ANDREW MARR:
Now it’s an odd thought, but we’re now really quite close to the General Election. It comes next May and so this week in Manchester is the Labour Party’s last chance to prepare itself for that conflict. Is the party ready? Behind in the opinion polls on the economy, can Labour’s leaders convince voters they have the vision to take Britain in a different direction and can Ed Miliband, mocked by the Conservative supporting newspapers, really make it all the way to No. 10? He’s with me now. Good morning to you.

ED MILIBAND:
Good to be with you.

ANDREW MARR:
Now it seems fairly clear – we were talking about it during the papers – that you have been put into a trap: either you agree with the Prime Minister and support English votes for English laws, English only laws – a lot of people … most people think that’s a fair thing to do - and effectively an English Parliament which you won’t dominate; or you will be part of leaders getting together and fumbling it and reneging on the pact you’ve given to the Scottish people, the solemn promise you’ve given to the Scottish
people – in which case the Labour Party will be punished north of the border in a very severe way. How do you get out of that trap?

ED MILIBAND:
Well I want to come to the detail of that in a minute, but I want to make a broader point which is a very, very important point for the future of our country. I think there is a huge danger that the political class is learning the wrong lessons from this referendum and from what is happening in Britain. You see I think constitutional change is important and I want to talk to you in detail about that, but I think there is a much bigger lesson, a much bigger lesson, and – in the words of Bill Clinton – “It’s the economy, stupid.” Forty-five per cent of people tried to break up our country by voting Yes. They thought they had nothing to lose, many of them, by saying let’s leave the United Kingdom. Now, Andrew, I want to say to you – and you were there during the referendum campaign – this was about how Scotland is governed and how the UK is governed, but more than that – it’s about how this country works. Does it work for an elite few or does it work for most working people? And unless the establishment recognises this wake-up call about how our country is run, how our economy is run, we are not going to address the discontent in England, Wales, Scotland and the whole of the United Kingdom. So sure let’s talk about constitutional change, let’s do it in the right way, but let’s recognise the lessons of what the people of the whole of Britain are telling us.

ANDREW MARR:
In a phrase I used to Alistair Darling, this was a kind of quiet, revolutionary upsurge against the way politics has been done?

ED MILIBAND:
About the way politics is done and who our country works for. Look, I was in Paisley with Douglas Alexander and I met a Yes voter – a woman pushing a pram, a single parent, who said to me, “I can’t get a house. I’m voting Yes. I want to get out of the United Kingdom.” I met a woman who was on the minimum wage who was saying to me, “I haven’t decided how I’m voting. I haven’t decided how I’m voting. Give me a pay rise and maybe I’ll stay.” Now that’s not why we did the minimum wage policy, but it tells …
ANDREW MARR:

(over) No, no, I’ll come on … come on to minimum wage in a minute.

ED MILIBAND:

(over) … look it tells you something very deep. And, look …

ANDREW MARR:

Right.

ED MILIBAND:

… and this is the point. Let me just make this point. It’s happening in England too. It’s happening in people turning away from political parties – people saying this country doesn’t work for me. So let’s get constitutional change right, but let’s change this country so it works for the right people again.

ANDREW MARR:

And so let’s turn to the constitutional change. You made a solemn promise not to other politicians but to 5 million Scottish people that you would deliver on devo max, new powers to the Scottish Parliament. Are you determined that’s going to happen come what may?

ED MILIBAND:

Yes, yes.

ANDREW MARR:

Because it would be terrible for you and for the Labour Party if you didn’t.

ED MILIBAND:

Yes, we’re going to deliver. No ifs, no buts, we’re going to deliver on that promise.

ANDREW MARR:

So David Cameron has connected that promise to English votes for English laws and a huge number of people in England say yes that is fair, it is absolutely fair; why
should Scottish MPs be able to vote on taxes in England if English MPs aren’t able to vote on taxes in Scotland? They’re right about that, aren’t they?

