



Incentive measures for employment aimed at employers

Morocco case study

Objectives of the incentive measures for employment

- I. Preparation of tailored skills
- II. Strengthening of human capital and prediction of recruitment needs
- III. Reduction of the cost of recruitment

I. Preparation of tailored skills

1. "À la carte" training
2. Support mechanism for Métiers Mondiaux du Maroc
[Global Trades Morocco]

1. "À la carte" training:

a. Characteristics of the tool:

- Managed by the employer:
 - Choice of training operation
 - Validation of the training plan
 - Selection of candidates
- Works in accordance with the third-party payment system:
 - Direct payment for the training operation
 - Reduces the financial burden on the employer
- Flexibility of integration training:
 - Training organised before or after the recruitment of candidates
- State contribution:
 - Up to MAD 10,000 per person for all companies
 - Up to a maximum of MAD 24,000 per person for emerging sectors and new investments.

1. "À la carte" training:

b. Sectoral programmes:

- Objectives:
 - Sharing of training activities between companies within the same sector
 - Establishment of a global and integrated approach (to promotion and integration)
- A few examples:

Offshoring



And foreshore
3000

Aeronautical



Private education



1. "À la carte" training:

c. Results

2007 – 2015: + 37,000 people
trained

d. Assessment

- Reference mechanism
- Integration rate > 70%

2. Support mechanisms for Métiers Mondiaux du Maroc [Global Trades Morocco]:

a. Objectives:

- To adapt the skills of employees to meet international standards
- To increase the competitiveness of the company at a global level

b. Sectors that will benefit:

- Offshoring
- Automobile
- Aeronautical
- Electronics



2. Support mechanisms for Métiers Mondiaux du Maroc [Global Trades Morocco]:

c. Characteristics:

- Fluid mechanism: Provision of simple information by ANAPEC prior to the commencement of training
- Reimbursement on the basis of a highly simplified dossier

b. State contribution:

- Operator: up to MAD 22,000 per person
- Middle management: up to MAD 40,000 per person.
- Engineer and senior management: up to MAD 66,000 per person

c. Results:

- 2009 – 2015: + 66,000 people trained

II. Strengthening of human capital and prediction of recruitment needs

Integration contract:

a. Target:

- Persons who have completed a professional training diploma
- Persons who have completed the Baccalaureate
- Persons who have completed higher education

b. Nature of the mechanism:

- Internship contract with a maximum duration of 24 months
- Monthly salary paid: MAD 1600 to 6000

c. Benefits:

- Income tax waived
- Social security costs waived
- Health insurance costs covered by the State (both employer's and employee's share).

II. Strengthening of human capital and prediction of recruitment needs

d. Results:

- 2002 – 2015: + 365,000 (≈ 500,000 since 1993)

e. Assessment:

- Strengthening of human capital:
 - More than 80% of people who have completed the 24-month internship have been recruited on a project contract (2/3 permanent contract)
 - 24% of companies recruit more people than they require.
- Prediction of recruitment needs
 - 31% of employers predicted their recruitment needs.

III. Reduction of the cost of recruitment

1. Social security costs covered
2. Professional integration contract
3. TAHFIZ programme

III. Reduction of the cost of recruitment

1. Social security costs covered

a. Objectives:

- To reduce the cost of recruitment following an integration contract
- To promote sustainable and decent employment.

b. Benefits:

- Coverage of the employer's share of social security contributions for 12 months.

c. Results:

- 2011 – 2015: + 2300 people recruited on a permanent contract

d. Assessment:

- Not particularly attractive:
 - Permanent contract
 - Can be reimbursed once paid.

III. Reduction of the cost of recruitment

2. Professional integration contract

a. Objectives:

- To reduce the cost of recruitment
- To promote sustainable employment.

b. Benefits:

- The granting of a bonus of MAD 25,000 for the recruitment of persons who have completed the Baccalaureate plus 3 or more years of additional study (outside of schools) on a permanent contract.

c. Results:

- 2011 – 2015: 230 people recruited on a permanent contract

d. Assessment:

- Not particularly attractive:
 - Permanent contract
 - General training profiles (not career-based).

III. Reduction of the cost of recruitment

3. TAHFIZ programme

a. Objectives:

- To reduce the cost of recruitment for newly-created companies
- To promote sustainable employment.

b. Benefits (for 5 employees recruited on a permanent contract):

- Income tax waived for 24 months for employees earning less than MAD 10,000
- Employer's share of social security contributions covered for 24 months.

c. Results:

- December 2015 – February 2016 ≈ 160 people recruited on a permanent contract

CONCLUSION

→ Satisfactory results:

- Measures relating to the adaptation of profiles and the development of tailored skills (recruitment rate > 70%) ;
- Measures relating to the strengthening of human capital and the prediction of recruitment needs (recruitment rate < 80% where completed, with 2/3 of these on a permanent contract).

→ Not particularly attractive:

- Measures relating to reducing the cost of recruitment that are conditional on the initial permanent contract (without a sufficient trial period)



THANK YOU FOR YOUR ATTENTION!