SOCIAL AFFAIRS AND HOUSEHOLD WELFARE

I n 1389, household final consumption expenditure increased by 1.9 percent (at constant 1376 prices) to Rls. 273.7 trillion[1]. Due to the rise in the shares of lower income deciles in total income, income inequality metrics, including the Gini coefficient, improved in this year. Gini coefficient reached its lowest figure over the last three decades in 1389. Implementation of the Subsidy Reform Act as of the fourth quarter of 1389, as well as the implementation of price stabilization policies, contributed to the improvement of Gini coefficient.

Socioeconomic Characteristics of Households in Urban Areas

Review of household expenditure and income survey in urban areas points to the downward trend of the average number of household members in this year. The average number of household members decreased by 1.6 percent from 3.76 persons in 1388 to 3.70 persons in 1389. During 1386-1388, the number of household members decreased by 2.4 percent on average. This was attributable to the increase in the number of single-member households. It is to be noted that the share of single-member households rose from 5.8 percent in 1388 to 6.6 percent in 1389. On the other hand, the share of

households with six members and more decreased from 12.1 percent to 10.7 percent.

As a substantial portion of the population reached the age when they were ready to be independent from the family, and many of them were willing to continue their education at university level, the number of single-member households registered growth in 1389. Besides, limited employment opportunities in small and medium-sized cities and the migration of the young population from the rural areas or smaller cities to larger cities were among factors that raised the number of single-member households. Furthermore, rise in the average age for marriage for men and women, to 27 and 22.7 years old[2], respectively, and the low tendency of the newlyweds to have children caused the total number of household members to fall. Given the average age of population, the downward trend of the number of household members is expected to continue in the coming years, albeit on a milder basis.

In this year, the share of households with two members decreased by 0.9 percentage point to 14.3 percent. Households with four members had the lion's share by 28.8 percent in 1389, which is the highest since 1380.

In 1389, the lowest number of household members by 2.8 persons was in the first decile and the highest by 4.0 persons in the tenth

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[1] Considering the negative growth of average household expenditure (gross) in urban areas at constant 1383 prices, rise in final consumption expenditure is attributable to the growth of population and fall in the number of household members.

[2] National Organization for Civil Registration

decile. In setting various deciles, the household expenditure is important; therefore, households with lower expenditures, which usually have fewer members as well, are in lower deciles. In case the per capita expenditure is calculated and the households are sorted in different deciles, households in the lower deciles will have more members. This is a point which needs to be considered when the socioeconomic characteristics of households in various expenditure deciles are reviewed.

Distribution of household members by age groups reveals that during 1380-1389, the shares of the age groups of 11-15 and 16-20 years old decreased from 14.1 and 14.9 percent to 7.4 and 10.2 percent, respectively. On the other hand, the share of the age group of 21-30 years old increased from 16.7 percent to 22.9 percent. Meanwhile, the share of the university-educated people in total population rose from 9.4 percent in 1380 to 19.3 percent in 1389. This points to extended human capacity which, in case of appropriate placement, will lead to a rise in welfare and a fall in poverty. High unemployment, especially among the educated young people, indicates that these capacities have not been fully utilized. If this trend continues, economic development and welfare objectives, as stipulated in the Vision Plan of the Year 1404, will not be actualized.

Development of the higher education system and the availability of educational centers all over the country are the factors behind the rise in the level of household members' education. Consequently, economic, social, and cultural expectations of households have changed, further complicating the responsibility of policymakers in terms of meeting the country's requirements.

In this year, 22.5 percent of households had no employed member, up by 0.6 percentage point compared with 1388. This share was 13.7 percent in 1380, pointing to an upward

trend in the mentioned share as of 1380 onwards. Implementation of the prior to the contractual due date retirement and fall in the number of household members due to marriage or migration have led to a decrease in the number of employed household members. The share of households with two employed members rose 0.3 percentage point to 17.2 percent, compared with 1388. Approximately 55.4 percent of households have one employed member. Considering the labor force participation rate, the high share of households with one employed member is indicative of a high dependency burden in urban areas.

