

Strengthening the resilience of the Moroccan labour market in the face of crises: towards the design of appropriate structural transformations.

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Abstract :

Over the past decade, the Moroccan labour market has seen many positive developments according to the World Bank's Morocco's Jobs Landscape report. However, there are some structural problems that deeply hamper the inclusion and dynamics of the labour market in Morocco, namely the slowdown in job creation and the shortage of jobs in the industrial sector. In this respect, Morocco has put in place important economic and legal measures to design a dynamic and inclusive labour market, in order to respond to societal challenges such as the fight against poverty and precariousness, the regularisation of informal economic activities, and the protection of women and youth against social discrimination.

Despite the efforts to make the Moroccan market more dynamic and resilient, several structural dysfunctions persist, negatively impacting the pace of change. At this stage, the recurrent crises of recent years, notably the covid pandemic¹⁹, have shown the great fragility of the Moroccan labour market, which calls into question all the reforms adopted by Moroccan decision-makers to strengthen the resilience of this market.

Restructuring the Moroccan labour market is an urgent, necessary and complex process that requires the coordination of several stakeholders, including governments, businesses and workers.

Keywords :

Moroccan labour market, Resilience, Dysfunctions, Structural transformations, Agility

Introduction

Marked by the health crisis related to the covid-19 pandemic and the accompanying health measures and its economic and social repercussions, both nationally and internationally, labour markets around the world have experienced massive job losses and a sharp rise in unemployment indicators and a disruption of working conditions and the working environment. The 2020 edition of the Report, which comes in this context, provides a descriptive analysis of the main labour market indicators while highlighting the impact of this unprecedented crisis on its various dimensions as well as the structural issues and challenges facing the Moroccan labour market, which are bound to take on even greater proportions with the current economic and social crisis

The labour market, in full mutation, reflects the economic, social and political transitions of Morocco today. Economically, the strategic choice of a liberal policy and the imperatives of globalisation place the private sector at the centre of the job creation dynamic. It is vital that the latter integrates jobs with high added value, because the competitiveness of the Moroccan economy at the international level depends on it, for more attractiveness in terms of investment (Honorati, M. & AL., 2015) . The Moroccan private sector is called upon to take the lead in job creation in an increasingly competitive, globalised environment structured around the paradigm of the knowledge society, and in a context characterised in particular by the emergence of recurrent crises, which reduces the competitiveness of Moroccan Small and Medium sized Enterprises.

On the social level, the demand for decent jobs is booming. Demographic growth, urbanisation and better access to basic social services (education, health) are combining to change the structural parameters of participation in the labour market. In the political sphere, a number of external and internal factors have created a dynamic of expanding individual and collective freedoms. In this multidimensional dynamic, taking up the challenge of employment in Morocco implies multiplying the efforts of all those involved in the labour market within the framework of an integrated strategic vision centred on access to productive and decent jobs, the cornerstone of the sustainable human development project that decision-makers aspire to and claim. The employment market has still not recovered from the pandemic to the extent that it still displays significant friction, whether in terms of working conditions, remuneration or the needs of candidates and recruiters. Despite the efforts made by the government to address the challenges related to employability and economic inclusion, the labour market is still far from being back to normal after two years of crisis.

This research presents a review of the the resilience of the Moroccan labour market in the face of crises towards the design of appropriate structural transformations. To begin, we will delve into the foundational elements that define the Moroccan labor market. This entails an examination of its size, scope, and composition. Moreover, we will scrutinize the degree of segmentation within this market, dissecting it into various sectors, regions, and demographics. By doing so, we aim to provide a comprehensive snapshot of the labor market's intricate makeup. Our second phase involves a meticulous classification of the factors contributing to the fragility of the Moroccan labor market. These factors, often interrelated, manifest in various forms—ranging from legislative hurdles to educational disparities and economic fluctuations. Our mission is to identify these factors and map their connections, revealing the intricate web of cause-and-effect relationships that bind them together. By establishing these connections, we can pinpoint the root causes of labor market instability. In the final phase of our analysis, we pivot towards proposing pragmatic solutions. We will highlight the specific poles—those critical areas and sectors—where structural reforms are urgently required. These proposals will be informed by the findings of our earlier classifications, emphasizing the most pressing constraints and challenges faced by Moroccan policymakers.

1. Structural dysfunctions of the Moroccan labour market :

In the current context of economic transition and strong social demand, employment is a challenge for the centuries to come in Morocco. It is at the centre of the national political debate. This challenge is perceptible in several structural dysfunctions that negatively impact the resilience of the Moroccan labour market.

