

LET'S LISTEN IN.

>> President Barack Obama: HELLO, GOOD AFTERNOON.

>> Prime Minister Stephen Harper: GOOD AFTERNOON, LADIES AND GENTLEMEN. (Speaking French) >> (Voice of Translator): IT'S A PLEASURE FOR ME TO WELCOME PRESIDENT OBAMA TO CANADA. WE ARE DEEPLY HONOURED THAT HE HAS CHOSEN CANADA FOR HIS FIRST FOREIGN VISIT SINCE TAKING OFFICE. HIS ELECTION TO THE PRESIDENCY LAUNCHES A NEW CHAPTER IN THE RICH HISTORY OF CANADA-U.S. RELATIONS. IT IS A RELATIONSHIP BETWEEN ALLIES, PARTNERS, NEIGHBOURS, AND THE CLOSEST OF FRIENDS, A RELATIONSHIP BUILT ON OUR SHARED VALUES, FREEDOM, DEMOCRACY, AND EQUALITY OF OPPORTUNITY EPITOMIZED BY THE PRESIDENT HIMSELF. OUR DISCUSSIONS TODAY FOCUSED ON THREE MAIN PRIORITIES.

FIRST, PRESIDENT OBAMA AND I AGREE THAT CANADA AND THE UNITED STATES MUST WORK CLOSELY TO COUNTER THE GLOBAL ECONOMIC RECESSION BY IMPLEMENTING MUTUALLY-BENEFICIAL STIMULUS MEASURES AND BY SUPPORTING EFFORTS TO STRENGTHEN THE INTERNATIONAL FINANCIAL SYSTEM. WE CONCUR ON THE NEED FOR IMMEDIATE, CONCERTED ACTION TO RESTORE ECONOMIC GROWTH AND TO PROTECT WORKERS AND FAMILIES HIT HARDEST BY THE RECESSION THROUGH LOWERING TAXES, ENSURING ACCESS TO CREDIT, AND UNLEASHING SPENDING THAT SUSTAINS AND STIMULATES ECONOMIC ACTIVITY.

SECOND, PRESIDENT OBAMA AND I AGREED TO A NEW INITIATIVE THAT WILL FURTHER CROSS-BORDER COOPERATION ON ENVIRONMENTAL PROTECTION AND ENERGY SECURITY. WE ARE ESTABLISHING A U.S.-CANADA CLEAN ENERGY DIALOGUE WHICH COMMITS SENIOR OFFICIALS FROM BOTH COUNTRIES TO COLLABORATE ON THE DEVELOPMENT OF CLEAN ENERGY SCIENCE AND TECHNOLOGIES THAT WILL REDUCE GREENHOUSE GASES AND COMBAT CLIMATE CHANGE. THIRD, THE PRESIDENT AND I HAD A PRODUCTIVE DISCUSSION ABOUT OUR SHARED PRIORITIES FOR INTERNATIONAL PEACE AND SECURITY, PARTICULARLY OUR COMMITMENT TO STABILITY AND PROGRESS IN AFGHANISTAN. THIS HAS BEEN A VERY CONSTRUCTIVE VISIT, REVEALING TO BOTH OF US A STRONG CONSENSUS ON IMPORTANT BILATERAL AND INTERNATIONAL ISSUES. PRESIDENT OBAMA, I LOOK FORWARD TO WORKING WITH YOU IN THE MONTHS AHEAD AS WE MAKE PROGRESS ON THESE ISSUES AND BUILD ON THE LONG AND DEEP FRIENDSHIP BETWEEN OUR PEOPLE AND OUR COUNTRIES. (End of Translation)

>> ONCE AGAIN, IT IS A GREAT PLEASURE TO WELCOME PRESIDENT OBAMA TO CANADA. WE ARE DEEPLY HONOURED THAT HE HAS CHOSEN CANADA FOR HIS FIRST FOREIGN VISIT SINCE TAKING OFFICE. HIS ELECTION TO THE PRESIDENCY LAUNCHES A NEW CHAPTER IN THE RICH HISTORY OF CANADA-U.S. RELATIONS. IT IS A RELATIONSHIP BETWEEN ALLIES, PARTNERS, NEIGHBOURS, AND THE CLOSEST OF FRIENDS, A RELATIONSHIP BUILT ON OUR SHARED VALUES EPITOMIZED BY THE PRESIDENT HIMSELF. OUR DISCUSSIONS TODAY FOCUSED ON THREE MAIN PRIORITIES.

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PRESIDENT OBAMA, I LOOK FORWARD TO WORKING WITH YOU IN THE MONTHS AHEAD TO MAKE PROGRESS ON THESE ISSUES AND BUILD ON THE LONG AND DEEP FRIENDSHIP BETWEEN OUR TWO COUNTRIES AND OUR TWO PEOPLES.

>> President Barack Obama: THANK YOU SO MUCH. THANK YOU. WELL, IT IS A GREAT PLEASURE TO BE HERE IN OTTAWA, AND PRIME MINISTER HARPER AND I JUST COMPLETED A PRODUCTIVE AND WIDE-RANGING DISCUSSION ON THE MANY ISSUES OF COMMON CONCERN TO THE PEOPLE OF THE UNITED STATES AND CANADA. I CAME TO CANADA ON MY FIRST TRIP AS PRESIDENT TO UNDERSCORE THE CLOSENESS AND IMPORTANCE OF THE RELATIONSHIP BETWEEN OUR TWO NATIONS AND TO REAFFIRM THE COMMITMENT OF THE UNITED STATES TO WORK WITH FRIENDS AND PARTNERS TO MEET THE COMMON CHALLENGES OF OUR TIME.

AS NEIGHBOURS, WE ARE SO CLOSELY LINKED THAT SOMETIMES WE MAY HAVE A TENDENCY TO TAKE OUR RELATIONSHIP FOR GRANTED, BUT THE VERY SUCCESS OF OUR FRIENDSHIP THROUGHOUT HISTORY DEMANDS THAT WE RENEW AND DEEPEN OUR COOPERATION HERE IN THE 21st CENTURY. WE'RE JOINED TOGETHER BY THE WORLD'S LARGEST TRADING RELATIONSHIP AND COUNTLESS DAILY INTERACTIONS THAT KEEP OUR BORDERS OPEN AND SECURE. WE SHARE CORE DEMOCRATIC VALUES AND A COMMITMENT TO WORK ON BEHALF OF PEACE, PROSPERITY, AND HUMAN RIGHTS AROUND THE WORLD. WE ALSO KNOW THAT OUR ECONOMY AND OUR SECURITY ARE BEING TESTED IN NEW WAYS, AND THE PRIME MINISTER AND I FOCUSED ON SEVERAL OF THOSE CHALLENGES TODAY. AS HE ALREADY MENTIONED, FIRST WE SHARED A COMMITMENT TO ECONOMIC RECOVERY. THE PEOPLE OF NORTH AMERICA ARE HURTING, AND THAT IS WHY OUR GOVERNMENTS ARE

ACTING. THIS WEEK I SIGNED THE MOST SWEEPING ECONOMIC RECOVERY PLAN IN OUR NATION'S HISTORY.

