

Liability for Labour Law Violations has been updated

In Brief

The Parliament of Mongolia adopted the Law on Amendments to the Law on Infringements (the "**2026 Amendments**") on 3 July 2026, introducing revisions to the liabilities applicable for violations of the Labour Law, the Law on Labour Migration, and several other laws. Among these, the amendments relating to Labour Law violations are of particular relevance to businesses and employers operating in Mongolia. Particularly, in light of the 2026 Amendments, employers should review their internal policies, employment agreements, remuneration arrangements, and working time regulations to identify and rectify any areas that do not comply with the requirements of the Labour Law. Prior to the 2026 Amendments, the Law on Infringements prescribed 11 categories of Labour Law violations. The amendments have introduced 7 new categories of violations, removed 4 existing categories, and revised the substance of 8 categories, resulting in a total of 16 categories of Labour Law violations. This legal alert outlines the key changes affecting different aspects of employment relations.

Effective Date

2026.08.24

Became effective 10 days after publication in the State Information Bulletin on 14 August 2026.

Categories and Scope of Violations Expanded

11 → 16

Previously, the liability for violations relating to working time and rest periods was regulated under a single general provision. Specifically, where an employer required an employee to work overtime in excess of the statutory limits, the employer was required to compensate for any resulting loss or damages and was subject to a fine of MNT 150,000 for individuals and MNT 1,500,000 for legal entities.

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Main Changes (Continued)

The 2026 Amendments establish more detailed liabilities for violations relating to working time and rest periods.

Description of Violation	Liability	Change
An employer engaging an employee in overtime work in cases other than those permitted by law, or in excess of the maximum daily or weekly working hours	Damages - Compensation for losses and damages caused Fine - MNT 150,000 for an individual; MNT 1,500,000 for a legal entity.	Amended provision
An employer engaging an employee in work in violation of the uninterrupted rest period between two consecutive working days, or engaging an employee in two consecutive work shifts	Fine - MNT 150,000 for an individual; MNT 1,500,000 for a legal entity.	Newly introduced provision
An employer engaging a pregnant employee or an employee with a child under three years of age in night work without the employee's consent, or engaging an employee where night work has been prohibited by a decision of the Labour Medical Assessment Commission	Fine - MNT 150,000 for an individual; MNT 1,500,000 for a legal entity.	
An employer engaging an employee in work in violation of the restrictions on work during public holidays or weekly rest days	Damages - Compensation for losses and damages caused Fine - MNT 150,000 for an individual; MNT 1,500,000 for a legal entity.	

Based on the above, one of the most significant changes is that the overtime restriction now distinguishes daily and weekly working hour limitations and expressly prohibits employers from engaging employees in work beyond the statutory working time limits except where permitted by law.

Accordingly, it is necessary to assess the legal compliance of working hours arrangement of shift workers and long-shift workers who have special working time arrangements. In addition, a breach of the overtime limitations may result not only in administrative fines but also in compensation for losses and damages caused based on such provision. Employers should therefore review their internal policies, procedures, and practices relating to working hours to ensure compliance with the applicable legal requirements.

The amendments also introduce new provisions relating to areas that were previously not regulated in detail, including uninterrupted rest periods between two consecutive working days, restrictions on engaging employees in consecutive work shifts, night work, and work during public holidays and weekly rest days.

2. Remuneration

In relation to wages, liability was previously imposed only where an employee was paid less than the statutory minimum wage or where wages were not paid on time. However, as shown on the following page, the 2026 amendments expanded the scope of liability to include cases where employers make unjustified deductions from wages or fail to pay wages that are legally required to be paid.

