

THE SOCIO-ECONOMIC IMPACT OF GRANTING HOLIDAY VOUCHERS IN THE ROMANIAN PUBLIC SYSTEM

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Abstract

The measure applicable in the tourism sector in Romania, referring to granting the holiday vouchers to employees of the budgetary sector, it had positive effects in the tourism sector, but also on the Romanian economy in general, firstly by registering record incomes and increasing the tourist flows, but also by removing from the underground economy a significant number of tourist reception structures, considering that the number of applications for their authorization increased in 2018 by 10% compared to 2017. Continuing to apply the measure will bring benefits to tourism in Romania, and increasing their value will respond to tourists' request to use complex tourism packages included in the offers of tourism operators.

Key words: tourism, holiday vouchers, economy, Romania

INTRODUCTION

Tourism is the economic sector with high development potential.

For the programming period 2014-2020, National Plan for Agriculture and Rural Development (NPARD), provides that a main source of income and development for the eight regions will be tourism [3].

However, studies on economic efficiency in tourism show a significant development in terms of number of tourists, but tourism contribution to Gross Domestic Product (GDP) is just 0.9 %, very low compared to other European Union countries [6]. The best years were registered in Romania in 2007, 2008 when tourism receipts accounted for 1.22% and 1.28% of GDP, the global rise in tourism receipts also recorded peak of 1.87% and 1.88% of GDP worldwide [2].

The North-West Development Region is a very high tourism potential for developing competitive touristic products, but unfortunately this potential is extremely poorly capitalized [1].

Related to habits studies show a preference of the arrivals especially in the 3rd quarter of each year, in macro-regions M3 and M1, for foreigners and in the macro-regions M1 and M2 for the Romanian tourists [10].

The paper analyzes the impact of holiday vouchers granted to employees from the budgetary system has over the economy of Romania. Were used data available by the National Institute of Statistics and the Ministry of Public Finance, data that were analyzed based on evolution or variation on relevant indicators for tourism sector within our country's economy.

MATERIALS AND METHODS

Introduced on the Romanian market in 2009 through Emergency Ordinance no. 8/2009 regarding the granting of holiday vouchers published in the Official Monitor. No. 110 of February 24, 2009, with the subsequent amendments and completions by Law no. 94/2014, the holiday vouchers were not granted in the public system immediately, but after a year, the reason being the economic crisis that led to of incomes made by the state budget in Romania, and restricted year by year by the legislation elaborated [7].

Since 2017 the granting of these vouchers has been resumed in the public system through Emergency Ordinance no. 46/2017 concerning the modification and completion of Emergency Ordinance no. 8/2009 regarding the granting of holiday vouchers, which specifies that next to

the employees of the private system who had benefited since the adoption of the measure, and the employees of the budgetary system to receive these vouchers annually [8, 9]. The holiday vouchers granted in budgetary system for every employee, values 1,450 lei and they are available since the release date and can be used only in some intern destinations. The nominal value allowed for holiday vouchers on paper are multiple from 50 lei to 100 lei which represents the maximum nominal value per voucher. The maximum level of the amounts that can be granted to employees in the form of holiday vouchers by employers other than those paid from public funds, represents the maximum of six minimum gross basic salaries in the country, guaranteed in payment, (established according to the law) for an employee, during a fiscal year. The taxation of these vouchers is applied only in those regarding the level of income tax (10%) being exempted from withholding social contributions.

RESULTS AND DISCUSSIONS

Holiday vouchers are valuable tickets that are given to the employees to cover expenses incurred in making the holiday leave in domestic tourism. Thus, holiday vouchers are intended to cover the expenses of tourist services, accommodation, meals and/or recovery of work capacity. Holiday vouchers can also be used to cover travel and/or entertainment expenses if they are included in a tour package. The services related to the rest leave can be purchased as packages of services or separately.