TODAY, THE PRIME MINISTER AND I DISCUSSED OUR RESPECTIVE PLANS TO CREATE JOBS AND LAY A FOUNDATION FOR GROWTH, THE WORK THAT'S BEING DONE BY THIS GOVERNMENT TO STIMULATE THE ECONOMY ON THIS SIDE OF THE BORDER IS WELCOMED, AND WE EXPECT THAT WE CAN TAKE ACTIONS IN CONCERT TO STRENGTHEN THE AUTO INDUSTRY AS WELL. WE KNOW THAT THE FINANCIAL CRISIS IS GLOBAL. SO OUR RESPONSE MUST BE GLOBAL. THE UNITED STATES AND CANADA ARE WORKING CLOSELY ON A BILATERAL BASIS AND WITHIN THE G-8 AND G-20 TO RESTORE CONFIDENCE IN OUR FINANCIAL MARKETS.

I DISCUSSED THIS WITH PRIME MINISTER HARPER, AND WE LOOK FORWARD TO CARRYING THAT COLLABORATION TO LONDON THIS SPRING. SECOND, WE ARE LAUNCHING, AS WAS MENTIONED, A NEW INITIATIVE TO MAKE PROGRESS ON ONE OF THE MOST PRESSING CHALLENGES OF OUR TIME, THE DEVELOPMENT AND USE OF CLEAN ENERGY. HOW WE PRODUCE AND USE ENERGY IS FUNDAMENTAL TO OUR ECONOMIC RECOVERY BUT ALSO OUR SECURITY AND OUR PLANET, AND WE KNOW THAT WE CAN'T AFFORD TO TACKLE THESE ISSUES IN ISOLATION, AND THAT'S WHY WE'RE UPDATING OUR COLLABORATION ON ENERGY TO MEET THE NEEDS OF THE 21st CENTURY.

THE CLEAN ENERGY DIALOGUE THAT WE'VE ESTABLISHED TODAY WILL STRENGTHEN OUR JOINT RESEARCH AND DEVELOPMENT. IT WILL ADVANCE CARBON REDUCTION TECHNOLOGIES, AND IT WILL SUPPORT THE DEVELOPMENT OF AN ELECTRIC GRID THAT CAN HELP DELIVER THE CLEAN AND RENEWABLE ENERGY OF THE FUTURE TO HOMES AND BUSINESSES BOTH IN CANADA AND THE UNITED STATES. THROUGH THIS EXAMPLE AND THROUGH CONTINUED INTERNATIONAL NEGOTIATIONS, THE UNITED STATES AND CANADA ARE COMMITTED TO CONFRONTING THE THREAT POSED BY CLIMATE CHANGE.

IN ADDITION TO CLIMATE CHANGE, PRIME MINISTER HARPER AND I DISCUSSED THE NEED FOR STRONG BILATERAL COOPERATION ON A RANGE OF GLOBAL CHALLENGES, ONE OF THE MOST PRESSING BEING AFGHANISTAN. THE PEOPLE OF CANADA HAVE AN ENORMOUS BURDEN THERE THAT THEY HAVE BORNE AS I MENTIONED IN AN INTERVIEW PRIOR TO THIS VISIT, THOSE OF US IN THE UNITED STATES ARE EXTRAORDINARILY GRATEFUL FOR THE SACRIFICES OF THE FAMILIES HERE IN CANADA OF TROOPS THAT HAVE BEEN DEPLOYED AND HAVE CARRIED ON THEIR MISSIONS WITH EXTRAORDINARY VALOUR. YOU'VE PUT AT RISK YOUR MOST PRECIOUS RESOURCE, YOUR BRAVE MEN AND WOMEN IN UNIFORM, SO WE ARE VERY GRATEFUL FOR THAT. THERE IS AN ENDURING MILITARY MISSION AGAINST al-QAEDA AND THE TALIBAN IN AFGHANISTAN AND ALONG THE BORDER REGIONS BETWEEN AFGHANISTAN AND PAKISTAN, BUT WE ALSO HAVE TO ENHANCE OUR DIPLOMACY AND OUR DEVELOPMENT EFFORTS, AND WE DISCUSSED THIS IN OUR PRIVATE MEETINGS. MY ADMINISTRATION IS UNDERTAKING A REVIEW OF OUR POLICIES SO THAT WE FORGE A COMPREHENSIVE STRATEGY IN PURSUIT OF CLEAR AND ACHIEVABLE GOALS, AND, AS WE MOVE FORWARD, WE INTEND TO CONSULT VERY CLOSELY WITH THE GOVERNMENT HERE IN CANADA TO

MAKE CERTAIN THAT ALL OUR PARTNERS ARE WORKING IN THE SAME DIRECTION.

IN APRIL, WE'LL HAVE A BROADER DIALOGUE WITH OUR N.A.T.O. ALLIES ON HOW TO STRENGTHEN THE ALLIANCE TO MEET THE EVOLVING SECURITY CHALLENGES AROUND THE WORLD. FINALLY, WE'LL LOOK FORWARD TO THE SUMMIT OF THE AMERICAS. MY ADMINISTRATION IS FULLY COMMITTED TO ACTIVE AND SUSTAINED ENGAGEMENT TO ADVANCE THE COMMON SECURITY AND PROSPERITY OF OUR HEMISPHERE. WE WILL WORK CLOSELY WITH CANADA IN ADVANCING THESE GOALS AND LOOK FORWARD TO A MEANINGFUL DIALOGUE IN TRINIDAD. AS I'VE SAID, THE UNITED STATES IS ONCE AGAIN READY TO LEAD, BUT STRONG LEADERSHIP DEPENDS ON STRONG ALLIANCES, AND STRONG ALLIANCES DEPEND ON CONSTANT RENEWAL. EVEN THE CLOSEST OF NEIGHBOURS NEED TO MAKE THAT EFFORT TO LISTEN TO ONE ANOTHER, TO KEEP OPEN THE LINES OF COMMUNICATION, AND TO STRUCTURE OUR COOPERATION AT HOME AND AROUND THE WORLD. THAT'S THE WORK THAT WE'VE BEGUN HERE TODAY. I AM EXTRAORDINARILY GRATEFUL TO PRIME MINISTER HARPER FOR HIS HOSPITALITY, HIS GRACIOUSNESS, AND HIS LEADERSHIP, AND I'M LOOKING FORWARD TO THIS BEING THE START OF A CONTINUED EXTRAORDINARY RELATIONSHIP BETWEEN OUR TWO COUNTRIES. >> GOOD AFTERNOON. WE'LL START WITH DAVID JACKSON, "U.S.A. TODAY."

