

Political Parties Elections and Referendums Bill

The next stage in the comprehensive facelift this Government is giving our constitution arrived with the Political Parties Elections and Referendums Bill, given a second reading in the Commons on 10 January. It is a major Bill, consisting of 147 clauses and 21 Schedules. The Bill is divided into ten parts, the first nine of which deal respectively with the setting up of a new Electoral Commission, the registration of political parties, accounting requirements for registered parties, the control of donations to parties and their members, the control of campaign expenditure, controls relating to third party national election campaigns, conduct of "referendums" (which spelling looks awkward compared to the more correct "referenda"), control of election campaigns, and control of political donations and expenditure by companies. The final part contains miscellaneous and general provisions.

The Bill draws comprehensively on the work of the Committee on Standards in Public Life, chaired first by Lord Nolan and now by Lord Neill. When it is enacted it will be the first time that the way political parties conduct themselves will be the subject of statutory regulation, even though such political groupings have been a feature of our parliamentary system of government for more than 300 years.

The general functions of the Electoral Commission will include reporting on particular elections and referendums; the review of electoral law; the provision of guidance in relation to party political broadcasts; and what the explanatory memorandum calls "promoting understanding of electoral and political matters". (Does this sound like attempted brainwashing of the electorate?). There will also be transferred to the Electoral Commission the existing functions of the four Parliamentary Boundary Commissions and the two Local Government Commissions (one for England and the other for Wales).

The Home Secretary, Mr Jack Straw, moving the second reading of the Bill, said that while political parties are vital to the effective functioning of any representative democracy, the political parties of today do not simply sustain a particular set of political leaders in office. As in any mature democracy, political parties also provide both a crucial link between the citizen and the elected Government of the day and some of the key processes by which that Government is held to account. Parties must, he went on, be capable of discharging effectively those onerous responsibilities, and that necessarily requires money. Parties might secure funding from one of two basic sources: subventions from the state or contributions from their own supporters. The Neill committee recommended against the first, and the Government concur. Rather than underpinning representative democracy, over-reliance on state funding could in the end undermine it.

Democracy, Mr Straw added, does not come cheap. Those who are able should be ready to dip into their pockets to help to sustain it. "We have reduced the pressure on political parties by more than doubling the taxpayers' funds available to Opposition parties. Such is the generous spirit that we have brought to government that the subvention of state aid to the Liberal Democrats has increased by a factor of three and the Conservatives now receive more than £3 million of state funding to help them to make their opposition effective."

The Neill committee recognised that, in order to restore public confidence in the political process, it was important to put an end to what they termed the "arms race" in election spending. Campaign spending at a national level by the two main parties has increased from an average of £5 million in 1983 to £27 million in 1997. The perceived need to match, if not

exceed, spending by the other side has put a tremendous burden on the parties, which the Government feel it is necessary to reduce. That is one purpose of the Bill.

For the first time, the Bill introduces controls on spending at a national level as well as a local one. Our Victorian forebears, when faced with growing electoral abuse, introduced the Secret Ballot Act 1872 and the Corrupt Practices Act 1883 to stamp out the buying and selling of votes, something that was done brazenly at that time. It helps to put current levels of campaign spending into perspective, said Mr Straw, to note that, at the 1880 general election, after controls were introduced, candidates spent the equivalent of £106 million at 1997 prices. However they spent it at a local, not a national, level. National politics scarcely existed.

For the conservatives, Sir George Young said his party accepted the Neill recommendations and would not obstruct their passage into law. He added that it is common ground that “politics should be cleaned up”. David Winnick (Labour) urged the Government to reconsider the proposed £5,000 threshold above which donations to political parties will have to be declared. He would be happier with a lower figure, say £2,000, but the Government seem likely to stand firm on this.

Francis Bennion

2000.002 150 NLJ 61 (21 January).