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## Employment Status of the Elderly Referring to the Social Security Organization of Tehran City

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**Abstract**

The aim of this study was to examine the employment status of the elderly over 60.

A survey was carried out on the employment status of the elderly referring to the Social Security Organization in Tehran. A questionnaire, along with interview, was used for collecting data. Samples were chosen randomly. Samples were selected through the people coming to 30 social security offices in Tehran, 15 people from each office and a total of 450 people. To analyse the data, description statistics and tests like Chi-square were applied.

Based on the results, 86 percent of the elderly are unofficially employed. Also, 95.7 percent of the questioned people are working after retirement and 7.2 percent have two jobs presently. 70.9 percent declared that their income is not sufficient for life expenses. 97.4 percent said that they are employed, contract-based and temporary. 58.2 percent of them assumed that their main present problem is a lack of covering life's expenses.

Therefore, different needs of the elderly should be studied to improve their living status by providing them with facilities. This subject can be implemented under social policy frame and via compiling a comprehensive welfare plan for the elderly and providing proper services adapted to their needs.

**Key words:** The elderly, Employment, Social Security, Social Policy, Rehabilitation.

## Introduction

The survey intends to study the elderly employment status. According to the statistics, the 60+ year old population has become 3.36 times larger between 1956 to 1996 (Shokri 1994; Khalil Akhlaghi 2001). However, employed manpower increased 2.47 times more. To some extent, this increase affects the elderly over 60 years old. After retirement, this population tries to find another job opportunity as life is expensive. The research shows the elderly status and describes the employment situation of the elderly groups.

On the other side, the number of the elderly over 60 years old has increased from 5.25% to 6.64% compared to the whole population of the country during 1976 and 1996. In other words, the population 60 years old and over was 11.8 percent compared to the whole manpower in 1996, and population 65 years old and over was 7.70 percent compared to the whole manpower in the same year (Joghataie, Asadi and Mohammad 1999).

60+ year old employed people numbered 1,250,000 persons in 1996 and 65+ year olds employed were 705,000 persons at the same time (Seyfolahi 1996). The number of 60+ people employed compared to 65+ was 27.1 percent. For the entire 60-over year old population, 91.6 percent are employed and 8.4 percent are unemployed. Out of this number, 91.8 percent of males and 93.5 percent of females worked compared to 8.5 percent male and 6.5 percent female who do not work (Siyam 2001).

From the inactive elderly population, about 98.3 percent are housewives and 1.7 percent of men remained at home; 30 percent of the elderly have income without working. There were huge economic loss (Hooyman 2002).

The considerable point about the relationship between the general economy and social service systems is the employment policy related to retired subjects. (Morgan 2001). Therefore, in the countries where there is a possibility for workers to be employed in the private sector, or to work independently, employees try to get retired early and sometimes with a work record less than 30 or 40 years, even with a lower pension, in order to find work in another place. However, in countries with less work opportunities, workers try to increase their seniority to receive a higher pension (Etezad-Pour 1995). Sometimes, early retirement is approved as a national policy in order to create job opportunities for unemployed people who create a

heavy burden for social security (Maltby 2004). Nevertheless, retired people have to work in other workshops for various reasons.

There are different ways for countries to face retirement problems regarding the social, economic and cultural circumstances of the elderly (Taleb 2000). One solution is to increase the age of retirement. In some industrial countries, the elderly cannot retire until 70 years of age. This has many advantages and it causes the elderly to feel useful (Lenartson 2001), but it cannot be applied everywhere (Goodman 1998).

Of course, regarding the unemployment rates in Iran, increasing retirement age requires a fundamental study. It is obvious that retirement for people like university professors on becoming 60, is not appropriate (Sam-Aram 1997).

Another solution is to meet the basic needs of the retired. In this solution, a person who has spent his/her life in a country, should have the minimum basics of life and society should provide them with the required facilities, regardless of whether they themselves can meet their financial needs. Expanding general insurance is an effective solution.