Distribution of households' employed members based on expenditure deciles shows that of total households in the first decile, 40.1 percent are with no employed member. In the first decile, about 2.0 percent of households are with three employed members and more. This is indicative of disguised unemployment in these households. In fact, despite the presence of three employed people in the family, the income level does not lead to the improvement of the overall household welfare. Therefore, it is advised that in setting the employment objectives, the type of employment, its sustainability, and amount of income be taken into consideration. The mentioned share in the 2nd decile was 3.6 and in the 3rd decile, 4.6 percent. Reviewing the characteristics of the highest-income deciles reveals that 52.5 percent of the households in the 10th decile have one employed person. Meanwhile, 9.5 percent of total households with one employed person are in the 10th decile, as in other deciles.

In this year, 4.6 percent of households had one room in their residence, 30.1 percent two rooms, 44.0 percent three rooms, 16.1 percent four rooms, 3.6 percent five rooms, and 1.6 percent six rooms and more. Downward trend in the number of households residing in residences with four rooms

and more over the recent years, due to the rise in urban population, unavailability of suitable land for house construction, and change in construction designs and methods, led to a surge in the share of households residing in two- and three-room residences in 1389. Meanwhile, decline in the size of households has made households use fewer rooms.

A review of utility facilities used by urban households indicates that 99 percent of households had access to piped water, 99.8 percent to electricity, and 91.5 percent to piped gas.

Considering the expansion of communi-cation networks in the world, access to the internet is counted as one of the criteria for development. Based on the Statistical Center of Iran (SCI), 21.4 percent of households had access to the internet in 1389, indicating 3.2 percentage points growth compared with 1387[1]. In 2010, 42 percent of Turkish households and 70 percent of households in 27 European countries[2] had access to the internet. Given the large gap between the internet availability data in Iran and other countries, easier access to the virtual world of the internet is deemed absolutely essential and, as a certain development infrastructure, it needs to be put on the agenda.
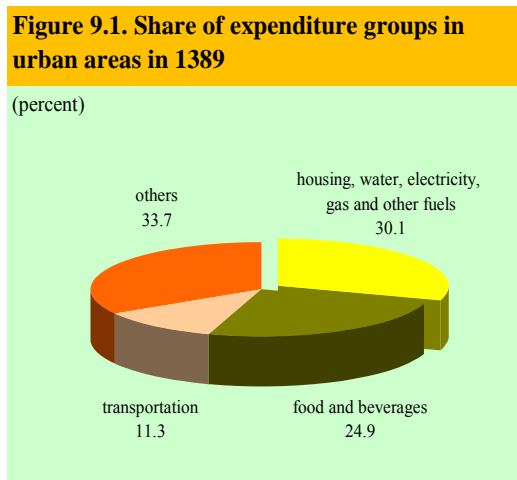
Household Budget Survey

In 1389, total household expenditure (gross)[3] in urban areas amounted to Rls. 141.7 million (Rls. 11,805 thousand monthly), showing 11.4 percent increase compared with the year before. However, average household expendi-ture (gross) in urban areas decreased by 0.4 percent compared with 1388 and reached Rls. 64.2 million (at constant 1383 prices).

[1] No report was released on internet accessibility in 1388.

[2] ec.europa.eu/eurostat

[3] Excluding tax and retirement savings

Figure 9.1. Share of expenditure groups in urban areas in 1389

(percent)

others 33.7

housing, water, electricity, gas and other fuels 30.1

transportation 11.3

food and beverages 24.9

Of total household expenditure (gross), the biggest share by 30.1 percent was related to "housing, water, electricity, gas, and other fuels", followed by "food and beverages" by 24.9 percent and "transportation" by 11.3 percent. These three groups accounted for 66.3 percent of total household expenditure (gross). Comparing changes in the shares of expenditure groups in 1389 with those of 1388 reveals that the highest increase in the share of expenditures is related to "food and beverages", "health and medical care", and "education" by 1.2, 0.5, and 0.3 percentage points, respectively. Moreover, shares of "housing, water, electricity, gas, and other fuels", "transportation", and "clothing and footwear" decreased by 1.3, 0.3, and 0.2 per-centage points, respectively. As 39.5 percent of households owned a car in 1389, fall in the share of "transportation" group is attributable to the development of public transportation and the fuel price adjustment.

A review of average annual household expenditure (gross) in urban areas, by various expenditure groups, indicates that the biggest rise in expenditures in 1389 was related to "health and medical care", "education", and "food and beverages" by 21.9, 21.7, and 16.7 percent, respectively.