**ED MILIBAND:**
Well let’s be very clear about what David Cameron has done. He will have to speak for himself in the coming days. But what William Hague said very, very clearly on the radio on Friday morning was that these two processes, they wanted them to run in parallel. Now I’ve got my issues with their timetable and we’ll come onto that, but he said that they did not depend on each other. And I think that people right across the United Kingdom will say well David Cameron made a promise. He didn’t make a conditional promise, he made a clear promise, and he’s going to be kept to that. And I know that David Cameron will want to honour that promise because if he made a promise, he should keep it. After all, trust in politics is sufficiently low that I think we’ve got to keep our promises. For my part, I’m going to keep the promise I made in the joint declaration by the party leaders.

**ANDREW MARR:**
In a principled way what is wrong with English votes for English laws? It’s fair, isn’t it, it’s fair play?

**ED MILIBAND:**
Well I think that we’ve got to look at all of the constitutional issues that have been thrown up.

**ANDREW MARR:**
But I’m asking a very specific question here.

**ED MILIBAND:**
(over) I know and I’m going to come to it.

**ANDREW MARR:**
Alright.
ED MILIBAND:
Let me explain. Look I think there is a big problem, which is that power has been devolved in Scotland, power has been devolved in Wales, but governments of both parties have failed to devolve power in England. Now the first answer to that question is not to change the nature of the centralised power of Westminster over England. It is to devolve power in England and that is absolute. Now, now …

ANDREW MARR:
(over) But England is a country. England is a nation herself …

ED MILIBAND:
Absolutely, absolutely.

ANDREW MARR:
… and there is no reason in fairness why Scottish MPs should be able to vote on English laws if it can’t happen the other way around.

ED MILIBAND:
(over) Absolutely, absolutely. And we …

ANDREW MARR:
(over) I want to keep on this very, very important principled question.

ED MILIBAND:
… and we’ve got to look at all of these issues.

ANDREW MARR:
Would you accept English votes for English laws, as it’s called, or not?

ED MILIBAND:
We’ll look … we’ll at any proposals come forward with. Let me just say …

ANDREW MARR:
(over) It’s a very straightforward ...
ED MILIBAND:
(over) Well and I’m going to … I’m going to explain. And I tell you what, there isn’t a simple answer to this question.

ANDREW MARR:
Yes there is.

ED MILIBAND:
No there isn’t.

ANDREW MARR:
I’m sorry, yes or no? It’s very straightforward.

ED MILIBAND:
No, there isn’t a simple answer. Let me explain why. We’ve been wrestling with this issue for 120 years, ever since we were talking about Irish home rule around a century ago. Now what is the issue? When you devolve power to some parts of the country in different ways to others, it throws up these questions. So, for example, let me give you another example. London MPs vote on transport issues outside London, but English MPs outside London don’t vote on transport issues in London because they’re devolved. So there are always these …

ANDREW MARR:
That’s inside a country. I’m just asking again …

ED MILIBAND:
(over) Well there are al…

ANDREW MARR:
… the principled cased against an English Parliament.

ED MILIBAND:
(over) Well hang on a minute, we are a country, we are a united kingdom. Now the way I … What I say about this is I am open to the idea of greater scrutiny of
legislation by English MPs. For …

**ANDREW MARR:**
*(over)* Alone, working together?

**ED MILIBAND:**
… for example greater scrutiny, and we’ve got to look at all these issues. But we can’t do it in a back of the envelope, fag packet way. You know we’ve spent two years trying to keep our country together. Let’s have a proper constitutional convention, let’s look at these issues. But let’s not do this, Andrew. Let’s not drive our country apart because David Cameron thinks it’s a sort of opportunity for him to do it. Let’s keep our country together and it’s very important that we do this in the right way. And I go back to my original point …

**ANDREW MARR:**
*(over)* This … I’m sorry to cut in, but the truth is that you’re against English votes for English laws because Labour wouldn’t dominate. Surely the answer to that is for Labour to do better in England …

**ED MILIBAND:**
*(over)* Well I’ve got …

**ANDREW MARR:**
*(over)* … not to refuse English people this basic justice?

**ED MILIBAND:**
*(over)* … I’ve got to say to you, that’s not the history. I mean, look, the history is that when Labour has won majorities across the United Kingdom, we’ve won majorities in England too. I think it’s about this. I think it’s about the fact that we don’t play fast and loose with our constitution, we do change in the right way. It’s very interesting. You know the Conservative … the Local Government Association (who have an interest in this) – including the Conservative part of it – have actually said we need a constitutional convention to look at these issues. It’s the right way to do change.
ANDREW MARR:
So I return again. Is there a principled case against in effect an English Parliament or not?