1.1. Significant and structural precariousness of the Moroccan labour market :

The significant and structural precariousness of the Moroccan labour market is an important issue affecting many workers in Morocco. Moroccan workers face significant challenges in the labour market, particularly with regard to job security, wages and working conditions. One of the main factors contributing to job insecurity in Morocco is the high rate of unemployment, particularly among young people. Youth unemployment is often twice as high as adult unemployment, which can lead to a situation of vulnerability and economic insecurity. In addition, Moroccan workers often face temporary or short-term contracts, which can make it difficult to plan their professional and personal lives. Workers may also face discriminatory employment practices, particularly with regard to access to employment for women and minorities.

According to data from the High Commission for Planning, in the first quarter of 2023, the labour market situation was marked by a decline in activity and employment rates. The population of working age (15 years or older) increased by 1.4%, compared to the first quarter of 2022, against a regression in the active population of 1.6%. The activity rate fell from 44.5% to 43.1% between the two periods, from 41.9% to 41.2% in urban areas and from 49.3% to 47% in rural areas. The employment rate fell from 39.1% to 37.6% at national level (-1.5 points). It fell from 46.8% to 44.3% in rural areas, from 35.1% to 34.1% in urban areas, from 62.3% to 60.3% among men (-2 points) and from 16.6% to 15.5% among women (-1.1 point).

The volume of employment fell by 280,000 jobs, resulting in a loss of 229,000 in rural areas and 51,000 in urban areas. By type of employment, 13,000 paid jobs were lost at national level, following a loss of 41,000 jobs in urban areas and a creation of 28,000 in rural areas. Unpaid employment was down by 267,000 jobs, with 11,000 jobs lost in urban areas and 256,000 in rural areas. These alarming results reflect significantly the precariousness of the Moroccan employment market.

1.2. Flagrant territorial disparity between the regions of Morocco:

The territorial disparity of the labour market in Morocco is a major issue for policy makers. Rural and remote areas tend to suffer from higher unemployment than urban areas. Indeed, the majority of job opportunities are found in major cities such as Casablanca, Rabat, Marrakech and Tangier. In addition, the labour market in Morocco is strongly influenced by the agriculture and tourism sectors, which are also concentrated in certain regions of the country. Manufacturing and financial services are also present in the major cities.

Regional disparities can be exacerbated by a lack of infrastructure, transport and communication in rural areas, which makes it more difficult to access employment opportunities, resulting in an increase in the unemployment rate from 12.1% to 12.9% nationally, from 16.3% to 17.1% in urban areas and from 5.1% to 5.7% in rural areas. This rate remains higher among young people aged 15 to 24 (35.3%), graduates (19.8%) and women (18.1%). Five regions account for 73.2% of all workers aged 15 and over. The region of Casablanca-Settat is in first position with 22.4% of the active population, followed by Rabat-Salé-Kénitra (13.7%), Marrakech-Safi (13.3%), Tangier-Tetouan-Al Hoceima (12.1%) and Fez-Meknes (11.7%).

On the other hand, four regions have activity rates higher than the national average (43.1%). These are the regions of Tangier-Tetouan-Al Hoceima with 49.2%, Casablanca-Settat (45.8%),

Marrakech-Safi (44.3%) and the South with 43.8%. On the other hand, the lowest rates are recorded in the regions of Souss-Massa with 36%, Oriental (39%) and Beni Mellal-Khénifra (39.9%).

1.3. Gross sectoral disparities in the Moroccan labour market:

The Moroccan labour market presents significant sectoral disparities. Some sectors are indeed more dynamic than others in terms of hiring and job creation. The sectors that offer the most employment opportunities in Morocco are generally services, tourism, agriculture, the textile industry, construction and call centres. These sectors account for a large share of value added in Morocco and are therefore considered to be engines of economic growth. However, there are also sectors that are struggling to create jobs, notably the public sector which suffers from a lack of funding and structural reforms.

In Morocco, a large share of the labour force (around 55 per cent in 2000) is employed in the agricultural sector. This proportion is relatively high, as in middle-income countries it averages 35 per cent. At the same time, women continue to represent only 22 per cent of the urban labour force. Data on the occupational distribution of the labour force in urban areas show that wage employment dominates, followed by the self-employed. Wage earners make up 61 per cent of total employment, while the self-employed account for only 24 per cent.

Between the first quarter of 2022 and the same period in 2023, the "agriculture, forestry and fishing" sector lost 247,000 jobs, which corresponds to an 8 per cent drop in the volume of employment in this sector. The industry sector "lost 10,000 jobs (-1%), resulting in a loss of 23,000 in urban areas against a creation of 13,000 in rural areas. This loss is 38,000 in craft activities against a creation of 28,000 in industrial activities. For its part, the "services" sector lost 56,000 jobs (-1%), following a drop of 17,000 in urban areas and 39,000 in rural areas. The construction sector created 28,000 jobs, with 50,000 jobs created in rural areas and 22,000 jobs lost in urban areas, representing a 2% increase in the volume of employment in this sector.

