



## Migration Symposium 9 & 10 May 2019 on Curaçao

### Migration and Socioeconomic Development

#### Policy challenges and options

### **Break Out Session 2: Migration is a tool to safeguard the socio-economic model of the ACS-countries: migration approaches revisited**

What are rationales for modernization of migration policies (such as meeting labor demands, as a tool to safeguard employment opportunities for local employees, driver of innovation, other economic factors as drivers, demographic trends, etc.)? What are the challenges of the current migration policies? Should the ACS-countries design juridical and fiscal measures to make the ACS more attractive for labor migrants or not? If yes, how? Should the countries be more selective, for example by attracting (temporarily) high productive labor migrants?

**Moderator: Alicia Liverpool**

**Note taker: Thera Piening**

**Experts: Edwin Jacobs (social Insurance Bank Aruba) and Clark Russel (CEO & Founder IBIS Management Associate)**

Two objectives for today:

- Major policies issues and define these
- Prioritize the defined policies issues and conceptualize the policies

#### **1. Introduction & presentations experts**

- **Main message presentation Edwin Jacobs**

Economic growth is very important for the development of a country and limits the loss of welfare. Migration places a great deal within this economic growth; without migration there will be less growth and development.



The socio-security system is a basic human right, and migrants should also have the right to enjoy this system, with or without legal status. The ACS-countries have the obligation to manage the process in providing this basic human right to migrants. When migrants are not able to enjoy the socio-security system of a country, they are excluded from social protection; it excludes migrants from basic needs and might push them into illegality.

When one would look at a nation state without migration, the state will lose the share of economic growth and inclusion. Therefore, the socio-security system for migrants should be arranged. The government needs to provide in all rights in general and states should make use of modernizing techniques to arrange this.

An example that was mentioned during the presentation was that migrant workers in Aruba lose a part of their pension income; they do not receive a minimal decent pension. The system does not work (any more), which creates poverty among elderly people on Aruba. The old age pension system should be redesigned, taking all working years into account and value the contribution of migrant workers to the state.

**Policy issue to address after this presentation** is bringing back the value into human dignity.

- **Main message presentation Clark Russel**

The insights in (labor) migration from this presentation are based on a business side perspective. Also this presentation underlines the importance of migration in realizing economic growth. Major challenges for businesses on the island(s) is human resources; the constant effort in finding the right people, both local and international. Good migrant policies can help finding more qualified workers for certain positions.

The question governments of the ACS-countries should ask themselves is what is the future perspective of the states? Where do the states want to grow to as an economy, as a country? The decrease of the economy is one challenge, and then there are also other challenges: the aging of workforce, the new industrial revolution, the educational system.

How does the future of ACS-countries look like is the main question during this presentation. To illustrate this, everybody should close their eyes for a second and imagine that we will be in the near future, about ten, fifteen years from now. Curacao will have an educational system better than before. Entrepreneurs and young professionals are established on the island because of all positive aspects the island has: easy for foreign professionals to start a business, open a bank account, to buy a house or car. We will profit from a highly efficient government. The active workforce has increased and the income of our government leveled to require all social security systems.

Now back to here and now... at the moment Curacao is suffering from the lack of priority in investment, education and population policies and the island is not open for foreign workers. Modern population and migration policies should be introduced and adopted to

make it easier for migrants to come and contribute to the economy. The idea Clark Russel has, is to be selective:

- Select on age
- Select on "minimal a bachelor degree"
- Select on "minimal 5 years of experience"

This selection will be applied instead of a working permit, but the company that applies for labor migrants is responsible. Simultaneously, the control of such is the company itself: when it appears to go wrong, a company will be fined or even be closed.

**A policy issue to address after this presentation is** that the government and citizens are afraid to let migrant workers into ACS-countries because of the situation on the labor market, but simultaneously companies are not always able to find suitable workers for certain positions.

## 2. Statements & discussions

### A. Migration policies need to be adjusted in every 2 to 3 years, in response to the demand to the labour market

The majority of the participants agreed with this statement, except for two. One of the counter arguments was based on having a "long term vision" for e.g. Curacao, based on a study. This long term vision should not be changed all the time after recognizing new trends.

One argument stated that if Curacao would have a long term vision or a masterplan already, one could more easily adjust migration policies depending on the situation, for example looking at the influx of Venezuelan refugees at the moment. Future facing: to avoid this from repeating, a country needs a long term vision or a "master plan". Making this masterplan work, should be a day-to-day job; monitoring the situation and by this, decide whether or not to adjust certain policies.

One participant did not like the use of the word "adjust".

**Policy issue to address:** create a long term vision or masterplan for the islands, focussing on e.g. society and population size, monitor this masterplan and adjust policies when needed.

### B. Without migrants, the economic and socio-security model of the ACS-countries is in danger

All participants agreed on this statement, although some argued that the socio-security model is different for all citizens.

An example that was given during this discussion was the socio-security system of Aruba in 1980. At that time, the socio-security system was in danger due to aging population. If it was not for the working migration population, Aruba would now have problem. One should not underestimate the value of migrant workers for a society.

Participants agreed on above given statement, but argued that governments should be selective with the sort migrants to let into a country, for the value of the economy.

Another statement that was made contained re-migration. Young people whom have migrated elsewhere: Europe, to the Caribbean region or America, can also contribute to the socio-security system. This return migration should be encouraged by creating good policies and opportunities for those, making use of e.g. diaspora organizations. In this way more skilled, trained and educated people might return to the ACS-countries.