Table 9.1. Comparison of Changes and Shares of Gross Expenditure by Expenditure Groups in Urban Areas   (ten thousand rials-percent)

	1387	1388	1389	Percentage change		Share (percent)	
				1388	1389	1388	1389
Food and beverages	2,747.5	3,016.8	3,521.3	9.8	16.7	23.7	24.9
Tobacco	45.3	51.9	51.9	14.6	*	0.4	0.4
Clothing and footwear	535.9	644.7	693.1	20.3	7.5	5.1	4.9
Housing, water, electricity, gas and other fuels	3,821.1	3,987.9	4,263.7	4.4	6.9	31.4	30.1
Furniture, furnishings and household equipment and operation	581.2	670.3	738.2	15.3	10.1	5.3	5.2
Health and medical care	520.9	645.5	786.6	23.9	21.9	5.1	5.6
Transportation	1,336.5	1,476.7	1,601.4	10.5	8.4	11.6	11.3
Communication	298.3	294.2	320.3	-1.4	8.9	2.3	2.3
Recreation and culture	282.4	346.0	395.2	22.5	14.2	2.7	2.8
Education	265.0	285.4	347.5	7.7	21.7	2.2	2.5
Restaurants and hotels	248.2	284.6	314.3	14.7	10.4	2.2	2.2
Miscellaneous goods and services	862.3	1,009.9	1,132.6	17.1	12.2	7.9	8.0
Total	**11,544.5**	**12,713.9**	**14,166.2**	**10.1**	**11.4**	**100.0**	**100.0**

A review of real household expenditure (gross) (at constant 1383 prices) by various groups shows that the real household expenditure has fallen compared with the year before. This is indicative of a decrease in consumption. If the decrease in consumption is due to the optimization of consumption pattern, it will lead to an increased level of welfare for households in the long run.

Reviewing the rise in the general level of prices in various expenditure groups indicates that, in 1389, the highest rise of price was related to "health and medical care" and the lowest to "communication". The rise of price in "health and medical care", "restaurants and hotels", "food and beverages", "transportation", "miscellaneous goods and services", and "education" was higher than the average inflation rate for this year (12.4 percent).

Table 9.2. Comparison of Changes and Shares of Gross Expenditure by Expenditure Groups (in Real Terms) in Urban Areas   (ten thousand rials-percent)

	1387	1388	1389	Percentage change		Share (percent)	
				1388	1389	1388	1389
Food and beverages	1,381.4	1,380.1	1,385.8	-0.1	0.4	21.4	21.6
Tobacco	27.0	23.8	23.2	-11.9	-2.3	0.4	0.4
Clothing and footwear	328.6	358.4	345.0	9.1	-3.7	5.6	5.4
Housing, water, electricity, gas and other fuels	1,947.6	1,811.0	1,805.1	-7.0	-0.3	28.1	28.1
Furniture, furnishings and household equipment and operation	324.7	359.2	362.4	10.6	0.9	5.6	5.6
Health and medical care	274.2	285.6	290.4	4.2	1.7	4.4	4.5
Transportation	897.0	935.8	883.8	4.3	-5.6	14.5	13.8
Communication	307.8	302.4	329.9	-1.8	9.1	4.7	5.1
Recreation and culture	211.4	238.1	243.8	12.7	2.4	3.7	3.8
Education	141.4	131.3	141.7	-7.1	7.9	2.0	2.2
Restaurants and hotels	131.3	130.4	123.4	-0.7	-5.4	2.0	1.9
Miscellaneous goods and services	467.9	486.5	482.6	4.0	-0.8	7.6	7.5
Total [1]	**6,440.0**	**6,442.5**	**6,417.0**	*	**-0.4**	**100.0**	**100.0**

[1] Total is calculated by total real expenditures of expenditure groups. This is due to changes in the share of expenditure groups at 1383 prices.

