



MONGOLIA MARITIME ADMINISTRATION

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Marine Circular № 01/248/2024

SUBJECT: Guidelines on Seafarer's Wages

APPLICATION: This Marine Circular is applicable to all seafarers working on board Mongolian-flagged ships, shipowners, operators, management companies, agents, recognized organizations and other relevant stakeholders.

PURPOSE OF THE GUIDELINE

The marine circular offers guidance regarding seafarers' wages, as required by the Maritime Labour Convention (MLC, 2006).

REFERENCES

- Regulation 2.2 of the MLC, 2006;
- Article 19, paragraph 1, and Article 20 of the Maritime Law of Mongolia;
- Marine Circular No. 01-181-2024.

TERMS

Basic pay or wages means the pay, however composed, for normal hours of work and does not include payments for overtime worked, bonuses, allowances, paid leave or any other additional remuneration. (Guideline B2.2.1 (b) of the MLC, 2006);

Hours of work means time during which seafarers are required to do work on account of the ship. (Guideline B2.2.1 (d) of the MLC, 2006);

Overtime means time worked in excess of the normal hours of work. (Guideline B2.2.1 (e) of the MLC, 2006);

1. GENERAL REQUIREMENT

1.1. All seafarers shall be paid for their work regularly and in full in accordance with their employment agreements.

1.2. The ship owner shall ensure that payments due to seafarers working on vessels are made at no greater than monthly intervals and in accordance with any applicable collective agreement.

1.3. Wages shall commence on the day specified and agreed to in the Seafarer's Employment Agreement or at the time of presence on board the vessel for the purpose of commencing work, whichever first occurs, and shall terminate on the day of discharge or termination of the Seafarer's Employment Agreement.

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1.4. Seafarers shall be given a monthly account of the payments due and the amounts paid, including wages, additional payments and the prevailing market rate or official published rate of exchange used where payment has been made in a currency or at a rate different from the one to which agreed.

1.5. The shipowner/operator shall take measures to provide seafarers with a means to transmit all or part of their earnings to their families or dependents or legal beneficiaries.

1.6. Measures to ensure that seafarers are able to transmit their earnings to their families include:

- a system for enabling seafarers, at the time of their entering employment or during it, to allot, if they so desire, a proportion of their wages for remittance at regular intervals to their families by bank transfers or similar means;
- a requirement that allotments should be remitted in due time and directly to the person or persons nominated by the seafarers.

1.7. A shore-based accounting office is required, in order to perform the wage accounting function, utilize an electronic transfer of wage payments, and transmit individual wage accounts to the ship or the seafarer's mailing address by a specified date.

2. OVERTIME

2.1. For the purposes of calculating overtime compensation:

- Normal working hours in port and at sea shall mean eight (8) hours per day.
- Overtime shall mean work performed over and above normal working hours.

2.2. The rate or rates of compensation for overtime shall be for no less than one and one-quarter times the basic pay or wages per hour, unless otherwise stipulated in a seafarer's employment agreement or collective bargaining agreement.

2.3. Work performed outside of normal working hours shall not be compensated for as overtime when necessary for the safety of the vessel, its passengers, officers, crew, cargo or for the saving of other vessels, lives or cargo, or for the performance of fire, lifeboat, or other emergency drills. Such work shall be conducted in a manner that minimizes the disturbance of rest periods and does not induce fatigue.

2.4. In order to prevent fatigue, overtime work shall not exceed 35 hours per week.

2.5. In the special circumstances of lightering, drilling, offshore supply or other specialized maritime operations not constituting an international voyage of more than 24 hours' duration, the shipowner/operator may agree with the crew in writing that overtime is to be compensated by additional paid vacation or by additional tangible benefits other than money.

2.6. Records of all overtime worked should be maintained by the master, or a person assigned by the master, and endorsed by the seafarer at no greater than monthly intervals.

3. WAGES FOR UNJUSTIFIABLE DISCHARGE

3.1. Any seafarer who has signed Seafarer's Employment Agreement and is afterward discharged before the commencement of the voyage or before one month's wages are earned, without fault on his part justifying such discharge and without consent, shall be entitled to receive in addition to his earned wages a sum equal in amount to one month's wages as compensation.