ED MILIBAND:
Well I’m not in favour of a new parliament and a new tier of politicians. I don’t think that’s the answer, I’ve got to say to you. And I am in favour of one House of Commons with 650 MPs because, goodness, we fought tooth and nail over the last two years to avoid our parliament being split up and our United Kingdom being split up, and I want to make sure that doesn’t happen.

ANDREW MARR:
And is there a principled case against having two classes of legislation in the House of Commons, some starred as English only business for English only MPs to vote on? What’s the principled case against that?

ED MILIBAND:
Well, as I say, I’m not against the idea of greater scrutiny of legislation that particularly affects English by English MPs, but let me just …

ANDREW MARR:
(over) You’re using the word ‘scrutiny’. I’m wondering about votes really.

ED MILIBAND:
Well let me make this point. Well there are two points to this. First of all, in practice the reality is it’s very hard to separate out legislation. Take tuition fees in England, right. You might say that’s an English only issue. It has knock-on effects for Scotland as well in terms of public spending. Is that an English only issue or a more universally applying issue? Secondly, I’m not in favour of a House of Commons that becomes divided, so that somehow the House of Commons chamber is no longer 650 MPs. You’ve got to have one Prime Minister of the United Kingdom because we have a United Kingdom Parliament.
ANDREW MARR:
But if you believe in that, then you carry on with the injustice of Scottish MPs …

ED MILIBAND:
(over) No, no.

ANDREW MARR:
Well how … What else?

ED MILIBAND:
No you look at it … No because you look at this issue in a calm, measured, correct way through a process, through a constitutional convention. I mean, goodness, we’ve been wrestling with this issue for 100 years. Of course we should take our time and look at this properly.

ANDREW MARR:
Another related issue, closely related issue, is the Barnett formula, which means that Scotland gets a higher per head public spending settlement than England and Wales indeed. Now Joel Barnett himself, Lord Barnett – former Labour man …

ED MILIBAND:
(over) He’s been saying it for a long time.

ANDREW MARR
… says in the paper today, “I’m Barnett and the Barnett formula’s unjust and it has to go.” What’s your response to that?

ED MILIBAND:
Well, look, all the party leaders have said that we think the Barnett formula has served us well and should continue because it is oriented towards need and the fact is that on, for example, older people, Scotland has greater needs. Now but let me just say this. There is a big injustice here. There is a big injustice, which is the way public spending is apportioned within England. There are huge issues about what this government has done to the poorer areas of our country. So there are issues to be looked at, but, as far
as I understand it, none of the political … the three political parties are looking at changing it.

ANDREW MARR:
So Barnett stays. Let’s return to something you said at the beginning about the minimum wage. £8 an hour it will go up to.

ED MILIBAND:
Yeah.

ANDREW MARR:
I thought we had a Low Pay Commission which was independent, set up by the Labour Party. You are overruling it already just by diktat, are you not?

ED MILIBAND:
I think the Low Pay Commission has an important role, but I’ve got to say to you, Andrew, we can’t carry on as we are as a country.

ANDREW MARR:
But an important role to do as it’s told, it seems.

ED MILIBAND:
No an important role to work out the path to a higher minimum wage of over £8 an hour by the end of the next parliament. Look I’ve got to say to you look this country is hurting. This country isn’t working for so many people. One in five of the men and women who go out to work in this country, they do some of the most important jobs. They clean this building, they act as security guards. They do incredibly important jobs and they are some of the lowest paid people in this country …

ANDREW MARR:
(over) And they’re on poverty wages.

