AM: This is a big change of policy compared with, shall we say, the beginning of the summer when we were talking about it.
KS: It’s a really important development of our policy. We’ve always said jobs and the economy come first. We’ve always said we’ve got to retain the benefits of the single market and the customs union. What’s clear now is that the clock is ticking and we are going to need transitional arrangements. The government at one stage was pretending we wouldn’t need them. That having been the case, obviously it’s important that we take leadership as to what are the terms of those transitional arrangements. And what we’ve said is the transitional period, i.e. from March 2019 until we get to a new and final deal, will be within a customs union and within the single market. There’s absolute clarity about that and it’s a united Labour Party position, I’m very glad to say.

AM: It is a u-turn, because it wasn’t long ago that Jeremy Corbyn was sacking people for saying much the same thing.

KS: No, it’s not a u-turn, it’s a development of our policy on the question of what are the terms of the transitional arrangements. Labour has never said anything other than we retain the benefits of the single market and the customs union. The argument that has been there is about what the final position is. But this is a development of the policy, it’s an important development and what’s really, really important about this summer is that Labour has got to a united and a clear position. I think that is in the public interest.

AM: So to be absolutely clear, for a period of time after we have formally left the EU, under Labour’s plan we’d be inside the single market and the customs union?
KS: Yes.
AM: So we would be paying money in as now, we’d have free movement as now, and would be subject to the European Court of Justice as now?
KS: Yes. Let me explain why that is. Firstly, everybody says we’ve got to avoid a cliff edge, we need certainty and stability, and that is the way to achieve it. It is obvious that we need more time to resolve the position in Northern Ireland. That’s a delicate position, it’s not just about the technicalities of the border. But also there’s an inevitability about this. The government is going so slow in negotiations there’s a real risk that they’re not going to get on to the phase 2 aspect, and to suggest, as some do, that you can have, as it were, bespoke special arrangements negotiated between now and March 2019 is nonsense. And so this is grown-up politics from the Labour Party in the public interest.

AM: Ah. You say avoid a cliff edge, but under your plan you just push the cliff edge a bit further away. There will be a cliff edge when we leave all these arrangements.
KS: I accept that having interim arrangements is necessary, but of course we’ve got to look at what the end result will be as well. And that’s why I say the interim arrangements should be as short as possible. I don’t think temporary arrangements, whilst necessary, should go on for any longer than is necessary.

AM: So you say as short as possible, how long? Will these temporary arrangements be over by the time of the next election, for instance?
KS: Well, I think they could be. And I genuinely think they should be as short as possible. They could be two years, they may take longer than that. What’s really important is that what we’re trying to achieve is a deal which is going to last for decades. I mean, there are some big questions in there that are coming into very sharp focus, because that final deal is a deal where we are going to have to decide as a country do we want to orientate ourselves
around Europe, around the US or around China, because they’re the major trading blocs. Europe is our prime location, we share values, it’s our major trading bloc. Now of course we will be out of the EU from March 2019, but the EU is the major focus for us on trade. We need to keep that very clearly in focus.

AM: You see, many people look at this plan to stay inside the single market and the customs union and they think ah-ha, this is a way of effectively, over time, staying inside the EU. Perhaps the economy goes south for a while, perhaps an election has come with a different result, and then you get another chance at it. And therefore all the anti-Brexit people are saying, ‘ah, Keir Starmer is giving us a way through.’
KS: But everybody knows, Andrew, that we leave the EU in March 2019. That’s the obvious effect of triggering Article 50. And that will happen. The transitional measures are between that point and reaching a final, we say, positive partnership with Europe that recognises that Europe is our major trading partner.

AM: But under your new plan we are inside the single market and the customs union, we’re paying in, we’re under the ECJ and all the rest of it. It will feel very much as if we are still inside the EU except we won’t have votes. Tom Watson says this could be a permanent arrangement.
KS: Well, I think we need to just put Tom Watson’s remarks in context. And I don’t want to get into the weeds of all this over and over again.
AM: Into a context or into a box?
KS: Well, what we’ve said about the final arrangement is this: that we want a partnership with the EU that retains the benefits of the single market and the customs union. We are open to a discussion that leaves a customs union with the EU on the table as a viable option.

AM: These may be permanent?
KS: We haven’t swept that off the table. A customs union with the EU. And a changed relationship with the single market. Because if you want to retain the benefits you’ve got to be open to that discussion. We’re not sweeping it off the table.

AM: When you say a customs union with the EU and not the customs union, what do you mean?
KS: Well, that’s just because to be in the customs union you must be an EU member, and therefore anything other than that is a customs union.

