contracts to which they have provided guidance.

70.3. An employment contract concluded between citizens shall terminate as of the employer passed away, in addition to the provisions of Articles 78, 79 and 80 of this law.

Article 71. Distinctions of employment contract to be concluded with an assistant herder, house cleaner or equivalent workers

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71.1. An employer shall conclude an employment contract that meets the requirements of this law in writing with an assistant herder, house cleaner or equivalent workers.

71.2. Assistant herder is a person who agrees to live, work and get paid as a herder and do other livestock related works under an employing herder's management and control. The relations associated with herding other's livestock individually for remuneration shall be regulated by the Civil Code.

71.3. Where an assistant herder, house cleaner or equivalent workers live in an employer's home or accommodation of his/her possession or ownership while working, the employer shall be obliged to ensure their normal living conditions.

71.4. An employer and his/her family members shall be obliged to respect an assistant herder, house cleaner or equivalent workers and his/her reputation and legitimate interests and provide working conditions free from discrimination, pressure, violence, and sexual harassment.

71.5. An assistant herder's remuneration shall be provided as prescribed in Article 112 of this law.

71.6. An employer may agree with an assistant herder, house cleaner or equivalent workers regarding the work and rest hours differently from the provisions of this law, in consideration of their job specifics. An employer shall be obliged to allow an assistant herder or house cleaner to have more than a consecutive 24 hours day-off per week and provide an annual leave as prescribed in this law.

71.7. Unless otherwise stated in an employment contract, a house cleaner shall not be obliged to stay at an employer's home on weekends and on public holidays.

71.8. An assistant herder, house cleaner or equivalent workers shall be covered by the voluntary insurance specified in Sub-paragraphs 3.2.1, 3.2.2 and 3.2.4 of the Law on Social Insurance.

71.9. An employment contract template to be concluded with an assistant herder, house cleaner or equivalent workers shall be approved by the cabinet member in charge of the labor, in consideration of the comments of the organizations representing and protecting the rights and legitimate interests of employers and employees.

71.10. An assistant herder, house cleaner or equivalent workers shall comply with the relevant labor laws and regulations, collective agreement, collective bargaining, and internal labor regulations equally, except expressly provided in this law.

Subchapter five
Additional terms of employment contract

Article 72. Non-compete obligations

72.1. An employer may enter additional terms, for the purpose of protecting its industrial and business secrets, in an employment contract or conclude a supplementary contract with the employee who has a special terms employment contract as stated in Article 65 of this law regarding the obligations not to work for a directly competing business entity, organization or individual or not run directly competing operations himself/herself within certain length of time after his/her employment relations with the employer is over.

72.2. The terms including the grounds for prohibiting competition, types of the relevant operations, jurisdiction to be under the prohibition, length of time of application, and compensation to be provided by the employer during such length of time shall be outlined in an employment contract or in a non-compete agreement.

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72.3. A length of time of application of the additional non-compete terms or supplementary agreement shall not be more than one year after the employee's employment relations are over.

72.4. In the course of application of the additional non-compete terms or supplementary agreement, an employer shall provide to the employee a monthly allowance in an amount equal to at least 50 percent of his/her final monthly salary.

72.5. Non-compete obligations shall not apply to the employee who works abroad.

72.6. It shall be prohibited to impose non-compete obligations to a minor, probationary employee and apprentice.

Article 73. The obligations of an employee studying at employer's cost

73.1. An employer may agree mutually and enter additional terms in an employment contract or conclude a supplementary contract with the employee regarding training, upgrade of qualifications, or specialization at the employer's cost.

73.2. An employment contract or a supplementary contract on studying at employer's cost shall outline the form and duration of training, the amount of allowance, retainment of the employee's job during study, duration of employment at the business entity or organization after the training, amount of the cost to be provided by the employer, and the rights, obligations and liabilities of the parties.

73.3. The parties shall agree on the duration of employment at the business entity or organization after the training, which will be 3 years at a maximum.

73.4. If an employment contract is terminated at the initiative of an employee, the employee shall compensate the training cost allotted for his/her non-work length of time on a pro-rata basis, except the employer exempts from the training cost wholly or partially.

Article 74. Employee obligations to maintain confidentiality

74.1. An employer may agree mutually and enter additional terms in an employment contract or conclude a supplementary contract with the employee who has a special terms employment contract, or other employees as considered necessary, regarding the obligations to maintain confidentiality.

74.2. An employer may approve a procedure on maintaining and handling secrets of a business entity or organization.

Article 75. Employee's full property liability

75.1. An employer may agree mutually and enter additional terms in an employment contract or conclude a supplementary contract regarding the obligations on full property liability with the employee who has obligations to disburse the employer's properties, make decision to transfer them to others or safeguard and maintain completeness of the properties.

75.2. The extent and limits of the power to disburse properties, the properties to be safeguarded and maintained, location thereof, and the other rights and obligations of the parties shall be outlined expressly in an employment contract or a supplementary contract.

75.3. An employer shall approve a list of the jobs where the employees hold full property liability.

Subchapter six
Tripartite employment relations

Article 76. Working under labor supply contract

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76.1. A legal entity, that provides a labor supply service ("Labor supplier"), may work its employee, who concluded an employment contract as prescribed in this law, at other employer under a labor supply contract ("Recipient").

76.2. The recipient may hire and work an employee under a labor supply contract in the following cases:

76.2.1. performing a temporary job for the period of 6 months at a maximum;

76.2.2. working as a replacement of the employee whose position is being retained, except the employee is concluding a collective agreement, holding negotiations, or participating in trade union's activity and lawful strike;

76.2.3. performing the work and services ancillary to the core operations of a business entity or organization;

76.2.4. the circumstances set forth in Sub-paragraphs 91.2.2 and 91.2.4 have occurred.

76.3. The number of workers to be employed under labor supply contract shall not exceed 30 percent of a recipient's total workforce, except prescribed in Sub-paragraph 76.2.4 of this law.

76.4. A labor supplier shall execute a labor supply contract in writing with a recipient.

76.5. A recipient shall be responsible for the followings before employees working under labor supply contract:

76.5.1. to introduce its internal labor regulations to the employee;

76.5.2. the employer's obligations, except those set forth in Sub-paragraphs 43.2.1, 43.2.7 and 43.2.9 of this law.

76.6. A labor supplier is obligated to introduce the terms of contract set forth in Paragraph 77.1 of this law to the employee who works under a labor supply contract.

76.7. A recipient shall have the right to refuse to employ an employee in the event of the circumstances set forth in Paragraph 80.1 of this law.

76.8. A labor supplier shall be prohibited to obstruct in any forms and to take a fine or penalty from the employee, who is working under a labor supply contract, is to work as a full-time employee upon agreement with the recipient or is to conclude an employment contract with other employer.

76.9. A labor supplier shall be prohibited to receive labor supply fees from the employee directly or indirectly and withhold it from his/her salary.

76.10. Employing a minor under a labor supply contract shall be prohibited.

76.11. The relations associated with running job mediation services shall be regulated under the Law on Employment Promotion.

Article 77. Terms of labor supply contract

77.1. A labor supply contract shall outline the terms provided below:

77.1.1. the number of labor force to be supplied, term of contract;
77.1.2. the name, location, duties and requirements of jobs, employment conditions, and salary;
77.1.3. occupational safety and health conditions;
77.1.4. the rights, obligations and responsibilities of the parties before employee, the rights to be exercised.

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77.2. It shall be prohibited to agree on and outline in a labor supply contract the rights and obligations that are less favorable to employee than those of the recipient's full-time employee. Employment conditions of an employee who is working under a labor supply contract shall be equal to that of a recipient's full-time employee.

77.3. An employee who is working under a labor supply contract shall have the right to be referred to a recipient's collective agreement same as its full-time employee.

77.4. Liabilities on the matters that are not outlined expressly in a labor supply contract shall be responsibility of a recipient.

77.5. The requirements and activities of a labor supplier shall be regulated by the Employment Promotion Law.

Subchapter seven
Termination of employment relations

Article 78. The grounds for termination of employment relations

78.1. Employment relations shall terminate for the following grounds:

78.1.1. the parties agreed mutually;
78.1.2. the employee has passed away;
78.1.3. the term of an employment contract ends and is no longer extend;
78.1.4. the competent authority demands;
78.1.5. it has been determined to hire the previous job holder back as specified in Paragraph 61.1 of this law;
78.1.6. court decision has become effective on sentencing the employee for his/her crime and he/she becomes unable to continue work;
78.1.7. the court determined that the employee has no legal capacity;
78.1.8. the employee has been appointed or selected for another position;
78.1.9. the employee or the employer has initiated a termination of employment relations.

Article 79. Termination of employment relations at employee's initiative

79.1. An employee is entitled to initiate a termination of employment relations.

79.2. An employee is entitled to leave the workplace 30 days after he/she notified the employer of a termination of employment relations in writing, and in this case, employment relations shall be deemed terminated.