ED MILIBAND:
... and we are determined to change it. And, look, this is why I say that the
establishment has got to understand the lesson of this referendum, of what people are saying in England and Wales and throughout the United Kingdom. People aren’t willing to have business as usual. Now the Low Pay Commission has done … *(Marr tries to interject)* Let me explain this point. The Low Pay Commission has done an important job in ending the worst of exploitation. That was the minimum wage that Labour brought in. But we’ve got to write the next chapter in the battle against low pay and that is what the next Labour Government is going to do. And, look, this is a comparison of two plans. The Tories have a plan for the privileged few in our country. We have a plan for Britain’s future, for everyday working people. That is the election choice.

**ANDREW MARR:**

So what do you say to the CBI and the IoD and all the other business organisations which say it’s a fine idea, it will cost jobs. There will be many people who just don’t get jobs because of this proposal?

**ED MILIBAND:**

Well that’s what people said before we introduced the minimum wage.

**ANDREW MARR:**

So why …

**ED MILIBAND:**

People warned it would cost millions of jobs and they were wrong. And the truth is that we’re giving business 5 years because this is a 5 year commitment - a clear path for the minimum wage, so businesses know how they can adapt to this. But there’s two alternatives here. There’s our alternative of saying hard work is going to pay again in our country or there’s the other alternative: carrying on as we are, a country that doesn’t work for most people, more and more people thinking Britain isn’t for me anymore. I’m not willing to put up with that alternative. We need big changes in this country, Andrew. Not just big constitutional change, big change in the way this country works, and that is what the Labour Government is going to do.

**ANDREW MARR:**
I hate to sound like Mr Gradgrind, but what will this cost for the public sector because presumably the public sector will have a huge on cost of paying higher wages? Do you know how much it’s going to cost?

ED MILIBAND:
Well here’s the thing. It’s actually going to save money in benefits.

ANDREW MARR:
(over) How …

ED MILIBAND:
How can it … how can it do so? Because what is happening at the moment? We are spending billions of pounds subsidising employers who are paying low wages, billions of pounds in benefits, in tax credits, in housing benefit, and it’s going to save money in benefits and it’s going to have no cost overall to the public sector.

ANDREW MARR:
(over) If you …

ED MILIBAND:
(over) And if you don’t believe me, Andrew, it’s the government’s own figures that say it.

ANDREW MARR:
But if you become prime minister, the biggest employer of all will be you through the state …

ED MILIBAND:
Yeah.

ANDREW MARR:
… and it’s going to cost the state quite a lot of money in terms of paying out higher wages.
ED MILIBAND:
(over) No, no. No overall … No I’m afraid you’re wrong about that. Overall it’s going to have no cost to the public purse. As I say, it’s not my figures. It’s official figures that show this. The Institute of Fiscal Studies has shown it too. You know for every extra pound that the minimum wage goes up, some estimates say we’ll save 50p in relation to benefits and tax revenue.

ANDREW MARR:
That’s still 50p that you haven’t saved of course, isn’t it?

ED MILIBAND:
No, no, what I’m saying is that as the private sector pays more in the minimum wage, we save money in benefits and tax rates. And I can assure you, it doesn’t cost money. It saves money. It saves hundreds of millions of pounds in actually getting the welfare bill down.

ANDREW MARR:
Right. Can I just ask you about another couple of areas?

ED MILIBAND:
Sure.

ANDREW MARR:
What happens to hospitals on day one of a new Labour Government which isn’t happening at the moment?

ED MILIBAND:
The first thing that happens is that we repeal the Health and Social Care Bill, which is making hospitals right across our country hire competition lawyers - wasting hundreds of millions of pounds on competition lawyers. Now, as you know, I’m married to a lawyer, I’m all in favour of lawyers, but not in our hospitals …

ANDREW MARR:
Okay.
ED MILIBAND:
… and we’ve got to change it. We’re going to put the right values back at the heart of our NHS. The second thing we’re going to do is we’re going to actually do something about GP access. And I’ll tell you why: because a hospital is only as strong as the services in the community, and at the moment those services are creaking. You know one in four people doesn’t get to see their GP for more than a week. We’re going to actually ensure that people can see their GP within 48 hours.

ANDREW MARR:
Now you may think the NHS doesn’t have enough money at the moment. Do you, by the way?

