

Charte sociale européenne



31/01/2025

RAP/ Cha /CUW/11(2024)

1961 EUROPEAN SOCIAL CHARTER

11th National Report on the implementation of the European Social Charter

submitted by

THE GOVERNMENT OF CURAÇAO (Caribbean part of the Kingdom of the Netherlands)

Articles 1, 5, and 6

Report registered by the Secretariat on

31 January 2025

CYCLE 2024

THE REPORTS OF 2024 ON THE RATIFIED ARTICLES OF THE EUROPEAN SOCIAL CHARTER

BY THE GOVERNMENT OF CURAÇAO ON REPORTING PERIOD 2023

> November 2024 Ministry of Social Development Labor and Welfare

Table of Contents

SHORT SUMMARY	3
FIRST SECTION OF THE EUROPEAN SOCIAL CHARTER REPORTS 2024 CURA	
	4
ECONOMIC OUTLOOK FOR 2023 AND 2024	4
GLOBAL ECONOMY	4
CURAÇAO	
DEVELOPMENTS IN 2023	
OUTLOOK 2024 AND BEYOND	٥
SECOND SECTION OF THE EUROPEAN SOCIAL CHARTER REPORTS 2024	
CURAÇAO	12
REPORT SECTION on articles 1 (right to work), 5 (freedom of association) and 6	
(collective bargaining)	12
Article 1 European Social Charter	12
Articles 5 & 6 European Social Charter	15
	10
ANNEX I (tables A-C, labour related)	18
Table A Labour Force of Curaçao	
Table B Labour force of Curaçao by age-groups	19
Table C Labour Force of Curaçao by gender	22

SHORT SUMMARY

These European Social Charter 2024 on the reporting year 2023 contain two sections.

In the first section of these reports, the Introduction, the economic developments in Curaçao are highlighted.

In the second section of these reports information is provided on the articles 1 (right of work), 5 (freedom of association) and 6 (collective bargaining) of the European Social Charter (Treaty Publication 1961 no. 3).

In conclusion, the tables regarding the article 1 are included in Annex I, tables A-D.

FIRST SECTION OF THE EUROPEAN SOCIAL CHARTER REPORTS 2024 CURAÇAO

ECONOMIC OUTLOOK FOR 2023 AND 2024

This chapter provides an update on the economic outlook for 2023 and 2024 presented in the Economic Bulletin of September 2023. In addition, a medium-term forecast is presented for some macroeconomic key figures.¹ The forecast horizon is a period of five years (2023–2027).

It should be noted that the baseline presented in this chapter does not include any calculations regarding a resolution strategy for ENNIA or its possible implications for either the public finances or economies of Curaçao or Sint Maarten.

GLOBAL ECONOMY

The global economy is experiencing a slow and uneven recovery from the COVID-19 pandemic and related bottlenecks, including supply chain disruptions, soaring shipping costs, and longer delivery times. While most of these bottlenecks have reverted to their pre-pandemic levels, their effect on global inflation persists. To curb the high inflation, central banks have increased their policy rates to historic levels, thereby raising the cost of borrowing for households, businesses, and governments. The turbulence seen on the financial markets in the first months of 2023 due to the higher interest rates has subsided with swift action and support from authorities. Also, labor markets in advanced economies have remained resilient as reflected by unprecedented low unemployment rates. Meanwhile, the war in Ukraine, which placed additional stress on international food and oil prices, is still going on with no resolution in sight.² In addition, even though the spike in international energy prices caused by the eruption of the Israel – Gaza conflict has receded, a prolonged conflict could result in more geopolitical tensions and fragmentation that could affect growth.

After expanding by 3.5% in 2022, global economic growth moderated to 3.0% in 2023 (Table 1). The estimate remains unchanged compared to the Bank's Economic Bulletin of September. Several factors continued to hold back economic recovery in 2023, including permanent scarring of the COVID-19 pandemic, the war in Ukraine, increasing geopolitical fragmentation, the effects of monetary policy tightening, the withdrawal of fiscal support amid high public debt, and extreme weather conditions. Against this backdrop, the forecast for both advanced and emerging & developing economies remains unchanged from the Bank's previous publication, growing by 1.5% and 4.0% respectively.³

¹ The Economic Bulletins of June and December include a medium-term forecast of key economic variables;

² IMF, World Economic Outlook, October 2023;