>> Question: THANK YOU, MR. PRESIDENT, MR. PRIME MINISTER. I HAVE AFGHANISTAN QUESTIONS FOR YOU BOTH. MR. PRESIDENT, GENERAL MCKINNON REQUESTED 30,000 EXTRA TROOPS. YOUR NEW ORDER CALLS FOR 17,000. HOW LIKELY IS IT THAT YOU WILL MAKE UP THAT DIFFERENCE AFTER THE REVIEW YOU'VE MENTIONED, AND MORE IMPORTANTLY, HOW LONG CAN WE EXPECT ALL U.S. COMBAT TROOPS TO BE IN AFGHANISTAN? MR. PRIME MINISTER, BASED ON YOUR DISCUSSIONS TODAY, ARE YOU RECONSIDERING THE 2011 DEADLINE FOR TROOP WITHDRAWAL, AND ARE YOU ALSO THINKING ABOUT INCREASING ECONOMIC AID TO AFGHANISTAN? >> President Barack Obama: WELL, DAVID, THE PRECISE REASON THAT WE'RE DOING A REVIEW IS BECAUSE I THINK THAT OVER THE LAST SEVERAL YEARS, WE TOOK OUR EYE OFF THE BALL, AND THERE'S IS A CONSENSUS OF A DETERIORATING -- THAT THERE IS A DETERIORATING SITUATION IN AFGHANISTAN. I DON'T WANT TO PREJUDGE THAT REVIEW. I ORDERED THE EXTRA TROOPS BECAUSE I FELT IT WAS NECESSARY TO STABILIZE THE SITUATION THERE IN ADVANCE OF THE ELECTIONS THAT ARE COMING UP. BUT WE HAVE 60 DAYS OF WORK TO DO. THAT REVIEW, WHICH WILL BE WIDE RANGING, WILL THEN RESULT IN A REPORT THAT'S PRESENTED TO ME, AND AT THAT POINT WE WILL BE ABLE TO, I THINK, PROVIDE YOU WITH SOME CLEARER DIRECTION IN TERMS OF HOW WE INTEND TO APPROACH AFGHANISTAN. IN TERMS OF LENGTH, HOW LONG WE MIGHT BE THERE, OBVIOUSLY THAT'S GOING TO BE CONTINGENT ON THE STRATEGY WE DEVELOP OUT OF THIS REVIEW. I'M NOT PREJUDGING THAT AS WELL. I SHOULD MENTION, JUST TO PRE-EMPT OR TO ANTICIPATE PRIME MINISTER HARPER'S -- THE QUESTION DIRECTED AT HIM THAT I CERTAINLY DID NOT PRESS THE PRIME MINISTER ON ANY ADDITIONAL COMMITMENTS BEYOND THE ONES THAT HAVE ALREADY BEEN MADE. ALL I DID WAS TO COMPLIMENT CANADA ON NOT ONLY THE TROOPS THAT ARE THERE, THE 108 THAT HAVE FALLEN AS A CONSEQUENCE OF ENGAGEMENT IN AFGHANISTAN,

BUT ALSO THE FACT THAT CANADA'S LARGEST FOREIGN AID RECIPIENT IS AFGHANISTAN. THERE HAS BEEN EXTRAORDINARY EFFORT THERE, AND WE JUST WANTED TO MAKE SURE THAT WE WERE SAYING THANK YOU.

>> Prime Minister Stephen Harper: JUST VERY QUICKLY, AS YOU PROBABLY KNOW, IT WAS JUST LAST YEAR THAT WE WERE ABLE TO GET THROUGH PARLIAMENT A BIPARTISAN RESOLUTION EXTENDING OUR MILITARY ENGAGEMENT IN AFGHANISTAN FOR AN ADDITIONAL CLOSE TO FOUR YEARS AT THAT POINT. AS WE MOVE FORWARD, WE ANTICIPATE AN EVEN GREATER ENGAGEMENT ON ECONOMIC DEVELOPMENT. THAT'S PART OF THE STRATEGY THAT WE ADOPTED.

I WOULD JUST SAY THIS... YOU KNOW, OBVIOUSLY WE'RE OPERATING WITHIN A PARLIAMENTARY RESOLUTION. I WOULD JUST SAY THIS IN TERMS OF THE UNITED STATES LOOKING AT ITS OWN FUTURE ENGAGEMENT. WE ARE HIGHLY APPRECIATIVE OF THE FACT THE UNITED STATES IS GOING TO BE A PARTNER WITH US ON THE GROUND IN KANDAHAR. THE GOAL OF OUR MILITARY ENGAGEMENT, ITS PRINCIPAL GOAL IS THE TRAINING OF THE AFGHAN ARMY SO THE AFGHANS THEMSELVES CAN BECOME RESPONSIBLE FOR THEIR DAY-TO-DAY SECURITY IN THAT COUNTRY. I'M STRONGLY OF THE VIEW, HAVING LED -- AS A GOVERNMENT LEADER, HAVING BEEN RESPONSIBLE NOW FOR A MILITARY MISSION IN KANDAHAR PROVINCE, THAT WE ARE NOT IN THE LONG TERM THROUGH OUR OWN EFFORTS GOING TO ESTABLISH PEACE AND SECURITY IN AFGHANISTAN. THAT JOB ULTIMATELY CAN BE DONE ONLY BY THE AFGHANS THEMSELVES. SO I WOULD HOPE THAT ALL STRATEGIES THAT COME FORWARD HAVE THE IDEA OF AN END DATE, OF A TRANSITION TO AFGHAN RESPONSIBILITY FOR SECURITY, AND TO GREATER WESTERN PARTNERSHIP FOR ECONOMIC DEVELOPMENT. (Please Stand By)

FINALLY ON THE ENVIRONMENT, BEYOND RESEARCH AND TECHNOLOGY AND SCIENCE HOW FAR YOUR TOWNT TWO COUNTRIES ARE WILLING TO GO TO HARMONIZE YOUR STRATEGIES WITH GREENHOUSE GAS, AND ESPECIALLY WHEN THEY'RE SO DIFFERENT, WITH CANADA REFUSING TO HAVE HARD CAPS IN PART BECAUSE OF THE OILSANDS? THANK YOU.