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Main Changes (Continued)

Description of Violation	Liability
- Failed to pay remuneration and benefits to which an employee is entitled under applicable laws and regulations within the prescribed timeframe without a valid reason, Paid remuneration and benefits at a level lower than that required by law or stipulated in the employment contract; Made deductions from an employee's remuneration on grounds other than those expressly permitted by law.	Damages - Compensation for losses and damages caused Fine - MNT 500,000 for an individual; MNT 5,000,000 for a legal entity

3. Trade Union and Employees' Right to Freedom of Association

Two main changes have been introduced in relation to trade unions and employees' right to freedom of association. Firstly, the amendments provide a more detailed specification of the types of activities prohibited for employers and employer representatives. Certain aspects of these activities had previously been addressed under the Law on Infringements. However, the 2026 Amendments expand and clarify the scope of the relevant violations and align them with the requirements of the Labour Law. For example, employers may be subject to liability for engaging in the following activities:

Changing the employment terms by imposing disciplinary sanctions on an employee or employee representative, transferring them to another position, terminating the employment relationship at the employer's initiative, or otherwise, in connection with their participation in a strike

Refusing to provide information required for the conclusion of a collective agreement or collective bargaining

Interfering with the activities of an organisation established to represent and protect the rights and legitimate interests of employees, or promising or providing financial or other support for such purpose

Attempting to place an employee representative under the employer's control by promising or providing financial or other support

Imposing disciplinary sanctions on, transferring to another position, reducing the remuneration of, or terminating the employment relationship at the employer's initiative with a trade union employee, elected trade union representative, or employee representative participating or having participated in collective bargaining, in connection with such participation, during the collective bargaining process or within one year following its conclusion.

Secondly, the 2026 Amendments introduce liabilities relating to employees and employee representatives, an area that was not previously subject to any specific infringement provisions. Under the amendments, the following acts have also been designated as infringements and are subject to a fine of MNT 150,000.

Making demands on, or persuading, an employer to impose requirements that may result in discrimination against other employees

Demanding or receiving financial or other support from an employer as a condition for conducting collective bargaining or resolving a labour dispute

Interfering with an employee's or trade union member's right to freedom of association, to elect representatives, to participate in collective activities by conditioning the receipt of financial or other support from an employer on the exercise or non-exercise of such rights

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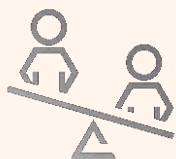
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Main Changes (Continued)

4. Prevention of Discrimination and Harassment and Protection of Certain Groups of Employees

4. Prevention of Discrimination and Harassment



If an employer fails to include in its internal labour regulations provisions on maintaining a workplace free from discrimination, workplace harassment and violence, their prevention, cessation, and the resolution of related complaints, or fails to display in a location visible to all employees the name, address, and contact details of the person designated to receive complaints relating to workplace harassment and violence, the employer may be ordered to remedy the violation and a legal entity may be fined MNT 1,500,000.

Persons with disabilities



Previously, the relevant infringement provision only addressed the failure to make the required payment in relation to the employment of persons with disabilities. The 2026 Amendments expand the scope of liability by additionally classifying as infringements the termination of an employment relationship in violation of the law, as well as the unjustified refusal to employ a person with a disability who satisfies the requirements of the position.

Minors



Previously, the law only prohibited engaging a minor in night work, work on rest days, overtime work, or requiring a minor to lift or carry loads exceeding the permitted limits. The 2026 Amendments additionally introduce fines for failing to ensure that a minor undergoes a medical examination every six months until reaching adulthood, sending a minor on a business trip except where permitted by law, engaging a minor in long-shift work arrangements, or employing a person under the age of 15.

5. Other changes

In addition, the 2026 Amendments introduce several changes relating to employment records and other employment-related matters. For example, an employer may be subject to a fine for demanding and retaining as security money, property, or the original copies of educational certificates, professional licences, or movable and immovable property ownership certificates from a job applicant or employee.

The amendments also remove from the Law on Infringements violations relating to the failure to issue an employment order, open a social insurance booklet, make and certify the required entries in a social insurance booklet, provide a certificate specifying an employee's work, profession, position, and remuneration, or approve and implement internal labour regulations, a list of jobs and positions, job descriptions, labour norms and standards, and salary scales and benchmarks.



Contact us

If you wish to receive legal advice regarding labour law matters or other legal matters, please feel free to contact us. You may access the full text of the amendments [here](#).

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