Table 1. The evolution of the tourist accommodation capacity existing in Romania in the period 2017-2019 (number)

Places in tourist reception structures - total	Years				
	1990	2008	2017	2018	2019
	Number of seats				
	353,236	294,210	343,720	353,835	356,562

Own design based on the data from [5].

At the level of Romania there are 14,941 economic operators with accommodation functions classified between 2009-2019, 8,434

economic operators with public catering functions and 2,708 licensed organizing and intermediary tourism agencies, according to the Ministry of Tourism. Regarding the tourist accommodation capacity, the situation is presented in Table 1.

It is found that the accommodation capacity had an oscillating evolution during the analysis period as follows: in 2008 compared to the period before 1990 there was a decrease with 16.71% so that by 2017 a growth of 16.82 will be noticed % compared to 2008, an evolution that continues to increase until 2019 but in small percentages between 0.77% and 3.73% (Table 2).

Table 2. The evolution of the tourist accommodation capacity existing in Romania in the period 2017-2019 compared to previous years of granting the holiday vouchers (%)

Places in tourist reception structures - total	Evolution of accommodation capacity				
	2008/1990	2017/2008	2018/2017	2019/2018	2019/2017
	%				
	83.29	116.82	102.94	100.77	103.73

Source: Own design based on the data from [5].

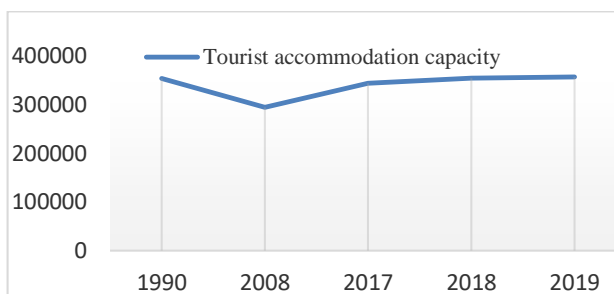


Fig. 1. The evolution of the tourist accommodation capacity existing in Romania in the period 2017-2019

Source: Own design based on the data from [5].

Holiday vouchers can be established for the use of the services of the economic operators regarding the tourism in Romania, the authorization according to the law, the care of the classified primary tourist structures but also of the licensed travel agencies and the accepted care or such payment method (Affiliation units). The issuing units will pay the value of the holiday vouchers to the affiliated units which they have concluded contracts for their settlement, after the provision of the tourism services (Table 3).

Table 3. Evolution of the number of overnight stays in tourist accommodation structures

Overnight stays in tourist reception structures	Years			
	2008	2016	2017	2018
	Number			
	20,725,981	25,440,957	27,092,523	28,644,742

Source: Own design based on the data from [5].

Regarding the number of overnight stays in tourist accommodation structures, its constant growth is noted with 22.75% in 2016 compared to 2008 and 12.59% in 2018 compared to 2016 and 38.21% in 2018 compared to 2008 (Table 4).

Table 4. Evolution of overnight stays in tourist accommodation structures (%)

Overnight stays in tourist reception structures	2016/2008	2017/2016	2018/2017	2018/2016	2018/2008
	%				
		122.75	106.49	105.73	112.59

Source: Own design based on the data from [5].

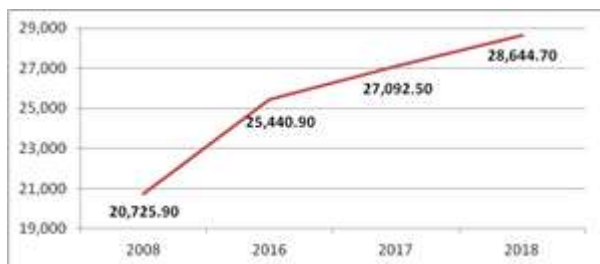


Fig. 2. Evolution of the number of overnight stays in tourist reception structures

Source: Own design based on the data from [5].

