



JOINT STATEMENT

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Following the joint discussions of the Local and Regional Government Sectoral Social Dialogue Committee between CEMR-EP and EPSU municipal employers and trade unions **remind** the Council ahead of its meeting 26 October 2011 to take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion in defining and implementing EU policy as clearly set out in Article 9 of the Treaty of the Functioning of the European Union.

*Municipal employers and trade unions are deeply concerned about the current economic and social developments and **jointly state** that*

- the austerity policy followed by **dramatic cuts** in public services and investments has only contributed to the negative development in growth and employment and will continue to undermine labour markets and the social model of Europe. The current overriding concern in economic policy has been to foster economic stability and balance budget deficits at the expense of the public sector without reflecting on alternatives of public income.
- as a result resources for local and regional government are being **continuously cut**, which leaves local and regional government with new and greater obligations to maintain quality local public services. Creating new financial burdens is risking a race to the bottom for the provision of these services to European citizens, and excluding the most vulnerable, the young, the elderly, the low-skilled or the unemployed.
- the European Council must take a long-term perspective, maintaining sustainable development in all its dimensions, when coordinating their responses to the crisis and to reflect this in their national reform plans, in order that local and regional governments are able to continue long-term planning and develop viable approaches. To **strengthen, facilitate and enhance the Social Dialogue**, including finding innovative ways of cooperating, is vital in achieving this goal.

CEMR-EP and EPSU recall the joint statements to the European Council from February 2010 and December 2010 presenting a joint analysis on the impact of the economic crisis on Local and Regional government, and **jointly remind** the European Council to:

1. **Value** the economic role of public spending in supporting Local and Regional governments;
2. **Support** sustainable employment measures in Local and Regional Government and investment in training, skills and decent work;
3. **Realise** that public spending at local and regional level is not “parasitic” : but aims at improving the quality of life of citizens and moreover driving economic growth;
4. **Highlight** that a ‘Sustainable Europe’ needs a strong social dimension and long-term investment in Local and Regional Government sectors;
5. **Give** a more prominent voice and recognise the positive role of the public sector in EU policies, for example The Europe 2020 Strategy and the Single Market Act;
6. **Provide** access to fair financing and low-cost loans for local and regional government for them to maintain high quality public services;
7. **Ensure** that the new system of economic governance does not have a narrow focus on public sector spending cuts but takes a balanced view of public finance in terms of both income and expenditure.