Table 9.3. Comparison of Gross Expenditure Growth and Inflation by Expenditure Groups in Urban Areas in 1389 (percent)

	Growth in gross expenditure	Inflation	Growth of household gross expenditure in real terms
Food and beverages	16.7	16.2	0.4
Tobacco	*	2.3	-2.3
Clothing and footwear	7.5	11.7	-3.7
Housing, water, electricity, gas and other fuels	6.9	7.3	-0.3
Furniture, furnishings and household equipment and operation	10.1	9.2	0.9
Health and medical care	21.9	19.9	1.7
Transportation	8.4	14.8	-5.6
Communication	8.9	-0.2	9.1
Recreation and culture	14.2	11.6	2.4
Education	21.7	12.8	7.9
Restaurants and hotels	10.4	16.7	-5.4
Miscellaneous goods and services	12.2	13.1	-0.8
Total	**11.4**	**12.4**	**-0.4**

Analysis of Household Expenditure by Deciles

A review of household expenditures by various deciles indicates that the average household expenditure in the 10th decile was 2.8 times compared with the average household expenditure in urban areas, showing a decrease of 0.2 percentage point compared with 1388. On the other hand, the average household expenditure in the 1st decile was 0.2 percent of the average household expenditure in urban areas. Average household expenditure in the 1st to 6th deciles is lower than the average household expenditure in urban areas.

In this year, rise in the household expenditure (gross) in all deciles, except the 10th decile, was higher than the inflation rate. Therefore, expenditure of the 1st to the 7th deciles increased within the range of 13.9 to 15.6 percent (higher than the inflation rate), the 8th and 9th deciles close to the inflation rate, and the 10th decile less than the inflation rate. The negative growth of the average household expenditure (gross) at constant 1383 prices in urban areas is affected by the decline in the expenditure of the 10th decile. Despite the fall in the average real household expenditure, the welfare level of the lower and middle-income groups has risen, due to a higher-than-inflation increase. A review of the components of the average household expenditure in various deciles indicates that the main factor behind the decrease in the gross expenditure of the 10th decile is the fall of expenditure in "housing" group.

Based on the quarterly data, implementation of the Subsidy Reform Act in Q4, 1389 contributed to the growth in total household expenditure (at constant 1383 prices) compared with the respective period of the previous year. Real household expenditure in the first three quarters of 1389, however, declined compared with the respective period of 1388. Cash payments to families at lower-income deciles, considering income limitations and imbalanced budget, turn to expenditure. Conversely, household expenditure in the highest-income deciles is independent of cash payments and could either rise or fall depending on the economic condition. Therefore, expenditure growth in the highest-income deciles in 1389, excluding

the cash payments, better reflects the economic situation.

Figure 9.2. Comparison of average household expenditures with the average expenditures of urban areas in various deciles in 1389
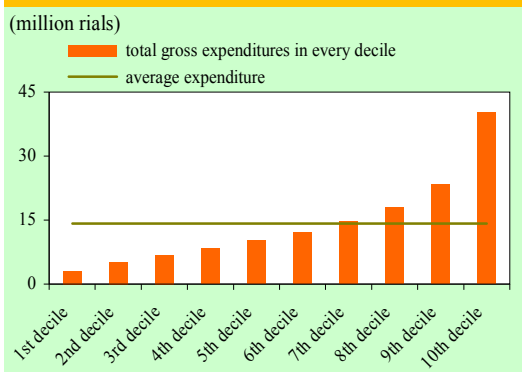
Household Expenditure by Provinces

A review of annual household expenditure (gross) in various provinces indicates that in 1389, Tehran Province accounted for the highest expenditure while Hormozgan Province had the lowest share of expenditures at current and constant 1383 prices. Average household expenditure (gross) in Tehran Province was 2.1 times as much as the average household expenditure in Hormozgan Province at current prices, and 2.2 times at constant prices, pointing to income inequality between provinces.

In this year, average household expenditure (gross) in Kordestan, Kohgiluyeh va Buyer Ahmad, and Ilam provinces decreased at current prices. Meanwhile, household expenditure (gross) fell in 14 provinces, at constant 1383 prices. Kordestan Province, with 16.9 percent, had the highest decrease in 1389. The highest growth in real household expenditures, by 24.8 percent, belonged to South Khorasan Province. Reviewing the components of the annual household income indicates that "wage and salary of the public sector" in this province grew by 54.3 percent at current prices. This is attributable to the implementation of economic and manufacturing projects in the form of relevant approvals applied to provinces. Better production conditions in the agriculture sector and rise in the income from this sector by about 200 percent raised the average real household expenditure in Kerman Province by 15.7 percent.