ED MILIBAND:
Well I am deeply worried about the NHS in the next parliament and about …

ANDREW MARR:
(over) Because nonetheless the Coalition Government has ring-fenced it to a certain amount. Last time round, I don’t think the Labour Party made a ring-fencing promise for the NHS. Will you for the next parliament?

ED MILIBAND:
We did promise to protect the NHS and absolutely we want to protect the NHS.

ANDREW MARR:
And does that mean real terms increases year by year for the NHS budget?

ED MILIBAND:
Well we cer… Yes, well look we’re certainly going to make sure that the NHS doesn’t lose money and we want to do more than that, and obviously we’ll be saying more about that between now and the election.

ANDREW MARR:
Around the fringes of your conference, I’ve talked to lots of Labour Party people and
many of them are saying this is all going to be great, it’s going to work, but we do have to commit ourselves to substantial rises in taxation revenue otherwise the numbers don’t add up. It’s a horrible thing to have to do before an election. David Cameron will jump at you if you do it, but perhaps you do have to do it.

**ED MILIBAND:**
Well we have set out proposals for example going back to the 50p tax rate on those earning over £150,000 a year, reversing the government’s millionaires’ tax cut, on proposals for a tax on homes.

**ANDREW MARR:**
It doesn’t raise quite enough.

**ED MILIBAND:**
Well it’s substantial sums – a tax on homes above £2 million. I think that’s the right thing to do because at the moment the way the property tax system works isn’t right. But you know …

**ANDREW MARR:**
Are there any further ideas you’ve got on tax?

**ED MILIBAND:**
Well if what you’re … I’m sure we’ll have lots of ideas, but look if what you’re asking …

**ANDREW MARR:**
*(over)* Proposals.

**ED MILIBAND:**
… I’m sure … If what you’re asking is do I think that we should be somehow raising taxes now on everyday working people, I’m very wary of that. And I’ll tell you why – because we, my government …

**ANDREW MARR:**
So you’re going to have to go back to borrowing more?

ED MILIBAND:

Well no … Well hang on a minute, hang on a minute. My government …

ANDREW MARR:

The IFS talks about their 12 billion poll.

ED MILIBAND:

… my government is determined to tackle the cost of living crisis we face. If we’re elected in May, that’s what we’ve got to do. So that’s why I say to you what I’d do.

ANDREW MARR:

In Scotland and the referendum 16 and 17 year olds voted. It seemed to go very well, they seem to be well educated. Is there any case against denying them the vote in future general elections in the UK?

ED MILIBAND:

No.

ANDREW MARR:

Would that be in the Labour manifesto?

ED MILIBAND:

Yes. Look we can’t go back on this now. And I mean I actually … you know it wasn’t our original proposal to have 16 and 17 year olds vote in this referendum, but I’m glad it happened. And you know I was on the campaign trail in Scotland a lot talking to the young people who were making very sensible, having very sensible thoughts about the future. We’re going to have it at general elections, it’s the right thing to do, alongside proper education about our democracy. And you know why? Because actually there is a crisis in our democracy which we’ve got to …

ANDREW MARR:

Which we were talking about …
ED MILIBAND:
... which we’ve got to address, and the voice of young people is a really important part of that.

ANDREW MARR:
And since we’ve been talking about Scotland again, can I ask you before you made the pledge on the front page of the Daily Record, did you talk to David Cameron about it? Did you have a conversation about what exactly you were promising?

ED MILIBAND:
Well I have talked to him about the referendum, absolutely.

ANDREW MARR:
And did he at any stage raise the question of an English Parliament or English vote?

ED MILIBAND:
No, no, no he didn’t.

ANDREW MARR:
So this was news to you when you heard it on Friday morning?

ED MILIBAND:
Yeah, he didn’t raise it with me before.

ANDREW MARR:
Alright. Alistair Darling in my interview with him just now said that you know he was by nature a player on the pitch, not from the sidelines. Would you now like to see him back? I mean he’s got his own decisions to take, of course, but would you like to see him back at the top of Labour Party politics?

ED MILIBAND:
Well, look, I think he played an incredibly important role in the referendum. I think to be fair to Alistair, as he said in his interview with you, he’s got to have the space in
the coming weeks …

**ANDREW MARR:**

Of course.

**ED MILIBAND:**

… to make his own decision. I think he’s a very, very strong member of Labour’s team, but he’s got to make his own decisions about what he wants to do. You know he could have taken the easy life, he could have decided to step back from politics. He decided to throw himself into the referendum and he did a great job, but I think I’m going to let him make those decisions for himself.

**ANDREW MARR:**

*(impersonating Gordon Brown)* “Okay now my name is Gordon Brown. I did very, very well. I gave a great thumping speech.

**ED MILIBAND:**

*(over)* That’s a great impression. That’s a great impression.

**ANDREW MARR:**

…… union. Now, Ed, I say to you, I say to you I deserve a job too.” Would you like to see him back at the top?

**ED MILIBAND:**

*(laughs)* I don’t think that’s going to happen. Look he played an important role in the referendum, but I don’t think … he’s not going to come back to frontline politics in Britain.

**ANDREW MARR:**

Final question. If you fail to deliver on this promise, what happens to the Labour Party in Scotland?

**ED MILIBAND:**

We’re going to deliver on this promise, we’re going to deliver on this promise. And, look, I know we’ve got a big job to do to reach out to those people who voted Yes
who are Labour voters, who were saying I’m so desperate to get rid of these Tories, I’m so fed up with the way the country’s run that you know I want us to leave the United Kingdom. I really want to send a message to them. We’re going to reach out. We’re going to show that we’re going to make a difference. And just by the way, it was said earlier that the minimum wage is somehow a core vote policy. That’s not the way I see it because I think we’ve got to reward the hard work of people at every stage in Britain. It’s people on middle and lower incomes who don’t think their hard work is being rewarded in this country and we are going to change it.

ANDREW MARR:
Just before we go to the news, why are you twenty points behind on the economy despite everything you’ve said, do you think?

ED MILIBAND:
Well, look, I think that we have a challenge, as all political parties do. There was a global financial crisis while we were in government. But I’ll tell you this. I relish the economic argument at the election because you’ve got a Tory Party that says the economy is fixed and all of the British people across every part of our country know it’s not the case and they know this country only works for a few and they know it’s got to change and it’s this Labour Party that is going to change it.

ANDREW MARR:
Don’t you think that many people are watching and saying yes he’s very, very good when he talks about redistribution, but we don’t really understand how he’s going to make this country richer and more productive and support profits which is what we need?

ED MILIBAND:
We absolutely are going to do that. And, look, training our young people, cutting taxes for small business, getting our infrastructure right, ensuring that we actually reform our banking system. Look this country needs big reform, not big spending, and actually that is what we’re going to do. So absolutely, it’s about growing the wealth of the country, it’s creating the good jobs at decent wages because that is what’s going to address the cost of living crisis that people face.
ANDREW MARR:
And you’re going to protect profits to allow that to happen?

ED MILIBAND:
Absolutely. Look great businesses making profits, creating jobs is absolutely part of what we need to do. This country needs to come together. This country needs to come together and focus on a plan for the future. What Labour’s setting out this week is our plan for Britain’s future. And, look, I … And the argument about …

ANDREW MARR:
(over) But we are still an indebted country. All those Scottish voters who said if we vote No, we are condemned to years of austerity – it will be Labour austerity or Tory austerity but it’s going to be austerity – they were right, weren’t they?

ED MILIBAND:
There’s going to be a huge difference between a Labour Government and a Tory Government and you’re already seeing it this week. You’re seeing it on the minimum wage, you’ve seen it on a whole range of issues from zero hours contracts to housing, all kinds of issues. But yeah we do need to get the deficit down and we are going to get the deficit down. And there aren’t easy choices and sometimes it does require making tough decisions, but we’re going to get the deficit down but we’re going to change the way this country works and who it works for and we’re going to pull together as a country in a way this prime minister can’t speak for this whole country, he can’t bring our nation together. A Labour Party led by me and in government can do that.

ANDREW MARR:
Ed Miliband, thanks very much for talking to us.

ED MILIBAND:
Thank you.

INTERVIEW ENDS