Andrew Marr: You are the quintessential working class Tory. Do you think that the Tory Party is now the party of the bottom dog and the working class?

Patrick McCloughlin: I think what Theresa May is doing as Prime Minister is trying to say to those parts of the country, which feel left behind, that we’ve got to offer opportunities to them and we’ve got to offer opportunities to every section of our society, irrespective of where they come from if they do the right thing.

Andrew Marr: What was the problem with the phrase ‘just about managing’? Because there’s a report in the Sun that this is now banned in government. Theresa May finds it very, very irritating. You can’t talk about the JAMs any more. Why not?

Patrick McCloughlin: Well, I don’t know that’s – I’m not sure I believe everything I read in newspapers.

Andrew Marr: What? In the Sun?

Patrick McCloughlin: In the Sun or any newspapers. But the truth is what Theresa May said when she entered the steps of Downing Street, entered Number 10, on the steps of Downing Street, that she does want to try and –

Andrew Marr: If you’re struggling to manage I’m on your side.

Patrick McCloughlin: Yes.
**Andrew Marr:** If you’re in financial problems, I’m on your side. And that’s what I want to pick up with you because there’s a very, very interesting report this week from the Resolution Foundation, working on official government figures. And we can show it onscreen here, and there is the forecast income growth during this parliament. There’s the nice bit at the top, there’s the green bit. The richest households going up about four per cent in real income growth. The poorest households down by 16 per cent. That is a devastating indictment of a government that claims to be working on behalf of working people.

**Patrick McCloughlin:** Well, one of the things that we’re doing, I mean, in April you will see the base rate of tax, people earning below £11,000 not paying any income tax at all. We’re taking a number of people out of income tax. So look, these are big issues.

**Andrew Marr:** All of those at the moment are factored in. But let me just dwell on this for a second. Are you embarrassed by that graph?

**Patrick McCloughlin:** Well, let’s see if that graph comes to fruition.

**Andrew Marr:** If it did, would you be embarrassed?

**Patrick McCloughlin:** Well, there are things that we are doing to help those people at the bottom of the income scale, like reducing income tax. So those people who are working, getting low wages, we’re going to reduce the tax that they’re going to be paying.

**Andrew Marr:** But by and large, if you’re in the bottom quartile or the bottom third in terms of income, you face a very, very tough few years under this government.
Patrick McCloughlin: And that’s why we need to ensure that what we’re doing as far as giving people apprenticeships, helping people who aren’t working at the moment into work, that’s why we’ve got record employment rates, these are things which will help people right across the board. Judge us on our record, not on what an organisation says may happen. In three years’ time –

Andrew Marr: Albeit based on official figures.

Patrick McCloughlin: Albeit based on official figures, because things will change.

Andrew Marr: Alright, well let’s look at other things that you could do because three billion pounds or thereabouts was taken out of universal credit by George Osborne, and that has a very, very serious effect – again I’m quoting the Resolution Foundation but using government figures – and they say that a working couple with two children, one parent earning the national living wage, is going to be £1700 a year worse off by 2020.

Patrick McCloughlin: Well, we’ve got to reduce the deficit. We still have a very big deficit in this country.

Andrew Marr: Why on the backs of those people?

Patrick McCloughlin: Well, because we’ve got to look at the whole area and we’ve got to reward those people who work, and that’s what we’re doing. That’s why we’ll be reducing – raising the threshold at which you start paying income tax and looking at other measures. So those are things that will be looked at in the round by the Chancellor in the coming up to the budget, which is in ten days’ time.

Andrew Marr: Can you look again at universal credit cuts?
Patrick McCloughlin: Well, the truth is that we’re spending a lot of money on benefits overall and we need to, as I say, balance the books and get the deficit down.

Andrew Marr: Because Iain Duncan Smith, who is no kind of hang-wringing leftie, I think you’ll agree, sat in that chair when he resigned from the government and said it is simply not fair. Given what’s happening to people – the extra income for people at the top of the heap, what we’re doing on universal credit isn’t fair and it has to change. So I ask again can you look at that again?

Patrick McCloughlin: But Iain actually agreed to that when he was Work and Pensions Secretary. He did not object to the changes being made then and I think that Theresa and the Chancellor and Damian Green will want to look at all these issues in the round.

Andrew Marr: So you think it will be looked at again?

Patrick McCloughlin: We will keep it – we always keep all policies under review.

Andrew Marr: Well, let’s turn to something else. And this is the front page of the FT from Saturday. ‘May faces disability benefits battle.’ You’ve seen this in all the papers. A massive, massive cut to the disability welfare budget. And these are people who are really, really having a tough time already and you’re going to take money that they thought they were going to get away from them.

Patrick McCloughlin: We’re spending, as a country, over £50 billion a year supporting people who have got disabilities in this country. So I think we give overall very generous schemes. There are changes that come about as a result of tribunals, and we have to look at the way in that addresses the whole effect. But as far
as supporting disabled people, I think overall we do very proudly in this country.

