

Iran

Exchange rate: US\$1.00 = 30,100 rials.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1953.

Current laws: 1975 (social security); 1986 (self-employed insurance), implemented in 1987; 2000 (coverage of commercial drivers); and 2009 (coverage of carpet weavers and handicraft workers).

Type of program: Social insurance system.

Coverage

Employed persons (including commercial drivers, construction workers, certain carpet weavers and handicraft workers, and public-sector employees not covered by a special system); self-employed persons; and housewives. Self-employed persons and housewives may choose different levels of coverage for old-age, disability, and survivor benefits.

Voluntary coverage for persons aged 50 or younger with at least 30 days of prior coverage.

Special systems for government employees and military personnel.

Source of Funds

Insured person: 5% of earnings; 9.5% of earnings for commercial drivers.

Voluntarily insured persons contribute 18% of earnings (old-age, disability, and survivors benefits).

The minimum monthly earnings used to calculate contributions for salaried employees are the legal monthly minimum wage of an unskilled laborer.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

The insured's contributions also finance sickness and maternity, and work injury benefits.

Self-employed person: 18% of earnings (old age, survivors, and disability); 14% of earnings (old age and survivors); or 12% of earnings (old age), depending on the level of coverage.

Employer: 14% of payroll. To subsidize certain strategic industries, the government pays the employer's contributions for up to five employees for each company, and for commercial drivers.

The minimum monthly earnings used to calculate contributions for salaried employees are the legal monthly minimum wage of an unskilled laborer.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

The employer's contributions also finance sickness and maternity, and work injury benefits.

Government: 2% of earnings for employed persons, self-employed and voluntarily insured persons; and 9.5% for commercial drivers. The government pays the employer's contributions for up to five employees for each company for certain strategic industries, and for commercial drivers.

The minimum monthly earnings used to calculate contributions for salaried employees are the legal monthly minimum wage of an unskilled laborer.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

The government's contributions also finance sickness and maternity, and work injury benefits.

Qualifying Conditions

Old-age pension: Age 60 (men), age 55 (women), or age 42 (women covered by the labor code) with at least 20 years of contributions; age 50 (men) or age 45 (women) with at least 30 years of work and regular contributions; at any age with at least 35 years of contributions or with at least 20 consecutive years or 25 nonconsecutive years of work in an unhealthy working environment or in a physically demanding natural environment.

Partial pension: Age 60 (men) or age 55 (women) with at least one month but less than 20 years of contributions; or at any age if disabled with at least one year but less than 20 years of contributions. With less than 10 years of contributions, the insured must pay for the missing contributions they would have had with 10 years of contributions.

Employment must cease.

Disability pension: Must be assessed with a total disability (loss of at least 66% earning capacity) and have at least one year of contributions in the last 10 years, including at least 90 days in the year before the nonwork-related disability began.

Partial pension: Paid if the insured does not meet the contribution requirements for the full disability pension and has at least 10 years of contributions.

Survivor pension: The deceased had at least one year of paid contributions in the last 10 years, including at least 90 days in the year before death; had a total of at least 20 years of contributions; or was an old-age or total disability pensioner at the time of death.

Partial pension: Paid to eligible survivors if the deceased did not meet the contribution requirements for a survivor pension and had at least one year of contributions.

Eligible survivors include a widow or dependent widower, sons younger than age 20 (no limit if an university student, disabled, or an unmarried daughter without income), and aged dependent parents (a father older than age 60, a mother older than age 55, no limit if disabled and not receiving any other pension).

Funeral grant: Paid when an insured person or his or her spouse dies.

Old-Age Benefits

Old-age pension: The insured's average covered monthly earnings in the last 2 years before retirement divided by 30 and multiplied by the number of years of contributions, up to 35 years, is paid.

For insured persons working in an unhealthy or hazardous working environment or in a physically demanding natural environment, each year of paid contributions counts as 1.5 years.

The minimum monthly pension is the legal monthly minimum wage of an unskilled laborer.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

Partial pension: A reduced pension is paid.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

Permanent Disability Benefits

Disability pension: The insured's average covered monthly earnings in the last 720 days before the disability began divided by 30, and multiplied by the number of years of contributions is paid.

The minimum monthly pension is 50% of the insured's average monthly earnings or 100% of the legal monthly minimum wage of an unskilled laborer, whichever is greater.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

The maximum monthly pension is 100% of the insured's average monthly earnings in the last 720 days before the disability began.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

Survivor Benefits

Survivor pension

Spouse's pension: 50% of the old-age or disability pension the deceased received or was entitled to receive is paid to the widow(er). If there is more than one legitimate widow, the pension is split equally.