79.3. An employee may agree with the employer a termination of employment relations prior to the date specified in Paragraph 79.2 of this law.

Article 80. Termination of employment relations at employer's initiative

80.1. Employment relations may be terminated at the employer's initiative on the following grounds:

80.1.1. liquidation of the business entity or organisation, branch or unit thereof, cut or reduction of the jobs within it;
80.1.2. it has been determined that the employee does not qualify the job or position in terms of the level or skills of profession, specialization, or work performance. The employee must have been warned and provided reasonable timeframe for improvement of his/her level or skills of profession or specialization, or work performance;
80.1.3. the medical-labor examination commission has determined that the employee is unable to work due to the health reason and there is no other job to transfer him/her to, the employee is

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unable to work although the employer has taken measures specified in Paragraph 144.1 of this law;
80.1.4. the employee repeated a labour disciplinary breach (twice or more) or made a serious breach for which the employment relations must be terminated immediately as outlined expressly in an employment contract;
80.1.5. it has been found out that an employee who is entitled to disburse or be responsible for completeness of the employer's money and assets has lost the employer's trust due to a wrongful act or non-act;
80.1.6. it has been found out that an employee provided forged documents of level of education, profession and specialization during recruitment.

80.2. Termination of employment relations, at the employer's initiative, with an employee whose job or position is retained shall be prohibited for the grounds except prescribed in this law and except the business entity or organization, branch or unit thereof is liquidated.

80.3. Unless otherwise stated in law, a change of jurisdiction, proprietary type, legal person's form, and management of a business entity or organization shall not serve as a ground for termination of employee's employment relations.

80.4. An employer shall notify of termination of employment relations for the grounds specified in Sub-paragraphs 65.4.2, 78.1.5, 80.1.1, 80.1.2 and 80.1.3 of this law to the employee in writing at least 30 days prior to the termination and where required, the employer is obliged to confirm such notice.

80.5. If the employer considers that the employee, who received a notice as set forth in Paragraph 80.4 of this law, does not need or impossible to continue work, the employer shall provide the allowance calculated based on his/her average salary until the termination and the employee may not work.

Article 81. Regulations of mass layoff

81.1. Termination of employment relations of the employees in the following numbers and percent for a 90-day period for the grounds of liquidation of the business entity or organisation, branch or unit thereof, or cut or reduction of the jobs within it shall be deemed as mass layoff:

81.1.1. five or more employees of a business entity or organization that has 10-50 workforce;
81.1.2. ten or more percent of total employees of a business entity or organization whose workforce counts 51-499;
81.1.3. fifty or more employees of a business entity or organization whose workforce counts 500 or more.

81.2. In the event of a mass layoff, the employer shall notify the employee representatives of the grounds for termination of employment relations, the employee names covered, and the date of the termination of employment relations, and hold a negotiation regarding the matter set forth in Paragraph 81.3 of this law.

81.3. The employer and the employee representatives shall negotiate in respect of a mass layoff, including reduction of the number of employees to be laid off, transfer of them to vacant positions of the business entity or organization, hiring them back first when jobs are created newly and increased, specialization and retraining for different profession, and the amount of severance pay.

81.4. Each employee shall be notified of a termination of employment relations as prescribed in Paragraph 80.4 of this law. The employment relations shall be terminated at least 30 days after the notice.

81.5. An employer shall primarily hire the person, whose employment relations were terminated as prescribed in Paragraph 81.1 of this law, within one year after the mass layoff when new jobs

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are created, or jobs are increased if he/she meets the job requirements and has applied for the job.

81.6. An employer shall notify in writing about its mass layoff to the organization in charge of the labor of its jurisdiction within 30 days after it has made such decision.

81.7. In the event of a mass lay-off of the employees due to liquidation of the business entity or organisation, branch or unit thereof, the employees' salary shall be paid primarily.

Article 82. Severance pay for termination of employment relations

82.1. An employer shall provide a one-time severance pay in the following amounts to the employee, whose employment relations were terminated for the grounds specified in Sub-paragraphs 65.4.2, 80.1.1, 80.1.2 and 80.1.3 of this law, regardless of his/her entitlement to receive a severance pay from the social insurance fund:

82.1.1. equal to the base salary of one or more months if the employee worked at the business entity or organization for 6-24 months;
82.1.2. equal to the base salary of two or more months if the employee worked at the business entity or organization for 2-5 years;
82.1.3. equal to the base salary of three or more months if the employee worked at the business entity or organization for 5-10 years;
82.1.4. equal to the base salary of four or more months if the employee worked at the business entity or organization for 10 years or more.

82.2. In the event of a mass layoff of the employees, the employer shall set the amount of severance pay at least in the amounts specified in Paragraph 82.1 of this law through negotiations with the employee representatives.

82.3. The amount of severance pay set forth in Paragraphs 82.1 and 82.2 of this law may be set higher under the legislation, collective agreement or collective bargaining.

82.4. The work hours of a part-time employee shall be calculated shifting to full-time to provide a severance pay as prescribed in Paragraph 82.1 of this law.

82.5. An employer shall provide the allowance in an amount specified in Paragraph 82.1 of this law to the employee whose employment relations were terminated for determining old age pension.

82.6. An employer shall not be obliged to provide the allowance specified in Paragraph 82.1 of this law to the employee, who was working temporarily instead of an absent employee whose job is retained and whose employment relations were terminated.

Article 83. Making decision on termination of employment relations and handover of duties

83.1. When an employee's job is retained, his/her duties shall be handed over to the employer temporarily and permanently when his/her employment relations are terminated.

83.2. An employee is obliged to hand over each tool, equipment, appliance and property provided for performance of his/her job duties, documents prepared as per the job duties, hard and soft data, and other relevant items to the employer.

83.3. An employer shall specify the date of a hand over of the duties in the decision on termination of the employee's employment relations.

83.4. The employer shall issue a decision on the termination of the employee's employment relations in writing before hand over of the duties and introduce it and give a copy to the employee.

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If the employee refuses to accept the decision, it shall be sent by airmail to the address of his/her residence, which shall be deemed as acquainted with the decision.

83.5. The employer shall calculate and provide salary to the employee for the period specified in Paragraph 83.3 of this law.

83.6. The employer is obliged to provide the employee with the decision on terminating his/her employment relations, hand over his/her social insurance book, health insurance book, and other documentation on the date when the employment relations are terminated, and provide salary, allowances and benefits as prescribed in law and internal labor regulations.

83.7. The employer shall provide the employee with an accurate and true letter of reference concerning his/her remuneration, term of employment, and position at his/her request within 5 business days. Where the employee suffers a loss because of a failure to provide the letter of reference within the specified time or incorrect or incomplete issuance, the employee may claim for compensation of the loss.

83.8. The state administrative organization in charge of the social insurance shall be responsible for setting up electronic registration and maintaining integrated registration of employee's employment and social insurance.

CHAPTER SIX
HOURS OF WORK AND REST

Subchapter one
Work hours

Article 84. Maximum limit of work hours

84.1. The hours of ordinary work per week shall not exceed 40 hours.

84.2. The length of a normal working day shall not exceed 8 hours.

84.3. The hours of work of a minor per week shall not exceed 30 hours.

84.4. The maximum limit of weekly hours of work shall not exceed 56 hours. The maximum limit of overtime work shall not exceed 4 hours per day.

84.5. An employer is obliged to maintain employee's timesheet.

Article 85. Reduction of work hours

85.1. An employer shall reduce the employee's hours of work if:

85.1.1. the medical-labor examination commission has made decision to reduce the employee's hours of work;
85.1.2. the medical verification is issued to reduce the pregnant and breastfeeding employee's hours of work;
85.1.3. the employee attends training to acquire profession or upgrade qualifications at production site, during his/her training.

85.2. Where the job is determined to be pertinent to nonstandard working conditions by the competent organization, the employer is obliged to reduce the employee's work hours.

85.3. The employee whose work hours are reduced shall be provided the allowance as prescribed in Article 115 of this law.

Article 86. Part-time work

86.1. The part-time employee's hours of work per week shall not exceed 32 hours.

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Article 87. Shift hours of work

87.1. An employer shall notify the employee of the shift hours of work and schedule at least 48 hours prior to commencement thereof.

87.2. The length of a normal work hours shall not exceed 8 hours per shift.

87.3. Unless otherwise stated in law, an employer may agree with the employee and arrange to extend the length of work hours of a shift by 4 hours at a maximum. In this event, where the employee works for more than 40 hours a week, his/her overtime work remuneration shall be provided in an increased amount as prescribed in Paragraph 109.1 of this law.

87.4. An employee shall be prohibited to work in two consecutive shifts.

Article 88. Night hours

88.1. The period from 10 pm to 6 am of local time shall be considered night hours.

88.2. The employee who works night hours shall rest next business day for the period equal to at least the night hours of work.

88.3. The employee who always works night hours shall undergo preventive medical examination at an employer's cost in due times prescribed in occupational safety and health legislation.

