LAW OF MONGOLIA

2 July 2021 Ulaanbaatar city

ON LABOUR

(Newly revised)

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 labour relations, define the basic rights and duties of participants thereof, and to secure a proper balance among the participants in labour relations.

Article 2. Labour legislation

2.1. Labour legislation comprises the Constitution of Mongolia[1], this Law and other acts of legislation that conform with these laws.

2.2. If an international treaty of Mongolia conflicts with this Law, then the provisions of the international treaty shall prevail.

2.3. Acts containing norms of labour law shall have the following hierarchy except as provided for in Article 2.5 of this Law:

2.3.1. this Law;

2.3.2. other laws of Mongolia;

2.3.3. an act containing administrative norms;

2.3.4. industry and inter-industry collective agreements;

2.3.5. collective contracts;

2.3.6. employment contracts; and

2.3.7. internal labour regulations of enterprises and organizations.

2.4. The respective parties shall have a duty to comply with collective agreements, collective contracts, employment contracts and internal labour regulations that are consistent with labour legislation.

[1] The Constitution of Mongolia was published in volume 1 of “State Gazette” for 1992

2.5. If acts listed in Article 2.3 of this Law containing norms of labour law conflict with each other, then the regulatory act offering more favorable treatment to employees shall apply.

Article 3. The scope of application of this Law

3.1. This Law shall apply to labour relations

3.1.1. that arise related to work performed or services rendered on the territory of Mongolia, or

3.1.2. where parties have agreed to be governed by this Law.

3.2. The Law on Occupational Safety and Hygiene[2] shall govern labour relations concerning occupational safety and hygiene.

3.3. The Law on Social Insurance[3] shall regulate relations related to social insurance relations between employees and employers.

3.4. Labour relations of civil servants not specifically regulated by the Law on the Civil Service[4] and other related laws shall be regulated by this Law.

3.5. Partnerships and cooperatives shall follow this Law unless their charters provide specific rules, or they adopted specific regulations governing the labour relations of their members.

3.6. Everyone who is working, looking for a job or learning an occupation in either the formal or informal economies such as an own-account worker, herder, member of a partnership or a cooperative, an apprentice or an intern shall enjoy the basic rights listed in Article 5.1 of this Law, and comply with relevant duties.

Article 4. Definition of terms

4.1. The following terms used in this Law shall have the following meaning:

4.1.1. "an employer" is a domestic or foreign enterprise, organization /its branch and representative office/, a citizen of Mongolia, a foreign citizen or a stateless person, and, unless provided otherwise by an international treaty of Mongolia, an international organization and its representative office, division or unit that employs a person on the basis of an employment relationship;

4.1.2. "an employer's representative" is an organization or an individual authorized either by the employer directly or by an organization representing and protecting the employer's rights and legitimate interests to represent the employer on a particular issue;

[2] Law on Occupational Safety and Hygiene was published in Volume 21 of "State Gazette" for 2008

[3] Law on Social Insurance was published in Volume 8 of "State Gazette" for 1994

[4] Law on Civil Service was published in Volume 1 of "State Gazette" for 2018

4.1.3. "an employee" is a citizen of Mongolia, a foreign citizen or a stateless person working on the basis of an employment relationship;

4.1.4. "an employee's representative" is a trade union which has a duty to represent and protect the employees' rights and legitimate interests, and it's representative, or, in the absence of such a trade union, a worker elected at the meeting of all employees;

4.1.5. "a strike" is a voluntary partial or complete stoppage of work by workers for a defined period of time to resolve a collective labour interest dispute or a labour rights dispute referred to in Article 25.2 of this Law;

4.1.6. "a minor worker" is a person under the age of 18 who enters into an employment relationship in accordance with this Law;

4.1.7. "a collective contract" is an understanding reached between representatives of an employer and those of employees, and registered in accordance with relevant procedures, that sets the rights to, and legitimate interests in, work and related issues of all employees of the particular enterprise or organization on a level no less than the fundamental norms established by labour legislation, providing more favourable conditions if mutually agreed, and deciding on issues of social protection not directly regulated by laws;

4.1.8. "a collective agreement" is an understanding, reached between relevant parties on the national, aimag, capital city, soum, duureg (district), industry or inter-industry levels, and registered in accordance with the relevant procedures, that protects person's rights to and legitimate interests in work and related issues;

4.1.9. "an employment contract" is a mutual understanding reached between an employer and an employee based on their employment relationship;

4.1.10. "internal labour regulations" is a document on labour and social protection matters that is issued in writing by an employer for the internal use of the enterprise or organization, and is in conformity with the relevant legislation, collective agreements and collective contracts;

4.1.11. "working conditions" are the occupational and production environment referred to in Article 3.1.4 of the Law on Occupational Safety and Hygiene;

4.1.12. "a labour interest dispute" is a disagreement between parties on the conduct of collective negotiations, conclusion of all types of collective contracts and collective agreements and their amendments, and amendments to an employment contract;

4.1.13. "labour relations" are cumulative of collective labour relations and employment relations;

4.1.14. "collective labour relations" are relations between employers, their representatives and employees' representatives on the improvement of fundamental norms established by labour legislation and securing the social partnership, and relations between representatives of employers, employees and state central and local administrative bodies;

4.1.15. "an employment relationship" is a relationship arising from an understanding to assume mutual rights and obligations, whereby an employee commits to personally perform some

defined work under the guidance and control of an employer at the workplace prescribed by the employer, unless specifically provided otherwise in this Law, and the employer commits to pay remuneration and provide the employee with other employment conditions;

4.1.16. “a labour rights dispute" is a disagreement between parties on the implementation or interpretation of labour legislation, all types of collective contracts and collective agreements, employment contracts and internal labour regulations; and

4.1.17. “employment conditions" refer to a set of factors necessary for an employee to properly perform his or her job such as the workplace and its location, remuneration, working conditions and hours of work and rest.

Article 5. Fundamental principles and basic rights in occupation and labour relations

5.1. Participants in occupation and labour relations shall adhere to the following fundamental principles and enjoy the corresponding rights:

5.1.1. non-discrimination;

5.1.2. guarantees of freedom of work, free choice of occupation and profession, rights to comfortable working conditions, remuneration and rest;

5.1.3. prohibition of harassment, violence and sexual harassment;

5.1.4. prohibition of forced labour;

5.1.5. non-use of collateral;

5.1.6. guarantees of freedom of association, rights to collective contracts and collective agreements, and regulation of relations between employers and employees and their representatives;

5.1.7. prohibition of unfair practices;

5.1.8. securing a social partnership; and

5.1.9. prohibition of child labour and the elimination of its worst forms.

Article 6. Prohibition of discrimination in occupation and labour relations

6.1. It shall be prohibited to discriminate, whether directly or indirectly, restrict rights or provide preferential treatment in occupation and labour relations on the basis of nationality, ethnicity, language, skin color, age, sex, social origin, social and marital status, wealth, religion, beliefs, political beliefs, medical condition, pregnancy and/or childbirth, sexual and gender orientation and expression or developmental challenge and appearance.

6.2. Direct discrimination is any decision or action discriminating or providing preferential treatment on the grounds listed in Article 6.1 of this Law, and indirect discrimination is any decision or action that on paper shall apply equally to everyone but in the course of its implementation leads to discrimination, the restriction of rights or the provision of preferential treatment to an

individual or a group of individuals on the grounds listed in Article 6.1 of this Law thereby resulting in their loss of equality and opportunities.

6.3. An employer shall have a duty to provide conditions free of discrimination in occupation and labour relations, but the following shall not be considered as discrimination, a restriction of rights or provision of preferential treatment:

6.3.1. differentiations, restrictions or preferences resulting from the specific nature of the job; or

6.3.2. special protective measures and support provided for under this Law to specific groups of employees.

6.4. It shall be prohibited for an employer prior to and during an employment relationship to ask an employee any questions or collect information not related to the work, or demand employees to undergo health, psychological, HIV or pregnancy tests unless authorized to do so by law.

6.5. A job applicant or an employee shall not be obliged either to answer truthfully to an employer violating Article 6.4 of this Law, or provide information or undergo tests.

6.6. A person, worker or worker's representative who consider himself or herself to have been discriminated against in occupation and labour relations shall have a right to file a complaint with the management of the particular enterprise or organization, higher ranking persons (in the enterprise or organization)*, relevant non-governmental organizations, trade unions, labour dispute resolution bodies, law enforcement agencies, labour inspection bodies, National Human Rights Commission and courts respectively. An employer shall have a duty to display the names of organizations and officials to receive complaints, and their phone numbers and email addresses in a place visible to all employees.

6.7. A person filing a complaint under Article 6.6 of this Law shall attach to the complaint the evidence and information at his or her disposal.

6.8. Any provision in a collective contract, collective agreement, employment contract or internal labour regulations which illegally discriminates against a person, restricts his or her rights, or provides him or her preferential treatment shall be invalid.

Article 7. Prohibition of harassment, violence and sexual harassment in occupation and labour relations

7.1 In occupation and labour relations it shall be prohibited for employers, employees or third parties to engage verbally, physically, online or any other manner in the following forms of harassment and violence against each other:

*These () brackets are used to indicate words that do not literally appear in the Mongolian text but the translator deems it necessary to use them in the English text for a better contextual understanding. These / / brackets, in contrast, are used in the Mongolian text itself *(Translator's Note)*

7.1.1. engage in or threaten to use violence against the health of others by way of beating or striking;

7.1.2 abuse verbally and/or cause damage to (someone's) good name and reputation;

7.1.3. create an intolerable workplace environment by discriminating on the grounds listed in Article 6.1 of this Law, by committing or threatening to commit physical, psychological or sexual harassment or violence.

7.2 In occupation and employment relations it shall be prohibited for employers, employees and third parties to express unwanted sexual advances to each other verbally, physically, online or in any other manner, or to promise, put conditions or threaten to withhold such economic and other benefits as work, positions and remuneration depending on sexual relations (*quid pro quo*).

7.3. An employee, an employer or a third party who considers himself or herself to have been discriminated against, physically or sexually harassed in occupation and in labour relations shall have a right to file a complaint with the management of the particular enterprise or organization, higher ranking officials (within the enterprise or organization), relevant non-governmental organizations, trade unions, labour dispute resolution bodies, law enforcement agencies, labour inspection bodies, the National Human Rights Commission and courts respectively. An employer shall have a duty to display the names of organizations and officials to receive complaints, and their phone numbers and email addresses in a place visible to all employees.

7.4. An employer shall have a duty to include in its internal labour regulations provisions on the prevention and elimination of harassment, violence and sexual harassment in occupation and in labour relations, and on the procedures to address complaints, and to create an environment of intolerance towards harassment, violence and sexual harassment.

7.5. A person filing a complaint under Article 7.3 of this Law shall attach to the complaint the evidence and information at his or her disposal.

7.6. A perpetrator of harassment, violence and sexual harassment in occupation and in labour relations shall be liable under the Law on Violations and the Criminal Law, but an imposition of such sanctions shall not constitute a ground to waive disciplinary sanctions against the perpetrator.

7.7. "Occupation and labour relations" referred to in this Article shall comprise such activities as working on the job, working on a mission, travel to and from work, change of shift, handover of the job, learning and social events organized by the employer, enterprise or organization.

Article 8. Prohibition of forced labour

8.1. It shall be prohibited to engage any person in forced labour.

8.2. "Forced labour" shall mean engaging any person in work or services against his or her will under the threat of any fines or imposition of punishment, through the use of force or the threat of the use of force.

8.3. The following shall not be considered as forced labour:

8.3.1. obtaining basic education;

8.3.2. work and services of a military nature performed by conscripted military personnel;

8.3.3. light maintenance and cleaning work performed as a resident of a particular territory, city and village or settled area;

8.3.4. work carried out for public benefit or work or services carried out during incarceration under the supervision of state bodies or officials in compliance with valid judicial decisions. It shall be prohibited to have convicts work for any individuals, enterprises and organizations, and place them at their disposal; and

8.3.5. undertaking work which is essential for the defense of the country, the protection of human life and health, prevention of natural disasters, dangerous (natural) occurrences or accidents, and work and services aimed at eradicating immediately their dangerous consequences.

8.4. Any person or legal entity which engaged a person in forced labour, or acted as an intermediary or organizer of forced labour, shall be liable under the Criminal Code.

Article 9. Ensuring freedom of association in occupation and labour relations

9.1. Employees and employers shall have a right to establish organizations to represent and protect their rights and legitimate interests, exercise their freedom of association, conduct operations, approve charters and freely choose their representatives, and they will not need authorization from any organizations or officials to do that.

9.2. Conditions and procedures for the implementation of the right to freedom of association shall be set by law.

Article 10. Prohibition on using collateral in occupation and employment relations

10.1. It shall be prohibited for an employer to request and keep as collateral money, valuables or originals of such personal documents as citizens' identification documents, foreign passports, education documents, professional cards and certificates of movable or immovable properties from job applicants or employees.

10.2. Those responsible for violating Article 10.1 of this Law shall be liable under the Law on Violations.

Article 11. Prohibition of unfair practices in occupation and labour relations

11.1. Employers and their representatives shall be prohibited from engaging in unfair labour actions or inactions in occupation and labour relations as follows:

11.1.1. obstruct employees from exercising their right to freedom of association, to freedom of expression of opinion and speech, interfering in the work of organizations representing employees or providing or promising to provide financial and other support for the above purposes;

11.1.2. establish trade unions under employers' control, pressure employees to associate;

11.1.3. worsen employees' employment conditions because of their forming or joining a trade union or participating in its activities;

11.1.4. interfere with, restrict or put pressure on employees' representatives during their participation in collective negotiations;

11.1.5. refuse to provide information necessary for conducting collective negotiations, concluding collective contracts and collective agreements; and

11.1.6. attempt to keep the employees' representatives under the employer's control by promising or providing them with financial and other support.

11.2. Representatives of employees shall be prohibited from engaging in the following unfair labour actions or inactions in occupation and labour relations:

11.2.1. put pressure on or request employers to accept demands that might result in the discrimination against employees;

11.2.2. demand or receive financial and other support from employers in exchange for participation in collective negotiations or resolution of collective labour disputes; and

11.2.3. interfere with the exercise or non-exercise of employees' or trade union members' right to associate, elect their representatives or participate in collective action in exchange for receiving financial and other support from employers.

11.3. Those responsible for violating Articles 11.1 and 11.2 of this Law shall be liable under the Law on Violations.

Article 12. Requirements for collective agreements, collective contracts, employment contracts and internal labour regulations

12.1. An employer or its representatives shall conduct collective negotiations with employees' representatives for the purposes of concluding collective contracts and collective agreements, mutually agree and conclude employment and other accompanying agreements with an employee, and shall have a right to adopt internal labour regulations on matters related to labour and social security relations.

12.2. Collective contracts, collective agreements, employment contracts and internal labour regulations shall meet the following requirements:

12.2.1. be in full compliance with labour and social security legislation, shall not diminish the level of legal guarantees and fundamental norms afforded by legislation to employees, but may improve them for employees by mutual agreement;

12.2.2. shall not conflict with other non-labour and social security legislation; and

12.2.3. shall take into account the specifics of a particular industry, occupation or profession and other factors directly influencing labour relations between employers and employees.

12.3. Any provision of collective contracts, collective agreements, employment contracts or internal labour regulations that diminishes employees' rights from the level established by legislation shall be invalid.

12.4. The invalidity of some provisions of collective contracts, collective agreements, employment contracts or internal labour regulations shall not constitute a ground for invalidating the document in its entirety.

CHAPTER TWO

SOCIAL PARTNERSHIP IN LABOUR RELATIONS

Article 13. Social partnership in labour relations and its principles

13.1. Social partnership is a bilateral and trilateral cooperation between employers, employees and their representatives and government organizations directed at building a social consensus through the harmonization of the interests of the relevant parties on issues of labour and related relations.

13.2. The social partnership shall be based on the principles of:

13.2.1. primacy of law;

13.2.2. ensuring equal participation of parties;

13.2.3. mutual respect for each other's rights and legitimate interests;

13.2.4. voluntary assumption of any commitments; and

13.2.5. state support for social partnership.

Article 14. Levels and forms of social partnership

14.1. Trilateral social partnerships shall be implemented by the government, central and local state administrative bodies, and organizations protecting and representing the rights and legitimate interests of employees and employers through the harmonization of interests of the parties on issues of labour and social protection, consultation on policy formulation and their implementation, the fostering of mutual understanding, and the conclusion of collective contracts.

14.2. Bilateral social partnerships shall be implemented at the industry, inter-industry, enterprise and organization levels on matters related to employees' right to work and their legitimate interests through building mutual understanding among parties, conducting collective negotiations and concluding collective contracts and collective agreements.

14.3. Depending on the matters discussed the following documents may be concluded within the framework of the trilateral social partnership:

14.3.1. on matters of policy - national, industry, inter-industry, aimag, soum, duureg (district) agreements of social partnership;

14.3.2. joint statements of trilateral social partners;

14.3.3. recommendations, guidance and methodology on implementation of policy; and

14.3.4. other documents as specified by legislation.

14.4. The following documents may be issued within the framework of the bilateral social partnership:

14.4.1. industry and inter-industry collective agreements;

14.4.2. collective contracts; and

14.4.3. other documents as specified by legislation.

Article 15. Management of social partnership

15.1. The management of social partnership shall be conducted by the National Trilateral Committee on Labour and Social Partnership (hereinafter "National Committee"), industry trilateral committees for labour and social partnership (hereinafter "industry committees"), and aimag and capital city trilateral committees for labour and social partnership (hereinafter "aimag, capital city committees") respectively.

15.2. The National Committee shall be composed of an equal number of delegates representing the government and national organizations representing and protecting the rights and legitimate interests of employees and employers, and shall work under the auspices of the Cabinet[*].

