

HBN
Newsletter

Curaçao

**NO MORE FOREIGN
EMPLOYEES IN
CURAÇAO?**



April 30, 2021

INTRODUCTION

Since the shutdown of the oil refinery in Curaçao, which was a large part of the economic growth on the island, Curaçao has been battling to stabilize its economic situation and the growing unemployment of local persons. Also, the circumstances and the measures surrounding COVID-19 have negatively impacted the social economic welfare of the island.

The Labor Department in Curaçao has conducted a thorough research and said research shows that, as a result of the current deteriorating economic situation, local employers are actively looking for foreign employees instead of local employees to conduct work in unskilled and/or low-skilled sectors in Curaçao, as foreign employees are willing to work more flexibly (e.g. flexible working hours) or work under less favorable working conditions for lower wages than local employees. Even though there are local employees available,

who can properly conduct work in the unskilled and/or low-skilled sectors in Curaçao, the local unemployment percentage in those sectors is significantly high according to the Labor Department.

Due to these circumstances, the Ministry of Social Development, Labor & Welfare has decided to take extra measures for the protection of the local labor market. On April 26, 2021, the Regulation on the moratorium on work permits for unskilled and/or low-skilled foreign employees (“**the Regulation**”) was officially signed, so that the increasing local unemployment can be mitigated as much as possible. Does this mean that foreigners are no longer allowed to work in Curaçao?

THE REGULATION

The answer to the question above for now is; partially yes. According to article 2 of the Regulation, SOAW will not grant work permits to foreign

employees for the following professions:

- Workers (unskilled and/or low-skilled)*;
- Car mechanics;
- Bartenders;
- Security agents;
- Helpers/maintenance staff;
- Low administrative personnel**;
- Low-skilled professionals;
- Plumbers, carpenters, masons and gardeners;
- Warehouse staff;
- Rack fillers;
- Waiters;
- Dent pullers;
- Salespersons and other retail staff.

(*) According to article 1 paragraph a of the Regulation, the definition of Workers in the unskilled and/or low-skilled sectors is: professions which do not require any educational background.

(**) According to article 1 paragraph b of the Regulation, the definition of Low administrative personnel is all

professions, “whereby as a job requirement, an educational background or experience is requested at the level of Preparatory Secondary Vocational Education or a similar education level”.

The above means that foreigners who belong to one of the sectors mentioned above, will not be granted a work permit to conduct work in Curaçao. Please note that, the explanation on the Regulation also states that there is a fair chance that the Labor Department will not (easily) grant a work permit to foreigners in case they will be fulfilling a job function which is not set forth in the Regulation and there is an excess of local candidates on the island, who are fully capable of properly fulfilling said job function. In this regard, the Labor Department will provide the petitioners with a detailed explanation on the reasons for the rejection of the work permit.

In addition, the explanation on the Regulation states that, before

the Labor Department decides to start granting work permits to foreigners in the unskilled/low-killed sectors (or possibly other sectors as well as mentioned above) again, a social labor market policy will be drafted, which will enable the Labor Department to clarify and determine the demand and the supply of the local candidates in those sectors. However, it is unclear at the moment until when the Regulation will remain applicable and when it will be possible to obtain work permits for foreigners in the unskilled/low-killed sectors (or possibly other sectors as well wherein there is an excess of local candidates) again.

Note that acting in violation of the Ordinance on Foreign Labor may result in a penalty for the employer, not the employee.

QUESTIONS

If you have any questions with regard to work permit applications for foreign employees? Please do not

hesitate to contact the specialists at HBN Law & Tax.



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If you have any questions case, please feel free to [contact us](#).



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