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EUROPEAN SOCIAL CHARTER

8th report on the implementation of the European Social Charter

submitted by

THE GOVERNMENT OF THE NETHERLANDS ANTILLES

(01/01/2005 - 31/12/2006)

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CYCLE 2008

EUROPEAN SOCIAL CHARTER

8th Report of the Government of the Netherlands Antilles on the implementation of article 1 of the European Social Charter and article 1 of the Additional Protocol to the Charter in the Netherlands Antilles for the period 2005-2007.

Directorate of Labour Curaçao, April 2008

1. Report of the Government of the Netherlands Antilles

For the period 1 January 2005 to 31 December 2007 made by the Government of the Netherlands Antilles in accordance with Article 21 of the European Social Charter, on the measures taken to give effect to the accepted provisions of the European Social Charter, the instrument of ratification which was deposited on 22 May 1980.

In accordance with article 23 of the European Social Charter, copies of this report have been communicated to:

| The employers' organisation: V.B.C. | Curaçao Business Association |
|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The workers' organisations: C.G.T.C. S.S.K. A.F.B.W. FEDEBON W.I.F.O.L. U.F.A. | Central General of Curaçao Workers Central of Curaçao Trade Unions General Federation of Bonaire Workers Federation of Bonaire Workers Windward Islands Federation of Labour United Federation of the Windward Antilles |

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2. Preface

This document contains the reports regarding article 1 of the European Social Charter and article 1 of the Protocol to the European Social Charter over the period 2005-2007 from the Government of the Netherlands Antilles.

It is important to describe the current governmental developments that will have a major impact on the Netherlands Antilles and the island territories. This process is currently under way and will define a new context in which international relations have to be considered in the future.

To provide an overview of the current situation in the Netherlands Antilles the following issues are elaborated upon in the report:

- the current governmental developments (paragraph 3);
- the economic situation in the Netherlands Antilles (paragraph 4);
- social dialogue process on Curacao and St. Maarten (paragraph 5);
- answers to the requests for information from the European Committee for Social Rights (paragraph 6 through 10). These answers are backed up by figures mainly on the labor market.

To conclude in paragraph 10.8 a short summary is provided.

3. Current government developments

An important development for the Netherlands Antilles is the new status for all the 5 island territories (Curaçao, Bonaire, Sint Maarten, Sint Eustatius and Saba).

As from 1986 the Netherlands Antilles consists of 5 islands (the Caribbean part of the Kingdom of the Netherlands). From that date Aruba (formerly part of the Netherlands Antilles) got the status of country.

Especially in recent years the political structure of the Netherlands Antilles, which was established on the 15th December 1954 in a Charter of the Kingdom of the Netherlands, has been the subject of discussion and criticism. In the Charter both partners were defined as "equal partners", who freely accepted a new legal order" in order "to look after their own interests in an independent manner" and "that common interest shall be taken care of in equality" (Preambule of the Charter of the Kingdom of the Netherlands).

The common feeling was that this Charter needed to be updated. Therefore a referendum was held in April 2005 on all islands of the Netherlands Antilles. Through the referendum citizens could express their preference for different proposals for island and national status. At the Round Table Conference on the 26th of November 2005 the partners (the European part of the Kingdom of the Netherlands and the Caribbean part of the Kingdom) agreed that ultimately the 1st of July 2007 all competence, powers and tasks of the central government of the Netherlands Antilles must be handed over to the island territories.

The date of 1st of July 2007 has been changed to the 15th of December 2008 due to the complexities of the upcoming constitutional changes.

To keep the population informed about these changes the islands governments are supplying information through the media and their website:www.curacao-gov.an. These efforts are detailed in the manual of procedures and have been ratified by the Permanent committee for the constitutional structure of the Island Council of Curaçao. The manual contains amongst others the following aspects:

- nation building and a vision as a nation;
- provisions on laws;
- evaluation of international treaties;
- cooperation with the other islands and the Netherlands;
- finances.

The Permanent Committee consists of members of all opposition parties as well as members of the coalition represented in the Island Council and also comprises different social organizations, e.g. unions, NGO's and employers organizations. The Committee reports to the Island Council and presents topics for discussion to the consulting platform¹.

¹ Website: www.gov.an

The new constitutional position of the islands of Bonaire, St. Eustatius and Saba (BES islands) is quite different from the one of Curacao and St. Maarten.

The BES islands will obtain within the Netherlands constitutional institution the position of public body in the sense of article 134 of the Constitution of the Netherlands. The residents of these three islands who possess the Dutch nationality will be entitled to vote for the Dutch Parliament and the European Parliament. For participation in the election of the First Chamber of the Dutch Parliament a provision will be considered.

In the transitional period, in anticipation of the new constitutional situation, the validation of the Antillean laws, regulations and policies remains fully in force until the Dutch and European laws and regulations will be introduced. Another important condition set by the Dutch government is that all three the islands meet the requirements of sound government and transparency as established for Dutch municipalities.

4. The economic situation in the Netherlands Antilles

About the financial aspects of the new status of the islands territories within the Kingdom of the Netherlands the following is to be said. The national debt remains enormous, amounting to 5.1 billion Antillean guilders (approximately 2.8 billion US dollars).

Despite the firm growth in private sector expenditures, the economy of the Netherlands Antilles grew in 2006 at the same pace as in 2005. Both investment and consumption contributed to the growth in private expenditures. Private investment remained strong, backed by the expansion in business loans and mortgages. The growth in private consumption was attributable to more consumer credit, increased employment, and the further reduction of the income tax. The expansion in private spending was dampened by decline in net foreign demand because the growth in imports-stemming from strong private demand and high fuel prices-exceeded the growth in exports. In addition, the growth in government spending slowed considerably as a result of a decline in consumption and a slower growth in investment.

The economic recovery that started in 2001 was finally translated into a improvement of the labor market, reflected by a decline in the weighted average unemployment rate of the Netherlands Antilles from 16.4% in 2005 to 13.2% in 2006 to finally 12.0% in 2007. The decline in Curacao's unemployment rate, the largest island of the Netherlands Antilles, contributed to this improvement. The unemployment rate amongst juveniles was strikingly high (44%) in 2005, in 2006 it declined to 37.8% and in 2007 this rate has declined considerably further to 24.2%. Also the inflation rate declined to 2.9% in 2006, after peaking at 3.2% in 2005. The decline was accounted for mainly by the moderation in global oil prices, contributing also to the lower inflation of our most important trading partners.

| | 2002 | 2003 | 2004 | 2005 | 2006 |
|------------------|------|------|------|------|------|
| GDP (mill.Nafl.) | 5200 | 5370 | 5505 | 5760 | 6121 |
| Real growth % | 0.3 | 1.4 | 1.1 | 1.4 | 1.5 |
| Inflation % | 0.4 | 1.9 | 1.5 | 3.2 | 2.9 |
| Unemployment % | 14.6 | 15.3 | 15.1 | 16.4 | 13.2 |

Table 1, Macro economic facts Netherlands Antilles.

Source: Central Bank of the Netherlands Antilles (2008). (1 US dollar is 1,79 Antillean Guilder (Naf.).

5. Social dialogue process

5.1 Curacao

For some time now social dialogue between employer's organizations and unions is taking place on Curaçao and St. Maarten. In Curaçao this already has resulted in consensus on topics that have divided the two sides for decades.

Currently all stakeholders including the representatives of workers and employers are in the process of designing a labor market policy for the island of Curacao. The main aim of this process is to achieve a labor market with full employment possibilities for youth and adult, through improvement of the labor productivity, a competitive and skilled workforce able to compete globally.

The platform Kolaborativo², with representatives of the social partners, and the Curacaoan government openly discusses matters (labor market policies, working conditions and other issues related to sound working circumstances) with the central idea to achieve consensus about issues of national importance.

In the 2006 report of the Committee of Experts on the Application of Conventions and Recommendations (CEACR) of the ILO, the Committee noted with interest various measures taken by the Antillean government regarding ILO-convention 87 (Freedom of association and protection of the right to organize). This Experts report highlighted the achievements accomplished by the Kolaborativo and nominated this initiative as best practice in the region (Annex VI, Report CEACR 2006, page 18).

On the 10th-12th of January of 2008 Kolaborativo successfully organized a Labor Force Development National Dialogue, with Sir Roy Trotman, President of the ILO (International Labor Organization) Coalition of Trade Union and Staff Associations of Barbados as keynote speaker. His presentation was followed by workgroup presentations regarding productivity and efficiency measures, the status of temporary and casual workers and the gap between the education system and labor market.

