

Government employees in numbers and government influence on the labor market 2010-2014

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Introduction

The government of a country comprises of a group of people that governs a community or unit. It sets and administers public policy and exercises executive, political and sovereign power through customs, institutions, and laws within the country. The public sector is the part of the economy concerned with providing various government services. The composition of the public sector varies by country, but in most countries the public sector includes such services as the military, police, public transit and care of public roads, public education, along with health care and those working for the government itself, such as elected officials. The public sector provides services that a non-payer cannot be excluded from (such as street lighting), services which benefit all of society rather than just the individual who uses the service.

The government of Curaçao is one of the main employment providers on the island. Its personnel are named civil servants ('ambtenaren' in Dutch). According to the Curaçao ordinance of civil service rights 'Landsverordening Materieel Ambtenarenrecht' (LMA), the civil servant within the meaning of this act and the regulations issued by virtue of it, is he or she who is appointed by the competent authority or appointed to public service. Besides the civil servants, the government is also responsible for the personnel of public education, the defense, coastguard, and others (e.g. state organizations and clergies). This other personnel information will also be added in this article. The government also exerts its influence on the labor market through public services. To the public services pertains the enterprises (e.g. the postal services, air traffic control, and ports authority to name a few) and institutions in which the Government of Curaçao has the majority of shares, they are run by the appointed public authorities. The government also subsidizes foundations and an institution which is personnel is depended on.

In this article the amount of employees employed by the Government will be assessed, and a brief look will be taken at the other personnel that are part of the workforce that the government is responsible for. An overview will be given for the years 2010 through 2014 as long as the data is available. The data is collected from the financial management reports of the government and also the labor force survey (LFS).

Declining government employment

Curacao has become an autonomous country within the Kingdom of the Netherlands in October of 2010. This new position has brought many changes, also in the government employment positions. Total government employment has decreased with 292 jobs since the commencement of the new status of Curaçao (2010) up to 2014 (see table 1). With the new status the government was faced with tough choices imposed by the convergence of balanced-budget requirements, falling tax revenues, and greater demand for public services. The government has been forced to put a hiring freeze on government

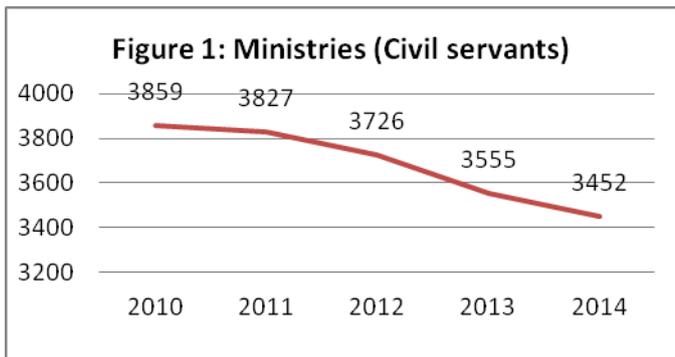
employment. The contracts of contractual workers were not renewed and pensioners were not replaced, unless the function was considered very critical.

Table 1: Government personnel data per 31/12					
Year	2010	2011	2012	2013	2014
Ministries (civil servants)	3859	3827	3726	3555	3452
Education	680	686	674	739	749
Marine/Coastguard	103	91	126	164	142
Other employees	118	137	98	117	125
Total	4760	4741	4624	4575	4468

Source: Ministry of finance, Financial Management Report, 2010-2014

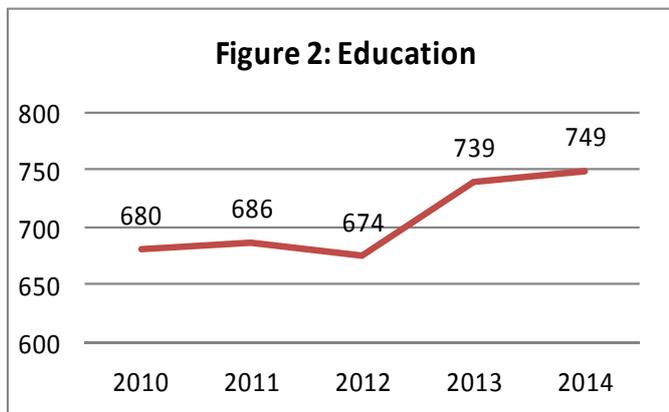
Ministries

The decline in government personnel, civil servants, that has been observed between 2013 and 2014 in the general ministries has been 103 jobs. Between the years 2010 to 2014 the decline has been 407 employees during 4 years. The decline has been the highest in 2013 with 171 positions left vacant. (Figure 1)



