

CIEDR 2018
The International Scientific and Practical Conference
"Contemporary Issues of Economic Development of Russia:
Challenges and Opportunities"

SANATORIUM-RESORT AND TOURIST SPHERE FOR THE
COMPETITIVENESS OF STAVROPOL TERRITORY (PART 2)

O. L. Taran (a)*, V. L. Adzhienko (b), I. L. Taran (c), Eu. A. Sergeyeva (d)

*Corresponding author

- (a) Pyatigorsk Medical and Pharmaceutical Institute - a branch of the Volgograd State Medical University, Volgograd State Medical University, Kalinina avenue, 11, Pyatigorsk, Russia, oleg-taran@yandex.ru, +7-928-220-55-57
(b) Pyatigorsk Medical and Pharmaceutical Institute - a branch of the Volgograd State Medical University, Volgograd State Medical University, Kalinina avenue, 11, Pyatigorsk, Russia, director@pmedpharm.ru, +7-8793-32-44-74
(c) Federal Autonomous Educational Institution of Higher Education "North Caucasus Federal University", Institute of Service, Tourism and Design (branch of NCFU) in Pyatigorsk, Avenue 40 let Oktyabrya, 56, Pyatigorsk, Russia, taran-igor@yandex.ru, +7-928-220-55-56
(d) Pyatigorsk Medical and Pharmaceutical Institute - a branch of the Volgograd State Medical University, Volgograd State Medical University, Kalinina avenue, 11, Pyatigorsk, Russia, ret84@mail.ru, +7-918-783-22-98

Abstract

The study reflects the multiplicative effect of the sanatorium and resort component of the Caucasian Mineral Waters region on the economy of the region, the contribution of the sanatorium and resort complexes of the Caucasian Mineral Waters to the economy of the Stavropol Territory is shown. Particular attention in the study is devoted to the consideration of key factors restraining the development of the sanatorium and tourist complexes of the region, as well as the development of practical recommendations for leveling these factors and increasing the competitiveness of the sanatorium and resort complex of the Stavropol Territory. The authors recommend to create Association of sanatorium and hotel institutions of the region with obligatory participation of all organizations of sanatorium and hotel infrastructure regardless of the form of ownership in work of this Association. Organising such Association will significantly reduce the negative impact of factors hampering the development of the sanatorium and tourist complexes in the region

© 2019 Published by Future Academy www.FutureAcademy.org.UK

Keywords: Competitive advantage, regional economy, sanatorium complex, tourist complex.



1. Introduction

Competitive advantages of certain regions of Russia are determined by the presence of specific conditions for the development of certain industries and spheres of activity, the functioning of which within the region distinguishes them from similar industries and spheres of activity in other regions of the country, which, of course, should be used at the regional level of management to ensure sustainable and progressive socio - economic development of the region, the growth of its gross regional product, and also serve as a tool to meet the socio-economic needs of the population of the region.

2. Problem Statement

Great attention is paid to the problems of sanatoria and health resorts development, to the increase of its competitive advantages. Thus during the Presidium meeting of State Council “On the measures to increase the investment attractiveness of the health resort complex in the Russian Federation” in August 2016” the President of the Russian Federation noted in particular “Unique nature, effective methods of treatment at our modern resorts – all this is a huge base for improving their competitiveness, so that they are in demand both by Russian citizens and foreign guests. Historically, it has developed in our country as an integral part of the entire health care system... Today its role in the treatment of a wide variety of diseases, their prevention, rehabilitation of patients and in maintaining the health of Russian citizens on the whole, their ability to work and active life is still high” (The transcript of the meeting of the Presidium of the State Council on increasing the investment attractiveness of Russian resorts, n.d.). The President of the Russian Federation also stressed that “... regular health improvement in sanatorium conditions allows to increase the life expectancy of people from 3 to 15 years. Patients who have passed the sanatorium stage of rehabilitation, in most cases, return to work. They have two or even three times reduced temporary and permanent disability ... The need for the development of resorts is not limited to their medical and social significance. Sanatoria are located throughout the country, and for many cities, districts and even regions they can become the basis for economic growth, improvement of transport infrastructure, services... By creating conditions for business, for the inflow of private investment, we must not forget the main thing: the sanatorium and resort complex is designed to work effectively to preserve and strengthen the health of Russian citizens and its services should be available to people with different incomes (The transcript of the meeting of the Presidium of the State Council on increasing the investment attractiveness of Russian resorts, n.d.).