>> Prime Minister Stephen Harper: YOU WANT ME TO ANSWER FIRST?

>> President Barack Obama: PLEASE. >> Prime Minister Stephen Harper: [Voice of Translator]: THE U.S. DON'T HAVE THEIR OWN NATIONAL STRATEGY YET. OF COURSE THERE ARE DECISIONS THAT WILL HAVE TO BE MADE IN THE U.S. AND THE PRESIDENT WILL HAVE TO MAKE THESE DECISIONS IN THE FUTURE. IT'S RATHER EARLY TO TALK ABOUT HARMONIZATION OF SUCH THINGS. TODAY WE'RE ESTABLISHING A VERY IMPORTANT DIALOGUE ON STRATEGIES TO REDUCE GREENHOUSE GASES THROUGH THE DEVELOPMENT OF TECHNOLOGY. THE PRESIDENT AND HIS ADMINISTRATION ARE MAKING SIGNIFICANT INVESTMENTS IN THIS REGARD AND WE ARE DOING THE SAME. NOW WITH REGARD TO THE DIFFERENCES IN OUR APPROACHES, AS I'VE JUST SAID THE U.S. HAVE JUST STARTED DEVELOPING THEIR APPROACH, AND AS YOU KNOW CANADA HAD DIFFICULTIES FOR DECADES NOW IN GETTING A SINGLE APPROACH IN AN INTEGRATED CONTINENTAL ECONOMY. SO ON OUR SIDE WE HAVE TO EXAMINE AS THE U.S. DO, AS THEY MAKE PROGRESS, AND

WE'LL MAKE PROGRESS IN THIS SYSTEM, WE WILL SEEK OPPORTUNITIES TO HARMONIZE THIS, TO MEET OUR OWN NEEDS. BUT, YOU KNOW, THE APPROACHES ARE NOT THAT DIFFERENT. IF I LOOK AT THE PROPOSALS MADE IN PRESIDENT OBAMA'S ELECTORAL PLATFORM AND OUR OWN, THE REALITY IS THAT GENERALLY SPEAKING THE TARGETS ARE MORE OR LESS THE SAME. IF WE'RE TALKING ABOUT INTERMEDIARY TARGETS, INTENSITY TARGETS IN AN ABSOLUTE WAY, THESE ARE SIMPLY TWO WAYS OF MEASURING THE SAME THING. YOU CAN CONVERT ONE TO THE OTHER. SO I'M CONVINCED THAT WE WILL HAVE A GREAT DEAL IN COMMON AS WE MOVE FORWARD.

>> Prime Minister Stephen Harper: BRIEFLY, FIRST OF ALL, REALLY PREMATURE IT TALK ABOUT ANYTHING LIKE, THAT ANYTHING LIKE HARMONIZATION WITH THE UNITED STATES, THE UNITED STATES HAS NOT HAD A NATIONAL DIALOGUE AND DEBATE ON ITS OWN DETAILED APPROACH, OBVIOUSLY, THAT'S SOMETHING THAT THE PRESIDENT'S ADMINISTRATION WILL BE DOING. WHAT WE AGREED TO TODAY IS A DIALOGUE ON CLEAN ENERGY AND PARTICULARLY ON THE DEVELOPMENT OF CLEAN ENERGY TECHNOLOGY. BOTH OF OUR GOVERNMENTS ARE MAKING LARGE INVESTMENTS IN THINGS SUCH AS CARBON CAPTURE AND STORAGE AND OTHER NEW TECHNOLOGIES DESIGNED TO FIGHT CLIMATE CHANGE. WE SHARE OUR DOCUMENT ON THIS CLEAN ENERGY DIALOGUE, TALKS ABOUT THINGS WE CAN DO TOGETHER TO IMPROVE THE ELECTRICITY GRID IN NORTH AMERICA, THERE'S ALL KINDS OF THINGS WE CAN DO TOGETHER INDEPENDENT OF ANY AMERICAN REGULATORY APPROACH ON CLIMATE CHANGE.

WE WILL BE WATCHING WHAT THE UNITED STATES DOES WITH A LOT OF -- WITH A LOT OF INTEREST FOR THE OBVIOUS REASONS THAT AS WE ALL KNOW THAT CANADA HAS HAD GREAT DWFLTY DEVELOPING AN EFFECTIVE REGULATORY REGIME ALONE IN THE CONTEXT OF AN INTEGRATED CONTINENTAL ECONOMY. IT'S VERY HARD TO HAVE A TOUGH REGULATORY SYSTEM HERE WHEN WE ARE COMPETING WITH AN UNREGULATED ECONOMY SOUTH OF THE BORDER. SO WE'LL BE WATCHING WHAT THE UNITED STATES DOES, WE'LL BE LOOKING OURSELVES FOR OUR OWN SAKE AT OPPORTUNITIES FOR HARMONIZATION, TO MAKE OUR POLICIES AS EFFECTIVE AS THEY CAN. AND I DON'T THINK THAT THE DIFFERENCES ARE NEAR AS STARK AS YOU WOULD SUGGEST.

WHEN I LOOK AT THE PRESIDENT'S PLATFORM, THE KIND OF TARGETS HIS ADMINISTRATION HAS LAID OUT FOR THE REDUCTION OF GREENHOUSE GASES ARE VERY SIMILAR TO OURS. YOU SAY WE HAVE INTENSITY AND THE TRUTH IS THAT THESE ARE TWO WAYS OF MEASURING THE SAME THING, YOU CAN CONVERT ONE TO THE OTHER IF THAT'S WHAT YOU WANT TO DO, AND SO I'M QUITE OPTIMISTIC. I'LL BE WATCHING WHAT'S DOWN IN THE UNITED STATES WITH GREAT INTEREST BUT I'M QUITE OPTIMISTIC THAT WE NOW HAVE A PARTNER ON THE NORTH AMERICAN CONTINENT THAT WILL PROVIDE LEADERSHIP TO THE WORLD ON THE CLIMATE CHANGE ISSUE. AND I THINK THAT'S AN IMPORTANT DEVELOPMENT.

