

## Iran

Exchange rate: US\$1.00 equals 8,229 rials.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1953.

**Current laws:** 1975 (social security) and 1986 (self-employed insurance), implemented in 1987.

**Type of program:** Social insurance system.

#### Coverage

All employed persons between ages 18 and 65 residing in the country.

Self-employed persons may contribute voluntarily.

Special systems for government employees and the armed forces.

#### Source of Funds

**Insured person:** 7% of earnings.

**Self-employed person:** Voluntary contributions of 12% of earnings for old-age; 14% for old-age and disability; or 18% for old-age, disability, and survivors.

**Employer:** 20% of payroll, plus 3% of payroll for unemployment insurance. (Contributions for the first five employees in small industrial and technical workshops are exempted.)

**Government:** 3% of payroll. Also pays the employers' contribution for the first five employees in small industrial and technical workshops and, depending on geographical location, 60% to 90% of the employers' contribution for new staff taken on by certain employers.

The minimum monthly earnings for contribution and benefit purposes for salaried employees are 1,060,000 rials.

The maximum monthly earnings for contribution and benefit purposes for salaried employees are 5,000,000 rials.

All of the above contributions (except for the self-employed) also finance medical care and cash sickness, maternity, and work injury benefits.

#### Qualifying Conditions

**Old-age pension:** Age 65 (men) or age 60 (women) with at least 10 years of contributions; at any age (men and women) with 30 years of work.

Age 50 (men) or age 45 (women) with between 20 and 25 years of work in an unhealthy working environment or in a physically demanding natural environment.

Retirement from insured employment is necessary.

Early pension: Age 60 (men) or age 55 (women) with at least 10 years of contributions.

Deferred pension: A deferred pension is possible with the agreement of the employer.

The old-age pension is not payable abroad.

**Disability pension:** Total disability (2/3 loss of earning capacity). One year of contributions in the last 10 years, including 90 days in the year before the onset of disability.

There is no provision for partial disability. The disability pension is not payable abroad.

**Survivor pension:** Payable to a widow or dependent widower, children younger than age 18 (age 20 if a student or disabled), an unmarried daughter until she marries or becomes unemployed, and aged dependent parents (father older than age 60; mother older than age 55).

The deceased was a pensioner at the time of death or had paid contributions for between 10 and 20 years; with less than 10 years of contributions, a lump sum equal to one month's minimum wage will be paid for each year of service.

The survivor pension is not payable abroad.

#### Old-Age Benefits

**Old-age pension:** 1/35th of the insured's average earnings during the last 24 months times the number of years of contributions. For insured persons working in difficult or hazardous occupations, each year of paid contributions counts as 1.5 years.

The minimum pension is 50% of the insured's average earnings but not less than 1,060,000 rials a month (the minimum wage of an unskilled laborer), plus food coupons.

Spouse allowance: A married male pensioner receives up to 188,000 rials for his spouse.

The maximum pension is 100% of the insured's earnings up to 4,500,000 rials a month.

Early pension: 1/35th of the insured's average earnings during the last 24 months times the number of years of contributions.

Deferred pension: 1/35th of the insured's average earnings during the last 24 months times the number of years of contributions.

Benefit adjustment: Benefits are adjusted annually according to wage changes.

#### Permanent Disability Benefits

**Disability pension:** If more than 66% disabled (totally disabled), the pension is equal to 3.3% of average earnings during the last 2 years times the number of years of contributions.

The minimum pension is 50% of the insured's average earnings (60% with dependents) but not less than 1,060,000 rials a month (the minimum wage of an unskilled laborer).

Spouse allowance: A married male pensioner receives up to 188,000 rials a month for his spouse.

The maximum pension is 100% of the insured's average earnings up to 4,500,000 rials a month.

**Benefit adjustment:** Benefits are adjusted annually according to wage changes.

### Survivor Benefits

**Survivor pension:** 50% of the deceased's pension. If there is more than one legitimate widow, the pension is divided equally between them.

The minimum widow(er) pension is 20% of the deceased's pension.

**Orphan's pension:** 25% of the deceased's pension (50% for a full orphan) is payable for each orphan younger than age 18; no limit if a student or disabled.

**Parent's pension:** 20% of the deceased's pension for each dependent aged parent (a father older than age 60; a mother older than age 55).

The minimum total survivor pension is 1,060,000 rials a month (the minimum wage of an unskilled laborer).