15.3. Industry committees shall be composed of an equal number of delegates representing the state central administrative body in charge of the relevant industry[**] and industry organizations representing and protecting the rights and legitimate interests of employees and employers, and may work under the auspices of the Cabinet member in charge of the relevant industry[***].

[*] The word "Cabinet" in this text denotes the Mongolian "Засгийн газар", the highest body of the executive branch of the Mongolian Government, consisting of the Prime Minister and the ministers (*Translator's note*).

[**] "The state central administrative body in charge of the industry" means a ministry in the Government of Mongolia in charge of the particular industry. This expression is used throughout the Mongolian laws to avoid the need to amend laws if the names of the ministries are changed (*Translator's note*).

[***] "The Cabinet member in charge of the industry" means the minister in charge of the particular industry. For example, "a Cabinet member in charge labour issues" means the Minister for Labour and Social Protection in the current Cabinet, "a Cabinet member in charge of education" means the Minister for Education, etc. (*Translator's note*).

15.4. At the employees' or employers' initiative, aimag and capital city committees may be established with an equal number of delegates representing local administrative bodies, and aimag and capital city organizations representing and protecting the rights and legitimate interests of employees and employers. Aimag and capital city committees shall work under the auspices of the respective governors.

15.5. National, industry, aimag and capital city committees shall be autonomous and operate independently.

15.6. Membership of the National Committee, industry committees and aimag and capital city committees shall be approved respectively by the Prime Minister, the Cabinet member in charge of the relevant industry and corresponding governors based on recommendations of the parties.

15.7. The National Committee shall have a secretariat. Operational expenses of the secretariat shall be financed from the state budget.

15.8. The by-laws of the National Committee shall be approved by the Cabinet and the National Committee shall approve the by-laws of industry, aimag and capital city committees.

Article 16. Powers of the National Committee

16.1. The National Committee shall have the powers to:

16.1.1. recommend improvements to labour and social protection legislation, have prior access to draft legislation, provide comments thereon before its adoption, and promote and implement legislation;

16.1.2. support the development of bilateral and trilateral social partnership;

16.1.3. adopt and implement relevant regulations, rules and methodologies as authorized by this Law, and adopt resolutions;

16.1.4. adopt a methodology to implement the principles listed in Article 102.1.1 of this Law, evaluate and issue conclusions on their implementation;

16.1.5. organize training courses and information dissemination for the prevention of labour disputes;

16.1.6. establish labour arbitration panels and trilateral labour rights dispute settlement committees at soum and duureg (district) levels;

16.1.7. issue recommendations on whether a certain form of work qualifies as an employment relationship;

16.1.8. publish a list of labour mediators and labour arbitrators, appoint, dismiss and train them (to specialize in certain areas); and

16.1.9. other powers as specified in legislation.

Article 17. National qualifications framework

17.1. The national qualifications framework shall consist of the national occupational classifications, their specifications, approval of occupational standards, adoption, approval and certification of professional qualifications.

17.2. Approval of occupational standards, coordination of the results of education and training with professional qualifications, their evaluation and certification, and passage between levels (of qualification) shall be regulated by law.

17.3. The Cabinet shall adopt regulations on establishing and coordinating the national qualifications framework based on the recommendations of the state central administrative body in charge of labour, the organizations representing the rights and legitimate interests of employers, and trade associations.

17.4. The Cabinet members in charge of labour and education shall jointly adopt regulations on evaluation, recognition and certification of an individual's professional qualifications.

17.5. The organizations representing the rights and legitimate interests of employers and trade associations shall jointly develop occupational standards.

17.6. Occupational standards shall establish guiding parameters for working conditions, workers' abilities, experience, knowledge, skills, capabilities, attitude, professional level and evaluation of performance.

17.7. The state central administrative body in charge of particular industries shall develop national occupational classifications and their specifications based on the recommendations of trade associations, and the Cabinet member in charge of labour issues shall adopt them.

CHAPTER THREE

COLLECTIVE NEGOTIATIONS

Article 18. Collective negotiations

18.1. Parties shall conclude collective agreements and collective contracts through collective negotiations.

18.2. State organizations shall provide participants in collective negotiations with necessary information and professional and methodological support.

Article 19. Basic principles of collective negotiations

19.1. Parties to collective negotiations shall adhere to the following principles:

19.1.1. engage in constructive dialogue and negotiations on matters under discussion, and be willing to reach an agreement through mutual understanding;

19.1.2. equality of rights;

19.1.3. transparency;

19.1.4. determine for themselves the scope of negotiations as provided for in Articles 37.2 and 41.1 of this Law;

19.1.5. mutual supply and exchange of necessary information, and the non-disclosure of confidential information of enterprises, organizations and individuals;

19.1.6. take into consideration the gender ratio in appointing the negotiators;

19.1.7. freedom from political interference;

19.1.8. equal number of representatives; and

19.1.9. the voluntary nature of commitments undertaken by parties during the negotiations.

Article 20. Initiation of collective negotiations

20.1. Either party may propose to commence collective negotiations. In doing so, it shall deliver to the other party a written proposal which meets the requirements listed in Article 21.1 of this Law.

20.2. If an enterprise or organization has several trade unions, then the number of delegates representing them at negotiations shall be determined pro rata to their membership.

20.3. If there are several trade unions or organizations representing the rights and legitimate interests of employers at the national, aimag, capital city, soum, duureg (district) or industry levels, then the number of delegates representing them at negotiations shall be determined pro rata to their membership.

20.4. Unless otherwise provided in collective contracts or collective agreements, parties may initiate negotiations for a new contract or agreement no more than six months before their expiration.

Article 21. Commencement and conduct of collective negotiations

21.1. A party initiating collective negotiations shall submit to the other party a written note to conduct collective negotiations together with a list of its negotiators and proposed list of issues to be included in collective contracts or collective agreements.

21.2. Parties shall commence collective negotiations within the following timeframe:

21.2.1. within ten working days after the receipt of a note to conduct collective negotiations to conclude a collective contract; or

21.2.2. within fifteen working days after the receipt of a note to conduct collective negotiations to conclude a collective agreement.

21.3. If the party which received a note does not commence collective negotiations within the timeframe specified in Article 21.2 of this Law, or if the parties disagree in the course of collective negotiations, then the dispute shall be resolved in accordance with the procedures specified in Chapter 11 of this Law.

21.4. A party to collective negotiations shall not disclose the confidential information of enterprises, organizations and individuals it was provided with, or which it got cognizance of in the course of negotiations, and must not use such information for any other purpose.

21.5. Before the commencement of collective negotiations, the representatives of the parties shall agree and confirm in writing, and follow the procedures of such negotiations.

21.6. Subject to mutual agreement, the parties may invite third party experts, advisors and specialists to collective negotiations.

Article 22. Prohibition of outside interference in collective negotiations

22.1. It shall be prohibited for government organizations and officials, religious organizations, political parties, non-governmental organizations as well as enterprises, organizations and individuals to interfere, influence or impede in any way with collective negotiations.

22.2. Those responsible for violating Article 22.1 of this Law shall be liable under the Law on Violations.

Article 23. Providing information

23.1. Representatives of employers and employees shall have a duty to provide each other with information necessary for the conduct of collective negotiations.

23.2. During collective negotiations, and in the process of drafting collective contracts and collective agreements, at the request of the parties, state organizations shall have a duty to provide the parties, within the limits authorized by legislation, with information on social and economic conditions in the country, the present status and future forecast for the industry, and other information and documents necessary for the conduct of collective negotiations.

Article 24. Guarantees for participants in collective negotiations

24.1. The procedures specified in Article 21.5 of this Law shall deal with remuneration and reimbursement for participants in collective negotiations.

24.2. It shall be prohibited to impose a disciplinary sanction on a trade union activist or official, or an employees' representative, transfer them to other jobs, reduce their remuneration because of their participation in collective negotiations or terminate their employment at the employer's initiative for any reason within one year following the end of negotiations, except in cases of the dissolution of an enterprise, organization or its branch office, or for the reasons specified in Articles 80.1.4, 80.1.5 and 80.1.6 of this Law.

24.3. Those responsible for violating Article 24.2 of this Law shall be liable under the Law on Violations.

Article 25. Strike and initiation of a strike

25.1. A trade union shall have a right to initiate and organize a strike on the following grounds:

25.1.1. failure by an employer to commence collective negotiations within the timeframe specified in Article 21.2 of this Law;

25.1.2. stalled collective negotiations because of an employer;

25.1.3. failure by an employer or its representatives to comply with their duty to participate in conciliation efforts specified in Article 147.1 of this Law;

25.1.4. refusal by an employer or its representatives to participate in labour mediation efforts or if a labour dispute was not resolved during the mediation stage; or

25.1.5. refusal by an employer or its representatives to participate in labour arbitration efforts.

25.2. A strike may be initiated and organized if the grounds specified in Article 25.1.4, 25.1.5 of this Law occur during the adjudication of disputes related to the implementation of collective agreements, industry and inter-industry and national collective contracts under the procedures for settlement of labour interest disputes.

25.3. Initiation and organization of a strike shall be based on the following principles:

25.3.1. taking into account the importance of the disputed matter in deciding whether or not to initiate a strike, its length and scope of coverage;

25.3.2. exhaustion of all possible avenues to reach an agreement and the initiation of a strike as a last resort; and

25.3.3. resumption of normal operations immediately following the end of a strike.

25.4. An employee shall have a right to participate in a strike on a voluntary basis regardless of his or her membership in a trade union.

25.5. It shall be prohibited to put pressure on an employee to participate in a strike, to continue to participate in a strike or, unless provided otherwise by law, to end a strike or refuse to participate in a strike.

Article 26. Declaring a strike, a temporary closure of a workplace (lockout)

26.1. A decision to declare a strike shall be taken by the management of a trade union at the relevant level following an affirmative vote by a majority at the general meeting of employees of the particular enterprise, organization, branch or unit contemplating a strike with the overwhelming majority of employees participating in a vote on whether or not to declare a strike.

26.2. A decision to declare a strike at an industry or at the national level shall be taken by the trade union association at the relevant level following an affirmative vote by a majority of

member organizations of the trade union association with the overwhelming majority participating in a vote on whether or not to declare a strike.

26.3. A decision to declare a strike shall include the following:

26.3.1. the difference of opinion that led to a strike;

26.3.2. the date and time of the commencement of a strike, its scope of coverage; and

26.3.3. individuals entrusted with a duty to communicate with the employer on issues related to the organization of the strike, and the delegation of representatives who shall negotiate.

26.4. A leader of the strike shall have the duty to submit the decision to declare a strike to the employer in writing at least five working days prior to the beginning of the strike.

26.5. During a strike or during a temporary closure of a workplace, strikers may appeal in a peaceful manner to non-striking employees to join in the strike.

26.6. An employer shall be prohibited to bring in outside temporary workers to replace the strikers.

26.7. Non-striking employees shall have a right to perform their work and it shall be prohibited to impede the exercise of this right.

26.8. After the commencement of a strike, an employer may temporarily close parts or the whole of the workplace if the employer decides that the employees' demands cannot be met (lockout).

26.9. An employer shall notify the representatives of employees in writing of the difference in opinion that led to a temporary closure of the workplace, the date and time of its beginning, and the scope of its coverage at least five days prior to the beginning of the temporary closure of the workplace.

26.10. During a strike or a temporary closure of a workplace, parties shall have a duty to take measures to amicably resolve their labour dispute.

26.11. While preparing for and during a strike or during a temporary closure of a workplace, its organizers shall take measures to maintain public order, protect the health, security and property of others, and, if necessary, provide support for the same purpose to relevant state organizations and officials.

Article 27. Management, suspension, resumption and termination of a strike

27.1. A relevant trade union shall manage the strike.

27.2. A trade union which is organizing the strike shall have the right to call a general meeting of employees in connection with the strike, obtain information from the employer on matters related to the employees' rights and their legitimate interests, and invite experts to submit their findings on disputed issues.

27.3. A trade union which is organizing a strike shall have a right to suspend the strike.

27.4. If a decision has been made to resume a strike, then the employer shall be notified thereof in writing at least 24 hours before the resumption of the strike.

27.5. A strike shall terminate upon reaching an agreement by the negotiating representatives on the resolution of the labour dispute, or upon signing a collective contract or a collective agreement, or upon a judicial decision declaring the strike illegal, or upon the initiative of the trade union which is managing the strike.

Article 28. Prohibition, postponement and suspension of a strike or a temporary closure of a workplace (lockout)

28.1. Employees and members of staff of organizations that provide services essential to the public, such as national defense, national security and enforcement of public order, shall have a right to associate and initiate the conclusion of collective agreements, but shall be prohibited from initiating, organizing or participating in a strike. The Cabinet shall adopt a list of enterprises and organizations that provide such essential services based on a recommendation of the National Committee.

28.2. A labour interest dispute arising in enterprises and organizations referred to in Article 28.1 of this Law shall be adjudicated by labour arbitration, and the government and employers shall have a duty to immediately comply with its decision.

28.3. It shall be prohibited to go on strike or temporarily close a workplace (lockout) during negotiations, conciliation, labour arbitration or court adjudication.

28.4. Parties shall have a duty to terminate the strike or the temporary closure of the workplace (lockout) if they received a labour dispute adjudication through labour arbitration.

28.5. Employees and members of staff of enterprises and organizations in such fields as electricity, heating, public water provision, international, inter-city and intra-city public transportation, communications, railways and civil aviation traffic control shall have a right to initiate, organize and participate in a strike or a temporary closure of a workplace (lockout). The Cabinet shall decide on the minimum services to be provided by these organizations to the public based on recommendations of the National Committee.

28.6. If the life, safety or health of people are endangered, or situations arise that might potentially do so, the Cabinet shall decide to postpone a strike or a temporary closure of a workplace (lockout) for thirty days or, if the strike or the temporary closure of a workplace (lockout) has already begun, it shall decide to suspend them for the same period. Such Cabinet decisions can be appealed to courts.

28.7. Those responsible for violating Article 28.1 of this Law shall be liable under the Law on Violations.

Article 29. Declaring a strike or a temporary closure of a workplace illegal

29.1. Either party shall have a right to petition a court to declare a strike or a temporary closure of the workplace illegal.

29.2. A court shall declare a strike or a temporary closure of a workplace illegal in the following cases:

29.2.1. if the procedures set forth in this Law are not followed;

29.2.2. during the conciliation stage;

29.2.3. during the labour mediation stage;

29.2.4. during the labour arbitration stage.

29.3. If a court adopts a decision to declare a strike or a temporary closure of the workplace illegal, then the relevant party shall immediately terminate the strike or the temporary closure of the workplace (lockout).

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

30.1. It shall be prohibited to alter the employment conditions of employees or their representatives because of their participation in a strike through such measures as imposing disciplinary sanctions thereupon, transferring them to other jobs or terminating their employment relationship upon the employer's initiative.

30.2. During the resolution of a labour dispute, parties may decide on a compensation for the employees who participated in the strike.

30.3. An employer shall pay the employees who did not participate in a strike but were not able to perform their work due to the strike, and the compensation for this period shall be equal to the average remuneration of the particular employee.

30.4. Those responsible for violating Article 30.1 of this Law shall be liable under the Law on Violations.

CHAPTER FOUR

COLLECTIVE CONTRACTS AND COLLECTIVE AGREEMENTS

Sub-Chapter One

General provisions

Article 31. Conclusion of collective contracts and collective agreements

31.1. Collective contracts and collective agreements shall be concluded in accordance with the procedures specified in Articles 18, 19, 20, 21, 22, 23 and 24 of this Law.

31.2. Regardless of the number of entities that propose to conclude a collective agreement, only one collective agreement shall be concluded at the given level.

31.3. Collective contracts and collective agreements shall be concluded for a period of no more than three years.

31.4. Collective contracts and collective agreements dealing with remuneration shall be concluded for a period of no less than one year.

31.5. Parties to collective contracts and collective agreements may extend their terms by mutual agreement for a period of no longer than their initial term.

31.6. Employers shall have a duty to include the funds necessary for the implementation of collective contracts and collective agreements in their budgets, and create conditions for their implementation.

31.7. Unless the contract or the agreement provides otherwise, collective contracts and collective agreements shall be amended in accordance with the procedures used for their initial conclusion.

Article 32. Registration of collective contracts and collective agreements, and keeping a database

32.1. Representatives of either employees or employers shall, within ten working days (of their conclusion), submit for registration the collective contracts and aimag, capital city, soum and duureg (district) collective agreements to local state organizations in charge of labour issues, and industry and inter-industry collective agreements to the state central administrative body in charge of labour issues respectively.

32.2. The registration organization shall, within five working days, review the collective contract or collective agreement only in regard to their compliance with legislation, and shall register the conforming documents and include them in their database. Collective contracts and collective agreements thus registered shall enter into force.

32.3. If the registration organization refuses to register a collective contract or a collective agreement, it shall explain the grounds for its decision, and provide the parties with an opportunity to bring the document into conformance with legislation. It shall be permitted to appeal against the refusal to register a collective contract or a collective agreement to a higher ranking official or courts.

32.4. The Cabinet member in charge of labour issues shall adopt regulations on the registration of collective contracts and collective agreements, and maintenance of the database.

32.5. A national collective agreement shall come into force upon its signing by the parties.

Article 33. Monitoring and implementation of collective contracts and collective agreements

33.1. The parties to collective contracts and collective agreements shall monitor their implementation, and methods and forms of monitoring shall be agreed to and included in collective contracts and collective agreements. Unless a collective agreement provides otherwise, the

respective governors shall monitor the implementation of aimag, capital city, soum and duureg (district) collective agreements, and the National Committee shall monitor the implementation of national collective agreements.

33.2. In the course of monitoring the implementation of collective contracts and collective agreements, the parties shall have a duty to share information at their disposal concerning the implementation and progress (of implementation) of collective contracts and collective agreements.

33.3. It shall be prohibited for anybody to interfere with or obstruct the implementation of collective contracts and collective agreements.