Giving roles to the elderly, though they be small, avoids disorders or delays them and this helps to prevent lack of mobility, loneliness and other crises of retirement. Furthermore, based on the social support theory, new roles should replace the former roles. These roles are more beneficial if they are accompanied by an income, albeit small. According to this theory, the society allocates a series of specific jobs to the elderly and retired people, and the salary could be paid for social support purposes, not for the additional labour.

The medical profession, moreover, approves replacing sportive, artistic, political and social activities instead of mental activities considering the special physiology of the elderly. Balanced nutrition, adequate sleep and mental tranquility are required factors in social support for the elderly and retired people (Shajari 1994).

Focusing on the financial status of the elderly it suggests that the real crisis for the elderly is the time that they are considered as an unemployed person after retirement, especially if they are incapable physically. The theory emphasises that the elderly should be in a good financial situation and people should save money for their retirement

while working, and this should be sufficient so they do not need to rely on the pension and social security allowances. It also proposes to the government that they deduct a sum from the salary of the employees and keep it in a special investment account for their retirement time and even the government can use it, in case of need, providing they replace the sum (compulsory superannuation).

Through monitoring this appropriately, specific jobs can be delegated to the elderly according to their physical capability and health status.

This survey has benefited from the above theories.

## **Method**

The objective of this investigation was to evaluate evidence supporting this survey. For the present study, a survey was carried out on the employment status of the elderly referring to the Social Security Organization in Tehran. As it is not always possible to collect and study the whole society's opinion, a scientific field survey was seen as feasible.

For the research, the statistic population was limited to the elderly from Tehran who had retired between 1996 till 2003. Since retirement problems and the retired population needs are common and similar in different cities of the country, the results of this survey can be generalized to all the retired people in Iran.

The population in this survey is the employed elderly in Tehran. All the retired men on pension that are receiving benefits from the Social Security Organization, from 1996 to 2003 were selected as the statistical population of the survey. The reason for choosing the years between 1996 and 2003, was to get information on the latest group who have retired according to the recent current regulations.

To determine the sample (number and type), a preliminary survey was performed in Spring 2004 on 20 retired people, randomly. The sample volume was selected based on the existing diversion in the measurement.

Accordingly, the number of the sample was 450 people that were categorized between the social security branches in Tehran.

To determine samples in each office of the social security (30 branches in Tehran city), at first, the

number of samples was determined for each year and the group surveyed were the retired people from 1996 to 2003.

The questionnaires were then prepared and distributed among the retired people with 10 percent extra. The questionnaires were filled via a face to face interview from the pre-determined samples.

There were 85 closed questions and one open question. Closed questions were chosen for the main questions of the survey. The data was analysed using SPSS program.

## **Results**

In this study, the questions concerning the characteristics of the elderly such as age, education, number of children, living status and head of family status, as well as the question regarding their employment status is examined.

As table 1 shows, 35.3 percent of the samples in 66-70 years old are unofficially employed, 30.1 percent in 60-65 years old have a job after retirement, 19.9 percent in 71-75 years old are unofficially employed.

29 percent of the interviewees in the 60-65 years old group declared that their income is not sufficient in terms of their life expenses. 28.6 percent in 66-70 years old group have chosen this option, as well as 12.3 percent in the 71-75 years old group, however, 1.3 percent of the interviewees above 75 years old have chosen this option. Totally, 71.2 percent of the interviewees declare that their income is not enough for their life expenses.

18.5 percent of the interviewees in 60-65 years old group have a full time job, 19.4 percent in 66-70 years old group, 11.8 percent in 71-75 years old group and 0.9 percent in above 75 years old group have a part time job.

About the present recruitment situation of the interviewees, 29 percent in the 60-65 years old group have a contract based job, 4.5 percent have temporary contracts and 0.4 percent in this age range have a permanent contract. In total, 77.7 percent of the interviewees have a contract based job, 20.1 percent have temporary jobs and only 2.2 percent have permanent contracts.

