

Template Response Letter – Margaret Hodge Letter

Thank you for writing to your MP about the campaign to Right Corporate Wrongs. Please use some or all of the points suggested below to write back to him or her. Please do make the letter your own and make it personal.

Thank you!

[Date]

Dear [Prefix] [Last name] MP,

Re: The Companies Bill

- Thank you for raising my concerns about the Companies Bill (previously known as the Company Law Reform Bill) with the Minister for Industry and the Regions, Rt. Hon Margaret Hodge MP, and for forwarding me a copy of her update on the Bill.
- In her update the Minister highlighted the steps the Government has taken in the Bill to make it clearer to directors that they must give proper consideration to the impact of their company's operations on the community and the environment.
- **I welcome these steps, but am still concerned that the Bill as currently drafted is unlikely to significantly improve the social and environmental performance of the least responsible companies.**
- Under the Government's approach, ensuring the success of the company is the primary duty of directors, but they must 'have regard to' other factors including social and environmental impacts in discharging this duty.
- This assumes that business success will always go hand in hand with responsible business behaviour, which is not always the case. **There are many examples of UK companies making record profits whilst causing significant damage to communities and the environment around the world.**
- **I would like to see the Bill amended so that directors have a clear duty to minimise negative impacts on their employees, the community and the environment.**
- On the issue of social and environmental reporting, I welcome the steps taken by the Government to extend the issues on which companies will have to report on and link these requirements to the directors' duties.
- **However, the social and environmental reporting requirements in the Bill should be further strengthened and extended. I believe that all large and medium-sized public and private companies should be required to report on environmental and social issues, not just the 1,500 or so publicly listed companies.**

- Reporting should also cover supplier issues, and the Government should set mandatory standards on how companies should report on these issues in the Business Review.
- Finally, I agree with the Minister that we need to work with other countries to build meaningful international agreements on corporate accountability. However, I believe that these issues are too important to leave to the choices of consumers, companies and investors. **Enforceable rules on corporate social and environmental behaviour are essential to the achievement of trade justice, poverty alleviation and sustainable development.**
- I would be grateful if you could once again raise my concerns with the Minister. I urge you to actively support the amendments to the Companies Bill proposed by the CORE Coalition and the Trade Justice Movement when the Bill receives its Report Stage and Third Reading in the House of Commons in October.
- **This Bill is a specific opportunity for you to take action as my MP to help make poverty history and make UK business fit for the 21st century.**

I look forward to your response.

Yours sincerely,

[Name]

For more information:

- Download a Right Corporate Wrongs lobby pack including difficult questions and answers at: www.tjm.org.uk/lobbies
- Check whether your MP has signed Early Day Motion 697 'Modernising Company Law' at: <http://edmi.parliament.uk/edmi/>