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"Procedure for determining the average salary" and "for granting annual leave and calculating annual leave pay"

Based on the Article 24.2 of the Law on Government of Mongolia and article 103.1.1 of the Labor Law (revised version), the "Procedure for determining the average salary" was approved and entered into legal force on January 1, 2022.

In accordance with the issuance of this decree, Decree No.55 of the Minister of Social Protection and Labor "On Approval of Regulations" was repealed on January 1, 2022.

Procedure for determining the average salary

This procedure shall be applied to determine the average salary of an employee in accordance with the Labor Law.

In accordance with the Law on Pensions and Benefits from the Social Insurance Fund, this procedure shall not apply to determine the composition and average of labor fees and similar income for payment of insurance premiums of insured person, and the establishment of pension and benefits;

The composition of an employee's salary shall consist of the base pay, additional pay, extra pay, annual leave pay and bonuses specified in Article 101.1 of the Labor law.

All types of employee allowances such as reduced working hours, idle time, benefits (such as adopting infants for parents), reimbursement, discounts (discounts on transportation, meals, etc.) are not included in the employee's salary component.

The average working day of a month can be calculated as *21 days of average working days and the average monthly working hours can be 168 hours.*

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For more information or any queries, please feel free to contact Bolormaa.V, Partner by bvolodya@gratanet.com or +976 70155031.

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Practice areas

[EMPLOYMENT](#)

Locations

MONGOLIA

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