JAMES LANDALE:
Now if you want to win elections, you have to convince voters that they can trust you with the economy. It’s hard enough in good times when money’s flowing, but it’s even harder in times of austerity. With dogged constancy, opinion polls suggest that Labour has a long way to go on this front. One of those tasked with trying to win back trust on the economy is the party’s Shadow Business Secretary Chuka Umunna who joins me now. Good morning.

CHUKA UMUNNA:
Good morning, James. Happy Easter.

JAMES LANDALE:
Happy Easter to yourself. David Miliband - not Ed - David Miliband wrote recently that Labour had ‘a tough job to win back economic trust in 1992 and it’s an even tougher challenge today’. Do you accept that analysis - that the people still don’t trust Labour on the economy?
CHUKA UMUNNA:
Well I don’t accept that analysis in the way that you’ve interpreted it because …

JAMES LANDALE:
Sorry, those were David Miliband’s words, not mine.

CHUKA UMUNNA:
Yes, no, and I engage with that. I mean if you look immediately following the General Election, I think the British public wanted to give the coalition the benefit of the doubt on the economy. I think increasingly in what we’ve seen happen since then as the economic statistics have stacked up with over 2.6 million people being out of work, fifty businesses going under every day and us having no growth over the last five quarters, people are really beginning to question whether they should be giving the benefit of the doubt to the coalition. Now from our point of view, if you look at where we were this time last year when Ed Miliband was talking about the “squeezed middle”, you remember that he was being ridiculed for doing so, whereas now everybody accepts that the cost of living crisis is perhaps the biggest issue facing the country; when you look at the arguments we were making around growth being a prerequisite to reducing the country’s debts and actually people like the IMF saying that you need growth to have a credible fiscal policy - all of those things, all of the arguments are very much going our way. But, look, this is a long game. We went down to our second biggest defeat in 2010 and the idea that suddenly the British public are going to turn around and say actually you’re right now. It’s going to take a long time to win back support.

JAMES LANDALE:
The British public are increasingly, particularly since the Budget, fewer of them are trusting David Cameron and George Osborne to manage the economy. Polls over this weekend have been suggesting that.

CHUKA UMUNNA:
Yeah.

JAMES LANDALE:
And yet none of those polls show any increase in trust for Labour. Why? Is it a legacy of your time in government or is it just your lack of policy now?

**CHUKA UMUNNA:**
No, I just don’t dis… I just disagree with that because if you … I mean I’m slightly nervous about using the polls because I think ultimately the polls that matter are elections, and obviously we’ve got these elections coming up in May and the General Election after that and that’s the real poll that matters. But if you look at the polls that we have had, Labour is enjoying quite a lead at the moment and I think it’s difficult to disentangle that lead from the message that we’ve been given. But look, you know we’re humble. This is a long journey, we’ve got to rebuild trust. I believe we are doing that because if you look at the choices that the government are making where they’ve chosen for example to give 14,000 millionaires a tax break of over £40,000 and also made changes to the personal allowance …

**JAMES LANDALE:**
*(over)* Yeah, but I want to talk about your policy.

**CHUKA UMUNNA:**
Yeah.

**JAMES LANDALE:**
You have as a party a five point plan for growth.

**CHUKA UMUNNA:**
Yes.

**JAMES LANDALE:**
How many people do you think actually know what that is?

**CHUKA UMUNNA:**
Well if you look at one of the parts of that plan, which is to give a national insurance break to small businesses taking on extra workers, the Federation of Small Businesses have come out in support of that. If you look at the part of the five point plan saying
bring forward infrastructure investment - that is something the CBI have supported.

JAMES LANDALE:
(over) What are the other three? Can you remember them all?

CHUKA UMUNNA:
Yes, we’ve got two VAT commitments there - one to do a temporary cut in VAT from 20 to 17.5 per cent.

JAMES LANDALE:
(over) Yeah, that’s three.

CHUKA UMUNNA:
You’ve got the 5 per cent rate of VAT on home improvements maintenance and repairs. And of course you’ve got a repeat of the bank bonus tax to ensure that those who essentially triggered the recession in the first place perhaps do their fair share.

JAMES LANDALE:
(over) Why is there no cut through? Why is there no cut through?

CHUKA UMUNNA:
Well I don’t believe that’s got no cut through. Why has the government come forward with this youth contract, if you like? It’s because we’ve been arguing for a reinstatement of a future jobs fund type scheme which we’d put in place using the proceeds of the bank bonus tax. I could go through a whole list of things that we’ve been proposing that have been resonating with businesses and individuals. I simply don’t buy this argument that it hasn’t got cut through at the moment.