During the conference Denmark and Barbados were presented as best practices regarding a flexible and open labor market which enhances overall productivity growth and develops a national minimum wage that ensures a satisfactory standard of living for all workers (see Annex IA, Labor Force Development National Dialogue conference dated January 2008).

5.2 St. Maarten

On the 19th of May 2006 a tripartite committee formed as a mediating committee between the parties of the Labor Summit Joint Committee has concluded an

² The name of this platform Kolaborativo is deducted from the essential ingredient, which is collaboration between the parties, employers and workers organization

agreement to improve dialogue between the social partners and as such the social and economic environment of St. Maarten.

The Petite Committee consists of representatives of unions, employers organizations and the island government of St. Maarten (see Annex II, Memorandum of Understanding).

The parties agreed, inter alia, on the following points:

- to increase the minimum wage to Ang 7,79 (Antillean guilder, per hour, this is approximately US\$ 4,28), which is the highest minimum wage per hour in the islands of the Netherlands Antilles. This increase became effective from November 2006;
- to reduce the government surtax on the wage and income tax by 5% from 30% to 25% as of January 2007;
- the tripartite Committee will continue seeking and discussing ways and means to flexibilize the labor market of St. Maarten, while guaranteeing workers' protection. Special attention will be paid to the local and Antillean labor force and to the use of short-term contracts by the different sectors;
- that a tripartite committee will be installed by the Executive Council as of July 1, 2006. This Committee will meet periodically to discuss matters relevant to achieving a labor market policy plan for the Island of St. Maarten. Among the topics to be discussed are:
 - training and/or re-training of the worker (employed/unemployed);
 - o migrant workers and related issues (documented/undocumented);
 - youth unemployment;
 - o cost of living adjustments.

6. Article 1 - The right to work, paragraph 1

6.1 Employment situation

The Committee notes from the international Monetary Fund that real GDP growth during 2001-2004 was positive but rather low. In 2004, it stood at 1.1% as compared to a negative 2.7% in 2000. Despite the positive growth, the unemployment increased in the reference period from 14.6% in 2001 to 15.0% in 2004.

The Committee notes from the report that the youth unemployment rate remained high and amounted to 30.4% in 2001 while that among the elderly reached 24.9%. The report does not contain unemployment figures by age groups for 2002-2004.

The Committee reiterates its request for information about the unemployment and long-term unemployment rates for all years broken down by age groups and gender.

The Government of Bonaire has developed a Development Plan for 2001-2005 aimed at reaching full employment. The results of these initiatives are not known. However, the unemployment on this island is relatively low (5%)

6.2 Answers to questions or requests for information from the European Committee of Social Rights

For recent unemployment and youth unemployment figures reference is made to paragraph 7 below

As for Bonaire the Antillean government wishes to add a clarifying text about the result of the various initiatives undertaken by the Bonairean island government. The policy followed by the government of the island of Bonaire in attempting to reach and maintain optimal (full) employment is added in Annex I B.

In the tables 5, 6 and 7 the development of the population and the working population per island by gender is supplied.

7. The Antillean labor market in figures

The Antillean government provides in the following pages, in tables 1 through 33, the development of the population and the working population of Curacao, Bonaire and St. Maarten. Furthermore, the development of the working population by gender, education and industry, working population, by nationality, economic position, unemployment duration, income categories, minimum wage, industry and youth unemployment.

7.1 Core figures

The table below shows that the working population increased between 2002 and 2006. The participation rate descended slightly, compared to the year 2005. The reason is the total population grew relatively faster than the working population.

| | | 2002 | 2003 | 2004 | 2005 | 2006 |
|---------|--------------------|--------|--------|--------|--------|--------|
| 1 | Workers | 49056 | 52137 | 51474 | 51343 | 53797 |
| 2 | Jobseekers | 9056 | 9274 | 9861 | 11392 | 9241 |
| 3 (1+2) | Working population | 58112 | 61411 | 61335 | 62735 | 63038 |
| 4 | Total population | 127893 | 130191 | 132207 | 135474 | 138027 |
| 5 (3:4) | Participation rate | 45% | 47% | 46% | 46% | 46% |
| 6 (2:3) | Unemployment | 16% | 15% | 16% | 18% | 15% |

Table 2, Development of the population and the working population Curaçao.

As shown in the answer under question A the working population in Bonaire grew between 2002 and 2006 thus resulting in a decline of the number of jobseekers. Remarkable is that the participation rate amounted to 52% in 2006. This rate is 6 percentage points higher than that for the larger island of Curaçao.

| | | 2002 | 2004 | 2006 |
|---------|--------------------|------|-------|-------|
| 1 | Workers | 4334 | 4661 | 5647 |
| 2 | Jobseekers | 571 | 456 | 481 |
| 3 (1+2) | Working population | 4905 | 5117 | 6128 |
| 4 | Total population | 9928 | 10432 | 11793 |
| 5 (3:4) | Participation rate | 49% | 49% | 52% |

Table 3, Development of the population and the working population Bonaire.

Unemployment

6 (2:3)

Between 2003 and 2005 the number of workers in Sint Maarten rose with almost 2000. The unemployment rate descended considerably to 13%. The participation rate on Sint Maarten is 58%, which is due to the influx of migrant workers. Sint Maarten has the highest percentage of migrant workers in the Netherlands Antilles, and consequently the highest participation rate since many migrant workers come without their families.

12%

9%

8%

| | | 2003 | 2005 |
|---------|--------------------|-------|-------|
| 1 | Workers | 16200 | 18073 |
| 2 | Jobseekers | 3433 | 2798 |
| 3 (1+2) | Working population | 19633 | 20871 |
| 4 | Total population | 33317 | 35910 |
| 5 (3:4) | Participation rate | 59% | 58% |
| 6 (2:3) | Unemployment | 18% | 13% |

Table 4, Development of the population and working population St. Maarten.

The number of working women on the labor market is nearly the same nowadays as the number of working men.

The number of male jobseekers descended strongly between 2005 and 2006. This resulted in a strong drop of the unemployment among men (11%). Among the women the unemployment also descended with 1,5% in 2006 in comparison to 2005. The participation rate of women is lower than the rate of men. The difference between the number of men and women in the total population remains constant because the male and female population increased equally in the past year.

Table 5, Development of the population and the working population by gender Curaçao.

| | | 2002 | | 2003 | | 2004 | |
|---------|--------------------|-------|-------|-------|-------|-------|-------|
| | | Men | women | men | Women | men | Women |
| 1 | Workers | 25206 | 23850 | 26606 | 25530 | 25283 | 26192 |
| 2 | Jobseekers | 4120 | 4936 | 4002 | 5272 | 4498 | 5362 |
| 3 (1+2) | Working population | 29326 | 28786 | 30608 | 30802 | 29781 | 31554 |
| 4 | Total population | 59206 | 68689 | 59664 | 70527 | 60445 | 71762 |
| 5 (3:4) | Participation rate | 50% | 42% | 51% | 44% | 49% | 44% |
| 6 (2:3) | Unemployment | 14% | 14% | 13% | 17% | 15% | 17% |

| | | 2005 | | 20 | 06 |
|---------|--------------------|-------|-------|-------|-------|
| | | Men | women | Men | women |
| 1 | Workers | 25316 | 26027 | 27033 | 26764 |
| 2 | Jobseekers | 5227 | 6165 | 3469 | 5772 |
| 3 (1+2) | Working population | 30543 | 32192 | 30502 | 32536 |
| 4 | Total population | 61871 | 73603 | 63070 | 74957 |
| 5 (3:4) | Participation rate | 49% | 44% | 48% | 43% |
| 6 (2:3) | Unemployment | 17% | 19% | 11% | 18% |

The trend in Bonaire is the same as in Curacao, however the difference between men and women is small. An important difference though is that the amount of jobseekers in Bonaire remained almost constant amongst men, but amongst women somewhat increased over the past two years.

| | | 2002 | | 2004 | | 2006 | |
|---------|--------------------|------|-------|------|-------|------|-------|
| | | men | women | men | women | men | Women |
| 1 | Workers | 2195 | 2138 | 2266 | 2395 | 2941 | 2706 |
| 2 | Jobseekers | 290 | 281 | 207 | 253 | 205 | 276 |
| 3 (1+2) | Working population | 2485 | 2419 | 2473 | 2648 | 3146 | 2982 |
| 4 | Total population | 4752 | 5176 | 4999 | 5437 | 5734 | 6066 |
| 5 (3:4) | Participation rate | 52% | 47% | 50% | 49% | 55% | 49% |
| 6 (2:3) | Unemployment | 12% | 12% | 8% | 10% | 7% | 9% |

Table 6, Development of the population and working population of Bonaire by gender.