1.4. Predominance and negative impact of the informal sector in Morocco:

The informal sector has a significant impact on the Moroccan labour market. According to official statistics, the informal sector employs nearly 40% of the workforce in Morocco. However, the informal sector is characterised by a lack of regulation and social protection for workers, which can lead to precarious working conditions and low pay. In addition, informal enterprises do not contribute to social security or taxes, which can have a negative impact on public finances.

The informal sector can also hamper economic development by limiting the productivity and efficiency of formal enterprises. Informal enterprises are often less well equipped and have limited access to finance, technology and markets. The urban labour market in developing economies is usually represented by a dual structure of two markets, formal and informal, with two distinct modes of operation. This segmentation assumption has important implications for the functioning of the labour market(Cho, Y., 2015).

In Morocco, a large share of jobs have an informal status, an even larger share of jobseekers who lost their jobs had such a status, and a significant proportion of the new jobs created since the beginning of the pandemic are in the informal rather than the formal sector. Informal economy, underground economy, black economy... several terms describe the shadow economy emanating from the informal sector. If the informal sector often remains a structural and sustainable component of developing economies, what are the advantages and disadvantages of the informal sector in Morocco? What are its impacts on the country's economy?

Many people keep pointing out the strong nuisance of entities operating in the black, since they do not pay taxes to the State nor social security coverage for their employees, and thus practice unfair competition to structured companies. In many cases, the income of the informal sector in Morocco does not allow workers to make the necessary declarations, keep accounts, and take the other steps necessary to exercise an economic activity organised by law. However, there are informal activities that generate significant income (turnover) with workers deliberately exercising them.

1.5. Moroccan job market under great tension

The Moroccan job market is under strong pressure, according to a new study published by BCG (Boston Consulting Group) and ReKrute.com, entitled "What Job Seekers Wish Employers Knew". The survey shows that 7 out of 10 employees are actively looking for a job in the UK. Based on a survey of 90,000 talents in 160 countries, including nearly 400 in Morocco via The-Network, the world's leading international network of job portals, this study shows a profound change in the relationship between employees and companies (Boughzala, M., & Al., 2012).

The results also show that candidates are more "volatile" than in the rest of the world with only 1% of Moroccan executives saying they are loyal to their employer (compared to 4% worldwide) and 7 out of 10 Moroccan executives are actively looking for a new job compared to 40% worldwide. The survey also shows that 4 out of 10 executives would refuse an interesting offer because they had a negative experience during the recruitment process (against

52% worldwide). Similarly, salary has become the number one motivating factor at work, as in Morocco it is on a par with career development opportunities (57%).

Another thing is that working people in Morocco increasingly want to work to live, not live to work. Thus, 66% dream of a stable career with a good work-life balance (Bouoiyour.,2014). This rate is in line with the global trend (69%). We also note that in Morocco, and more so than in the rest of the world, face-to-face work is favoured by 49%, compared to 35% in the rest of the world, and is almost equal to the hybrid mode (46%).

Similarly, 65% of Moroccan executives consider their negotiating power with recruiters to be strong to very strong. This is essentially due to the multiple solicitations they receive from recruiters: more than 80% of candidates are approached several times a year (vs. 74% at the global level), of which 41% are approached every month/week (vs. 39% at the global level)," the study states. This tension on the labour market is structural and companies must organise themselves to take advantage of the opportunities it represents. Firstly, they must ensure that they retain their high potentials, have an industrialised and efficient recruitment and integration process, and finally, they must equip themselves to find the best profiles available on the market.

1.6. Divergence between education and the expectations of the Moroccan labour market:

There is a link between the performance of universities and the labour market. Indeed, the quality of teaching and the reputation of a university can influence the way employers perceive graduates. Employers tend to prefer graduates from the most reputable and highest ranked universities because of the quality of the education they received there, as well as the reputation of the institution. Similarly, higher ranked universities tend to attract the best students, which may also affect their employability. However, it is important to note that the performance of a university alone does not guarantee the professional success of graduates. Other factors such as work experience, technical skills, personality and communication skills can also play an important role in employability.

In Morocco, there are several dysfunctions of universities as well as vocational training institutions that can have an impact on the labour market, notably the inadequacy of training. At this stage, universities may not offer training that corresponds to the needs of the labour market, which can lead to a surplus of graduates in some disciplines and a shortage in others. On the other hand, there is a lack of vocational preparation, universities may not offer enough

practical training or internships in companies, which may make graduates less prepared for the labour market.

But the main problem according to national and even international indicators is the decline in the quality of teaching, some students may encounter ill-prepared or unmotivated teachers, or have access to outdated facilities or equipment, which may affect their ability to learn and prepare for the labour market (Monk, C., 2008). Closely related to this factor is the mismatch between the skills acquired and the requirements of the labour market, where universities may not provide students with the necessary skills to meet the needs of the labour market, which may make their transition and insertion into the labour market more difficult.

