

## Summary of the report on Human resources 2019

### PART ONE: REFORM OF PUBLIC ADMINISTRATION: FOUNDATIONS AND CHALLENGES

#### I. TRIGGERS FOR PUBLIC ADMINISTRATION REFORM

The 2011 Constitution and, more recently, the Royal Speeches, made it possible to initiate a real reflection on a structural reform of the Public Administration, replacing the inconclusive adaptation and adjustment policies and measures previously practiced.

#### II. MAIN FOCUSES OF PUBLIC ADMINISTRATION REFORM

The Public Administration reform covers several key areas. It is managed by the Civil Service Ministry and in consultation with the ministerial departments concerned.

The main focuses of this reform:

- Exploring approaches for the upgrade of the public administration system;
- Strengthening of good governance tools;
- Human resources development.

#### III. BUDGET REFORM

The budget reform concerns primarily the control of staff costs in order to contain the increase of these costs and eventually reduce them from 11.5% to less than 10% of the GDP, and the implementation of the provisions of the Organic Law n ° 130.13 relating to the Finance Act.

### PART TWO: HUMAN RESOURCES OF THE MOROCCAN CIVIL SERVICE

#### I. EVOLUTION OF THE POPULATION AND CIVIL STAFF OVER THE PERIOD 2008-2018

##### 1. Workforce and population



In 2018, and with an additional population of 3,829,000 people compared to 2008, the population of the Kingdom has reached 35,220,000 inhabitants. The overall population growth rate is 12.2% compared to 2008, an average annual growth rate of 1.16% over the last decade.

During the period 2008-2018, the budget of the civil staff of the State increased globally by 6.36%, passing from 534.645 to 568.655, an average annual growth rate of 0.62 % which is close to the observed increase of the active population (0.7%).

## 2. Evolution of the creation and destruction of budgetary positions

The change in the number of civil servants of the State is the result of the combined effect of the creation and the destruction of budgetary positions in previous years.

### 2.1 Creation of budgetary positions

In order to provide the ministerial departments with the necessary human resources, the government has redoubled its efforts in the last decade [2008-2018] in terms of creating budgetary positions, creating a total of 231,552 budgetary positions plus 55,000 positions created at the level of the Regional Academies of Education and Training (Académies Régionales de l'Éducation et de la Formation: AREF) for the recruitment of contract teachers.

During the period 2008-2018, priority was given to social and security departments. In fact, 77% of the positions created were assigned to the departments of Education, Higher Education, the Interior, Health and Justice.

In addition, under budget year 2018, 19,315 budgetary positions were created by the finance act, including 50 positions to be distributed by the head of government between the various ministerial departments or institutions. As a result, the departments of the Interior, Health and Higher Education account for 65.7% of all positions created for this year.

### 2.2 Destruction of budgetary positions

The number of positions destroyed in 2008 was 5,461 positions, compared to 19,739 positions in 2016 and 22,518 positions in 2017. By 2018, these would reach 12,575 budgetary positions. This decrease in 2018 compared to the previous year is mainly due to the implementation of the parametric reform measures of the civil pension scheme, in particular the gradual increase, starting January 1<sup>st</sup> 2017, of the statutory retirement age from 60 to 63, at the rate of 6 months per year.

### 3. Competitive examinations for entry to Civil Service

Since the year 2012 and until the first half of 2018, 1,562 competitions have been organized to fill 103,932 budgetary positions, at the rate of 67 positions opened per competition.

In the first semester of the year 2018, the number of positions advertised exceeded 12,945 positions for 105 competitions organized, an average of 123 posts per competition which is a much higher average compared to recent years.

### 4. Appointments to senior positions

Since the entry into force of Law No. 02.12 of July 17<sup>th</sup> 2012 on the appointment to higher positions and until June 24<sup>th</sup> 2018, the Governing Council approved 889 appointments to senior positions under article 92 of the Constitution.

The analysis of the evolution of the distribution of these appointments by position and by gender shows, during the period considered the following:

- Since the introduction of the new appointment procedure for senior positions, the position of Director remains the most deliberate job on the government council, followed by statutory positions (General Engineers, General Administrators, General Practitioners and similar...);
- The number of women appointed, by decree, to senior positions after careful consideration by the Government council amounts to 106 appointments for the 2012-2018 period, ie women accounting for 11.92%;
- The position of Inspector General is the most representative position in terms of the number of women appointed (13.79%), followed by the position of Director (13.34%) and the position of Secretary-General (12.82%).

## II. CURRENT BREAKDOWN OF CIVIL SERVANTS

As of the year 2018, the Moroccan civil service has a workforce of 568,655 civil servants. The analysis of the structure of this workforce allows for an assessment of the human capital available to the public administration.