The number of male and female workers in St. Maarten increased around 1000 between 2003 and 2005. Because of the decline in both categories of jobseekers the amount of working population has increased with 1000, almost equally divided between men and women. The unemployment rate for both men and women decreased with some four percent.

| Table 7, Development of the population and working population of St. Maarten by | |
|---------------------------------------------------------------------------------|--|
| gender. | |

| | | 20 | 03 | 2005 | | |
|---------|--------------------|-------|-------|-------|-------|--|
| | | Man | vrouw | Man | Vrouw | |
| 1 | Workers | 8780 | 7419 | 9714 | 8359 | |
| 2 | Jobseekers | 1545 | 1888 | 1194 | 1604 | |
| 3 (1+2) | Working population | 10325 | 9307 | 10980 | 9963 | |
| 4 | Total population | 16203 | 17114 | 17303 | 18607 | |
| 5 (3:4) | Participation rate | 64% | 54% | 63% | 54% | |
| 6 (2:3) | Unemployment | 15% | 20% | 11% | 16% | |

7.2 Working population

The largest part, 41 percent, of the working population enjoyed secondary education 1st phase. The share of the working population which enjoyed only the primary education varies around 10 percent. The participation in higher education has slightly risen and amounts to 20% since 2005.

| Relatively | 2003 | 2004 | 2005 | 2006 |
|------------------------------------------|------|------|------|------|
| Primary education | 11% | 9% | 8% | 10% |
| Secondary education 1e phase | 40% | 41% | 41% | 41% |
| Secondary education 2 ^e phase | 27% | 28% | 29% | 27% |
| Higher education | 18% | 19% | 20% | 20% |
| Unknown | 3% | 4% | 2% | 3% |
| TOTAL | 100% | 100% | 100% | 100% |

In Bonaire over the period 2002 to 2006 the number of workers with only primary education decreased with three percent.

The share of the working population with higher education stayed the same. An increase of 8 percent is detected for the share of the working population with a secondary education, 2^e phase.

| Relatively | 2002 | 2004 | 2006 |
|------------------------------------------|------|------|------|
| Primary education | 13% | 8% | 10% |
| Secondary education 1e phase | 46% | 42% | 40% |
| Secondary education 2 ^e phase | 22% | 29% | 30% |
| Higher education | 17% | 17% | 18% |
| Unknown | 2% | 4% | 3% |
| TOTAL | 100% | 100% | 100% |

Table 9, Working population of Bonaire by education level.

The pattern shown in Sint Maarten is similar to that of Curaçao, with the only difference that the percentage of the working population with only primary education is considerably higher. The decrease in this group is stronger than on Curaçao and Bonaire. The general impression is that St. Maarten is working on an overtaking manoeuvre.

The high share of the working population with only primary education results in a lower share in the secondary education second phase and higher education. But these two last mentioned groups are still growing. In 2003-2005 the growth summed for both groups to approximately 5 percent. The largest group on the labor market is the group with the secondary education 1st phase. In the period under consideration the group decreased about 10 percent. A considerable shift from lower to higher education is taking place within a short period of time.

| Relatively | 2003 | 2005 |
|------------------------------------------|------|------|
| Primery education | 21% | 15% |
| Secondary education 1e phase | 44% | 40% |
| Secondary education 2 ^e phase | 21% | 25% |
| Higher education | 11% | 16% |
| Unknown | 3% | 4% |
| TOTAL | 100% | 100% |

Table 10, Working population of Sint Maarten by education level.

For the past five years little changes took place in the employment per industry. Approximately one of every five workers has a job in the trade sector, followed by real estate, renting and leasing, the public sector and social insurance.

| Relatiively | 2002 | 2003 | 2004 | 2005 | 2006 |
|---------------------------------|------|------|------|------|------|
| Agriculture, fishery, mining | 1% | 1% | 1% | 1% | 1% |
| Manufacturing | 8% | 8% | 8% | 7% | 7% |
| Public utilites | 2% | 1% | 1% | 1% | 2% |
| Construction | 7% | 7% | 7% | 7% | 8% |
| Wholesale and retail trade | 18% | 19% | 19% | 19% | 19% |
| Hotels and catering | 7% | 7% | 8% | 8% | 8% |
| Transportation and storage | 7% | 6% | 6% | 6% | 6% |
| Financial services | 7% | 6% | 7% | 7% | 7% |
| Real estate, rent and lease | 9% | 9% | 9% | 10% | 10% |
| Public sector, social insurance | 9% | 9% | 9% | 10% | 9% |
| Education | 4% | 4% | 4% | 4% | 5% |
| Health care, social work | 9% | 8% | 9% | 8% | 8% |
| Other services | 7% | 8% | 7% | 7% | 7% |
| Private households | 5% | 5% | 5% | 5% | 4% |
| TOTAL | 100% | 100% | 100% | 100% | 100% |

Table 11, Working population of Curaçao by industry.

During the period 2002-2006 in Bonaire no big changes regarding the division of the working population per industry occurred.

The trade sector, hotels and catering and the public sector are the industries with the highest employment. The working population in the public sector and social insurance is five percentage points higher than on the other islands.

| Relatively | 2002 | 2004 | 2006 |
|----------------------------------|------|------|------|
| Agriculture, fishery and mining | 2% | 2% | 1% |
| Manufacturing | 4% | 4% | 3% |
| Public utilities | 1% | 1% | 2% |
| Construction | 9% | 8% | 10% |
| Wholesale and retail trade | 15% | 16% | 15% |
| Hotels and restaurants | 17% | 17% | 16% |
| Transportation and storage | 7% | 7% | 8% |
| Financial services | 3% | 3% | 3% |
| Real estate, renting and leasing | 7% | 6% | 6% |
| Public sector, social insurance | 13% | 14% | 13% |
| Education | 4% | 4% | 4% |
| Health care, social work | 7% | 8% | 7% |
| Other services | 7% | 7% | 8% |
| Private households | 2% | 2% | 2% |
| TOTAL | 100% | 100% | 100% |

Table 12, Working population of Bonaire by industry.

On St. Maarten also little development regarding distribution of workers over the different industries took place. Since 2001 trade, hotels and restaurants are front

runners. The share of education is half as much as on the other islands. This is also the case for health care and social work.

| Relatively | 2003 | 2005 |
|-----------------------------------|------|------|
| Agriculture, Fishery, mining | 1% | 1% |
| Manufacturing | 4% | 3% |
| Public utilities | 2% | 2% |
| Construction | 9% | 9% |
| Wholesale and retail trade | 20% | 20% |
| Hotels and restaurants | 16% | 16% |
| Transportation and storage | 9% | 8% |
| Financial services | 3% | 3% |
| Real estate , renting and leasing | 9% | 9% |
| Public sector, social insurance | 7% | 9% |
| Education | 2% | 2% |
| Health care, social work | 3% | 3% |
| Other services | 11% | 10% |
| Private households | 5% | 4% |
| TOTAL | 100% | 100% |

Table 13, Working population by industry St. Maarten.

Curaçao showed no real difference in the period 2002-2006 in the division of the working population regarding the various nationalities. After Dutch nationals Dominicans and Colombians are the largest groups.

| Relatively | 2002 | 2003 | 2004 | 2005 | 2006 |
|------------|------|------|------|------|------|
| Dutch | 89% | 86% | 86% | 86% | 88% |
| Colombian | 3% | 3% | 4% | 4% | 2% |
| Dominican | 3% | 3% | 3% | 4% | 4% |
| Guyanese | 1% | 0% | 1% | 0% | 0% |
| Haitian | 1% | 2% | 2% | 1% | 1% |
| Indian | 1% | 0% | 0% | 0% | 1% |
| Jamaican | 1% | 1% | 1% | 1% | 1% |
| Portugese | 0% | 1% | 0% | 0% | 0% |
| Surinamese | 0% | 0% | 0% | 1% | 0% |
| Venezuelan | 1% | 1% | 1% | 1% | 1% |
| Other | 1% | 1% | 1% | 1% | 1% |
| TOTAL | 100% | 100% | 100% | 100% | 100% |

Table 14, Working population by nationality Curaçao.

