ANDREW MARR:
Now Ed Miliband has been warned: UKIP is coming for you in the heartlands. Nigel Farage believes he can do just as much damage to the Labour Party in the Northern cities and towns, as we were hearing, as to the Conservatives in their shires, and he’s made no secret of his strategy to hoover up support from those who feel left behind by globalisation, immigration and the race for the middle class vote. So what is Labour’s answer? I’m joined now by Ed Miliband, the Party Leader. Thank you for coming in, Mr Miliband.

ED MILIBAND:
Good morning.

ANDREW MARR:
Now there are two things I guess that the classic UKIP voter is worried about - immigration and the fact that the British people have not had a say over the EU for so long – and actually there’s no reason to vote Labour on either of these, is there?

ED MILIBAND:
I think the biggest thing that people who are thinking about voting UKIP or any other
party are worried about is the cost of living crisis that we have in our country. That’s what I find when I go out and about.

ANDREW MARR:
That’s not what they say. It’s not what their voters say.

ED MILIBAND:
Oh it absolutely is. People believe … There’s a deep sense of discontent because people believe this country is just run for a few at the top and that they’re not getting a fair chance or a fair shot, and they’ve seen their wages decline, they worry about their sons and daughters and whether they’re going to have opportunities in the future. This is a generational challenge that our country faces. Now I believe in this election and the General Election, we have the right answers, not any of the other parties, and I’m relishing the chance to have that debate round the country.

ANDREW MARR:
Okay and I will come onto those issues. Before we do, I just want to come back to the EU issue specifically. You are not going to offer the British people a referendum, are you?

ED MILIBAND:
Our position on the referendum is very clear, which is to say that if there is a transfer of powers …

ANDREW MARR:
(over) Which you don’t expect.

ED MILIBAND:
… from Britain to the European Union, there will be an in/out referendum under a Labour Government. That is a very, very clear promise because …

ANDREW MARR:
(over) Except that you don’t …
ED MILIBAND:
… the direction of travel we want for Europe is not for an ever closer union, but actually some powers coming back. So we’ve made that clear. But it’s true to say that when I think about the priorities for me as prime minister, it’s about the cost of living crisis, the NHS; not debating whether we should exit the European Union. Look I’ve got to decide and I’ve got to tell the country how I want to govern this country and what my priorities are, and I’m laying them out very clearly.

ANDREW MARR:
But it’s just that these are the European Elections.

ED MILIBAND:
Sure.

ANDREW MARR:
You’re not going to offer a referendum in any foreseeable or likely circumstance. You say it’s unlikely that these powers will be pushed back anyway, so there won’t be a referendum. On the question of EU reform, you say you want EU reform. Precisely what do you want and how will you go about getting it?

ED MILIBAND:
On the referendum, we’ve said it’s unlikely but it remains possible because we know the history of the EU and we know there’s uncertainty about what’s going to happen in the European Union. On the reform of the European Union, we do want to see change in Europe because Europe isn’t working as well as it should. Economic change, reform of the European budget. We want to see change on some of these issues around immigration – longer transitional controls for new countries coming in. And most importantly of all, what we’re saying about Europe is consistent with what we’re saying about the country as a whole. Let’s make Europe work to better tackle the cost of living crisis here. So, for example, people still find that they are working next to an agency worker – these are rules set in Europe – and their cost of living, their wages and conditions are being undermined. We’ve got to make sure we don’t have a race to the bottom between workers coming here and workers already here. Now that requires fair rules in our labour market, and it’s Labour that’s been championing this agenda while
the other parties have been silent on this question.

ANDREW MARR:
When it comes to immigration, 4 million people (according to the last ONS figures) came to settle in Britain under the last Labour Government. Was that too many?

ED MILIBAND:
We made mistakes on immigration, yes, and I’ve said that many times.

ANDREW MARR:
And so what are you going to do to make sure that doesn’t happen under a future Labour Government?

ED MILIBAND:
Well, as I’ve explained, we’ve changed our position on immigration, including longer transitional controls. And, look, the way I see this, immigration has different effects. I think it’s positive overall for the country, but it bears particularly on people who are low paid often, who are seeing their communities change, and that’s why we want managed migration, tough border controls, and, crucially, stopping this undercutting of wages – doing everything we can. Let’s take an example.

ANDREW MARR:
(over) What about welfare entitlement?

ED MILIBAND:
(over) Let’s take an example. Employers who are failing to pay the minimum wage, there are hardly any prosecutions of that in this country. Often it is migrant workers who are coming here. Now they’re being exploited, so it’s bad for them, and workers here are being undercut. So you know that’s why I’ve changed Labour’s position. On the issue of benefits, we’ve said we don’t think you should be paying child benefit and child tax credit if people’s children are not here. That’s a reform that we want to see in the European Union.
ANDREW MARR:
(over) What about people who come here? I mean it’s been suggested that people shouldn’t have any entitlement to benefits for five years when they come into Britain.