### 1. Distribution by department

The analysis of the distribution of the State's civil budget by department for the year 2018 shows a concentration of nearly 90% of civil servants at the level of six ministerial departments. In fact, the Department of National Education and Higher Education accounts for 51% of civil human resources in public administration,



followed by the departments of the Interior (23%), Health (9%), Justice (3%) and Economy and Finance (3%). The other ministerial departments together employ 11% of civil servants.

The Department of National Education, which is the largest public employer and the one enlisting the first sectorial budget, has started a reform process to improve the school supply in line with the resources enlisted and this, in accordance with the strategic vision of the reform of the Moroccan School (2015-2030). In this sense, 55,000 teachers have been recruited by the AREF (Académies Régionales de l'Education et de la Formation) through contracts for the 2016/17; 2017/18; 2018/19 academic years to meet the urgent human resources needs expressed by this department.

## 2. Classification by scale groups

The analysis of the structure of the civil workforce of the State by group of scales shows the following results:

- A preponderance of the category of executives made up of civil servants ranked at scale 10 and over, with a rate of 65.8%. This steady improvement in the supervision rate, which in 2008 was around 51%, is due in large part to the normal and exceptional promotions and also to the recruitment operations geared towards executives and senior executives.;
- The numbers of operatives at Grades 5 and 6 and supervisors (Grades 7 to 9) have stabilized respectively at around 18.8% and 15.4% of the total civilian workforce.

## 3. Breakdown by statute

Civil service staff is governed by three main types of statutes: inter-ministerial statutes, other particular statutes and special statutes. Thus, out of a workforce of 555,871 civil servants governed by these three types of statutes, we have:

- Inter-ministerial staff including administrators, engineers, physicians, nurses, technicians, drafters, administrative assistants and technical assistants represents 27%.
- 70% of this workforce is governed by other particular statutes. These are a few categories of officials in the fields of justice, the interior, foreign affairs and cooperation, higher education, national education, and economy and finance. ;

- Staff in the special statutes governing the magistrates of the judicial order, the magistrates of the financial courts, the administrators of the Interior, the agents of authority and the officials of the two chambers of Parliament represents a proportion of 3%.

As a result of the analysis of the 152,159 inter-ministerial staff structure, it follows that:

- The technical and administrative assistants (scales 6 to 8) with a staff of 42,010 represent 28% of the number of inter-ministerial staff;
- The technicians and drafters (Scale 8 to 11) with a staff of 24,842 represent 16%;
- Nurses, 28,785 in number, account for nearly 19% of inter-ministerial bodies;
- Administrators and engineers account for 20% (30,310 administrators) and 7% (11,055 engineers respectively), i.e. 27% of the total interdepartmental staff;
- The number of doctors practicing in the civil service is 13,098, that is to say 9% of the inter-ministerial body and about 2% of the total civilian workforce.

In the case of the staff of the other particular statutes, whose staff number is 388,816, the staff falling to within the particular statute of MEN (Ministry of National Education) staff remains the most important one with a 63.5% share, followed by security staff with a proportion of 23.2%.

#### 4. Breakdown by external services and central services

Administrative decentralization is one of the main projects of the reform and modernization of the Moroccan administration. Its objective is the establishment of an efficient system of administrative organization accompanying the decentralized territorial organization based on advanced regionalization and also a main tool for the implementation of the general policy of the State at the territorial level. Within this framework, a balanced distribution of civil servants and skills, between the

central services and the external services, allows for strengthening of the establishment of this local administration and reinforcing its position as an essential vector in local management.

Although the rate of administrative decentralization is significant (around 90%), the distribution of powers and skills between the central and the local remains below expectations since it does not generally exceed a transfer of responsibilities by delegation of signature.



## 5. Breakdown by age group

The analysis of the current age pyramid makes it possible, on the one hand, to have visibility in terms of retirement forecasts and, on the other hand, to monitor the evolution of jobs inventory and skills within the administration.

The structure of the civilian workforce by age group shows that young civil servants under the age of 35 constitute 26% of the total number of civil servants in the State, and that civil servants belonging to the age groups [35,50[ and 50 and over constitute respectively 40% and 34%.

## 6. Breakdown of retirements by age limit for 2018-2021

For the period 2018 - 2021, expected cumulative age retirements will reach 49,845 retirements, representing 9% of civil servants.

## 7. Breakdown by type

Even though progress has been made in the employment conditions of women in the public administration, the strengthening of gender equality remains a priority objective of the government around which the efforts of the various stakeholders must focus.