In Bonaire the percentage of Dutch nationals is a little bit lower than in Curaçao although their share increased in 2006. Besides Dominicans and Colombians, Venezuelans form an important group of workers.

| Relatief | 2002 | 2004 | 2006 |
|------------|------|------|------|
| Dutch | 82% | 83% | 85% |
| Chinese | 2% | 0% | 1% |
| Colombian | 4% | 4% | 3% |
| Dominican | 5% | 2% | 3% |
| Indian | 1% | 2% | 1% |
| Surinamese | 2% | 1% | 0% |
| American | 1% | 1% | 1% |
| Venezuelan | 2% | 2% | 3% |
| Other | 3% | 5% | 3% |
| TOTAL | 100% | 100% | 100% |

Table 15, Working population by nationality Bonaire.

The distribution of the working population by nationality on St. Maarten is completely different from that of the other islands of the Netherlands Antilles. The share of Dutch nationals is much lower, whereas the share of Jamaicans, Haitians, Guyanese and Dominicans is more substantial than on the other islands. During the period 2003-2005 the participation of Guyanese almost doubled.

Table 16, Working population by nationality St. Maarten.

| Relatief | 2003 | 2005 |
|------------|------|------|
| Dutch | 46% | 48% |
| Chinese | 0% | 1% |
| Dominican | 10% | 8% |
| Guyanese | 4% | 7% |
| Haitian | 11% | 10% |
| Indian | 2% | 3% |
| Jamaican | 6% | 7% |
| Surinamese | 1% | 2% |
| American | 1% | 1% |
| English | 1% | 1% |
| Other | 17% | 12% |
| TOTAL | 100% | 100% |

Curaçao has 62 percent of workers in permanent service in 2006. This percentage decreased in comparison with the year 2005. This decrease is compensated by an increase of the category workers on contracts.

| Relatively | 2002 | 2003 | 2004 | 2005 | 2006 |
|-----------------------------|------|------|------|------|------|
| Employer/independent worker | 10% | 10% | 10% | 11% | 13% |
| Permanent service | 64% | 63% | 64% | 65% | 62% |
| Temporary service | 8% | 7% | 6% | 6% | 8% |
| Casual service | 12% | 13% | 13% | 11% | 9% |
| Contract | 4% | 5% | 5% | 5% | 8% |
| Other | 2% | 2% | 1% | 1% | 1% |
| TOTAL | 100% | 100% | 100% | 100% | 100% |

Table 17, Working population by economic position Curaçao.

Between 2002-2006 the share of persons in permanent service on Bonaire increased with five percentage points. Figures show that this percentage is more or less the same in Curacao and Bonaire, whereas in St. Maarten this percentage is considerably higher.

| Relatively | 2002 | 2004 | 2006 |
|------------------------------|------|------|------|
| Employers/Independant worker | 12% | 11% | 12% |
| Permanent service | 55% | 59% | 60% |
| Temporary service | 11% | 5% | 7% |
| Casual service | 9% | 11% | 8% |
| Contract | 10% | 12% | 11% |
| Others | 4% | 2% | 2% |
| TOTAL | 100% | 100% | 100% |

Table 18, Workers by economic position Bonaire.

The table below shows that in the period 2003-2005 the percentage of workers in permanent service on St. Maarten grew with four percentage points to 68%.

Table 19, Workers by economic position St. Maarten.

| Relatively | 2003 | 2005 |
|-----------------------------|------|------|
| Employers/independan worker | 14% | 13% |
| Permanent service | 64% | 68% |
| Temporary service | 9% | 8% |
| Casual service | 5% | 3% |
| Contract | 7% | 7% |
| Others | 1% | 2% |
| TOTAL | 100% | 100% |

Table 20 shows in Curacao over the past five years a remarkable decline in the two lowest income categories. The major cause of this development is the growth of the minimum wage over the past period. Incomes in the tables are monthly incomes.

| Relatively | 2002 | 2003 | 2004 | 2005 | 2006 |
|--------------|------|------|------|------|------|
| 500 or less | 8% | 9% | 8% | 6% | 5% |
| 501 - 1000 | 17% | 16% | 16% | 13% | 14% |
| 1001 - 1500 | 19% | 19% | 18% | 20% | 20% |
| 1501 - 2000 | 11% | 10% | 11% | 12% | 13% |
| 2001 - 2500 | 8% | 8% | 9% | 8% | 9% |
| 2501 - 3000 | 7% | 6% | 6% | 7% | 8% |
| 3001 - 5000 | 17% | 17% | 17% | 18% | 18% |
| 5001 or more | 8% | 10% | 10% | 11% | 10% |
| Unknown | 4% | 5% | 4% | 5% | 4% |
| TOTAL | 100% | 100% | 100% | 100% | 100% |

Table 20, Workers by income categories Curaçao.

Also in Bonaire the number of workers with the two lowest income categories has decreased from 25 percent in 2002 to 17 percent in 2004 to 13 percent in 2006. The three highest income categories rose considerably.

Table 21, Working population by income categories Bonaire.

| Relatively | 2002 | 2004 | 2006 |
|--------------|------|------|------|
| 500 or less | 10% | 7% | 5% |
| 501 - 1000 | 15% | 10% | 8% |
| 1001 - 1500 | 20% | 22% | 21% |
| 1501 - 2000 | 15% | 17% | 16% |
| 2001 - 2500 | 9% | 13% | 13% |
| 2501 - 3000 | 7% | 8% | 8% |
| 3001 - 5000 | 14% | 13% | 18% |
| 5001 or more | 5% | 5% | 8% |
| Unknown | 5% | 4% | 4 |
| TOTAL | 100% | 100% | 100% |

Contrary to the developments in Curaçao and Bonaire, the percentage of workers on St. Maarten with a monthly income below Nafl. 1500 (Antillean guilders) has doubled between 2003 and 2005. In comparison with Curaçao the percentage of the two lowest income groups is 6 percentage points lower. No explanation for this, unexpected, development is readily available; sampling errors could have an influence on these survey results.

| Relatively | 2003 | 2005 |
|--------------|------|------|
| 500 or less | 6% | 4% |
| 501 - 1000 | 070 | 9% |
| 1001 - 1500 | 13% | 24% |
| 1501 - 2000 | 24% | 17% |
| 2001 - 2500 | 17% | 13% |
| 2501 - 3000 | 18% | 9% |
| 3001 - 5000 | 14% | 15% |
| 5001 or more | 6% | 7% |
| Unknown | 2% | 2% |
| TOTAL | 100% | 100% |

Table 22, Working population by income categories St. Maarten.

The total working population in Curaçao in 2006 amounted to 53.797 persons. The information below does not include employers and independent workers. Some of the interviewed persons did not answer questions about their income thus they were not included in the tables below.

37 percent of the working population of Curaçao earns the minimum wage or less. Apart from private households, the highest percentages of minimum wage earners are found in trade and the hospitality sector.

| Business branch | under | precise | Above | Total | % at or under |
|---------------------------------|-------|---------|-------|-------|---------------|
| Agriculture, fishery and mining | 133 | 24 | 212 | 369 | 43% |
| Manufacturing | 185 | 597 | 1554 | 2336 | 34% |
| Public utilities | | 133 | 584 | 717 | 19% |
| Construction | 268 | 764 | 1570 | 2602 | 40% |
| Wholesale and retail trade | 656 | 2946 | 3824 | 7426 | 49% |
| Hotels and restaurants | 252 | 1074 | 1321 | 2647 | 50% |
| Transportion and communication | 126 | 758 | 1384 | 2268 | 39% |
| Financial services | 92 | 499 | 2610 | 3201 | 19% |
| Real estate, rent and lease | 366 | 1219 | 2633 | 4218 | 38% |
| Public sector | 53 | 760 | 3419 | 4232 | 19% |
| Education | 92 | 297 | 1780 | 2169 | 18% |
| Health care, social work | 316 | 954 | 2204 | 3474 | 37% |
| Other services | 396 | 772 | 1430 | 2598 | 45% |
| Private households | 527 | 494 | 260 | 1281 | 80% |
| Others | 18 | 0 | 81 | 99 | 18% |
| TOTAL | 3480 | 11291 | 24866 | 39637 | 37% |

Table 23, Number of minimum wage earners by industry in Curaçao in 2006.