88.4. An employee is obliged to transfer the employee, who is barred from night work by the medical-labor examination commission's decision, to day shift or another job of a similar nature.

88.5. A pregnant employee and an employee who has a child up to 3 years old shall be prohibited to work night hours unless she agrees.

88.6. A minor shall be prohibited to work night hours.

Article 89. On-call hours

89.1. The wait period an employee must be ready to work on call outside the ordinary work hours as agreed with the employer regarding the location and time shall be deemed the work hours.

89.2. Where the employee waits at a location advised by the employer, the employer shall provide to the employee at least 50 percent of his/her base salary as an allowance and at least 30 percent as an allowance in other cases.

89.3. The employer shall notify the employee of the date and time of on-call work at least 24 hours prior and the employee's on-call work shall not exceed 8 per month.

Article 90. Aggregation of work hours

90.1. Where, depending on the nature of work, service or manufacturing process, it is impossible to follow ordinary daily or weekly work hour limits determined by law, work hours shall be calculated in aggregation.

90.2. Aggregate hours computed as prescribed in Paragraph 90.1 of this law shall not exceed the sum of ordinary work hours corresponding to computed time.

90.3. Calculating aggregate work hours shall not become a ground to limit the legal regulations on provision of annual leave to the employee or counting of the period of social insurance payment.

90.4. The cabinet member in charge of the labor shall approve the procedure on calculation of aggregate work hours.

Article 91. Overtime work

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91.1. Working at the employer's initiative in excess of the ordinary daily work hours, shift work hours, weekly work hours or the sum of ordinary hours of work for calculating aggregate work hours shall be deemed overtime work.

91.2. An employee may work overtime in the following cases:

91.2.1. to perform work that is indispensable for the defense and protection of the country, or human life and health;
91.2.2. to prevent from catastrophe, natural disaster or accident, or take immediate actions to eliminate the consequences thereof;
91.2.3. to remedy disruption of water, electricity or heat supplies, road transport or communication facilities;
91.2.4. to perform unforeseen works which are needed to be performed urgently to prevent and eliminate a potential disruption of the normal functioning of a business entity or organisation, its branch or unit.

91.3. Working at the employer's initiative in excess of the work hours specified in a part-time employment contract shall be deemed overtime work.

91.4. A pregnant employee and an employee who has a child up to 3 years old shall be prohibited to work overtime unless she agrees.

91.5. A minor shall be prohibited to work overtime.

Article 92. Working in roster

92.1. An employer in mining and extraction sector may apply a roster schedule by deploying and working employees in a remote area other than their place of residence.

92.2. A business entity or organization that provides a service to the employer that applies the schedule specified in Paragraph 92.1 of this law may apply such schedule at the same location.

92.3. A work day of the employee who will work in roster shall not be longer than 12 hours and additional pay shall be provided pursuant to Article 87 of this law calculating the overtime as prescribed in Paragraph 109.1 of this law.

92.4. The roster employee shall work 14 days and have 14 days off.

92.5. If the period specified in Paragraph 92.4 of this law is shortened, the employer and employee may agree on making the work and rest period equal.

92.6. Travel time between the location determined in internal labor regulations and workplace before and after a roster change shall be considered as work hours, in which the hours of delay due not to the employer's reason shall not be included.

92.7. Travel cost of the roster employee between the location specified in Paragraph 92.6 of this law and workplace shall be borne by the employer.

92.8. Hours of work and rest of the roster employee and roster work allowance shall be set under a collective agreement and sectoral collective bargaining.

92.9. Unless the employer hires an employee as prescribed in Paragraph 80.5 of this law, the employer shall bring the employee to the location determined in internal labor regulations.

92.10. Employing a minor in roster shall be prohibited.

Subchapter two
Hours of rest

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Article 93. Types of hours of rest

93.1. The hours of rest shall be of the following types:

93.1.1. break for rest and meal;
93.1.2. continuous rest between two consecutive work days;
93.1.3. weekly rest;
93.1.4. public holidays;
93.1.5. annual leave.

Article 94. Breaks for rest and meal

94.1. An employee shall be given breaks for rest and meals.

94.2. Breaks for rest and meals shall not be considered the hours of work.

94.3. The time for starting and finishing the breaks for rest and meal shall be defined in internal labour regulations. Lunch break shall be at least one hour.

94.4. An employee who is not able to have a break for meal due to the nature of his/her job duties shall be provided by an employer with an opportunity to have a meal at workplace and such time shall be considered as the hours of work.

Article 95. Continuous rest between two consecutive work days or daily rest

95.1. Continuous rest period between two consecutive work days shall be at least 12 hours.

Article 96. Weekly rest

96.1. Saturdays and Sundays shall be public rest days.

96.2. Where it is impossible to allow an employee to rest on Saturdays and Sundays depending on the nature of work or production, the employer shall determine the other two consecutive days per week as rest days under the employment contract and internal labor regulations upon agreement with the employee.

Article 97. Public holidays

97.1. The following dates are designated as public holidays:

97.1.1. New Year: 1st of January;
97.1.2. White Moon days: the first three days of the first spring month according to the lunar calendar;
97.1.3. International Women's Day: 8th of March;
97.1.4. The Day of Vesak: The Day of the Full Moon in the first summer month according to the lunar calendar;
97.1.5. Children's Day: 1st of June;
97.1.6. National Naadam holiday - Anniversary of the Mongolian People's Revolution: 11th, 12th, 13th, 14th and 15th of July;
97.1.7. The day of Chinggis Khaan: Chinggis Khaan's birthday - the first day of the first winter month according to the lunar calendar;
97.1.8. Day of the Proclamation of the People's Republic: 26th of November;
97.1.9. National Freedom and Independence Day: 29th of December.

Article 98. Restrictions of work on public holidays and weekly days of rest

98.1. Unless the employee agrees, it shall be prohibited to work him/her on public holidays or weekly rest days at the employer's initiative, except in the cases of continuous manufacturing

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process, provision of common public services, transport, communications, or indispensable works and as stated in Paragraph 91.2 of this law.

98.2. Unless the employee agrees, it shall be prohibited to work him/her, who is pregnant or has a child up to 3 years old or a disabled child up to 16 years old needing constant nursing, on public holidays or weekly rest days.

Article 99. Annual leave and its duration

99.1. An employee shall personally enjoy an annual leave every year. The provision of monetary incentive in an amount greater than those specified in Paragraph 110.2 of this law to an employee who does not have an annual leave due to an unavoidable work need shall be decided under a collective agreement, and by agreement with the employee, in case there is no collective agreement.

99.2. An employee shall be entitled to an annual leave if he/she works 6 months after concluding an employment contract.

99.3. Unless otherwise stated in law, the basic period of an annual leave shall be 15 working days.

99.4. The basic period of an annual leave of an employee who is under the age of 18 and disabled shall be 20 working days.

99.5. In addition to the basic period, an employee working under normal working conditions shall be given additional leave days, taking into consideration the length of his/her employment as follows:

99.5.1. three working days for the period from the beginning of year 6 till the end of year 10;
99.5.2. five working days for the period from the beginning of year 11 till the end of year 15;
99.5.3. seven working days for the period from the beginning of year 16 till the end of year 20;
99.5.4. nine working days for the period from the beginning of year 21 till the end of year 25;
99.5.5. eleven working days for the period from the beginning of year 26 till the end of year 31;
99.5.6. fourteen working days from year 32.

99.6. In addition to the basic period, an employee working under nonstandard working conditions shall be given additional leave days, taking into consideration the length of his/her employment as follows:

99.6.1. five working days for the period from the beginning of year 6 till the end of year 10;
99.6.2. seven working days for the period from the beginning of year 11 till the end of year 15;
99.6.3. nine working days for the period from the beginning of year 16 till the end of year 20;
99.6.4. twelve working days for the period from the beginning of year 21 till the end of year 25;
99.6.5. fifteen working days for the period from the beginning of year 26 till the end of year 31;
99.6.6. eighteen working days from year 32.

99.7. Basic annual leave and additional leave shall be awarded to a part-time employee taking into consideration his/her total hours of work of the year concerned.

99.8. An employee may have an annual leave in parts during the year at his/her request. The length of any continuous part of an annual leave shall be at least 10 business days.

99.9. The length of additional leave may be determined under the relevant law in consideration of the nature of work or profession.

99.10. The cabinet member in charge of the labor shall approve the procedure on granting annual leave and calculating annual leave pay.

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Article 100. Granting personal leave

100.1. An employer may grant a personal leave at the employee's request.

100.2. The procedure on granting personal leave, its duration, and the question of whether it is paid or not during the personal leave shall be governed by internal labor regulations.

CHAPTER SEVEN
SALARY AND ALLOWANCE

Article 101. Salary

101.1. Salary shall consist of the base pay, additional pay, extra pay, annual leave pay and bonuses.

Article 102. The principles for salary determination

102.1. The following principles shall be observed to determine the amount of salary:

102.1.1. the amount of salary must be identical for those who perform the job duties of similar value;
102.1.2. to take into consideration a change in the cost of living of population and inflation rate;
102.1.3. to match with an employee's skills level, performance, and output;
102.1.4. to not discriminate by sex and other grounds;
102.1.5. the salary calculation approach must be transparent and understandable.