33.4. Collective contracts and collective agreements shall contain a specific provision on using pre-trial reconciliation procedures in accordance with labour legislation to resolve differences of opinion between the parties on the implementation and interpretation of collective contracts and collective agreements.

33.5. Employers shall have a duty to display collective contracts and collective agreements in a place visible to all employees.

Sub-Chapter Two

Collective agreements

Article 34. Matters regulated by collective agreements

34.1. Collective agreements shall regulate the following matters:

34.1.1. national collective agreements shall establish national policy guidelines for the protection at the national level of a person's right to work and related rights, and legitimate interests;

34.1.2. industry and inter-industry collective agreements shall regulate matters concerning employment conditions, organization of work, labour productivity norms and remuneration for employees in a particular industry; and

34.1.3. aimag, capital city, soum and duureg (district) collective agreements shall establish guidelines for the protection within the particular territorial administrative unit of a person's right to work and related rights, and legitimate interests.

34.2. Territorial collective agreements may include and provide for the implementation of provisions related to the enjoyment of the basic rights and principles listed in Article 5.1 of this Law for self-employed persons, herders, members of partnerships and corporations, and workers in the informal sector, and the promotion of their occupational safety, hygiene and employment opportunities.

Article 35. Scope of coverage of collective agreements

35.1. A national collective agreement shall apply to all employees and employers operating on the territory of Mongolia.

35.2. An industry and inter-industry collective agreement shall apply to all employees and employers who are represented by parties to the agreement.

35.3. Either party to an industry or inter-industry collective agreement may petition the state central administrative body in charge of the particular industry to expand the application of the collective agreement in entirety or parts thereof to all employers and employees in the industry.

35.4. The state central administrative body in charge of the particular industry together with the state central administrative body in charge of labour issues shall decide on the petition referred to in Article 35.3 of this Law after taking into consideration the representative capacity of the parties to an industry collective agreement as well as opinions of employers and employees' representatives who will be covered by the expansion.

35.5. Aimag, capital city, soum and duureg (district) collective agreements shall apply within the respective territorial administrative units.

35.6. If a collective agreement conflicts with a collective agreement of a higher level, then the particular provision that provides the less favorable treatment for employees shall be invalid.

Article 36. Parties to collective agreements

36.1. Collective agreements shall be concluded by and between:

36.1.1. National collective agreement by the Government and the national organizations which represent and protect the rights and legitimate interests of employers and employees;

36.1.2. industry and inter-industry collective agreements by industry organizations representing and protecting the rights, and legitimate interests of employers and employees;

36.1.3. aimag, capital city, soum and duureg (district) collective agreements by respective governors and local organizations which represent and protect the rights, and legitimate interests of employers and employees.

36.2. If the State is an employer in the industry, then the state central administrative body in charge of the industry shall participate alone or jointly with the representatives of other employers in collective negotiations.

36.3. If the State is not an employer in the industry, then the state central administrative body in charge of the industry shall participate in collective negotiations at the request of either party to a collective agreement.

Sub-Chapter Three

Collective contracts

Article 37. Matters regulated by collective contracts

37.1. Parties shall mutually agree on matters to be regulated by a collective contract, and the following matters related to the employees' right to work and legitimate interests may be included in a collective contract:

37.1.1 basic salary schedule, amounts of supplementary payments, added payments, bonuses, allowances and compensations;

37.1.2. threshold, rates and frequency of basic salary indexation;

37.1.3. amounts of pensions, grants, aid and subsidies to be provided by an employer to employees;

37.1.4. accommodation for more flexible employment conditions for employees;

37.1.5. conditions and procedures for improving employees' qualifications, and retraining them for a new profession;

37.1.6. measures aimed to improve workplace occupational safety and hygiene, and the funds for this purpose;

37.1.7. measures to protect employees' rights and their legitimate interests in the case of introduction of new forms of employment or technical and technological innovations, privatization, dissolution or reorganization of the enterprise or organization, or its branches and units;

37.1.8. measures to provide trade unions, their personnel and elected officials an opportunity and conditions to carry out their activities;

37.1.9. measures to aid seniors who worked in the enterprise or organization, and workers whose health suffered due to industrial accident, acute poisoning and occupational disease;

37.1.10. construction and use of the enterprises' and organizations' housing units, kindergartens, nurseries (for children), buildings and facilities for social and cultural purposes, and subsidies for families with many children, single mothers or fathers, and employees with disabled family members; and

37.1.11. other matters.

Article 38. Parties to a collective contract

38.1. A collective contract shall be concluded by the representatives of an employer and a trade union, and, in the absence of a trade union, by the representatives of employees elected at the meeting of all employees.

Article 39. Scope of coverage of collective contracts

39.1. An enterprise or an organization shall have one collective contract covering all its branches and units.

39.2. Parties shall mutually agree on the scope of employees to whom the collective contract shall apply. A collective contract concluded by employees' representatives elected at meeting of all employees shall apply to all employees of the particular enterprise or organization.

Article 40. Compliance with collective contracts

40.1. Changes in an enterprise or organization's affiliation, legal personality, management structure or composition shall not constitute grounds for terminating a collective contract.

40.2. In cases of reorganization or a change in ownership of an enterprise or organization, the employer and employees' representatives shall decide on whether to continue with an existing collective contract, amend it or conclude a new collective contract.

40.3. A collective contract shall remain in force until the full dissolution of an enterprise or organization.

CHAPTER FIVE

EMPLOYMENT RELATIONSHIP

Sub-Chapter One

General provisions

Article 41. Establishing an employment relationship

41.1. Prior to establishing an employment relationship, an employer or its authorized representative shall have a duty to familiarize a prospective employee with his or her duties, employment conditions and remuneration.

41.2. An employer or its authorized representative and a prospective employee shall mutually agree on the employee's duties, remuneration and other employment conditions, and an employment relationship shall be (considered) established when the employee begins to perform his or her work and duties.

41.3. It shall be prohibited to conclude any types of agreements other than an employment contract if relations between an employer and an employee are of an employment nature as specified in Article 4.1.15 of this Law. If an agreement other than an employment contract was concluded but the relations established are of an employment nature, then the agreement shall be considered to be an employment contract.

Article 42. Basic rights and duties of an employee

42.1. An employee shall enjoy the following basic rights:

42.1.1. to establish, amend and terminate on a voluntary basis an employment contract with an employer;

42.1.2. to work in a workplace that meets occupational safety and health requirements and standards, and to receive accurate information about it;

42.1.3. to receive remuneration corresponding to the work and duties[*] performed;

42.1.4. to take annual leave and, in accordance with relevant procedures, personal leave;

42.1.5. to file a complaint with the competent authorities in cases of perceived violation of one's right to work or legitimate interests;

42.1.6. to monitor payment and confirmation (of payment) of social and health insurance premiums, and to request to redress incorrect, incomplete or erroneous entries; and

42.1.7. other rights provided for by legislation.

42.2. An employee shall have the following basic duties:

42.2.1. to perform his or her work and duties personally, faithfully and properly to the extent of his or her skills and abilities;

42.2.2. to comply with labour legislation, collective contracts, collective agreements, employment contracts and internal labour regulations, to abide by applicable hours of work, and to use working hours exclusively to perform one's work and duties;

42.2.3. upon arriving for work, to be capable to perform his or her work and duties, and to refrain from consuming alcohol, narcotic drugs and (illegal) psychotropic substances while performing his or her work and duties, and to refrain from harassment, violence or sexual harassment;

42.2.4. to refrain from engaging in any work or services that competes or overlaps with that of the employer unless specifically authorized to do so by the employer;

42.2.5. to follow technical and technological procedures, and to comply with the employer's instructions and guidance on matters related to labour safety and hygiene legislation;

42.2.6. to inform promptly the employer or one's immediate supervisors of the emergence of situations endangering the employee's or other people's life and health, or the employer's property;

42.2.7. to respect an employer's right to exercise its management duties, and to carry out in a timely and complete manner the legitimate instructions of the employer or its representatives;

42.2.8. not to disclose confidential information of enterprises, organizations or persons, or information related to the employer's business which the employee obtained or was given while performing his or her work and duties;

42.2.9. at the request of an employer, to provide it with accurate information on the work and duties performed, and to report on the work done;

[*] The Mongolian words "ажил үүрэг" are translated as "work and duties", and the word "ажил" is translated as either "job" or "work" depending on the context *(Translator's note)*

42.2.10. to enroll in mandatory social and health insurance;

42.2.11. to improve one's professional qualifications and skills; and

42.2.12. other duties provided for by legislation.

Article 43. **Basic rights and duties of an employer**

43.1. An employer shall enjoy the following basic rights:

43.1.1. to amend, end and terminate an employment contract with an employee in accordance with applicable legislation;

43.1.2. to request an employee to perform his or her work and duties and comply with legislation, employment contracts and internal labour regulations;

43.1.3. to reward employees;

43.1.4. to impose disciplinary sanctions and material liability[*] on employees in accordance with legislation;

43.1.5. to obtain necessary information from employees in accordance with legislation;

43.1.6. to adopt internal labour regulations to be used within the enterprise and organization taking into account the views of the representatives of employees, and to enforce such regulations; and

43.1.7. other rights provided for by legislation.

43.2. An employer shall have the following basic duties:

43.2.1. to pay employees in a timely manner a remuneration corresponding to the work and duties performed, set reasonable labour productivity norms if those are not set in collective contracts or collective agreements, and to inform employees of the remuneration structure and regulations used within the enterprise or organization;

43.2.2. to comply with labour legislation, collective contracts, collective agreements and internal labour regulations, and provide employees with certified copies of job descriptions and employment contracts;

43.2.3. to conclude an employment contract with an individual employee in accordance with this Law, and provide employees with a workplace that meets requirements and standards specified in the Law on Occupational Safety and Hygiene, and that is free from harassment, violence and sexual harassment;

[*]The term "ажилтны эд хөрөнгийн хариуцлага" is used in the Mongolian labour legislation to describe an employee's monetary liability for (mostly) physical damage to employer's property, and translated into English as "material liability" *(Translator's note)*

43.2.4. to respect employees' rights, freedoms, legitimate interests, dignity and reputation;

43.2.5. not to disclose employees' confidential private information;

43.2.6. to provide employees with work, and provide them with instruction, equipment, tools, documents and other items necessary for performing their work and duties;

43.2.7. to enroll employees in mandatory social and health insurance schemes, pay premiums as prescribed by law and report them, and confirm the payment of social and health insurance premiums;

43.2.8. to inform employees beforehand if it is necessary to install monitoring equipment at the workplace, adopt and enforce regulations on their use, and refrain from installing monitoring equipment in the facilities specified in Article 3.1.15 of the Law on Occupational Safety and Hygiene;

43.2.9. to provide employees with opportunities for professional improvement and retraining within the scope of the job description, in accordance with legislation;

43.2.10. to explain (to employees) the grounds for ending or terminating employment contracts;

43.2.11. to not make employees work in excess of the maximum hours of work established by law; and

43.2.12. other duties provided for by legislation.

Article 44. General requirements for the collection, processing, storage and use of employees' personal information by employers

44.1. To recruit employees and to communicate with them, an employer may, in the course of employment relations, collect from employees their personal information, and process, store and use such information.

44.2. If employees' personal information need to be collected from a third party, an employer shall inform employees beforehand of the need for such information and the purpose for which it is collected.

44.3. Unless otherwise provided for by law, it shall be prohibited to collect, process and store employees' confidential private information as well as information on employees' membership in political parties, public organizations and trade unions.

44.4. An employer shall bear the expenses related to the protection and storage of employees' information.

44.5. An employer shall have a duty, in accordance with the law, to provide employees' information at the request of authorized state organizations.

Article 45. Regulations for the collection, processing, storage and use of employees' information

45.1. An employer shall adopt and enforce regulations for the collection, processing, storage and use of employees' information, and such regulations shall conform with legislation.

45.2. An employer shall have a duty to display the regulations for the collection, processing, storage and use of employees' information and amendments thereto in a place visible to all employees.

Article 46. Employees' right to have their information protected

46.1. Employees shall have a right to free and complete access to their information kept with the employer.

46.2. Employees shall have a right to request an employer to correct erroneous or incomplete information about themselves.

46.3. Employees shall have a right to file a complaint with the competent authorities if an employer illegally collected, processed, stored, used or transmitted employees' information.

Sub-Chapter Two

General provisions on employment contracts

Article 47. An employment contract and parties to it

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

47.2. To be an employer, an individual must have full legal capacity.

Article 48. Form of an employment contract

48.1. An employer shall execute an employment contract in writing with the parties signing it, and the employer shall have a duty to give a copy thereof to the employee.

48.2. If, for justifiable reasons, an employment contract was not executed in writing, an employer shall have a duty to execute the employment contract retroactively within 10 working days from the time an employee began performing his or her work.

48.3. Notwithstanding the absence of an employment contract in writing, an employment relationship shall be considered to have been established from the moment an employee began performing his or her work and duties.

48.4. Those responsible for violating Article 48.2 of this Law shall be liable under the Law on Violations.

Article 49. Provisions of an employment contract

49.1. An employment contract shall contain the following main provisions:

49.1.1. job title, work and duties to be performed as specified in the job description;

49.1.2. location for performing the work and duties;

49.1.3. remuneration; and

49.1.4. working conditions.

49.2. Parties may add the following provisions to an employment contract:

49.2.1. hours of work and rest;

49.2.2. procedures for paying remuneration;

49.2.3. the grounds for terminating or ending an employment contract;

49.2.4. labour discipline, and the procedures for filing complaints;

49.2.5. level of skills and abilities required of the job; and

49.2.6. other provisions as mutually agreed by parties.

49.3. In view of the characteristics of the job and in addition to provisions listed in Article 49.1 of this Law, an employment contract may contain by mutual agreement supplementary provisions on material liability, confidentiality, training and non-competition.

Article 50. Term of an employment contract

50.1. Employment contracts shall be without term limits except the following contracts:

50.1.1. apprenticeship;

50.1.2. probation period;

50.1.3. performing work of a seasonal nature;

50.1.4. replacement for an employee whose workplace is preserved;

50.1.5. work at the temporary job; and

50.1.6. performing work that is limited in time because of financing or the scope of work.

50.2. An employment contract without a term limit shall be concluded with an employee performing seasonal work on a permanent basis.

50.3. If at the expiration of employment contracts referred to Articles 50.1.3, 50.1.4, 50.1.5 and 50.1.6 of this Law, an employer has not reminded employees of their employment contracts' expiration, and the employee continued to work, the agreement shall be considered to have been extended by the term of the initial employment contract.

50.4. Except for cases referred to in Articles 58.1.3 and 139.1 of this Law, employment contracts with term limits shall be considered agreements without term limits if their initial and extension terms cumulate to more than two years.

50.5. Terms of employment contracts shall be determined by a calendar year, month, day or for the work referred to in Articles 50.1.3-50.1.6 of this Law, by the time required to perform them, or by the events inevitably bound to happen.

Article 51. Obtaining a letter of reference

51.1. In concluding an employment contract with an employee, an employer may, if deemed necessary, request and obtain from the employee's previous employers a letter of reference.

Article 52. Amending an employment contract

52.1. Parties to an employment contract may amend it by mutual agreement.

Article 53. Restrictions on the performance of work and duties not covered by an employment contract

53.1. Unless an employee provides his or her consent or it is specifically provided otherwise in this Law, an employer may not require an employee to perform work and duties not covered by an employment contract.

53.2. If an employee consents to perform work and duties not covered by the employment contract, an employer shall agree with the employee beforehand on the work and duties to be performed, and the remuneration.

Article 54. An employee's right to refuse to perform work and duties

54.1. An employee shall have a right to refuse to perform work and duties in the following situations:

54.1.1. in conditions which might potentially threaten the employee's or third parties' life and health;

54.1.2. an employer requesting the employee to work beyond the limits of overtime work established by law; or

54.1.3. an employer's failure to pay the employee's remuneration within 30 days of the agreed date of payment.

54.2. An employee shall promptly notify the employer or its representative of his or her refusal to perform work and duties in accordance with Article 53.1 of this Law, and shall have a right not to work until the conditions which led to the refusal to work have been rectified.

54.3. It shall be prohibited for an employer to impose a disciplinary sanction on an employee in connection with his or her refusal to perform work or duties in accordance with Article 53.1 of this Law.

Article 55. Suspension from work

55.1. An employer shall suspend an employee from performing his or her work and duties, and cease payment of remuneration if an authorized official issued a decision, in accordance with the Criminal Procedure Code, to apply a preventive measure of suspending the employee from performing his or her official duties for a certain period of time.

55.2. If the decision of the official referred to in Article 58.1 of this Law has been revoked, then the entity that issued such a decision shall notify the employer of the decision within three working days.

55.3. An employee's employment relationship shall be considered restored upon expiration of the time specified in Article 55.1 of this Law, or upon occurrence of the event specified in Article 55.2 of this Law.

55.4. If a decision to suspend the employee from performing his or her work and duties was found to have been without justification, the employee shall have a right to claim and receive his or her remuneration for the period of the suspension in accordance with Chapter 45 of the Criminal Procedure Code.

55.5. If employees performing work and duties in fields that protect people's right to security, health and comfortable living such as the provision of electricity, heating, public water supply, international, inter-city and municipal public transportation, special purpose transportation, telecommunications, railways and civil aviation traffic control services refuse, without proper justification, to be tested for alcohol, narcotic drugs or (illegal) psychotropic substance consumption, or was found to have consumed them, the employee shall be suspended from performing their work or duties until the circumstances are resolved.

Article 56. Performing several work and duties at the same time

56.1. Subject to an employee's consent, an employer may assign the employee parallel duties, replace temporarily and perform the duties of the absent employee, and, within the limits of the employee's hours of work, assign the employee concurrent work or position, or increase the employee's workload.

56.2. An employee working under the conditions specified in Article 56.1 of this Law, shall receive additional remuneration corresponding to his or her work and duties.

