

MORE QUESTIONS AND ANSWERS ON
A REFERENDUM ON OUR MEMBERSHIP
OF THE EUROPEAN UNION

1. **What is the current position on Labour policy towards a referendum on our membership of the European Union?**

The current Labour Party stance on holding an “in or out” referendum on our EU membership was set out by the Leader of the Labour Party in a speech delivered at the London Business School on 12th March 2014. In it, he stated that “Britain will not be part of an inexorable drive to an ever closer union” and that Labour will legislate for a new lock “that guarantees that there will be no transfer of powers without an in/out referendum.” The Labour Leader made it clear that the trigger for such a referendum would need to be changes in our terms of membership on a sufficient scale to warrant a new treaty being negotiated, which he thought would be an unlikely development during the course of the next parliament. On this footing, Labour would go into the general election in 2015 with no commitment to hold a referendum other than those flowing from the “referendum lock” provisions already in place. These require, in the event of treaty change, for a referendum to be held on whether the proposed alterations to our terms of membership would be acceptable, not whether the UK should stay in or leave the EU.

2. **What has happened since then?**

Recent parliamentary developments, however, may make this stance more difficult to sustain. The Private Member’s Bill, promoted by James Wharton MP in 2013/14, calling for an “in or out” referendum to be held by the end of 2017, was passed by the House of Commons but foundered in the Lords. This Bill has now been revived by Bob Neill MP and now looks likely to be enacted before the 2015

general election, with the consent of both the House of Commons and the Lords, as Cross Bench Peers, in particular, are not minded to thwart the Commons a second time on this issue. No parliament can bind its successors but it can and does bind the Executive. This means that, if there is a Labour government elected in 2015 which does not want to have an “in or out” referendum held in 2017, it will have to get a bill through Parliament, once the new government is in place, reversing the decision of the previous administration to hold one. This will present the Labour Party with two new problems. The first is that it will have little choice but to state that this is its intention in its general election manifesto. The second is that it will have to have a majority in Parliament to get such a Bill passed.

3. **How will a commitment to reverse a decision to hold an “in or out” referendum go down with the electorate?**

There is evidently already concern, especially among those fighting marginal seats which Labour has to win to have a majority in 2015, that Labour’s unwillingness to agree to an EU referendum is a vote loser. This perception was always likely to become greater as the general election approaches and both the Conservatives and UKIP highlight their determination to put a choice on our EU membership in front of the electorate. It is bound to become still more of a stumbling block, however, if Labour now has to commit itself to reversing a decision which has already been passed into law. All the available evidence at this stage – of course still many months before the election – is that the election result is likely to be very tight, so that every last vote will count. Can Labour really afford to have an electoral commitment on holding referendum which is clearly designed to avoid one happening if at all possible? This is evidently a stance which is heavily at variance with what a large majority of the electorate wants – including many people who would otherwise be inclined to be Labour supporters.

4. **Would there be a majority in Parliament for reversing the 2017 referendum promise?**

Even assuming that Labour fought the election on the basis that the 2017 referendum commitment was to be reversed and it succeeded in gaining sufficient parliamentary seats to form a government, it would still have to get a Bill through Parliament to make this change effective. This might be possible, but there is no certainly that it would be achievable. There are likely to be a significant number of MPs in all parties who feel strongly enough that a referendum should be held for no majority for the necessary reversal to be possible. If this is the case, Labour might diminish its chances of gaining power by opposing a referendum during its general election campaign, only to find that, even if it was able to form a government, it would still be unable to get rid of the 2017 referendum commitment because it could not muster the requisite majority of votes in the House to do so.

5. **Would Labour be able to avoid a referendum even if it could reverse the 2017 commitment?**

Labour is now committed to hold an “in or out” referendum if there is a treaty change between 2015 and 2020. Of course, there may not be a new treaty over this period and it appears that the Labour Leader is banking on this being the position. Certainly, there is great reluctance among the political class across the EU to hold referendums in the light of their experience with them being lost, from their perspective, in the past. There will therefore be every effort made to ensure that all changes which are made each involve a relatively small incremental step, thus avoiding the need for any of them to be put to any democratic test. The risk, however, is that some turn of events – probably associated with another Single Currency crisis - causes this strategy to fail, precipitating unavoidable treaty changes and a referendum at a time not of Labour’s choosing. The current Labour strategy thus runs the risk of having to hold a referendum at time which, both from Labour’s perspective and more generally, might well not be helpful.

6. **What else could go wrong?**

There will be another series of problems for a Labour government between 2015 and 2020 to surmount. During this period, if the Single Currency is to survive, there will have to be major changes to the governance of at least the EU Member States which are Eurozone members. This will involve some potentially very difficult negotiations to avoid the UK, as the major economy outside the euro and evidently with no intention of joining it, becoming relatively isolated in a diminishing outer ring as more of the current EU members now outside the Single Currency decide to go into it. This is likely to happen at the same time as the Labour government will be under pressure to have powers returned from Brussels to Westminster, rather than the reverse occurring. The danger here is that these negotiations do not work out well, generating more Euroscepticism in the UK, thus making an eventual UK exist more and not less likely.

7. **What should a Labour government elected in 2015 do?**

It is clear from all the polls that have been conducted that there is a significant majority of the electorate which would want the UK to stay in the EU if our terms of membership were ones which – one way or another – left us with an open trading relationship with the EU, but which did not involved the UK becoming part of a United States of Europe. If, however, a relationship broadly along these lines is not achievable, the chances of an eventual referendum with the UK leaving the EU would be much higher. If Labour wants to ally itself with the electoral majority

– thus keeping us in the EU on an acceptable basis – it will therefore have to do two things. One is that it will have to renegotiate our terms of membership along lines acceptable to the UK electorate – as well as to the other EU Member States. The other is that – if a referendum is inevitable sooner or later - it will need to hold one at a time when there is a clear but positive choice for the UK electorate to make, so that a decision – which a Labour government would very probably prefer be to stay in the EU – can be taken which will bind us for probably at least another generation. The key requirement, from the government’s perspective, would therefore be to achieve sufficient changes in our terms of membership to keep the electorate on side.

8. **Where does this leave Labour on holding a referendum?**

If a Labour government elected in 2015 is to follow this strategy, designed to keep the UK in the EU but on acceptable terms, the Party might like to consider the following changes to its current stance. Rather than offering a referendum only if there are treaty changes – which both looks like trying to evade a referendum and running the risk of one being precipitated at a very awkward time - it might promise to hold one but specifically when various conditions had been achieved. These are that the results of both the changes in EU governance to do with the Eurozone were known, that the future coherence of the Single Currency and thus the future trajectory of the EU as whole was clearer, and that the outcome of any renegotiation programme by the UK had been established. This approach has a number of key benefits. It would enable the Party to have a positive proposal around which to rally the Parliamentary Labour Party in dealing with the Bob Neill Bill, supporting the principle but changing only the timing. It would be more appealing than the present Labour policy to the electorate in 2015, thus making it more likely that there would be a Labour government formed after the election. It would give the Labour government flexibility over the timing of the referendum, thus avoiding the risk of one being precipitated at the wrong time during the electoral cycle. The fact that a referendum had been promised, but that the Labour government wanted the result to be to stay in, would put the UK in the strongest available negotiating position with the other EU Member States, who would certainly not want to see the UK leaving. In general, this stance would ally the Labour Party most closely to the way in which the UK electorate clearly wants to see our relations with the EU develop, thus helping to maintain support for the Labour government. Surely a policy along these lines is worth considering.