Article 103. Salary regulation

103.1. The cabinet member in charge of the labor shall approve the payroll procedure, including:

103.1.1. the procedure on determining average salary;
103.1.2. the common procedure on establishing, providing and certifying employee qualification degree.

103.2. The national committee shall approve the payroll approaches on:

103.2.1. determining salary;
103.2.2. developing labor norms and quotas; and
103.2.3. developing jobs and professions standards.
103.3. An employer shall approve internal labor regulations on salary for compliance, aligned with the legislation, collective agreement, and collective bargaining:
103.3.1. a list of jobs and professions;
103.3.2. job descriptions;
103.3.3. labor norms and quotas aligned with the provisions of Paragraph 106.3 of this law;
103.3.4. the payroll procedure.

Article 104. Payment of salary

104.1. Salary shall be paid at least twice a month on fixed dates and the payroll dates shall be outlined in internal labor regulations or employment contract.

104.2. If a pay date falls on a weekend or public holiday, it shall be shifted to the preceding business day.

104.3. An employer shall notify to an employee of the payroll component, withholding and its grounds, and paid out salary in writing or electronically pertaining to each payroll.

104.4. Salary may be paid to an employee on an hourly, daily or weekly calculation basis upon mutual agreement of the parties.

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104.5. Salary may be paid in advance at the request of an employee.

104.6. Unless otherwise stated in law, the employer shall pay salary to the employee himself/herself.

104.7. Where lawfully guaranteed remuneration and allowances are not paid to on the fixed date without valid reasons or paid lower than the amount set by the legislation and employment contract, a perpetrator shall be subject to the liabilities set forth in this law, Law on Offense and other relevant laws.

Article 105. Forms of payment of salary

105.1. An employee's base pay, annual leave pay, additional and extra pays, and allowances shall be paid in a monetary form in national currency except provided in Paragraph 112.1 of this law.

Article 106. Labor norms and quotas

106.1. An employer may approve and ensure compliance with labor norms and quotas for the purpose of planning workforce number, determining workforce number by jobs and professions, and providing performance-based remuneration. To do so, the employer shall receive the comments of employee representatives, trade union, if there is not such organization, of employee representatives.

106.2. Determination of labor norms and quotas shall rely on the experience and practice of an employee whose work output is of average level.

106.3. Standard labor norms and quotas of a sector may be determined by the cabinet member in charge of the sector.

106.4. Intersectoral standard labor norms and quotas may be determined by the cabinet members in charge of the sector and the labor.

Article 107. Setting base salary

107.1. Unless otherwise stated in law, an employer shall calculate an employee's base salary based on the job analysis and assessment or on the employee's skills on an hourly basis, on a piecework basis, or in other forms.

107.2. Where an employer and employee representatives agreed mutually, remuneration may be regulated by a business entity, organizational, sectoral or intersectoral collective agreement or collective bargaining, respectively.

107.3. A minimum hourly rate of the base salary for ordinary jobs that do not require specific education and vocational training shall be set by the national committee as prescribed in the Law on Minimum Wages.

107.4. An employer shall be prohibited to set the base salary lower than the minimum wages.

107.5. Where the minimum wages have been set higher than the amount set forth in Paragraph 107.3 of this law by sectoral or intersectoral collective bargaining, it shall be observed.

Article 108. Extra pay

108.1. Extra pay for an employee's skills, length of employment, professional level, working in nonstandard conditions, and other extra pays shall be determined by the legislation, collective agreement, collective bargaining, employment contract and internal labor regulations.

Article 109. Additional pay

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109.1. If an employee who worked overtime is not given days off, he/she shall receive pay in an amount equal to 1.5 times or more his/her average salary.

109.2. If an employee who worked on weekends is not given days off, he/she shall receive pay in an amount equal to 1.5 times or more his/her average salary.

109.3. If an employee who worked at night hours is not given days off, he/she shall receive pay in an amount equal to 1.2 times or more his/her average salary.

109.4. If an employee who worked on public holidays is not given days off, he/she shall receive pay in an amount equal to twofold or more his/her average salary.

109.5. If an employee works for night hours during working overtime, on weekends, or public holidays, night-hour additional pay shall be provided in addition to the additional pay specified in Paragraphs 109.1, 109.2 and 109.4 of this law.

109.6. The rate of additional pay for working temporarily instead of an absent employee, performing additional tasks unspecified in job description, and other additional pays shall be set under a collective agreement, collective bargaining, employment contract, and internal labor regulations.

109.7. Paragraphs 109.1, 109.2, 109.3, 109.4, 109.5 and 109.6 of this law shall apply to part-time employees.

109.8. Night-hour additional pay shall be provided to an employee who works at night as per shift schedule.

109.9. Additional pay specified in Paragraphs 109.2 and 109.4 of this law shall not be provided to those whose shift work days fall on weekends and public holidays. But additional pay may be set under a collective agreement and collective bargaining.

Article 110. Annual leave pay

110.1. An employee's annual leave pay shall be calculated and paid based on his/her average salary for the respective year.

110.2. An employee who cannot have an annual leave due to the urgent work needs shall be paid at a rate of 1.5 times the annual leave pay.

110.3. Annual leave pay for the length of employment shall be calculated and paid to the employee whose employment relations is to terminate.

Article 111. Part-time employee's salary

111.1. Unit rate of a part-time employee's salary calculated on an hourly or a piecework basis shall not be lower than that of a full-time employee holding the same job.

111.2. A part-time employee's salary shall be calculated based on his/her performance or on an hourly basis and paid in times as agreed with the employee.

111.3. The salary of a part-time employee who will work for more than a month may be paid as prescribed in Paragraph 104.1 of this law.

Article 112. Assistant herder remuneration

112.1. Where an assistant herder accepts, at a maximum 30 percent of his/her remuneration may be paid in a non-monetary form.

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112.2. The remuneration in a non-monetary form set forth in Paragraph 112.1 of this law may be in goods, livestock, or other properties that meet the quality requirements and the price thereof shall not be over the average market value.

112.3. Cigarette, alcohol, all kinds of medicines, legally barred items and goods, the goods and products sold under a license shall be prohibited to use as a non-monetary remuneration.

Article 113. Employee remuneration and allowance for the period of refusing to perform the job duties, not working to be protected as a witness or victim, or during transfer to another job

113.1. Where an employee refuses to perform the job duties as prescribed in Paragraph 54.1 of this law, the employer shall pay an allowance to the employee in an amount equal to his/her salary allotted for his/her nonworking period.

113.2. Where an employee does not work to be protected as a witness or victim as per legislation, he/she shall receive the salary that must have been paid for such nonworking period as an allowance as per legislation. Where an employee's salary decreases due to the transfer to another job, he/she shall receive the difference as an allowance as per legislation.

Article 114. Remuneration and allowance for non-achievement of labor norms

114.1. Where a non-achievement of labor norms is not due to the employee's fault, he/she shall receive the pay for performed tasks and base salary difference as an allowance.

114.2. Where a non-achievement of labor norms is due to the employee's fault, he/she shall receive the pay for performed tasks.

Article 115. Pay for working reduced hours

115.1. An employer shall pay remuneration of an employee, whose work hours have been reduced for the grounds specified in Article 85 of this law, on an hourly or a piecework basis, in addition to the allowance equal to his/her salary allotted for the reduced hours.

Article 116. Downtime pay

116.1. In the event of an impossibility to transfer an employee to another job during the downtime that occurs due to a force majeure due not to the employer, the natural disaster specified in Sub-paragraph 4.1.2 of the Law on Disaster Protection, a competent authority's decision, or at no fault of the employee, the employee shall receive pay in an amount equal to at least 60 percent of his/her base salary and such pay must not be lower than the minimum wages.

116.2. Where the employee performs another work during downtime, he/she shall be paid according to the work performed, and if his/her salary decreases, the employee shall pay the allowance equal to the difference of his/her previous average salary.

116.3. Where an employee refuses to perform another job without valid reason during the downtime, he/she shall not be paid.

116.4. An employer shall pay social and health insurance premiums of the employee who works seasonally or under an employment contract with indefinite term for nonworking period based on the minimum wages.

116.5. If the downtime is caused at an employee's fault, he/she shall not be paid.

Article 117. Other pays for employee

117.1. Where an employee's salary decreases in the course of a transfer to another job as prescribed in Sub-paragraph 58.1.4 of this law, an employer shall pay the difference as an allowance.

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117.2. An employee who is acting as a donor as prescribed in Sub-paragraph 60.1.2 of this law shall be paid for such period an allowance in an amount equal to his/her average salary.

117.3. An employer may establish and pay the allowances other than those specified in this law under a collective agreement, collective bargaining and internal labor regulations.