³ IMF, World Economic Outlook, October 2023;

Table 1 Real GDP growth (%)

2020	2021	2022	2023	2024
-2.8	6.3	3.5	3.0	2.9
-4.2	5.4	2.7	1.5	1.4
-1.8	6.9	4.0	4.0	4.0
-2.8	5.9	2.1	2.1	1.5
-3.9	6.2	4.3	0.6	1.1
	-2.8 -4.2 -1.8 -2.8	-2.8 6.3 -4.2 5.4 -1.8 6.9 -2.8 5.9	-2.8 6.3 3.5 -4.2 5.4 2.7 -1.8 6.9 4.0 -2.8 5.9 2.1	-2.8 6.3 3.5 3.0 -4.2 5.4 2.7 1.5 -1.8 6.9 4.0 4.0 -2.8 5.9 2.1 2.1

Sources: IMF, World Economic Outlook, October 2023.

The global economy is projected to grow by 2.9% in 2024. The current projection represents a downward revision of 0.1 percentage point compared to the previous publication. Meanwhile, global inflation is set to decelerate considerably due to an expected decline in international commodity prices. Nevertheless, extreme weather conditions and geopolitical shocks could put upwards pressure on food and energy prices. In addition, further monetary policy tightening could depress the current outlook and trigger public debt distress. Against this backdrop, economic activity in advanced economies is expected to decelerate slightly to 1.4% in 2024, while the emerging & developing economies has remained unchanged from the previous publication while the projection for emerging & developing economies has been revised down by 0.1 percentage point. ⁴

The growth paths of the monetary union's main trading partners, i.e., the United States and the Netherlands, are diverging. The latest estimate indicates that the economy of the United States expanded at the same pace of 2.1% in 2023 as in 2022. This represents an upward revision of 0.3 percentage point compared to September 2023 attributable to overperformance of private investments in the second quarter, a robust labor market, and resilient private consumption as households draw down on saving buffers built up during the pandemic. In addition, economic activity in 2023 was supported by an expansionary fiscal stance. Growth in 2024 is projected to decelerate to 1.5%, an upward revision of 0.5 percentage point compared to the Bank's earlier publication reflecting economic activity spillover from the previous year coupled with lower expected inflation and unemployment rates. Compared to 2023, growth is projected to ease in 2024 due to slowing wage growth, savings accumulated during the pandemic running out, and continued monetary policy tightening. 5

Growth in the Netherlands decelerated considerably to 0.6% in 2023, following an expansion of 4.3% in 2022. Growth in 2023 was sustained by increases in government consumption and private investment, moderated by a decline in household consumption on the back of high interest rates and

⁴ IMF, World Economic Outlook, October 2023;

⁵ IMF, World Economic Outlook, October 2023;

inflation. In addition, net foreign demand contributed negatively to growth as the rise in imports surpassed the gain in exports. In 2024, the Dutch economy is projected to grow by 1.1%. The stronger pace of growth compared to 2023 is supported by an increase in government consumption as the introduction of a new social support policy is set to bolster consumer purchasing power. Furthermore, net foreign demand will be less negative than in the previous year, while private investment growth is set to decelerate considerably.⁶

CURAÇAO

DEVELOPMENTS IN 2023

According to the Bank's latest estimates, Curaçao's real GDP grew by 4.1% in 2023 (see Graph 1), representing an upward revision of 0.3 percentage point compared to the outlook presented in September 2023. The upward revision reflects a better-than-earlier expected performance of tourism – both stay-over and cruise – during the first nine months of 2023. In addition, stay-over tourism is expected to grow further into the fourth quarter of 2023 sustained by an increase in airlift.





*Forecast of the CBCS.

Inflation has been revised down by 0.3 percentage point to 3.3%. The downward adjustment is induced by an observed declining trend in the monthly annualized inflation figures of January – August 2023, mitigated by the average increase in domestic energy prices in the last months of 2023 (see Graph 2).

⁶ CPB Netherlands Bureau for Economic Analysis, 'Macro Economische Verkenning 2024' September 2024;





Source: Central Bureau of Statistics of Curaçao *Forecast of the CBCS.