Totally, 58.5 percent of the interviewees declared their most essential problem is lack of earning

opportunities in their life, 19.4 percent lack of family and society attention, 14.5 percent lack of opportunities and 7.6 percent physical and mental inability.

7.4 percent of the interviewees who had unofficial jobs are illiterate, 9.8 percent can read and write, 17 percent passed primary level, 29.9 percent have under high school diploma, 10 percent hold a diploma, 7.4 percent are post graduates, only 1.3 percent have an official job and academic education.

Satisfaction of occupation for the interviewees with a diploma respectively was: 0.2 percent excellent, 11.4 percent good, 14.3 percent medium, 7.6 percent a little, 0.7 percent little.

31.7 percent of the interviewees with 4 or more children have contract based jobs, 27 percent have 3 children, 14.3 percent have two children, 2.5 percent have one child, 2.2 percent have no children.

28.1 percent with four or more children, not earning an income is their main present problem, 4.9 percent physical and mental disabilities, 3.6 percent lack of family and society attention and 3.1 percent lack of opportunity to use their experience was considered as their main present problem.

35.3 percent of the interviewees that live with their spouse, are unofficially employed, 31 percent with a spouse and single children, 6 percent with married children, 8 percent alone, 5.8 percent with spouse and married children and 0.2 percent of those that live with relatives are unofficially employed.

23.4 percent of the interviewees that live with their spouse consider their main problem as financial, 2.2 percent physical and mental disabilities, 6.5 percent lack of family and society attention and 8.5 percent lack of possibility to offer their experience were considered as the most essential problem.

Based on the above table, 8.3 percent of the interviewees who are officially employed, are head of family, while, 5.4 percent of them are not head of family. Furthermore, 72.7 percent of unofficially employed, are head of family while 13.6 percent are not head of family.

Only 15 percent of the head of families declared that they earn in their life, however, 66 percent of them gave a negative answer to this question.

Moreover, those who are not head of family, 13.6 percent can earn their life, but 5.4 percent of them cannot earn in their life.

### **Discussion**

The purpose of the present study was to examine the employment status of the elderly in Tehran. In this survey, 86 percent of the interviewees are unofficially employed, while 13.6 percent have an official job. Also, 57.8 percent of the interviewees retired earlier than the due time and 35.2 percent of them retired on time. 4.4 percent of them were re-invited to work and 2.2 percent retained their occupation after retirement age. 95.7 percent of the interviewees are working after retirement as 7.2 percent of them have two jobs presently. It should be mentioned that 70.9 percent of the interviewees declared that their income is not sufficient for their life expenses. 97.4 percent of them are working on contract based and temporary employment. Concerning colleagues' acceptance on the elderly employed, 4.4 percent of them declared "very unsatisfied", 37.6 percent "unsatisfied", 39.6 percent "not satisfied and not unsatisfied", 16.4 percent "satisfied", 1.6 percent "very satisfied". In reply to the question "in the workplace everybody is treated the same regardless his age", 32.4 percent of the interviewees have an opposite opinion. In the workplace, there are some cases that the colleagues and management do not have a positive attitude toward the presence and employment of the elderly and even they consider the elderly as an obstruction. This opinion is approved when it was asked in other words: "Most of the managers have a respectful behavior toward their aged staff". In reply to the statement, 56.4 percent of the interviewees had an opposite view and only 9 percent were for the statement.

Therefore, it is clear that more than half of the interviewees believe that the management does not have a respectful behaviour towards its aged staff. To the question of "why they continue working in the elderly period", 60.9 percent of them replied, because they did not earn enough during their earlier life. 57.8 percent of them declared that as the pension is their only income it is not enough to pay the life expenses, so they work to earn their living. Therefore, 58.2 percent of the interviewees believe their main problem is not earning their living and more than one fourth of them considered their main worry for the future was not having sufficient income.