JAMES LANDALE:
The Budget went down pretty well with the business community. They liked the cuts in red tape, they liked the cuts in corporation tax. And still with many in business, they don’t like Labour’s anti-business rhetoric. They don’t like the predator stuff. You’ve got a big challenge there to win over support, haven’t you?
CHUKA UMUNNA:
Well, first of all, I think there was a mixed bag in terms of the opinion on the Budget. I think people welcomed the corporation tax cut, for example, but they actually said well in fact why didn’t you do something about national insurance? And if you look to some of the SMEs and particularly people in the manufacturing sector, they weren’t terribly impressed with the Budget - if you look at the comments from the likes of the EEF. But look, I also don’t accept that somehow there’s been a load of anti-business rhetoric coming from the Labour Party. If you look at what we’ve been arguing for, which is for an active industrial strategy, an active government using all the levers at its disposal to support British business, not stepping aside and letting market forces rip but stepping up, that’s very much been what people like Mike Turner, the Chair of Babcock, the engineering services group, has been arguing for. And in fact if you look at the person I shadow, Vince Cable’s leaked letter, what was in that leaked letter - he was begging the Prime Minister and the Deputy Prime Minister to adopt an active industrial strategy, but unfortunately has fallen on deaf ears because for ideological reasons they oppose government actually doing activist things to help British businesses.

JAMES LANDALE:
Unite is threatening a tanker strike. Unite is your party’s biggest donor. Have you put pressure on Len McCluskey? Have you met him to tell him how damaging a fuel strike would be to British business?

CHUKA UMUNNA:
I don’t think a strike in any circumstances is a good thing for anyone. I think ultimately …

JAMES LANDALE:
(over) But have you spoken to Len McCluskey about this?

CHUKA UMUNNA:
I haven’t personally spoken to Len McCluskey.

JAMES LANDALE:
Why not?

**CHUKA UMUNNA:**
I have spoken to people in Unite and I am going to be meeting with Len McCluskey shortly. But let me just correct you on one thing. The majority of the funds that the Labour Party gets are from our membership. And, look, I’m not ashamed at all of our relationship with the Trade Union Movement because people often … I mean I cannot stand this way that you get people seeking to if you like divide off trade unions and the public sector workers on the one hand and private …

**JAMES LANDALE:**
*(over)* Tom Watson says …

**CHUKA UMUNNA:**
*(over)* … if you let me finish …

**JAMES LANDALE:**
*(over)* … that Labour owes, Labour owes them more respectful treatment and a heads up on policy changes.

**CHUKA UMUNNA:**
Well I mean I haven’t seen the exact comments that Tom made, but they are part of the Labour Movement. And let’s not forget that you know we’re not talking about trade unions as some monolithic group of people. We’re talking about millions of hardworking people …

**JAMES LANDALE:**
*(over)* So sorry, do you endorse …

**CHUKA UMUNNA:**
*(over)* … in the public and private sector …

**JAMES LANDALE:**
*(over)* … Tom Watson’s comments?
CHUKA UMUNNA:
(over) … who are wealth creators in this country.

JAMES LANDALE:
Do you endorse Tom Watson’s comments that people should …

CHUKA UMUNNA:
Well, look …

JAMES LANDALE:
His comments are very straightforward. He says that the Labour Party should owe respectful treatment to the unions and should give them an early heads up on policy change.

CHUKA UMUNNA:
Well I think we should be respecting all of the different stakeholders in society and we seek …

JAMES LANDALE:
(over) So it’s okay to give donations and get a heads up on how you’re changing policy?

CHUKA UMUNNA:
Well I’m not sure about giving a heads up. I mean if you look in relation to the difficult decision we made to cap the increase in public sector pay to one per cent, I mean that was something that we informed the unions of in advance of making that decision, but ultimately we make the decision in the interests of the entire country. But you know let’s not forget this country wouldn’t be able to function, our businesses wouldn’t be able to function were it not for trade union members contributing to our overall wealth and prosperity, and I don’t actually think you know dividing up different parts of society - I mean this is Easter after all - is very helpful.

JAMES LANDALE:
Let me just ask you a quick couple of questions about things in the news. Tax transparency. Do you think that all senior politicians should reveal their tax returns?

**CHUKA UMUNNA:**
Well, look, I mean on a personal level, I wouldn’t have any problem with it. We’ll look at the proposals that the government comes forward with and we will match them. But let’s not get distracted here because the real issue, the reason this came up was because of the government cutting the 50p rate of tax, and that’s obviously going to affect a very small number of people and I think the public deserve to know whether the ministers stand to benefit from this measure which essentially is going to benefit a very few number of people and not many people in this country.

**JAMES LANDALE:**
And very quickly, there has been more hacking action against the Home Office website.

**CHUKA UMUNNA:**
Yes.

**JAMES LANDALE:**
Do you support that kind of thing, direct action? Harmless or dangerous?

**CHUKA UMUNNA:**
I certainly wouldn’t support that. I don’t think it’s very helpful and I think if you’ve got grievances with government policy, then you should raise it in the usual way. I think we can’t have a situation where you’ve got people hacking willy-nilly different government websites because of course many people rely on that. And the Home Office website, we’re talking about community safety issues here which you know can have an impact on people’s personal circumstances in my constituency and others you know here and beyond. So I wouldn’t support that, no.

**JAMES LANDALE:**
Chuka Umunna, thank you very much indeed for joining us this morning.
CHUKA UMUNNA:
Thank you.

INTERVIEW ENDS