Thirty percent of the working population on Bonaire earns the minimum wage or less; this is lower than in Curaçao. The highest percentages of minimum wage earners are found in private households, manufacturing, trade and hotels and restaurants.

| Business branch | under | precise | Above | total | % at or under |
|---------------------------------|-------|---------|-------|-------|---------------|
| Agriculture, fishery and mining | 6 | 15 | 86 | 107 | 20% |
| Manufacturing | 0 | 50 | 21 | 71 | 70% |
| Public uitlities | 0 | 9 | 80 | 89 | 10% |
| Construction | 29 | 102 | 316 | 447 | 29% |
| Whole sale and retailtrade | 36 | 252 | 275 | 563 | 51% |
| Hotels and restaurants | 100 | 257 | 325 | 682 | 52% |
| Transport and communiction | 22 | 51 | 335 | 408 | 18% |
| Financial services | 18 | 8 | 108 | 134 | 19% |
| Real estate, rent and lease | 14 | 44 | 248 | 306 | 19% |
| Public sector | 29 | 81 | 604 | 714 | 15% |
| Education | 21 | 9 | 255 | 285 | 11% |
| Health care, social work | 32 | 28 | 257 | 317 | 19% |
| Other services | 40 | 77 | 246 | 363 | 32% |
| Private households | 14 | 29 | 17 | 60 | 72% |
| Others | 0 | 8 | 0 | 8 | 100.0% |
| TOTAL | 361 | 1020 | 3173 | 4554 | 30% |

Table 24, Number of minumum wage earners by industry in Bonaire in 2006.

7.3 The Unemployed

The tables below show the working population by duration of unemployment. In Curaçao long term unemployment increased and manifests itself more pronouncedly than on the other islands.

| Absolutely | 2002 | 2003 | 2004 | 2005 | 2006 |
|-----------------------|------|------|------|-------|------|
| Less than 1 month | 432 | 543 | 370 | 492 | 268 |
| 1 to 3 months | 1537 | 1272 | 1274 | 1499 | 1568 |
| 4 to 6 months | 1055 | 1006 | 1381 | 1267 | 902 |
| 7 to 9 months | 799 | 885 | 660 | 774 | 635 |
| 10 to 12 months | 914 | 966 | 635 | 867 | 726 |
| Longer than 12 months | 3713 | 4054 | 4665 | 5683 | 5001 |
| Unknown | 606 | 547 | 877 | 810 | 142 |
| TOTAL | 9056 | 9273 | 9862 | 11392 | 9241 |
| | | | | | |
| Relatively | 2002 | 2003 | 2004 | 2005 | 2006 |
| Less than 1 month | 5% | 6% | 4% | 4% | 3% |
| 1 to 3 months | 17% | 14% | 13% | 13% | 17% |
| 4 to 6 months | 12% | 11% | 14% | 11% | 10% |
| 7 to 9 months | 9% | 10% | 7% | 7% | 7% |
| 10 to 12 months | 10% | 10% | 6% | 8% | 8% |
| Longer than 12 months | 41% | 44% | 47% | 50% | 54% |
| Unknown | 7% | 6% | 9% | 7% | 2% |
| TOTAL | 100% | 100% | 100% | 100% | 100% |

Table 25, Unemployed workers by unemployment duration Curaçao.

Between 2002-2006 on Bonaire the category less than 1 month first doubled from 4 percent to 8 percent and kept growing to 11 percent. Also the category of less than 3 months increased, indicating that friction unemployment is increasing.

| Absolute | 2002 | 2004 | 2006 |
|-----------------------|------|------|------|
| More than 1 month | 25 | 36 | 55 |
| 1 to 3 month | 109 | 96 | 81 |
| 4 to 6 month | 102 | 61 | 99 |
| 7 to 9 month | 85 | 8 | 41 |
| 10 to 12 month | 31 | 34 | 35 |
| Longer than 12 month | 197 | 177 | 154 |
| Unknown | 23 | 47 | 16 |
| TOTAL | 572 | 459 | 481 |
| | | | |
| Relatively | 2002 | 2004 | 2006 |
| Less than 1 month | 4% | 8% | 11% |
| 1 to 3 months | 19% | 21% | 17% |
| 4 to 6 months | 18% | 13% | 21% |
| 7 to 9 months | 15% | 2% | 9% |
| 10 to 12 months | 5% | 7% | 7% |
| Longer than 12 months | 34% | 39% | 32% |
| Unknown | 4% | 10% | 3% |
| TOTAAL | 100% | 100% | 100% |

Table 26, Unemployed workers by unemployment duration Bonaire.

In St. Maarten also the group of less than 3 months shows a growth. The group of the workers with a long unemployment duration decreased with 15 percentage points. In absolute figures the decrease of long term unemployment is even more important since total unemployment also is lower.

| Absolute | 2003 | 2005 |
|-----------------------|------|------|
| Less than 1 month | 121 | 438 |
| 1 to 3 months | 625 | 688 |
| 4 to 6 months | 559 | 373 |
| 7 to 9 months | 219 | 163 |
| 10 to 12 months | 229 | 282 |
| Longer than 12 months | 1144 | 513 |
| Unknown | 535 | 340 |
| TOTAL | 3432 | 2797 |
| | | |
| Relatively | 2003 | 2005 |
| Less than 1 month | 4% | 16% |
| 1 to 3 months | 18% | 25% |
| 4 to 6 months | 16% | 13% |
| 7 to 9 months | 6% | 6% |
| 10 to 12 months | 7% | 10% |
| Longer than 12 months | 33% | 18% |
| Unknown | 16% | 12% |
| TOTAL | 100% | 100% |

Table 27, Unemployed workers by unemployment duration St. Maarten.

Table 28 shows educational attainments of the unemployed in Curaçao. Comparison with table 8 shows that the unemployed have on average a much lower education than the employed.

| Relatively | 2003 | 2004 | 2005 | 2006 |
|-------------------------------|------|------|------|------|
| None | | 1% | 0% | 0% |
| Basic education | 16% | 14% | 16% | 16% |
| Level, 1 ^e phase | 58% | 58% | 54% | 53% |
| Level 2, 2 ^e phase | 18% | 18% | 20% | 26% |
| Level 3, 1 ^e phase | 4% | 4% | 4% | |
| Level 3, 2 ^e phase | 1% | 1% | 1% | |
| Unknown | 4% | 5% | 5% | 5% |
| TOTAL | 100% | 100% | 100% | 100% |

| Table 28, Unemployed | workers by | unemployment | duration Curaçao. |
|----------------------|------------|--------------|-------------------|
| | | | |

The same holds true for Bonaire. Sixty percent of the unemployed have an education at the first phase of the second level against only 40 percent of the working population.

| Relatively | 2002 | 2004 | 2006 |
|-------------------------------|------|------|------|
| None | | 3% | 0% |
| Basic education | 14% | 16% | 7% |
| Level 2, 1 ^e phase | 65% | 44% | 59% |
| Level 2, 2 ^e phase | 20% | 21% | 22% |
| Level 3, 1 ^e phase | | 11% | |
| Level 3, 2 ^e phase | | 0% | |
| Unknown | 1% | 5% | 11% |
| TOTAL | 100% | 100% | 100% |

Table 29, Unemployed workers by education level in Bonaire.

In St. Maarten the number of unemployed workers with only the basic education level decreased with approximately 33 percent in the period 2003-2005. On the other hand, this decrease is compensated with an increase of the same percentage in the group of the unemployed workers with education level 2, 2^e phase. As on the other islands, the unemployed have on average a lower education than the employed.

Table 30, Unemployed workers by education level St. Maarten.

| Relatively | 2003 | 2005 |
|-------------------------------|------|------|
| None | | 1% |
| Basic education | 24% | 16% |
| Level 2, 1 ^e phase | 51% | 55% |
| Level 2, 2 ^e phase | 14% | 22% |
| Level 3, 1 ^e phase | 4% | 5% |
| Level 3, 2 ^e phase | 1% | 0% |
| Unknown | 6% | 2% |
| TOTAL | 100% | 100% |

Youth unemployment in Curaçao increased with 4 percentage points during the period 2002-2006. In 2004 this percentage was 12 percentage points higher than in Bonaire and in 2005 14 points higher than in St. Maarten. Over the last two years youth unemployment in Curaçao fell considerably, first to 38% and even to 24% in 2007.

