

CHAPTER SEVEN

SOCIAL AFFAIRS

In 1380, Iran's population grew by 1.6 percent and reached 64.9⁽¹⁾ million, indicating a 0.1 percentage point reduction over the year before. The population under 20 and 25 years constituted 46.2 and 57.1 percent of the total population, respectively. The active population rose by 3.1 percent and reached 19.1 million. This significant rise was due to the baby boom during 1355-65 period.

The literacy rate increased in the population aged six and over in the review year, while the number of students was limited to 17,823 thousand, due to the noticeable reduction in the number of students at primary and guidance levels.

In the year under review, government current and development expenditures on social affairs rose by 6.4 percent, compared with 1379, and reached Rls. 52,929.1 billion⁽²⁾. About 36.9 and 24.3 percent of government expenditures on social affairs were, respectively, allocated to "public education" and "social security and welfare", registering 5.0 and 17.6 percent rise compared with the year earlier. Meanwhile, the highest growth of the mentioned expenditures (33.9 percent) belonged to "environmental protection" program.

Population and Labor Force

In 1380, 64.5 percent of the population dwelled in urban areas and 35.5 percent in rural areas, respectively, showing 0.6 percentage point increase in urban population compared to the previous year, which indicated the continued migration to urban areas.

Creating more employment opportunities has been one of the major policies envisaged in the 3rd FYDP to reduce unemployment, through providing incentives for investment and expanding employment-generating activities. A comparison of targets of the 3rd Plan for employment and job opportunities created in 1380 indicates a shortfall of 308 thousand job opportunities which was less than the figure projected in the Plan⁽³⁾.

According to the data released by the Management and Planning Organization, the number of employed grew from 15,581 thousand persons in 1379 to 15,957 thousand persons in 1380. However, the number of unemployed, with 6.9 percent rise over the previous year, reached 3,182 thousand and the unemployment rate increased from 16 percent in 1379 to 16.6 percent in 1380.

(1) Estimated by the Management and Planning Organization.

(2) Figures related to the realized percent of government current and development expenditures are rendered in figures approved for social affairs due to lack of figures related to the performance of current and development expenditures in social affairs.

(3) It was projected that in the second year of the 3rd Plan 684 thousand job opportunities be created.

Due to the baby boom in the past, it is not expected to achieve the plan target set for employment just by relying on higher investment and growth. To meet the target, other measures such as: reform of the Labor Law and Social Security System, adoption of suitable production technologies, creation of a competitive and flexible environment for the labor force, and expansion of professional and specialized training are needed.

Key Measures Taken for Job Creation

1. Extending Directed Facilities

On the basis of 1380 Budget Law, it was determined that out of total increase of Rls. 4,800 billion in the outstanding directed facilities, 70 percent be allocated to private and cooperative sectors and 30 percent to public sector. Out of total facilities allocated to private and cooperative sectors 60 percent was allocated to the job creation in less developed areas. The CBI was also assigned to allocate Rls. 100 billion to create employment for talented university graduates and prevention of brain drain.

2. Allocation of Administered Funds

To reduce unemployment, in addition to directed facilities, administered funds was considered as another source for extending facilities to job creation projects of non-public sector (private and cooperative).

In accordance with 1380 Budget Law and in order to provide the required financial resources for investment in job creating projects, government entities were authorized to disburse funds earmarked for “technical and credit assistance program” as administered funds on the basis of criterion set by the Management and Planning Organization and contracts concluded with agent banks, Cooperative Fund or credit institutions authorized by the CBI.

It was also determined that equal to Rls. 4,500 billion out of excess foreign exchange resources be allocated in the form of administered funds to productive activities by giving priority to the provinces with higher unemployment rates.

In 1380, government approved to extend one billion dollars to the private sector from the Oil Stabilization Fund (OSF) by giving priority to job creating projects. The concluded contracts of foreign exchange facilities extended from the OSF numbered 201 projects and valued at \$ 536.9 million upto the end of 1380.

3. Support Fund for Creation of Job Opportunities

According to 1380 Budget Law, Rls. 405 billion was allocated to the “Support Fund for Creation of Job Opportunities” as the government contribution to the Fund’s capital. The Fund is used for extending facilities for self-employment projects with quick return.

Despite measures taken by the government, the number of unemployed increased in this year due to the excess supply of labor and existing impediments to investment and production.

The general activity ratio rose from 29.1 percent in 1379 to 29.5 percent in 1380. However, the dependency burden fell from 310 persons in 1379 to 304 persons in 1380.

In 1380, the minimum monthly nominal wage with 24.5 percent rise over the previous year reached Rls. 570,000. Considering the inflation rate for 1380 (11.4 percent), minimum monthly real wage increased by 11.7 percent, which is higher than productivity growth.

