

GAVIN STRANG MP



HOUSE OF COMMONS  
LONDON SW1A 0AA

28 June 2006

Sir Alistair Graham, Chair  
Committee on Standards in Public Life  
35 Great Smith Street  
London  
SW1P 3BQ

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*Dear Sir Alistair*

Many thanks for your letter of 25 May concerning the Committee's current Inquiry – Review of the Electoral Commission.

I am most grateful to you for inviting me to put a submission to the Committee. Please find enclosed a short note setting out some thoughts in this area.

I was also grateful for the invitation to give oral evidence to the Committee, and would be happy to do so. For planning purposes, September would suit me better than July.

*Yours sincerely,  
Gavin Strang*

Democracy is alive and well in Britain. The percentage of people who voted at the last General Election was disappointing, but it is a mistake to believe that the number or percentage of people voting at a General Election is the only hallmark of a democratic process which is just and commands the respect of the electorate. It is right that people should be free to abstain in an election. Compulsory voting as a means of boosting electoral turnout should continue to be rejected.

The recent controversy over the funding of political parties, whether through donations or loans, should not be followed by a knee-jerk reaction to spend more taxpayers' money on the political process and on individual political parties. Over the last few decades the amount of state money supporting the political parties has increased substantially. The current uses to which this state money can be put are broadly correct. The criteria used to allocate money to the political parties may or may not require some adjustment – the issue might be worth exploring.

The renewed interest in capping political expenditure is to be welcomed. As far as spending by political parties is concerned, caps should be applied at General Elections and on annual expenditure in election years and between elections. Caps should be applied at national, regional and local levels. The means of achieving this should be thoroughly examined. Presumably it will require some increase in bureaucracy at the various levels, but the amount of money required to police capping should not be exaggerated, since there will be a strong element of self-policing. The parties naturally have a view on how much money their opposition is spending at, and between elections, and I accept as a price worth paying the probability that arrangements for capping would provide greater scope for valid complaints against overspending.

Capping donations by individuals and organisations raises different issues. In a democratic society such as our own there has to be a limit on the extent to which the financial affairs of individuals and organisations are investigated. As far as organisations are concerned, a very clear distinction should be made between company spending on the political process and spending by other more democratic institutions.

The legislative framework within which Trade Unions operate as far as the political process is concerned is adequate, in my view. On the issue of donations to political parties by Trade Unions, a very clear distinction is made in law, and rightly so, between unions which are democratically affiliated to the Labour Party – and thus participate in its policy making process – and unions which are not affiliated.

The current review of arrangements should provide an opportunity to review the issue of company donations to political parties. We need to look again at whether there is a case for greater democratic accountability within the company organisation with respect to political funding generally, including financial support for political parties.

A proposal has been put forward for a new body – it is suggested it might be called A Foundation for Democracy. It is not easy to see how another body would, of itself, enhance the democracy of this country. Presumably such a body would be a vehicle for spending more taxpayers' money on our democracy. If such a body is to be set up, it is worth pointing out that setting up a body '*independent of the political parties but with representatives from the political parties*' will not necessarily improve our democratic process. Nevertheless, we should give careful consideration as to whether a British Foundation for Democracy body can carry out functions which improve the working of our democratic system.

The legislation enacted since 1997 in this area, particularly the Political Parties, Elections and Referendums Act 2000, is a landmark for this country. The 2000 Act has taken us a long way forward, and clearly more needs to be done here – for example I assume that no political party is suggesting that we continue with a situation which means that loans are under less surveillance than donations. Above all, the citizens of our country want the maximum transparency here. The signs of increased cooperation between the parties is a welcome development. Further legislation in this area is clearly required, and every effort should be made by the Government to secure a broad consensus across the political spectrum and among all the significant political parties in the UK.

Gavin Strang MP  
June 2006