

## 5. THE MEXICAN TRAINING SYSTEM

There are two basic legal frameworks covering worker's training: The Mexican Constitution, which indicates that all firms, whatever their activity, are bound to provide their workers with training for their jobs; and the Federal Labor Law (issued in 1978), which spells out the specific way this should be done in order to increase the worker's productivity and standards of living. It indicates that an equal number of worker and employer representatives (from one to five based on firm size) are to constitute a "Mixed Training Commission", which has to be registered with the Secretariat of Labor. Their responsibility is to oversee the installation and operation of training systems and procedures and to develop training "Plans and Programs", which also have to be approved by the Secretariat. These have to be prepared every time the collective labor contract is renewed or at least every four years and have to cover all employees in the firm. They have to specify the number of employees by position, the programs and courses proposed with their objectives and contents by level and the registered instructor or training institution giving each course. Once approved, these plans have to be applied immediately. The actual training can be given either within the company or out of it, by the firm's own personnel, special instructors, institutions, schools or other organizations, as long as they are registered with the Secretariat of Labor. Once the training program has been completed, an official certificate is given to the employee.

According to official data provided by the Secretariat of Labor, the total universe of private companies legally bound to train their workers is divided as follows:

# OF WORKERS PER FIRM	# OF COMPANIES	# OF EMPLOYEES
1- 10	417,440	1,230,460
11- 50	70,241	1,508,186
51- 100	10,692	748,662
101- 300	7,514	1,253,406
301 or more	3,355	2,817,640
<b>TOTAL</b>	<b>509,242</b>	<b>7,558,354</b>

Source: Secretaría del Trabajo

As can be observed in this table, 82% of the total 509,242 companies have from one to 10 employees, that is, they are small companies. Nevertheless, these only employ 16% of all workers. On the other hand, 54% of the total 7.6 million workers entitled to training work in large companies, which only represent 2.1% of the total number of firms. These 420,000 small companies represent important opportunities both for training institutions and instructors, as well as for suppliers of educational and training systems and equipment, since they will have to start training their workers in order to comply with existing regulations.

The total number of firms and employees can be subdivided into the following economic areas: