

The White House

Office of the Press Secretary

For Immediate Release

December 07, 2011

Statements by President Barack Obama and Prime Minister of Canada Stephen Harper of Canada

South Court Auditorium

3:16 P.M. EST

PRESIDENT OBAMA: Good afternoon, everybody. Please be seated.

I am very pleased to welcome my friend and partner, Prime Minister Harper, back to the White House. Whenever we get together it's a chance to reaffirm the enduring alliance between our nations, the extraordinary bonds between our peoples, the excellent cooperation between our governments, and my close personal friendship to the Prime Minister.

Stephen, I believe this is the 11th time that we've sat down and worked together, not including our many summits around the world. And on occasions like this, unfortunately, I only speak one language; Stephen moves effortlessly between two. But no matter what language we speak, we always understand each other. In Stephen, I've got a trusted partner, and I think he'll agree that perhaps no two nations match up more closely together, or are woven together more deeply, economically, culturally, than the United States and Canada.

And that deep sense of interconnection, our shared values, our shared interests, infused the work that we have done today -- from supporting a resolution to the eurozone crisis to moving ahead with the transition in Afghanistan, from deepening security cooperation here in the Americas to supporting reform and democratic transitions in the Middle East and North Africa.

Our focus today, however, is on our highest priority, and my top priority as President, and that's creating jobs faster and growing the economy faster. And in this mission, Canada has a special role to play. As most of you know, Canada is our single largest trading partner, our top export market, and those exports -- from cars to food -- support some 1.7 million good-paying American jobs. Canada, in turn, is one of the top foreign investors in the United States, and that creates even more jobs and prosperity.

And the Prime Minister and I are determined not just to sustain this trade but to expand it, to grow it even faster, so we're creating even more jobs and more opportunity for our people.

Canada is key to achieving my goal of doubling American exports and putting folks back to work. And the two important initiatives that we agreed to today will help us do just that.

First, we're agreeing to a series of concrete steps to bring our economies even closer and to improve the security of our citizens -- not just along our shared border, but "beyond the border." Put simply, we're going to make it easier to conduct the trade and travel that creates jobs, and we're going to make it harder for those who would do us harm and threaten our security.

For example, some 90 percent of all our trade -- more than a billion dollars in trade every single day -- passes through our roads, our bridges and our ports. But because of old systems and heavy congestion, it still takes too many products too long to cross our borders. And for every business, either Canadian or American, time is money.

So we're going to improve our infrastructure, we're going to introduce new technologies, we're going to improve cargo security and screening -- all designed to make it easier for our companies to do business and create jobs. And that, by the way, includes our small businesses, which create most of the new jobs here in America. And when they look to export, typically, Canada is one of the most likely places they are to start getting a foothold in the global economy. So it's hugely important for our small and medium-sized businesses.

Last year, more than 100 million people crossed our shared border, including lots of Canadians who, I'd note, spend more money in the United States than any other visitors. So I want to make a pitch: We want even more Canadians visiting the United States. And please spend more money here. We want to make it easier for frequent travelers and our businesspeople to travel, and we're going to create a simplified entry-exit system.

I'd add that along with better screening and sharing more information, this will help us be even smarter about our joint security, concentrating our resources where they're needed most -- identifying real threats to our security before they reach our shores.

The second thing we're doing is we're ramping up our effort to get rid of outdated, unjustified regulations that stifle trade and job creation. This is especially important in sectors like the auto industry, where so many cars and products are built on both sides of the border. But sometimes that's slowed down by regulations and paperwork that, frankly, just doesn't make sense.

So we're going to strike a better balance with sensible regulations that unleash trade and job creation, while still protecting public health and safety. And this builds on the efforts that we have here in the United States, led by Cass Sunstein at OIRA, where we're eliminating billions of dollars in costs from regulations.

Now our two nations are going to be going further, streamlining, eliminating and coordinating regulations, slashing red tape, and we're going to focus on several key sectors, including autos, agriculture and health care. So this can be a win-win situation, where not only are we making our regulatory systems more efficient in our respective countries, but we're also seeing greater convergence between our two countries.