>> President Barack Obama: WELL, THIS IS NOT JUST A U.S. OR A CANADIAN ISSUE, THIS IS A WORLDWIDE ISSUE THAT WE'RE GOING TO HAVE TO CONFRONT. THERE ARE GOOD, SOUND ECONOMIC REASONS FOR US TO

ADDRESS THIS ISSUE. TO THE EXTENT THAT ON BOTH SIDES OF THE BORDER WE CAN MAKE OUR ECONOMIES MORE ENERGY EFFICIENT, THAT SAVES CONSUMERS MONEY, THAT SAVES BUSINESSES MONEY. IT HAS THE ADDED ADVANTAGE OF ENHANCING OUR ENERGY SECURITY AND WE ARE VERY GRATEFUL FOR THE RELATIONSHIP THAT WE HAVE WITH CANADA, AND CANADA BEING OUR LARGEST ENERGY SUPPLIER, BUT I THINK THAT INCREASINGLY WE HAVE TO TAKE INTO ACCOUNT THAT THE ISSUE OF CLIMATE CHANGE AND GREENHOUSE GASES IS SOMETHING THAT'S GOING TO HAVE AN IMPACT ON ALL OF US AND AS TWO RELATIVELY WEALTHY COUNTRIES, IT'S IMPORTANT FOR US TO SHOW LEADERSHIP IN THIS AREA. I THINK THAT THE CLEAN ENERGY DIALOGUE IS AN EXTRAORDINARY BEGINNING BECAUSE RIGHT NOW THERE ARE NO SILVER BULLETS TO SOLVE ALL OF OUR ENERGY PROBLEMS. WE'RE GOING TO HAVE TO TRY A WHOLE RANGE OF THINGS AND THAT'S WHY SHARING TECHNOLOGY AND SHARING IDEAS AND SHARING RESEARCH AND DEVELOPMENT IS SO IMPORTANT.

HERE IN CANADA YOU HAVE THE ISSUE OF THE OILSANDS, IN THE UNITED STATES WE HAVE ISSUES AROUND COAL, FOR EXAMPLE, THAT ARE EXTRAORDINARILY PLENTIFUL AND RUNS A LOT OF OUR POWER PLANTS AND IF WE CAN FIGURE OUT HOW TO CAPTURE THE CARBON THAT WOULD MAKE AN ENORMOUS DIFFERENCE IN HOW WE OPERATE. RIGHT NOW THE TECHNOLOGIES ARE AT LEAST NOT COST EFFECTIVE. AND SO MY EXPECTATION IS THAT THIS CLEAN ENERGY DIALOGUE WILL MOVE US IN THE RIGHT DIRECTION, WE'RE NOT GOING TO SOLVE THESE PROBLEMS OVERNIGHT AS PRIME MINISTER INDICATED. WE HAVE TO COMPLETE OUR DOMESTIC DEBATE AND DISCUSSION AROUND THESE ISSUES, MY HOPE IS THAT WE CAN SHOW LEADERSHIP SO THAT BY THE TIME THE INTERNATIONAL CONFERENCE TAKES PLACE IN COPENHAGEN THAT THE UNITED STATES HAS SHOWN ITSELF COMMITTED AND READY TO DO ITS PART.

I THINK THAT THE MORE WE CAN COORDINATE WITH CANADA AS WELL AS MEXICO, A COUNTRY THAT HAS ALREADY SHOWN INTEREST IN LEADERSHIP ON THIS ISSUE. AND WHEN I SPOKE TO PRESIDENT CALDERON HE INDICATED THAT THIS WAS AN AREA OF INTEREST TO HIM. WITHIN THIS HEMISPHERE WE CAN SHOW LEADERSHIP, THE MORE LIKELY WE CAN DRAW IN COUNTRIES LIKE CHINA AND INDIA WHOSE PARTICIPATION IS ABSOLUTELY CRITICAL FOR US TO BE ABLE TO SOLVE THIS PROBLEM OVER THE LONG TERM. AND AS PRIME MINISTER HARPER SUGGESTED THERE'S GOING TO BE A NUMBER OF DIFFERENT WAYS TO GO AFTER THIS PROBLEM. YOU KNOW, WE HAVE SUGGESTED A CAP AND TRADE SYSTEM AND THERE'S OTHER COUNTRIES WHO DISCUSSED THE POSSIBILITIES OF A CARBON TAX. I THINK THERE'S NO COUNTRY ON EARTH THAT IS NOT CONCERNED ABOUT BALANCING DEALING WITH THIS ISSUE ON THE ENVIRONMENTAL SIDE AND MAKING SURE THAT IN THE MIDST OF A SEVERE RECESSION THAT IT'S NOT HAVING TOO MUCH OF AN ADVERSE IMPACT ON ECONOMIC GROWTH AND EMPLOYMENT. SO WE THINK THAT WE CAN BENEFIT BY LISTENING AND SHARING IDEAS IDEASAND MY HOPE IS THAT WE EMEE FROM THIS PROCESS FIRMLY COMMITTED TO DOLING WITH AN ISSUE THAT ULTIMATELY THE PRIME MINISTER'S CHILDREN AND MY CHILDREN ARE GOING TO HAVE TO LIVE WITH FOR MANY YEARS.

>> JONATHAN WISEMAN, "WALL STREET JOURNAL." >> Question: THANK YOU TO BOTH OF YOU. I HAVE A QUESTION FOR BOTH OF YOU. MR. PRESIDENT, ON TUESDAY YOU SAID THAT NOW IS NOT THE TIME TO REOPEN NAFTA BUT YOUR AIDE SAID THAT YOU WOULD BE TRYING TO CONVINCE OUR FRIENDS IN CANADA AND IN MEXICO OF THE RIGHTNESS OF YOUR POSITION. SO, FIRST, DID YOU CONVINCE OUR FRIENDS IN CANADA? AND WHEN IS THE RIGHT TIME TO INCORPORATE LABOR ENVIRONMENTAL STANDARDS INTO THE MAIN BODY OF NAFTA? SECOND, FOR PRIME MINISTER HARPER, MR. PRIME MINISTER, IS THERE A WAY FOR A BUY AMERICAN PROVISION TO BE COMPLIANT WITH THE U.S. OBLIGATIONS UNDER THE WORLD TRADE ORGANIZATION?