The maximum total survivor pension is 100% of the deceased's pension. If the total survivor pension exceeds 100% of the deceased's pension, the survivor pensions are reduced proportionately.

**Benefit adjustment:** Benefits are adjusted annually according to wage changes.

**Funeral grant:** The grant varies according to municipality.

### Administrative Organization

Ministry of Welfare and Social Security provides general supervision.

Managed by a council and a board of directors, the Social Security Organization administers the program through provincial branches and local agencies.

### Sickness and Maternity

#### Regulatory Framework

**First law:** 1949.

**Current laws:** 1975 (social security) and 1986 (self-employed insurance), implemented in 1987.

**Type of program:** Social insurance system (cash and medical benefits).

#### Coverage

Employed persons in urban areas and old age, disability, or survivor pensioners.

Seasonal workers are covered for medical services during the working season.

Voluntary coverage for self-employed persons.

Special systems for government employees and the armed forces.

### Source of Funds

**Insured person:** See source of funds under Old Age, Disability, and Survivors, above; seasonal workers contribute 9% of the minimum monthly wage.

**Self-employed person:** Voluntary contributions of 18% of earnings.

**Employer:** See source of funds under Old Age, Disability, and Survivors, above.

**Government:** See source of funds under Old Age, Disability, and Survivors, above.

### Qualifying Conditions

**Cash sickness and medical benefits:** Currently employed. There is no minimum qualifying period, except for 60 days of contributions for prostheses.

**Cash maternity benefits:** Sixty days of contributions in the year before the expected date of childbirth for the first three children.

### Sickness and Maternity Benefits

**Sickness benefit:** 75% of the insured's average earnings in the previous 3 months for a worker with dependents; 66.6% of the insured's average earnings for a single worker.

The benefit is reduced to 50% of the insured's average earnings if unmarried and hospitalized in a Social Security Organization hospital; there is no reduction if the insured person has dependents.

The benefit is payable after a 3-day waiting period (unless hospitalized) until recovery.

**Maternity benefit:** 66.6% of the insured woman's average earnings in the previous 3 months, payable for up to a maximum of 4 months, at least half of which should be taken after the expected date of childbirth.

### Workers' Medical Benefits

#### Medical benefits

**Direct system:** Medical care and medicines are provided directly to patients through medical facilities belonging to the Social Security Organization.

Dental grant: 180,000 rials for a half set of dentures or 300,000 rials for a full set.

Other medical expenses are payable according to set tariffs.

**Indirect system:** Medical services are provided through public and private hospitals and clinics, as well as through university hospitals and contracted-out physicians. The cost of inpatient

care and outpatient care varies among medical care providers, as does the degree of cost sharing and the rate of reimbursement.

### **Dependents' Medical Benefits**

Same as for the insured person. Coverage is provided for a wife and for the first three children younger than age 18 (age 20 if a student, disabled, or an unmarried daughter), for a disabled dependent husband older than age 60, and for aged dependent parents. Voluntary insurance can be taken from the Social Security Organization for the fourth and subsequent children.

### **Administrative Organization**

Social Security Organization administers the program.

Medical services are provided directly through 73 hospitals and 270 medical clinics owned by the Social Security Organization.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1936.

**Current law:** 1975 (social security).

**Type of program:** Social insurance system.

#### **Coverage**

Employed persons in urban areas.

Exclusions: Employed persons in rural areas.

#### **Source of Funds**

**Insured person:** See source of funds under Old Age, Disability, and Survivors, above.

**Self-employed person:** Not applicable.

**Employer:** See source of funds under Old Age, Disability, and Survivors, above.

**Government:** See source of funds under Old Age, Disability, and Survivors, above.

#### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period.

#### **Temporary Disability Benefits**

75% of the insured's average earnings in the previous 3 months for a worker with dependents; 66.6% for a worker without dependents.

The benefit is reduced to 50% of the insured's average earnings if the insured person is hospitalized.

The benefit is payable from the first day of incapacity until recovery or certification of permanent disability.

**Benefit adjustment:** Benefits are adjusted annually according to wage changes.

### **Permanent Disability Benefits**

**Permanent disability pension:** If more than 66% disabled (total disability), 3.3% of the insured's average earnings in the last 720 days times the number of years of contributions.

The minimum pension is 50% of the insured's average earnings (60% with dependents) but not less than 1,060,000 rials a month (the minimum wage of an unskilled laborer).