Currently, the percentage of women in the administration is 34.7% against 65.3% for men. The analysis of the degree of female representativeness according to three indicators reflects the following:

- **Compared to the total workforce of the civil service**, the female workforce is almost 90% at the level of six ministerial departments: National Education, Health, Interior, Justice, Higher Education and Economy and Finance.
- **Compared to the total number of women in the civil service**, two social departments employ nearly 72%, namely National Education (56.5%) followed by the Ministry of Health with a rate of 15.5%.
- **Compared to the male civilian workforce in each department**, the analysis of women's workforce distribution reveals that:
  - Female Health staff represent 61.2% against a male workforce of 38.8%;
  - 43.7% of the Justice Department staff are women;
  - For the departments of National Education, Economy and Finance and Higher Education, female employment rates are respectively 39.9%; 38.8% and 34.2%.

## 8. Breakdown by region

The advanced regionalization adopted by Morocco is a strategic choice to introduce a new mode of territorial governance, with new regions endowed with their own human and material resources, and destined to be leading forces of integrated and sustainable development in all domains. However, the current distribution of civil servants in the State by region shows great disparities. In fact, nearly 70% of the State's civilian staff is concentrated in five regions:

- Rabat–Salé–Kenitra : 23% ;
- Casablanca–Settat : 15% ;
- Fez–Meknes et Tangier–Tétouan–Al Hoceima : 11%
- Marrakech–Safi : 10%.

The disparity between the regions in terms of the distribution of human resources represents an issue in terms of the ability of these staff to manage administrative services for a population undergoing major economic and social change.

Thus, and in order for the advanced regionalization to succeed, the government prepares a draft charter on the administrative decentralization to set the general rules for the administrative and financial organization of the decentralized State departments and in particular the principles governing the relations of these departments with the local authorities and the organizations that fall under them.

### **PART THREE: STAFF COSTS**

The staff costs account for a major share of general government expenditure with more than 33% of the general budget. Given the weight and dynamics of public spending, controlling their evolution is a key issue in controlling public spending.

#### **I. STAFF COSTS DURING THE PERIOD 2008-2018**

Between 2008 and 2018, staff costs rose from 70.29 MMD to 108.85 MMD, an increase of 55% over the period.

Two phases can be distinguished over the last ten years:

- **Before 2012:** where growth was strong, 8.31% in annual average resulting mainly from the implementation of the wage revision decisions taken within the framework of the social dialogue for state employees.
- **2012-2018:** where the increase in staff costs slowed down (2.01% on average per year). This was primarily the result of the combined effect of budget cuts due to retirements and measures taken by the government to control the increase of staff costs.



### 1. Evolution of the ratio of staff costs to Gross Domestic Product (GDP)

Since 2008, the ratio of staff costs to GDP has averaged around 10.41% annually (excluding employer pension contributions and medical coverage). However, this indicator remains high compared to the Middle East and North Africa (MENA) which is at 9.67%, and also in OECD countries where this ratio usually does not exceed 10%.

### 2. Evolution of the ratio of staff costs compared to the General Budget (GB)

Considered as the first item of public spending, staff costs represent 33.39% of the General Budget in 2018, and over the period 2008-2018, on average 33.37% of the GB's expenditure was allocated to the payment of civil servants' salaries.

### 3. Evolution of the ratio of staff costs compared to the Operating Budget

During the period 2008-2018, the amount available for spending that is allocated to staff costs represents more than half of the operating budget with an average of 53.44% per year.

### 4. Evolution of the ratio of staff costs compared to Ordinary Income

Over the period 2008-2018, the share of ordinary income allocated to staff costs averaged 39.59% per year. In 2018, this share reaches 46.34%. This situation reduces margins in the Operating Budget and thus limits the possibilities of reallocation of funds in favor of of the investment budget.

## II. STATUS OF CIVIL SERVICE STAFF EXPENDITURE FOR 2018

### 1. Breakdown of civil staff costs by departments

The breakdown of the State's staff costs by department, for the year 2018, shows that nearly 90% of the State's civilian staff costs are present at the level of six departments, that of the National Education, Vocational Training, Higher Education and Scientific Research with 52.4%, followed by that of the Interior with 17.7% and the Ministries of Health, Justice and Economy and Finance and Foreign Affairs and International Cooperation, with 9.9%, 4.6%, 2.8% and 2.7% respectively. The other departments' costs represent almost 10%.

The concentration of staff costs in certain departments (National Education,



Interior, Health...) is the expected outcome of the nature and sensitivity of the imperative missions assigned to these departments.

