

HOLIDAY VOUCHERS - ESSENTIAL SUPPORT FOR ROMANIAN TOURISM

ENEA CONSTANȚA

ASSOCIATE PROFESSOR, CONSTANTIN BRÂNCUȘI UNIVERSITY OF TIRGU JIU,
FACULTY OF ECONOMIC SCIENCES, ROMANIA

constanta_enea@yahoo.com

Abstract:

Romanian tourism has received a significant boost this year through holiday vouchers Romania is "busy" by holiday vouchers. The holiday vouchers have been this year's absolutely essential support for the Romanian tourism industry, the occupancy rate of the hotels registered after their issuance at the national level, being an unprecedented one in the last ten years, according to the Association of Tourist Promotion Associations from Romania (FAPT) [1].

The present paper makes a positive analysis of the impact recorded in the last 6 months of 2018 as a result of holiday vouchers approved by the Romanian Government in the second quarter of this year.

Keywords: tourism, development, economic impact, social impact,

Classification JEL: M16, M21

1. Introduction:

One of the most important measures of the Romanian Government in 2018 was to approve the issuance by the National Authority of Tourism Agencies (ANAT) of holiday vouchers to all persons employed in the budgetary system, amounting to 1450 lei, which can not be spent for a purpose other than tourism [2].

It is appropriate to exemplify for the first time what these vacation vouchers are and how they are used.

Holiday vouchers are valuable tickets that are given to employees to cover the expenses they incur during holidaying in domestic tourism. Thus, holiday vouchers are intended to cover travel, accommodation, meal and / or work capacity recovery costs. Holiday vouchers can also be used to cover travel and / or entertainment expenses if they are in a tourist package. Recreational holiday services can be purchased as service packages or separately [3].

The minimum content of the package of services that can be purchased through holiday vouchers is set by the implementing rules, which are approved by Government Decision.

Holiday vouchers can be used for the purchase of services from licensed tour operators in Romania who have classified tourist accommodation and / or licensed travel agencies and who accept such a payment method (units affiliates) [3].

Issuing units will pay the holiday vouchers equivalent to the affiliated units with which they have concluded contracts for their settlement after the provision of travel services. The employee who benefits from holiday vouchers no longer benefits from the holiday bonus during the fiscal year or of the rest, granted according to the Law no. 263/2010 on the unitary pension system, as subsequently amended and supplemented. The granting of holiday vouchers can be divided into up to two installments, depending on the employee's choice of rest leave. The maximum amount that may be granted to an employee during a fiscal year in the form of holiday vouchers is 6 basic minimum gross domestic salaries guaranteed in payment. Thus, if the minimum gross salary is maintained in 2019 at 1,900 lei, we are talking about a maximum of 11,400 lei. The nominal value allowed for a holiday voucher on paper is multiple of 10 lei, but no more than 100 lei [3].

The holiday voucher has a validity period of one year from the date of issue, without the understanding that it is the period of validity of the electronic support, if the voucher was issued on this type of support.

How to use the holiday voucher? It is forbidden to the affiliated unit to give a rest to the holiday voucher. The value of the tourist services provided by the affiliated units above the value of the holiday vouchers is borne by the employee, the holder of the holiday vouchers.

Each holiday voucher on paper is valid only if it has the number under which it was affixed by the issuing entity and contains at least the following particulars [3]: the issuer and its identification data; the nominal value of the holiday voucher; the employer and his / her identification data; space for entering the name, surname and personal numerical code of the employee who is entitled to use the holiday voucher; a space intended to record the period in which it was used and the stamp of the affiliated entity; the validity period of the use of the holiday voucher; the prohibition of the affiliated unit to pay the cash difference between the value of the holiday voucher and the value of the service package used by the holiday voucher holder; the prohibition to use the holiday voucher in places other than affiliated units; the visual identity elements of the tourism brand of Romania.

Each electronic holiday voucher is valid only if the terms of the issuer, the employer, the period of validity, the prohibition to give money and the use of the voucher in places other than the affiliated units, as well as the name, surname and personal numerical code of the employee who is entitled to use the holiday voucher is enrolled on the holiday voucher on electronic or otherwise stored in the holiday voucher.

The maximum cumulative ceiling of the commission charged by the issuing entities from the employer and the affiliated unit is 1% of the nominal value of the holiday voucher. The maximum commission charged by travel agencies as affiliated units may not exceed 10% of the value of the package of services offered to holiday vouchers.

2. Impact of vacancy vouchers registered on turistic flows in Romania

Holiday vouchers were introduced to the Romanian market in 2009, but their granting was stopped in the public system after a year, due to the economic crisis, and has since been restricted year by year by normative act.