In 1389, the highest number of household members by 4.7 persons belonged to Kohgiluyeh va Buyer Ahmad Province and the lowest by 3.4 persons to Tehran Province. The average size of the household in urban areas of provinces was 3.8 persons in 1389, with a variance of 0.1, indicating 0.2 and 0.1 percentage point decline, respectively, compared with the corresponding figures of the previous year.
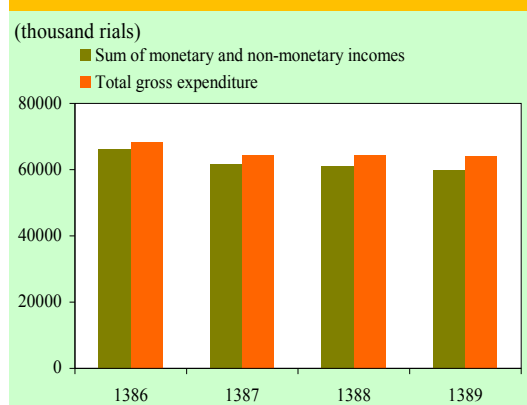
Household Income

In 1389, annual household income (gross) in urban areas (monetary and non-monetary) amounted to Rls. 136.8 million (Rls. 11,401

Table 9.4. Comparison of Average Household Gross Expenditures in Various Deciles in Urban Areas (at constant and current prices)   (ten thousand rials-percent)

	1st decile	2nd decile	3rd decile	4th decile	5th decile	6th decile	7th decile	8th decile	9th decile	10th decile
1388	2,720	4,528	5,880	7,210	8,714	10,581	12,764	15,863	20,753	38,121
1389	3,128	5,159	6,757	8,317	10,074	12,130	14,575	17,874	23,331	40,317
Growth in gross expenditures	15.0	13.9	14.9	15.4	15.6	14.6	14.2	12.7	12.4	5.8
Growth in real terms	0.2	0.2	1.3	1.9	2.3	1.4	1.2	-0.2	0.0	-4.8

thousand monthly), up by 10.4 percent compared with the previous year. Of this amount, 73.3 percent was monetary (gross) and 26.7 percent non-monetary income. It is noteworthy that the major portion of the non-monetary income, including the rental value of owned housing, is affected by the fluctuations in the housing market.

Figure 9.3. Comparison of households' gross expenditure and income at constant 1383 prices

(thousand rials)
- Sum of monetary and non-monetary incomes
- Total gross expenditure

Review of household expenditure and income at constant 1383 prices shows that during 1387-1389, total expenditure (gross) and sum of monetary and non-monetary incomes experienced a negative growth. Of note, total expenditure (gross) was larger than sum of monetary and non-monetary incomes. In 1388, the negative growth of income figures was lower than 1387. However, in 1389, this negative growth was higher than 1388.

Reviewing the average household income (gross) based on the number of household members indicates that the six-member households (6.4 percent of total households) accounted for the largest income by Rls. 151.4 million. The highest share in household income by 28.8 percent belongs to four-member households, with an average annual income (gross) of Rls. 150.4 million.

Measurement and Analysis of Income Inequality

In 1389, Gini coefficient reached 0.3813, the lowest since 1357. This was attributable to the implementation of the Subsidy Reform Act and cash payments to families.

As the subsidies are equally distributed and not adjusted based on the inflation, the emergence of inflationary effects in the coming year is a possibility, especially for items which have a higher consumption share in the lower deciles. Consequently, improvement of income in the coming years does not seem to continue in the future.
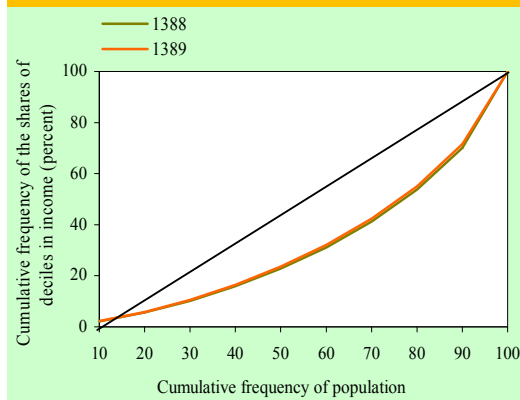
Figure 9.4. Comparison of Lorenz Curves