On the expenditure side, the real GDP expansion in 2023 was supported by domestic demand, moderated by a decline in net foreign demand. Domestic demand grew at a faster pace than previously anticipated. The upward adjustment in domestic demand is due to a faster pace of growth in private demand as private consumption turned less negative than initially forecasted on the back of a lower estimated inflation. Meanwhile, private investment projects in, among other things, the utilities, real estate, tourism, and ship repair industries continued to progress steadily over the course of 2023. The estimated contribution of public demand has remained unchanged compared to the September publication as public consumption increased while investments dropped. Meanwhile, net foreign demand dropped as the increase in imports surpassed the gain in exports.

On the production side, the upward revision in real GDP growth is due mainly to a higher estimated gain in real value added in the tourism-related sectors, i.e., the accommodation & food services and transportation, storage & communication sectors. The estimated increase in real value added in these sectors reflects the record-breaking number of stayover tourists in 2023, notably from the United States. In addition, an increase in airlift capacity supported the robust performance of stayover tourism. Also, cruise tourism continued to increase. Real output growth in the construction sector has also been revised up as several projects reached the fit-out phase which tends to involve higher expenditures.

According to the Bank's estimates, the labor market improved in 2023 supported by the increase in economic activity in, particularly, the tourism-related and construction sectors. Hence, the unemployment rate is estimated to have dropped from 13.1% in 2022 to 11.8% in 2023.



Graph 3 Curaçao: development in the unemployment rate (percentage)

Source 2020 and 2022 figures: Curaçao Labor Force Survey *2021, 2023 to 2027 figures are estimates and projections of the CBCS.

On the fiscal front, the current budget surplus of the government of Curaçao reached 1.5% of GDP in 2023 according to the latest estimate (see Graph 4). The estimate remained unchanged from the outlook presented in September 2023.



Graph 4 Curaçao: development in the public finances

Source: Financiële Management Rapportage of 2020-2022 of the government of Curaçao. The current budget balance as percentage of GDP and the public debt-to-GDP ratio for 2023 to 2027 are based on estimates of the CBCS.

Compared to 2022, the current budget surplus as percent of GDP dropped by 1.1 percentage points in 2023 as the increase in government expenditures (8.6%) surpassed the gain in revenues (4.6%). The increase in expenditures was mainly caused by more spending on wages & salaries reflecting, among other things, the payout of the full vacation allowance to civil servants in June⁷ and the

⁷ As part of austerity measures that were set as conditions to receive liquidity support from the Dutch State amid the COVID-19 pandemic, the government of Curacao cancelled the pay-out of vacation allowance to civil servants in 2021

indexation of civil servants' salaries for the years 2019 and 2020 in December. In addition, the disbursements on goods & services and transfers & subsidies rose. Meanwhile, government revenues went up, sustained primarily by an increase in tax revenues on the back of the increase in economic activity and continued efforts to improve tax compliance (i.e., Project Verhoging Belastinginkomsten).

Meanwhile, the estimate of Curaçao's public debt-to-GDP ratio for 2023 has been adjusted down by 2.6 percentage points compared to the previous outlook, reaching 69.2%. This revision reflects primarily a lower public debt stock caused by a downward revision of both the domestic and foreign debt components. The revision of the domestic debt was induced by lower outstanding arrears while the foreign debt stock was adjusted down because, up to the cutoff date of this publication, the government did not borrow from the Netherlands to finance capital investments.

The debt-to-GDP ratio in 2023 is 8.3 percentage points lower than in 2022, due to a decline in the public debt stock and an increase in the nominal GDP level. The decline in the public debt was on the account of both a lower domestic and foreign debt stock. Domestic debt dropped because of a decline in the outstanding arrears. Meanwhile, the foreign debt component went down due to the partial repayment of the loan for the winding-up of Girobank N.V. It should be noted that in October 2023, the liquidity support of NAf.911.0 million that the government of Curaçao received amid the COVID-19 pandemic was refinanced for one year against an interest rate of 5.1% pending a viable solution for the resolution of ENNIA.

OUTLOOK 2024 AND BEYOND

Curaçao's real GDP growth will accelerate slightly to 4.4% in 2024, representing an upward revision of 1.0 percent point compared to September 2023. The upward revision is due to, among other things, higher projected economic growth in the United States, one of Curaçao's main trading partners. Beyond 2024, the pace of expansion will gradually decline to 1.7% by 2027 (see Graph 1). In addition, inflation is set to ease to 2.8% in 2024. This is an upward revision of 0.1 percentage point caused by a projected increase in international oil prices due to production cuts being implemented by OPEC+ countries. Inflation is set to subside further over the medium term in line with the inflation forecast of Curaçao's main trading partners (see Graph 2).