One participant stated that not all citizens of the islands do believe in the positive contribution of migrants, often because they are not well informed. To change the opinions of the public, the long term vision again came back as an option. The long term vision can help by changing the opinion of citizens, but one argued that a long term vision can also be vulnerable since the countries have elections every four years.

**Policy issue to address:** focus on re-migration of the local population in order to support the economic and socio-security system and inform the public.

**C. Because labour migrants tend to comprise a larger proportion of the working age persons, as compared to the overall population, positive net migration contributes to a reduction in the dependency rate and should therefore be attracted**

Half the group agreed on this statement whereas the other half disagreed. First of all, because the migrant population also ages, and therefore they will be dependent one day as well. Another counter argument was that when migrants come, they might bring their relatives, who also depend on the socio-security system.

It also depends on the (economic) situation of a country. If there is an economic boom in a certain sector, temporary migration would be a solution. It also depends on the type of labour and the skills migrants have.

**Policy issue to address:** temporary migration and control regarding skills and the type of labour.

**D. The regulation policy framework of the ACS-countries to reduce the informal labor market**

Participants argue that it is important to protect local laborers from laborers outside the country. One of the main arguments during this statement was that local citizens do not feel protected by their own government against foreign labourers, and therefore resistance against migrants still exists. To overcome this resistance, participants argue that again it is important to inform and educate citizens about the benefits of foreign laborers. Protection of local laborers was not in favour of all participants: overprotecting one sector or one group can also be bad for economic growth and development.

**E. The ACS-countries need migrants from an economic perspective, but from a political point of view, this is hard to sell**

All participants agreed on this statement, arguing that it is important to change the narrative by looking at the big perspective: why is it that the population is not happy about migration? Then again the long term vision and educating citizens was discussed, a returning topic which is interlinked with all statements.

One of the participants underlined the argument of changing the narrative with an example that took place in Sint Maarten. At one point there was a lack of workforce in construction work and in the agricultural sector. Migrants from the region start working in these sectors, which was accepted by the local population of Sint Maarten, but all migrants from outside the region were not very welcome. Nowadays there is another flow of migration, for example Venezuelans, which again are not accepted by the first migrants. This story shows the narrative and perspective of people regarding migration.

**Policy issue to address:** step back and see the bigger picture, educate and inform citizens: change the narrative by using a long term vision.

**F. Labour migrants put a too high pressure on our social system**

All participants disagreed on this statement.

**Summary part 1**

In the first part of the session, issues about migration policies were tackled, looking at migration as a tool to safeguard the socio-economic model. The main idea that came out of the first part of the session is that it is very important for the ACS-countries to have a clear long term vision. All policy issues that have been discussed:

- Bring back the value of human dignity in the migration discussion
- Temporary migration is a tool for economic development. Regulate migration on the basis of skills and the type of labor
- Focus on re-migration of the local population in order to support the economic and socio-security system
- Create a long-term vision or masterplan for the islands, focusing on e.g. society and population size, monitor this masterplan and adjust policies when needed.
- Educate and inform citizens: change the narrative
- Create a population policy

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### **3. Prioritizing policy issues, a policy question and policy recommendations**

In the second part, the focus was on prioritizing the discussed policy issues, come up with a policy question followed by policy recommendations. To start with this part, the moderator asked the participants what would be the most important questions to focus on, which were the following:

- What do we want for the societies of the ACS-countries?
- Where do the ACS-countries see themselves going, what is the long-term vision of the countries?

With the help of these questions, the policy issues that were defined in the first part were prioritized:

#### **A. Create a long-term vision or masterplan for the islands, focusing on e.g. society and population size, monitor this masterplan and adjust policies when needed**

(Migration) policies are still ad hoc and short-term. Not all plans are worked out in depth. One of the reasons is that the countries are relatively young; Curacao and Sint Maarten only exist as a country since 10 October 2010 (10/10/10).

#### **B. Focus on re-migration of the local population in order to support the economic and socio-security system**

Both the socio-security systems as well as the economic situations of the ACS-countries need to reduce debt and increase their income. With the right regulations, migration and also re-migration can both be a tool to support the economic and socio-security system.

#### **C. Define a population policy and know the business sector and the workforce demand**

Having a population policy, can help by regulating (labor) migration. If a state is not able to see and know what the demand of e.g. workforce is, it is very hard to regulate migration. A state also needs to know how many people would be needed in a certain sector or job.

#### **D. Temporary migration is a tool for economic development. Regulate migration on the basis of skills and the type of labor**

#### **E. Educate and inform citizens: change the narrative**

The main policy question the participants came up with, to address the policy issues and come to clear policy recommendations, was:

***How do we utilize the tool of migration for the benefits of the ACS-countries?***

This question is helpful to come up with policy recommendations and at the same time is a paradox: migration could be a tool that could be utilized for the benefits of the ACS-countries but at the same time migration should first be recognized and acknowledged as a certain tool. To utilize migration as a tool for the benefits of the ACS-countries, the participants came up with the following policy recommendations:

Create a long-term vision for all ACS-countries with the following aspects:

- Population policy
- Educate your citizens (about migration)
- Make sure the vision is monitored and adjusted where necessary
- Invest and support re-migration of the local population, make it attractive for (young) people to return