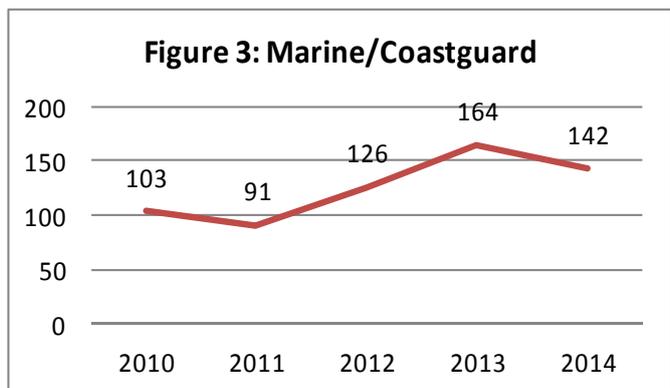
Education

The personnel that are allocated in education are not regarded as civil servants; these employees are mostly the teachers that work in the public education. The lowest change in numbers has been in 2012 (-12 employees) and the highest change has been in 2013 with 65 positions filled. Teachers from other entities (e.g. school organizations with a religious denomination or private schools) are not included in this data.



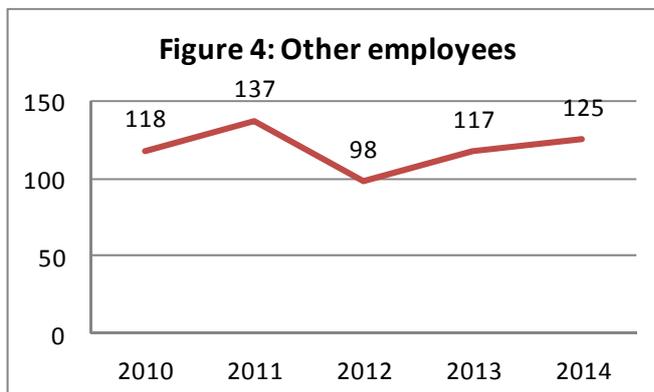
Marine/Coastguard

The main function of the marines/coastguards is to reassure the safety of the coast. As in education they pertain to another type of personnel and are not regarded as civil servants. The data regarding this type of personnel has rather been fluctuating between 2010 and 2014. In 2011 and 2014 personnel has decreased respectively with 12 and 13 percent. In 2013 there has been more recruitment in this field (38 employees).



Other Employees

Organizations with other employees are for instance conscripts (military), clergy, minister and state organizations (like parliament, registry of parliament, advisory board etc.). The persons who work here are not categorized as civil servants, but are under the payroll responsibility of the government. The only drop in personnel between 2010 and 2014 was in 2012 with about 28 percent. In the subsequent years, hiring of personnel has been slowly progressing in filling vacant positions.



The Government Policy Fields & Full Time Equivalentents (FTE's)

The government has focused its management scope on nine policy sectors. All these sectors are led by a minister who is a government official at the head of a section of government activities. The nine policy fields in Curaçao are the ministries of

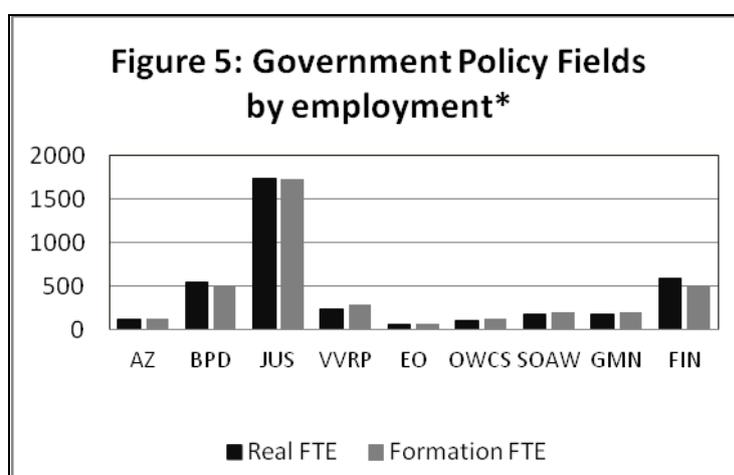
- General Affairs (AZ);
- Administrative, Planning & Service (BPD);
- Justice (JUS);
- Traffic, Transport & Geographical Planning (VVRP);
- Economic Development (EO);
- Education, Science, Culture & Sport (OWCS);
- Social Development, Labor & Welfare (SOAW);
- Health, Environment and Nature (GMN);
- Finance (FIN)

According to the financial management report (FMR) of 2013, a description is given of a certain amount of formation positions that has been allocated to each department that resort under a ministry in 2012. In this section a view will be given of the total formation positions. The formation positions are related to FTE's (full time equivalentents). The ratio units are FTE units or equivalent employees working full-time. In other words, one FTE is equivalent to one employee working full-time. An FTE of 1.0 is equivalent to a full-time worker, while an FTE of 0.5 signals half of a full workload. The year 2012 will be described in this section, due to the lack of updated information of the following years.