Until last year only private-sector employees received vacation vouchers. However, between 1 July 2017 and 30 November 2018, and budgets receive vacation vouchers within the limit of a minimum wage per person / person.

Tourists should know that from the agency they can buy any holiday at any hotel / hostel in Romania, and agency rates are better than hotel reception and can book virtually any licensed hotel / hostel in Romania, even if that, perhaps, does not accept holiday vouchers.

At the end of 2013, there were 5.1 million employees in Romania, of which 1.18 million were budget members. If each of the over 5 million employees would receive vacation vouchers, the maximum amount of tickets that a person could receive is 5,100 lei, then, according to the calculations of the Federation of Romanian Employers' Associations (FPTR), the maximum potential of the market is over 26 billion lei (about 5.7 billion euros). Of this amount, over 6 billion lei (about 1.3 billion euros) would come only from the state budget.

But in reality, in an optimistic scenario, after employers, hotels and travel agencies will become accustomed to this payment system, about 30% of the market capacity represented by the state budgets will be used, ie 400 million, I support representatives of the federation.

According to a Frames analysis, "most hoteliers report sold-out these days, with many booking up to 60-80% including for September" [4].

The National Authority of Tourism Agencies (ANAT) announced that approximately 14 million vouchers on paper and in electronic format worth approximately 148 million euros were issued between January and June 2018, this figure being five times higher compared to 2017. Frames statistics show that HORECA's industry employs over 16,000 companies, of which nearly 10,000 are in the restaurants sector. Last year, companies reported over 82,000 employees in the restaurants sector and 45,000 in hotels and hostels. On the background of the significant

improvement in the economic situation and the efficiency of the HORECA companies, the data show a significant improvement in the net profit compared to 2013 - from 380 million lei to 1 billion lei for hotels and from 190 million lei to 1.6 billion lei for restaurants [5]. The seaside and the Prahova Valley are at the forefront, but also in Bucharest and other cities and tourist areas, the degree of accommodation is significant, over the previous years.

According to analysts, the release of holiday vouchers also has unexpected effects. Beyond the affluence of tourists and the increase in accommodation rates, the restaurants sector is feeling a complete escape of this system - the vouchers are dedicated to accommodation and can not be used independently, such as meal vouchers. From the talks with seafaring businessmen, it turned out that although hotels are full, they are less consumed on terraces and restaurants. There are many tourists who cover their meal and beverage exclusively from hotel or supermarket offerings, and consumption in terraces, bars and clubs has dropped significantly [5].

All statistics show that 2018 has brought a significant increase in service quality in HORECA. More 4 to 5-star hotels, all-inclusive offers, specific restaurants, pubs with identity - from a logistical point of view, the Romanian hospitality sector is the best after the Revolution. On the other hand, all Frames analysts have noticed that there are still many gray areas in which authorities have to intervene. "In Mamaia, for instance, hotels built on the green spaces of other hotels without visual identity have appeared, the seaside beaches are full of stalls and other temporary buildings. The aspect of the Romanian coastline is becoming increasingly obvious, and the authorities are obliged to intervene in this segment to enforce the urban rules. Without a strategy in this area, it will be quite difficult to attract foreign tourists, and the Romanians will make them choose to spend their holiday in the country and not in Greece or Turkey. "[6]

Romanians will receive next year's holiday vouchers, and in 2018 they will be a mouthpiece of oxygen for Romanian tourism, the Ministry of Tourism reports in a press release. This measure of the Government will be maintained in 2019, ie every Romanian working in the state system will also benefit from holiday vouchers worth 1,450 lei next year. The data so far shows that there have been 15% more applications to the ministry than in the same period last year.

So, not only Romanians have benefited from this measure but also the owners of hotels and hostels, so more and more entrepreneurs have gained confidence that they can invest in tourism, that this sector is profitable. Due to these, the employment rate on the Black Sea and the Danube Delta is unprecedented in the last ten years.

The situation is identical in all Romanian holiday destinations. In mountain tourism, spa resorts, agrotourism destinations and even major tourist cities, the occupancy rate has increased significantly. Holiday vouchers massively granted in the budget and even the private sector are making a record situation in Romania in the last 10 years, for the benefit of Romanian tourism, which is thus boosted by holiday vouchers.

Another beneficial effect is that Romanians are beginning to rediscover tourist Romania. Well, Romanian tourists now prefer organized circuits, through travel agencies, instead of staying in one destination, because agencies compose any tourist package with lower rates than those of hotels or sites of reservations. The fact that travel agencies can include, besides lodging nights in hostels or hotels, table services, tickets to tourist attractions (Telegondola, Mocanita, cruise ships on the lakes or by sea, cable cars, museums, Dolphinarium, events such as " Evening Dobrogean "or" Untold "or concerts) attracts vacation ticket owners to travel agencies where they make any holiday package in Romania they want, a package they pay for holiday vouchers.