4. ADVANCES AND ALLOTMENT OF WAGES

4.1. It is prohibited to pay any seafarer wages in advance of the time when they are actually earned, or to pay such advance wages or make any order or note or other evidence of the indebtedness therefore to any other person, or to pay to any person for the shipment of any seafarer when payment is deducted or to be deducted from a seafarer's wages.

4.2. It is prohibited for the Master and any seafarer to agree that an allotment of a portion of the seafarer's earnings may be payable to a spouse, children, grandchildren, parents, grandparents, brothers or sisters, or to a bank account in the name of the seafarer.

4.3. The provisions of this Section shall not apply to, or render unlawful:

- deductions from the wages of a seafarer pursuant to the laws of the country at whose port the seafarer signed on or of which he is a national;
- requirements of a labour organization of which the seafarer is a member if such deductions represent dues or other obligations to a labour organization of which the seafarer is a member and are remitted to such organization; or
- the written consent of the seafarer, if such deductions are paid into a fund established for the exclusive benefit to seafarers and their families and dependents or for the purpose of providing medical or hospital care, pensions on retirement or death of the seafarer, life insurance, unemployment benefits or compensation for illness or injuries.

4.4. The wages and clothing of a seafarer shall not be subject to attachment or arrestment from any Court; and any assignment or sale of wages or of salvage made prior to the accruing thereof shall not bind the seafarer, except for allotments.

5. VACATION ALLOWANCE AND HOLIDAYS

5.1. Every Master and seafarer shall be entitled to receive an annual vacation allowance equivalent to not less than 2.5 calendar days per month of employment.

5.2. Every seafarer shall be entitled to a minimum of five (5) paid holidays per year.

6. AGREEMENTS AS TO LOSS OF LIEN OR RIGHT TO WAGES

6.1. No seafarer shall by any agreement forfeit his lien upon the ship or be deprived of any remedy for recovery of his wages to which he would otherwise have been entitled; and every stipulation by which any seafarer consents to abandon his right to his wages in the case of the loss of the ship or to abandon any right which he may have obtained in the nature of salvage, shall be wholly void and inoperative.

7. WAGES, MAINTENANCE AND CURE FOR SICK AND INJURED SEAFARER

7.1. In the event of disabling sickness or injury, while a seafarer is on board a vessel under signed Articles, or off the vessel pursuant to an actual mission assigned to him by, or by the authority of the Master, the seafarer shall be entitled to:

- full wages, as long as he is sick or injured and remains on board the vessel;
- medical and surgical treatment and supply of proper and sufficient medicines and therapeutical appliances, until medically declared to have reached a maximum cure or to be incurable, but in no event more than twenty-four (24) weeks from the day of the injury or commencement of the sickness;
- an amount equal to board and lodging up to a maximum period of twenty-four (24) weeks, and one-third of his base wages during any portion of such period subsequent to his landing from the vessel but not to exceed a maximum period of sixteen (16) weeks commencing from the day of injury or commencement of the sickness;
- repatriation inclusive of all charges for his transportation, accommodation and food during the journey and maintenance up to the time fixed for his departure.

7.2. The shipowner or his representative shall take adequate measures for safeguarding property left on board by a sick, injured or deceased seafarer.

7.3. The seafarer shall not be entitled to any of the foregoing benefits:

- if such sickness or injury resulted from his willful act, default or misconduct;
- if such sickness or injury developed from a condition which was intentionally concealed from the employer at or prior to his engagement under the Articles;

- if he refuses medical treatment for such sickness or injury or is denied such treatment because of misconduct or default; or
 - if at the time of his engagement he refused to be medically examined.
- 7.4. The seafarer shall have a maritime lien against the vessel for any wages due him under this Section.

8. ACTS OF PIRACY AND ARMED ROBBERY AGAINST SHIPS

- 8.1. Reference is made to the Section 8 of the Marine Circular No. 01-181-2024.

9. FINANCIAL SECURITY

- 9.1. Reference is made to the Marine Circular No. 1-198-2020.

Any inquiries or requests regarding this marine circular should be directed to Mongolia Maritime Administration (E-mail address: info@monmarad.gov.mn)

This Marine Circular will enter into effect as of 01 July 2024

Sincerely,



OTGONSUREN DAMDINSUREN
DIRECTOR-GENERAL
MONGOLIA MARITIME ADMINISTRATION