ED MILIBAND:
Well we’ve said we should lengthen the amount of time before people can get access to jobseeker’s allowance …

ANDREW MARR:
(over) By how much?

ED MILIBAND:
… to at least 6 months, consistent with the rules. If we can go further, we should do that. I do want to see change in Europe. But I also say this to you, Andrew. Leaving the European Union - as Nigel Farage wants, as David Cameron is flirting with – would be a disaster for our country. Millions of jobs we rely on for our membership of the European Union. Go to any multinational firm round this country and they will tell you it is the last thing our country needs. And that’s why I believe David Cameron is a huge threat to the prosperity of this country because he has an agenda on Europe, he can’t tell us what he’s negotiating for, he’s got no support among our European allies and he’d need unanimity for any changes, and he can’t even tell us whether he’d vote yes or no in the referendum that he claims to want to see.

ANDREW MARR:
Would you return the railways to public ownership under a Labour Government?

ED MILIBAND:
We’re looking at all the options on the railways. We’re not going to go back to old style British Rail. But let me make this point, let me make this point about how we’re going to address this issue. We’ve got to be pragmatic and we’ve got to recognise that the system at the moment has flaws in it. We’re paying high fares. Passengers are paying high fares in this country and we’re paying big subsidy from the taxpayer. Now we’ve got examples – for example with East Coast, which …
ANDREW MARR:
(over) Which has been quite successful.

ED MILIBAND:
… which is in public hands and the Government is dogmatically privatising it. I want to see value for money for the taxpayer.

ANDREW MARR:
Sure.

ED MILIBAND:
I’m never going to write a blank cheque and I’m not going back to the past, but we are looking at the different options.

ANDREW MARR:
John Prescott has suggested this morning, for instance, that as the … I think of the 25 franchises, I think 19 come up over the next five years. All you do is you simply take them back into public ownership quietly rather than re-auctioning them as they come. That way you get …

ED MILIBAND:
(over) Well look there’s a balance … there’s a balance to be struck here because there’s some benefits that you can have sometimes from competition and we’re not going back to the old monolithic model that was British Rail, but we do need to look at how we can have a coherent system. And the fact is David Cameron has admitted that the way the privatisation was done didn’t work, so we do need to find a better system for the future.

ANDREW MARR:
After five years of Ed Miliband, would we see a substantial part of the railway system in public control?

ED MILIBAND:
You’re very tempting, Andrew …

ANDREW MARR:
ED MILIBAND:
… but you’ll have to wait for our manifesto for that.

ANDREW MARR:
Alright. Okay let’s move onto another business issue which then is the great controversy over the takeover of AstraZeneca by Pfizer. The Prime Minister’s made it clear that he wants Pfizer to give some guarantees, but by and large he’s happy for that to happen. What’s your view?

ED MILIBAND:
I think David Cameron is in totally the wrong place on this issue. He has become a cheerleader for Pfizer’s takeover when instead he should be championing the long-term agenda for high quality jobs in this country which AstraZeneca provides. And I want to see some very specific things happen. First of all, David Cameron must get an independent assessment of the impact that this bid will have on the long-term science and industrial base of the country because we’re hearing some very respected voices – Lord Sainsbury, Mervyn Davies, Michael Heseltine – warning about the dangers of this takeover. That’s the first thing that’s got to happen.

ANDREW MARR:
Could you, would you stop the takeover happening?

ED MILIBAND:
Well if I was Prime Minister, I’d be bringing in a new public interest test which says that widening the scope of the current public interest test, which says when we have the largest takeover in British history with all of the implications it has for our science base, there’s got to be an independent assessment of the implications of this for our national interest. And frankly let me say this to you, Andrew. No other country in the world would be waving this bid through, nodding it through on the basis of pretty weak assurances from Pfizer who have a pretty dubious record when it comes to their record in this country and other takeovers.

ANDREW MARR:
As you're not in power, shouldn’t you be getting with the Prime Minister at this point to try to see what can be done?

ED MILIBAND:
Well I’m writing to the Prime Minister today setting out how we should adapt the public interest test for the future and how he, rather than being that cheerleader that I described for this takeover, with paper thin assurances, should be actually championing British jobs and a British success story that is AstraZeneca with investing in research and development a crucial part of our science base. And this is part of Labour’s overall agenda – how do we grow and earn our way to a higher standard of living in this country with the high skill, high wage jobs that our country needs; not the kind of race to the bottom in wages and skills that the Prime Minister advocates?

ANDREW MARR:
We’ve had your proposals on energy prices, we’ve had proposals on rent controls, we’ve had proposals on intervening in the market in railways and in the chemical industry. Can you see why a lot of business is worried about you – that you are a meddling old statist deep down; that you are Red Ed in fact?