Table 5. Variation in the number of tourists participating in the tourism activities organized by the travel agencies in the years in which the holiday vouchers were granted compared to the previous period

Types of tourist activities	Travel agencies	Years		
		2008	2017	2018
		Number of people		
The activity of intern tourism	Tour Operators	416,541	670,428	959,030
	Agencies with sale activity	21,103	93,791	187,187
	Total	437,644	764,219	1,146,217

Source: Own design based on the data from [5].

It is found that compared to the period preceding the granting of holiday vouchers, the number of people participating in different

types of tourist activities organized by tourism agencies or only with sales activities, had a significant increase, according to the data in Table 5, data provided by the National Institute of Statistics.

The number of travel agencies selling packages of domestic tourism settled with holiday vouchers has increased in recent years, and these facilitate the access of tourists to different forms of accommodation that do not accept the payment with these tickets.

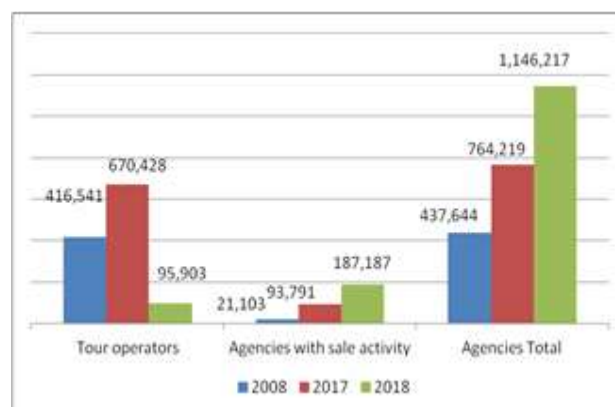


Fig. 3. The number of tourists participating in actions organized by travel agencies

Source: Own design based on the data from [5].

Thus, the situation of the number of tourists who have purchased packages of tourist services sold by travel agencies and only with sales activity is as follows: compared to 2008, in 2017 this number increased by 326,575 tourists, which represents an increase of 74.62%, and in 2018 compared to 2008 with 708,644 tourists, which represents 161.90% growth, which is maintained in 2018 compared to 2017 with 49.98% as a result of granting holiday vouchers in the budget system and involvement to the large number of travel agencies in the sale of these packages of domestic tourism with payment based on them (Fig. 3 and Table 6).

The companies that issued holiday vouchers in 2017, 2018 and 2019 are: S.C. UP România S.R.L., S.C. Edenred România S.R.L., S.C. Sodexo Pass Romania S.R.L. Between 2017-2019, the number and value of holiday vouchers settled by the Ministry of Public Finance both on paper and in the form of cards (electronic support) is presented in Table 7.

Table 6. Variation of tourists participating in the tourism activities organized by the travel agencies in the years in which the holiday vouchers were granted compared to the previous period (%)

Types of tourist activities	Travel agencies	Absolute and relative variation					
		2017/2008		2018/2008		2018/2017	
		Abs	%	Abs	%	Abs	%
The activity of intern tourism	Tour Operators	+253.887	160.95	+542.489	230.23	+288.602	143.04
	Agencies with sale activity	+72.688	444.44	+166.084	887.01	+93.396	199.57
	Total	+326.575	174.62	+708.644	261.90	+381.998	149.98

Source: Own design based on the data from [5].

Table 7. The value of holiday vouchers on paper

	2017		2018		Jan. - Nov. 2019	
	Quantity -nr-	Value -lei-	Quantity -nr-	Value -lei-	Quantity -nr-	Value -lei-
S.C. UP România S.R.L.	13,303,713	128,300,120	20,730,861	1,054,052,700	22,615,273	1,147,154,400
S.C. Edenred România S.R.L.						
S.C. Sodexo Pass România S.R.L.						

Source: Ministry of Public Finance [4].