>> President Barack Obama: WELL, FIRST OF ALL, JONATHAN, I'M NOT SURE THAT WAS MY EXACT QUOTE. I ALWAYS GET A LITTLE NERVOUS ABOUT RESPONDING TO QUOTES WITHOUT ME ACTUALLY SEEING IT. I THINK WHAT I SAID WAS THAT NOW IS A TIME WHEN WE'VE GOT TO BE VERY CAREFUL ABOUT ANY SIGNALS OF PROTECTIONISM BECAUSE AS THE ECONOMY OF THE WORLD CONTRACTS, I THINK THERE'S GOING TO BE A STRONG IMPULSE ON THE PART OF CONSTITUENCIES IN ALL COUNTRIES TO SEE IF THEY CAN ENGAGE IN BIGGER THEIR NEIGHBOUR POLICIES AND AS ONE OF THE LARGEST ECONOMIES IN THE WORLD IT'S IMPORTANT FOR US TO MAKE SURE WE'RE SHOWING LEADERSHIP IN THE BELIEF THAT TRADE ULTIMATELY IS BENEFICIAL TO ALL COUNTRIES. HAVING SAID THAT, WHAT I ALSO INDICATED WAS THAT WITH A NAFTA AGREEMENT THAT HAS LABOR PROVISIONS AND ENVIRONMENTAL PROVISIONS AS SIDE AGREEMENTS, STRIKES ME IF THOSE SIDE AGREEMENTS MEAN ANYTHING THEY MIGHT AS WELL BE INCORPORATED INTO THE MAIN BODY OF THE AGREEMENT SO THEY CAN BE EFFECTIVELY ENFORCED. I THINK THAT IT IS IMPORTANT, WHETHER WE'RE TALKING ABOUT OUR RELATIONSHIPS WITH CANADA OR OUR RELATIONSHIPS WITH MEXICO, THAT ALL COUNTRIES CONCERNED ARE THINKING ABOUT HOW WORKERS ARE BEING TREATED AND ALL COUNTRIES CONCERNED ARE THINKING ABOUT ENVIRONMENTAL ISSUES OF THE SORT THAT EMANUEL JUST RAISED EARLIER. AND SO, YOU KNOW, I'VE RAISED THIS ISSUE WITH PRIME MINISTER HARPER.

MY HOPE IS THAT AS OUR ADVISORS AND STAFFS AND ECONOMIC TEAMS WORK THIS THROUGH, THAT THERE'S A WAY OF DOING THIS THAT IS NOT DISRUPTIVE TO THE EXTRAORDINARILY IMPORTANT TRADE RELATIONSHIPS THAT EXIST BETWEEN THE UNITED STATES AND CANADA. YOU DIDN'T ASK ME ABOUT THE BUY AMERICAN PROVISIONS, BUT SINCE IT RELATES TO OUR RECOVERY PACKAGE, LET ME JUST REITERATE AND I SAID THIS VERY CLEARLY BEFORE THE BILL WAS PASSED AND BEFORE I SIGNED IT THAT I THINK THAT IT WAS VERY IMPORTANT TO MAKE SURE THAT ANY PROVISIONS THAT WERE THERE WERE CONSTANT WITH OUR OBLIGATIONS UNDER W.T.O. AND NAFTA. AND I THINK THAT IS WHAT WE'VE ACHIEVED. I RECOGNISE THE CONCERNS OF CANADA, GIVEN HOW SIGNIFICANT TRADE WITH THE UNITED STATES IS, TO THE CANADIAN ECONOMY. I PROVIDED PRIME MINISTER HARPER AN ASSURANCE THAT I WANT TO GROW TRADE AND NOT CONTRACT IT. AND I DON'T THINK THAT THERE WAS ANYTHING IN THE RECOVERY PACKAGE THAT IS ADVERSE TO THAT GOAL.

>> Prime Minister Stephen Harper: I'LL ANSWER BOTH QUESTIONS AS WELL. FIRST OF ALL, I JUST THINK THAT IT'S IMPORTANT TO REITERATE THAT SINCE

NAFTA CAME INTO FORCE AND MORE IMPORTANTLY SINCE CANADA SIGNED ITS FREE-TRADE AGREEMENT WITH THE UNITED STATES IN 1988, TRADE AGREEMENTS BETWEEN OUR TWO COUNTRIES HAVE BEEN NOTHING BUT BENEFICIAL FOR THESE TWO COUNTRIES. THERE HAS BEEN A MASSIVE EXPLOSION OF TRADE, IT WAS ALREADY THE BIGGEST TRADING RELATIONSHIP IN THE WORLD, IT'S SO MUCH BIGGER NOW, AND THAT TRADE SUPPORTS, YOU KNOW, COUNTLESS MILLIONS OF JOBS. AND I DON'T THINK THAT WE SHOULD ALSO FORGET THE LEADERSHIP THAT WAS ESTABLISHED IN THAT. YOU KNOW, THIS WAS AT THE END OF THE COLD WAR AND CANADA-U.S. SIGNED THE FIRST MODERN GENERATION TRADE AGREEMENT THAT REALLY STARTED -- STARTED THE PROLIFERATION OF THESE TYPES OF AGREEMENTS, WHICH REALLY GAVE US THE GROWTH OF GLOBAL ECONOMY. NOW, YOU KNOW, I KNOW SOME ASPECTS OF TRADE INVARIABLY CAUSE POLITICAL CONCERNS BUT NOBODY SHOULD THINK FOR A MINUTE THAT TRADE BETWEEN CANADA AND THE UNITED STATES IS ANYTHING BUT A BENEFIT BETWEEN THE TWO OF US, AND, QUITE FRANKLY, THE TRADE CHALLENGES WE FACE ARE COMMON TRADE CHALLENGES. THE TRADE CHALLENGES WE FACE IN NORTH AMERICA ARE COMMON TRADE CHALLENGES AND THEY'RE NOT PROBLEMS BETWEEN OUR COUNTRIES.