These failures can affect the Moroccan labour market in a number of ways, including increasing unemployment among young graduates, increasing rates of underemployment, reducing salaries and career prospects, or contributing to brain drain to other countries or sectors. It is therefore important that universities work closely with employers to ensure that their programmes meet the needs of the labour market and provide students with the necessary skills to succeed in their careers.

1.7. Limits of the legal arsenal for a better social cohesion:

The results of more than a decade of application of the Labour Code have revealed many imperfections that are now denounced by professionals and companies. The evaluation of the Labour Code has highlighted numerous imperfections, often sources of discord between employers and employees, but also between labour inspectors and trade unions.

The reform of the Labour Code - which has 592 articles - must be adopted quickly. The provisions of the Labour Code governing several activities, including agriculture, have not taken into consideration the particularity of this activity and the legal obligations of employers and workers in this sector with regard to health and safety (Elkachradi., 2016). Among the dysfunctions cited is Article 16 Code, which ignores the possibility of part-time contracts, hence the need to clarify the various situations, in all sectors, in which a fixed-term contract can be concluded, particularly in the case of replacing an employee whose contract is suspended or in the context of seasonal activities.

As regards Article 38 on disciplinary procedures, its clarification is also fundamental, since it refers to the exhaustion of disciplinary sanctions "within one year". The same applies to Article 185, which stipulates that the employer may reduce normal working hours for a continuous or interrupted period not exceeding sixty days "per year", whereas Article 39 indicates a period of

12 months, hence the need to remove the vagueness. The same applies to Article 219(2) on paid holiday rest.

According to the Labour Code, the employee is entitled to this paid rest if he or she is employed immediately before the holiday or during the 13 days preceding the holiday. In addition, Article 41 on unfair termination of the employment contract by one of the parties requires clarification. The article did not mention the damages for the employer in case of breach of contract by the employee.

1.8. Inability of the labour inspectorate to control the labour market in a serene manner:

Despite the efforts made to modernise the legal arsenal governing social law in Morocco, the situation of the labour inspection system remains worrying due to insufficient human resources. Official figures from the Ministry of Labour and Professional Insertion are very disappointing: the number of labour inspectors does not exceed 591, including the posts for 2021, and that of labour doctors is only 17. This is a major challenge that successive governments have passed on from mandate to mandate. The human and material resources of the Labour Inspectorate remain extremely limited in relation to the needs, not allowing it to fully accomplish its missions despite the efforts made in recent years (Zeghni, S & Al., 2015)

The system suffers, in fact, from a number of constraints which, according to the department in charge, have a major impact on the system for monitoring the application of legislative provisions relating to the labour market. First of all, there is the notable decline in the number of labour inspectors following retirements and waves of voluntary departures.

The situation is likely to become even more complicated in the years to come, as some of them will soon reach retirement age, while the number of these professionals remains very low. The figures are very worrying and reveal the extent of the crisis: the supervisory department has only 591 labour inspectors and 17 occupational physicians.

This figure, which includes the budgetary posts created for 2020 and 2021, is not sufficient to cover the ever-increasing number of companies created as a result of the expansion of the national economic fabric and the emergence of new modes of labour relations. The efforts made so far to fill the gap remain below expectations despite the relative evolution recorded in the creation of budgetary posts in recent years (Hanchane, S., 2016).

1.9. Lack of social inclusion: High discrimination against women and young workers:

Young people and women are not sufficiently integrated into the labour market. While the participation rate of men is comparable to that of countries at the same economic level, the participation rate of women is particularly low. Women are not only under-represented among workers, but also among entrepreneurs and managers. The school enrolment rate of young people has almost doubled, which may be an encouraging signal if it means an increase in skills in the future, but youth unemployment is on the rise, mainly due to the rigidity of the labour market to absorb this category of the population.

In a country that is developing and modernising, women are still struggling to make their mark in an inherently patriarchal society (Mckenzie & Al., 2017). Several reforms have been put in place to change the situation of women and create the conditions for their economic emancipation and empowerment. These days, women are as much agents of change as men and seek to participate actively in the economic, political and social life of the country, be it on a small, medium or large scale.

However, the challenge of equality is far from being won in view of several obstacles that continue to exist, preventing women from releasing their full potential or accessing the labour market. Indeed, a recent information note from the High Commission for the Plan (HCP) on the main characteristics of the employed labour force in 2022 shows that almost three quarters of the inactive (73.1%) are women, 68.8% live in urban areas, more than half (51.1%) have no diploma and 44.9% are aged between 15 and 34 years. With a total of 11.2 million people, women outside the labour market represent 80.2% of the female population of working age (81.7% in urban areas and 77.2% in rural areas), the same source says (Verme & Al., 2014).