In 60-65 years old group , 30.1 percent of the interviewees are unofficially employed, for 66-70 years old 35.3 percent and for 71-75 years old 19.9 percent. Additionally, 1.1 percent of the interviewees above 75 years of age are unofficially employed. According the information, it seems that the elderly over 60 years old work against their will, as economically they feel insecure and sometimes work pressure threatens their health, as one third of the interviewees declared that their health is in a relatively good status. Furthermore, 60.5 percent of the interviewees believed that employment for the elderly has disadvantages. 29 percent in 60-65 the year old group, 28.6 percent in 66-70 year old group and 12.3 percent in 71-75 year old group, declared that their income is not sufficient for their life expenses. Also, 39.3 percent believed that they can earn their living by personal saving, and 27 percent depend on their children's assistance.

27.9 percent of the interviewees have a diploma or higher degree and they work. 68.4 percent of them have an under diploma or less degree. 36.2 percent of them that have four or more children are unofficially employed. 28.1 percent of the interviewees who have three children are unofficially employed. High numbers of children and their expenses cause many elderly people to do hard jobs and this leads to diseases and physical problems. Specifically, 72.7 percent of the interviewees that have unofficial occupations, are head of family. Moreover, 66 percent of heads of family declared that their income is not sufficient for life's expenses.

During retirement, the normal salary after deducting an amount is paid to the retired person. This deduction causes some problems for the retired person. On the one hand, the person faces retirement issues, on the other hand, decrease of income increases their problems obliging them to get another job. Most of the elderly are faced with major problems in earning their living, hence they try to improve it by getting another job. The result of this study supports other studies (Joghataie, Asadi and Mohammad 1999; Siyam 2001).

### **Recommendations**

Considering the survey, the following recommendations are offered:

- Although 57.3 percent of the interviewees believed that 60 years old is the proper age for retirement and 25.6 percent said 65 years old and 12.2 percent believed 70 years old, it seems that to determine the proper age for retirement other elements can be considered such as type of physical and mental activities as well as the average life age and other appropriate factors for working, delay in decreasing income during retirement and avoiding re-employment.
- Determining average payment and benefits of the last two years of work as a base to pay the retirement, causes a decrease in their income. Therefore, they are obliged to be re-employed against their will. It is suggested that review of the regulations of pension payments while trying to prevent deductions from the elderly salary would improve the situation.
- To increase pension payments considering inflation rates to remove the big gap between their income and living expenses.
- Creating retirement saving schemes and insurance that can be helpful to compensate the decrease in income of the elderly.
- By providing education programs for people on health, family planning and birth control, population growth rate will be decreased and this leads to more welfare and less economic pressure and therefore lessening the requirement for employment in the aging period.
- Although working in higher age can be obligatory and lower jobs can be offered to the elderly, having a correct planning, occupation guidance, and rehabilitation system can improve the lot of the elderly.
- To invite the retired people to work in proper occupations for example, consulting to management, society can be benefited by their rich experience in the society.
- To create appropriate organisations that can be audited and assess retired people's abilities and recruit them according to employers' needs. These organizations can be support retired unions for those who are ready to work. They can build up an effective relationship with legislative

and executive powers and benefit from facilities such as: insurance, assistance, credit card, special deductions, medical service for the elderly, cheap drugs, consulting and training services, recruitment and employment, fulfilling leisure time for the elderly.

- To reinforce the national secretarial committee of the elderly in order to draw more attention and assistance for employment and decreasing the poverty especially among the female elderly.
- Providing necessary equipment, loans, financial assistance, medical expenses and medical care via benefiting from supplementary medical insurance, creating elderly data banks for recruitment, providing the employed elderly with specific facilities to use in public places, such as cinemas, theatres,

other recreation centers; recognizing and presenting the talented elderly who have considerable success, in order to encourage the youth to view this as a proper pattern of life, can be very valuable. Therefore, it should be noted that the needs of the elderly needs should be studied in wider terms to ensure they acquire a suitable quality of life. This subject can be implemented into a social policy framework by compiling comprehensive plans for elderly welfare through providing proper services that are adapted to their needs.

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