

the United States, Canada and the United Kingdom. A significant minority are interested in studying in French and they go to either France or Canada. Finally, a small number pursue Spanish-language training in Spain.

Canada enjoys a number of competitive advantages. Mexican students who have studied in Canada say that potential employment opportunities are the biggest attraction. Canada's universities are regarded as superior to those in both the U.S. and Mexico in this regard. For any given quality level, Canadian universities are also lower-cost. Canadian visas are considered more accessible and this is regarded as a competitive advantage by some students.

LANGUAGE SCHOOLS

The language training market is dominated by about a dozen firms. Many of them are affiliates of large international organizations. The economic crisis has improved the competitiveness of these schools relative to foreign alternatives. For the same reason, freelance English teachers are emerging as important competition even for the Mexican ESL schools. The most important schools include Interlingua, Berlitz and Quick Learning.

BUSINESS SKILLS SCHOOLS

A small number of business schools cater to the needs of students who seek specialized programs. Lower costs give some of them a competitive advantage relative to universities. One of the most prominent schools in this market is the *Instituto Angloamericano*, which offers a one-year program covering language skills, computers, accounting, business and marketing.

INDUSTRIAL TRAINING PROVIDERS

Mexican companies buy industrial training services from a variety of domestic and foreign consultants and other training providers. Registered training programs must be executed by training agents who are registered with the *Secretaría*

del Trabajo y Previsión Social (STPS), Secretariat of Labour and Social Welfare. In 1993, there were about 5,600 registered training agents.

In the management training field, General Physics Service and the American Management Association are frequently mentioned as important players. Hemphill Schools and National Schools are active in the technical training area.

TRENDS AND OPPORTUNITIES

The devaluation of the peso in December 1994 has had two conflicting effects on the demand for educational services. On one hand, it severely curtailed the ability of Mexican companies, educational agencies and individual learners to pay for imported goods and services. As a result, imports of educational services fell by an estimated 25 percent during 1995.

On the other hand, the devaluation dramatically improved the competitive position of Mexico's export industries. To take advantage of this export boom, many Mexican companies have been forced to modernize to meet international quality standards. These trends have increased the need for all types of education and training, which was already in strong demand because of the liberalization of trade that began in the late 1980s.

PUBLIC EDUCATION

The stabilization plan implemented by the government in reaction to the peso crisis has required severe cuts in government spending. The problem was exacerbated by the reported transfer of some 150,000 students from private schools to public schools following the devaluation. But at the same time, improving the national education system remains a major priority.

During the term of former President Carlos Salinas, the *Solidaridad* program was the major source of funding both

for school construction and student assistance. As a former Secretary of Public Education, President Ernesto Zedillo is regarded as a strong proponent of spending on education, and the educational components of *Solidaridad* are likely to survive the change of government. Most analysts believe that *Solidaridad* will be re-engineered and reinstituted under a new name.

INDUSTRIAL TRAINING

The need for improved industrial training to help Mexico adapt to a liberalized trade environment has been recognized by the government. President Zedillo's *Plan Nacional de Desarrollo (PND)*, National Development Plan, includes a call for more and better labour training. It proposes stronger links between industry and educational institutions, as well as new forms of certification to recognize practical skills.

In the long run, the best opportunities will be for training providers who can deliver their products in Spanish. But in the shorter term, costs can be minimized using train-the-trainer approaches. Mexican trainers could be trained in Canada, for example, and then return to Mexico to pass on their new knowledge.

HIGHER EDUCATION

University officials in Canada, the U.S. and Mexico have been active for the past few years in developing trilateral contacts. These contacts have the potential to increase the international mobility of scholars, especially at the graduate student and faculty levels. For example, in 1995 the Canadian government contributed C \$1.5 million to the Trilateral Task Force on North American Academic Cooperation. One of the objectives of the program is to develop practical partnering techniques.

Several other groups are working to improve academic mobility within the North American Free Trade Agreement (NAFTA) countries. These