More than 80% of Romanians who come to travel agencies with holiday vouchers want to take their seaside holidays at the peak of the season when they have the highest rates and are willing, like a ticket, to pay from their pocket for to be able to pay for the desired stay, according to a study by TUI TravelCenter, the largest travel agency network in Romania. To accommodate the holiday voucher value, a family of two adults and a child can only afford 3-4 days of accommodation with breakfast in a three-star hotel on the seaside or in the mountains. The fact that

budgets have received vacation vouchers has created an increase in demand for domestic destinations, especially for the Romanian seaside. Of the total of Romanians entering vacation vouchers in travel agencies, over 80% want to go to the seaside, and the others prefer either spa resorts or mountain stays. The vast majority of those who do not like the sea ask for boarding houses in Danube Delta, Maramures, Moldova, Bucovina, Transylvania and Danube Delta.

Most tourists with vouchers, whether they choose the sea, the mountain or spa resorts, want to be accommodated during July - August, namely July 15 - August 15, ie full season, when hotels and pensions have the highest rates. The average price for a 7-night summer holiday with breakfast is about 1,650 lei, with 200 lei above the value of a holiday voucher. However, according to TUI, 40% of Romanians who come with vouchers to travel agencies do not want the holidays they buy to exceed 1,450 lei, 50% of them are willing to pay out of their pocket, up to 500-600 lei per stay and there are 10% who pay more than 1.500 lei more than the vouchers [7].

On average, however, because they choose to spend a week at sea, in the mountains or in the peak season, tourists pay 31% in addition to the value of holiday vouchers. To fit only in a holiday voucher, a family formed of, for example, two adults and one child can stay for this period of 3 or 4 nights, depending on the resort and the category of the accommodation unit, whether it be the word of mountain or sea. By using vacation vouchers, you can enter into the financial circuit with € 173 million a year in the most pessimistic scenario.

However, a negative effect of the vacancy voucher implementation is maintaining the limitation of the travel agency fees, which will diminish their interest in using this settlement system. At the same time, tourists will call directly at the accommodation units and will purchase services at reception rates, which is 30-40% more expensive.

Of course, there are many strong points. First of all, Romanian tourism receives a required help for years. Holiday vouchers will boost the development of this sector of the economy. The fact that vouchers will replace holidays in the budget system is a big gain for both hoteliers, tourists and the state.

The Romanian Tourism Employers Federation was one of the supporters of the introduction of holiday vouchers and participated in negotiations since 2002.

The value of vacation vouchers reached a record high in June 2018, of € 125 million, compared to € 3 million in June 2017. More specifically, the amount is 42 times higher than in the same month of the previous year, according to data submitted by the National Association of Travel Agencies in Romania (ANAT). In fact, only in June the value of holiday vouchers is four times higher than that for the whole of 2017, which was 30 million euros. In June, 11.3 million holiday paper vouchers, worth over 117 million euros, and 274,000 electronic vouchers, worth about 7.8 million, were issued, ANAT representatives say. The significant increase from € 3 million in June 2017 to € 125 million in June 2018 has been boosted by

In June, 11.3 million holiday paper vouchers, worth over 117 million euros, and 274,000 electronic vouchers, worth about 7.8 million, were issued, ANAT representatives say. The significant increase from EUR 3 million in June 2017 to EUR 125 million in June 2018 was driven by the granting of these extra-wage benefits to budgetary employees. From 1 December, instead of holiday paper or electronic holiday vouchers, budgets will be paid, in accordance with Article 26 of the Payroll Act, of publicly funded employees. Thus, the number and value of holiday vouchers at country level will drop considerably. In Romania holiday vouchers are issued by Cheque Dejeuner, Edenred and Sodexo Pass.

3. Conclusions

The development of tourism as an economic branch fully meets all the requirements of sustainable development, namely: economic development, social development, environmental protection. In the field of tourism industry in what concerns the tourist demand and offer some main trends appear that will allow reformations in tourism systems [8].

In order to meet the requirements of sustainable development, it is necessary to initiate and support strategies with concrete actions, focusing on specific and measurable objectives [9].

Tourism development requires long-term efforts to implement complex implementation techniques that allow, for example, identification of business portfolios (tourism activities); approving tourism development policies at national and regional level; planning for a period of tourism development actions. Implementing policies is a huge responsibility of both authorities and private companies. All policy makers know that development policies support the previously established development directions and act similarly to long-term strategies for administrative development in the tourism field. [9].