On the expenditure side, growth will be driven mainly by domestic demand and, to a lesser extent, net foreign demand. Although less than initially anticipated, private demand growth is predicted to slow down as some major investment projects will reach their final stage. Additionally, private consumption is expected to decline at a slower pace due to a more moderate inflation compared to the previous year. Conversely, the latest forecast indicates that public demand will increase at a faster pace as both consumption and investment will be higher than previously projected.⁸ Meanwhile, net foreign demand is set to increase, albeit at a slower pace than earlier projected, as the increase in exports will surpass the higher import bill.

and 2022. However, in 2022, the civil servants received a one-time bonus of NAf.1,750 as a partial compensation for the 12.5% wage cut and suspension of the vacation allowance during the COVID-19 crisis;

⁸ Based on the draft budget 2024 of the government of Curaçao;

Consistent with the projected increase in economic activity, the labor market will continue to improve as reflected by a further decline in the unemployment rate over the forecast horizon (see Graph 3).

In the area of public finances, the government of Curaçao is expected to record a current budget surplus of 0.8% of GDP in 2024, down from the 1.5% registered in 2023. The 2024 forecast⁹ has been revised down by 0.4 percentage point from September 2023 as government expenditures have been adjusted up, consistent with the figures presented in the draft budget 2024 of the government of Curaçao while also taking into account the 5.1% interest rate to be paid on the COVID-19 liquidity loan in 2024. Government revenues, particularly tax revenues, have also been revised up consistent with the stronger-than- initially projected increase in economic activity.

The lower surplus in 2024 compared to 2023 is the result of government expenditures increasing at a faster pace than revenues. The increase in expenditures is driven by higher disbursements on goods & services, interest, and wages & salaries. The rise in interest expenditures reflects the higher interest to be paid on the COVID-19 liquidity loan in 2024. Meanwhile, revenues, particularly tax revenues, are projected to rise consistent with the increase in economic activity in 2024.

The public debt-to-GDP ratio is expected to reach 66.3% in 2024, 2.2 percentage points lower than projected in September 2023. This revision is due to a lower projected public debt stock combined with a higher nominal GDP level. The lower public debt reflects a downward adjustment in both the domestic and foreign debt components. The adjustment of the domestic debt component reflects a carry-over effect of the revision of the domestic debt in 2023.¹⁰ Meanwhile, the foreign debt has been revised down due to the agreed upon payment of an installment of NAf.32.6 million on the COVID-19 liquidity loan. In October 2023, the governments of Curaçao and the Netherlands agreed that pending a viable resolution strategy for ENNIA, the COVID-19 liquidity loans that were to mature in October 2023 would be refinanced for one year against an interest rate of 5.1%. At the end of the first year, an installment of NAf.32.6 million should be paid. In this baseline, it is assumed that as of 2025, this loan will be refinanced against a 20-year annuity loan with an interest rate of 3.4%.

Compared to 2023, the public debt-to-GDP ratio is projected to drop by 2.9 percentage points due to the expected increase in the nominal GDP level. By contrast, the public debt stock, notably the foreign debt component, is expected to increase in 2024 reflecting borrowing by the government of Curaçao to finance capital expenditures, moderated by the payment of the installment on the COVID-19 liquidity loan.

Going forward, the public finances are set to further improve over the forecast horizon as reflected by a sustained increase in the current budget surplus. By 2027, the current budget surplus will reach 3.0% of GDP. Meanwhile, the public debt-to-GDP ratio is set to reach 63.4% by 2027, as the projected increase in nominal GDP will surpass the rise in the public debt stock, specifically the foreign debt component.

⁹ The forecast for government revenues has been calculated with the Macroeconomic Foundations Framework Tool of the CBCS.

¹⁰ The domestic debt component is projected to remain unchanged over the forecast horizon. Hence, the adjustment in the 2023 figure carries over into 2024 and beyond;

SECOND SECTION OF THE EUROPEAN SOCIAL CHARTER REPORTS 2024 CURAÇAO

REPORT SECTION on articles 1 (right to work), 5 (freedom of association) and 6 (collective bargaining)

Article 1 European Social Charter

1.Introduction

This report on the articles 1 (right to work), 5 (freedom of association) and 6 (collective bargaining) regards the reporting year 2023 for Curaçao.