## 2. Breakdown of civil staff costs by region

Regional breakdown of civil staff costs and GDP makes it possible to confirm the link that may exist between the allocation of human resources at the level of each region and the contribution of the latter to national production. The main findings are as follows:

- 71.25% of staff costs are concentrated within the Rabat-Salé-Kenitra, Casa-Settat, Fez-Meknes, Tangier-Tetouan-Al Hoceima and Marrakech-Safi regions;
- The Rabat-Salé-Kenitra region, whose contribution to GDP is 16.3%, accounts for nearly 23.5% of staff costs. This concentration is mainly due to the presence of the central departments in the city of Rabat;
- The link between the allocation of staff costs by region and the contribution to GDP is not present. In fact :
  - In the region of Casablanca-Settat, a primary economic hub with the highest share of GDP (32%) and a large population, staff costs only represent 16.23%;
  - The four regions of Casablanca-Settat, Tangier-Tetouan-Al Hoceima, Fez-Meknes and Marrakech-Safi have created 70% of the national wealth, and account for 47.75% of the total wage bill, while the other eight regions consume 52.25% of this wage bill but contribute only 32% to the gross domestic product.

## 3. Breakdown of staff costs by scale

The analysis of the breakdown of staff costs for the year 2018 by group of scales shows the following results:

- The salaries of staff classified at scales 5 and 6 (operatives) account for 13.41% of total staff costs;
- The salaries of the supervisory staff (civil servants classified at scales 7 to 9) represents 17.71% of the total bill;
- Salaries for executives and senior executives of the state (staff classified at scales 10 and over) represent 68.88% of the total mass. This high concentration is mainly due to the faster rate of promotion and massive recruitment of executives in recent years.



## 4. Key Indicators of Civil Service Salary Levels for 2018

### 4.1 Average monthly net salary in the civil service

The average monthly net salary in the civil service increased by 32.44% between 2008 and 2018 from 5.650 DH to 7.549 DH, an average annual increase of 2.94%.

### 4.2 Average monthly net salary by department

In 2018, the net average salary recorded in the Department of Higher Education amounts to 14,278 dirhams against 11,060; 9447; 8,318; 7,544 and 6,099 DH that are observed respectively at the level of the departments of Justice, Health, National Education, Economy and Finance and the Interior.

### 4.3 Average net salary by groups of scales

The structure of the average monthly net salary by group of scales in 2018 is as follows:

- Operatives classified at scales 5 and 6: 4.223 DH;
- Supervisors classified at scales 7 to 9: 5.216 DH;
- Executives and senior executives (Scale 10 and above): 9.332 DH.

### 4.4 Distribution of the State's civil servants by salary

The analysis of the distribution of the State's civil servants by salary reveals the following:

- 10.11% of the State's civil servants receive a monthly net salary ranging between 3,000 DH (minimum wage) and 4,000 DH;
- Nearly 36.25% of civil servants have a monthly net salary of 6,000 DH or less;
- 58.48% of civil servants of the State receive monthly net salaries between 6,000 DH and 14,000 DH;
- Nearly 2% of civil servants have salaries exceeding 20,000 DH / month.

### 4.5 Minimum wage

Following the decisions taken in the various social dialogue sessions, the minimum wage has undergone major revisions, going from 1,736 DH in 2008 to 2,800 DH in 2011 to reach 3,000 DH in 2014.

## III. EXECUTION OF STAFF COSTS

### 1. Execution of staff costs for the year 2017

### *1.1 Retrospective analysis of staff costs*

With a completion rate of 98% compared to the forecasts of the 2017 Finance bill, the amount of the actual staff costs for this year has stabilized at around 104,598 billion dirhams (91,465 billion dirhams paid by the Staff Expenditure Department (DDP) and 13,133 billion dirhams paid by the other accountants of the General Treasury of the Kingdom (TGR) networks) against 104.9 billion dirhams in 2016, a slight decrease of -0.29%. The aim is to reach a 100% completion rate in the following years, based on the efforts made in this regard by the various authorizing officers and the concerned departments of the Ministry of Economy and Finance in application of "the restrictive aspect of staff loans" principle.

### *1.2 Regularization component of promotions*

The regularizations made for promotions in 2017 totaled 2,587 MDH, or 2.5% of staff costs. Promotions accounted for 45.7%.

### *1.3 Regulatory deductions component*

For the year 2017, the regulatory deductions for income tax and social security contributions amounted to 21.06 billion dirhams, respectively 8.333 billion dirhams and 12.731 billion dirhams, and represent 20.19% of the total staff costs provided by the Staff Expenditure Department (DDP).

## *2. Execution of staff costs for the period January-August of the year 2018*

Staff costs over the first eight months of 2018 amounted to 70.53 billion dirhams, of which nearly 61.43 billion dirhams were provided by the Staff Expenditure Department (DDP) and 9.1 billion dirhams by the General Treasury of the Kingdom (TGR) network accountants.

In this regard, it must be stated that the execution of staff costs during the first 8 months is in line with the provisions of the 2018 Finance Bill.

