"Directed growth is necessary to realise well-being in Caribbean Netherlands in 2050", says State Committee Demographic Developments Caribbean Netherlands 2050

In order to attain adequate levels of well-being in Bonaire, Sint Eustatius and Saba in the year 2050, it is necessary to be better prepared for population ageing and to affect the current population growth. This is what the State Committee states in its report "Directed growth" that was published on July 4, 2024. Undirected growth will rapidly exert pressure on the islands because of their small scale, while at the same time the labour shortages will become visible in key personnel positions that are vital for the communities on the islands. Specific labour migration is vital for these positions, for example for sectors such as healthcare and education. More selective migration also is more considerate to the carrying capacity of public services and the physical environment, which is impacted by climate change as well. This will require political choices to be made on each of the islands, regarding the structure of the economy, the volume of migration and responding to the challenges of population ageing amongst others.

Richard van Zwol, Chair of the State Committee: "Bonaire, Sint Eustatius and Saba face serious challenges, both socio-economically and physically. The demographic changes that lie ahead, such as population ageing and migration, urgently call for political choices with a focus on the long-run."

Well-being under pressure

The State Committee concludes that the level of well-being on Bonaire, Sint Eustatius and Saba is under pressure, which is related to the small scale of the island, because of which public services are costly. The islands are moreover vulnerable to economic shocks. The socioeconomic position of the Caribbean Netherlands population is in general more vulnerable than that of the population in European Netherlands. Moreover, the geographic location of the Caribbean islands makes them additionally vulnerable to the consequences of climate change.

The pressure on the level of well-being will increase until the year 2050, in particular because of a growing and ageing population. In its report "Directed growth", the State Committee states that population ageing on the islands will lead to increasing labour shortages in public sectors such as health care and education, and to a rapidly rising demand for health care. The public services and physical infrastructure therefore have to be ready in time for an ageing population. The increase in need for health care will also imply increased involvement of family members in providing care, as well as the community at large.

Focused migration is necessary

The report states that labour migration can in principle accommodate increased labour demands. However, a larger island population will also put more pressure on public services, housing and space. Furthermore, migration can weaken social cohesion and increase levels of inequality. This can occur because some migrants have a better financial and economic position than local inhabitants, while at the same time other migrants are vulnerable and have difficulties in making ends meet. Therefore, it is important that choices with respect to migration should be targeted at vital positions on the islands. However, stimulating focused migration is more than just the official procedures and filling vacancies on the labour market. It is also about offering services and opportunities in order to retain these labour migrants, including graduates that return to the islands. The State Committee points out that because of the small-scale setting of islands attracting and retaining, for example, a small number of teachers, can already make a big difference in the coming years.

In this light, the State Committee outlines the perspective and necessity of directed growth: a level of population growth that is aimed at the needs and circumstances of each of the islands.

- On **Bonaire** this approach specifically implies a focus on *getting a grip on rapid population growth*, first and foremost by making choices with respect to the sectoral structure of the economy. Tourism, moreover, has also to be in balance with the carrying capacity of Bonaire.
- For **Sint Eustatius** the focus will be mainly aimed at a growth rate that *strengthens and supports the island*. A directed growth counters the declining economic trend as well as population ageing. An ageing population, in combination with a declining economic situation, makes it crucial to attract personnel in key positions.
- For **Saba** the physical space for housing and other activities is limited, more so than on Bonaire and Sint Eustatius. Directed growth is all about *subtle, meticulous steps* that strengthen the level of well-being and public sector towards the year 2050.

Population ageing implies an immediate call for action

Population ageing implies that government should take additional measures in the short run. Interconnected political choices are needed with respect to spatial planning and housing, that fits the changing size and composition of the population, as well as with respect to the economy and public sector. Robust policy choices, based on demographic scenarios, are essential. Given the small scale and vulnerability of the islands, this cannot be addressed by Bonaire, Sint Eustatius and Saba on their own and implies that cooperation in the region is needed as well as with the European part of the Netherlands. For this, more demographic knowledge is needed and the (quality of) data about demographic developments in the Caribbean Netherlands must be improved. This also enables and stimulates to think in scenarios and to make clear-cut political choices. In the coming years, demography should be firmly positioned in collective decision making.

For more information and a digital version of the report in Dutch, see: <u>www.staatscommissie2050.nl</u>. The report will also be published in print at the end of the summer this year, in addition the report will also be translated in English.