The request to report has been received in October 2024 and therefore, Curaçao asks the European Social Rights Committee to take into account that this limited time frame is debet to the fact that only a short summary on the above mentioned, to be reported articles is hereby to be submitted Under following subparagraphs 2, 3, 4, 5 and 6 the right to work in Curaçao is elaborated upon.

2. Dismissal requests, complaints, and company registration¹¹

In 2023, the Labour sector had the following activities regarding complaints, dismissal cases and company registration:

- Complaints: 887, of which most concern the interpretation and application of terms and conditions of employment;
- Applications for dismissal: 531 cases. Dismissal cases usually relate to disrupted employment relationships, unauthorised absences, differences of opinion or non-compliance with employment contracts;
- Company registration: 271.

3. Work projects (target group youngsters)¹²

The purpose of the project 'E Hoben, e relevo' is to guide and prepare welfare recipients between the ages of 18 - 30 to obtain an independent income. Regarding this project, since 2022 intake interviews have taken place which are ongoing. In 2023 the preparation of the assessment sessions has been completed.

The following (labour related) projects were initiated as well, namely: 'Desaroyo Integral Landhuis Santa Martha (cleaning of the ground of Landhuis Santa Martha): 20 participants. The project 'Green Phenix'(recycling) counted with 38 participants and project 'Assistant Elderly Caregivers' with approxamately 10 participants.

¹¹ Information obtained Year Report of the Ministry of Social Development Labour and Welfare, may/june 2024 on reporting year 2023;

¹² Information obtained Yearly Report of the Ministry of Social Development Labour and Wefare, may.june 2024 on reportin year 2023;

Together with the Curaçao Tourist Board (private stakeholder), the government initiated the projects to prepare job seekers to increase their job opportunities in the hospitality sector. The number of participants trained in this framework is 490, of which 70% were able to start working successfully as Assistant Cook, Assistant Bartender, Waiter, Housekeeping and Tourist Guides. This project is ongoing.

Finally, the apprenticeship program under the Social Training Program has been deployed under the Land Package under subject H 'Strengthening the Rule of Law' and the target group consists of youngsters between the ages of 17 and 24 without a starting qualification. The group consists of 83 youngsters, of which 52 are male and 31 are female. Of this group, 20 youngsters have already made its access to the regular labour market.¹³

Please see Annex table A 'Labour Force for Curaçao', table B 'Labour Force by age' and table C 'Labour force by gender'. Source: Central Bureau for Statistics Curaçao.

4. People with a disability and social assistance

In July 2023 social welfare has been increased by 30% for the most vulnerable groups (people with disabilities, but also elderly people with a General Old-Age Pension of 'only' Naf. 862 per month² (about 500 U\$dollars):

A. For singles this is an amount of Naf. 211.12 every two weeks instead of Naf. 162.40. That is a total amount of Naf. 422.24 per month;

B. For couples, an increase from Naf. 281.10 to Naf. 365.43 every two weeks. That is a total amount of Naf. 730.86 per month.

In December 2023 also a Christmas bonus of Naf. 200.—has been transferred to all welfare recipients, including people with a disability.

The Government has also increased the General Old-Age Pension allowance by 30%. The eligible target group are older people who only have an old-age pension (Nafl. 862,-- per month). The increase includes that the allowance has been increased from Naf 130.-- per month to Naf. 169.-- per month. Persons with a disability, who receive Naf. 862 per month and have reached the age of 65, will receive also upon request the allowance of Naf. 169 per month (Naf. 862 plus 169 = Naf. 1031 per month).

In the context of the reform of social facilities (social welfare and additional facilities³), included in the Land Package Theme E, Plan of Action on Reforming Assistance', a trajectory has been initiated that is still ongoing. The National Ordinance on Assistance Curaçao 2008 (P.B 2009 no 135 jo P.B 2024 no 80) will be updated during the year 2025.

¹³ Information obtained Yearly Report of the Ministry of Social Development Labour and Welfare, may/June 2024 on the reporting year 2023;

In 2023, 138 welfare recipients, including persons with disability, received subsidies with respect to water and electricity in accordance with The National Ordinance on Assistance Curaçao 2008.

