The Service Trilemma: Fact or Fiction?

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The Service Trilemma

A: Equality, employment, budgetary restraint
B: Equality, employment, budgetary restraint
C: Equality, employment, budgetary restraint

A stable demand curve results in the Service Trilemma

Wage in low-paid services

Employment in low-paid services
The Service Trilemma does not exist if we could move the demand curve out by increasing productivity in low-paid services!
How increase productivity?

- Support **entrepreneurship** (e.g. transparent regulation, how to manage risk).
- Develop **worker competencies** and **lifelong learning** (high performance work practices).
- Offer a wider range of **labor contracts**.
- A new **social dialogue** of participation and collaboration.
  - **Unions** play a crucial role in this.
BUT these are exceptional times...

Wage in low-paid services

Employment is constrained by too low aggregate demand and austerity isn’t helping!