



## **It takes three to tango**

### **The return of tripartite agreements in the labour market policy toolbox**

***4 April 2023 – 14:30-16:30***

Tripartite social dialogue was relatively common in the heydays of collective bargaining, but it is now rare. The current environment of soaring prices and increased uncertainty calls for shared efforts by governments, employers and workers. When prices increase, real wages and/or firms' markups take the hit. The state can cushion part of the shock, but not absorb it entirely. Nor can workers or firms. A forum in which trade unions, employers' organisations and the government agree on how to share the burden would likely allow a fairer outcome and lower risk of second-round inflation, making the job of monetary policy easier. The 2022 tripartite agreement on wages and competitiveness in Portugal shows how tripartite social dialogue can help ensuring a fair share of the costs of high inflation.

Social pacts or tripartite agreements can also help reforming the labour market and, beyond wages, improve job quality. In 2021, the Spanish government and social partners concluded for instance a tripartite agreement to reform labour law and promote the use of open-ended contracts. The first evidence suggests that the reform is succeeding in increasing permanent employment in Spain. In 2022, Sweden passed a reform including a new career transition assistance scheme to improve flexibility, adaptability and security in the labour market in the long term. The reform was based on an agreement between social partners that was presented to the Government.

These examples show that, while facing challenges, social dialogue and tripartite agreements can still have a place in the labour market policy toolbox of the 21<sup>st</sup> century allowing balanced and tailored solutions to the challenges facing OECD labour markets. The two-hour seminar, back-to-back to the meetings of the Working Party on Employment and the Employment, Labour and Social Affairs Committee, will focus on these national examples and reflect on the role of tripartite agreements in the current juncture.

## **PROPOSED AGENDA**

*Moderation by Stefano Scarpetta, Director for Employment, Labour and Social Affairs, OECD*

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14:30 – 14:35	<b>Introductory remarks</b> <b>Yoshiki Takeuchi</b> , Deputy Secretary-Generale of the OECD
14:35 – 15:05	<b>The 2022 agreements in Portugal and Sweden</b> <ul style="list-style-type: none"><li>• <b>Ana Mendes Godinho</b>, Minister for Labour, Solidarity and Social Security</li><li>• <b>Linda Grape</b>, Director of the Swedish council for negotiation and cooperation (PTK)</li></ul>
15:05 – 15:50	<b>What role for tripartite agreements in a context of high inflation?</b> <ul style="list-style-type: none"><li>• <b>Joost Korte</b>, Director-General for Employment, Social Affairs and Inclusion, European Commission</li><li>• <b>Isabelle Schömann</b>, Confederal Secretary at the European Trade Union Confederation (ETUC)</li><li>• <b>Renate Hornung-Draus</b>, Chair of Business at OECD - BIAC's Employment, Labour and Social Affairs Committee</li></ul>
15:50 – 16:20	<b>Discussion</b>
16:20 – 16:30	<b>Concluding remarks</b> <b>Stefano Scarpetta</b> , Director for Employment, Labour and Social Affairs, OECD

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