Table 8. The value of holiday vouchers on electronic support

	2017		2018		Jan. - Nov. 2019	
	Quantity -nr-	Value -lei-	Quantity -nr-	Value -lei-	Quantity -nr-	Value -lei-
S.C. UP România S.R.L.	77,525	5,924,715	2,149,345	108,177,905	6,485,513	294,558,759
S.C. Edenred România S.R.L.						
S.C. Sodexo Pass România S.R.L.						

Source: Ministry of Public Finance [4].

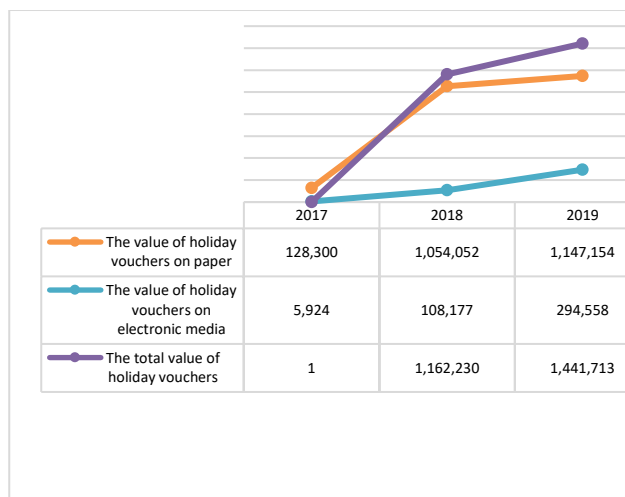


Fig. 4. The evolution of the budget location in what concerns the holiday vouchers for the period 2017-2019
 Source: Own design based on the data from Ministry of Finance [4].

The measure of granting holiday vouchers in the budget system had a positive impact which led to the issuing of proposals for granting holiday vouchers exclusively for the off-season. Holiday vouchers can be granted either in print or electronically, according to the legislation in force, and can only be used in

tourist establishments within the country (Table 8).

There is a constant increase in the total value of holiday vouchers granted to employees in the budgetary sector, according to data provided by the Ministry of Public Finance, which shows an increase of the beneficiaries of this measure: 92,569 beneficiaries in 2017, 801,539 beneficiaries in 2018 and 994285 in the year 2019 until November. For 2020, the value of holiday vouchers will be maintained at the level of 1,450 lei for each beneficiary of the budget system.

CONCLUSIONS

The measure of granting holiday vouchers in the budget sector aimed at increasing the number of jobs in tourism and thus at preserving the domestic workforce in Romania, intending to stop the exodus of the labor force from the tourism field to other states in the relative vicinity of Romania. On the other hand, the benefits to the employees of the budgetary sector are real, by increasing the

incomes realized, through which they can spend a holiday in the country, with the role of recovering the capacity of work but also of increasing the productivity of the work of the employee and their motivation.

The companies that issued holiday vouchers for the period 2017-2019 are: S.C. UP România S.R.L., S.C. Edenred România S.R.L., S.C. Sodexo Pass Romania SRL, both on paper and in the form of cards (electronic support) and a constant increase in the total value of holiday vouchers granted to employees in the budget sector, according to data provided by the Ministry of Public Finance but also to the beneficiaries of this measure.

The increase of the tourist accommodation capacity was evident during the period 2017-2019, against the background of increased demands in the field of internal tourism but also by the approval of some accommodation and catering units, removing the gray area of the economy.

The number of overnight stays in tourist accommodation structures from domestic tourism registered a constant increase in the period 2017-2019.

The number of tourists who have purchased packages of tourist services sold by tour operators or only with activity of sale has increased as a result of granting holiday vouchers in the budget system and the involvement of the tourism agencies in large number in the sale of these packages of tourism. internally with payment based on them.

For the coming years, it is intended to introduce on the market holiday vouchers that will be granted only for the off-season period (April - May and October - November) to increase the level of tourist occupancy evenly throughout the year and increase their value at the level of 2,080 law.

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