Via the registration link (<u>www.soaw.info</u>), 402 people have registered in 2023 to help welfare recipients with payment arrears on their water bills and also to the reconnection to the water distributionsystem. The Government recognizes that water is a basic human right and this right is, undeniably, anchored in our Constitution for many years. This project applies to all vulnerable groups in society, including people with a disability, unemployed youngsters and women.

Finally the Government subsidized on a yearly basis all organizations working on behalf of the persons with disability. Each of this organizations receives a yearly sum of Naf. 1 million Antillean Guilders¹⁴. Names of these organizations, just to mention a few, are: (1) Fundashon Alton Paas (spinal cord injured), Stichting Pro Bista (visual disabled), Sentro Solaris (disabled persons in general), Stichting voor hulp Auditief Gehandicapten (auditive disabled) and Totolika Oudervereniging (helping parents with disabled children).

5. Migrants and work

Combating the informal economy and illegal labor is a part of theme E of the Land Package, 'Labor market reform' (E1) and E2 'Opposing informal economy and illegal labor'. It appears that different strategies are needed to combat the informal economy and illegal work. Policy-making with a multidisciplinary approach is ongoing to this purpose.

An investigation into the phenomenon of illegal employment has produced a list of 'quick wins'shortand long-term measures. At the end of 2025, a presentation will be given to the Council of Ministers of Curaçao in order to create a decision on this subject. It is worth mentioning that occasional checks are carried out by a multidisciplinary team on the illegal employment of foreign workers.

The Government has already legalize a large percentage of this former undocumented group of migrants. They are handed out work permit and consequently contribute in the payment of taxes and social security contributions to the Social Insurance Bank. Thus this group of legal foreigners are an integral part of the working population and their contribution to the economy is very much valued¹⁵.

6. Helpdesk & Information Desk

In 2023, an Information Desk was introduced to improve service tot he public in general. For questions or information regarding all products/services of the Ministry of Social Development, Labour & Welfare (social assistance, subsidies for water and electricity, housing, exemption waste tax, clothing fees for school-aged children, funeral expenses, special assistance).

The public can contact the desk during working hours (without former appointment), the so called 'walk in hours'. Further more, the Helpdesk & Information Desk is also available by telephone + 5999 724 5333.

¹⁴ Article in the newspaper, 'Antilliaans Dagblad', page 13, dated 8 November 2024;

¹⁵ Information obtained by the Ministry of Justice, drs S. Nicolaas, senior policy advisor, may 2024;

Articles 5 & 6 European Social Charter

The following subparapgraphs 1, 2, 3 and 4 will shed light upon the platforms and settings put in place to facilitate collective bargaining and guarantee the right to strike and thus the right to freedom of association in Curaçao.

1. Bureau Mediation: mediation in strikes, referenda & recognition of unions⁴

The Bureau Mediation should at all times monitor, maintain and promote labor rest and peace and where necessary work to restore this. In 2023 there was no need for the Bureau Mediatoion to seek advice and/or obtain assistance of institute external experts. Nor was there need to draw up advice for declaring a 'cooling off' -period because of labour agitation ('unrest').

Furthermore, the Bureau Mediation received 54 requests for mediation between employers and workers organizations. There were 6 strike actions: 6 in the public sector and 7 in the private sector. Eight (8) Collective Agreements (CBAs) have been negotiated successfully and there are still 14 registered valid CBAs. No referendum took place and there were 2 cases of recognition of trade unions, requested by employers.

2. Plataforma Dialogo Nashonal Kòrsou ta Avansá: tripartite platform

A.Tripartite Platform 'Dialogo Nashonal Korsou ta Avansá

In the past year, 2023, the following topics were extensively discussed between the Government and the social partners:

(1) Minimum wage increase

The tripartite Platform continues, in conformity with the ILO Convention no. 144 to advise the Government about important national issues, such as the increase of the minimum wage in 2023 and 2024. Curaçao has a statutory minimum wage (article 9 seventh paragraph of the National Minimum Wage Ordinance, ministerial decree P.B. 1972 no. 110).

Revisions are based on the inflation rate and the purpose of the increase is to maintain purchasing power and combat poverty, whereby an income at the subsistence minimum must be guaranteed, as well to promote labor participation for the unemployed.

As per January 1, 2023 the gross minimum hourly wage in Curaçao was increased, by 11.2 percent, from NAf. 9.62 (Antillean guilders) to NAf. 10.70 per hour (P.B. 2022 no. 134)¹⁶.

