Effects of Tourism on Labour Market

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Abstract

Tourism is a phenomenon that can generate effects on the labour market, both for visited the state and the state of origin of tourists. However, tourism is contributing to employment growth, business development, social development (the ties between nations), the cultural, environmental quality, development and economic growth sensu lato. Therefore, tourism can have both positive and negative effects on the labour market in both countries and the effects will be analysed in our paper.

However, to determine the effects of tourism on the labour market, we must take into account the factors that determine the evolution of tourism, factors that also will be analysed in our paper.

With the help of tourism, a state can create new jobs, thus helping to attract surplus labour from other sectors and also contributing to decrease unemployment. Surplus labour force growth and youthful not only determines supply on the labour market, but also increased consumption, so the general supply, resulting in GDP growth and, as a consequence, improve living standards.

We believe that tourism helps greatly to economic growth and economic development of our country, so take this as a particularly important topic and present, unvalued tourism being one of the branches of Romania. Therefore, tourism can be a catalyst for improvement of living standards of our country and the quality of life and social welfare.

Keywords: tourism; labour market; employment; development; economic growth;

1. Introduction

The purpose of the present work is to analyse the effects of tourism on the labour market. The main objectives of the present work aims to achieve are: analysing the consequences of tourism on the labour market in terms of

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growth and economic development, determining the contribution of tourism to GDP countries and its importance, determining the factors that cause the evolution tourism with tourism multiplier.

The paper is theoretical. The results obtained by consulting the bibliography are exposed as economic consequences of tourism, of specifying its functions and its social significance in this respect tourism activity being seen as one of production.

Through applying the formula multiplier effect is apparent additional volume of income earned by a unit of tourist expenditure that will be used in the economy. The tourism multiplier formula, stresses that it necessary to consider all the resources to be exploited in the context of sustainable development. The importance of tourism for economic development is exposed as conclusions.

One of the major features of the evolution of the global economy is the growth and development of international trade. And from this point of view, tourism appears as an important component of international economic relations.

"Tourism is an industry that benefits from highly optimistic predictions for the future, its importance becomes increasingly larger at the global, regional, national and local level."(Enea, C. Enea, C., 2009, pp: 159-170)

However, tourism is part of the global invisible trade components. The invisible trade is one of the forms of international economic exchange, not as a commodity item. Invisible trade materialize and form "invisible balance" or "balance services" important component of external balance of payments of a country. In the services balance, revenue and expenditure from tourism activity is recorded balan tier account called "traveling". Thus credited to this account shall be recorded revenue from tourism activity and into debit account the expenditure of development of tourist activity incurred.

Tourism intensity

All these are economic consequences of tourism, but the latter has a profound social and human significance. This acts, by its nature, on the tourists directly, as well as on the population of the areas visited. Also the effects of tourism, reflects on environmental impact, the use of free time and not least the ties between nations.

Tourism is, after all, an element that encourages communication, exchange of ideas, information, stimulating cultural horizon, broadening effect on intellectual formation. Therefore, one of the most important functions of tourism lies in its role as reassuring as to contribute to the regeneration of work capacity of the population, both in the forms of recreation, as well as the types of medical spa treatments. At the same time, tourism is a means of education raise the level of education, culture and civilization of the people. Therefore, tourism contributes not only material meeting the needs but also the spiritual meeting the needs of the people.

Social significance is the fact that tourism is an important use of free time. Contemporary evolution of the global economy is characterized by increasing trend of free time, which raises issues regarding the organization and its effective use. If we look at the touristic activity as one of production with inputs and outputs, we see that this means exploiting a variety of resources, natural having a fundamental role. In consequence, tourism exercises influence on the environment and its components.

Also in socio-economic, but political plan, it should be noted particularly important role in strengthening and diversifying tourism links between nations worldwide. Indeed, alongside actual trade, international tourism tends to become one of the main forms of connection between people located on different continents.

There are countries which made up 80% of GDP (Maldives) of tourism activity, and countries with a developed economy (France 7.3% GDP, Switzerland 7.7% GDP) with high percentages of tourism into GDP. Unlike this situation in Romania, tourism contributes 2% to achieve GDP compared to other countries in the region (Bulgaria 4.3% and Greece 5.6% share of GDP).