Article 118. Notification of salary changes

118.1. An employer shall notify the employees of the decision to change the amount of salary of all employees pursuant to the collective agreement at least 10 days or more prior to implementing such decision and shall make appropriate modifications to employment contracts at employee's request.

Article 119. Payroll deductions and limitations on amount thereof

119.1. An employer shall pay an employee's salary fully and may make deductions in the following cases:

119.1.1. the employer made decision to compensate by an employee a damage not exceeding his/her average monthly salary;
119.1.2. the decision by court or labor rights dispute settlement body has become effective;
119.1.3. the employee has been imposed the labor disciplinary actions as prescribed in Paragraph 123.3 of this law;

119.1.4. the other cases provided in the legislation.

119.2. The total deductions shall not exceed 20% of an employee's monthly salary less social and health insurance premiums and personal income tax, and in the event of a payment of child maintenance or several simultaneous deductions, the aggregate amount of such deductions shall not exceed 50% of the employee's monthly salary.

119.3. Where the employee does not accept the decision to make a deduction from his/her salary or the amount of deductions, he/she is entitled to lodge a complaint to the labor rights dispute settlement body as prescribed in this law.

119.4. An employer shall file a claim to court for reimbursement of the damages that exceed the employee's average monthly salary.

119.5. An employee shall be notified in advance of the deductions to be made from his/her salary as provided in the legislation.

CHAPTER EIGHT
OCCUPATIONAL SAFETY AND HEALTH

Article 120. Ensuring occupational safety and hygiene at workplace, protecting employee health

120.1. An employer shall take effective step-by-step measures to protect employees' life and health and prevent industrial accident and occupational diseases.

120.2. An employer is obliged to ensure normal working conditions that meet occupational safety and hygiene requirements and standards.

120.3. An employer shall take required temporary actions in conformity with the legislation, such as reducing employee's hours of work, providing additional leave or nonstandard working condition pay, until making the working conditions normal.

120.4. An employee is obliged to comply with the legislation, requirements and standards on occupational safety and hygiene to perform the job duties.

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120.5. An employee is obliged to comply with the employer's requirements on ensuring occupational safety and hygiene.

Article 121. Meeting occupational safety and hygiene requirements and standards

121.1. The relations associated with meeting occupational safety and hygiene requirements and standards at workplace, protecting employee health, and providing healthy and safe working conditions shall be regulated by the Law on Labor Safety and Hygiene.

CHAPTER NINE
INTERNAL LABOR REGULATIONS, LABOR DISCIPLINE, RESPONSIBILITIES OF THE PARTIES TO EMPLOYMENT CONTRACT

Subchapter one
Internal labor regulations and responsibilities

Article 122. Internal labor regulations

122.1. An employer shall approve and enforce internal labour regulations to be applied in a business entity or organization in accordance with the law in consideration of the proposals from the employee representatives.

122.2. In the event of approval, amendment or modification of internal labour regulations, the employer shall introduce it to all employees and place it visibly. The grounds for terminating employment contract and labor disciplinary violations shall be outlined expressly in the internal labour regulations.

122.3. The disciplinary rules for workers and officers of some sectors and organizations that are provided the special rights under law shall be approved by a competent personnel for compliance.

Article 123. Labor disciplinary actions

123.1. An employee's wrongful acts and non-acts that violate the labor legislation, employment contract, internal labour regulations, and job descriptions shall be deemed as disciplinary violations.

123.2. An employer or its authorized leader shall impose the following labor disciplinary actions on an employee who has violated labor discipline:

123.2.1. closed warning the employee individually;
123.2.2. open warning as announcement to all employees;
123.2.3. decrease of the employee's base salary by up to 20 percent for a period of up to 3 months;
123.2.4. demotion;
123.2.5. termination of employment relations at an employer's initiative.

123.3. An employer shall notify the employee of the labor disciplinary action prior to imposing it to receive explanations, and shall selectively use the labor disciplinary actions outlined in Paragraph 123.2 of this law, in consideration of the nature and consequences of the disciplinary violation. A decision on imposing labor disciplinary actions shall be issued in writing.

123.4. Labor disciplinary actions shall only be imposed within 6 months from the date of disciplinary violation or from the last day if the violation continues, and within 1 month from the employer's discovery thereof.

123.5. Labor disciplinary actions to the employee who will be subject to full property liability shall only be imposed within one year from the date of disciplinary violation or from the last day if the violation continues.

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123.6. The term set forth in Paragraphs 123.4 and 123.5 of this law shall suspend for the period where the employee has medical verifications, is on annual leave or personal leave, or the disciplinary violation is investigated by legal, audit or other competent organizations.

123.7. No multiple forms of labor disciplinary actions shall be imposed on one breach of the discipline.

123.8. Upon the expiration of a period of one year from the imposition of a labor disciplinary action, the employee shall be deemed as not having record of labor disciplinary actions.

123.9. An employer may consider the employee as not having a record of labor disciplinary actions prior to the term set forth in Paragraph 123.8 of this law which shall be notified to the employee in writing.

Subchapter two
Employer's liabilities

Article 124. Accrual of fines for failure of timely payment of salary

124.1. Where an employer fails to make payment of an employee's salary on the date set forth in Paragraph 104.1 of this law, the fine shall accrue in an amount equal to 0.3 percent of the due salary on each overdue day and shall be paid to the employee.

Article 125. Compensation for employee's damage caused by industrial accident, acute poisoning or occupational diseases

125.1. Where an employee is exposed to or died of the industrial accident, acute poisoning or occupational disease, the employer shall provide one-time reimbursement in an amount equal to the employee's average monthly salary increased as listed below to such employee, or his/her family, without taking into account whether the employee is covered by insurance of industrial accident or occupational diseases:

125.1.1. fivefold for the loss of ability to work by up to 30% due to industrial accident, acute poisoning or occupational diseases; sevenfold for the loss of ability to work by up to 30-50% due to industrial accident, acute poisoning or occupational diseases; nine-fold for the loss of ability to work by up to 50-70% due to industrial accident, acute poisoning or occupational diseases; and eighteenfold for the loss of ability to work by 70% or more due to industrial accident, acute poisoning or occupational diseases; and
125.1.2. 36-fold for fatality due to industrial accident, acute poisoning or occupational diseases.

125.2. Provision of the reimbursement set forth in Paragraph 125.1 of this law twice or more may be outlined in a collective agreement, collective bargaining and internal labor regulations.

125.3. Provision of reimbursement as prescribed in Paragraph 125.1 of this law shall not be a ground for limitation of the other allowances and pensions as per the social insurance and other legislation to the employee or his/her family.

125.4. Indexing the amount of reimbursement set forth in Paragraph 125.1 of this law may be regulated under a collective agreement, collective bargaining and internal labor regulations to align with the change in the cost of living.

Article 126. Compensation for employee's use of his/her personal tools and items for work

126.1. Where an employee uses his/her personal tools and items because the employer has not provided thereof or agrees mutually to use his/her personal tools and items for the job duties, the employer shall compensate the expenses.

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Article 127. Employer's liabilities for unjustified transfer to another job, working in rotation, or termination of employment relations

127.1. Where the employee whose employment relations were terminated without grounds is reinstated to his/her job by a competent body's decision, the employer shall compensate the allowance equal to his/her previous average salary to the employee for the period until he/she starts to perform the previous job duties.

127.2. Where the employee's salary decreases due to the transfer to another job or working in rotation without grounds, the employer shall compensate the allowance equal to the difference of his/her previous average salary.

Article 128. Employer's liabilities upon termination of employment relations

128.1. Termination of employment relations shall not serve as a ground for exempting the employer from payment of salary, fines, allowances and reimbursement for the period of the employee's employment.

Subchapter three
Employee's property liability

Article 129. Property liability and grounds for imposition thereof

129.1. An employee, who damages the properties of a business entity or organization at his/her fault in the course of performing the job duties, may be subject to the property liability, irrespective of imposition of disciplinary, offense or criminal liability on the employee.

129.2. Except for the cases specified in Articles 130 and 131 of this law, an employee, who damages the properties of a business entity or organization at his/her fault in the course of performing the job duties, shall be subject to limited property liability, which shall not exceed the employee's average monthly salary.

Article 130. Property liability of employee holding special terms employment contract

130.1. An employee who works under special terms employment contract is obliged to remedy the damages to the employer's property at his/her fault in the course of performing the job duties not exceeding his/her 6-month average salary, except for the cases specified in Article 131 of this law.

Article 131. Full property liability

131.1. An employee shall be subject to the full property liability in the following cases where:

131.1.1. the court decision, which determines that the employee's action causing damage constitutes a criminal offence, has become effective;
131.1.2. the employee, who enters into a full property liability contract or whose employment contract expressly outlines thereof, has caused a damage to the employer in the course of performing the job duties;
131.1.3. the employee fails to report a disbursement of assets or items of value, provided to him/her under a power of attorney or similar document with later reporting, within the timeframe specified in internal labor regulations or fails to return undisbursed assets;
131.1.4. the employee, who has no custodial responsibility, lost the property, including tools, personal protective equipment, special clothing given under his/her full responsibility;
131.1.5. the employee uses alcohol or intoxicating medicines or psychotropic substances or causes damage to the employer's property while he/she was not performing the job duties.