Article 57. Parallel employment contracts

57.1. An employee may conclude parallel employment contracts with employers other than his or her principal employer during the hours outside his or her hours of work (with the principal employer). In this case, the employee shall have a duty to inform the principal employer of such an employment.

57.2. An employee shall obtain permission from his or her principal employer to conclude a parallel employment contract in the following situations:

57.2.1. if an employee concludes with an employer a special conditions employment contract referred to in Article 65 of this Law;

57.2.2. if an employee plans to work in an enterprise or organization that carries out similar activities to or competes on the market with an employer; and

57.2.3. if an employee performs work and duties in areas which protect people's right to security, health and comfortable living such as the provision of electricity, heating, public water supply, international, inter-city and municipal public transportation, special purpose transportation, telecommunications, railways and civil aviation traffic control services.

57.3. The hours of work of an employee with parallel employment contracts shall fall within the limits for maximum hours of work set out in Article 84.4 of this Law, and the employee and the principal and parallel employers shall monitor it.

Article 58. A temporary transfer to another job

58.1. An employer may temporarily transfer an employee to another job in the following situations for the following time:

58.1.1. during idle time, an employee may be transferred within the enterprise or organization, or, with the employee's consent, to another enterprise or organization;

58.1.2. when it is necessary to prevent industrial accidents and disasters, or to eliminate their consequences, or when an unforeseeable situation arises disrupting normal operations of an enterprise or organization, for up to 45 days,

58.1.3. based on a decision of a medical labour expertise committee, transferring an employee to another job fitting his or her health condition until the employee recovers his or her fitness for work;

58.1.4. for expectant or nursing employees for the duration of the time specified in their medical report;

58.1.5. for employees in witness or victim protection programs for the duration of time specified in the decisions of authorized bodies; or

58.1.6. if it was agreed with the employee to transfer him or her to another job of a similar nature.

58.2. Upon expiration of time for which an employee was temporarily transferred to another job on the grounds specified in Article 58.1 of this Law, the employee shall be reinstated in his or her previous job.

58.3. If the medical labour expertise committee determines that an employee, transferred to another job on the grounds specified in Article 60.1.3 of this Law, will not recover his or her fitness for work, with the employee's consent he or she may continue to work in that job or may be transferred to another suitable job.

Article 59. Rotation (of employees)

59.1. With the employee's consent, an employer may rotate for up to three years the employee between different units or branches within the enterprise or organization on the following grounds:

59.1.1. to level the workload;

59.1.2. to prepare and train an employee for a specific job;

59.1.3. to assist an employee in acquiring skills to work in a number of jobs; and

59.1.4. as a preventive measure to keep employees away from undue influence because of prolonged employment in the same job.

59.2. An employer shall be responsible for direct and unavoidable expenses resulting from an employee's change of workplace locations because of the rotation.

59.3. Unless agreed with an employee, it shall be prohibited to rotate an employee resulting in his or her demotion, or in a reduction in his or her remuneration.

59.4. An employee shall be reinstated in his or her previous job upon expiration of the rotation period or if the conditions specified in Articles 80.1.1, 80.1.2 and 80.1.3 of this Law become applicable to the employee.

59.5. If it is impossible to reinstate an employee in his or her previous job the employee shall be given another job of a similar nature.

59.6. It shall be prohibited to impose a disciplinary sanction on an employee on the account of his or her refusal to work on rotation.

Article 60. Preserving an employee's workplace

60.1. When an employee is not performing his or her work and duties, the employer shall preserve the employee's workplace in the following situations:

60.1.1. (while an employee is) on annual leave;

60.1.2. (while an employee is) on donor's leave, or, except for the situations specified in Articles 80.1.4, 80.1.5 and 80.1.6 of this Law, on sick leave for health reasons;

60.1.3. (while an employee is) on pregnancy, maternity or child care leave;

60.1.4. while participating in collective negotiations, concluding collective contracts or collective agreements, or participating in lawful strikes;

60.1.5. while an employee is on a witness or victim protection program, for up to one year;

60.1.6. for an employee who received a military conscription notice for a period of time until a decision is taken by the competent authorities to conscript the employee into military service;

60.1.7. while an employee is on military service;

60.1.8. while (an employee is) transferred temporarily to another job in accordance with Article 58 of this Law;

60.1.9. while (an employee is) suspended from performing work and duties by the competent authorities;

60.1.10. until actions have been taken to remedy the conditions which prompted an employee to refuse to perform his or her work and duties on the grounds specified in this Law;

60.1.11. while (an employee is) enrolled in schooling for a period of time permitted by an employer;

60.1.12. while (an employee is) on personal leave; and

60.1.13. in other cases, as permitted by legislation, collective contracts, collective agreements, employment contracts and internal labour regulations, or as agreed between an employer and an employee.

60.2. An employer's duty to preserve an employee's workplace shall lapse if the employee fails to show up for work within fifteen working days upon expiration of time specified in Articles 60.1.3 and 60.1.7 of this Law, or if the employee failed to request an extension of this period for valid reasons.

60.3. In the event of dissolution of an enterprise or an organization, or their branches and units, the employment relationship of an employee whose workplace has been preserved shall be considered terminated, and the benefits specified in Article 82 of this Law shall be paid to the employee.

60.4. If a preserved workplace becomes redundant or job is downsized, the employer shall, based on an agreement with the employee, conclude a new employment contract with the employee to employ him or her in a new job of a similar nature.

Article 61. Reinstating an employee to a previous job or position

61.1. An employer shall have a duty to reinstate an employee to his or her previous job or position in the following situations:

61.1.1. if an employee whose employment relationship has been terminated due to his or her loss of fitness for work because of an industrial accident, acute poisoning or occupational disease has requested to be reinstated to his or her work within 30 days after the medical labour expertise committee certified the employee's recovery of his or her fitness for work;

61.1.2. if a decision by the labour rights dispute resolution commission, soum or duureg (district) labour rights dispute settlement trilateral committee, or by a court to reinstate an employee to his or her previous job comes into force;

62.1.3. if an employee's workplace position is re-created within three months after it was made redundant resulting in the termination of the employee's employment relationship and the employee requests to be reinstated to his or her position within 30 days following such a re-creation; and

62.1.4. other grounds as provided for by law.

61.2. The reinstatement of an employee to his or her previous job or position in accordance with Articles 61.1.2 and 61.1.3 of this Law shall result in the full restoration of the employee's employment relationship. Parties may, by mutual agreement, amend the terms and conditions of the employment contract.

63.3. The reinstatement of an employee to his or her previous job or position shall result in the termination of the employment relationship of an employee working in his or her previous job in accordance with the provisions of this Law.

Sub-Chapter Three

Types of employment contracts

Article 62. An employment contract of an apprentice worker

62.1. An employer may conclude an employment contract with an employee to apprentice him or her with a qualified and experienced employee for the purposes of imparting practical experience and skills to the apprentice.

62.2. Other than the provisions listed in Article 49 of this Law, an employment contract of an apprentice shall contain specific provisions on the duration of the apprenticeship, the employee to whom the apprentice shall be assigned, and the experience and skills an apprentice is expected to acquire.

62.3. The term of an employment contract of a regular apprentice shall not exceed three months. With the mutual consent of the parties, it may be extended for a period of time no longer than three months.

62.4. The term of an employment contract of an apprentice for a highly skilled profession may be up to two years depending on the specifics of the profession, and the level of experience and skills an apprentice is expected to acquire. With the mutual consent of the parties, it may be extended once for a period of time no longer than one year.

62.5. The Cabinet member in charge of labour issues shall adopt regulations on and the list of professions qualifying for highly skilled apprentice programs based on the recommendations of the National Committee.

62.6. An apprentice's basic salary shall be agreed with the apprentice taking into account the nature of the work to be done, and the experience and skills the apprentice is expected to acquire, and shall not be lower than 70 percent of the salary of the regular worker performing the same work and duties.

62.7. A probationary employment contract cannot be concluded with an apprentice who has completed his or her apprenticeship.

62.8. All other relevant provisions of this Law, including those of supplemental payments, added payments and allowances, shall also apply to apprentices.

62.9. Unless specifically agreed to by the parties, an employer shall have no duty to hire an apprentice for a permanent job.

62.10. It shall be prohibited to collect any payments from apprentices on account of their apprenticeship, limit their freedom of choosing a profession or a workplace, and impose a non-competition obligation on them.

62.11. If an apprentice student referred to in Article 63 of this Law becomes an apprentice for a highly skilled profession, then the term of his or her apprenticeship employment contract shall be up to one year.

62.12. Payments of an apprentice's social insurance premiums shall be regulated by the relevant legislation.

Article 63. An employment contract of an apprentice student

63.1. A trilateral employment contract of an apprentice student may be concluded between an employer, an apprentice student and an educational institution for the purposes of providing students of professional education and vocational training institutions with professional education, combining theoretical knowledge with practical experience, and imparting work experience and skills.

63.2. A training curriculum fixing hours and fields of study at the professional educational and vocational training institution, hours of work at the workplace, and the experience and skills expected to be acquired by an apprentice student shall be agreed to by the parties, and attached to an employment contract of an apprentice student.

63.3. The Employment Promotion Fund shall pay the employer's and the employee's contributions to an apprentice student's social insurance premiums.

63.4. The term of an employment contract of an apprentice student shall be up to three years depending on the profession being learned.

63.5. Parties shall agree on the basic salary to be paid to an apprentice student taking into account the ratio of hours of study and work, quality and amount of work to be performed, and any stipend received by the student from the educational institution, provided, however, that the basic salary shall not be below the statutory minimum wage.

63.6. All other relevant provisions of this Law, including those of supplemental payments, added payments and allowances shall also apply to apprentice students.

63.7. Unless specifically agreed to by the parties, an employer shall have no duty to hire an apprentice student for a permanent job.

63.8. It shall be prohibited to collect any payments from apprentice students on the account of their apprenticeship, to limit their freedom of choosing a profession or a workplace, and to impose a non-competition obligation on them.

63.9. University and college students may work as interns in enterprises and organizations (operating) in their fields of study to familiarize themselves with their work. The terms and conditions of internships shall be regulated by legislation.

Article 64. A probationary employment contract

64.1. An employer may conclude a probationary employment contract with an employee to ascertain the employee's fitness for the job.

64.2. The term of a probationary employment contract shall not exceed three months and can be extended once for a period of time not exceeding three months.

64.3. The basic salary of an employee working on a probationary employment contract shall be no less than the basic salary for the particular workplace and the employee shall be paid supplemental payments, added payments, bonuses and allowances in accordance with this Law.

64.4. Probationary employment contracts may not be concluded with employees hired for seasonal jobs on a one-time basis, (with employees) replacing workers whose workplace is being preserved, or (with employees) hired for temporary jobs.

64.5. Labour legislation, collective contracts, collective agreements and internal labour regulations shall apply on an equal footing to employees with probationary employment contracts.

Article 65. A special conditions employment contract

65.1. An employer may conclude a special conditions employment contract with an employee if the employer plans to exercise some of its ownership rights through the employee, or if the employee will perform work and duties at the executive management level of the enterprise or organization.

65.2. In addition to the provisions listed in Article 49.1 of this Law, a special conditions employment contract may contain the following provisions:

65.2.1. expected results of the work, the duties of the parties, methods for evaluating the performance of the contract; and

65.2.2. the employee's remuneration, benefits, subsidies and his or her share in profits.

65.3. A special conditions employment contract, by which an employer plans to exercise some of its ownership rights through an employee, may contain provisions on the amount of assets entrusted to the employee, rights of possession, use and disposal, and material liability (of the employee).

65.4. Unless provided otherwise in legislation, and in addition to the grounds listed in Article 80 of this Law, an employer may terminate a special conditions employment contract on the following grounds:

65.4.1. upon evaluation of the performance of an employment contract, an employee is found to have performed in an unsatisfactory manner;

65.4.2. when an employer transfers its ownership rights to another person for good;

65.4.3. when an employee was found to have utilized improperly or destroyed the assets entrusted to him or her, or exceeded the authority provided by an employer; or

65.4.4. loss of employer's trust due to an employee's wrongful action or inaction, or repeated or serious violations of organization's internal labour regulations.

65.5. An employer shall observe Articles 80.2, 80.4 and 80.5 of this Law when it terminates a special conditions employment contract on the grounds specified in Articles 65.4.2, 80.1.1, 80.1.2 and 80.1.3 of this Law.

Article 66. Part-time employment contracts

66.1. Upon an agreement with the employee, the employer may conclude (with the employee) a part-time employment contract. "A part-time employee" is someone who is working less hours than a full-time employee.

66.2. In addition to the provisions listed in Article 49 of this Law, a part-time employment contract shall contain specific provisions on total hours of daily, weekly, or monthly work, and the time (of the day) to start and end the work.

66.3. A full-time employee working shortened hours of work in accordance with this Law, shall not be considered a part-time employee.

66.4. Unless specifically provided for in this Law, part-time employees shall have the same rights and duties as full-time employees, and labour legislation, collective contracts, collective agreements and internal labour regulations shall equally apply to them.

66.5. An employer may employ employees on an hourly basis for the performance of temporary work, and pay them remuneration corresponding to the work performed on the spot.

Article 67. A home work employment contract

67.1. An employee may, upon agreement with an employer, conclude a home work employment contract whereby the employee shall work in places other than the workplace of the employer, in his or her (employee's) home, or in other premises of his or her choice, using the employer's or his or her (employee's) equipment, under the guidance and control of the employer, and receive remuneration from the employer.

67.2. In addition to the provisions listed in Article 49 of this Law, a home work employment contract shall contain specific provisions on the place of performance of the work, the work to be performed, time and method of delivery of the work done, remuneration, payment for the unit of work done or services rendered, and any reimbursements to be paid by an employer in cases of using employee's property and equipment.

67.3. An employer shall have a duty to check the safety of the equipment and other tools to be used by a homeworker, and to instruct him or her on labour safety procedures.

67.4. Except as specifically provided for in this Law, homeworkers shall have the same rights and duties as other employees working at the employer's workplace, and labour legislation,

collective contracts, collective agreements and internal labour regulations shall equally apply to them.

67.5. Chapter Six of this Law shall not apply to homeworkers.

68. A telework employment contract

68.1. An employer may allow an employee to fully or partially perform his or her work remotely via the internet, and conclude a telework employment contract with the employee.

68.2. In addition to the provisions listed in Article 49 of this Law, a teleworker's employment contract shall contain specific provisions on the place of performance of work, the time and method of delivery of the work, and any reimbursements to be paid by an employer in the case of using the employee's property and equipment.

68.3. Except as specifically provided for in this Law, teleworkers shall have the same rights and duties as other employees performing similar work, and labour legislation, collective contracts, collective agreements and internal labour regulations shall equally apply to them.

Sub-Chapter Four

Employment contracts concluded between individuals

Article 69. Requirements for and provisions of employment contracts concluded between individuals

69.1. In addition to the provisions listed in Article 49.1 of this Law, an employment contract concluded between individuals shall contain the following provisions:

69.1.1. schedule for hours of work and rest;

69.1.2. dates for payment of remuneration;

69.1.3. location where an employee shall perform his or her work and duties; and

69.1.4. other provisions as agreed upon between the parties.

69.2. With the exception of assistant herders, domestic workers and other workers that could be likened to them, the schedule of hours of work and rest in employment contracts concluded between individuals shall follow the limits for hours of work set in this Law.

69.3. Other provisions of this Law shall equally apply to employment contracts concluded between individuals.

Article 70. Registration and termination of employment contracts concluded between individuals

70.1. At the request of either an employer or an employee, aimag or duureg (district) state administrative bodies in charge of labour issues, or soum governors' chancelleries shall advise them on the conformity of their employment contract with legislation.

70.2. Aimag and duureg (district) state administrative bodies in charge of labour issues, and soum governors' chancelleries shall register the employments contracts they have advised on.

70.3. In addition to the grounds listed in Articles 78, 79 and 80 of this Law, an employment contract concluded between individuals shall terminate upon the death of an employer.

Article 71. Employment contracts with assistant herders, domestic workers and other workers that could be likened to them

71.1. An employer shall conclude a written employment contract with assistant herders, domestic workers and other workers that could be likened to them, and such a contract shall meet the requirements of this Law.

71.2. "An assistant herder" is a person who lives with the principal herder, and has agreed to herd livestock and perform other work related to animal husbandry under the guidance and control of the principal herder in exchange for remuneration. Relations concerning the herding of livestock of others independently for payment shall be governed by the Civil Code[5].

71.3. An employer shall have a duty to provide assistant herders, domestic workers and other workers that could be likened to them with normal living conditions if they live and work at the employer's home, or in facilities owned or possessed by the employer.

71.4. An employer and members of his or her family shall have a duty to treat with respect the dignity, rights and legitimate interests of assistant herders, domestic workers and other workers that could be likened to them, and provide them with working conditions free from harassment, violence and sexual harassment.

71.5. An assistant herder's remuneration shall be paid in accordance with Article 112 of this Law.

71.6. An employer may agree with assistant herders, domestic workers and other workers that could be likened to them a different schedule for hours of work and rest than those stipulated in this Law taking into account the specifics of the work. An employer shall have a duty to provide assistance herders and domestic workers with an uninterrupted weekly rest of at least 24 hours, and annual leave in accordance with this Law.

71.7. Unless otherwise provided for in the employment contract, a domestic worker shall have no duty to stay in the employer's home on weekends or on public holidays.

71.8. Assistant herders, domestic workers and other workers that could be likened to them shall be covered on a voluntary basis by insurance referred to in paragraphs 1, 2 and 4 of section 2 of Article 3 of the Law on Social Insurance.

71.9. The Cabinet member in charge of labour issues shall adopt a template of an employment contract with assistant herders, domestic workers and other workers that could be likened to them based on the recommendations of the organizations representing employees and employers.

[5] The Civil Code was published in volume 7 of the "State Gazette" for 2002

71.10. Except as specifically provided otherwise in this Law, assistant herders, domestic workers and other workers that could be likened to them shall equally comply with applicable labour legislation, collective contracts, collective agreements and internal labour regulations.