SO I JUST THINK THAT IT'S ALWAYS IMPORTANT TO KEEP THIS IN MIND, THE PRESIDENT AND I DID HAVE A GOOD DISCUSSION OF HIS CONCERNS, YOU KNOW, OUR POSITION IS THAT WE'RE PERFECTLY WILLING TO LOOK AT WAYS WE CAN ADDRESS SOME OF THESE CONCERNS WHICH I UNDERSTAND WITHOUT, YOU KNOW, OPENING THE WHOLE NAFTA AND UNRAVELLING WHAT IS SAY VERY VERY COMPLEX AGREEMENT, BUT WE HAD A GOOD DISCUSSION ON THAT AND I'M HOPE HALF THAT WE'LL BE ABLE TO MAKE SOME PROGRESS. ON THE BUY AMERICAN PROVISIONS AND I MUST BE VERY CLEAR AS WELL THAT IN BOTH W.T.O. AND NAFTA THERE ARE INDUSTRIES AND THERE ARE WAYS IN WHICH AND THERE ARE LEVELS OF GOVERNMENTS AT WHICH ONE CAN HAVE DOMESTIC PREFERENCES IN PURCHASING POLICIES, THESE THINGS ARE ALLOWED IN SOME CASES BUT THEY'RE CERTAINLY NOT ALLOWED WITHOUT LIMIT. WE EXPECT THE UNITED STATES TO ADHERE TO ITS INTERNATIONAL OBLIGATIONS AND BASED ON WHAT THE PRESIDENT HAS TOLD ME AND WHAT HE SAID PUBLICLY MANY TIMES IN THE PAST THAT THE UNITED STATES WILL DO JUST THAT, BUT I CAN'T EMPHASIZE HOW IMPORTANT IT IS THAT WE DO THAT.

WE HAVE AGREED IN CANADA AND ALL THE MAJOR COUNTRIES OF THE WORLD THROUGH THE G-20, WE AGREED TO PURSUE ECONOMIC STIMULUS MEASURES, NOT JUST TO STIMULATE OUR OWN ECONOMIES, BUT TO RECOGNISE THAT WE HAVE A SYNCHRONIZED GLOBAL RECESSION THAT REQUIRES POLICIES THAT WILL NOT JUST BENEFIT OURSELVES BUT BENEFIT OUR TRADING PARTNERS AT THE SAME TIME. IF WE PURSUE STIMULUS PACKAGES, THE GOAL OF WHICH IS ONLY TO BENEFIT OURSELVES, OR TO BENEFIT OURSELVES WORSE AT THE EXPENSE OF OTHERS, WE WILL DEEPEN THE WORLD RECESSION AND NOT SOLVE IT, AND SO I THINK THAT IT'S CRITICAL THAT THE UNITED STATES HAS BEEN A LEADER FOR A LONG TIME IN THE GOALS OF AN OPEN GLOBAL ECONOMY, AND I THINK THAT IT'S CRITICAL THAT THAT LEADERSHIP CONTINUE, AND I'M QUITE CONFIDENT THAT THE

UNITED STATES WILL RESPECT THOSE OBLIGATIONS AND CONTINUE TO BE A LEADER ON THE NODE FOR A GLOBALIZED TRADE.

IF I CAN JUST COMMENT ON OUR STIMULUS PACKAGE, ONE THING THAT WE DID IN OUR STIMULUS PACKAGE IS ACTUALLY REMOVE DUTIES ON SOME IMPORTED GOODS. NOW PART OF THE REASON WE DID THAT, IT'S IN OUR OWN ECONOMIC INTEREST, BUT ALSO AS WELL IT WILL HELP STIMULATE CONTINENTAL AND GLOBAL TRADE AND THIS IS IMPORTANT FOR OUR RECOVERY. WE KNOW AS A SMALL ECONOMY WE CAN'T RECOVER WITHOUT RECOVERY IN THE UNITED STATES AND RECOVERY AROUND THE WORLD, BUT THAT'S TRUE FOR ALL OF US THESE DAYS.

>> WE HAVE TIME FOR ONE LAST QUESTION, JENNIFER PRESSBURN, CANADIAN PRESS.

>> Question: MR. PRESIDENT, DURING YOUR MEETINGS TODAY DID YOU DISCUSS THE POSSIBILITY OF CANADA STEPPING UP ITS STIMULUS PLANS? AND SECONDLY FOR BOTH OF YOU, WHAT DO YOU THINK THAT THE CANADA-U.S. RELATIONSHIP LOOK LIKE IN FOUR YEARS? WHAT WILL THE AUTO SECTOR LOOK LIKE? WILL THE BORDER BE THICKER OR THINNER? AND WILL YOU HAVE A CARBON MARKET?

>> President Barack Obama: YOU STUFFED ABOUT SIX QUESTIONS IN THERE. WERE YOU TALKING TO JONATHAN? [laughter] OK. WELL, FIRST OF ALL, I'LL ANSWER YOUR LAST QUESTION FIRST. I EXPECT THAT FOUR YEARS FROM NOW THE U.S.-CANADIAN RELATIONSHIP WILL BE EACH STRONGER THAN IT IS TODAY. I EXPECT THAT YOU WILL SEE INCREASED TRADE, THING WE WILL SEE CONTINUED INTEGRATION OF EFFORTS ON ENERGY, IN VARIOUS INDUSTRIES AND I THINK THAT'S TO BE WELCOMED. I'M A LITTLE BIASED HERE BECAUSE I'VE GOT A BROTHER-IN-LAW WHO IS CANADIAN AND I HAVE TWO OF MY KEY STAFF PEOPLE WHO HAIL FROM CANADA, AND I LOVE THIS COUNTRY AND I THINK THAT WE COULD NOT HAVE A BETTER FRIEND AND ALLY. AND SO I'M GOING TO DO EVERYTHING THAT I CAN TO MAKE SURE THAT OUR RELATIONSHIP IS STRENGTHENED. YOU MENTIONED A COUPLE OF SPECIFIC ISSUES, THE IDEA OF THICKENING OF BORDERS. ONE OF THE THINGS THAT I WOULD LIKE TO SEE IS -- AND PRIME MINISTER HARPER AND I DISCUSSED THIS, HOW WE CAN USE SOME OF OUR STIMULUS AND INFRASTRUCTURE SPENDING THAT IS ALREADY BEING PLANNED AROUND POTENTIALLY EASING SOME OF THESE BOTTLENECKS IN OUR BORDER. NOW, WE'VE GOT VERY REAL SECURITY CONCERNS, AS DOES CANADA, BUT I THINK THAT IT IS POSSIBLE FOR US TO BALANCE OUR SECURITY CONCERNS WITH AN OPEN BORDER THAT CONTINUES TO ENCOURAGE THIS EXTRAORDINARY TRADE RELATIONSHIP IN WHICH WE HAVE \$1.5 BILLION WORTH OF TRADE GOING BACK AND FORTH EVERY SINGLE DAY.

