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ISLANDS



BEFORE THE
COMMITTEE ON CULTURE, YOUTH, AGING,
SPORTS, AND PARKS

36TH LEGISLATURE
OF THE UNITED STATES VIRGIN ISLANDS

EARLE B. OTTLEY LEGISLATIVE CHAMBERS
ST. THOMAS, U.S. VIRGIN ISLANDS

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Good morning, to the Honorable Angel L. Bolques Jr., Chairperson of the Virgin Islands of the United States 36th Legislature Committee on Culture, Youth, Aging, Sports, and Parks, other Committee members, other members of the Legislature present, legislative staff, fellow testifiers, members of the media, persons in the viewing and listening audience, ladies and gentlemen. My name is Haldane Davies, and I am Director of the Bureau of Economic Research (BER), Government of the Virgin Islands of the United States.

The Bureau of Economic Research is commissioned by 3 V.I.C. § 4b to among other requirements:

1. Regularly conduct special research projects in the form of briefing papers and special analyses or surveys.
2. Produce routine statistical reports on the socioeconomic indicators and the economy of the Virgin Islands.
3. Provide data for Government agencies to use for operational planning, federal grant applications, bond issues, database development, impact analysis, and forecasting.
4. Provide assistance in the areas of economic development planning, financing, special projects, and information management.

I welcome the opportunity to comment on the long-term structural conditions shaping youth success in the USVI. It is important that the youth of this Territory are positioned to reach their full potential and actively and freely participate in the economic, social, political, educational, and health and well-being processes of the USVI. We are at a time when the youth of today must, more than ever, play a role and engage in the future direction of the Territory. The prosperity of these islands lies in the hands of the youth today and tomorrow, and we must do all that is necessary to ensure that they are equipped for the tasks ahead. They must develop territorial pride by recounting our history and culture and having access to quality education and training, appropriate programs, recreational activities, and opportunities to contribute and participate in the shared governance of the USVI as productive members of our society.

There are many opportunities for education, recreation, work, and entrepreneurial activities across the Territory, ranging from pre-kindergarten to university, inclusive of all public schools' tuition being funded from the public purse. While there are also many programs and initiatives for the engagement of youth, such as the DOL summer youth work experience, the Governor's millennial council, the DOH youth risk behavior survey, and the Kids Count initiative spearheaded by the STX Foundation, there may be need for a more focused approach to youth development by establishing an official Territorial Youth Policy. Such a policy would set clear goals for employment and entrepreneurship, identity and culture, social cohesion, education and training, care for safety and protection, health and wellness, and sports and

recreation, among others. It would also state the responsibilities of society, parents, government, private sector, religious and faith-based organizations, civil society, non-governmental organizations, and the youth themselves.

While more specific work is to be done on a deeper dive in unemployment among youth ages 16-25, according to the World Bank the youth unemployment rate in the USVI was estimated at 25.3% in 2024. Besides those entities mentioned earlier, non-profit organizations like My Brother's Workshop, Caribbean Boys and Girls Club, and others provide job training, counseling, and placement services for at-risk youth. The dropout rate in 2022 stood at 4.6% for youth between the ages of 16 and 19, and 263 youth between the ages of 18 and 24 were arrested for violent crimes in 2023. The average household income with children receiving housing vouchers was \$25,061 in 2023.

While we have made progress over the years, this is not a story we want to tell in the years ahead. Defined and more engaging transformative work together with living wages for all (public and private sectors) implemented in a phased and sustainable manner should improve life and living for all residents across the Territory. We must continue to improve our efforts to address the challenging economic needs of our people in general and our youth in particular.

To enhance the prospects of our youth and ensure a resilient workforce, it is crucial to strengthen Career and Technical Education (CTE) programs, which

equip students with valuable skills and practical experience needed in today's job market. Expanding youth workforce programs will further provide essential training and mentorship opportunities for young individuals, allowing them to explore various career paths. Additionally, investing strategically in early intervention initiatives can help identify and support at-risk youth, steering them towards positive developmental trajectories. It is also vital to adopt data-driven policymaking, which will enable us to assess the effectiveness of existing programs and make informed decisions on resource allocation. By identifying gaps in underutilized or underperforming youth development programs, we can target areas that require improvement or expansion. Furthermore, increasing the reach of nonprofit organizations with limited impact will ensure that more young people gain access to the resources and support they need to succeed, ultimately fostering a brighter future for our communities.