Sub-Chapter Five

Additional provisions of employment contracts

Article 72. Non-competition clauses

72.1. Subject to mutual agreement and to protect its production or business secrets, an employer may include an additional clause in an employment contract or conclude a separate non-competition agreement with an employee working on a special conditions employment contract as provided for under Article 65 of this Law, by which the employee shall be obliged not to work for an enterprise, organization or individual directly competing with the employer, or himself or herself engage in activities directly competing with those of the employer for a specific period of time following the termination of his or her employment relationship with the employer.

72.2. An employment contract or a non-competition agreement shall contain specific provisions on justifications for non-competition, scope of activities to be covered, the territorial coverage, duration and compensation to be paid by the employer during such a restriction.

72.3. Duration of a non-competition clause or a non-competition agreement shall not exceed one year following the expiration of the employment contract.

72.4. An employer shall pay the employee a monthly allowance of no less than 50 percent of the employee's last monthly remuneration for the duration of the non-competition clause or agreement.

72.5. Non-competition clauses shall not apply to an employee's work abroad.

72.6. It shall be prohibited to impose a non-competition clause on minor workers or workers with probationary contracts or apprentices.

Article 73. Duties of an employee studying at the employer's expense

73.1. Subject to mutual agreement, an employer wishing to train or improve the professional qualifications or specialize an employee at the employer's expense may include an additional clause in an employment contract or conclude a separate agreement.

73.2. An employment contract or an accompanying agreement related to an employee's studies at the employer's expense shall contain specific provisions on the forms and duration of study, allowances, preservation of an employee's workplace, length of time during which an employee is required to work for the particular enterprise or organization upon completion of the studies, expenses to be covered by an employer, and the rights and duties of the parties.

73.3. Parties shall agree on the length of time during which an employee shall work for the particular enterprise or organization upon completion of the study, and it shall not exceed three years.

73.4. If an employment relationship is terminated at an employee's initiative, the employee shall reimburse the employer the expenses related to his or her study pro rata to the time not worked unless the employer fully or partially waives such a reimbursement of expenses.

Article 74. Confidentiality clauses

74.1. Subject to mutual agreement, an employer may include an additional clause in an employment contract or conclude a separate confidentiality agreement with an employee working on a special conditions employment contract or with other employees it deems necessary.

74.2. An employer may adopt regulations on the management and processing of confidential information of the enterprise or organization.

Article 75. Full material liability of employees

75.1. Subject to mutual agreement, an employer may include an additional clause in an employment contract or conclude a separate agreement on employees' full material liability with employees entrusted with decisions to manage or transfer the employer's property to others, or entrusted with a duty to protect and preserve such property.

75.2. An employment contract or a full material liability agreement shall contain specific provisions on the authority to manage the property, and limits to such authority, property to be protected and preserved and their location, and other rights and duties of parties.

75.3. An employer shall adopt a list of workplaces with full material liability.

Sub-Chapter Six

Trilateral employment relationship

Article 76. Employment through a contract to provide workforce

76.1. A legal entity in the business of providing labour market services (hereinafter" employment agency") may provide their employees with whom they have concluded employment contracts in accordance with this Law to other employers (hereinafter "recipient party") by concluding a contract to provide workforce.

76.2. Recipient parties may hire workers though a contract to provide workforce in the following situations:

76.2.1. for temporary work and duties of no more than six months' duration;

76.2.2. for replacing an employee whose workplace is being preserved, unless the employee being replaced is involved in concluding collective contracts and collective agreements, participates in collective negotiations, trade union activities or lawful strikes;

76.2.3. for work and services of an ancillary nature in support of the primary activities of an enterprise or organization; or

76.2.4. if the conditions listed in Articles 91.2.2 and 91.2.4 of this Law emerge.

76.3. Except for situations specified in Article 76.2.4 of this Law, the number of workers hired through a contract to provide workforce shall not exceed 30 per cent of the total number of workers of the recipient party.

76.4. An employment agency shall conclude a contract to provide workforce with a recipient party in writing.

76.5. A recipient party shall have the following duties to workers hired under a contract to provide workforce:

76.5.1. introduce the internal labour regulations of the enterprise or organization to workers; and

76.5.2. other duties of an employer except those specified in Articles 43.2.1, 43.2.7 and 43.2.9 of this Law.

76.6. An employment agency shall have a duty to inform workers hired through a contract to provide workforce of the provision of the contract specified in Article 77.1 of this Law.

76.7. A recipient party shall have a right to refuse to let workers work if the conditions listed in Article 80.1 of this Law emerge.

76.8. An employment agency shall be prohibited to obstruct in any way, or to impose penalties or payments if a worker working under a contract to provide workforce becomes, upon mutual agreement, the recipient party's permanent employee or concludes an employment contract with another employer.

76.9. An employment agency shall be prohibited to directly or indirectly receive from employees any fees for providing the workforce, or withhold from their salaries.

76.10. It shall be prohibited to employ a minor under a contract to provide workforce.

76.11. Relations concerning provision of brokerage services in employment shall be regulated by the Law on Employment Promotion.

Article 77. Provisions of a contract to provide workforce

77.1. A contract to provide workforce shall contain the following provisions:

77.1.1. the number of workers to be provided, duration of the contract;

77.1.2. the title of the job, location, work to be performed, basic requirements for the workplace, employment conditions and remuneration;

77.1.3. occupational safety and hygiene conditions of the workplace; and

77.1.4. the rights, duties and responsibilities of the parties towards employees.

77.2. It shall be prohibited to agree and include in a contract to provide workforce the rights and duties of workers that are less than the rights and duties of permanent employees of a

recipient party. Working conditions of workers employed under a contract to provide workforce shall be the same as the working conditions of the recipient party's permanent employees.

77.3. Workers employed under a contract to provide workforce shall have a right to join a collective agreement of a recipient party on an equal footing with permanent employees of the recipient party.

77.4. A recipient party shall be responsible for the issues not directly covered in the contract to provide workforce.

77.5. The requirements and activities of employment agencies shall be regulated by the Law on Employment Promotion.

Sub-Chapter Seven

Termination of the employment relationship

Article 78. Grounds for terminating employment relationships

78.1. An employment relationship may be terminated on the following grounds:

78.1.1. by mutual agreement of the parties;

78.1.2. death of an employee;

78.1.3. expiration of an employment contract, with no further extension;

78.1.4. at the request of an authorized body;

78.1.5. if a person who previously worked in this position is reinstated in accordance with Article 61.1 of this Law;

78.1.6. coming into force of a court decision imposing a sanction on an employee as a result of his or her commission of a criminal offence that prevents the employee from continuing to perform his or her work;

78.1.7. when a court determined an employee to be legally incapable;

78.1.8. an employee is assigned or elected to another job or position; or

78.1.9. either an employee or an employer proposed to terminate an employment contract.

Article 79. Termination of an employment relationship at the employee's initiative

79.1. An employee shall have a right to initiate and terminate an employment relationship.

79.2. An employee shall have a right to leave his or her workplace after thirty days from the date when the employee submitted to his or her employer a written notice to terminate the

employment relationship, and, in this case, the employment relationship shall be considered terminated.

79.3. An employment relationship may be terminated earlier than the timeframe specified in Article 79.2 of this Law, with the consent of the employer.

Article 80. Termination of an employment relationship at the employer's initiative

80.1. An employment relationship may be terminated at the employer's initiative on the following grounds:

80.1.1. the dissolution of an enterprise or organization, its branches and units, a workplace redundancy or downsizing;

80.1.2. when an employee is found unfit for his or her work on grounds of professional and specialization level, skill, and performance. However, an employee shall be given prior warning thereof as well as reasonable time to improve on his or her professional and specialization level, skill, and performance;

80.1.3. medical labour expertise committee concludes that an employee is unable to perform his or her work because of health condition, and there is no other workplace to transfer the employee to, and the employee is unable to work despite the employer's taking measures specified in Article 144.1 of this Law;

80.1.4. an employee has repeatedly (twice or more) violated labour discipline, or committed a serious disciplinary transgression specifically alluded to in the employment contract as a ground for termination of the employment relationship;

80.1.5. when it is established that an employee entrusted with or entitled to dispose of the employer's money or property, has committed a wrongful action or inaction resulting in a loss of the employer's trust; or

80.1.6. when it is established that an employee has submitted false documents certifying his or her education, professional or specialization level at the time of hiring.

80.2. It shall be prohibited to terminate an employment relationship of an employee whose workplace is being preserved except in cases of dissolution of an enterprise or organization, or its branch or unit.

80.3. Unless otherwise provided for in law, a change in affiliation, ownership type, legal form or management of an enterprise or organization shall not constitute grounds for terminating an employee's employment relationship.

80.4. An employer shall give an employee a written notice of termination of the employment relationship on the grounds specified in Articles 65.4.2, 78.1.5, 80.1.1, 80.1.2 and 80.1.3 of this Law at least thirty days prior (to the termination) and, if necessary, the employer shall have a duty to provide evidence of giving such a notice.

80.5. If an employer deems it unnecessary or impossible to have an employee, who received a notice specified in Article 80.4 of this Law, continue to perform his or her work, the

employee may be discharged after receiving an allowance equal to his or her average remuneration calculated for the period until the termination of the employment relationship.

Article 81. Regulation of mass dismissal

81.1. It shall be considered a mass dismissal if the employment contracts of the following percentage and numbers of employees of an enterprise or organization were terminated within a period of ninety days because of the dissolution of an enterprise or organization, its branches or units, or the downsizing or liquidation of a workplace:

81.1.1. five or more employees of an enterprise or organization with 10-50 employees;

81.1.2. ten or more percent of the employees of an enterprise or organization with 51-499 employees;

81.1.3. 50 or more percent of the employees of an enterprise or organization with 500 or more employees.

81.2. In cases of mass dismissal, an employer shall inform the representatives of the employees of the reasons for the mass dismissal, the names of affected employees, and the date of termination of the employment relations, and negotiations on issues referred to Article 81.3 of this Law shall be conducted.

81.3. Such issues as the possible reduction of the number of employees whose employment relations are being terminated, possible measures to transfer such employees to vacancies available, and compensation for the termination of employment relationships shall be covered in the negotiations between an employer and the representatives of employees concerning a mass dismissal.

81.4. An employer shall give each affected employee a notice in accordance with Article 80.4 of this Law. Employment relations shall be terminated after no less than 30 days from the date of serving such a notice.

81.5. An employer shall hire on a priority basis an employee whose employment relationship was terminated on the grounds specified in Article 81.1 of this Law upon his or her request if within one year of a mass dismissal a new workplace is created or added, provided that the employee meets the requirements of the workplace.

81.6. An employer shall notify in writing the local body in charge of labour issues of its decision of a mass dismissal within 30 days of taking such a decision.

81.7. Employees' remuneration shall be paid on a priority basis in cases of mass dismissal because of the dissolution of an enterprise or organization, its branches or units.

Article 82. Severance pay for termination of an employment relationship

82.1. If an employment relationship was terminated on the grounds specified in Articles 65.4.2, 80.1.1, 80.1.2 and 80.1.3 of this Law, an employer shall pay an employee the following one-time severance payment regardless of whether or not the employee is entitled to receive unemployment benefits from the Social Insurance Fund:

82.1.1. an employee, who worked for the enterprise or organization for a period of time of no less than six months and no more than two years, shall receive a severance payment equal to his or her basic salary for one month or more; and

82.1.2. an employee, who worked for the enterprise or organization for a period of time of no less than two years and no more than five years, shall receive a severance payment equal to his or her basic salary for two months or more;

82.1.3. an employee who worked for the enterprise or organization for a period of time of no less than five years and no more than ten years, shall receive a severance payment equal to his or her basic salary for three months or more; and

82.1.4. an employee who worked for the enterprise or organization for a period of time of more than 10 years, shall receive a severance payment equal to his or her basic salary for four months or more.

82.2. In cases of mass dismissal, an employer shall set the amount of severance payments for the termination of employment relations at the negotiations with the representatives of employees at the levels no less than those specified in Article 82.1 of this Law.

82.3. The amount of severance payments specified in Articles 82.1 and 82.2 of this Law may be increased by legislation, collective contracts or collective agreements.

82.4. Hours of work of a part-time employee shall be converted to full time work, and severance payment specified in Article 82.1 shall be paid.

82.5. An employee, whose employment relationship is terminated because of achieving a retirement age, shall be paid by the employer a severance payment as specified in Article 82.1 of this Law.

82.6. An employer shall not have a duty to pay a severance payment specified in Article 82.1 of this Law to an employee whose employment relationship is terminated because the employee worked temporarily in place of the employee whose workplace has been preserved.

Article 83. Handover of a workplace, issuance of a decision to terminate the employment relationship

83.1. An employee shall handover his or her workplace to the employer temporarily if the workplace is being preserved, and for good if the employment relationship is being terminated.

83.2. An employee shall have a duty to handover to the employer any tool, equipment, technical instruments and property given (to the employee) to perform his or her work, and any documents, information in physical and electronic forms, and other relevant items produced while performing his or her work and duties.

83.3. In its decision to terminate an employment relationship, an employer shall indicate the date of handover of a workplace.

83.4. Prior to the date of handover of a workplace, an employer shall take the decision to terminate an employee's employment relationship in written form, inform the employee and deliver a copy of the decision to the employee. If an employee refuses to accept a copy of the decision,

the employee shall be considered to have been notified of the decision upon delivery of the decision by postal service to the employee's address of residence.

83.5. An employer shall pay the employee his or her remuneration up to the date referred to in Article 83.3 of this Law.

83.6. An employer shall have a duty to hand the employee a copy of the decision to terminate an employment relationship, social security and health insurance booklets, and other documents on the day of termination of the employment relationship, and shall pay remuneration, compensation and benefits in accordance with laws and internal labour regulations.

83.7. At the employee’s request, an employer shall have a duty to issue within five working days a letter of reference accurately reflecting the remuneration, the dates on which the employee worked and the work and duties performed (by the employee). An employee may claim damages incurred because of the employer’s failure to issue a letter of reference within the timeframe specified, or in the case of a wrong or incomplete letter of reference.

83.8. The state administrative body in charge of social security issues shall be responsible for creating a digital registry of employees’ employment and social security (payments), and for maintaining a centralized registry.

CHAPTER SIX

HOURS OF WORK AND REST

Sub-Chapter One

Hours of work

Article 84. Maximum hours of work

84.1. Weekly regular hours of work shall not exceed 40 hours.

84.2. A regular working day shall not last longer than 8 hours.

84.3. Weekly hours of work for minors shall not exceed 30 hours.

84.4. Weekly maximum of hours of work shall not exceed 56 hours. A daily overtime work shall not exceed 4 hours.

84.5. An employer shall have a duty to maintain a registry of the hours that employees worked.

Article 85. Reduced hours of work

85.1. An employer shall reduce employees’ hours of work in the following situations:

85.1.1. medical labour expertise committee issued a decision to reduce the employee’s hours of work;

85.1.2. a medical certificate was issued to reduce the hours of work of an expectant or nursing female employee; and

85.1.3. reducing hours of work of an employee in vocational or qualification training for the period of training.

85.2. An employer shall have a duty to reduce the hours of work of an employee if the competent authorities decided to include the particular workplace in the list of workplaces with abnormal working conditions.

85.3. An employee with reduced hours of work shall be paid an allowance in accordance with Article 115 of this Law.

Article 86. Hours of work of part-time employees

86.1. Weekly hours of work of part-time employees shall not exceed 32 hours.

Article 87. Hours of shift work

87.1. An employer shall notify employees of shift work time and a schedule no less than 48 hours prior to commencement of the shift work.

87.2. Regular hours of daily shift work shall not exceed 8 hours.

87.3. Unless otherwise provided for by law and upon agreement with the employees, an employer may extend the time of shift work by no more than 4 hours. In this case, if an employee worked for more than 40 hours a week, the employee shall be paid for overtime work in accordance with Article 109.1 of this Law.

87.4. It shall be prohibited that employees work for two consecutive shifts.

Article 88. Night work

88.1. A night period is the time between 22.00 pm and 06.00 am local time.

88.2. An employee who worked at night shall have the next day a rest period of no less time than the duration of the night work.

88.3. Employees who regularly work at night shall undergo preventive health check-ups at the employer’s expense at intervals specified in the Law on Occupational Safety and Hygiene.

88.4. An employer shall have a duty to transfer an employee to day work or to another work of a similar quality if the medical labour expertise committee prohibits night work for the employee.

88.5. Unless an employee agrees, it shall be prohibited to engage expectant mothers and employees with children under three years of age in night work.

88.6. It shall be prohibited to engage minors in night work.

Article 89. Standby hours

89.1. Hours during which an employee was on standby outside of his or her regular hours of work waiting, if needed, to be called to work shall be considered working hours.

89.2. An employer shall pay an employee at least 50 percent of the employee's basic salary for standby hours if the employee waited at a place designated by the employer, and at least 30 percent of the employee's basic salary in other situations.

89.3. An employee shall be informed of the date and times of standby hours at least 48 hours in advance, and an employee cannot be put on standby more than eight times in a month.

Article 90. Calculation of aggregate hours of work

90.1. If due to specifics of work, services or production, it is impossible to maintain the legally prescribed limits of hours of daily or weekly work, then hours of work shall be aggregated.

90.2. Hours of work aggregated for a period of time in accordance with Article 90.1 of this Law shall not exceed the sum of regular hours of work for the same period.

90.3. Aggregation of hours of work shall not constitute a ground for limiting employees' rights provided by law, such as annual leaves or calculation of the period during which the social security premiums were paid.

90.4. The Cabinet member in charge of labour issues shall adopt regulations on aggregation of hours of work.

Article 91. Overtime work

91.1. An employee shall be considered to have worked overtime if, at the employer's initiative, the employee worked in excess of the daily regular hours of work, hours of shift work, weekly regular hours of work, or the sum of regular hours of work aggregated.