Even as we pursue these two new initiatives, the Prime Minister and I discussed our broader economic relationship. I'm pleased that Canada has expressed an interest in the Trans-Pacific Partnership. Many of you accompanied me to the APEC meeting where you know that this has generated a great deal of interest. So we look forward to consulting with Canada, as well as our TPP partners and others, about how all of us can meet the high standards demanded by this trade agreement. And it can be I think a real model, not only for the region but for the world.

We did discuss the proposed Keystone XL pipeline, which is very important to Canada. And I think the Prime Minister and our Canadian friends understand that it's important for us to make sure that all the questions regarding the project are properly understood, especially its impact on our environment and the health and safety of the American people. And I assured him that we will have a very rigorous process to work through that issue.

So we're going to continue to work as partners and as friends. And, Stephen, on this day and in all the discussions that we have, I want to thank you again for your candor, your sense of common purpose, what you bring -- and your team brings to this partnership. It's been extraordinary. And I want to personally thank you for the progress that our teams made in these two very important announcements that we made today.

I'm confident, by the way, that we are going to implement them diligently. We have folks like Secretary Napolitano from Department of Homeland Security, and Cass Sunstein, who are going to be heading up our team, and making sure that these things go into effect in a way that benefits both the Canadian people and the American people.

And so, Stephen, to all the people of Canada, thank you. To you, thank you. And I wish everybody a wonderful holiday season.

PRIME MINISTER HARPER: Well, thank you, Barack. Thank you for, first of all, our candid conversation today, as always. We always appreciate that. We appreciate all the work that's been done on this. I did mention Bob Hamilton, Simon Kennedy working on our side. But I do want to thank all the officials on both sides who've been working hard over very many months to do what is a very important initiative.

And of course, I do want to thank you for your friendship, not just personally, Barack, but I know the friendship you feel for the entire nation of Canada, and we all do appreciate it.

Today, we are pleased to announce ambitious agreements on perimeter security and economic competitiveness, as well as on regulatory cooperation. These agreements create a new, modern order for a new century. Together, they represent the most significant steps forward in Canada-U.S. cooperation since the North American Free Trade Agreement.

The first agreement merges U.S. and Canadian security concerns with our mutual interest in keeping our border as open as possible to legitimate commerce and travel.

As I said in February, Canada has no friend among America's enemies. What threatens the security and well-being of the United States threatens the security and well-being of Canada.

Nevertheless, measures to deal with criminal and terrorist threats can thicken the border, hindering our efforts to create jobs and growth.

Today, our two governments are taking practical steps to reverse that direction. We are agreed, for example, that the best place to deal with trouble is at the continental perimeter; that smarter systems can reduce the needless inconvenience posed to manufacturers and travelers by multiple inspections of freight and baggage.

We also believe that just as threats should be stopped at the perimeter, trusted travelers should cross the border more quickly. Indeed, these priorities are complementary. The key that locks the door against terrorists also opens a wider gate to cross-border trade and travel.

The second joint initiative will reduce regulatory barriers to trade by streamlining and aligning standards where it makes sense to do so. Naturally, in this area, as in all others, no loss of sovereignty is contemplated by either of our governments. However, every rule needs a reason. Where no adequate reason exists for a rule or standard and that rule hinders us from doing business on both sides of the border, then that rule needs to be reexamined.

Ladies and gentlemen, today's agreements will yield lasting benefits to travelers, traders, manufacturers, in fact everybody whose legitimate business or pleasure takes them across the border. And we take these steps, both of us, to protect jobs, to grow our economies, and to keep our citizens safe. And I say "we" because we are each other's largest export customers. The benefits of cooperation will, therefore, be enjoyed on both sides of the border.

Let me also take this opportunity, Barack, to recognize your leadership in this work. This does reflect the vision -- the large vision -- that you have for continental trade and security, and your commitment to the creation of jobs and growth. And it is, I believe -- these agreements today -- it's always necessary to say it -- the next chapter in a marvelous relationship, and a relationship that really is a shining example to the world.