Orphan's pension: 25% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible orphan (50% for a full orphan).

Parent's pension: 20% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible parent.

The minimum monthly combined survivor pension is the legal monthly minimum wage of an unskilled laborer.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

The maximum monthly combined survivor pension is 100% of the old-age or disability pension the deceased received or was entitled to receive.

Partial pension: A reduced pension is paid.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

Funeral grant: A lump sum of one month of the legal monthly minimum wage of an unskilled laborer is paid.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

Administrative Organization

Ministry of Cooperatives, Labor, and Social Welfare provides general supervision.

Social Security Organization (<http://www.tamin.ir/>) administers the programs through provincial branch offices and local agencies.

Sickness and Maternity

Regulatory Framework

First law: 1953 (workers insurance), implemented in 1955.

Current laws: 1975 (social security); 1986 (self-employed insurance), implemented in 1987; 1994 (universal health insurance); and 2004 (comprehensive welfare and social security).

Note: Information on the 1994 law is not available.

Type of program: Social insurance system.

Coverage

Cash maternity and sickness benefits: Employed persons (including commercial drivers).

Exclusions: Self-employed persons.

Medical benefits: Employed persons (including commercial drivers, construction workers, certain carpet weavers and handicraft workers, and public-sector employees not covered by a special system); self-employed persons; housewives; and old-age, disability, and survivor pensioners.

Voluntary coverage for persons aged 50 or younger with at least 30 days of prior coverage.

Special systems for government employees and military personnel.

Source of Funds

Insured person

Cash maternity and sickness benefits: See source of funds under Old Age, Disability, and Survivors.

Medical benefits: 2% of earnings; 4% for commercial drivers; 8% for voluntarily insured persons. 2% of the pension for old-age, disability, and survivor pensioners.

Self-employed person

Cash maternity and sickness benefits: Not applicable.

Medical benefits: Pays a contribution set by the Social Security Organization for medical benefits.

Employer

Cash maternity and sickness benefits: See source of funds under Old Age, Disability, and Survivors.

Medical benefits: 6% of earnings. The government pays the employer's contributions for commercial drivers.

Government

Cash maternity and sickness benefits: See source of funds under Old Age, Disability, and Survivors.

Medical benefits: 1% of earnings; 9.5% for commercial drivers. The government pays the employer's contributions for commercial drivers.

Qualifying Conditions

Sickness benefit: There is no minimum qualifying period.

Maternity benefit: Paid to an insured woman or the wife of an insured man with at least 60 days of contributions in the year before the expected date of childbirth. The benefit is paid for live births or stillborns. There is no limit to the number of births.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 75% of the insured's average covered earnings in the three months before the sickness began is paid for a worker with dependents; 66% with no dependents.

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

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

Maternity benefit: 66% of the insured's average earnings in the three months before the birth is paid for up to six months (one year for multiple births).

Workers' Medical Benefits

Medical facilities owned by the Social Security Organization provide free medical and dental care to the insured (copayments for self-employed persons).

Public and private hospitals and clinics, as well as university hospitals and contracted-out physicians, also provide medical services. Cost sharing and rates of reimbursement vary depending on the service.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Eligible dependents include a wife, a dependent husband older than age 60, sons younger than age 20 (no limit if a university student, disabled, or an unmarried daughter without income), and aged dependent parents.

Administrative Organization

Ministry of Cooperatives, Labor, and Social Welfare provides general supervision.

Social Security Organization (<http://www.tamin.ir/>) administers the programs.

Work Injury

Regulatory Framework

First law: 1936.

Current law: 1975 (social security).

Type of program: Social insurance system.

Coverage

Employed persons (including construction workers, commercial drivers, certain carpet weavers and handicraft workers, and public-sector employees not covered by a special system); and self-employed persons.

Exclusions: Persons voluntarily insured under Old Age, Disability, and Survivors.

Special systems for government employees and military personnel.

Source of Funds

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

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

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

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

Qualifying Conditions

There is no minimum qualifying period.

Temporary Disability Benefits

75% of the insured's average covered daily earnings in the 90 days before the incapacity began is paid for a worker with dependents; 66% with no dependents.

The benefit is reduced to 50% of the insured's average covered daily earnings in the 90 days before the incapacity began if unmarried and hospitalized in a Social Security Organization hospital; there is no reduction if the insured person has dependents.