Table 31, Youth unemployment Curaçao.

| 15-24 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|------------|------|------|------|------|------|------|
| Relatively | 34% | 34% | 37% | 44% | 38% | 24% |

Positive developments on the labor market in Bonaire are the main reason for the decrease of the youth unemployment to 21 percent.

Table 32, Youth unemployment Bonaire.

| 15-24 | 2002 | 2004 | 2006 |
|------------|------|------|------|
| Relatively | 32% | 25% | 21% |

In St. Maarten youth unemployment was rather constant between 2003 and 2005. In 2007 the percentage declined to 26%.

Table 33, Youth unemployment St. Maarten.

| 15-24 | 2003 | 2005 | 2007 |
|------------|------|------|------|
| Relatively | 32% | 30% | 26% |

8. Answers to questions or requests for information from the European Committee of Social Rights (Article 1 paragraph I)

Please see paragraph 5 of this document for the social dialogue process in Curaçao and St. Maarten.

8.1 Working group Poverty Assessment

Based on frequent observations and suggestions from UN organs and committees, such as the ILO and ECLAC and in the light of the ongoing social dialogue process, mainly union groups have urged the Antillean government to take steps towards establishing a poverty line for the Netherlands Antilles. In August 2007 an interdepartmental working group called the Poverty Assessment Group was officially installed.

Beside the Central Bureau of Statistics and the Directorate of Labor, other stakeholders are represented in this group. Recently some meetings with regional experts of Chile and Brazil on this terrain were arranged in order to discuss the various instruments necessary to establish a poverty line for the different islands of the Netherlands Antilles. Various methods to achieve a poverty line, the absolute, the relative, the national, the international, consumption or income based methods, were discussed. Each of these methods was examined to take advantages and disadvantages into account.

The group has chosen for the ECLAC method called the food basket method extended in our particular case with a housing component. It is planned for the working group to present its report, with recommendations, in June 2008.

9. Article 1 - Paragraph 2

Elimination of all forms of discrimination in employment.

9.1 Question A

For the Labor Force Development progresses in Curaçao the government refers once again to paragraph 5 of this report. Beside this development, another initiative on the employment and labor market terrain needs to be brought to the attention:

Mandatory Social Formation (P.B. 2005, no. 72 and P.B. 2006 no. 26)

The Mandatory Social Formation (Sociale Vormingsplicht) is a program designed by the Antillean Government especially for all youngsters aged 16 to 24 years residing in the Netherlands Antilles that abandoned school without a 'start qualification' on the level of assistant career practitioner. This program offers these youngsters the opportunity to achieve a start qualification; "a chance for perspective to search or maintain a job and/or the opportunity to continue with vocational training".

In March 2005 a pilot project commenced and delivered its first students to the Curacao labor market in July 2006.

The Mandatory Social Formation program consists of opportunity projects 'kanstrajecten' offering these youngsters a coherent integration of formation, education and schooling in the different career sectors. In addition, coaching plays and essential role in these opportunity projects.

A project leader is assigned to assists these youngsters with personal guidance, motivation and when necessary provides help as they progress.

The social guidance offered is geared towards eliminating obstacles and distortions due to personal circumstances that prevent the youngsters from participating in one of the opportunity projects.

The Mandatory Social Formation program is important to the youth as well as the community they reside in. Those who do not have the so called 'start qualification' now have the opportunity to educate themselves. This accordingly will provide them with a meaningful life and opportunity to contribute (in a positive way in the future) to the society they form part of.

As of March 2006, Social Formation became legalized and is applicable to all youngsters residing in the Netherlands Antilles categorized as mentioned above. Not subscribing to the program can lead to penalties.

At the initiating of the program our islands were suffering from high youth unemployment rates. Reasons are: the economic situation, lack of "working-spirit"

amongst a certain group of youngsters, inexperience, low or no educational level. However, the group of youngsters concerned have a long future ahead of them and are still considered changeable; it is essential that they are educated as the economy is changing for the better and more people will be needed in the labor market - we need to see this opportunity as a 'win-win' situation. Considering the figures in paragraph 7.3 above, the program has contributed to the opportunities for young workers.

On all islands project bureaus are responsible for the implementation. Different institutes are offering opportunity courses in Curacao. Other participating organizations are:

- Department of Culture and Education (management of program for Curaçao)
- Central Bureau for Statistics (youth register)
- Directorate of Labor Affairs (job plan)

The complete program consists of three stages, namely:

- Pre-care stage with a duration of 2 months;
- Main course stage with a duration of 1 year;
- After-care stage with a duration of 10 months.

The pre-care stage, offered by "Stichting Vormingscentrum voor Jeugdwelzijnswerk" (SVJ) focuses on preparing these youngsters to participate in the main course. Topics such as importance of program and discipline are taught.

The main-course is offered by different institutes such as Feffik, Pro Alfa and Kontakto. Feffik's target group is youngsters with a completion of at least primary schooling and LBO's first class. These youngsters may choose from a number of opportunity projects, such as: how to become a salesman, handyman in the construction industry, administrative worker, bar tender and/or electrician. During morning hours the youngsters receive theoretical lessons while the afternoons are dedicated to practical work.

Pro Alfa focuses on a somewhat different target group. They offer general opportunity courses to youngsters who have not completed primary school as in many cases they quit after group 5. The courses consist of a theoretical and practical part aimed at the future health care. The theoretical lessons absorb one third of the program while the remaining section is being given in the form of apprenticeship/orientation on the work field.

Last but not least, Kontakto offers opportunity projects to youngsters whom are slightly physically and/or mentally disabled. Since this group of youngsters is not really suitable for a career, they are offered a general opportunity course through which they learn to become self-sufficient in the community.

The after-care stage comprises of 10 month guidance by a professional mentor provided by the program for Mandatory Social Formation. To comply with the requirements of the after-care stage, the youngsters must have completed the main course and seek a job instead of proceeding to regular education. By keeping regular contact with the company and youngster, the mentor can monitor the progress and prevent possible problems. Currently the possibilities of apprenticeship programs in

which students work 4 days a week and attend school for 1 day are being reviewed; this in order to improve for example their language- or specific job skills.

For the coming years "Banenplan", a job plan strategy, has been developed by the Directorate for Youth and Youth Development. This plan is based on a determination of demand and supply. Its starting point is to produce quality based employees; we want the youngsters to find a job and keep it. The Directorate of Labor Affairs together with the Directorate for Youth made it possible to place the first students that finished their program in a job.

The Mandatory Social Formation understands that employers do not have the time to reshape the youngsters they offer a job; This is their job and that is the challenge everyone involved in the program faces every day. However, they do hope that employers, who want to invest in their future, put some extra effort in making this program a success by a.o. providing youngsters the opportunity to follow an internship or job.

9.2 Question B

Please see paragraph 6 of this report.

9.3 Question C

Please see paragraph 10.5 Question D of this document for the results of the job vacancy surveys of Curacao, St. Maarten and Bonaire.

9.4 Answers to questions or requests for information from the European Committee of Social Rights

Prohibition of discrimination in employment.

The Committee fears that Section 97 may be applied so as to discriminate on grounds of membership of a political party, or religious or trade union affiliations, and asks for more information on the justification for this provision and the need to retain it.

No new developments. See Annex V, the Answer of the Antillean government to the 4th ground of non-conformity, October 2006).

9.5 Answers to questions or requests for information from the European Committee of Social Rights

The Committee considers that in order to comply with Article 1 paragraph 2 states should take legal measures to safeguard the effectiveness of the prohibition of discrimination. These measures must at least provide:

- a. that any provision contrary to the principle of equal treatment which appears in collective agreements, in employment contracts or in firms' own regulation may be declared null or be rescinded, abrogated or amended;
- b. appropriate and effective remedies in the event of an allegation of discrimination
- c. protection against dismissal or other retaliatory action by the employer against an employee who has lodged a complaint or taken legal action;
- d. in the event of a violation of the prohibition of discrimination, sanctions that are a sufficient deterrent to employers as well as adequate compensation proportionate to the damage suffered by the victim.