Moreover, among the 5.9 million young people aged 15 to 24, 15.4% are employed (905,000 people), 7.4% are looking for a job (439,000), while 77.2% are outside the labour market (4.6 million), the HCP said. It adds that three quarters of young people outside the labour market (77%) are pupils or students and 19.6% are housewives.

2. Articulations between the structural dysfunctions of the Moroccan labour market in a context of crises:

Following our inventory and analysis of the structural factors that negatively impact the resilience of the Moroccan labour market, we have observed the existence of strong complementarities between the different factors that have an effect on the labour market, just as there are strong complementarities between the possible structural reforms. Our

methodological approach consists in identifying the complementarities between the structures of the Moroccan labour market according to three types of classification: cause and effect, structural convergence, and organisational level.

2.1. Resilience of the Moroccan labour market against recurrent crises:

The Moroccan labour market has been affected by several recurrent crises over the last few years, notably due to weak economic growth, rising unemployment and job insecurity. One of the most recent crises was the COVID-19 pandemic, which had a significant impact on the Moroccan economy. The containment measures put in place to limit the spread of the virus have led to a reduction in economic activity in many sectors, including tourism, hotels, restaurants and crafts. This has led to increased unemployment and job insecurity, particularly for informal workers and young graduates.

Other factors that have impacted on the labour market in Morocco include population growth and high demand for jobs in an already saturated labour market. Structural challenges such as lack of skills and vocational training, discrimination against women and minorities, and low productivity have also contributed to the employment crisis in Morocco.

The drought crisis is also having a significant impact on the Moroccan economy and may also affect the labour market. Morocco is a country facing water resource challenges, and periods of drought can have a disastrous impact on the agricultural, tourism and industrial sectors. Drought can lead to a decrease in agricultural production, which can impact on employment in this sector. Farmers may be forced to reduce production, which can lead to lower incomes and employment for agricultural workers, seasonal farm workers and informal workers.

Global financial crises also impact the resilience of the labour market; Morocco was affected by the 2008 global financial crisis which had a negative impact on the national economy. Firms reduced investment and laid off workers, increasing unemployment.

Crises caused by international conflicts, in this case the Russia/Ukraine war, can have a significant impact on the Moroccan labour market in a number of ways, including reduced export opportunities. International conflicts can lead to increased costs, particularly with regard to the costs of importing raw materials or finished products. If Moroccan companies have to pay more for their raw materials or finished products, this may reduce their ability to hire new employees. If international conflicts lead to a reduction in trade between countries, this may also affect Moroccan companies that depend on trade for their business. If companies cannot import the raw materials or finished products they need, this may reduce their production and therefore their workforce.

2.2. Classification of structural dysfunctions by the poles of convergence:

The dysfunctions of the Moroccan labour market can be classified into three main categories: Economic, Social and Legal/Institutional. For economic dysfunctions, these anomalies are related to the economic aspects of the labour market. They include, for example, structural unemployment, which is caused by imbalances between labour supply and demand in the labour market, often due to a lack of skills or qualifications in the available labour force. These imbalances lead to precarious employment, and workers may be employed in a precarious manner, with temporary contracts or low wages that do not allow them to support themselves. Wage discrimination: some workers may be paid less than others because of their gender, age, ethnic origin or nationality.

With regard to social and societal dysfunctions, the Moroccan labour market faces many dysfunctions that have a negative impact on employment and economic growth, including informality - a large part of economic activity in Morocco is informal, which means that workers do not enjoy the protections and benefits associated with formal employment. Informal work is often precarious and poorly paid, which limits the possibility of social and economic mobility for the workers concerned.

A blatant facet of these malfunctions is the mismatch between skills and jobs, where the skills of Moroccan workers often do not match the requirements of employers, creating a mismatch between skills and available jobs. University graduates often find it difficult to find employment in their field, while employers report a lack of skills for technical and specialised jobs. Women and young people also face multiple forms of discrimination in the Moroccan labour market, particularly in terms of pay and access to management positions. Women also face greater difficulties in finding employment than men, particularly in rural areas.

As for legal and institutional dysfunctions, the labour market in Morocco suffers from several dysfunctions, which have negative consequences on the country's economy as a whole. In this respect, labour legislation in Morocco is often considered to be rigid and complex, which can discourage companies from hiring formal workers. Administrative procedures and costs related to employment contracts can be high, which can hamper the creation of formal jobs (Angel-Urdinola & Al, 2016).

Similarly, the social protection system in Morocco is still incomplete and does not cover all workers. Informal workers and the self-employed, for example, do not enjoy the same benefits as formal workers, such as social security and pensions.

The ineffectiveness of labour inspection leads to significant violations of workers' rights: employers may not respect labour laws, by not providing paid holidays, overtime, proper working conditions or wages. At this stage, some workers do not benefit from social protection, such as health insurance or unemployment benefits. Based on the structural malfunctions that we have identified, Table 1 shows the classification of malfunctions according to their triggering causes.