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131.2. Full property liability shall not be imposed on the employee except the cases listed in Paragraph 131.1 of this law.

Article 132. Determining the amount of property damage caused by employee

132.1. An employer shall investigate and ascertain the existing condition before determining the amount of property damage. An employer shall have the right to demand an employee to provide written explanation as to the condition where the damage occurred. Where the employee does not provide explanations, it shall be noted.

132.2. The amount of damage caused to the employer's property shall be determined at the actual damage caused thereto, excluding potential earnings. The actual damage shall be calculated from the book value of the property or items of value at actual amount of the damage, less depreciation computed at proper norms.

132.3. The employee shall be prohibited to compensate the damage occurred during calibration or test.

132.4. The employee shall be prohibited to compensate the damage occurred due to the employer's failure to provide the conditions to ensure completeness of the property given under the employee's responsibility.

132.5. The damage caused at fault of more than one employee shall be allocated to each such employee in consideration of the degree of fault and type of property liability.

Article 133. The procedure for compensation of property damages

133.1. An employee is obliged to compensate the property damages set forth in Articles 129, 130 and 131 of this law.

133.2. The parties may agree on installment compensation of the property damage by the employee.

133.3. Property damage may be compensated by the employee under court order upon his/her employment relations are over.

133.4. An employee may compensate the damage by replacement with the same or similar property or by repair under the employer's consent.

133.5. Where an employee considers that the decision on imposing property liability is baseless or the employee breaches the procedure on compensation of property liability, he/she shall have the right to file a complaint to the labor rights settlement body or court.

Article 134. Employer's protection of its properties from risks

134.1. An employer shall be prohibited to deploy employees' assets and deduct from employees' salary to insure its properties and create risk fund with the aim of ensuring completeness of and protect the items under its possession and ownership.

CHAPTER TEN
EMPLOYMENT RELATIONS OF SOME POPULATION GROUPS

Article 135. Prohibition of terminating employment relations of pregnant women, mothers (and single fathers) with children under the age of 3

135.1. It shall be prohibited to terminate employment relations of a pregnant woman, a mother (single father) with children under the age of 3 at an employer's initiative, except provided in Sub-paragraphs 80.1.4, 80.1.5 and 80.1.6 of this law and liquidation of a business entity or organization.

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Article 136. Providing additional break and allowance for breastfeeding and child care

136.1. In addition to the breaks for rest and meals, an additional two-hour break for child care and breastfeeding shall be provided to a woman with a child under the age of six months or with twins under the age of one; and an additional one-hour break shall be provided to a woman with a child at age of six to twelve months, or with a child who reached one year but requires special care as determined by medical conclusion. At an employee's request, the break for child care and breastfeeding may be provided in a form of reducing working hours.

136.2. The additional breaks for child care and breastfeeding shall be considered as the employee's working hours for payment of allowance.

136.3. An employer shall provide a breastfeeding room within its potential.

Article 137. Pregnancy, maternity and paternity leaves

137.1. Pregnancy and maternity leave for 120 days shall be mandatory to a mother.

137.2. Pregnancy and maternity leave for 140 days shall be mandatory to a mother of twins.

137.3. The pregnancy and maternity leave specified in Paragraph 137.1 of this law shall also be granted to a woman who has delivered a stillborn child or has had abortion under medical guidance or has had pregnancy interrupted by medical procedure after the 196th or above day of pregnancy and to a woman who has delivered a child before the 196th day of pregnancy who is able to live.

137.4. Where a woman has delivered a stillborn child, has had abortion or has had pregnancy interrupted by medical procedure before the 196th day of pregnancy, she shall be entitled to a leave under medical verification.

137.5. An employer shall grant at least 10 days of leave with pay in an amount equal to his/her average salary of such period to a father for a newborn child care.

Article 138. Leave to employee who adopted a newborn child

138.1. If any of the parents who have adopted a newborn child makes a request, he or she shall be granted a leave with pay in an amount equal to his/her average salary until the child reaches 60 days of age.

Article 139. Provision of child care leave

139.1. Where a mother or father of a child up to 3 years old makes a request, an employer shall grant her or him a child care leave and regulate a provision of pay during the leave period by the legislation, collective agreement, collective bargaining, employment contract and internal labor regulations.

139.2. On expiration of the period of child care leave, or prior to such expiration if requested by the employee, the employer shall be obliged to work the employee in her or his previous job and, if the job or position has been cut or the number of staff has been reduced, the employer shall provide her or him with another job of similar nature.

139.3. Paragraphs 139.1 and 139.2 of this law shall equally apply to the employees who have adopted a child.

Article 140. Flexible working of pregnant women and employees with children under the age of 3

140.1. A pregnant woman and an employee with children under the age of 3 may agree with the employer to work from home or remotely.

Article 141. Prohibition of business trips

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141.1. A pregnant woman and an employee with children under the age of 3 shall be prohibited to work on business trips unless she or he consents.

Article 142. Employment of minors

142.1. Employment shall be prohibited to a person who is under the age 15, except as provided in Paragraphs 142.3 and 142.5 of this law.

142.2. Employment of minors shall be prohibited for legally barred jobs, for exploitation of child labor and for jobs that are harmful to their intellectual and physical development, life and health or cause adverse impact on their education and ethics, and unfair remuneration, running illegal activities under the name of children, and intolerable forms of child labor shall be prohibited.

142.3. A person who is 13-15 years old may be employed for performing uncomplicated duties in a workplace that meets occupational safety and health requirements at the consent of his/her legal representative (father, mother, care-taker, guardian) if the job has no adverse impact on his/her health and development and obstruct his/her learning.

142.4. Types of simple jobs for which a person who has reached 13 may be employed and employment conditions shall be determined by the cabinet member in charge of the labor.

142.5. A person who has not reached 15 may be employed for art and sports performance and commercials if a state child rights inspector authorizes based on the written consent of his/her legal representative (father, mother, care-taker, guardian), hours of work and working conditions.

142.6. Where a person who is under 18 is employed, an employer shall maintain a record of his/her name, father's (mother's) name, date of birth, works to be performed, period of employment, and working conditions, and notify to a respective level state organization in charge of the labor and labor inspection within 10 days of commencement of the employment relations.

142.7. Where an employer employs a person who is 15-18 years old as prescribed in this law, it shall enter into a tripartite employment contract with his/her legal representative (father, mother, care-taker, guardian) and the minor.

142.8. A minor employee's date of birth shall be outlined in his/her employment contract and a copy of his/her certificate of birth or national identity card shall be attached.

142.9. A list of work at which employment of minors are prohibited shall be approved by the cabinet member in charge of the labor, in consideration of the opinions of the body representing and protecting the rights and legitimate interests of employers and employees.

Article 143. Protection of the health of minor employees

143.1. An employer shall involve minor employees in medical examination semi-annually until he/she reaches 18 during the employment.

143.2. An employer shall pay the cost of medical examination specified in Paragraph 143.1 of this law.

143.3. A minor employee shall be prohibited to work on business trips except engaging in art and sports performance or commercials.

Article 144. Employment of persons with disabilities

144.1. An employer is obliged to create employment opportunities for persons with disabilities by providing with suitable necessities and materials specified in the Law on Human Rights of Persons with Disabilities.

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144.2. Business entities and organizations with 25 or more employees shall employ the persons with disabilities in at least 4 percent of the jobs and positions, regardless of its ownership type and form.

144.3. If a business entity or organization fails to employ the persons with disabilities as prescribed in Paragraph 144.2 of this law, it shall pay a monthly payment to the Employment Promotion Fund of Persons with Disabilities in an amount equal to the minimum wages with respect to each such employee it should have employed.

144.4. An employer may be exempted or deducted from the payment set forth in Paragraph 144.3 of this law for its support of the activities of persons with disabilities, including through constant buying under a contract of the products and services made by the disabled or those who look after the disabled family member at home.

144.5. The procedure on deduction or exemption from the payment set forth in Paragraph 144.3 of this law shall be approved by the Government. This payment shall only be disbursed on the promotion of employment of the persons with disabilities and its collection, disbursement and benefits shall be reported to public on an annual basis via media.

144.6. An employer shall be prohibited to terminate employment relations with the persons with disabilities if it fails to provide with suitable necessities and materials specified in Paragraph 144.1 of this law.

144.7. Pensions and allowances received by a person with disability shall not serve as a ground for reducing his/her salary or restricting the other rights specified in this law.

144.8. Where an employee who looks after the disabled makes a request, an employer shall take potential measures to allow him/her to work from home, remotely or part-time.