Education

In 1380, the literacy rate in the population aged 6 years and over rose by 1.1 percentage point and reached 85.1 percent. The enrollment rate for the age group of 6-14 years increased in different areas and reached 92 percent.

In 1380/81 academic year, the number of students at various educational levels amounted to 17.8 million, showing 2.4 percent decline compared with the year before. Number of students in primary schools fell by 5.7 percent due to decline in birth rate in recent years.

In 1380/81 academic year, the total number of students at high schools and pre-university levels reached 5 million. The ratio of female students at high school and pre-university levels was 49.3 and 61.7 percent, respectively.

LITERACY RATE IN THE POPULATION AGED SIX YEARS AND OVER

	(percent)		
	Total	Urban areas	Rural areas (1)
1379	84.4	88.3	76.4
1380	85.1	89.0	77.0

Source: Management and Planning Organization

(1) Includes unsettled population.

ENROLLMENT AND LITERACY RATES

	(percent)	
	1379	1380
Enrollment rate (6-14 years)		
Urban areas	95.2	96.0
Rural areas	85.0	85.5
Total	91.3	92.0
Literacy rate (6-29 years)		
Urban areas	97.8	98.0
Rural areas	82.9	84.0
Total	92.1	93.0

Source: Management and Planning Organization

The number of students in private schools rose by 1.5 percent over the previous year and amounted to 797.3 thousand persons. Despite reduction in the total number of students, the share of students in private schools out of the total students, increased slightly to 4.8 percent in 1380, which indicates further contribution of the private sector to educational activities in the recent years.

NUMBER OF STUDENTS IN PRIVATE SCHOOLS AT VARIOUS EDUCATIONAL LEVELS

	(person)					
	Academic year		Share in total students(percentage)		Percentage change	
	1379/80	1380/81	1379/80	1380/81	1379/80	1380/81
Primary	283,629	284,636	3.6	3.8	2.7	0.4
Guidance school	260,889	266,098	5.2	5.4	2.5	2.0
High school (1)	241,094	246,572	5.9	6.2	4.2	2.3
Total	785,612	797,306	4.6	4.8	3.1	1.5

Source: Ministry of Education

(1) Includes students of old and new educational systems, but excludes pre-university level students.

NUMBER OF STUDENTS AT VARIOUS EDUCATIONAL LEVELS BY GENDER

	(person)					
	1379/80		1380/81		Percentage change	
	Female	Male	Female	Male	Female	Male
Primary	3,792,588	4,175,849	3,588,016	3,924,999	-5.4	-6.0
Guidance school	2,278,350	2,748,874	2,255,566	2,698,328	-1.0	-1.8
High school	1,998,449	2,065,265	1,964,854	2,020,296	-1.7	-2.2
Total	8,069,387	8,989,988	7,808,436	8,643,623	-3.2	-3.8

Source: Ministry of Education

COMPOSITION OF STUDENTS AT VARIOUS EDUCATIONAL LEVELS

IN URBAN AND RURAL AREAS

(percent)

	Academic year 1379/80		Academic year 1380/81	
	Urban	Rural	Urban	Rural
Primary	58.0	42.0	58.3	41.7
Guidance school	70.0	30.0	70.0	30.0
High school	86.7	13.3	86.4	13.6
Total	68.4	31.6	68.6	31.4

Source: Ministry of Education

In 1380/81 academic year, the number of schools grew by 3.2 percent and reached 125.7 thousand. Private schools constituted 6 percent of all schools at primary, guidance and general high school levels. The number of these schools, with an increase of 4.7 percent, compared to the year before, reached 6,738. The number of co-educational schools grew by 2.8 percent and amounted to 49,946 schools, however its share in the total number of schools fell from 39.9 percent to 37.6 percent in this academic year.

**NUMBER OF CO-EDUCATIONAL SCHOOLS
AT VARIOUS EDUCATIONAL LEVELS**

	Academic year		percentage change	
	1379/80	1380/81	1379/80	1380/81
Kindergarten	4,230	5,249	22.0	24.1
Primary	41,037	41,047	15.9	0
Guidance	3,255	3,584	5.6	10.1
High school	58	56	-10.8	-3.0
Pre-university	7	10	▣	42.8
Total	48,587	49,946	15.6	2.8

Source: Ministry of Education

In 1380/81 academic year, the number of teaching staff in urban areas grew by 0.4 percent and in rural areas declined by 1.9 percent compared to the previous academic year.