Table N°1 : Classification of malfunctions according to their triggering causes.

Economic dysfunctions	<ul style="list-style-type: none"> - Structural precariousness of the labour market - Predominance of the informal sector - Territorial disparity - Sectoral disparity - High tension of the Moroccan labour market
Social and societal dysfunctions	<ul style="list-style-type: none"> - Mismatch between training and qualification requirements - Lack of social inclusion
Legal and institutional dysfunctions	<ul style="list-style-type: none"> - Limitations of the legal arsenal for social cohesion - Inability of the Labour Inspectorate to monitor the labour market in an orderly fashion:

SOURCE : Elkachradi

It is important to note that these anomalies are often interconnected and can reinforce each other. Solutions to these labour market anomalies require a comprehensive approach that takes into account the different economic, social and legal dimensions.

2.3. Complementarity of structural dysfunctions according to cause-and-effect approaches :

Cause and effect theory is an important concept in many fields, including science, philosophy and psychology. It postulates that there is a causal relationship between events, i.e. one event (the cause) leads to another event (the effect). This theory is often used to explain natural phenomena and human behaviour. The Moroccan labour market is confronted with various dysfunctions that have a negative impact on the national economy and Moroccan society as a whole. Some of these dysfunctions are complementary, i.e. they reinforce each other and together contribute to the difficulty of finding a stable and well-paid job in Morocco. Here are some examples of the complementarity between the dysfunctions of the Moroccan labour market.

Low level of qualification of the labour force and inadequate job offers: The level of qualification of the labour force in Morocco is often low, which limits employment opportunities in high value-added sectors (Chauffour., 2018). At the same time, many of the available jobs are low-skilled, insecure and poorly paid. This imbalance creates a vicious circle in which workers have little incentive to invest in their own training and employers have little incentive to offer better paid and more skilled jobs.

The informal sector and the lack of social protection: The informal sector represents a significant part of economic activity in Morocco, often offering undeclared, low-skilled and low-paid jobs. Workers in this sector often do not have access to adequate social protection, which exposes them to significant health, safety and income risks. This creates another vicious circle in which workers are often trapped in informal and precarious jobs, with no prospect of stable and well-paid employment. Mismatch between job demand and supply: The Moroccan labour market is often characterised by a mismatch between job demand and supply. Many companies have difficulty finding qualified workers for specific jobs, while many workers have difficulty finding jobs that match their skills and qualifications. This mismatch can be exacerbated by inadequate education policies, gaps in vocational training systems and challenges in terms of geographical mobility.

In sum, the dysfunctions of the Moroccan labour market are complementary and interconnected, creating persistent challenges for workers, employers and Moroccan society as a whole. To overcome these challenges, political and economic reforms are needed to improve the quality of employment, stimulate the training and qualification of the workforce, and strengthen social protection systems for all workers. Based on the structural malfunctions we have identified, Table 2 shows the classification of malfunctions according to the cause and effect theory.

Table N°2 : the classification of malfunctions according to the cause and effect theory

Dysfunctions Structural - Causes	Dysfunctions structural-effects
Predominance of the informal sector Structural	- Precariousness of the labour market
Inability of the labour inspectorate to carry out effective and efficient labour market control	- Territorial disparity
Mismatch between training and qualification requirements High tension in the Moroccan labour market	- High tension in the Moroccan labour market
	- Lack of social inclusion
	- Sectoral disparity
	- High tension of the Moroccan labour market

SOURCE : Elkachradi

3. Designing structural transformations to strengthen the resilience of the Moroccan labour market :

Structural labour market reforms are major changes to the functioning of the labour market to improve its efficiency and overall performance. These reforms often aim to reduce labour market rigidities that can hamper economic growth, employment and competitiveness. At this stage, we propose seven structural transformations to enhance the agility of the Moroccan labour market.

3.1. Flexibility of the Moroccan labour market:

Reforms can make the labour market more flexible, for example by allowing more varied types of employment contracts or by reducing obstacles to the geographical mobility of workers. Improving vocational training: Reforms can also aim to improve vocational training and retraining of workers to better meet labour market needs. Workers and employers are ready to adopt flexible working arrangements, such as teleworking, part-time work, self-employment and temporary employment contracts.

To ensure sustainable economic and social development, it is essential to invest in education and vocational training to provide young people with the necessary skills to meet the demands of the labour market. Morocco must also encourage entrepreneurship by offering tax benefits and incentives for young entrepreneurs and small businesses. After the implementation of the new investment charter, the creation and improvement of an attractive environment for foreign investors, by offering tax benefits, subsidies and simplifying administrative procedures is an important step towards greater flexibility (El Badaoui, E., 2017).

