

Iran

Exchange rate: US\$1.00 = 42,590 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); 2009 (coverage of carpet weavers and handicraft workers), and 2013 (partial pension).

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 who previously had mandatory coverage for at least 30 days. Special systems for certain public-sector employees and military personnel.

Source of Funds

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

Voluntarily insured persons contribute 18% of monthly 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 worker.

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

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

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

The self-employed person's contribution also finances work injury benefits (except for workers who only contribute to old age).

Employer: 14% of monthly payroll.

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

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

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

Government: 2% of earnings for employed, self-employed, and voluntarily insured persons; and 9.5% for commercial drivers. Pays the employer's contributions (for up to five employees) for companies in 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 worker.

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

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

Qualifying Conditions

Old-age pension: Age 60 (men) or age 55 (women) with at least 20 years of contributions; age 50 (men) or age 45 (women) with at least 30 years of covered work; 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 he or she would have had with 10 years of contributions.

Employment must cease.

Disability pension: Must be assessed with a total disability (at least a 66% loss of 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: Must have at least 10 years of contributions but not meet the contribution requirements for a full disability pension.

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 disability pensioner at the time of death.

Partial pension: The deceased had at least one year of contributions but did not meet the contribution requirements for a full survivor pension.

Eligible survivors include a widow or dependent widower, sons younger than age 20 (no limit if a university student or disabled), an unmarried nonworking daughter, 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 pension is the insured's average monthly covered earnings in the last 2 years before retirement divided by 30 and multiplied by the number of years of contributions, up to 35 years.

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 old-age pension is the legal monthly minimum wage of an unskilled worker.

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

Partial pension: A reduced pension is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

Permanent Disability Benefits

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

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

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

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

Partial pension: A reduced pension is paid.

Benefit adjustment: Benefits are adjusted annually based on 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).

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 worker.

The legal monthly minimum wage of an unskilled worker is 11,112,690 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 based on changes in the cost of living.

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

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

Administrative Organization

Ministry of Cooperatives, Labor, and Social Welfare (<https://www.mcls.gov.ir/>) provides general supervision.

Social Security Organization (<http://www.tamin.ir/>) administers the programs and collects contributions 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 (public health insurance); and 2004 (comprehensive welfare and social security).

Type of program: Social insurance (cash and medical benefits) and social assistance (medical benefits only) system.

Coverage

Social insurance (cash benefits): Employed persons, including commercial drivers.

Exclusions: Self-employed persons.

Social insurance (medical benefits): Employed persons, including commercial drivers, construction workers, certain carpet weavers and identified 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 who previously had mandatory coverage for at least 30 days.

Special systems for certain public-sector employees and military personnel.

Social assistance (medical benefits): Households in qualified rural areas, war veterans and their dependents, and students not covered by social insurance.

Source of Funds

Insured person

Social insurance (cash benefits): See source of funds under Old Age, Disability, and Survivors.

Social insurance (medical benefits): 2% of earnings; 4% for commercial drivers; 9% for voluntarily insured persons. 2% of the pension for pensioners.

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

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

Social assistance (medical benefits): None for households in rural areas; students pay a reduced premium.

Self-employed person

Social insurance (cash benefits): Not applicable.

Social insurance (medical benefits): Pays a contribution set by the government.

Social assistance (medical benefits): Information not available.

Employer

Social insurance (cash benefits): See source of funds under Old Age, Disability, and Survivors.

Social insurance (medical benefits): 6% of earnings; none for commercial drivers.

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

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

Social assistance (medical benefits): None.

Government

Social insurance (cash benefits): See source of funds under Old Age, Disability, and Survivors.

Social insurance (medical benefits): 1% of earnings plus the employer's contribution for commercial drivers.

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

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

Social assistance (medical benefits): Finances any deficit; may subsidize up to 80% of contributions for certain individuals.

Qualifying Conditions

Cash sickness benefit (social insurance): There is no minimum qualifying period. A medical certificate may be required.

Cash maternity benefit (social insurance): 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 (social insurance and social assistance): There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit (social insurance): 75% of the insured's average daily 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 daily covered earnings if unmarried and hospitalized; there is no reduction if the insured has dependents.