Beside the guarantees offered by our Ordinance of Labor a new initiative was taken in drafting an Ordinance on Equal Treatment, which draft was completed in November 2006. Due to the upcoming constitutional changes and the new statuses for the 5 islands as already mentioned in the Preface, the Antillean government choose to give priority to lowering the high youth unemployment rate (from 44% in 2005 to 24% in 2007) by implementing first the Mandatory Social Formation (P.B. 2005, no 72 and P.B. 2006, no. 26).

The figures in tables 31 to 33 of this document, show that the Antillean government achieved a certain amount of success with these efforts. In the process of social dialogue all stakeholders agreed that a sustainable economic growth is of the highest priority. This growth can only be achieved by developing a labor market policy for each island of the Netherlands Antilles. The most populous islands of the Netherlands Antilles, Curaçao (Kolaborativo) and St. Maarten (Memory of Understanding), are the trendsetters for the smaller islands to follow. This process is continuing.

The Antillean government is convinced that these platforms are important vehicles for elevating the draft Ordinance on Equal Treatment into law, whenever carried and supported by workers and employers organizations. (See Annex V, Answers of the government to the Committee, the fifth ground of non-conformity, October 2006)

9.6 Answers to questions or requests for information from the European Committee of Social Rights

Legislation should cover both direct and indirect discrimination, in the context of indirect discrimination The Committee recalls that it has previously found that the legal framework prohibiting discrimination in employment to be inadequate (Conclusions XVI-1).

As regards gender discrimination the Committee previously found that the situation was not in conformity on the grounds that there was a lack of measures promoting employment of women. The report states that there is little new information to be provided but point out that the situation on the labor market is improving, the female participation rate is improving. The Committee wishes to be kept informed on developments in the situation.

Common Court Commission Civil Code

For some years a Common Court Commission Revision Civil Code, under the supervision of the Minister of Justice, was installed and their work resulted in the amendments of Books 1, 2, 3, 4 and 6 of the Antillean Civil Code.

The intention of this huge project is to update the Antillean Civil Code (from 1838) in order for this to meet the requirements of our modern societies. Finally a draft of Book 7 of the Civil Code regarding Labor agreements is ready and a copy of this draft has recently been sent to all relevant stakeholders:

- a. the island councils of Bonaire, Curacao, St. Maarten, St. Eustatius and Saba;
- b. union and employers organizations of each island;
- c. the Order of the Solicitors and Attorneys of each island.

All stakeholders were invited to meet with the revision commission in order to present their comments and suggestions. Their suggestions will be taken into account. In due time, the draft will be presented to the Council of Ministers. Expectations are that Book 7 will be elevated into law before the end of 2009.

A proposed change is for instance, paragraph 4 concerning equal treatment specifically gender related, the article 7: 646. For a number of years legal protection in gender related issues was being granted by the judges in the Common Court of Justice through case law, because of the lack of legal instruments. The new article 7:646 in the draft will give a legal basis to gender protection in labor issues.

The article 646 of Book 7 is in accordance with the articles 1, 2, 18 and 19 of the draft Ordinance on Equal Treatment on the Netherlands Antilles. Not only indirect discrimination and direct discrimination are being defined, but the exceptions made in articles 18 and 19, the so called preferential treatment of female workers or positive" gender discrimination" will form an integral part of the legal protection of female workers. Thus the case law concerning gender equality will finally be codified.

Yet, a date has to be stipulated for this draft Book 7 (Labor Agreement of the Civil Code) to be presented to the Minister of Justice. Please see Annex IV for a copy of the content of the above mentioned article 646 of Book 7.

10. Prohibition of forced or compulsory labor

10.1 Question D

No new developments. See previous report.

10.2 Question E

Forced labor by detainees is allowed. Article 24, paragraph 2 of the Code of principles of the penitentiary system (PB 1996, no.73) states as follows: "Detainees sentenced to imprisonment (including replacement detention and military confinement) are obligated to perform the labor instructed". Article 25: "The labor preferably shall be performed as house service or in the production of objects for the government service and of a general use".

Article 4, paragraph 3, part a, of the European Convention for the protection of human rights and fundamental freedoms, states that all work that is normally exacted from someone who is detained in accordance with article 5 of the Convention or during his probation, will not be considered as forced or compulsory labor. However, labor by inmates is only performed on a voluntary basis.

10.3 Question F

No new developments. See previous report.

10.4 Question G

Please see previous report.

10.5 Article 1 – Paragraph 3, Question A

The tables 34 through 36 below supply figures for the number of job vacancies as measured in the job vacancy survey of the Central Bureau of Statistics for the years 1998 and 2006. In Curaçao only a slight increase in number of open jobs took place while the vacancy degree remained the same.

In Bonaire and St. Maarten on the other hand the vacancy degree doubled in the period under consideration, and is twice as high as in Curaçao.

| | | 2006 | 5 | | 1998 | | | |
|--------------------------------|---------|-----------|-----|-------------------|---------|-----------|-----|-------------------|
| Industry | Workers | Vacancies | % | Vacancy degree | Workers | Vacancies | % | Vacancy degree |
| Agriculture/Fishing/Mining | 799 | 19 | 2 | 2.4 | 361 | 16 | 2 | 4.4 |
| Manufacturing | 3.330 | 60 | 6 | 1.8 | 4.357 | 107 | 12 | 2.5 |
| Electricity/Gas and Water | 802 | 5 | 1 | 0.6 | 892 | 15 | 2 | 1.7 |
| Construction | 4.335 | 74 | 8 | 1.7 | 2.613 | 36 | 4 | 1.4 |
| Wholesale and retail trade | 9.971 | 137 | 14 | 1.4 | 10.004 | 150 | 17 | 1.5 |
| Hotels and restaurants | 4.297 | 139 | 15 | 3.2 | 4.164 | 82 | 9 | 2.0 |
| Transport and Communication | 2.330 | 37 | 4 | 1.6 | 3.181 | 39 | 4 | 1.2 |
| Financial services | 4.544 | 93 | 10 | 2.0 | 4.194 | 93 | 10 | 2.2 |
| Business services | 5.309 | 157 | 17 | 3.0 | 4.905 | 132 | 15 | 2.7 |
| Public administration | 758 | 10 | 1 | 1.3 | 448 | 8 | 1 | 1.8 |
| Health and social work | 4.473 | 112 | 12 | 2.5 | 3.544 | 73 | 8 | 2.1 |
| Other services | 3.460 | 107 | 11 | 3.1 | 3.433 | 138 | 16 | 4.0 |
| Totaal | 44.408 | 950 | 100 | 2.1 | 42.096 | 889 | 100 | 2.1 |

Table 34, the number of employed, vacancies and vacancy degree per industry on

Curacao.

| | | 200 | 6 | | | 19 | 998 | |
|-----------------------------------|---------|-----------|-----|-------------------|---------|-----------|-----|-------------------|
| | Workers | Vacancies | % | Vacancy degree | Workers | Vacancies | % | Vacancy degree |
| Agriculture/Fishing and Mining | 100 | 3 | 1 | 3,0 | 71 | 0 | 0 | 0,0 |
| Manufacturing | 120 | 9 | 3 | 7,5 | 288 | 2 | 2 | 0,7 |
| Electricity/Gas and Water | 76 | 9 | 3 | 0,0 | 114 | 5 | 40 | 0,0 |
| Construction | 659 | 145 | 56 | 22,0 | 551 | 0 | 0 | 0,0 |
| Wholesale and retail trade | 773 | 10 | 4 | 1,3 | 897 | 27 | 22 | 3,0 |
| Hotels and restaurants | 858 | 10 | 4 | 1,2 | 1100 | 28 | 23 | 2,5 |
| Transport and communications | 433 | 22 | 8 | 5,1 | 362 | 7 | 6 | 1,9 |
| Financial services | 164 | 3 | 1 | 1,8 | 178 | 10 | 8 | 5,6 |
| Business services | 342 | 9 | 3 | 2,6 | 455 | 19 | 16 | 4,2 |
| Private Education | 18 | - | | 0,0 | 27 | 5 | 4 | 18,5 |
| Health and social work | 375 | 8 | 3 | 2,1 | 282 | 4 | 3 | 1,4 |
| Other services | 485 | 33 | 13 | 6,8 | 449 | 14 | 12 | 3,1 |
| Totaal | 4.403 | 261 | 100 | 5,9 | 4.774 | 121 | 100 | 2,5 |

Table 35, Number of employed, vacancies and vacancy degree per industry on Bonaire.

Table 36, Number of employed, vacancies and vacancy degree per industry on St.