It seems that Romanian tourism will record the best financial result of the last decade this year, impressed by holiday vouchers, but the aspect of the Romanian seashore is becoming more and more obvious, according to a recent analysis by the Frames consulting firm. Holiday vouchers have significantly stimulated the Romanian tourism market. These days, most hoteliers report "sold-out," many booking reservations up to 60-80% including for September. According to Frames analysts, the release of holiday vouchers also has unexpected effects. Beyond the affluence of tourists and the increase in accommodation rates, the restaurants sector is feeling a complete escape of this system - the vouchers are dedicated to accommodation and can not be used independently, such as meal vouchers. But there are still many gray areas in which, according to Frames analysts, the authorities have to intervene. "In Mamaia, for example, hotels built on the green spaces of other hotels without visual identity appeared, the seaside beaches are full of stalls and other temporary constructions. The aspect of the Romanian coastline is becoming increasingly obvious, and the authorities are obliged to intervene in this segment to enforce the urban rules. Without a strategy in this area, it will be quite difficult to attract foreign tourists, and the Romanians will make them choose to spend their holiday in the country and not in Greece or Turkey," says the Frames analysis. The measure of granting holiday vouchers targets 1.2 million Romanians who are encouraged to spend holidays in the country. According to NIS, Romania registered a 4.1% increase in the first semester of the number of tourists this year compared to the same period last year, and this is due to holiday vouchers, according to the financial analyzes communicated by the private sector as well. Holiday vouchers can only be used in hotels and hostels in Romania and provide accommodation, meals, transportation, treatments at spa resorts and additional services provided by accommodation units, as well as other services included in the package purchased by the beneficiary.

ANAT issued 14 million holiday vouchers this year worth 148 million euros. From the TUI Travel Center study, 40% of Romanians who come with vouchers to travel agencies do not want the holidays they buy to exceed 1,450 lei, 50% of them are willing to pay out of their pocket, up to 500-600 lei per stay and there are 10% who pay more than 1.500 lei more than the vouchers [7].

Although the value of a voucher is 1450 lei, at extra seasonal rates, the average rate for a 7-night summer holiday with breakfast in this period is 1,650 lei, with 200

Although the value of a voucher is 1450 lei, at extra-season rates, the average rate for a 7-night summer holiday with breakfast in this period is 1,650 lei, with 200 lei over the value of a holiday voucher. On average, however, because they choose to spend a week at sea, in the mountains or in the peak season, tourists pay 31% in addition to the value of holiday vouchers. To fit only in a holiday voucher, a family formed of, for example, two adults and one child can stay for this period of 3 or 4 nights, depending on the resort and the category of the accommodation unit, whether it be the word of mountain or sea [4]. According to the statistics, most of the clients wanted vacation from July 15 to August 15, regardless of whether they were mountain or mountain, from the time they were approved and granted these holiday vouchers.

The advice of the tour operators would be that holidays based on vouchers received be purchased either on Christmas or New Year's Eve or the following year. We explained to our clients that these vouchers can also be used for mountain, Christmas or New Year, or can buy them

seaside holidays even for the following year with the Autumn Tourism Fair, when the discounts are very high. Tourists can also benefit from early booking discounts of 30-40%, so they could purchase a summer holiday next year with more than one nights accommodation without exceeding the amount allocated by the Government.

Bibliography:

- [1] Federation of Tourist Promotion Associations in Romania (FAPT), <https://www.facebook.com>
- [2] National Association of Travel Agencies (ANAT) - <https://www.anat.ro/>
- [3] DECISION on the approval of the Methodological Norms for the granting of holiday vouchers <http://turism.gov.ro>
- [4] Romania free, 02.09.2018 - 15:47, <https://romanioliberal.ro/social/vesti-bune-for-bugetari-voucherele-de-vacanta-se-vor-acorda-si-anul-viitor>
- [5] Adrian Negrescu, <https://adevarul.ro/economie/stiri-economice/ce-intampla-vachetele-vacanta-in2019-anul-ministerului-turismului>.
- [6] <http://www.bihon.ro/vucherele-de-vacanta-au-impulsionat-turismul/>
- [7] <https://www.tui-travelcenter.ro/>
- [8] Neamțu L, Strategic Options for Restructuring Touristic Industry of Gorj County, Annals, Economy Series, Timișoara, Issue XIV/2008, pp.537-544
- [9] Neamțu A, Neamțu L, Sustainable development of regional tourism, Annals of the "Constantin Brâncuși" University of Târgu Jiu, Economy Series, Issue 2/2012, pp.183