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

Maternity benefit (social insurance): 66% of the insured's average daily covered earnings in the three months before the birth is paid for up to six months (one year for multiple births); may be extended if there are complications arising during pregnancy.

Workers' Medical Benefits

Social insurance: 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.

Social assistance: Benefits include primary care services, outpatient treatment, and dental care.

Dependents' Medical Benefits

Social insurance: Medical benefits for dependents are the same as those for the insured.

Eligible dependents include a wife, a dependent husband older than age 60 (no age limit if disabled), sons younger than age 20 (no limit if a university student or disabled),

an unmarried nonworking daughter, and aged dependent parents.

Administrative Organization

Ministry of Cooperatives, Labor, and Social Welfare (<https://www.mcls.gov.ir/>) provides general supervision.

Social Security Organization (<http://www.tamin.ir/>) administers the social insurance program and collects contributions.

Iran Health Insurance Organization (<http://ihio.gov.ir/>) administers the social assistance program and collects contributions.

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. Voluntary coverage for self-employed persons.

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

Special systems for certain public-sector 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

Must be assessed with a work injury or occupational disease.

Temporary Disability Benefits

75% of the insured's average daily covered 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 daily covered earnings in the 90 days before the incapacity began

if unmarried and hospitalized; there is no reduction if the insured 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 monthly covered earnings in the last 720 days before the disability began multiplied by the number of years of contributions is paid.

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

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

The maximum monthly permanent disability pension is 100% of the insured's average monthly covered 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 720 days 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 720 days.

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

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

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.

Workers' Medical Benefits

See medical benefits (social insurance) under Sickness and Maternity.

Survivor Benefits

Survivor pension: See Old Age, Disability, and Survivors.

Funeral grant: See Old Age, Disability, and Survivors.

Administrative Organization

Ministry of Cooperatives, Labor, and Social Welfare (<https://www.mcls.gov.ir/>) provides general supervision.

Social Security Organization (<http://www.tamin.ir/>) administers the program and collects contributions 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, public-sector employees, 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.

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

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

Government: Finances any deficit.

Qualifying Conditions

Unemployment benefit: Must have at least six months of contributions before the date of unemployment, register at an employment office, and be 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 normal retirement age.

Dependent supplement: Paid for up to four dependents.

Unemployment Benefits

55% of the insured's average daily covered 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.

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

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

The legal monthly minimum wage of an unskilled worker is 11,112,690 rials.

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

Administrative Organization

Ministry of Cooperatives, Labor, and Social Welfare (<https://www.mcls.gov.ir/>) provides general supervision.

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

Family Allowances

Regulatory Framework

First law: 1953.

Current laws: 1975 (social security) and 2010 (targeted subsidies).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Employed persons covered by the labor law.

Exclusions: Self-employed persons.

Special systems for certain public-sector employees.

Social assistance: Needy citizens of Iran.

Source of Funds

Insured person

Social insurance: None.

Social assistance: None.

Self-employed person

Social insurance: Not applicable.

Social assistance: None.

Employer

Social insurance: The total cost.

Social assistance: None.

Government

Social insurance: None.

Social assistance: The total cost.

Qualifying Conditions

Family allowance (social insurance): 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 (social insurance): 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.

Cost of living allowance (Targeted Subsidies, social assistance, means tested): Paid to households to subsidize certain living expenses, such as water, electricity, and drainage expenses.

Family Allowance Benefits

Family allowance (social insurance): A monthly benefit of three times the legal daily minimum wage of an unskilled worker is paid for each eligible child.

The legal daily minimum wage of an unskilled worker is 370,423 rials.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

Marriage grant (social insurance): 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 eligible, each spouse receives the grant.

Cost of living allowance (Targeted Subsidies, social assistance, means tested): The benefit amount varies depending on household circumstances and the number of eligible beneficiaries.

Administrative Organization

Ministry of Cooperatives, Labor and Social Welfare (<https://www.mcls.gov.ir/>) provides general supervision.

Social Security Organization (<http://www.tamin.ir/>) administers the social insurance program and collects contributions through provincial branch offices and local agencies.