ASSESSING THE IMPACTS OF WORKFORCE SKILL IMPROVEMENT ON INCOME TRANSFER PROGRAMME BENEFICIARIES IN BRAZIL

Topic:
Author: Rayan Wolf

This paper evaluates the economic impacts of workforce qualification through professional courses for beneficiary families of the Conditional Cash Transfer Program in Brazil using the DAYANE model, a computable, static, multiregional, and multisectoral general equilibrium model that divides Brazil into five macro-regions and families into ten income classes. It is developed in the GEMPACK language and disaggregates familiesâ€™ schooling into twelve different levels. Schooling improvement shocks were simulated for beneficiaries of the Bolsa FamÃ-lia Program.
As a result, income transfers to these families decreased in proportion to the increase in wages. The results show that labour qualification policies for beneficiaries improve their economic situation, with income transfers gradually being replaced by higher salaries, indicating that government transfers can be reduced in response to improved gains in the labour market.