As per January 1, 2024, the gross minimum hourly wage in Curaçao was increased again from NAf. 10.70 to NAf. 11.28 per hour (P.B. 2023 no. 153).¹⁷

The minimum wage is applicable to all workers, including household personnel. The minimum wage provisions state that this is a minimum wage for first entry personnel. Employers can always, due to (work experience and achieved vocational training) pay their workers above this stipulated gross minimum hourly wage;

¹⁶ National Ordinance, P.B. 2022 no. 134;

¹⁷ National Ordinance, P.B. 2023 no. 153;

(2) Increase of the welfare for vulnerable groups

The government successfully engaged in dialogues with the social partners about the amount of welfare for the unemployed and other vulnerable groups such as the disabled persons.

In 2023 the welfare recipients amounted to approximately 7.951, 60% of this group are men and 40% are women, aged mainly over the age of 50+.

As of the 14th of July 2023, the article 14 of the Decree on Welfare Assistance, A.B. 2009 no 135, has been modified and the sum of the welfare for vulnerable groups has been increased by 30%:

- 1. Singles: receive biweekly an amount of NAf. 211.12 instead of NAf. 162.40 (monthly NAf. 422.24);
- 2. Couples: receive biweekly NAf. 365.43 instead NAf. 281.10 (monthly NAf. 730.86);

(3) Increase of the special provision for elderly person in addition to their old age pension Also the government successfully, engaged in consultations with the social partners about the increase of the amount of the special provisions on the allowance on the general elderly pensions, as of the 14th of July 2023.

The special allowance on the general elderly pension (NAfl. 862.00) has been increased from a monthly sum of NAf. 130.00 to Naf. 169.00 revision on the the Ordinance of 2005 no. 115 and also A.B. 2008 no. 71;

(4) Training (private -public initiative) in the hotel and restaurant sector

The social partners in the hotel and restaurant sector together with the government launched in 2023 a public- private initiative (which is still ongoing) to train and upgrade youngsters to work in the booming tourism sector. These trainings consist of on-the-job-trainings, participants (approximately 1000) receive a monthly fee which is financed by the semi-governmental Curaçao Tourist Board (CTB) and the government, the Ministries of Economic Development, Education Science and Sports and the Social Development Labour and Welfare;

(5) New Social Security Plan in the light of the reforms obligations regarding the 'Landspakket'

In accordance with the 'Landspakket' reforms are to be made to reinforce the Social Fund for the General Elderly Pension in order to make the Fund more sustainable in the light of the ongoing ageing of the population. The Minister of Social Development Labour and Welfare discussed this issue on numerous occasions with the Platform. The first proposal for a solution is to increase the retirement age from 65 to 67 years. Secondly, the Fund can be made more solid by the increase of the social insurance contributions. And thirdly, because the already increase will burden the middle class too heavily, the social partners insisted on looking into other possibilities such as the increase of the participants by legalizing the undocumented workers and the inclusion of other workers in the informal sector in order to increase the amount of the payment in taxes and social security contributions.

This topic will be elevated on national level, involving more stakeholders to make the outcome more inclusive and achieving a broader support base.

The role of the tripartite Platform will remain of eminent importance during this exercise in full accordance with the obligations on the ILO Conventions no. 144¹⁸

3. Economic and Social Council: Platform, dialogue and consensus

Besides advising the Government and Parliament, which creates a social base for social economic policy, the SER also provides social partners with a platform, a forum, to consult on issues affecting workers and employers. With this consultation a climate can be created where social partners, based on shared views, are deployed. This is to promote sustainable social and economic development.¹⁹

In 2023, 14 preparatory and 14 plenary SER meetings took place. Requests for advice have been received by the Minister of Finance (4 requests), the Minister of Health Nature & Environment (1 request), the Parliament (2 requests) and the Minister of Social Development Labor & Welfare (1 request).

Advices issued by the SER include:

- Initiative draft National ordinance amending the Civil Code 7A (P.B. 2021 no 24) regarding paid leave of absence of public servants;
- Initiative draft National ordinance amending the Island Ordinance on the acquisition of property;
- Draft National Ordinance amending the 1940 National Ordinance on Profits Tax etc.

4. Central Committee for Organized Civil Service Consultation (CCGO-A)²⁰

In 2023, the Commission met 24 times for 17 plenary meetings and 17 preparatory meetings. Proposed regulations, policy papers or government intentions are submitted by the Minister of Administration Planning & Services.