ED MILIBAND:
No, this is an agenda for long-term prosperity in this country, Andrew. Markets need rules. And you know what’s interesting about this is yes I am going to stand up for the generation that rents in this country and has had no politician talking about them, saying they’re going to act, because our rental market doesn’t work and it is exceptional around the world the kind of short-term insecure nature of our rental market. And if you think about energy. Six months ago what I proposed on energy was very controversial. Even energy companies are now saying I was right to point out the flaws in the market. Even the regulator is saying that. So this is the right agenda for Labour – markets working in the public interest. That is what a dynamic market economy is.

ANDREW MARR:
If people say that Ed Miliband, he’s in favour of regulation, more regulations and higher taxes, he is a proper old-fashioned socialist … You’re shaking your head. Why are you shaking your head?
ED MILIBAND:
Because old-fashioned socialism was somehow about wholesale nationalisation of the commanding heights of our economy. That is not what I’m about. What I’m about is how do we make markets work properly in the public interest? And there is a divide in British politics. There are the defenders of broken markets, the people in hoc to the vested interests, this government unable to take on the energy companies and change things, unable to reform the banks. And there’s Labour that is leading the way with a bold agenda that says we are going to tackle the cost of living crisis in this country. We’re going to change this country, so it doesn’t just work for a few at the top but it works for most ordinary families. And that does require bold change – particularly important when there’s less money around. That does require bold change and that is what I represent.

ANDREW MARR:
But we have the recovery happening at the moment. Are you not a little bit concerned that by the time of the next election, the cost of living crisis might no longer be at the front of people’s agendas, front of their noses?

ED MILIBAND:
Well that’s certainly what George Osborne and David Cameron want to tell people – that they’ve fixed the economy and everything’s fine. But that’s not what people tell me because people are saying, “My job is insecure.” And this big issue of the growing wealth of the country being separated from ordinary family finances. This is a big and deep problem. And also people saying, Andrew, is my son or daughter going to have a better life than me or are they going to have a worse life than me? These are deep questions about the country.

ANDREW MARR:
Indeed. And yet they are more trusted on the economy than you are. Is that perhaps because you haven’t yet convinced people you have the plan for getting rid of the deficit in a second … in the next Parliament?

ED MILIBAND:
We do have a clear plan. We’ve set very clear commitments on the deficit.

ANDREW MARR:
We still don’t know really where you’re going to cut, we still don’t really know how much money you’re going to raise in new taxes and, therefore, how you’re going to plug that hole.

ED MILIBAND:
Well we’ve made very clear commitments that we won’t borrow more for day to day spending in 2015/16 and as soon as possible in the next Parliament we’ll run a surplus on the current budget and have the national debt falling.

ANDREW MARR:
Now these are cuts, these are real and deep cuts.

ED MILIBAND:
Yeah and we’ve set out some of those areas and our zero based review is looking at other areas, but those are really important commitments from a Labour Party that recognises there won’t be lots of money to spend …

ANDREW MARR:
(over) If you deliver them, if you deliver them.

ED MILIBAND:
… there won’t be lots of money to spend in the next Parliament. But that’s why this economic reform agenda in banks, in energy, in skills is so important because that is the way we’re going to grow our way to higher standards of living for people and a better and fairer country and that’s what I’m about.

ANDREW MARR
If the Yes campaign win in Scotland, should David Cameron resign?

ED MILIBAND:
I’m convinced and confident that the Better Together campaign can win in Scotland because it’s absolutely …

ANDREW MARR:
(over) But if they don’t?

ED MILIBAND:
No I’m not talking about that, Andrew. Look what we’ve got to do is win this referendum because frankly it goes beyond any one party. This is about … This is an existential question for the United Kingdom and I’m absolutely convinced that you can deliver my agenda – social justice across our country, better for Scotland, better for the whole of the UK with Scotland in the United Kingdom and not outside.

ANDREW MARR:
Okay. Very briefly, there’s a tube strike coming in London next week. Do you agree that it should be made harder in terms of the threshold for these big public sector strikes which devastate a city like London to happen?

ED MILIBAND:
Well the tube strike is wrong and it shouldn’t be going ahead, and frankly both sides should be getting round the table. We’ll look at any proposals the Government comes forward with. But look, rather than the Government, they sort of have this rhetoric about the tube strike and other things. They should actually be pushing the mayor to get round the table and stop this strike from going ahead.

ANDREW MARR:
But you would be open to the possibility of new rules to make these things harder?

ED MILIBAND:
Well I don’t see the case for change, but let’s see anything the Government comes forward with.
Right. For now, Ed Miliband, thank you very much indeed for joining us.

ED MILIBAND:
Thank you.

INTERVIEW ENDS