We talked today about other parts of the world that are more troubled, and believe me, if we could replicate our relationship anywhere in the world, the world would be a better place. We're always delighted to be here, always thankful of having the United States as our great friend and neighbor, and once again, delighted to be here today.

PRESIDENT OBAMA: Thank you so much.

We've got one question each. David Jackson.

Q Thank you, Mr. President. I have Keystone questions for both of you. Mr. President, we've got some House Republicans who are saying they won't approve any extension of the payroll tax cut unless you move up this oil pipeline project. Is that a deal you would consider? And also, how do you respond to their criticism that you punted this issue past the election for political reasons?

And, Prime Minister Harper, you seemed to suggest the other day that politics is behind the way the Keystone issue has been handled. Do you really feel that way?

PRESIDENT OBAMA: First of all, any effort to try to tie Keystone to the payroll tax cut I will reject. So everybody should be on notice. And the reason is because the payroll tax cut is something that House Republicans, as well as Senate Republicans, should want to do regardless of any other issues. The question is going to be, are they willing to vote against a proposal that ensures that Americans, at a time when the recovery is still fragile, don't see their taxes go up by \$1,000. So it shouldn't be held hostage for any other issues that they may be concerned about.

And so my warning is not just specific to Keystone. Efforts to tie a whole bunch of other issues to something that they should be doing anyway will be rejected by me.

With respect to the politics, look, this is a big project with big consequences. We've seen Democrats and Republicans express concerns about it. And it is my job as President of the United States to make sure that a process is followed that examines all the options, looks at all the consequences before a decision is made.

Now, that process is moving forward. The State Department is making sure that it crosses all its t's and dots all its i's before making a final determination. And I think it's worth noting, for those who want to try to politicize this issue, that when it comes to domestic energy production, we have gone all in, because our belief is, is that we're going to have to do a whole range of things to make sure that U.S. energy independence exists for a long time to come -- U.S. energy security exists for a long time to come.

So we have boosted oil production. We are boosting natural gas production. We're looking at a lot of traditional energy sources, even as we insist on transitioning to clean energy. And I think this shouldn't be a Democratic or a Republican issue; this should be an American issue -- how do we make sure that we've got the best possible energy mix to benefit our businesses, benefit our workers, but also benefit our families to make sure that the public health and safety of the American people are looked after. And that's what this process is designed to do.

PRIME MINISTER HARPER: I think my position, the position of the government of Canada, on this issue is very well known, and, of course, Barack and I have discussed that on many occasions. He's indicated to me, as he's indicated to you today, that he's following a proper project to eventually take that decision here in the United States, and that he has an open mind in regards to what the final decision may or may not be.

And that's -- I take that as his answer. And you can appreciate that I would not comment on the domestic politics of this issue or any other issue here in the United States.

Q Excuse me, Mr. President. By rejecting a veto, would you veto any payroll tax cuts if it had something else on it?

PRESIDENT OBAMA: I think it's fair to say that if the payroll tax cut is attached to a whole bunch of extraneous issues not related to making sure that the American people's taxes don't go

up on January 1st, then it's not something that I'm going to accept. And I don't expect to have to veto it because I expect they're going to have enough sense over on Capitol Hill to do the people's business, and not try to load it up with a bunch of politics.

PRIME MINISTER HARPER: I have Lee-Anne Goodman, Canadian Press.

Q Hi, there. Prime Minister, will Canada warn Americans about visitors to Canada from suspect countries like Pakistan, even if they have no intention of coming to the U.S. under this new agreement?

And, Mr. President, do you want to be warned? Do you want that kind of information? And in French, please, Mr. Harper.

PRIME MINISTER HARPER: We do -- I think, as you know, our two countries cooperate on international security issues very closely and very regularly. That cooperation, at the same time, is governed by agreements and defined protocols. And those will remain in effect.

PRESIDENT OBAMA: I don't think I can expand any more on that. (Laughter.) Far more eloquent than I could ever express it. Okay?

Thank you so much, everybody.

PRIME MINISTER HARPER: Thanks, everybody.

END

3:34 P.M. EST