Thus, at the present stage, the problems of development of competitive advantages of resort and tourist areas of the Russian regions are particularly relevant (Taran, Taran, Taran, & Pogorelskaya, 2017). Their solution should contribute to the improvement of the population of the whole country on the one hand. And on the other hand it should act as a kind of locomotive of socio-economic development of these regions taking into account their specificity.

3. Research Questions

3.1. What are the main constrains for the development of the sanatorium and resort complexes of the region, and what are the possible ways of leveling these constrains?

4. Purpose of the Study

The aim of this two parts research is to form practical recommendations for improving the competitiveness of the resort and tourist complexes of the Stavropol region on the basis of a study of the current situation and the key problems of their functioning.

5. Research Methods

The research methodology is based on the use of theoretical and empirical methods of research of theoretical and practical material on the research topic. The study also used methods of statistical data synthesis, modeling and comparative analysis.

6. Findings

Sanatorium and tourist complexes of the Caucasian Mineral Waters have a significant multiplier effect on the economy of the region, directly affecting the socio-economic development of both resort towns and the development of the Stavropol region as a whole (Taran, Nesterenko, & Avanesov, 2012).

Thus, for instance, with the official population of the resort city of Essentuki of 109 thousand people, in accordance with the data on the social and economic development of the municipal formation of the urban district of the resort city of Essentuki on the official website of the city administration, the number of tourists in Essentuki in 2017 was about 220.0 thousand people, or 105.1% of the 2016 level. From the activities of sanatoriums (health resort institutions) and hotel facilities of the city, the amount of tax revenues to all levels of the budget for 2017 amounted to 357.97 million rubles (163.3% of the level of 2016), including 82.47 million rubles to the local budget (the volume of revenues is less by 15.2 million rubles compared to the level of 2016) (The report on the social and economic development of the municipality of the resort town Essential, 2017). In the resort town of Kislovodsk there live 130 thousand people, in 2017 the resort city of Kislovodsk was visited by 318689 tourists, which is 3.2% more than in 2016. Currently, the city has 123 accommodation facilities for tourists and convalescents (recovering people), with a capacity to accommodate 14.86 thousand people. The sanatorium-and-spa complex of the city is represented by 38 sanatoriums, 15 recreation boarding houses, 2 clinics, 1 health improvement camp and 67 hotels. The fill rate of the sanatorium-and-spa complex in 2017 was 77.4%, with that of departmental (industry-sponsored) sanatoriums - 78.1% and sanatoriums of the FNPR (Federation of Independent Trade Unions of Russia) - 73.5%. In the resort town of Kislovodsk, vacationers - along with health improvement in sanatoriums - can also take advantage of tourist resources. 35 tourist organizations operate in the city, 29 of them provide excursion/sightseeing services in Kislovodsk and other towns of CMW (Caucasus Mineral Waters) region and the North Caucasus and organize sports, extreme and educational tours for residents and visitors of the resort city of Kislovodsk. In 2017 the amount of revenues from taxes and fees from the resort and hotel complexes to the budget of the resort city of Kislovodsk was 131526.6 thousand rubles, which is 2.6% higher than the value of the 2016 indicator (with 129193.0 thousand rubles in 2016), including: Personal Income Tax - 89102.0 thousand rubles, or 106.6% against 2016; STII (Single Tax on Imputed Income) - 491.5 thousand rubles, or 100.6% against 2016; Land Tax - 41913.3 thousand rubles, or 93.0% against 2016; other taxes and fees - 19.8 thousand

rubles, or 25.1% against 2016. Revenues from the sanatorium-and-spa and hotel complexes make up about 10-15% of the volume of own revenues of the budgets of resort cities, while the potential for increasing revenues to the budget system of the region is very significant. It is also necessary for the growth and development of the region's economy (Taran, Durdyeva, Aslanov, Bindasova, & Borlakova, 2016), but this requires support of the sanatorium-and-spa complex and the tourism sector of the region both from the regional and federal authorities, since there have accumulated many issues with regard to the implementation of competitive advantages in the region.