Maarten.

| | | 20 | 06 | | | 199 | 8 | |
|-----------------------------------|---------|-----------|-----|-------------------|---------|-----------|-----|-------------------|
| | Workers | Vacancies | % | Vacancy degree | Workers | Vacancies | % | Vacancy degree |
| Agriculture/Fishing and mining | 232 | 6 | 1 | 2,6 | 16 | 10 | 4 | 62,5 |
| Manufacturing | 451 | 16 | 3 | 3,5 | 350 | 16 | 6 | 4,6 |
| Electricity/Gas and Water | 230 | 3 | 0 | 1,3 | 224 | 5 | 2 | 2,2 |
| Construction | 1.743 | 168 | 27 | 9,6 | 688 | 7 | 3 | 1,0 |
| Wholesale and retail trade | 3.772 | 147 | 24 | 3,9 | 3.823 | 61 | 23 | 1,6 |
| Hotel and restaurant | 2.678 | 73 | 12 | 2,7 | 3.025 | 71 | 27 | 2,3 |
| Transport and communication | 1.029 | 28 | 5 | 2,7 | 1.075 | 11 | 4 | 1,0 |
| Financial services | 725 | 3 | 0 | 0,4 | 540 | 5 | 2 | 0,9 |
| Business services | 1.538 | 32 | 5 | 2,1 | 1.486 | 28 | 10 | 1,9 |
| Education | 91 | 3 | 0 | 3,3 | 64 | 9 | 3 | 14,1 |
| Health and social care | 596 | 32 | 5 | 5,4 | 426 | 14 | 5 | 3,3 |
| Other services | 2.032 | 109 | 18 | 5,4 | 1.211 | 30 | 11 | 2,5 |
| Totaal | 15.117 | 620 | 100 | 4,1 | 12.928 | 267 | 100 | 2,1 |

The tables 37 and 38 show the activities of the Bureau of the Mediator in Curaçao and the Windwards Islands during the period 2002-2006.

| | | 2002 | 2003 | 2004 | 2005 | 2006 |
|-------------------|---------------------------------------------|------|------|------|------|------|
| | | | | | | |
| | Mediation ³ | 266 | 318 | 130 | 210 | 185 |
| Strikes | Private sector | 10 | 19 | 11 | 12 | 29 |
| | Public Sector | 3 | 7 | 8 | 7 | 10 |
| | | | | | | |
| | Collective Wage Agreements | 15 | 21 | 14 | 15 | 15 |
| | Registered valid Collective Wage Agreements | 91 | 93 | 89 | 108 | 91 |
| | | | | | | |
| Total dealt with | Dispute settlements | 19 | 21 | 11 | 11 | 19 |
| I otal ucalt with | Recognition requests | 9 | 8 | 6 | 13 | 5 |
| | | | | | | |
| | Referenda | 4 | 5 | 1 | 4 | 3 |
| | Volontary recognitions | 2 | 0 | 1 | 2 | 1 |

Table 37, Activities Government Mediator in Curaçao 2001 - 2006.

Table 38, Activities of the Bureau of the Mediator for the Windward Islands..

| Year | Other forms of Mediation | Referenda | Meetings held to discuss a request for a referenda | Mediation Collective Wage Agreements |
|------|--------------------------|-----------|-------------------------------------------------------|-----------------------------------------|
| 2002 | 30 | 15 | 15 | 20 |
| 2003 | 8 | 8 | 12 | 76 |
| 2004 | 4 | 4 | 11 | 17 |
| 2005 | 53 | 13 | 15 | 41 |
| 2006 | 85 | 10 | 18 | 48 |

Source: Bureau of the Mediator Office for the Windward Islands

10.6 Question D.

As an answer to this question the government wishes to refer to development and setup of the tripartite Labor Force Development Program for Curaçao. As already mentioned an integrated labor market policy is to be put in place.

10.7 Article 1 – Paragraph 4

Please see previous report.

So far, the Antillean government gave its financial and logistical contribution to some initiatives of organizations like TOTOLIKA, a parents association for the disabled. A

³ This reflects the number of mediation sessions that took place.

recent contribution of the government consisted of facilitating the financial and logistical means for Ms Ilene Zeitzer, the president of the Disability Policy Solutions in representation of the International Labour Organization to attend the conference "Working Towards Full Inclusion: The Path to Work trough Vocational Training" held in Curaçao on the 21st of February 2008.

This conference was held to celebrate the 35th anniversary of the TOTOLIKA parents association for the disabled. The common goal of this conference was:

- to raise the awareness of the existing ILO-convention and its role to promote decent work for people with disabilities;
- to highlight the ratification of the UN –Treaty of the Rights of disabled persons and the optional Protocol of the 13th December 2006;
- to stress the role of vocational training and the benefits of the so called supported employment;
- to explain the role of the government by favoring companies that are proactive in employing workers with disabilities.

Beside the government, representatives of the central organs and the island territories, representatives of the unions and employers and other stakeholders such as the NGO's participated in the conference.

Through the social dialogue process, in Curaçao, the topic of the full inclusion of the disabled in the labor force can form part of labor market policy.

Expectations are that, by dealing with all targeted issues during the conference, the road to full inclusion of persons with disabilities can be facilitated, because awareness has to be followed by actions of all stakeholders and the society at large. This process will take a long period of time before full realization, but the topic is now prominent on the political agenda.

In Annex VII the presentation of the President of the Disability Policy Solutions is added to this report.

10.8 Article 1 of the additional protocol to the European Social Charter

For new developments please see above mentioned.

Referral is made especially to the developments in the paragraphs 9.5 and 9.6 regarding Prohibition on all forms of discrimination on employment Annex III (draft of the Ordinance on Equal Treatment) and Annex IV (draft Book 7 of the Civil Code). A copy of the answers of the Antillean government of October 2006 to the Committee, non-conformity-grounds three and five has been added to this document in Annex V.

10.9 Summary

As already mentioned in the Preface, the Netherlands Antilles are facing far reaching constitutional changes. The initial date of 1st of July 2007 has been changed to the 15th of December 2008 due to the complexities of the upcoming constitutional changes.

After this date the Netherlands Antilles will no longer exist. For the time remaining the Antillean government has set the following priorities:

- consolidation and continuation of the process of social dialogue;
- the tripartite formulation of a labor market policy;
- lowering the youth unemployment by implementing the Social Formation Ordinance (P.B. 2005, no 72 and P.B. 2006, no. 26). The tables 31, 32 and 33 in this document show a considerable decline of the youth unemployment on the three main islands of the Netherlands Antilles.

All stakeholders to the social dialogue agreed that a sustainable economic growth deserves one of the highest priorities. Each of them gave their contribution to develop the labor market policy. Until now, the most populous islands of the Netherlands Antilles, Curaçao (by means of the Kolaborativo) and St. Maarten (by means of the Memory of Understanding), are the trendsetters.

In the "Report of the committee of Experts on the Application of Conventions and Recommendations (CEACR) of 2006" the ILO Committee took notice with interest of the various measures taken by the Antillean government regarding ILO-convention 87 (Freedom of association and protection of the right to organize) in which the achievements accomplished by the Kolaborativo were highlighted. The process of social dialogue has become more and more an integral part of the sectorial and governmental vision and policy as the means to obtain achievements on the labor market terrain (Annex VI, report CEACR 2006, pages16-19).

Concerning the legal protection of equal treatment the Antillean government reiterates that beside the guarantees offered by our Ordinance of Labor the government has undertaken a new initiative in drafting an Ordinance on Equal Treatment, which was completed in November 2006. Due to the upcoming constitutional changes this draft was put on hold for a short period of time.

Meanwhile another legal protection on gender is being drafted to be put into place as is mentioned in the paragraph on Prohibition of discrimination in employment. Finally the case law concerning gender protection has finally been codified and will be elevated into law.

The Antillean government stresses once again that the Kolaborativo and the Memory of Understanding (MOU) are and will remain important vehicles for dealing with all social and labor issues and that in due time the draft Ordinance on Equal Treatment and the draft of book 7 of the Civil Code on the Labor agreement (gender equality) will be discussed extensively in this forum and will most probably be elevated into law.

Thus, the government is convinced that within a short period of time the

fruits of the efforts to attain sustainable economic growth for each island, even after the constitutional changes, will be effective. In view of the upcoming constitutional changes the government requests the Committee of Social Rights to defer its conclusion till after the realization of the new constit utional status.