Important decisions regarding proposals that can affect the legal status of civil servants are not taken without prior consultation with the social partners/representatives of the civil servants.

In 2023 a number of interesting proposals were submitted to the Commission:

- Proposal to amend regulations on amending the AOV/AWW (elderly pension);
- Proposal concerning management/control measures of the Basic Health Insurance;
- Elimination of 12.5% on the terms of employment of the public servants regarding the emergency measures taken during Covid-19 (ongoing, as for Octobre 2024).

¹⁸ Article in the newspaper 'Antilliaans Dagblad', 19 June 2024, page 1;

¹⁹ <u>www.ser.cw</u> Yearly Report 2024 on reporting year 2023 (Social Economic Council)

²⁰ www.ser.cw, Yearly Report 2024 on the Social Economic Council, on the reporting year 2023;

ANNEX I (tables A-D, labour related)

Table A Labour Force of Curaçao

Labour Force of Curaçao – total population	Okt 2022-feb 2023
Total (non institutional) population	148934
* Population 0-14 years	24238
* Population 15+ years	124696
* Employed population	66722
* Unemployed population	10035
* Economically not active population	47479
Labour Force (Employed and unemployed population)	76757
in % of the total population	
Labour Force (Employed and unemployed population)	51.5
Employed labour Force	44.8
in % of the population 15+	
gross participation rate (labour force)	61.6
net participation rate (employed labour force)	53.5
Unemployment rate (%)	13.1
Source: CBS, Labour Force Survey	

Labour force of Curacao by age-groups	Okt 2022-feb 2023
15-24 age	
Population	15219
*Employed population	4792
* Unemployed population	2032
*Economically not active population	8356
	602.1
Labour force (employed + unemployed population)	6824
in % of the population	
gross participation rate (labour force)	44.8
net participation rate (employed labour force)	31.5
Unemployment rate (%)	29.8
25-34 age	
Population	16265
*Employed population	13156
* Unemployed population	1726
*Economically not active population	1258
Labour force (employed + unemployed population)	14882
in % of the population	
gross participation rate (labour force)	91.5
net participation rate (employed labour force)	80.9
Unemployment rate (%)	11.6

Table B Labour force of Curaçao by age-groups

Labour force of Curacao by age-groups	Okt 2022-feb 2023
35-44 age	
Population	17871
*Employed population	14763
* Unemployed population	1792
*Economically not active population	1277
Labour force (employed + unemployed population)	16555
in % of the population	
gross participation rate (labour force)	92.6
net participation rate (employed labour force)	82.6
Unemployment rate (%)	10.8
45-54 age	
Population	20860
*Employed population	16254
* Unemployed population	1787
*Economically not active population	2704
Labour force (employed + unemployed population)	18041
in % of the population	
gross participation rate (labour force)	86.5
net participation rate (employed labour force)	77.9
Unemployment rate (%)	9.9

Labour force of Curacao by age-groups	Okt 2022-feb 2023
55-64 age	
Population	23695
*Employed population	14656
* Unemployed population	2314
*Economically not active population	6691
Labour force (employed + unemployed population)	16970
in % of the population	
gross participation rate (labour force)	71.6
net participation rate (employed labour force)	61.9
Unemployment rate (%)	13.6
65+	
Population	30786
*Employed population	3100
* Unemployed population	382
*Economically not active population	27194
Labour force (employed + unemployed population)	3482
in % of the population	
gross participation rate (labour force)	11.3
net participation rate (employed labour force)	10.1
Unemployment rate (%)	11.0
Source : CBS, Labour Force Surveys	

Labour Force of Curaçao by gender	Sept. – Okt. 2022
Male	
Population 15+ years	55128
*Employed population	31546
* Unemployed population	4049
*Economically not active population	19289
Labour force (employed + unemployed population)	35595
in % of the population	
gross participation rate (labour force)	64.6
net participation rate (employed labour force)	57.2
Unemployment rate (%)	11.4
Female	
Population 15+ years	69568
*Employed population	35175
* Unemployed population	5986
*Economically not active population	28190
Labour force (employed + unemployed population)	41161
in % of the population	
gross participation rate (labour force)	59.2
net participation rate (employed labour force)	50.6
Unemployment rate (%)	14.5
Source: CBS, Labour Force Surveys	