Table 9.5. Income Inequality Indices in Urban Areas

	1388	1389
Gini coefficient	0.3939	0.3813
Share of 40 percent of low-income households (percent)	16.0	16.4
Share of 40 percent of middle-income households (percent)	37.8	38.6
Share of 20 percent of high-income households (percent)	46.3	45.0
Ratio of richest 10 percent to poorest 10 percent of households	14.1	13.1

Amartya Sen Index[1]

Amartya Sen Index is used to compare welfare levels during a specific period. To calculate this index, Gini coefficient in urban and rural areas, released by the Statistical Center of Iran (SCI), is used. Due to the unavailability of data on per capita household income in urban and rural areas, household expenditure per capita in urban and rural areas has been used as the substitute index.

In 1389, Amartya Sen Index was 116.1 in urban areas and 101.6 in rural areas (base year: 1383), indicating a rise compared with 1388. A higher Amrtya Sen Index is an indicator of improvement in social welfare. Improved income distribution in 1389 led to an improvement in the level of social welfare in urban and rural areas. During 1386-1388, Amartya Sen Index in urban and rural areas decreased. Changes in Amartya Sen Index are affected by changes in per capita expenditure (income).

Table 9.6. Amartya Sen Index

	Urban areas	Rural areas
1386	118.7	106.1
1387▲	115.4	100.3
1388▲	110.5	99.9
1389	116.1	101.6

Social Security

Non-contributory Coverage

In 1389, the total number of people covered by the Imam Khomeini Relief Foundation decreased by 5.8 percent to 7.5 million persons, constituting 10 percent of the total population. This decrease is attributable to the adoption of new support policies aimed at employment creation for the beneficiaries of this foundation, so that their reliance on monthly payments of this foundation will decrease. Number of those under the coverage of "other needy groups" insurance project declined by 30.0 percent to 3.5 thousand persons, as against 68 thousand persons in 1386. Of other factors responsible for the fall in the number of the beneficiaries of Imam Khomeini Relief Foundation is the Iranians Insurance Project. The grants provided by this Foundation increased by 5.8 percent to Rls. 32.5 trillion.

Contributory Coverage

Social Security Organization, Iran Health Insurance Organization, as well as some independent Funds are responsible for the provision of contributory insurance. In 1389, Social Security Organization and Iran Health Insurance Organization collectively covered 68 million persons, up by 5.7 percent compared with the previous year.

Table 9.7. Number of People Covered by Imam Khomeini Relief Foundation and Grants Provided

	1387	1388	1389	Percentage change	
				1388	1389
Total number of covered people (thousand persons)	8,354	8,001	7,535	-4.2	-5.8
Amount of grants (billion rials)	28,031.0	30,707.2	32,480.2	9.5	5.8

Source: Imam Khomeini Relief Foundation

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[1] Economist, Amartya Sen, defines Amartya Sen Index, an index of social welfare, as $W=\mu\,(1-G)$, where μ is the per capita income and G is the Gini coefficient.

The Social Security Organization (SSO) insures workers and employees subject to the Labor Law through obligatory partnership plans and the self-employed through contracts.

In 1389, the number of main insured rose by 6.6 percent to 10,573.7 thousand persons, of whom 14.7 percent were female and 85.3 percent, male.

In this year, the number of people insured by the Social Security Organization increased by 5.8 percent to 32.5 million. Of this figure, 4.0 million were pensioners and the remaining received insurance services. Meanwhile, 10.6 million were main insured and 17.8 million, dependents. The ratio of dependents to main insured was 1.7.

The number of retired people under the coverage of the Social Security Organization reached 999.1 thousand, registering 9.1 percent rise compared with the previous year.

Iran Health Insurance Organization, affiliated to the Ministry of Welfare and Social Security, extends health insurance coverage to civil servants and their dependents, rural dwellers, and the self-employed.

In 1389, the number of the insured by Iran Health Insurance Organization went up by 5.7 percent to 35,584 thousand persons. With the implementation of the Public Medical Service Insurance Coverage Act in rural areas since 1377, 64.8 percent of total people insured by this organization are rural dwellers (23,056.5 thousand).