Article 145. Employment of senior citizens

145.1. A senior citizen who receives a pension may work.

145.2. Old-age pension received by an employee shall not serve as a ground for reducing his/her salary or restricting the other rights specified in this law.

145.3. At the request of a senior citizen, an employer shall regulate a reduction of his/her work hours or working part-time or transfer to the job that will not adversely affect his/her health under the internal labor regulations.

Article 146. Employment of foreign citizens and stateless persons

146.1. The relations concerning the employment of foreign citizens and stateless persons in Mongolia shall be governed by this law, Law on Legal Status of Foreign Citizens, Law on Workforce Migration, Law on Promotion of Employment and the other relevant legislation.

/This paragraph was amended by the law as of December 24, 2021/

CHAPTER ELEVEN
SETTLEMENT OF LABOR DISPUTES

Subchapter one
Settlement of labor interests disputes

Article 147. Labor interests dispute and resolution thereof

147.1. The parties to a labor interests dispute must primarily make all efforts to resolve the dispute through mutual agreement.

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147.2. Where the parties fail to resolve a labor interests dispute through mutual agreement as prescribed in Paragraph 147.1 of this law, the parties shall take the following actions in phases:

147.2.1. to settle the dispute by support of labor intermediary;
147.2.2. to resolve the dispute by labor arbitration.

147.3. The procedure for settling the labor interest dispute by support of labor intermediary and rules for labor arbitration shall be approved by the Government. The ethics rules for a labor intermediary and labor arbitrator shall be approved by the national committee.

Article 148. Settlement of collective labor interests disputes by support of labor intermediary

148.1. Where both party or any party considers that they could not resolve a labor interests dispute as prescribed in Paragraph 147.1 of this law although they have made efforts, it shall forward a proposal to settle the dispute with support of a labor intermediary to the other party in writing, along with the name of a labor intermediary.

148.2. The party that received a proposal set forth in Paragraph 148.1 of this law shall send a reply to the other party in writing within 3 business days.

148.3. Where an employer refuses to join in the labor intermediary actions, a trade union may organize a strike as prescribed in Article 25 of this law.

148.4. If the parties agree to get support from a labor intermediary, they shall allow to commence the labor intermediary actions within 3 business days.

148.5. Where the parties fail to agree on a labor intermediary or the party that received a proposal set forth in Paragraph 148.1 of this law fails to reply within 3 business days, the parties or any party to a dispute shall make a request to the respective level organization in charge of the labor for appointment of a labor intermediary.

148.6. The organization in charge of the labor shall appoint a labor intermediary who holds a registration set forth in Sub-paragraph 160.1.4 of this law within 3 business days, in consideration of the suggestions of the parties.

148.7. The parties to a dispute shall not have the right to reject the labor intermediary appointed by the organization in charge of the labor, except they consider having an express conflict of interest.

Article 149. Labor mediation

149.1. A labor intermediary shall conduct a labor mediation with participation of the parties within 5 business days.

149.2. A labor intermediary may extend a labor mediation once by 5 business days upon reaching an agreement with the parties to a dispute.

149.3. Where the parties have reached an agreement on the disputed matter as a result of a labor mediation, the labor interest dispute shall be deemed resolved as of the labor intermediary makes a note regarding thereof and the parties to a dispute sign therein.

149.4. In the event if the timeframe set forth in Paragraph 149.1 and 149.2 of this law is over or the parties fail to reach an agreement within such timeframe, the labor mediation shall finish as of the labor intermediary makes a note regarding thereof and the parties to a dispute sign therein.

149.5. A strike and lockout shall be prohibited in the course of a labor mediation.

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Article 150. The rights and obligations of a labor intermediary

150.1. A labor intermediary shall be subject to the following rights:

150.1.1. to receive the documents, data and surveys required for resolution of a labor interests dispute from concerning parties;
150.1.2. to get explanations and reference regarding the labor interests dispute from the parties to a dispute and other relevant persons;
150.1.3. to hold a special and joint meetings and discussions with employees and employer of a business entity or organization where the labor interests dispute arises, or their representatives;
150.1.4. to get professional advice from the relevant organizations and specialists where required;
150.1.5. the other rights specified in legislation.
150.2. A labor intermediary shall be subject to the following obligations:
150.2.1. to review the opinions and request of the parties to a dispute, keep confidentiality of the documents, data and surveys as per legislation;
150.2.2. to introduce potential options to the parties for reaching the common ground as to the content and disagreement of the labor interests dispute;
150.2.3. to use all opportunities permitted under legislation to settle a labor interests dispute;
150.2.4. the other obligations specified in legislation.

Article 151. Resolution of labor interests disputes by labor arbitration

151.1. Where a labor interests dispute of a business entity or organization other than specified in Paragraph 28.1 of this law is not resolved with participation of a labor intermediary, a party to a dispute shall make a request to the labor and social partnership tripartite committee of a respective level for resolving the dispute by a labor arbitration.

151.2. The labor and social partnership tripartite committee of a respective level shall form a labor arbitration with 3 arbitrators who will consider the dispute within 3 business days of a receipt of the request.

151.3. The parties to a dispute shall not have the right to reject the arbitrators appointed by the labor and social partnership tripartite committee.

151.4. Representatives of the parties to a labor interests dispute shall not include in the composition of a labor arbitration.

151.5. A labor arbitration shall review and resolve a labor interests dispute in presence of the representatives of the parties within 10 business days after its formation. Where required, a labor arbitrator may extend the proceedings of a labor arbitration by up to 5 business days.

151.6. A labor arbitration's decision shall be final. A disputing party shall not have the right to lodge a complaint to court, except it considers that a labor arbitration has violated the labor dispute resolution procedure.

151.7. A labor arbitration's decision shall be binding to the parties.

Article 152. A labor arbitrator's rights and obligations

152.1. A labor arbitrator shall be subject to the following rights:

152.1.1. to receive explanations, reference, documents, data and surveys regarding the labor interests dispute from disputing parties and relevant persons, view a labor intermediary's note;
152.1.2. to hear the proposals and request of the parties to a dispute;
152.1.3. to invite a specialist for guidance where required, employ translators and experts, ensure that they are paid;
152.1.4. the other rights specified in legislation.

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152.2. A labor arbitrator shall be subject to the following obligations:

152.2.1. to keep confidentiality of the documents, data and surveys regarding the matters of a labor interests dispute as per legislation;
152.2.2. to refuse from resolution of such dispute if he/she has a conflict of interest;
152.2.3. to interpret arbitration's decisions to the parties to a dispute;
152.2.4. to return the documents collected for resolving the dispute;
152.2.5. to introduce the result of the settlement of a labor interests dispute to national tripartite committee or subcommittee for labor and social partnership that appointed him/her;
152.2.6. to use all opportunities permitted under legislation to settle a labor interests dispute;
152.2.7. the other obligations specified in legislation.

Article 153. The obligations of disputing parties in a labor mediation and labor arbitration

153.1. Disputing parties shall be subject to the following obligations in the stage of labor mediation and labor arbitration:

153.1.1. to participate in the activities of a labor mediation and labor arbitration with eagerness to settle and resolve the dispute;
153.1.2. to not organize a strike and lockout during labor mediation and labor arbitration stages;
153.1.3. to provide the documents, data and surveys demanded by a labor intermediary and labor arbitrator in relation to settling and resolving the labor dispute;
153.1.4. the other obligations specified in legislation.

Subchapter two
Settlement of labor rights disputes

Article 154. Settlement of labor rights disputes

154.1. The parties to a labor rights dispute must make all efforts primarily to resolve the dispute through mutual agreement.

154.2. A party to dispute shall have the right to refer to a labor rights dispute resolution commission, soum or district tripartite labor rights dispute settlement committee if no former commission exists for settlement of a dispute among the business entities, organizations or citizens, for a preliminary resolution of the labor rights dispute within the following timeframe after the party has known or should have known its right has been violated:

154.2.1. within 30 days of a receipt of the employer's decision on termination or expiry of employment relations, or transfer to another job or working in rotation if considering that the decision is baseless;
154.2.2. within 90 days for the other issues of labor rights disputes, except provided in Sub-paragraph 154.2.1 of this law.

154.3. A labor rights dispute resolution commission or soum or district tripartite labor rights dispute settlement committee shall resolve the complaint within 10 business days of a receipt of the complaint with participation of the parties.

154.4. Where the parties reach an agreement regarding the disputed matter in the course of a preliminary resolution of the labor rights dispute resolution commission or soum or district tripartite labor rights dispute settlement committee, the labor rights dispute shall be deemed resolved as of the parties to dispute make a note regarding thereof and sign therein.

154.5. Where the labor rights dispute resolution commission or soum or district tripartite labor rights dispute settlement committee fails to settle a labor rights dispute by a preliminary resolution procedure, the preliminary resolution actions shall wrap up as of the parties make a note regarding thereof and sign therein.