From this tourism intensity chart we can see that our country has the lowest intensity. Currently, for Romania due to the presence of unexploited tourist resources and insufficiently enhanced, tourism is an industry with significant growth opportunities and thus remains a sphere of activity that can absorb some of the remaining workforce available through economic restructuring.
For this reason, tourism becomes more important because, with tourism, a state can create new jobs, thus helping to attract surplus labour force from other sectors while helping to reduce unemployment. Surplus of labour force not only determines growth and rejuvenation of supply on the labour market, but also increased consumption, so the general supply, resulting in GDP growth and, of course, improving the standard of living, quality of life and social welfare.

The chart above clearly shows that Romania is one of the countries with the least developed tourism. Several years ago, our country was ranked 162 out of 174 countries in terms of contribution of tourism to GDP. However, growth forecasts are well above the European and global average, providing tourism development tourism development because Romania has great potential as a country "Carpathian-Danubian-Pontic" This is because our country is part of the Carpathian Mountains, is crossed the Danube River and has an opening at Black Sea.

Another important thing is that our country has an area of about 237,500 km2 located in the heart of Europe, with a rich cultural heritage, but mostly unexploited. Precisely for this reason, we believe that Romania is a country with great potential.

But at the same time, we must take into account that this is put in danger by the fact that more and more Romanian are leaving the country to work abroad. Thus, labour migration is particularly important, especially for the economy of developing countries as Romania.

Remaining into relationship tourism – labour force, it should be noted the indirect effect of increasing the number of people employed in this sector. Studies show that a direct workplace in tourism can create another, even up to three indirect and induced workplaces. This is explained by the fact that tourism is a major consumer of goods and services, influences positive use of labour force into providing its branches (agriculture, food industry, construction).

Equally important is the fact that tourism is able to ensure prosperity of disadvantaged areas can be a remedy for de-industrialized regions. This by developing less resource-rich areas with high economic value, but with important and attractive tourist natural and anthropogenic resources. Because of this he is considered a lever to mitigate inter-regional imbalances.

According to World Tourism Organization multiplier effect can be defined as the additional volume of income earned by a unit of tourist expenditure that will be used in the economy.

Starting from Keynesian model of investment multiplier in the literature indicate a tourism multiplier formula as follows:

\[ R = \frac{l}{1 - c'} \]

\[ R = \text{tourism multiplier, which multiplies the number of times each unit in the national economy money spent by tourists.} \]

\[ c' = \text{marginal propensity to consume tourism, showing how much tourism consumption expenditure increases by one unit increase in revenues from tourism money.} \]

The tourism multiplier formula shows us that we must take into account that exploited the resources to be exploited in such a way as to benefit them and future generations.

Currently, many countries developed special programs with facilities for returning the country to professionals working abroad, known as the "return of talent programs." But even if internal measures designed to enhance labour market participation would be fully realized, it will not be sufficient to fully offset the consequences of demographic change on labour supply. "Reality is that by 2050, unless unlikely immigration and consistent levels of labour force participation, EU labour force will decrease by about 68 million workers." (Report to the European Council, p.27)

For these reasons, to determine the effects of tourism on the labour market should keep in mind the factors that determine the evolution of tourism. They are represented by:

- one population income, population migration, touristic, free time, urbanization, prices
- population evolving, changing average length of life, the age structure and socio-professional
one level of training, temperament, desire for knowledge, fashion, traditions
- one performance vehicles
- political stability, military conflicts, visa facilities, international cooperation, tourism facilities, border formalities
- launching of new tourism products, in accordance with the demand, increasing the training of tourism personnel, diversity and quality of services, cost benefits
- one economic crises, natural disasters, weather conditions etc.

An expressive indicator for socio-economic development level is gross national product (GNP) per capita. Among countries with high per capita income - so with ample opportunities to practice tourism - include France, Germany, Denmark, USA, Canada, Italy, Britain, Japan. Influence of prices takes place on several levels and actions aimed at tourism product as a whole or only one of its components: transportation, accommodation, food, entertainment, etc. However, urban population growth and its need to seek green spaces outside cities determine tourist inflow. It is estimated that tourism is allocated approximately 30% of the population free time.

In conclusion, we believe that tourism helps greatly to economic growth and economic development of our country. Today, in a market economy, tourism is seen as a mass phenomenon, which acquires major meanings in promoting and improving national economies through significant contributions to the preparation Gross Domestic Product, the growth of exports, employment and improving relations between states (Firoiu, 2005, p.5).

References:
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