In this year, the share of the Iranians Insurance Project in total insured people reached 11.9 percent from 7.1 percent in the year before. According to Iran Health Insurance Organization, about 4,218.9 thousand

are insured under this project, up by 77.3 percent compared with the previous year.

Rural Dwellers' Social Insurance

Rural Dwellers' Social Insurance Project was put into operation as of the beginning of the 4th FYDP. Rural Insurance Fund, which has been established based on the Structural Rules of the Comprehensive System of Welfare and Social Security, insures farmers and other villagers on a voluntary basis. Therefore, its activities are expanded through brokerage firms. In 1389, the number of brokerage firms was raised by 20 to 3,464. Fars Province accounted for the most number of brokerage firms by 299, Mazandaran Province by 242, and Khuzestan Province by 212. The total number of villages covered by this Fund was 2,517 in 1389 year-end.

In this year, a sum of Rls. 1,888 billion was approved as government contribution to this Fund, of which 66.4 percent was paid.

Table 9.8. Number of Brokerage Firms and the Insured by Rural Insurance Fund

	1388	1389	Percentage change
Main insured	775,725	852,897	9.9
Dependents	1,811,146	1,860,831	2.7
Brokerage firms	3,444	3,464	0.6

Source: Rural Insurance Fund

Health and Medical Care

According to data drawn by the Medical Council, in 1389, the number of physicians decreased by 0.3 percent to 105.1 thousand and the number of dentists and pharmacists rose by 3.8 and 2.3 percent to 23.5 and 15.3 thousand persons, respectively. The ratio of population to physician reached 711, population to dentist 3,181, and population to pharmacist 4,872 persons.

Human Development and Poverty Indices

Human Development Index (HDI)

The HDI combines three dimensions of life quality including a long and healthy life (life expectancy at birth), education index (mean years of schooling and expected years of schooling), and a decent standard of living (GNI per capita in purchasing power parity in terms of US dollar).

Based on 2011 report, Iran ranked 88 in terms of HDI among 187 countries, down by one level compared with the previous year. Based on 2010 report, Iran ranked 70 among 169 countries. This ranking was, however, revised in 2011 due to the adding of 19 countries and elimination of one country from total countries under review. Therefore, Iran's ranking for 2010 was revised to 87 among 187 countries.

According to the same report, the level of development for various countries is divided into four main categories based on the Human Development Index, including very high, high, medium, and low. Accordingly, Iran is among countries with a high level of development.

The HDI is calculated regardless of inequality in its three indices of life quality, education index, and a decent standard of living. Therefore, in 2011, the effect of inequality of distribution of facilities on the HDI was taken into account and the HDI was calculated based on inequalities.

Gender Inequality Index (GII)

The GII measure contains three dimensions of reproductive health, empowerment, and labor market participation, indicating that countries with unequal distribution of human development also experience high inequality between women and men, and countries with high gender inequality also experience unequal distribution of human development. This measure ranges from 0, which indicates that women and men fare equally, to 1 which is indicative of perfect gender inequality.

According to the 2011 Human Development Report, Iran ranked 92 among 146 countries whose data were available. Sweden and Holland ranked first and second in GII in 2011.

Human Development Indices

Among indices referred to in the 2011 Human Development Report is overall life satisfaction which varies from 0 (lowest life satisfaction) to 10 (highest life satisfaction). During 2006-2010, Life Satisfaction Index (LSI) for the global population was 5.3. During the mentioned period, LSI for Iran was estimated at 5.1, which was lower than the world average. Meanwhile, Denmark, with a value of 7.8, enjoys the highest LSI.

Based on the 2011 report, infant mortality rate was 31 per 1,000 live births in Iran in 2009. Furthermore, life expectancy at birth was 73 years which is higher than the world average (69.8 years).

Table 9.9. Iran's HDI Value

	2000 ▲	2005 ▲	2009 ▲	2010 ▲ [1]	2011	Change in rank		Annual average growth rate (percent)	
						2006-2011	2010-2011	1990-2011	2000-2011
Index	0.636	0.671	0.703	0.707	0.707	2	-1	1.35	0.97

[1] Revision is due to the change in the minimum per capita income from $163 to $100 in calculation of the standard of living.