Among the main factors restraining the development of sanatorium-and-spa complexes of the region are:

- the low level of affordability of sanatorium-and-spa treatment for the majority of the population and the lack of a unified coordinated policy of promoting the services of the sanatorium-and-spa and tourist complexes in the region, which is indirectly evidenced by the data of the average annual load ratio. With regard to utilization of collective (shared) facilities of the sanatorium-and-spa complex of the region of CMW, there is a considerable reserve margin: thus, the annual average fill rate at year-end of 2017 in the resort city of Kislovodsk was 77%, Essentuki - 80%, Pyatigorsk - 75%, and Zheleznovodsk - 76%.
- weak consideration of the impact on the environment of spatial development and weak control over the formation of the external appearance of municipalities, so only in the last 10 years the number of residents in the region of CMS increased by 300 thousand people, the equivalent increased and technogenic load, reduced the area of green spaces that contribute to the formation of mineral waters, both in the resort cities and around them, according to some expert estimates, the area of green spaces is only 25% of the required standards, the appearance of resorts is actively changing and not for the better – there is an active development of cities, including in the areas closely adjacent to the resort area;
- a high degree of deterioration of tourist and resort infrastructure of the CMS, insufficient financing of Federal property, the lack of mandatory classification of collective accommodation facilities, underdevelopment of sanatorium and tourist infrastructure.

In order to neutralize the factors hindering the development of health resort and tourist complexes in the region, we can note the following.

The low level of access to health resort treatment for the majority of the population is due to the fall in real incomes of citizens, as well as a significant increase in the cost of air and rail services. At the same time, there are no protectionist measures of state support for citizens and organizations that purchase health resort vouchers for their employees, and the existing draft state strategy for the development of the health resort complex of the Russian Federation is also not aimed at solving this problem. At the same time, the formation of economic mechanisms to stimulate the demand of the population for the purchase of services provided by organizations and institutions of sanatorium-resort and tourist complexes by integrating sanatorium-resort organizations into the system of stage-treatment " polyclinic-hospital – the increase in financing from the state of obligations to provide sanatorium and

resort assistance to preferential categories of citizens and the creation of mechanisms to stimulate investment in the sanatorium and resort complex, as well as the creation of mechanisms for subsidizing transportation to resorts, should be a priority of measures for the development of sanatorium and tourist areas of Russia, as well as be directly reflected in the State strategy for the development of the sanatorium and resort complex of the Russian Federation.

The relevant Federal and regional ministries and agencies responsible for the development of health resorts and tourist complexes should jointly work out and adopt a standard for the spatial development of health resort areas for all regions of Russia, taking into account the provision of a balanced anthropogenic load on the land of resorts and the preservation of natural medicinal resources, as well as the establishment of the boundaries of the sanitary protection zone.

For the purpose of systematic control of problems of tourist and resort infrastructure and study of the initiatives directed to their decision it is necessary to create Association of sanatorium and hotel institutions of the region with obligatory participation of all organizations of sanatorium and hotel infrastructure regardless of the form of ownership in work of this Association, besides on this Association it is possible to assign duties on share participation in promotion of sanatorium and hotel services of the region in the all-Russian and international market.

7. Conclusion

In order to level the factors, restraining the development of the sanatorium and tourist complexes of the region, a number of recommendations were proposed, the practical implementation of which will significantly reduce the negative impact of factors hampering the development of the sanatorium and tourist complexes in the region, leading to an increase in its competitiveness and creating a positive multiplier effect for other industries and areas of the region.

References

- Taran, O. L., Durdyeva, D. A., Aslanov, D. I., Bindasova, N. A., & Borlakova, M. I. (2016). Assessment and Analysis of Resource Approach to Formation of Strategic Potential of Economy of the Region. *International Review of Management and Marketing*, 6(S1), 84-89. Received September 20, 2018, from <http://econjournals.com/index.php/irmm/issue/view/70>.
- Taran, O. L., Nesterenko, S. A., & Avanesov, A. (2012). Tourist and recreational complex and its role as a regional economy: a review of major concepts and controversies. *Bulletin of Institute of friendship of peoples of the Caucasus*, 4, 106-109.
- Taran, O. L., Taran, I. L., Taran, N. G., & Pogorelskaya, T. A. (2017). Health resort sphere of Russia: actual problems and possible solutions. *International scientific publication "Modern fundamental and applied research"*, 4-2(27), 205-214.
- The official website of the territorial body of the Federal State Statistics Service of the Stavropol region (n.d.). Received September 20, 2018, from <http://stavstat.gks.ru>.
- The transcript of the meeting of the Presidium of the State Council on increasing the investment attractiveness of Russian resorts. (n.d.). Received September 20, 2018, from <http://kremlin.ru/events/president/news/52769>.