91.2. It shall be permissible to have employees work overtime in the following situations:

91.2.1. to perform work unavoidably necessary for national defense, or protection of human life or health;

91.2.2. to prevent natural disasters, dangerous (natural) occurrences and accidents, and to promptly eliminate their consequences;

91.2.3. to repair damages that cause a disruption in normal operations of public water provision, power and heat, and normal operation of roads and communications; or

91.2.4. to perform urgent and unforeseeable work that cannot be delayed and aimed preventing or eliminating obstacles to the normal functioning of an enterprise or organization, or its branches and units.

91.3. An employee shall be considered to have worked overtime if, at the employer's initiative, the employee worked in excess of hours of work specified in the part-time employment contract.

91.4. Unless an employee agrees, it shall be prohibited to engage expectant mothers and employees with children under three years of age in overtime work.

91.5. It shall be prohibited to engage minors in overtime work.

Article 92. Roster work

92.1. An employer in mining and extractive industries may use roster work by stationing employees in remote locations, in places other than their permanent residencies.

92.2. Enterprises and organizations providing services to an employer using the mode of work specified in Article 92.1 of this Law may use the same mode of work in that location.

92.3. Daily hours of work of employees working on roster shall not exceed 12 hours, and, subject to Article 87 of this Law, hours worked overtime shall be calculated and additional payments made (to the employee) in accordance with Article 109.1 of this Law.

92.4. Employees working on roster shall work for 14 days and rest for 14 days in one roster shift.

92.5. If the length of the shift, specified in Article 92.4 of this Law is shortened, then the employer and employees' representatives may agree on the equal number of days to work and rest.

92.6. The time taken to transport employees from the place identified in internal labour regulations to the workplace and back at the start and end of each roster, shall be included in the employees' hours of work. However, delays beyond the employer's control shall not be included in employees' hours of work.

92.7. An employer shall bear the cost of transportation of employees working on roster to the workplace from the location specified in Article 92.6 of this Law and back.

92.8. Such issues as the schedule of work and rest hours, and supplemental payments for employees working on roster shall be specified in collective contracts and industry collective agreements.

92.9. If an employer does not employ employees in accordance with Article 80.5 of this Law, the employer shall provide transportation to the location specified in the internal labour regulations.

92.10. It shall be prohibited to engage minors in roster work.

Sub-Chapter Two

Rest time

Article 93. Categories of rest time

93.1. Categories of rest time shall be as follows:

93.1.1. (daily) rest and meal breaks;

93.1.2. continuous rest between two consecutive days of work;

93.1.3. weekly rest;

93.1.4. public holidays; and

93.1.5. annual leave.

Article 94. (Daily) rest and meal breaks

94.1. An employee shall be given a (daily) break for rest and for meals.

94.2. Time of rest and meal breaks shall not be included in hours of work.

94.3. Times to start and end rest and meal breaks, and their duration shall be determined by internal labour regulations. A daily meal break shall last no less than one hour.

94.4. Employers shall provide employees, unable to take a meal break due to specifics of the job, with an opportunity to have their meal at the workplace, and this time shall be included in hours of work.

Article 95. Period of a continuous rest between two consecutive days of work

95.1. A period of a continuous rest between two consecutive working days shall be no less than 12 hours.

Article 96. Weekly rest

96.1. Saturdays and Sundays of each week shall be public rest days.

96.2. If it is impossible to provide employees with rest on Saturday or Sunday due to the specifics of the work or production, an employer shall designate, in agreement with employees, two other consecutive days of the week as rest days in the employment contract or in the internal labour regulations.

Article 97. Public holidays

97.1. The following public holidays shall be rest days:

97.1.1. New Year’s Day: January 1;

97.1.2. Tsagaan Sar: 1st, 2nd and 3rd days of the first month of the spring according to the Lunar calendar;

97.1.3. International Women's Day: March 8;

97.1.4. Lord Buddha Day: 15th day of the first month of the summer according to the Lunar calendar;

97.1.5. Children's Day: June 1;

97.1.6. National Naadam Festival, anniversary of the People's Revolution: July 11, 12, 13, 14, 15;

97.1.7. Genghis Khan's Day: Birthday of Genghis Khan, the first day of the first month of the winter according to the Lunar calendar;

97.1.8. Republic's Day: November 26; and

97.1.8. Restoration of National Liberty and Independence Day: December 29.

Article 98. Limits on work on public holidays and weekends

98.1. Unless an employee consents, it shall be prohibited to have employees work on public holidays or during weekends at the employer's initiative, except in the cases of continuous production process, provision of public services, transportation, communications and other essential services, or in the cases specified in Article 91.2 of this Law.

98.2. Unless an employee consents, it shall be prohibited to engage expectant mothers, employees with children under three years of age, and employees with children with developmental challenges under 16 years of age requiring constant care in work on public holidays or weekends.

Article 99. Annual leave

99.1. Employees shall be given annual leave every working year, and it shall be taken physically. The amount of monetary compensation to be paid to an employee who failed to take annual leave physically because of unavoidable work requirements may be increased from the amount specified in Article 110.2 of this Law by collective contracts, or in the absence of such a contract, by an agreement with the employee.

99.2. A right to annual leave shall accrue to an employee who worked for six months after an employment contract was concluded.

99.3. Unless the law provides otherwise, the basic annual leave of employees shall be 15 working days.

99.4. Basic annual leave of employees with developmental challenges or employees under 18 years of age shall be 20 working days.

99.5. Depending on the number of years worked, employees working in normal conditions shall be granted the following supplemental days of leave in addition to basic annual leave:

99.5.1. 3 working days from the 6^{th} year (of work) until the end of the 10^{th} year (of work);

99.5.2. 5 working days from the 11^{th} year (of work) until the end of the 15^{th} year (of work);

99.5.3. 7 working days from the 16th year (of work) until the end of the 20th year (of work);

99.5.4. 9 working days from the 21st year (of work) until the end of the 25th year (of work);

99.5.5. 11 working days from the 26th year (of work) until the end of the 31st year (of work), and

99.5.5. 14 working days from the 32nd year (of work).

99.6. Depending on the number of years worked, employees working in abnormal working conditions shall be granted the following supplemental days of leave in addition to basic annual leave:

99.6.1. 5 working days from the 6th year (of work) until the end of the 10th year (of work);

99.6.2. 7 working days from the 11th year (of work) until the end of the 15th year (of work);

99.6.3. 9 working days from the 16th year (of work) until the end of the 20th year (of work);

99.6.4. 12 working days from the 21st year (of work) until the end of the 25th year (of work);

99.6.5. 15 working days from the 26th year (of work) until the end of the 31st year (of work), and

99.6.5. 18 working days from the 32nd year (of work).

99.7. Part-time employees shall have annual leave and supplemental days of leave corresponding to the total time worked during the working year.

99.8. Employees may, at their request, take annual leave in parts within a given working year. Any part of annual leave taken in parts shall be no less than 10 continuous working days.

99.9. Relevant laws may prescribe supplemental days of leave depending on the specifics of the profession.

99.10. The Cabinet member in charge of labour issues shall adopt regulations on granting annual leave and calculating annual leave pay.

Article 100. Personal leave

100.1. An employer may, at the request of the employee, grant him or her personal leave.

100.2. Internal labour regulations shall provide the procedures for granting personal leave, duration of leave and whether any compensation shall be paid during such leaves.

CHAPTER SEVEN

REMUNERATION AND COMPENSATION

Article 101. Remuneration

101.1. Remuneration shall consist of basic salary, additional pay, extra pay, annual leave pay and bonuses.

Article 102. Principles of setting remuneration

102.1. The following principles shall be followed in setting remuneration:

102.1.1. equal remuneration for employees performing work of equal value;

102.1.2. consideration of changes in the cost of living and inflation levels;

102.1.3. must correspond to the employee's skill level, performance and productivity;

102.1.4. non-discrimination based either on gender or other factors; and

102.1.5. transparency and clarity of the methodology to calculate the remuneration.

Article 103. Regulation of remuneration

103.1. The Cabinet member in charge of labour issues shall adopt the following regulations on remuneration:

103.1. 1. regulations on determining the average remuneration;

103.1.2. general regulations on determining, granting and certifying employees' professional qualification grades.

103.2. The National Committee shall adopt the following methodologies related to remuneration:

103.2.1. methodology on setting remuneration;

103.2.2. methodology on developing labour (productivity) norms and standards; and

103.2.3. methodology on developing standards for professions.

103.3. An employer shall adopt and implement the following internal labour regulations related to remuneration in conformity with legislation, collective contracts and collective agreements:

103.3.1. a list of jobs and professions;

103.3.2. job descriptions;

103.3.3. labour (productivity) norms and standards that conform with those referred to in Article 106.3 of this Law; and

103.3.4. regulations on remuneration.

Article 104. Payment of remuneration

104.1. The remuneration shall be paid no less than twice monthly on fixed paydays, and these paydays shall be set in internal labour regulations or in employment contracts.

104.2. If a payday falls on a weekend or public holidays, it shall be moved to the preceding work day.

104.3. Employer shall inform employees in writing or electronically of the make-up of the remuneration to be paid for the given period, amount and nature of deductions, and amount of the remuneration actually paid.

104.4. Upon agreement of parties, employees' remuneration may be calculated and paid on an hourly, daily or weekly basis.

104.5. At the request of an employee, his or her remuneration may be paid in advance.

104.6. Unless otherwise provided in law, the employer shall pay remuneration to the employee personally.

104.7. Person who failed to pay remuneration and allowances in accordance with legislation, or failed to pay them in time without a proper justification, or paid less than prescribed in law or agreed in an employment contract, shall be liable under this Law and the Law on Violations.

Article 105. Form of remuneration

105.1. Except as provided in Article 112.1 of this Law, employees' basic salary, annual leave pay, additional pay, extra pay and allowances shall be paid in monetary form in the national currency.

Article 106. Labour (productivity) norms and standards

106.1. Employer may adopt and implement labour (productivity) norms and standards for the purposes of planning the number of workers, determining the number of workers by jobs and professions, and paying the remuneration in accordance with the (workers') performance. In adopting labour (productivity) norms and standards, employer shall solicit the opinion of representatives of employees, trade unions and, in the absence of such organizations, representatives of employees.

106.2. The expertise and experience of employee with an average labour productivity shall be applied in determining labour (productivity) norms and standards.

106.3. The Cabinet member in charge of the particular industry may adopt labour (productivity) norms and standards for the industry.

106.4. Cabinet members in charge of labour issues and of particular industries may jointly adopt model inter-industry labour (productivity) norms and standards.

Article 107. Determining basic salary

107.1. Unless otherwise provided in law, employer shall calculate basic salary on an hourly, performance or other basis, and such a calculation shall be based on the analysis and evaluation of the workplace, and the employee's qualifications.

107.2. Based on the mutual agreement of employers and representatives of employees, remuneration may be regulated by collective contracts and collective agreements at the enterprise or organization level or at the industry or inter-industry levels, respectively.

107.3. The National Committee shall, in accordance with the Law on Minimum Wage[6], set the minimum hourly basic salary rate for simple jobs that do not require specific education or special professional qualifications.

107.4. Employer shall be prohibited from setting a basic salary lower than the minimum wage**.**

107.5. If industry or inter-industry collective agreements set a higher minimum wage than the one specified in Article 107.3 of this Law, the former shall apply.

Article 108. Additional pay

108.1. Additional pay based on employees' skills, years worked, professional qualifications, work in abnormal working conditions and other criteria shall be set by legislation, collective contracts, collective agreements, employment contracts and internal labour regulations.

Article 109. Extra pay

109.1. Employees, who worked overtime and were not provided with compensatory rest, shall be paid extra pay equaling 1.5 times or higher of their average remuneration.

109.2. Employees, who worked on weekends and were not provided with compensatory rest, shall be paid an extra pay equaling 1.5 times or higher of their average remuneration.

109.3. Employees, who worked at night and were not provided with compensatory rest, shall be paid extra pay equaling 1.2 times or higher of their average remuneration.

109.4. Employees, who worked on public holidays and were not provided with compensatory rest, shall be paid extra pay equaling 2 times or higher of their average remuneration.

109.5. Employees, who worked overtime at night, on weekends or on public holidays, shall be paid extra pay for night work in addition to extra pay stipulated in Articles 109.1, 109.2 and 109.4 of this Law.

[6] The Law on Minimum Wage was published in Volume 19 of the "State Gazette" for 2010.

109.6. Extra pay for temporarily performing the work of an absent employee, or for performing work not specified in the job description, and other extra pays shall be determined by collective contracts, collective agreements, employment contracts or internal labour regulations.

109.7. Articles 109.1, 109.2, 109.3, 109.4, 109.5 and 109.6 of this Law shall equally apply to part-time employees.

109.8. Employees working on a night shift in accordance with regular shift rotation shall be paid extra pay for night work.

109.9. No extra pay specified in Articles 109.2 and 109.4 of this Law shall be paid to employees working on weekends or public holidays in accordance with regular shift rotation. Extra pay may, however, be agreed to by collective contracts or collective agreements.

Article 110. Annual leave pay

110.1. Annual leave pay shall be calculated and paid on the basis of the employee's average remuneration for the given year.

110.2. Employee, who did not take his or her annual leave personally because of unavoidable demands at work shall be paid 1.5 times the annual leave pay.

110.3. Employee, whose employment relations are being terminated, shall be paid annual leave pay corresponding to the time the employee worked.

Article 111. Remuneration of part-time employees

111.1. The hourly and performance-related unit value of salary of part-time employees shall be no less than that of full-time employees working in similar workplaces.

111.2. The remuneration of part-time employees shall be calculated on an hourly or performance-related basis, and shall be paid at the time agreed with the employee.

111.3. The remuneration of part-time employees working for a period longer than one month may be paid in accordance with Article 104.1 of this Law.

Article 112. Remuneration of assistant herders

112.1. Upon agreement with an assistant herder, no more than 30 percent of his or her remuneration may be paid in a non-monetary form.

112.2. Non-monetary remuneration referred to in Article 112.1 of this Law may be in the form of products, livestock and other goods that meet quality requirements, and they shall not be valued above their average market price.

112.3. It shall be prohibited to include tobacco and alcohol products, all kinds of medicine, illegal goods and items, and goods and items that can be sold only on the basis of special permits.

Article 113. Remuneration and compensation for employees who refused to work, or who did not work or were transferred to another job under witness or victim protection programs

113.1. If an employee refused to work in accordance with Article 54.1 of this Law, the employer shall pay the employee compensation equal to his or her remuneration for the period of time the employee did not work.

113.2. An employee, who did not work because of joining a witness or victim protection program, shall be paid compensation equal to his or her remuneration for the period of time the employee did not work, or, if transferred to another job, shall be paid compensation equal to the amount his or her remuneration was reduced, as provided in legislation.

Article 114. Remuneration and compensation when labour (productivity) norms are not met

114.1. If labour (productivity) norms were not met through no fault of an employee, the employee shall be paid remuneration for the work done, and compensation equal to the amount of the difference with basic salary.

114.2. If labour (productivity) norms were not met because of employee's fault, then the employee shall be paid remuneration corresponding to the work done.

Article 115. Compensation for shortened hours of work

115.1. Remuneration for employees, whose hours of work were shortened on grounds specified in Article 85 of this Law, shall be calculated on the basis of hours worked or work performed, and a compensation equal to remuneration for hours not worked shall be paid by the employer.

Article 116. Compensation for idle time

116.1. If idle time arose through no fault of an employer because of unexpected or unforeseeable *force majeure* circumstances, dangerous (natural) occurrences specified in Article 4.1.2 of the Law on Disaster Protection[7], by a decision of competent state authorities, or it was not possible to transfer an employee to another job during the idle time that arose through no fault of the employee, then the employer shall pay the employee a compensation equal to no less than 60 percent of the employee's basic salary, and the amount of the compensation shall be no lower than the minimum wage.

116.2. If an employer made employee perform other work during idle time, employee shall be paid remuneration for the work performed and, if remuneration was reduced, employer shall pay compensation equal to the difference between remuneration received and average remuneration prior to idle time.

116.3. An employee who, without proper justification, refuses to perform other work during the idle time shall not be paid compensation.

[7] The Law on Disaster Protection was published in Volume 7 of the "State Gazette" for 2017

116.4. An employer shall pay social and health insurance premiums of employees with no-term employment contracts employed in seasonal jobs for the time the employees not worked, and the premiums shall be calculated on the basis of the minimum wage.

116.5. An employee shall not be paid compensation if the idle time arose because of the employee's fault.

Article 117. Other compensation for employees

117.1. If employee was transferred to another job in accordance with Article 58.1.4 of this Law, and employee's remuneration was reduced during such a transfer, employer shall pay the employee compensation equal to the amount of difference in remuneration.

117.2. During the time the employee acts as a donor as provided in Article 62.1.2 of this Law, the employee shall be paid his or her average remuneration.

117.3. An employer may set in collective contracts, collective agreements or internal labour regulations other compensations than those listed in this Law, and pay them.

Article 118. Notification of changes in remuneration

118.1. Employer shall inform all employees of changes in remuneration for all employees that happen because of a collective contract at least 10 or more days prior to the changes coming into effect, and shall amend employment contracts accordingly if the employee so requests.

Article 119. Withholdings from remuneration and limits to such withholdings

119.1. Employers shall pay employees their full remuneration, but withholdings shall be permitted in the following situations:

119.1.1. employer decided to withhold an amount of no more than monthly average remuneration to compensate for damages (caused by the employee);

119.1.2. a court decision or a decision of a labour dispute resolution body became effective;

119.1.3. a disciplinary sanction referred to in Article 123.2.3 of this Law was imposed on the employee; or

119.1.4. in other cases, as provided for by legislation.