Andrew Marr: We are taking £3.7 billion pounds away from them, and again the Disability Rights UK, which is the lobbying body on this, says, ‘these new regulations will hit disabled people and those with serious conditions very hard. The department itself admits that this will include, for example, those with learning disability, diabetes, epilepsy, anxiety or dementia.’ These are people with dementia who are going to lose money under your government. A lot of your fellow MPs are really worried about this. Again I ask you, is this something you can think about again as a government?

Patrick McCloughlin: Well, we obviously listen to what people are saying and look at the proposals which come forward. But overall we’ve got to reduce. We are still spending, as a country, over £60 billion more each year than we are getting in as a country and we’ve got to look at trying to balance that budget and reduce that deficit.

Andrew Marr: Alright, let me turn to another issue. I don’t know if you heard Gina Miller talking during the paper review about the amendment in the House of Lords and Lord Heseltine and so forth. There is a real push in the House of Lords to get written into the legislation a much tougher agreement for a further vote towards the end of the negotiation process for Brexit. If that happens, if the government loses in the House of Lords, what will you do?

Patrick McCloughlin: Well, we will want to see how the Bill evolves once it’s at the House of Lords. But look, the Bill got an overwhelming majority, one of the biggest majorities a Bill has got on its third reading in the House of Commons, and it’s gone to the House of Lords. The Prime Minister has said that there will be a
vote once the negotiations are concluded. The Prime Minister won’t conclude the negotiations if she thinks she’s got a bad deal.

**Andrew Marr:** Is this actually worth having a fight?

**Patrick McCloughlin:** Well, I’m not sure. We’ll see whether we’re going to have a fight or not.

**Andrew Marr:** You might allow the amended Bill to stand?

**Patrick McCloughlin:** No, the Bill should go through as it has come from the House of Commons, the elected House of Commons. I did find it interesting that Gina Miller was going on about sovereignty. The elected House of Commons has overwhelmingly passed a Bill based on the referendum which said that we should pull out of the European Union. Both the Houses of Parliament agreed to that referendum. We can’t now start second-guessing the referendum.

**Andrew Marr:** But a lot of MPs and a lot of ordinary voters think that if the situation changes, there are changes to the economy, if we don’t get a deal that many people want to see go through, in those circumstances there should be some kind of exit route, there should be some kind of slip road off the motorway.

**Patrick McCloughlin:** Look, the Prime Minister will not come back to the House of Commons with a deal that she cannot recommend. So that is what we’ve got to do, we’ve got to give the Prime Minister as much flexibility in the negotiations over those next two years, not giving her a backstop to other issues.

**Andrew Marr:** We’ve talked a lot about the by-elections in the course of the programme. One thing I think that people thought, whether they were just about managing or not, was that the government was on their side over immigration and control of
immigration. And then they heard David Davis this week in Estonia saying that it’s going to be years and years and years before we can persuade British people to do some of the jobs in agriculture and hotels and so forth that EU nationals were doing at the moment, and not to expect any great downturn in immigration for a long time to come. A lot of people will be disturbed by that.

**Patrick McCloughlin:** Well, we had the figures just towards the end of last week which has shown a reduction as far as net immigration to the country as far as the previous figures were concerned. So I think we need to see how that was done and not take one small part of an interview completely out of context. Because David is very committed to the Prime Minister’s agenda, and that is actually ensuring that we get control over our own borders, which was one of the biggest issues in the referendum.

**Andrew Marr:** And is it the case that you’re looking at a much more complicated system of visas for EU migrants to stop more people taking benefits?

**Patrick McCloughlin:** Well, the simple fact is at the moment we’re looking at a lot of things. They’re being discussed, they’re being looked into in detail, and when we’re in a position to be able to make announcements as to what we’re actually going to do, then we will tell you and we’ll tell the House of Commons too.

**Andrew Marr:** After Copeland, how big are your ambitions for taking on the Labour Party in the North and the Midlands?

**Patrick McCloughlin:** Well, I think Copeland was a fantastic result. It was a fantastic result both for the Prime Minister by also for Trudy Harrison, who was a local candidate who brought a great deal of her own local expertise to that particular campaign. So I think it shows that all seats are seats that we’re going to look
at and we’re going to challenge hard in a general election. You wouldn’t expect me, as Conservative Party Chairman, to say that we’re not going to challenge on them.

Andrew Marr: But you’re not going to set a target?

Patrick McCloughlin: No, there’s no numerical target. We will target right across the board. And the simple fact is of course at the moment boundaries are being redrawn, the size of the House of Commons is going to be reduced, so we’re not quite sure yet exactly where the boundaries will be.

Andrew Marr: A lot of talk at the moment about the Trump visit, would be an appropriate guest at the Conservative Party conference this year?

Patrick McCloughlin: Oh, I don’t know. I think the arrangements for the dates have not yet, as far as I know, been finalised, but he’s certainly getting the media talking quite a lot about him.

(ends)