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

Permanent Disability Benefits

Permanent disability pension: For an assessed degree of disability of at least 66%, 3.33% of the insured's average covered monthly earnings in the last 720 days before the disability began multiplied by the number of years of contributions is paid.

The minimum monthly pension is 50% of the insured's average covered monthly earnings in the last 720 days or 100% of the legal monthly minimum wage of an unskilled laborer.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

The maximum monthly pension is 100% of the insured's average covered monthly earnings in the last 720 days before the disability began.

Pension supplement: If the pension is less than 60% of the insured's average earnings in the last two years and the insured has dependents, an additional 10% of the pension is paid, up to 60% of the insured's average earnings in the last two years.

Partial disability: For an assessed degree of disability of 33% to 66%, a percentage of the full disability pension is paid according to the assessed degree of disability.

Disability grant: For an assessed degree of disability of 10% to 33% or a disability that is the result of losing a limb, a lump sum of 36 times the full disability pension multiplied by the assessed degree of disability is paid.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

Workers' Medical Benefits

See medical benefits under Sickness and Maternity.

Survivor Benefits

Survivor's pension

Spouse's pension: 50% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow or dependent widower.

Orphan's pension: 25% of the permanent disability pension the deceased received or was entitled to receive (50% for a full orphan) is paid for each orphan younger than age 18 (no age limit if a student or disabled) and to an unmarried, unemployed daughter.

Parent's pension: 20% of the permanent disability pension the deceased received or was entitled to receive is paid for each dependent aged parent (a father older than age 60 or disabled; a mother older than age 55 or disabled).

The minimum monthly combined survivor pension is 50% of the insured's average earnings or 100% of the legal monthly minimum wage of an unskilled laborer.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

The maximum monthly combined survivor pension is 100% of the permanent disability pension the deceased received or was entitled to receive.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

Funeral grant: A lump sum of one month of the legal monthly minimum wage of an unskilled laborer is paid.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

Administrative Organization

Ministry of Cooperatives, Labor, and Social Welfare provides general supervision.

Social Security Organization (<http://www.tamin.ir/>) administers the program through provincial 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 covered by the labor law.

Exclusions: Self-employed persons, foreign citizens, and voluntarily insured persons under Old Age, Disability, and Survivors.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 3% of payroll.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: Must have at least six months of insurance before the date of unemployment. Must be registered at an employment office and capable of, and available for, work. Unemployment must not be due to leaving voluntarily, misconduct, or refusing a suitable job offer. Insured persons aged 55 or older may receive unemployment benefits up to the retirement age.

Dependent supplement: Paid for up to four dependents.

Unemployment Benefits

55% of the insured's average earnings in the 90 days before unemployment began is paid.

Dependent supplement: 10% of the legal monthly minimum wage is paid for each eligible dependent.

With six to 24 months of coverage, the benefit is paid for up to 12 months (six months if single); with 25 to 120 months of coverage, up to 18 months (12 months if single); with 121 to 180 months, up to 26 months (18 months if single); with 181 to 240 months, up to 36 months (26 months if single); with at least 241 months, up to 50 months (36 months if single).

The minimum benefit is the legal monthly minimum wage of an unskilled laborer.

The legal monthly minimum wage of an unskilled laborer is 8,121,660 rials.

The maximum monthly benefit is 80% of the insured's average earnings in the 90 days before unemployment began.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

Administrative Organization

Ministry of Cooperatives, Labor, and Social Welfare provides general supervision.

Social Security Organization (<http://www.tamin.ir/>) administers the program.

Family Allowances

Regulatory Framework

First law: 1953.

Current law: 1975 (social security).

Type of program: Employment-related system.

Coverage

Employed persons.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost.

Government: None.

Qualifying Conditions

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

Marriage grant: Must have at least 720 working days of contributions in the five years before the date of marriage. Must be a first marriage and officially registered.

Family Allowance Benefits

Family allowances: A monthly benefit of three times the legal daily minimum wage of an unskilled laborer is paid for each eligible child.

The legal daily minimum wage of an unskilled laborer is 270,722 rials.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

Marriage grant: A lump sum of one month of the insured's average monthly earnings in the two years before the marriage is paid. If both spouses are insured, each spouse receives the grant.

Administrative Organization

Ministry of Cooperatives, Labor and Social Welfare provides general supervision.

Social Security Organization (<http://www.tamin.ir/>) administers the programs through provincial branch offices and local agencies.