

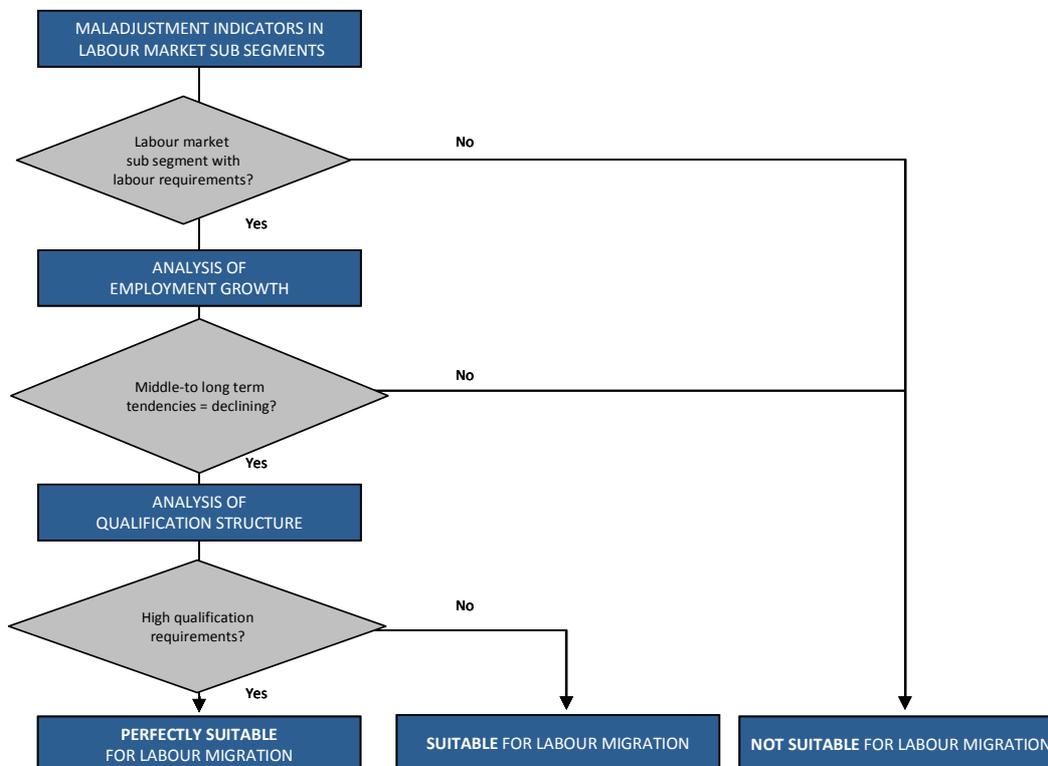
## 8 Final conclusions

As labour markets are characterized by significant rigidities we can observe labour market disequilibrium which can be due to an unsuccessful allocation of demand and supply (mismatch), excess labour demand or excess labour offer. Labour migration is an imaginable to solve labour market shortage and to some degree also to solve labour market mismatch situations that are principally due to an educational or qualification disparity within a relatively short time whenever the following conditions are given:

- (1) Maladjustment indicators in the respective sub segment (labour shortage or mismatch situation).
- (2) Middle to long term employment growth.

When, in addition the labour requirement is characterized by high qualification requirements the sub segment is highly suitable for labour migration. Are the qualifications needed of medium level, the sub segment can still be suitable for labour migration which can occur in form of permanent migration, guest-work and temporary migration for time-bound employment (seasonal work).

Graphic 8.1: Overview - Migration management in line with labour market requirements



Source: Own elaboration based on Schäfer, 2004

Migration is facilitated by the same factors that accelerate globalization and is therefore to be expected to grow further in the coming years. As the overview of the economic impacts of migration showed, labour migration can have as well positive and negative effects but migration of qualified labour and such foreign labour which is complementary to other sub segments of the labour market is mainly beneficial and leads to an increase of employment in general. Therefore the origins of labour market disequilibrium must be analyzed carefully in order to make a statement on the suitability of labour migration to solve maladjustments.

In the case of the Spanish hospitality industry, an extremely rapid employment growth at the beginning of the 20th century made the integration of immigrants in the sector important. Foreign labour force was employed to compensate a lacking domestic labour offer. With accelerating economic growth in general and a rising living standard many Spaniards were repelled by the bad image of the hospitality industry with its working hours and schedules as well as by the moderate wage expectations in the sector and the perception of its transition character. Experts of the industry complained of difficulties to staff positions and surveys conducted from 2000 to 2005 concluded that there was a labour shortage in the labour segment.

The statistic analysis of the situation conducted in this thesis lead to another conclusion: the still high percentage of unemployed in the industry contradicts the existence of a labour shortage in the sector. Vacancy rates are rather low than high and can – in the best case be interpreted as moderate. Considering the complementary studies that have been further resumed in this thesis, we can conclude that mismatch situation occur because of two reasons: as a result of a lack of coordination between labour demand and supply (bad human resources practices) and because of educational disparities. The recruitment of foreign workforce has been an option for companies to in the short run overcome difficulties in staffing jobs in the industry with a lack of attractiveness. At the same time the roots of the problem have not been eliminated.

The financial crisis does not only affect the overall economy but also affects the hospitality industry in a great scale. Rising unemployment rates and at the same time declining numbers of vacancies offered in the hospitality labour market, make a promotion of labour migration seem ridiculous. Until the crisis is over the industry rather has to deal with an excess labour supply than with labour shortage. Also mismatch situations will occur with less frequency.

But the tourism sector is considered to be a highly flexible sector that is expected to return to high growth rates when the economic recession is over. When no adjustments have been made in the meantime, there will be once again necessity and willingness of Spanish hospitality businesses to employ immigrants. As immigrants coming from Latin America are easier to integrate as a result of a common language and parts of a shared culture, Spanish hotel and restaurant owner prefer those over immigrants coming from other regions.

The Mexican hospitality industry is fairly developed and especially in terms of availability of qualified labour the country reached one of the highest rankings in a worldwide competitiveness comparison (WEF, 2009). Careers that offer education related to tourism focus on the formation of professionals with knowledge and skills to perform positions at medium and high hierarchical level with a focus on the assessment of operative tasks in direct contact with the client.

Expectations of future Mexican professionals considering labour market prospects basically stay the same when we compare Mexico and Spain in spite of the evaluation of overall labour conditions and the degree of difficulty of finding a job. In both cases Spain obtains far better evaluations than Mexico even though the statistical analysis of the labour market situation in the Spanish hospitality industry does not confirm the assumption of future Mexican professionals that it would be easier to find a job in Spain than in Mexico.

Generally, the disposition to work abroad amongst Mexican tourism students is very high – especially for guest-work – and Spain ranks as the most attractive country for them to work at. The future professionals are mainly attracted by aspects like new experiences and contacts as well as by the high living standard Spain supposedly offers. Main impediments for migrating temporarily or permanently to Spain are the aspects family and expenses as well as requirements. Those factors must be addressed when Spanish hospitality businesses consider employing Mexican immigrants. Labour supply from Mexico is actually there, the critical issue would be to effectively recruit staff from overseas.

Of course, on the long run it would be preferable to improve the structure and quality of employment in the tourism and hospitality industry, to improve the image of the industry and to enforce human resources practices in order to recruit staff effectively and to be able to retain valuable personnel but still labour migration could be a viable option for hospitality establishments to overcome difficulties in staffing positions on the short run. Future Mexican professionals are suitable and show high disposition to work in Spain and should for this reason be actively addressed when there is a labour shortage or mismatch that could be solved through migration.