

Retraining program for unemployed and displaced workers - PROBECAT, Mexico

Introduction:

Lack of focus on skills training, job matching and job creation in the unemployed and displaced workers is a persisting issue across the countries. The Government of Mexico in 2001 established a labour retraining program for unemployed and displaced workers - Programa de Becas de Capacitacion para Trabajadores, or PROBECAT which has been renamed to Bécate. It is a project which was implemented by Servicio Nacional de Empleo (SNE) with the objective to dampen the social costs of major economic restructuring and rising unemployment.

Intervention:

Bécate covers three dimensions of work and not only seeks to respond to the supply training needs but also intends to increase the demand for skills. As such, Bécate's sub programmes focus on skills training, job matching and job creation in the form of self-employment. The SNE also promotes entrepreneurship with a dedicated programme through which it lends materials and equipment in the first year for entrepreneurs to start their business. All the training costs for individuals and firms within the Bécate programme are covered by the SNE.

Sub-programmes	Objective	Duration	Participants' support during training	Obligations from participating team
Mixed training	Supporting new businesses, or large firms that are expanding their activities, in training attended their personnel in specific occupations	1-3 months	Scholarship equivalent to 1 or 2 times the minimum salary per day of training	Having at least 5 vacancies; hiring 80% of trainees
Training for technicians and professionals (replacing as of 2016 the training vouchers; sub-programme)	Provision of training courses in public or private institutions for people aged 16-29 graduated from university with the final objective to meet the specific occupational needs of firms	1-3 months	Scholarship equivalent to 1 or 2 times the minimum salary per day of training attended transportation stipend accident insurance	Hiring 100% of trainees
Practical work training	Supporting the recruitment of TVET graduates (aged 16-29) in	2 months	Scholarship equivalent; to 1, 15 or 2 times the minimum salary	Having at least 5 vacancies

	MSMES		per day of training attended; transportation stipend, MEX 20/day attended;	
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Sub-programmes	Objective	Duration	Participants' support during training	Obligations from participating team
			accident insurance	
Training for self-employment	Training in arts and crafts and basic trades to support those who want to become self-employed	20 working days (or one month)	Scholarship equivalent to the minimum salary per day of training attended; transportation stipend	Not applicable

Impact/ Learnings:

It has been observed that between January 2016 to September 2016, a total of 11,258 people have benefited through the training delivered under the programme. The majority of the training was for self-employment (5808) and for work placement for TVET graduates (4778)

The Government of India may initiate a new scheme considering similar labour retraining components as well as entrepreneurship modules to adequately incentivise employers to reskill or upskill the workers.

Sources: Servicio Nacional del Empleo (2016), Becate.<http://www.sne.morelos.go>, and OECD (2017), OECD Territorial Reviews: Morelos, Mexico, OECD Territorial Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/9789264267817-en>.