Ministries	2012		
	Real FTE	Formation FTE	Difference
General Affairs (AZ)	118	130.5	-12.5
Administrative Planning & Service (BPD)	539	513.5	25.5
Justice (JUS)	1735	1735	0
Traffic, Transport & Geographical Planning (VVRP)	240	282.5	-42.5
Economic Development (EO)	56	70.5	-14.5
Education, Science, Culture & Sport (OWCS)	98	126.5	-28.5
Social Development, Labor & Welfare (SOAW)	173	191.5	-18.5
Health, Environment and Nature (GMN)	173	200.5	-27.5
Finance (FIN)	594	511.5	82.5
Total	3726	3762	-36

Source: Ministry of finance, Financial Management Report, 2013
 Note: abbreviations are in Dutch

A total of 3762 units of employment are available in 2012, a total of 3726 positions are filled (see table 2). In the ministry of Traffic, Transport & Geographical Planning the need for FTE employment has been the highest (42.5 FTE). Whereas in the ministry of Finance there have been 82.5 FTE's in excess. The ministry of Justice has been filled to its maximum capacity. Another noteworthy ministry is that of Administrative, Planning & Service, which has an employment excess of 25.5 FTE.



The influence of Government on the labor market

The government is involved directly and indirectly in providing employment to a substantial part of the population. It has solely or partly ownership in different public enterprises which it oversees through different supervisory boards. Some of the public enterprises are placed under public ownership because, for social reasons, it is assumed that certain kind of collective services or products should be provided by government.

In table 3 the different economic activities are listed with the respective employed population for the years 2011 and 2013. Some of the economic activities that the government is involved with are part of its

public financial and non-financial corporations such as manufacturing (ship repair, and oil refinery) utility (electricity and water production), construction (housing), transport (ports & airport), finance (banks), public administration/social services, education, and health/social work. This involvement generates employment opportunities directly and indirectly for the labor market through the public enterprises and institutions. The institutions which are derived from legislation or they are subsidized by the government. Next to enterprises and institutions the government is also involved in foundations and subsidized institutions which again generate employment.

In 2013 the labor force has continued its growth rate of 6.2 percent, according to the annual labor force survey report⁷. The labor force consists of persons who are searching for employment and persons who are employed. The labor force in Curaçao accounts for 73005 persons in 2013; in 2011 it consisted of 68763 persons. The number of employed persons in 2013, increased with 1451 people compared to 2011; which is 2.3 percent. The total working population amounts to 63493 persons (see table 3). The unemployment rate was 13 percent in 2013.

The employed population, which is directly part of the public-sector, is the public administration/social services (see table 3). A decline is seen in 2013 of about 12 percent, and its share is about 7 percent of the total employment population. Take notice of the fact that in other economic activities public enterprises (government) are also represented as mentioned before which gives a larger involvement in the employed population.

Table 3: Employed Population by Economic Activity		
	2011	2013
Agriculture/fishery	430	139
Mining and quarrying	55	102
Manufacturing	3947	3960
Electricity/Gas/Water	749	1236
Construction	4755	4773
Wholesale/Retail	10841	11994
Hotels/Restaurants	4817	6108
Transport/Storage	4431	5060
Financial intermediation	4713	4495
Real estate	7100	6586
Public administration/Social services	5349	4699
Education	3067	3520
Health/Social work	5916	5308
Other community	3489	2814
Private households	2185	2088
Extra territories	197	116
NR*		495
Total employed	62042	63493

Source: CBS Labor Force Survey

Note: The CBS Labor Force Survey has not been conducted in 2012

*NR=not reported

⁷ CBS, Results Labor Force Survey Curaçao 2013, Published May 11th, 2014, www.cbs.cw

Summary

A notable aspect of employment is the decline in public-sector employment. In fact, public-sector employment has declined from 2010 to 2014 for five consecutive years. In the government employees per sector the public education and other personnel have shown mostly a growth rate during the years, while the total amount of civil servants in the ministries and the personnel of the marine/coastguard are on a downward trend in 2011 and 2014.

Regarding the amount of positions (formations) in the government that needs to be filled, there is a shortage of 36 FTE's. In some ministries there is an overstaffing in employment positions, whereas in other ministries there is a shortage.

Government has an important role in the population workforce. It provides jobs in its own public administration in different ministries, but it also provides jobs in different economic activities through its public enterprises, institutions derived from legislation and nonprofit institutions.