The maximum pension is 100% of the insured's earnings but not more than the wage ceiling (5,000,000 rials a month).

**Partial disability:** If between 33% and 66% disabled, a percentage of the full pension in proportion to the assessed degree of disability.

**Benefit adjustment:** Benefits are adjusted annually according to wage changes.

**Disability grant:** If between 10% and 33% disabled, a lump sum equal to 36 times the insured's disability pension times the assessed degree of disability.

### **Workers' Medical Benefits**

Medical care and medicines are provided directly to patients through medical facilities belonging to the Social Security Organization. There is no qualifying period for prostheses.

### **Survivor Benefits**

**Survivor pension:** 50% of the deceased's pension is payable to a widow of any age or to a dependent widower. If there is more than one legitimate widow, the pension is divided equally between them.

The minimum widow(er) pension is 20% of the insured's pension.

**Orphan's pension:** 25% of the deceased's pension (50% for a full orphan) is payable for each orphan younger than age 18 (age 20 if a student or disabled) and to an unmarried daughter until she marries or becomes unemployed.

**Parent's pension:** 20% of the deceased's pension for each dependent aged parent (father older than age 60; mother older than age 55).

The minimum survivor pension is 1,060,000 rials a month (the minimum wage of an unskilled laborer).

The maximum total survivor pension is 100% of the deceased's pension. If the total survivor pension exceeds 100% of the deceased's pension, the survivor pensions are reduced proportionately.

**Benefit adjustment:** Benefits are adjusted annually according to wage changes.

**Funeral grant:** The grant varies according to municipality.

## **Administrative Organization**

Ministry of Welfare and Social Security provides general supervision.

Social Security Organization administers the program through branch offices and local agencies.

## **Unemployment**

### **Regulatory Framework**

**First law:** 1987.

**Current law:** 1990 (unemployment insurance).

**Type of program:** Social insurance system.

### **Coverage**

Employed persons in specified occupations and geographic areas. Seasonal workers are covered only in the case of dismissal during their contract.

Exclusions: Self-employed persons, voluntarily insured persons, retired persons, the totally disabled, and those covered under construction workers' insurance.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** 3% of payroll. (See source of funds under Old Age, Disability, and Survivors, above.)

**Government:** Any deficit.

### **Qualifying Conditions**

**Unemployment benefit:** Six months of insurance before the date of unemployment. Registered at an employment office and capable of, and available for, work. Unemployment is not due to leaving voluntarily, misconduct, or the refusal of a suitable job offer.

### **Unemployment Benefits**

The maximum duration of benefits depends on the length of coverage and marital status. If a married individual has between 6 and 24 months of coverage, the benefit is payable for up to 12 months (6 months if single); for between 25 and 120 months of coverage, up to 18 months (12 months if single); for between 121 and 180 months, up to 26 months (18 months if single); for between 181 and 240 months, up to 36 months (24 months if single); for 241 months and longer, up to 50 months (36 months if single).

The minimum benefit is 55% of the insured's average earnings, increased by 10% for each of the first four dependents.

The maximum benefit must not exceed 80% of the insured's average earnings.

Insured persons aged 55 or older may receive unemployment benefit up to the retirement age.

**Benefit adjustment:** Benefits are adjusted annually according to wage changes.

## **Administrative Organization**

Ministry of Labor provides general supervision.

## **Family Allowances**

### **Regulatory Framework**

**First law:** 1953.

**Current law:** 1975 (social security).

**Type of program:** Employment-related system.

### **Coverage**

Employed persons.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** Total cost.

**Government:** None.

### **Qualifying Conditions**

**Family allowances:** The child must be younger than age 18 (no limit if a student or disabled). The parent must have 720 working days of contributions.

**Marriage grant:** 720 days of contributions in the 5 years before the date of marriage.

### **Family Allowance Benefits**

**Family allowances:** Three times the lowest daily wage of an unskilled laborer. (The lowest daily wage is based on the minimum wage of an unskilled laborer (1,060,000 rials a month) and is adjusted according to region.) The allowance is payable for each of the first three children.

**Benefit adjustment:** Benefits are adjusted annually according to wage changes.

**Marriage grant:** One month of the insured's average wage or salary. If both spouses are insured, both the husband and wife will receive the grant.

## **Administrative Organization**

Ministry of Labor enforces the law.

Individual employers pay allowances with wages or salaries.