**SHARE OF CO-EDUCATIONAL SCHOOLS
OUT OF TOTAL SCHOOLS**

	Rural areas		Total	
	1379/80	1380/81	1379/80	1380/81
Kindergarten	78.7	77.7	57.3	54.8
Primary	80.5	81.0	59.3	59.6
Guidance	21.1	22.3	11.3	12.1
High school	1.0	1.0	0.4	0.4
Total	63.4	63.3	39.9	39.7

Source: Ministry of Education

In 1380/81 academic year, educational indices of “Student to school”, “Student to class” and “Student to teacher” was improved mainly due to the reduction in the number of students.

INDICES OF EDUCATIONAL QUALITY

	1376/77	1377/78	1378/79	1379/80	1380/81
Student to school	173.2	167.8	159.3	145.7	137.3
Student to class	29.3	28.9	28.4	27.3	25.8
Student to teacher	21.5	20.7	19.5	19.4	18.9

Source: Ministry of Education

The number of students in public universities and higher education institutes and also Payam-e-Noor university rose by 3.6 percent and reached 759.9 thousand, while the number of students in Islamic Azad University with 3.5 percent decline amounted to 806.6 thousand. The share of female students in total number of students increased by 1.7 percentage point.

NUMBER OF UNIVERSITY STUDENTS

	(person)					
	Academic year		Percentage change		Share (percent)	
	1379/80	1380/81	1379/80	1380/81	1379/80	1380/81
Public universities and higher education institutes (1)	733,527	759,870	8.1	3.6	46.7	48.5
Female	346,342	378,365	15.7	9.2	22.0	24.1
Male	387,185	381,505	2.1	-1.5	24.7	24.4
Islamic Azad University	836,249	806,639	15.1	-3.5	53.3	51.5
Female	397,609	390,068	18.1	1.9	25.3	24.9
Male	438,640	416,571	12.6	-5.0	28.0	26.6
Total	1,569,776	1,566,509	11.7	-2.0	100.0	100.0

Source: Ministry of Science, Research and Technology, and Islamic Azad University

(1) Includes Payam-e Noor University students.

Health and Medical Care

According to data released by Medical Council Organization, the number of physicians, dentists and pharmacists with, respectively 8.7, 4.4 and 10.2 percent rises compared to the previous year reached 72,877, 13,498 and 10,769. The ratio of population to physician, dentist and pharmacist was 891, 4,809 and 6,027 persons respectively, which indicated an improvement in health indices as compared with the year before. Moreover, the ratio of population-to-hospital bed fell from 604 to 595 persons.

Government Current and Development Expenditures

Government current and development expenditures for social affairs grew by 6.4 percent in 1380 compared with the previous year and amounted to Rls. 52,929.1 billion. Of this amount, 86.7 percent was in the form of current and 13.3 percent as development expenditures. About 8.4 percent of government expenditures in social affairs was allocated to higher education, indicating dramatic rise of 20.7 percent over the previous year and totaled Rls. 4,448.9 billion. The per capita current expenditures for general and higher education affairs equaled Rls. 1,043.5 and 5,029.4 thousand, respectively. However, the per capita development expenditures for the same affairs were, respectively, Rls. 53.7 and 825.4 thousand.

Social Security

Non-Contributory Program

In the year under review, number of individuals supported by the “Imam Khomeini Relief Committee” rose by 7.5 percent over the previous year and reached 7.4 million persons.

The grants provided by this Committee increased by 23 percent and amounted to Rls. 4,676.4 billion. Disbursement made for ancillary services included construction and housing, insurance, medical care, employment, dowry provision, cultural and educational and other services provided to the targeted persons.

Contributory Program

The number of individuals insured by the Social Security Organization with a rise of 4.6 percent reached 6,375 thousand persons. Almost 98.6 percent of these individuals were employed, while 1.4 percent (about 93 thousand persons) were unemployed who benefited unemployment insurance, 21 thousand persons more than the year before. Only 3 percent of the unemployed were covered by unemployment insurance.

In this year, 13.1 percent of the insured were government employees and 86.9 percent non-government employees. The total number of insured and their dependents rose by 4.3 percent to number 24.2 million persons or 37.3 percent of the total population. The number of pensioners and their dependents increased by 6.5 percent to reach 2.3 million persons. The overall number of individuals covered by this organization including insured, pensioners and their dependents grew by 4.5 percent over the previous year and totaled 26.5 million persons.

In the year under review, the number of insured by the Medical Services Insurance Organization increased by 1.8 percent and amounted to 31.6 million persons, covering 48.7 percent of the total population. Out of the total number of insured, 72.5 percent were rural dwellers and 20.7 percent were government employees and their dependents. In 1380, about 85 percent of the total population were insured and protected by Social Security Organization or Medical Services Insurance Organization.