AMBER RUDD

ANDREW MARR SHOW
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AM: Listening to that was the Cabinet Minister Amber Rudd. Welcome to you, Amber Rudd. First of all, talking about David Cameron’s position, I suppose the thing that remains after all this kind of tsunami of allegations and so forth is that his father was involved in setting up a company in a part of the world where you pay absolutely no British taxes at all. Can you understand why a lot of people watching this find that offensive?

AR: Well, I think the thing to remember is that the Prime Minister and his family have done nothing wrong. I mean, the independent tax expert at the start of this programme confirmed that. Lots of independent tax experts have subsequently done so. He did of course pay tax on any income from Blairmore and the reason Blairmore was set up, we now understand, was all to do with exchange controls being changed. So...

AM: Well, except that it actually said in the minutes of the company, that the foundation of the company, that it was there partly so that it would not pay British taxes.

AR: But anybody who received income from it, as a unit trust, as indeed unit trusts exist now...

AM: Would then...

AR: ...do pay taxes on it. So the Prime Minister paid taxes on anything he received.

AM: I guess the point is that if you’re a company and you’re not paying taxes like other companies are, then presumably you’re going to grow your profits more, you’re going to grow better, and therefore investors will do better in that company than if it was paying taxes, and that therefore the growth of income, on which we will acknowledge the Prime Minister has paid his tax, that income would have been bigger than it would otherwise have been because of where Blairmore was placed.
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AR: Well, I think now you’re drawing – you’re going into criticising the whole area of unit trusts.
AM: Yes, well, I’m talking not so much about unit trusts, about offshore tax-avoiding trusts generally.
AR: Well, unit trusts, a lot of unit trusts do invest in offshore trusts, and you know, your pension may be in it, my pension may be in it, so I think that’s a whole area of different financial regulation. I think the key thing is here that the Prime Minister and his family paid the correct amount of tax that they were due.
AM: You may or may not have heard Jeremy Corbyn just now, but he was saying that we really have to, as a country, go after offshore tax havens in a big way, in a new way. Do you agree with that?
AR: Of course I agree with that, and I welcome Jeremy Corbyn to that particular ambition, because we have been doing that since 2010. You know, the Chancellor and the Prime Minister made this a key priority for the government. We’ve put in place 45 different measures, we’ve got 25 new measures coming in by 2020-21. International transparency on tax matters is essential to have a level playing field, and it remains a priority for this government?
AM: Do you have money in an offshore trust?
AR: I don’t, no. But I’m pleased to say that all MPs have a very transparent system. They have to disclose their funds, their income, and of course famously a very clear expenses regulatory system.
AM: We may be moving towards a completely new system in which, frankly, everybody in public life, whether they’re journalists or whether they’re politicians, has to make their tax return publicly available.
AR: Yes. We may do.
AM: Would that be a good thing?
AR: Well, I’m not sure it would. I think we have to think very carefully about the balance between transparency and privacy. We don’t want to put people off who might have substantial assets. So I think it’s worth having the debate, but I don’t think
it’s necessarily the case. I mean, as I say, as an MP, and with my colleagues, we have to make a lot of declarations, so I don’t necessarily think it’s the right thing to do but it’s worth looking into.

AM: Would you be offended at the idea of publishing your tax return, as the Prime Minister has done?

AR: I wouldn’t be offended by it, but I don’t think it’s necessarily the right way to go. What we’ve seen this week is total disclosure. The Prime Minister has, as you say, now taken an unprecedented step of more disclosure. I think the people who definitely need to do this are the Prime Minister, as he’s done, and the leader of the opposition. I know Jeremy Corbyn has said he’s going to do it, I don’t think he’s done it yet, so I would urge him to get on with it.

AM: He’s scrabbling with his paperwork I think.

AR: Right.

AM: But what we’ve also seen is this drip – stage by stage revelations. Isn’t the message of this – the Prime Minister has talked himself about not handling it very well – isn’t the message tell everything right at the beginning?

AR: Well, the Prime Minister has said that. He has, hasn’t he? The fact is it was very much mixed up with his own personal family affairs, the fact is he has said all there is to be said about it now, and now taken this unprecedented step of publishing his financial affairs.

AM: We were talking in the paper review about whether a lot of the venom directed against the Prime Minister personally is also part of the anti-European Union campaign, that the two things have become involved and mingled together. Do you think that’s true?

AR: I don’t think it’s true, no. I mean, I heard Chris Grayling on Radio 4 yesterday very much speaking up on behalf of the Prime Minister, and of course he’s a leading campaigner for Out. So it doesn’t feel like that at all in the Conservative Party, no.

AM: Now, we don’t normally kind of go into people’s families, but as it happens your brother is a leading figure in the Remain
campaign. And so I’m wondering, first of all – there’s been lots of stories over the last week about jitters in the Remain campaign. Looking at the detailed polling it’s not clear that your side are winning. What’s your view at the moment?

AR: Well, I think the Remain campaign has got a very good case to make. I think that the European Union makes a valuable contribution to our economy. I think we can improve the EU for the better, as the Prime Minister has shown by – particularly by putting competitiveness on the top of the agenda, and I think all the other alternatives, as we heard earlier on your programme, are bad for the country, bad for the economy and could cost jobs.

AM: Putting the £9 million into leaflets for every household in the country is not fair. It means that the Remain campaign is spending money and doing things that your opponents can’t – at the moment aren't allowed to do. And some Conservative MPs are putting down amendments to the Finance Bill to point this out and try to correct this unfairness.

AR: Well, I would urge them to reconsider that. The fact is it has precedent, this is what the government did in 1975, and as the Prime Minister has often said, this government is not neutral on this matter. We believe that we were stronger and safer in a reformed EU, so it’s right the government makes the case.

AM: But this is an absolutely crucial national choice –

AR: It is.

AM: It could very well be quite a close result in the end, and what you can’t afford from your side is to have people afterwards saying, ‘Yes, but it was fixed, it wasn’t fair.’

AR: But then I would say to them, a) there is precedent for this, and b) this is the government, the government that was elected just less than a year ago is delivering on this referendum commitment and now wants to make the case on behalf of the government, because people do say to me, you know, in my constituency, ‘Well, what’s the government view? What’s the Prime Minister’s view?’ So that’s why it’s right to show them what the government’s position is.
AM: If your side do win, however narrowly, and the Prime Minister has won his great victory, his first big question mark, I suppose, is whether he brings in some of his Eurosceptic critics back into Cabinet, back into top jobs. Does Boris get a good job? Is Michael Gove made Deputy Prime Minister? That kind of thing. So it’s a contest being pretty tough and ruthless on the one hand or being very open and engaging and bringing people in. What would you - If he said to you, ‘Amber, what should I do?’ what would you tell him?

AR: I think the Prime Minister is unlikely to ask my advice on that, and I rely on his good judgement to put together a Cabinet that will unite the party and deliver on our core manifesto commitments to deliver a strong economy.

AM: Can I ask you about one other thing I discussed with Nigel Lawson, which is the issue, not much talked about thus far, of the Irish border - 310-mile border. If we leave the EU, in your view would that border have to be sealed?

AR: We would have to wait and see. But what that does highlight is the very dangerous prospects that are out there if we do leave the EU. The lack of certainty is what concerns me.

AM: And if we left the EU would a Conservative government carry on supporting British farmers to the extent they’re supported now?

AR: Who knows? The fact is there’s a lot of uncertainty if we leave the EU.

AM: Alright Amber Rudd, on that note, thank you very much indeed.

(ends.)