Policy makers should encourage labour mobility by creating training and guidance programmes for workers, as well as by promoting the recognition of professional qualifications between countries. Encourage job mobility, facilitate access to finance for small businesses and entrepreneurs, by providing loan guarantees and developing micro-credit programmes. By implementing these measures, Morocco could stimulate the flexibility of the labour market and encourage job creation, and boost the labour market (Bruhn & Al., 2016).

3.2. Mobility and redeployment of workers:

Geographical mobility allows workers to find jobs in other regions where there is a high demand for employment. It is therefore important to encourage geographical mobility by providing incentives, such as mobility bonuses, social housing, etc.

Ensuring mobility in the Moroccan labour market requires a comprehensive and collaborative approach involving different stakeholders, including government, employers, workers and

education and training institutions. Workers are willing to change jobs and sectors quickly as opportunities arise. Employers are also willing to hire workers from different sectors and geographical areas.

Vocational training allows workers to specialise in specific areas and to develop skills that are relevant to the needs of the labour market. It is therefore important to develop training programmes adapted to the needs of the labour market and to make them accessible to all workers.

It is also important to develop promising sectors that offer employment opportunities. Leading sectors are those that have a high demand for skilled jobs and are growing, such as information technology, renewable energies and the pharmaceutical industry. Job mobility policies make it easier for workers to change jobs or sectors. These policies can take the form of training programmes, internships, educational leave, and the validation of professional experience.

It is important that workers have access to information on job opportunities, training, wages and benefits. This can be achieved by developing online platforms and career guidance centres.

3.3. Technology as a dynamic structural transformation :

The integration of technology into the Moroccan labour market is essential to meet current and future labour market needs. Workers and employers are comfortable using technology to communicate, collaborate and accomplish work tasks. Workers also need to be able to continuously train and update themselves to remain competitive. It is important to train Moroccan workers in current and emerging technologies. Employers can organise training programmes for their employees to help them develop the skills needed to work with new technologies.

Morocco can encourage the development of technology centres in major cities to help young entrepreneurs develop technology-based start-ups. These centres could offer training, shared workspaces, network connections and access to potential investors. Start-ups and small businesses could benefit from grants or loans to develop innovative projects.

Universities and companies can collaborate to develop joint technology projects. Students could gain practical skills by working on real projects, while companies would benefit from new ideas and talent. By integrating technology into the Moroccan labour market, the country could improve the competitiveness of its economy, create new jobs and encourage innovation.

3.4. Innovation as a transversal process of structural transformation:

Innovation has an important impact on the labour market, as it can create new jobs and industries while eliminating or transforming existing jobs. Innovative practices can create new

jobs in sectors such as artificial intelligence, robotics, cybersecurity, renewable energy. These jobs often require specialised skills and can offer high wages.

Innovation can also automate or streamline tasks that were previously done by human workers. This can lead to a reduction in jobs in some sectors, such as manufacturing or financial services, but it can also improve the efficiency and productivity of companies. Innovation has also enabled, notably in the Covid crisis¹⁹, the emergence of new working models, such as teleworking or self-employment. These models offer greater flexibility for workers and can also allow companies to reduce their costs.

Innovations may also render certain skills or professions obsolete, thus requiring continuous, lifelong learning for existing workers. Workers need to train constantly to maintain their employability and remain competitive in the labour market. In sum, innovation has a significant impact on the labour market, creating new opportunities while transforming or eliminating existing jobs. Workers must be prepared to adapt and continuously train to remain relevant in the ever-changing labour market.

3.5. Collaboration between workers and employers:

Reforms to modernise collective bargaining systems can make collective agreements more flexible and responsive to business needs. It can also enable workers to negotiate better working conditions. Workers and employers are willing to work as a team and to collaborate to achieve common goals. The labour market in Morocco is constantly changing, and collaboration between workers and employers is essential to create a positive and productive working environment:

Collaboration between workers and employers should be based on mutual respect. Workers should respect their employers by following company rules and policies, and employers should treat workers with respect and fairness. Open communication is essential for successful collaboration. Workers must be able to express their concerns and ideas to employers, and employers must be willing to listen and respond to workers' concerns.

Workers can bargain collectively with employers for better wages, benefits and working conditions. Employers can also negotiate with workers to improve the productivity of the company. Employers can offer training and professional development opportunities to help workers improve their skills and performance. Workers can also request training to improve their skills and employability. Employers can offer rewards and recognition for workers' outstanding performance. This can encourage workers to be more productive and do a better job.

In summary, collaboration between workers and employers in the Moroccan labour market is essential to create a positive and productive work environment. This can be achieved through mutual respect, open communication, collective bargaining, continuous training and rewards and recognition.

3.6. Developing the agile skills of Moroccan workers:

The development of agile skills among Moroccan workers is an important initiative to improve the productivity and performance of the country's enterprises. Agile skills include skills such as effective communication, collaboration, adaptability to change, problem solving, critical thinking and self-organisation.