119.2. Total amount of withholdings from an employee's monthly remuneration shall not exceed 20 percent of his or her monthly remuneration excluding social and health insurance premiums and personal income tax, and 50 percent of his or her remuneration in cases of payment of alimony or several other withholdings at the same time.

119.3. An employee, who disputes the decision to withhold or the amount withheld, shall have a right to file a complaint with labour rights dispute resolution bodies in accordance with this Law.

119.4. An employer shall file a claim with the courts to seek compensation for damages (caused by an employee) in excess of the employee's average monthly remuneration.

119.5. An employee shall be informed in advance of withholdings to be made in accordance with law from his or her remuneration.

CHAPTER EIGHT

OCCUPATIONAL SAFETY AND HEALTH

Article 120. Occupational safety and hygiene of the workplace, and protection of employees' health

120.1. An employer shall take effective and systematic measures aimed at protecting employees' life and health, and preventing industrial accidents and occupational diseases.

120.2. An employer shall have a duty to provide employees with normal working conditions that meet the requirements and standards of occupational safety and hygiene.

120.3. Until normal working conditions of the workplace are restored, an employer shall take, in conformity with legislation, such necessary temporary measures as shortening employees' hours of work, granting them additional rest and paying employees extra pay for abnormal working conditions.

120.4. While performing their work and duties, employees shall have a duty to follow the legislation, requirements and standards of occupational safety and hygiene.

120.5. Employees shall have a duty to comply with the employer's demands related to occupational safety and hygiene.

Article 121. Meeting occupational safety and hygiene standards and requirements

121.1. Matters related to meeting workplace occupational safety and hygiene requirements and standards, protecting employees' health, and providing healthy and safe working environment shall be regulated by Law on Occupational Safety and Hygiene.

CHAPTER NINE

INTERNAL LABOUR REGULATIONS, LABOUR DISCIPLINE, RESPONSIBILITY OF PARTIES TO AN EMPLOYMENT CONTRACT

Sub-Chapter One

Internal labour regulations and labour discipline

Article 122. Internal labour regulations

122.1. Taking into account the views of representatives of their employees, employer shall adopt and implement internal labour regulations for use within the particular enterprise or organization, and these regulations shall conform with legislation.

122.2. Employer shall have a duty to inform all employees if new internal labour regulations or amendments, and changes thereto were adopted, and shall display them in a place visible to all employees. Internal labour regulations shall contain specific provisions on the grounds for termination of employment contracts and (what constitutes) labour discipline violations.

122.3. An authorized official shall adopt and enforce special disciplinary rules for employees and workers in some industries or organizations specifically so authorized by laws.

Article 123. Disciplinary sanctions

123.1. A wrongful action or inaction by an employee responsible for violating labour legislation, an employment contract, internal labour regulations or job description shall constitute a disciplinary violation.

123.2. An employer or its authorized manager shall impose the following disciplinary sanctions on an employee who committed a disciplinary violation:

123.2.1. reprimand an employee in private;

123.2.2. reprimand an employee publicly by informing all employees;

123.2.3. cut an employee's basic salary by up to 20 percent for up to three months;

123.2.4. demote (the employee) in work position; or

123.2.5. terminate the employment relationship at an employer's initiative.

123.3. Prior to imposing a disciplinary sanction, the employer shall inform the employee and obtain from him or her an explanation, and then choose and apply a disciplinary sanction listed in Article 123.2 of this Law, taking into account the nature and consequences of the disciplinary violation. A decision to impose a disciplinary violation shall be taken in a written form.

123.4. A disciplinary sanction shall be imposed within six months from the day the disciplinary violation occurred or, in the case of a continuous violation, from the last day the violation occurred, and the employer shall impose a sanction within one month after it discovered the violation.

123.5. For employees with full material liability, a disciplinary sanction shall be imposed within one year from the day the disciplinary violation occurred or, in the case of a continuous violation, from the last day the violation occurred.

123.6. The time periods prescribed in Articles 123.4 and 123.5 of this Law shall be suspended during the time the employee in question is on medical, annual or personal leave, or during the time the disciplinary violation is investigated by law enforcement, auditing or other authorized bodies.

123.7. No overlapping disciplinary sanctions shall be imposed for the same disciplinary violation.

123.8. An employee shall be considered to be without a disciplinary sanction after the lapse of one year since the imposition of the sanction.

123.9. Employer may decide to consider employee to be without a disciplinary sanction before the expiration of time specified in Article 123.8 of this Law, and shall inform the employee thereof in writing.

Sub-Chapter Two

Employer's obligations

Article 124. Penalty for failure to pay remuneration on time

124.1. If employer fails to pay remuneration on the day specified in Article 104.1 of this Law, a daily penalty equal to 0.3 percent of the due remuneration shall be levied and paid to the employee.

Article 125. Compensation for damages caused by industrial accidents, acute poisoning or occupational diseases

125.1. Employer shall, regardless of whether or not employee is covered by industrial accident and occupational disease insurance, pay one-time compensation equal to employee's monthly average remuneration multiplied by the following coefficients to employees affected by industrial accidents, acute poisoning or occupational diseases, or to families of employees who died as a result of industrial accidents, acute poisoning or occupational diseases:

125.1.1. five times - for loss of up to 30 percent, seven times for loss of 30 up to 50 percent, nine times for loss of 50 up to 70 percent, and 18 times for loss of 70 or more percent of the ability to work because of industrial accidents, acute poisoning or occupational diseases; and

125.1.2. 36 times – for death because of industrial accidents, acute poisoning or occupation diseases.

125.2. Collective contracts, collective agreements or internal labour regulations may provide for payment of compensation referred to in Article 125.1 of this Law two or more times.

125.3. Payment of compensation referred to in Article 125.1 of this Law shall not constitute a ground for limiting pensions and benefits received by affected employees or their families in accordance with social security and other legislation.

125.4. The issue of indexation of compensation referred to in Article 125.1 of this Law to reflect the changes in cost of living may be covered by collective contracts, collective agreements or internal labour regulations.

Article 126. Compensation for use of employees' tools, equipment and property in performing the work

126.1. If the employee used his or her own equipment, tools or property because of employer's failure to provide the employee with the tools and equipment necessary for performing the work, or it was agreed to use employee's tools, equipment or property, then the employer shall compensate the employee for the expenses.

Article 127. Employer's liability for improper transfer, rotation or termination of employee's employment relationship

127.1. If the employee, whose employment relationship was improperly terminated, is reinstated to his or her job by a decision of competent authorities, the employer shall pay the employee compensation equal to the employee's prior average remuneration for the period of time until the employee returns to work at his or her previous job.

127.2. If employee's remuneration decreased because of an improper transfer or rotation to another job, the employer shall pay the employee compensation equal to the amount of difference in remuneration.

Article 128. Employer's obligations after the termination of an employment relationship

128.1. Termination of employment relationship shall not constitute a ground for releasing the employer from its duty to pay employee remuneration, penalty, allowances, and compensation due for the period of time worked.

Sub-Chapter Three

Material liability of employees

Article 129. Material liability and grounds for imposing it

129.1. The employee who, in the course of his or her work, caused damage to the material goods of an enterprise or organization through his or her fault, may be subjected to material liability, regardless of whether or not a disciplinary sanction, or a sanction under the Law on Violation or the Criminal Law was imposed on the employee.

129.2. Except as provided in Articles 130 and 131 of this Law, a limited material liability shall be imposed by employer's decision on the employee who, in the course of his or her work, caused damage to the material goods of the enterprise or organization through his or her fault, and the extent of such a liability shall not exceed the employee's monthly average remuneration.

Article 130. Material liability of employees working under employment contracts with special conditions

130.1. Except as provided in Article 131 of this Law, employees working under employment contracts with special conditions who, in the course of his or her work, caused damage to the material goods of the enterprise or organization through his or her fault, shall be subjected to material liability not exceeding his or her average remuneration for six months to compensate (for the damages).

Article 131. Full material liability

131.1. Employee shall be subjected to full material liability in the following situations:

131.1.1. coming into force of a court decision that defined the employee's action that led to damages to be a criminal offense;

131.1.2. employee, who signed a full material liability agreement or whose employment contract contains a specific provision thereon, caused damages to employer in the course of his or her work;

131.1.3. employee failed, at the end of the time specified in internal labour regulations, to account for or return unused assets and other items of value that he or she received in trust, or by signing some other documents;

131.1.4. employee lost items entrusted to his or her full care such as work tools, protective equipment or gear, even though the employee is not in charge of these items; or

131.1.5. employee caused damages to an employer's material goods while under the influence of alcohol, narcotic drugs or psychotropic substances, or while not performing his or her work and duties.

131.2. Full material liability shall not be imposed on employees except as provided for in Article 131.1. of this Law.

Article 132. Appraising the (monetary) cost of damages to material goods caused by employees

132.1. Before appraising the (monetary) cost of damages to material goods, employer shall investigate and determine the circumstances at the time. Employer shall have the right to request the employee to provide a written explanation of the circumstances at the time of causing the damage. If the employee fails to provide such an explanation, it shall be recorded in a note.

132.2. The (monetary) cost of damages to material goods caused by employee shall be determined by the cost of actual damages to employer's assets and shall not include lost revenue. Actual damages shall be determined on the basis of the value of assets and items as reflected in the accounting reports and balance sheets of the employer minus their depreciation calculated in accordance with relevant norms, and shall be based on damages actually occurred.

132.3. It shall be prohibited to have employees pay for damages caused during a trial or adjustment process.

132.4. It shall be prohibited to have employees pay for damages caused because of the employer's failure to provide conditions necessary for safekeeping the assets entrusted to the employees.

132.5. The (monetary) cost of damages to material goods caused by several employees shall be apportioned to each employee on the basis of the extent of their fault and the nature of their material liability.

Article 133. Payment for damages to material goods

133.1. An employee shall have a duty to pay for damages to material goods referred to in Articles 129, 130 and 131 of this Law.

133.2. Parties may agree to repay for the damages caused by an employee in installments.

133.3. If an employment relationship has been terminated, payment for damages to material goods caused by the employee can be obtained through a court proceeding.

133.4. With employer's consent, employee may replace the damaged property with an identical or similar property, or pay the damage by repairing the damaged property.

133.5. If the employee contests the legality of the decision to impose material liability, or claims a failure by the employer to follow procedures for imposing a material liability, the employee shall have a right to file a complaint with a labour right dispute settlement body or court.

Article 134. Employer's protection from a risk of material loss

134.1. It shall be prohibited for an employer to mobilize or withhold from employees' remuneration or property while insuring or creating a risk fund to preserve and protect property it owns or possesses.

CHAPTER TEN

EMPLOYMENT RELATIONSHIP OF SPECIFIC GROUPS OF THE POPULATION

Article 135. Prohibition to terminate employment relationship of expectant mothers and mothers /single fathers/ with children under three years of age

135.1. Except as provided for in Articles 80.1.4, 80.1.5 and 80.1.6 of this Law and in cases of dissolution of an enterprise or organization, it shall be prohibited to terminate by an employer's initiative the employment relationships of expectant mothers and mothers /single fathers/ with children under three years of age.

Article 136. Additional breaks and allowances for breastfeeding and nursing

136.1. In addition to meal and rest breaks, for breastfeeding and nursing purposes an additional rest of two hours shall be provided to mothers with children under six months of age and with twins under one year of age, and an additional break of one hour for mothers with children aged from six months to one year, and for mothers with children over one year of age that necessarily require care in accordance with medical (doctor's) conclusions.

136.2. Additional breaks for breastfeeding and nursing purposes shall be included in the hours of work, and an employee shall be paid an allowance.

136.3. Employer shall take measures within its possibilities to provide employees with facilities for breastfeeding.

Article 137. Pregnancy, maternity and paternity leaves

137.1. Mothers shall be given a mandatory pregnancy and maternity leave of 120 days.

137.2. Mothers who gave birth to twins shall be given a mandatory pregnancy and maternity leave of 140 days.

137.3. A pregnancy and maternity leave specified in Article 137.1 of this Law shall be given to a woman who had a premature birth, or a medically prescribed abortion, or a medically terminated pregnancy after 196 or more days of pregnancy, or gave a birth to a baby capable of living with less than 196 days of pregnancy.

137.4. Leave shall be given on the basis of a medical certificate to a woman who had a premature birth with less than 196 days of pregnancy, or abortion or a medically terminated pregnancy.

137.5. A father of newborn child shall be given paternity leave of no less than ten working days, and he shall be paid an allowance equal to his average remuneration for this period.

Article 138. Leave for employees with adopted infant children

138.1. Either a father or a mother of an adopted infant child may be given leave until the child reaches 60 days of age if they so request, and allowance equal to average remuneration for this period shall be paid.

Article 139. Child care leave

139.1. Employer shall give mother or father of a child under three years of age a leave for child care if they so request, and the issue of payment of an allowance during the period of such leave shall be regulated by applicable legislation, collective contracts, collective agreements, employment contracts and internal labour regulations.

139.2. Employer shall have a duty to reinstate the employee back to his or her previous job at the end of child-care leave or before that if the employee so requests, and, if the employee's work position was eliminated or the number of workers reduced, the employee shall be given a job of a similar nature.

139.3. Articles 139.1 and 139.2 of this Law shall apply equally to an employee who adopted a child.

Article 140. Flexible working conditions for expectant mothers and employees with children under three years of age

140.1. Expectant mothers and employees with children under three years of age may, upon agreement with an employer, engage in working from home or telework.

Article 141. Prohibition of business trips

141.1. Unless the employee consents, it shall be prohibited to send expectant mothers and employees with children under the age of three on business trips.

Article 142. Employment of minors

142.1. Except as provided for in Articles 142.3 and 142.5 of this Law, it shall be prohibited to employ people under the age of 15.

142.2. It shall be prohibited to engage in worst forms of child labour such as employing minors in labour that is harmful to their life, health and mental and physical well-being, detrimental

to their nurture and mores, or prohibited by law, exploiting child labour, unfair calculation and payment of their remuneration, and using children in illegal activities.

142.3. Upon the consent of their legal representatives /parents, guardians, supporting caregivers/, and provided that it does not hinder their health and development, and does not affect their education, children from 13 to 15 years of age may be engaged in light work in workplaces that meet labour safety and hygiene requirements.

142.4. The Cabinet member in charge of labour issues shall approve the types of and the employment conditions for the light work that children of 13 years of age may be engaged in.

142.5. Upon the consent in writing of their legal representatives /parents, guardians, supporting caregivers/ and with permission issued by a state child inspector on a case-by-case basis taking into account the hours of work and employment conditions, children under the age of 15 may be employed in sports, cultural programs and commercials.

142.6. An employer who employs a minor shall keep a registry with the names of employed children, their dates of birth, work to be performed, duration of work and working conditions, and shall notify the corresponding local state bodies in charge of labour issues and labour control within 10 days of establishing such an employment relationship.

142.7. If an employer employs people of 15 to 18 years of age in accordance with this Law, the employer shall conclude a trilateral employment contract with the employee and his or her legal representatives /parents**,** guardians, supporting caregivers/.

142.8. An employment contract with a minor shall reflect his or her date of birth, and a copy of his or her birth certificate or a citizen's ID card shall be attached to the contract.

142.9. The Cabinet member in charge of labour issues shall adopt a list of workplaces prohibited to employ minors on the basis of recommendations of national organizations representing and protecting the rights and legitimate interests of employers and employees.

Article 143. Protection of minors' health

143.1. Employer shall have minors undergo a medical check-up every six months for the duration of their employment until they reach 18 years of age.

143.2. Employer shall bear the costs of medical check-ups referred to in Article 143.1 of this Law.

143.3. Except for employing minors in sports and cultural programs, or in commercials, it shall be prohibited to send minors on business trips.

Article 144. Employment of persons with developmental challenges

144.1. An employer shall have a duty to provide employment opportunities to persons with developmental challenges by providing them with relevant accommodation in accordance with

the Law on the Rights of Persons with Developmental Challenges[8], or by changing their workplaces.

144.2. Irrespective of the type or form of ownership, enterprises or organizations with 25 or more employees shall employ persons with developmental challenges in no less than four percent of all their workplaces.

144.3. Enterprises or organizations that fail to employ persons with developmental challenges in accordance with Article 144.2 of this Law, shall pay a monthly fee equal to the minimum wage for every position not properly filled, and payments shall be transferred on a monthly basis to the sub-fund for the promotion of employment of persons with developmental challenges.

144.4. Employers who support persons with developmental challenges and people who take care of their family members with developmental challenges by way of purchasing the goods, products and services manufactured and rendered by them on a regular basis through a contract, may be exempt from payments referred to in Article 144.3 of this Law, or such payments may be reduced for them.

144.5. The Cabinet shall adopt regulations on exemptions from and reductions in payments referred to in Article 144.3 of this Law. These payments shall be used exclusively to promote employment of persons with developmental challenges, and their collection, expenditure and effectiveness shall be accounted for annually to the general public through media outlets.

144.6. It shall be prohibited for the employer to terminate employment relationship with a person with developmental challenges without making relevant accommodations as provided for in Article 144.1 of this Law.

144.7. Pensions or benefits received by persons with developmental challenges shall not constitute grounds for reducing their remuneration or for limiting their other rights provided by this Law.

144.8. If the employee provides care for a person with developmental challenges, the employer shall take reasonably possible measures to provide the employee with such flexible working arrangements as working from home, telework or part-time work if the employee so requests.

Article 145. Employment of seniors

145.1. Seniors and pensioners may work.

145.2. The fact that the employee receives a pension shall not constitute a ground for reducing his or her remuneration, or for limiting his or her other rights provided by this Law.

145.3. Issues of reducing seniors' hours of work, transfer to a part-time job or to another job for medical reasons at the request of seniors shall be regulated by internal labour regulations.

[8] Law on the Rights of Persons with Developmental Challenges was published in Volume 9 of the "State Gazette" for 2016

Article 146. Employment of foreign citizens and stateless persons

146.1. Issues related to the employment of foreign citizens and stateless persons in Mongolia shall be regulated by this Law, the Law on the Legal Status of Foreign Citizens[9], the Law on Sending Labour Abroad and Receiving Labour and Specialists from Abroad[10], the Law on Employment Promotion and other relevant legislation.