On the gainful employment front, non-agricultural employment in the USVI was at 35,443 people as of December 2024. Of that number, 24,667 employees were in the private sector, and 10,776 employees were in the public sector, in a variety of industries and services.

Sector	Number of Employees
Government	10,776
Trade, Transportation, and Utilities	6,984
Leisure and Hospitality	6,643
Professional and Business Services	2,789

Mining and Construction	2,118
Education and Health Services	2,469
Financial Activities	1,732
Other Services	921
Manufacturing	542
Information	469

In keeping with Vision 2040 and the Comprehensive Economic Development Strategy, focus should be on further creating the workforce that would meet the evolving needs of the industry clusters of tomorrow. These clusters include agribusiness, coastal/ocean resources, health sciences, renewable energy, light manufacturing, professional and technology services, research and development, and VI-Style tourism. Expanding the economic base by growing other unique industries as a supplement to tourism, especially those inspired and spearheaded by our youth would lift the standard of living, inspire hope, and transform our islands. Other jurisdictions around the world have done it, and we - at home and those in the diaspora - can and will do it.

A signature challenge that must be overcome is that of a declining population. Census 2020, which was conducted during the COVID-19 Pandemic stated the population as 87,146, down from 106,405 in 2010 and 108,612 in 2000 – the peak year of population count for the Territory. Although some people reported having not been counted during the census, the impact of the refinery closure, hurricanes, and the pandemic saw approximately 14,550

(Hovensa – 5,600; Hurricanes – 7,200; Pandemic – 1,750) USVI born residents relocate to the U.S. Mainland. Most of those individuals moved to Texas, Florida, Georgia, New Jersey, and Virginia. It is likely that some of those people may have already returned to the Territory as indicated in higher estimated population numbers from the 2023/2024 Virgin Islands Community Survey. While we are in the process of verifying those numbers in collaboration with the UVI Eastern Caribbean Center (ECC), the Bureau sites the official US Census estimates of the USVI for 2025 as 103,792 when responding to questions of population estimates.

Equality and economic stability are the reality of population growth or decline by way of live births and deaths as noted by the Department of Health Office of Vital Records and Statistics. A review of data reflects a net live birth population gain of 181 people between January 2021 and June 2025. During this period 3,760 live births occurred, and 3,579 deaths were recorded.

Year	Live Births	Deaths
2021	836	862
2022	873	835
2023	862	718
2024	828	752
2025 (Jan-Jun)	361	412
Total	3,760	3,579

As a result of this scenario, the USVI has an older population than the national average with approximately 37% of the population being 55 years of age and older; 26% 35 to 54 years of age; and 21% of the population between the ages of 15 and 34. Fifteen percent of the population represent age 0 to 14 years. Additionally, student perspectives (as noted in the 2022 USVI Labor Shed Study) on whether they believed they will continue to live and work in the USVI after graduation showed that 22% said Yes; 35% said No; and 43% were unsure. Of those responding to whether they believed they can pursue a career in the USVI after graduation (46% said Yes; 23% said No; and 31% were Unsure. It is within our hands, therefore, to help turn the tide on this perspective by providing the requisite engagement for our youth at all levels.

When considering the educational attainment of the USVI adults from Census 2020 data, 13,518 people did not possess a high school diploma, while 24,140 possessed a high school diploma or equivalent. Those with some college or associate degrees were 10,718, while 8,506 possessed a bachelor's degree. There were 5,339 individuals who had a graduate or professional degree. A breakdown of that data by island has been shared as an attachment to these remarks.

The difference in median income varies significantly for the various levels of educational attainment. Persons with less than a high school diploma had a median income of \$21,683; high school graduates (including equivalency) \$30,283; those with some college or associate degree \$38,621; those possessing a bachelor's degree \$50,408; and those with graduate or

professional degrees had a median income of \$61,201. It should be noted that in today's world, many professions in the technical and technology skills environment are at the higher end of the remuneration spectrum.

