

COVID-19 and Labour Law: Iran

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Abstract

Coronavirus is a big challenge not only for public health, but also for employment. Emergency restrictions have been affecting the regular business functioning. There are various plan to involve associations in the management of the crisis and attempts to arrange remote working, especially in the field of education and in the public sector. In the private sector, it has been left to the employer to arrange it. The Government here has not imposed any business shut down or a reduction of working hours, as well as remote working arrangements.

Keywords: Covid-19; Labour Law; Unemployment benefit; Financial aids.

A national health emergency has been declared on the 22nd of February, with the creation of a special committee, originally directed by the Ministry of health and medicine education and now headed by President Hassan Rouhani himself.

Schools and Universities have been closed one month before New Year holidays, switching to distance learning. The Ministry of education ordered to pay the wages for the entire scholastic year of teachers working for nonprofit schools; that is to say, those schools providing high quality education, where students are charged with fees. Meanwhile, there was no serious intention to close organizations and offices (governmental/public and individual sector), on the 25th of March, in the middle of *Norooz* Holiday (second week of the holidays), the government demanded to close shopping centers in cities.

About the period after *Norooz* Holiday, recommendations have been enacted about remote working especially for parents, reducing working hours, as well as shift-work in public sectors. On the contrary, there are no provisions for the private sector. The decision whether to shut down the business has been left to the employer, while more supervision will be dedicated to improve health and safety at the workplace¹. The Ministry of labour recommended the negotiation of agreements between employers and employees on H&S measures. In accordance to Civil Liability Act, employees can claim for damages in court in case they get infected with coronavirus at the workplace.

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¹ <https://www.mcls.gov.ir/fa/news/195894>.

There is general concern about job security of workers, since some employers who are financially incapable of paying the wages (even before the crisis), could take advantage of the situation² to terminate the employment contracts without a good reason. Due to this situation, dispute resolution committees, dealing with employer and employee conflicts, have to consider the fact and protect employees, introducing more financial aid and credit for factories (with low interest rates). This could be used to pay the wages. For its importance in protecting the internal labour market, this can be included among one of the current actions of the Iranian government³.

In this period, according to the Iranian social security system, unemployed workers can claim a three-months unemployment benefit related to the Coronavirus. This is intended only workers who are considered as “employee” and under the scope of Labour Act. Thus, many workers are excluded: i.e. those working in factories employing less than 10 workers, daily-workers, contractors or taxi drivers are not included in this provision.

Moreover, the government is offering loans of 1-2m tomans (€66 to €120) — charging 4% interest — to construction workers, seasonal workers, daily workers, street vendors, taxi drivers and restaurant staff to face the coronavirus impact on their income. Around three million families will benefit from this provision; families with no income at all will receive vouchers of up to 2,000,000 IR Rial a month (per person) and up to 6,000,000 IR Rial a month for families composed by five or more members (€15 and €40 respectively). Also, because of trade unions were demanded to close their stores, Central Bank considered vast credits for them with interest rate up to 14%.

Many argues⁴ that this provision is neither able to grant a minimum income, nor able to target the persons who really deserve it.

The Welfare Organization also developed special aid to provide health productive means (mask or sanitizer gel) for disabled persons and for workers in the nursing and caregiving sectors⁵. The Ministry of industry mine and trade also announce that persons who work on family factory could join in the production of sanitary medical devices, without going through the licensing system⁶.

International sanctions are clearly hindering the ability of the Iranian government to cope with this situation⁷, thus for the first time in 60 years, Iran has asked for \$5bn loan to the International Monetary Fund. The government has also invited NGOs to cooperate in managing of the crisis alongside Coronavirus committee⁸.

² Under labour Act, yearly supreme labour committee constructed from governmental party, employer's represent and employees' represent to negotiate on increasing minimum wage on March (before New Year), unfortunately, it is decided to postpone the meeting crisis after coronavirus crisis.

³ <http://dolat.ir/detail/335665>

⁴ <http://www.rfi.fr/fa/>

⁵ Head of welfare organization of providence of Tehran declared <https://www.khabaronline.ir/news/1369878>.

⁶ Ministry of industry and trade declaration www.mimt.gov.ir

⁷ Economist Thierry Coville wrote in La Croix on 13 March, ‘If you take away 40% of a country's income by prohibiting the export of its gas and oil, there will obviously be consequences on the effectiveness of its healthcare system.

⁸ <https://www.moi.ir/fa/134503>

Other organizations, established on the basis of the Islamic revolution on 1979 and under supreme leader's properties (like Mostazafan Foundation of Islamic Revolution), are helping the Government. They set up a 50,000,000,000 IRRials fund to provide protective equipments for persons in need; the Mostazafan Foundation also announced on 16 March that it will give 1m tomans (around €66) to 4,000 street vendors in the south of Tehran.

In conclusion, with regards to the above investigation, as far as labour and social security are concerned there are numerous meritorious actions aimed at fighting the pandemic. However, it could not be denied that a special supervising system needed be organized to monitor these actions in advance to assure their effectiveness. The role of parliament and their ombudsman could be valuable, beside judicial supervisions.

Society has been faced with an emergency situation. Public health, on the one side, wellbeing, on the other side, are weighted in this moment; so restriction aimed at preserving public health should be suitable for securing the attainment of the objective which they pursue, and not go beyond what is necessary in order to attain it, according to the principle of proportionality. Furthermore, it would really help Iran facing the crisis a temporary reduction of sanctions and a support aimed at providing means for protecting health, in case under the supervision of the international community.

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