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154.6. Within 10 business days of a receipt of the labor rights dispute resolution commission's note specified in Paragraph 154.5 of this law, any party to dispute shall refer to the soum or district tripartite labor rights dispute settlement committee for a preliminary resolution of the labor rights dispute.

154.7. Soum or district tripartite labor rights dispute settlement committee shall review the complaint and make decision regarding it within 10 business days of a receipt of the complaint as set forth in Paragraph 154.6 of this law.

154.8. A party to dispute shall have the right to file a claim to court within 10 business days of a receipt of the soum or district tripartite labor rights dispute settlement committee's notes set forth in Paragraph 154.5 of this law or disagrees the decision set forth in Paragraph 154.7 of this law.

154.9. Where the parties do not lodge a claim to court within 10 business days of a resolution of the labor rights dispute by the soum or district tripartite labor rights dispute settlement committee, such decision shall be binding to the parties.

154.10. Labor rights disputes related to the implementation of collective agreements, sectoral and intersectoral bargaining, and national collective bargaining shall be resolved under the labor interests dispute settlement procedure set forth in this law.

154.11. Within 5 business days of becoming effective of the notes or decision on a preliminary resolution of the labor rights dispute resolution commission or the soum or district tripartite labor rights dispute settlement committee as prescribed in this law, a party may file a request to court for confirmation as per legislation.

Article 155. Soum or district tripartite labor rights dispute settlement committee

155.1. Soum or district tripartite labor rights dispute settlement committee shall have the following powers:

155.1.1. to organize training and advocacy, provide advice and information on prevention from labor disputes;
155.1.2. to take measures to resolve labor rights disputes in preliminary manner within its jurisdiction affiliated under law;
155.1.3. the other rights provided in legislation.

155.2. The rules for soum or district tripartite labor rights dispute settlement committee shall be approved by the national committee.

Article 156. Labor rights dispute resolution commission

156.1. Business entities and organizations that have 20 or more employees shall form a part-time labor rights dispute settlement commission which will work regularly.

156.2. Business entities and organizations that have less than 20 employees may form a temporary commission for settling the labor rights dispute set forth in Paragraph 154.1 of this law.

156.3. A labor rights dispute settlement commission shall comprise of equal number of employee representatives elected from trade union of an employer or business entity or organization, if no trade union exists, from all employee meeting.

156.4. The representatives set forth in Paragraph 156.3 of this law shall be prohibited to be administrative level personnel of a business entity or organization.

156.5. A labor rights dispute settlement commission shall be obliged to take all potential actions to resolve labor rights disputes of the parties.

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156.6. Rules for labor rights dispute settlement commissions shall be approved by the Government.

Article 157. Restoration of the period for filing a complaint of labor rights dispute

157.1. Where the period for filing a complaint with a labor rights dispute settlement organization is over due to valid reason, court shall decide a restoration of such period at the request of a party to dispute.

Article 158. Settlement of labor rights disputes by court

158.1. Court shall decide the following labor rights disputes:

158.1.1. the complaint filed as stated in Paragraph 154.8 of this law;
158.1.2. employer's claim for reimbursement of property damages caused to the employer except as stated in Paragraphs 129.2 and 130.1 of this law;
158.1.3. employee's complaint as to violation of the labor legislation by the terms of a collective agreement, collective bargaining, employment contract and internal labor regulations;
158.1.4. the complaint regarding the failure to implement the decisions set forth in Paragraphs 154.4 and 154.9 of this law;
158.1.5. the other disputes specified in legislation.

158.2. An employee shall refer to court for settlement of a labor rights dispute in the following cases if he/she considers that it is impossible to settle the labor rights dispute by the labor rights dispute settlement organization specified in Paragraph 154.2 of this law:

158.2.1. the employee has claimed reimbursement for the damages to his/her life and health occurred during performance of the job duties;
158.2.2. the employee has filed a complaint that the employer's decision on termination or expiration of employment relations or transfer to another job or working in rotation is unjustified.

158.3. Court shall decide whether to resolve a labor rights dispute through court reconciliation procedure in pre-court stage.

CHAPTER TWELVE
MANAGEMENT AND INSPECTION OF LABOR

Article 159. System of management of labour

159.1. The system of management of labor shall consist of the state management, collective management, and the business entity or organization management.

159.2. The state management shall be accomplished by the state central administrative body in charge of the labor, state administrative body in charge of the labor, governors of all level, aimag, capital city and district organizations in charge of the labor, and soum/khoroo labor officers (labor organization).

159.3. The state administrative body in charge of the labor shall operate under management of the state central administrative body in charge of the labor.

159.4. The state administrative body in charge of the labor shall provide professional and methodical guidance, and oversee operations of, to the aimag, capital city and district organizations in charge of the labor, and soum/khoroo labor officers (labor organization).

Article 160. The aimag, capital city and district organization in charge of the labor and its duties

160.1. The aimag, capital city and district organization in charge of the labor shall carry out the following duties as part of ensuring enforcement of the labor legislation:

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160.1.1. to organize training and advocacy, provide advice and information on the labor legislation to employees, employers and interested persons;
160.1.2. to provide labor rights dispute settlement commissions of business entities and organizations within its jurisdiction with information and methodical guidance on the labor legislation;
160.1.3. to register and create a database of collective agreements and collective bargaining within its jurisdiction;
160.1.4. to select, register in the database and prepare labor intermediaries specialized in the labor aspects;
160.1.5. to appoint a labor intermediary as prescribed in this law for labor interests disputes arisen in the course of sectoral and intersectoral collective bargaining;
160.1.6. to create an integrated database of local labor disputes, and analyze, inform, find out reasons and conditions, and eliminate thereof;
160.1.7. the other duties provided in legislation.

Article 161. Monitoring of the implementation of the labor legislation

161.1. The specialized inspection authority and state labor inspectors shall oversee the implementation of the labor legislation in accordance with this law, Law on State Inspection, and the other relevant legislation.

161.2. Unless otherwise stated in law, trade unions and non-government organizations specialized in labor relations shall carry out public control over the implementation of the labor legislation within their extent of rights.

Article 162. State labor inspector's rights and obligations

162.1. State labor inspectors shall carry out specialized inspection over the implementation of the labor legislation.

162.2. State labor inspectors shall exercise the following rights in addition to those stated in Law on State Inspection:

162.2.1. to access to business entities, organizations and workplaces without prior notice and restrictions to conduct inspection;
162.2.2. to get information, interview and ask questions regarding the implementation of the labor legislation from an employer or its representative or an employee individually or in presence of a witness;
162.2.3. to check whether the mandatory documents specified in the labor legislation are collected and maintained as per the proper procedure, to get copies of such documents wholly or partially;
162.2.4. to submit a proposal on improvement of the labor legislation personally or via a superior organization to the State Great Khural or the Government;
162.2.5. to take actions to compensate the damages to an individual or legal person and eliminate the breach or omission;
162.2.6. to suspend operations of a business entity or organization wholly or partially if it is likely to cause a hazard to life and health;
162.2.7. to monitor employment conditions of an employee who works in formal and informal economy; and
162.2.8. the other rights provided in legislation.

162.3. State labor inspectors shall be subject to the following obligations in addition to those stated in Law on State Inspection:

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162.3.1. to inspect the realization and ensure the implementation of all matters of the labor legislation, including working conditions, employee rights, work hours, salary, occupational safety and health, social protection, and labor of minors;
162.3.2. to collaborate with representatives of an employer and employee;
162.3.3. to provide recommendations, guidance and information to employees and employers regarding ensuring the implementation of the labor legislation;
162.3.4. to conduct inspection at a business entity or organization in response to the complaint filed by an employee or trade union as regards the implementation of the labor legislation;
162.3.5. to not disclose any information, for example, industrial and commercial secrets, production data, found out in the course of performing the duties, except as stated in law;
162.3.6. to keep confidentiality of a person who has filed a complaint regarding the breach of the labor legislation;
162.3.7. to monitor whether the working environment is free from discrimination, pressure, violence, and sexual harassment; and
162.3.8. the other obligations provided in legislation.

Article 163. State labor inspector's liability

163.1. Unless otherwise stated in law, state labor inspectors shall keep confidentiality of the information specified in Sub-paragraphs 162.3.5 and 162.3.6 of this law after discharge from work.

163.2. State labor inspectors shall be fully responsible for correctness and accuracy of the inspection reports, conclusions, formal demands and acts.

Article 164. Management of labor of a business entity or organization

164.1. An employer shall accomplish the management of labor of the business entity or organization.

CHAPTER THIRTEEN
MISCELLANEOUS

Article 165. Liabilities for law violators

165.1. An individual or a legal person who violates this law shall be subject to the liabilities set forth in Criminal Code and Law on Violations.

165.2. A tort of the violation of this law shall be compensated as per the clauses related to torts of the Civil Code.

Article 166. Entry into force

166.1. This law shall come into force on January 1, 2022.

CHAIRMAN OF THE STATE GREAT KHURAL OF MONGOLIA G.ZANDANSHATAR

INVESTMENT AND TRADE AGENCY

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