A review of 2023-2024 VIVIS data indicates that 835 teachers supported 10,312 students in 20 schools across two districts. Ninety-one percent of students were regularly present, and 9 percent were generally absent over a ten-day period. Enrolment is almost 3,000 students less in 2025 than in 2017. Additionally, there were 1,997 high schoolers on STX in 2017 and now 1,590 in 2025. On STT/STJ there were 2,172 high schoolers in 2017 and now 1,715 in 2025. Graduation rates are generally steady, albeit with a slight increase.

The educational landscape in the USVI also reflects important areas of concern. A 2023 report by KIDS COUNT indicated that a substantial 95% of 7th graders were not proficient in math, and 84% did not achieve proficiency in English Language Arts, underscoring a significant academic challenge. Although the high school graduation rate improved to 83.9% in 2025, it continues to trail behind the U.S. national average of 86%. The economic implications of dropout rates (4.1% in 2023) could be considerable when left unchecked, with 33% of children in the USVI living in poverty; this figure rises to 42% for those under five in St. Croix, thereby potentially limiting future economic mobility.

Moreover, youth development programs often encounter challenges related to funding and capacity. For example, Career and Technical Education (CTE)

programs have seen a decline of 50% since 2002, primarily due to teacher shortages and funding constraints. While organizations such as Project Promise and My Brother's Workshop are making meaningful contributions at the local level, a broader systemic support framework remains necessary. Employers frequently highlight a significant gap in work-ready skills, particularly within vital sectors.

With respect to graduates in the workforce, the overwhelming majority of those graduating from USVI high schools and attending UVI or other higher education institutions nationally (National Student Clearing House) and returning to the Territory usually work in the public administration sector. Others work in accommodation and food service, healthcare and social assistance, and retail and other industries.

Unemployment rates have maintained a general all-time low of 3%-3.5% for the last three years. There has been work for whoever wants to work although some people may be underemployed. What is more significant is the need for skilled labor to complete the many disaster recovery projects that are currently in the design phase and must be constructed and made operational within a specified timeline. Repatriating workers from outside the Territory may have issues of housing and other logistical support, however, it may be necessary for the work to be carried out. Making provisions for a soft economic landing at the end of the projects cycle must be a priority for the government moving forward to assure economic sustainability and resiliency.

BER sees the coming into existence of the long discussed Technical College as further commitment of this Territory to ensure expanded opportunities for youth and adults who desire to be certified in areas of needed skills for the foreseeable future in keeping with current CTE work and recommendations made in the 2022 Labor Shed Study. These include:

- Support C-TECH's current plan to pursue technical college accreditation
- Increase emphasis on skill sets and competencies tied to important cross cutting career opportunities
- Expand CTE access to adult learners
- Encourage and enable industry professionals to serve as instructors in various CTE programs
- Review, assess, revise, and upgrade existing CTE programs on a continuing basis
- Establish a scholarship fund to support students seeking training that might not be available in the USVI
- Expand CTE training at the high school and higher education levels.

Economic equity for our youth can be attained through skilled industries by providing equitable access to skills training and education. Skills development programs must be aligned with labor market needs, which in turn can foster pathways to higher paying and more stable jobs. Our collective goal as a Territory is to create a more inclusive and prosperous economy by

increasing employment rates, wages, social mobility, and increased productivity and competitiveness.

The Bureau of Economic Research remains fully committed to doing its part to provide analyses and information on a variety of economic indicators impacting the local economy, and in this case our youth. As other economic pillars continue to grow and offset potential challenges to tourism, the Territory will be stronger and better positioned to sustain its future, especially with the impactful engagement of our youth, who are indeed the leaders of today and tomorrow. The talents and gifts bestowed upon the people of this Territory must be kept alive, transferred to our youth, and not allowed to fade into obscurity. Collectively, we can boost economic growth and strengthen the pillars of our economy as we empower our youth for participation and success.

Thank you, Senator Bolques, for your stewardship in holding this Hearing and for keeping the economic wellbeing of our youth high on the agenda of the 36th Legislature. It is certainly an investment of time and resources that will pay great dividends now and in the future.

I welcome the opportunity to respond to questions regarding this important Hearing. Thank you for your attention.