AM: But we could replicate virtually exactly the situation of now?
KS: We could attempt to have an arrangement which delivered the benefits of the customs union that we have now through a customs union, and that is something which we think should be a viable end goal.

AM: And if we are virtually inside the single market for the long term, what needs to change for that to be possible?
KS: Well, I think there are issues, as I’ve always said, about freedom of movement. There are wider issues than that. But on freedom of movement and this question of is it going to be freedom of movement during the transitional period, the government’s commissioned, as you know, a review of immigration. That review’s not even going to report until well into next year. The chances of a brand new immigration policy by March 2019 are zero.

AM: Nonetheless, we are in the situation where under this plan we’ll be inside the EU in many respects during this transitional stage, but we won’t have any votes and we won’t be able to strike deals around the rest of the world, as Theresa May was trying to do in Japan and David Davis has been to the States and all the rest of it. Is this not the worst of all possible worlds?
KS: As a short-term basis, it will work. I accept the argument that we won’t have votes. In fact, most of the provisions that will be coming into force during that two or three-year period will be provisions that we will have had a say on. But I’m not pretending that transitionals are ideal. They are necessary, but they should be as short as possible.

AM: Absolutely crucial question: are you saying that we could stay inside the single market for the long term? Could?
KS: I’m saying we should have as a – we should have as a viable option a changed relationship with the single market that delivers the benefits of the single market. Full membership, the membership we have now, is there because we’re an EU member, when we leave – we are leaving the EU in March 2019, the question is can we have a constructive arrangement which truly delivers the benefits of the single market, and that’s what we’re focused on.

AM: Okay. Now let’s turn to the parliamentary arguments, because you have written a letter to David Davis that sets out a whole series of objections you have to the Great Repeal Bill, as it’s being called.
KS: Yeah. Well, it’s a very, very wide-sweeping Bill. The idea of converting EU law into our law is right, but the way the government’s gone about it is completely wrong. They want sweeping powers that effectively take powers from Brussels and put them into the hands of ministers.

AM: This is the so-called Henry VIII –
KS: Well, I’m sure many people won’t necessarily know what a – Henry VIII didn’t much like parliament and therefore he issued proclamations which could amend legislation. And ever since then the use of these sorts of powers has been highly controversial. What this Bill has is the power to make delegated legislation that actually could change primary legislation without parliament
having the usual scrutiny over it. Now, that’s really, really important, because you could entrench important EU rights on Monday and take them away on Tuesday without primary legislation. Now, the David Davis (..?) wouldn’t have had much to do with that.

AM: What they say on the other hand is that to avoid the cliff edge, to avoid chaos, so business and everybody else knows where we are, you have to wholesale take all those EU regulations and pass them into British law, and essentially this is what this Bill is doing. And if you destroy this Bill, if you defeat this Bill in the House of Commons we are in a completely chaotic situation.

KS: This is not about frustrating the process, this is not giving the government a blank cheque to pass powers into the hands of ministers. And even when it comes to transitional measures the Bill makes clear that the role, for example, of the European Court of Justice would be extinguished, and we’re saying well, that’s consistent with leaving, but it puts the date of extinguishing into the hands of the Secretary of State, not parliament. These are very, very wide powers and we can’t just give a blank cheque to the government.

AM: Sorry, we can’t go through all of your objections because there are 16 of them. If David Davis sits down with you and does not accept all your points are you definitely going to vote against this Bill?

KS: We have said that – I flagged these points up at the beginning of the summer and said if you don’t address them we will be voting against it. Now, we haven’t reached that stage yet, but I’ve been very, very clear: whilst we accept the result of the referendum we are not giving a blank cheque to the government in doing it whichever way it wants because it’s not in the public interest.
AM: For those many people inside the Labour Party who dream perhaps of Brexit being properly reversed and us staying inside the EU, we’re now in the situation with this new change in policy whereby we might stay pretty much inside the single market and the customs union, according to Tom Watson, long-term. What’s your message to them?

KS: We have always said we accept the outcome of the referendum, we want a progressive partnership going forward. Somehow we have to come up with arrangements which properly reflect the vote but brings the country back together. And that’s about big ticket items, which is what is your basic trading relationship with Europe and what else can you do with the rest of the world and how do you collaborate and operate more widely?

AM: You’re going to be fighting on the floor of House of Commons not just on the so-called Henry VIII but many other issues. Do you have Tory support?

KS: Well, there are many Tories who I think are very concerned about the position that the government finds itself in, which is pretty shambolic, there’s very slow progress in the negotiations, and I think some of them this summer will be looking across to the Labour Party and thinking, well, they’ve got a clearer, more coherent position than we have now.

AM: It’s going to be a very interesting few weeks.

(ends)