CHAPTER ELEVEN

REGULATION OF LABOUR DISPUTES

Sub-Chapter One

Regulation of labour interest disputes

Article 147. Labour interest dispute and its resolution

147.1. At the initial phase, parties to a labour interest dispute shall have a duty to exert all possible efforts to settle the dispute through mutual agreement.

147.2. Failing to settle a collective labour interest dispute through mutual agreement as provided for in Article 147.1 of this Law, parties shall sequentially undertake the following measures:

147.2.1. settle the dispute through labour mediation; or

147.2.2. resolve the dispute through labour arbitration.

147.3. The Cabinet shall adopt regulations on the settlement of labour interest disputes through labour mediation and approve the rules of labour arbitration respectively. The National Committee shall adopt codes of conduct for labour mediators and labour arbitrators.

Article 148. Settlement of collective labour interest disputes through labour mediation

148.1. If parties or a party to a dispute decide that the efforts exerted by the parties to settle the labour interest dispute in accordance with Article 147.1 of this Law failed, then the party shall submit a written proposal to the other party to settle the dispute through labour mediation together with the name of the proposed labour mediator.

148.2. The recipient of the proposal referred to in Article 148.1 of this Law, shall submit a written reply to the other party within three working days.

148.3. If an employer refuses to participate in labour mediation activities, a trade union may initiate a strike in accordance with Article 25 of this Law.

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[9] Law on the Legal Status of Foreign Citizens was published in Volume 32 of the “State Gazette” for 2010.

[10] Law on Sending Labour Abroad and Receiving Labour and Specialists from Abroad was published in Volume 17 of the “State Gazette” for 2001.

148.4. If parties agree to labour mediation, then the activities of the labour mediator shall start within three working days.

148.5. If parties fail to agree on a labour mediator or a party that received the proposal referred to in Article 148.1 of this Law fails to reply within three working days, then the parties together or a party to the dispute shall submit a request to the corresponding authority in charge of labour issues to appoint a labour mediator.

148.6. The authority in charge of labour issues shall appoint a labour mediator whose name is included in the register referred to in Article 160.1.4 of this Law within three working days taking into account the parties' points of view.

148.7. Parties to a dispute shall be prohibited from refusing the services of a labour mediator unless they consider the labour mediator to have a clear conflict of interest.

Article 149. Labour mediation activities

149.1. Labour mediator shall carry out labour mediation activities with the participation of the parties within five working days.

149.2. With the consent of the parties, labour mediator may extend mediation activities for another period of five working days.

149.3. If the parties reach an agreement on the dispute during the course of labour mediation, the labour mediator shall execute a note to this effect, and the labour interest dispute shall be considered settled upon the signing of the note by the parties.

149.4. If the time specified in Articles 149.1 and 149.2 of this Law has expired, or the parties failed to reach an agreement during this period, the labour mediator shall execute a note to this effect, and the labour mediation procedure shall be terminated upon the signing of the note by the parties.

149.5. It shall be prohibited to organize a strike or a temporary closure of a workplace /lockout/ while labour mediation activities are on-going.

Article 150. Rights and duties of labour mediator

150.1. A labour mediator shall have the following rights:

150.1.1. to request and receive from the parties documents, information and studies necessary for settling a labour interest dispute;

150.1.2. to receive explanations and statements related to labour interest dispute from the parties to a dispute and other relevant parties;

150.1.3. to organize one-on-one and joint meetings and discussions with the employees and the employer of the enterprise or organization where the dispute has arisen, or their representatives;

150.1.4. to receive professional advice from relevant organizations and experts, if necessary; and

150.1.5. other rights as provided by legislation.

150.2. A labour mediator shall have the following duties:

150.2.1. to study the points of view and wishes of the parties to a dispute, maintain confidentiality of documents, information and research in accordance with the law;

150.2.2. to present the parties to a dispute with reasonable options for finding a common ground on the substance of the labour interest dispute and on contentious issues;

150.2.3. to exploit all possible legal avenues to settle a labour interest dispute; and

150.2.4. other duties as provided for by legislation.

Article 151. Resolving collective labour interest disputes through labour arbitration

151.1. If a labour interest dispute, which arose in an enterprise or organization other than those listed in Article 28.1 of this Law, was not settled through labour mediation, the parties to the dispute shall submit a request to the tripartite labour and social partnership committee of the corresponding level to have the dispute resolved by labour arbitration.

151.2. Within three days following the receipt of a request, the tripartite labour and social partnership committee of the corresponding level shall appoint a labour arbitration tribunal with three arbitrators to examine the labour interest dispute in question.

151.3. The parties to a dispute shall have no right to refuse the arbitrators appointed by the tripartite labour and social partnership committee.

151.4. Representatives of the parties to a labour interest dispute shall not be included in a labour arbitration tribunal.

151.5. Labour arbitration tribunal shall examine and decide on a labour interest dispute with the participation of the representatives of the parties within ten working days after its establishment. If necessary, the activities of a labour arbitration tribunal may be extended by up to five working days.

151.6. An award by a labour arbitration tribunal shall be final. The parties to a dispute shall have no right to file a complaint with courts over an award of the labour arbitration tribunal except where they claim a violation by the labour arbitration tribunal of the rules of procedure of labour arbitration.

151.7. Parties to a dispute shall have a duty to comply with an award by a labour arbitration tribunal.

Article 152. Rights and duties of labour arbitrator

152.1. A labour arbitrator shall have the following rights:

152.1.1. to obtain from the parties to a dispute and other relevant parties explanations and statements related to the labour interest dispute, and documents, information and studies that are necessary for the resolution of the dispute, and to review notes of the labour mediator;

152.1.2. to hear the points of view and wishes of the parties to a dispute;

152.1.3. if necessary, to invite specialists and solicit their advice, involve translators and experts, and ensure the payment of their fees; and

152.1.4. other rights as provided for by legislation.

152.2. A labour arbitrator shall have the following duties:

152.2.1. to maintain the confidentiality of documents and information related to a labour interest dispute in accordance with law;

152.2.2. to recuse oneself from the case if there is a conflict of interest;

152.2.3. to explain an arbitration tribunal award to the parties of the dispute;

152.2.4. to return documents received for the purposes of resolving a dispute;

152.2.5. to inform the national and local tripartite labour and social partnership committees that appointed him or her of the results of the labour interest dispute resolution;

152.2.6. to exploit all possible legal avenues to resolve a labour interest dispute; and

152.2.7. other duties as provided for by legislation.

Article 153. Duties of parties to a dispute in labour mediation or labour arbitration

153.1. Parties to a dispute shall have the following duties in labour mediation or labour arbitration:

153.1.1. to participate in labour mediation and labour arbitration proceedings with a genuine desire to settle or resolve the dispute;

153.1.2. to refrain from organizing a strike or a temporary closure of a workplace /lock-out/ while labour mediation and labour arbitration proceedings are on-going;

153.1.3. to provide labour mediators and labour arbitrators with the information, studies and documents required by them to settle or resolve a labour dispute; and

153.1.4. other duties as provided for by legislation.

Sub-Chapter Two

Regulation of labour rights disputes

Article 154. Settlement of labour rights disputes through conciliation

154.1. At the initial phase, parties (to a labour rights dispute) shall have a duty to exert all possible efforts to settle the dispute through mutual agreement.

154.2 A party to a dispute shall refer a labour rights dispute for an advanced settlement to a labour rights dispute resolution commission, or to a soum or duureg (district) trilateral committee for settlement of labour rights disputes if an enterprise or organization does not have a labour rights dispute settlement commission or if a dispute arose between individuals within the following timeframes after the party learned of the breach of its rights, or should have learned of such a breach:

154.2.1. within 30 working days following the receipt of an employer's decision to terminate or end an employment relationship, or transfer or rotate to another job if an employee considers such a decision to be without justification;

154.2.2. within 90 working days for (all) other labour rights disputes except those specified in Article 154.2.1 of this Law.

154.3. A labour rights dispute resolution commission, or a soum or duureg (district) trilateral committee for settlement of labour rights disputes shall decide (on the complaint) with the participation of the parties within ten working days following the receipt of the complaint.

154.4. If, during the advanced settlement activities of a labour rights dispute resolution commission, or a soum or duureg (district) trilateral committee for the settlement of labour rights disputes, the parties to a dispute reach an agreement on the dispute, a note to this effect shall be executed, and the labour rights dispute shall be considered resolved upon the signing of the note by the parties.

154.5. If the advanced settlement activities of a labour rights dispute resolution commission, or a soum or duureg (district) trilateral committee for the settlement of labour rights disputes fail (to produce a result), a note to this effect shall be executed, and advanced settlement shall be terminated upon signing of the note by the parties.

154.6. Within 10 working days following receipt of the note of a labour rights dispute resolution commission referred to in Article 154.4 of this Law, a party to the dispute shall refer the dispute for advanced settlement to the soum or duureg (district) trilateral committee for settlement of labour rights disputes.

154.7. A soum or duureg (district) trilateral committee for the settlement of labour rights disputes shall examine and decide on a labour rights dispute within ten working days following the receipt of the complaint in accordance with Article 154.6 of this Law.

154.8. Within ten working days following the receipt of either the note of the soum or duureg (district) trilateral committee for settlement of labour rights disputes referred to in Article 154.5 of this Law, or the decision referred to in Article 154.7 of this Law, if a party disagrees with the decision, a party to a dispute may file a claim to court.

154.9. If, within ten working days following the decision of a soum or duureg (district) trilateral committee for settlement of labour rights disputes, parties to the dispute did not file a claim to court, then the parties to the dispute shall have a duty to comply with the decision.

154.10. Labour rights disputes related to the implementation of collective contracts, industry and inter-industry collective agreements and national collective agreements shall be resolved by the procedures for resolution of labour interest disputes provided in this Law.

154.11. Either party to the dispute may submit a request with the court to certify, in accordance with legislation, a note of a labour interest resolution commission, or a soum or duureg (district) trilateral committee for the settlement of labour rights disputes on the advanced settlement of the dispute under this Article, or their decision.

Article 155. Soum and duureg (district) trilateral committees for settlement of labour rights disputes

155.1. Soum and duureg (district) trilateral committees for the settlement of labour rights disputes shall have the following rights:

155.1.1. to organize training, provide advice and information on the prevention of labour disputes;

155.1.2. to take measures related to the advanced settlement of labour rights disputes under its jurisdiction; and

155.1.3. other rights provided for by legislation.

155.2. The National Committee shall adopt the rules of soum and duureg (district) trilateral committees for the settlement of labour rights disputes.

Article 156. Labour rights dispute resolution commission

156.1. A permanent non-staffed commission for resolution of labour rights disputes shall be established in enterprises or organizations with 20 or more employees.

156.2. An enterprise or organization with fewer than 20 employees may establish an ad hoc commission to resolve labour rights disputes referred to in Article 154.1 of this Law.

156.3. A labour rights dispute resolution commission shall be comprised of an equal number of representatives of the employer and the trade union of an enterprise or organization, or, in the absence of a trade union, representatives of the employees.

156.4. Representative, referred to in Article 156.3 of this Law, may not be a member of the management of an enterprise or organization.

156.5. Labour rights dispute resolution commission shall have the duty to undertake all possible measures to resolve labour rights disputes between the parties.

156.6. The Cabinet shall adopt the rules of labour rights dispute resolution commissions.

Article 157. Extension of time to file a labour rights dispute complaint

157.1. At the request of a party, the court shall decide on the extension of the time to file a labour rights dispute complaint with a labour rights dispute resolution body if the time to file such a complaint elapsed on excusable grounds.

Article 158. Judicial resolution of labour rights disputes

158.1. Courts shall decide the following labour rights disputes:

158.1.1. complaints filed in accordance with Article 154.8 of this Law;

158.1.2. claims filed by an employer for compensation of material goods damages caused by the employee other than those specified in Articles 129.2 and 130.1 of this Law;

158.1.3. complaints filed by an employee alleging a breach of the labour legislation of provisions of collective contracts, collective agreements, employment contracts or internal labour regulations;

158.1.4. complaints related to non-compliance with the decisions referred to in Articles 154.4 and 154.9 of this Law; and

158.1.5. other disputes provided by legislation.

158.2. In the following situations the employee may request a court to resolve a labour interest dispute if the employee deems it impossible to refer the dispute to the labour interest dispute resolution bodies referred to Article 154.2 of this Law:

158.2.1. claim was filed to compensate for damages to the employee's life or health while in the process performing of his or her work and duties; or

158.2.2. employee filed a complaint contesting the legality of the employer's decision to terminate or end the employment relationship, or transfer the employee to another job, or rotate the employee.

158.3. The court shall decide whether to mandate a conciliation procedure as an advanced settlement mechanism at the pretrial stage.

CHAPTER TWELVE

LABOUR MANAGEMENT AND INSPECTION

Article 159. Labour management system

159.1. The labour management system shall consist of state management, collective management and management of an enterprise and organization.

159.2. State labour management shall be implemented by the central administrative body in charge of labour issues, the state administrative body in charge of labour issues, governors of

all levels, aimag, capital city and duureg (district) bodies in charge of labour issues, and soum and khoroo officers /bodies/ in charge of labour issues.

159.3. The state administrative body in charge of labour issues shall operate under the guidance of the state central administrative body in charge of labour issues.

159.4. The state central administrative body in charge of labour issues shall provide the aimag, capital city and duureg (district) bodies in charge of labour issues, and soum and khoroo officers /bodies/ in charge of labour issues with professional and methodological guidance, and supervise their activities.

Article 160. Aimag, capital city, (duureg) district bodies in charge of labour issues, and their functions

160.1. Aimag, capital city and (duureg) district bodies in charge of labour issues shall have the following functions to ensure the implementation of labour legislation:

160.1.1. to provide employees, employers and interested persons with advice and information on labour legislation and conduct training and promotion activities;

160.1.2. to provide labour rights dispute resolution commissions of enterprises and organizations on its territory with information and methodological guidance on labour legislation;

160.1.3. to register collective contracts and collective agreements concluded on its territory, and maintain a registry;

160.1.4. to select and appoint individuals with labour law expertise as labour mediators, include them in the list of mediators and train them;

160.1.5. to appoint labour mediators in labour interest disputes arising in the course of negotiating industry and inter-industry collective agreements;

160.1.6. to create and maintain a database of labour interest disputes at their respective local levels, analyze and report on them, identify their causes and conditions, and eliminate them; and

160.1.7. other functions as provided for by legislation.

Article 161. Control over implementation of labour legislation

161.1. Control over implementation of labour legislation shall be exercised by the state inspection agency and state labour inspectors in accordance with this Law, the Law on State Control and Inspection[11] and other relevant laws.

161.2. Unless law provides otherwise, trade unions and non-governmental organizations specializing in labour relations shall implement public control over implementation of labour legislation within their respective competencies.

[11] Law on State Control and Inspection was published in Volume 2 of the “State Gazette” for 2003

Article 162. Rights and duties of state labour inspectors

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

162.2. State labour inspectors shall have the following rights in addition to those specified in the Law on State Control and Inspection:

162.2.1. to have free access to inspected enterprises, organizations and workplaces without prior notice;

162.2.2. to obtain information from employers, their representatives and employees, and interview and question them in private and in the presence of witnesses on issues related to the implementation of labour legislation;

162.2.3. to inspect whether documents mandatorily required by labour legislation are properly kept and maintained, and to make full or partial copies of these documents;

162.2.4. to submit proposals for improving the labour legislation directly or through higher bodies to the State Ikh Khural (Parliament) and the Cabinet;

162.2.5. to take measures to compensate citizens and legal entities for damages caused to them, and to eradicate uncovered violations and deficiencies;

162.2.6. to completely or partially halt the activities of an enterprise or organization in cases of danger to human life and health;

162.2.7. to implement control over employment conditions of workers in both the formal and informal economies; and

162.2.8. other rights provided by legislation.

162.3. State labour inspectors shall have the following duties in addition to those specified in the Law on State Control and Inspection:

162.3.1. to inspect implementation and ensure compliance with all the provisions of labour legislation including working conditions, employees' rights, hours of work, remuneration, occupational safety and hygiene, social protection and child labour;

162.3.2. to cooperate with employers, employees and their representatives;

162.3.3. to advise, consult and inform employees and employers on issues related to the implementation of labour legislation;

162.3.4. to inspect an enterprise or organization on the basis of a complaint filed by an employee or trade union over the implementation of labour legislation;

162.3.5. unless otherwise provided by law, to maintain confidentiality of any information and news, including industrial and trade secrets, or information about production processes learned in the course of performing one's duties;

162.3.6. to keep confidential the identity of any person who filed a complaint about violations of labour legislation;

162.3.7. to inspect whether a working environment is free from discrimination, harassment, violence and sexual harassment; and

162.3.7. other duties as provided for by legislation.

Article 163. Responsibilities of state labour inspectors

163.1. Unless otherwise provided by law, a state labour inspector shall continue to maintain the confidentiality of the information referred to in Articles 162.3.5 and 162.3.6 of this Law after the inspector is discharged from his or her duties.

163.2. State labour inspector shall be responsible for accuracy of his or her inspection reports, conclusions, formal requests and orders.

Article 164. Labour management of an enterprise or organization

164.1. Labour management of an enterprise or organization shall be carried out by the employer.

CHAPTER THIRTEEN

OTHER PROVISIONS

Article 165. Responsibility for breaches of law

165.1. A person or legal entity responsible for violating regulations set by this Law shall be liable under the Criminal Code and the Law on Violations.

165.2. If a breach of this Law resulted in damages, such damages shall be compensated in accordance with the relevant provisions of the Civil Code on damages.

Article 166. Coming into effect of this Law

166.1. This Law shall come into effect on 1 January 2022.

SIGNATURE