Workers can attend agile skills training to gain a deeper understanding of the concepts and best practices. Training programmes can be organised by companies or institutions specialising in vocational training. Workers can be coached by a coach or mentor to improve their agile skills. Coaches and mentors can offer personalised advice and strategies to help workers apply agile skills in their daily work.

Workers can also improve their agile skills through regular practice. Companies can encourage practice by creating spaces for collaboration, feedback, problem solving and decision making. Companies can create a supportive work environment that encourages agile skills. This can include a culture of innovation, flexible working hours, open and transparent communication and professional development opportunities.

By encouraging the development of agile skills among Moroccan workers, companies can improve their organisational agility and their ability to adapt quickly to market changes. It can also help workers to become more competitive in the labour market and improve their employability.

3.7. Inclusive social protection with high added value:

Morocco has put in place a system of social coverage that aims to protect workers and their families against social risks such as illness, disability, unemployment and old age. However, this social coverage remains limited and concerns only a part of the population. The generalisation of social coverage in Morocco is an important issue for improving the living conditions of citizens. To achieve this, it is necessary to put in place measures to widen access to health insurance, to introduce unemployment insurance, to strengthen social protection for the self-employed, to improve pensions and to reinforce the role of the state in the establishment of an effective social protection system.

Workers have access to social benefits such as health insurance and unemployment insurance, even if they work part-time or as self-employed. These different strategies can be combined to offer a comprehensive and effective solution to the fight against the informal sector. However, this requires political will and sufficient resources to implement the proposed measures. Social protection is a very sensitive issue to ensure the welfare and security of Moroccan citizens. Morocco needs to expand social coverage to include more people in social protection schemes, especially informal workers and low-income people. This can be done by creating new social security schemes or by improving existing ones.

Morocco needs to invest in the quality of health services to ensure that citizens receive quality health care. This can include increasing the number of health professionals, improving the training and continuing professional development of health professionals, and investing in modern health infrastructure. Morocco can also create targeted social protection programmes for the most vulnerable groups, such as the elderly, the disabled, children and low-income families. These programmes can include cash transfers, free or reduced-cost health services, and nutrition programmes.

Similar to the measures taken during the Covid-19 crisis, Morocco should develop safety net programmes to help citizens cope with economic shocks, such as periods of unemployment or natural disasters. These programmes can include cash transfers, training and employment services, and support programmes for small businesses. Social protection is a key element in improving the quality of life of Moroccan citizens. Morocco needs to put in place policies and programmes that ensure that all citizens have access to quality health care, training and education programmes, social protection programmes and safety nets for economic shocks.

3.8. The digitalisation of the job market in Morocco:

The digitalisation of the Moroccan labour market refers to the use of digital technologies to facilitate job search, application management and recruitment. This digital transformation has the potential to increase the efficiency and transparency of the labour market, reduce recruitment costs and provide easier access to job opportunities for job seekers.

In Morocco, several initiatives have been launched to encourage the digitalisation of the labour market to allow job seekers to search for job vacancies online, apply directly and track the status of their application. Recruitment platforms have also been launched to help companies find talent and candidates find job opportunities. These platforms allow employers to post jobs and sort applications online, while offering job seekers the possibility to create profiles and apply for jobs online.

The digitalisation of the Moroccan labour market can help overcome the challenges associated with job search and recruitment, particularly in rural or remote areas, where access to employment opportunities may be limited. However, to ensure the success of the digitalisation of the labour market, it is important to invest in digital training for job seekers and employers and to ensure that online recruitment platforms are fair and accessible to all candidates. Online recruitment sites are a practical solution for employers and job seekers. They allow employers to advertise jobs and candidates to apply easily. There are generalist sites such as Indeed, LinkedIn, or sites specialising in specific fields such as Hired, Glassdoor.

Hackathons are events where developers, designers, entrepreneurs and innovators come together to work on projects. This can allow young talent to develop their creativity, teamwork skills and innovative spirit. Hackathons can be organised by companies, associations, or government bodies. E-learning is an excellent way for jobseekers to acquire new skills and learn new jobs. These digitalisation practices can help promote the Moroccan labour market and provide jobseekers with the skills and opportunities needed to succeed in their careers.

Conclusion

In conclusion, the labour market is a complex and constantly changing subject. Current trends show an increasing demand for technological and digital skills, as well as for jobs related to health, education and the environment. However, there are also significant challenges, such as structural unemployment and job polarisation, which require the structural transformations we have proposed to be implemented.

In this dynamic environment, it is essential that people continue to learn throughout their lives to maintain their employability and adapt to changes in the labour market. Equally, governments and businesses must invest in training and skills development to ensure a skilled and competitive workforce in the future.

Although the labour market presents challenges, it also offers many opportunities for those who are prepared to take on the challenges and adapt to change, and cope with recurring crises.

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