WITH RESPECT TO THE AUTO INDUSTRY, OBVIOUSLY, WE ARE CONCERNED, WE'RE DEEPLY CONCERNED ABOUT THE CURRENT STATE OF THE NORTH AMERICAN AUTO INDUSTRY, IT IS AN INTEGRATED INDUSTRY. WHEN WE PROVIDED OUR INITIAL FEDERAL HELP TO THE AUTO INDUSTRY, PRIME MINISTER HARPER STEPPED UP AND PROVIDED ASSISTANCE THAT WAS COMMENSURATE WITH THE STAKE THAT CANADA HAS IN THE AUTO INDUSTRY.

WE HAVE JUST RECEIVED THE REPORT BACK FROM G.M. AND CHRYSLER IN TERMS OF HOW THEY INTEND TO MOVE FORWARD AND MY ECONOMIC TEAM IS IN THE PROCESS OF EVALUATING IT. AND ONE THING THAT WE KNOW FOR CERTAIN IS THAT THERE'S GOING TO HAVE TO BE A SIGNIFICANT RESTRUCTURING OF THAT INDUSTRY. AND AS THAT RESTRUCTURING TAKES PLACE, ONE IN WHICH ALL PARTIES INVOLVED, SHAREHOLDERS, CREDITORS, WORKERS, MANAGEMENT, SUPPLIERS, DEALERS, AS ALL OF THOSE PARTY COMES TOGETHER TO FIGURE OUT WHAT IS A SUSTAINABLE AND VIBRANT NORTH AMERICAN AUTO INDUSTRY, IT'S GOING TO BE VERY IMPORTANT FOR OUR GOVERNMENT TO COORDINATE CLOSELY WITH THE CANADIAN GOVERNMENT IN WHATEVER APPROACH THAT WE DECIDE TO TAKE. AND WE'RE COMMITTED TO DOING THAT.

AND, FINALLY, WITH RESPECT TO STIMULUS, I THINK THAT AS PRIME MINISTER HARPER MENTIONED, CANADA HAS PUT IN PLACE ITS OWN STIMULUS PACKAGE. WE, OBVIOUSLY, ARE VERY PROUD OF THE RECOVERY ACT THAT I RECENTLY SIGNED, NOT ONLY BECAUSE IT PROVIDES A SHORT-TERM BOOST TO THE ECONOMY, AND PROVIDES RELIEF TO FAMILIES THAT REALLY NEED HELP, BUT I THINK THAT IT ALSO WILL LAY THE GROUNDWORK FOR LONG-TERM GROWTH AND PROSPERITY. AND WE WERE TALKING EARLIER ABOUT THE ISSUE OF THE ELECTRIC GRID, THE POTENTIAL THAT EXISTS FOR CREATING WAYS OF DELIVERING ENERGY FROM WIND AND SOLAR ACROSS VAST PLAINS TO GET TO URBAN AREAS AND POPULATED AREAS IS ENORMOUSLY PROMISING. THAT'S WHY WE ARE INVESTING BILLIONS OF DOLLARS TO HELP JUMPSTART THAT PROCESS AND SO WE THINK THAT WE'VE TAKEN THE RIGHT APPROACH TO NOT ONLY GET THE ECONOMY MOVING AGAIN AND TO FILL DOMESTIC DEMAND AS WELL AS GLOBAL DEMAND, BUT ALSO I THINK THAT PRIME MINISTER HARPER HAS TAKEN THE SAME APPROACH AND TO THE EXTENT THAT AS WE GO TO THE G-20 SUMMIT THAT WE ARE SAYING THE MOST SIGNIFICANT ECONOMIES IN THE WORLD ALL TAKING THESE STEPS IN CONCERT, THE MORE LIKELY WE ARE THAT WE'RE GOING TO BE ABLE TO SLOW THE RECESSIONARY TRENDS AND REVERSE THEM AND START GROWING THE ECONOMY AGAIN WHICH ULTIMATELY IS THE BOTTOM LINE FOR BOTH THE PRIME MINISTER AND MYSELF, MAKING SURE THAT THE AMERICANS, CANADIANS, HAVE GOOD JOBS THAT PAY GOOD WAGES ALLOW THEM TO SUPPORT A FAMILY AND SEND THEIR KIDS TO CHALLENGE AND LET THEIR CHILDREN ASPIRE TO NEW HEIGHTS.

SO I THINK THAT WE'RE GOING TO CONTINUE TO COORDINATE AS CLOSELY AS POSSIBLE TO MAKE SURE THAT WE ARE HELPING FAMILIES ON BOTH SIDES OF THE BORDER.

>> Prime Minister Stephen Harper: YOU DID ASK SEVERAL QUESTIONS AND I'LL TRY TO TOUCH ON A FEW OF THEM. ON STIMULUS, FIRST OF ALL, IT'S IMPORTANT TO UNDERSTAND THAT CANADA'S ECONOMIC STIMULUS PACKAGE IS VERY LARGE AND IT'S CERTAINLY LARGER THAN THE KIND OF NUMBERS THAT THE I.M.F. WAS TALKING ABOUT IN THE FALL WITH THE PROVINCIAL ACTION THAT WE WILL BRING IN TO OUR STIMULUS SPENDING, WE'LL BE CLOSE TO 2% OF G.D.P. FOR THIS YEAR AND 1.5% FOR NEXT YEAR AND THIS IS NOT AS LARGE AS THE STIMULUS PACKAGE IN THE UNITED STATES BUT THE ISSUES IN THE UNITED STATES ARE DIFFERENT AND, IN FAIRNESS, THEY ARE

BIGGER THAN IN CANADA. LET ME GIVE YOU A CONCRETE EXAMPLE OF THE DIFFERENCE.

I COULD TALK ABOUT HOUSING OR THE BANKING SECTOR, BUT AMERICAN STIMULUS PACKAGE CONTAINS SIGNIFICANT MONEY, SIGNIFICANT POT OF MONEY, BEING TRANSFERRED TO LOWER LEVELS OF GOVERNMENT TO DEAL WITH HEALTH CARE. WELL, IN CANADA AS YOU KNOW WE ALREADY HAVE PERMANENT HEALTH CARE ARRANGEMENTS WITH OUR PROVINCES BEFORE THIS ECONOMIC CRISIS. SO NOT ALL OF THESE THINGS ARE DIRECTLY TRANSFERABLE TO THE CANADIAN EXPERIENCE, BUT BY ANY MEASURE OURS IS A VERY LARGE STIMULUS PROGRAMME. AS THE PRESIDENT MENTIONED, WE TALKED ABOUT TODAY HOW WE CAN USE OUR INVESTMENTS IN INFRASTRUCTURE TO FOCUS ON BORDER INFRASTRUCTURE THAT WE SHARE. AND WE KNOW DETROIT, WINDSOR, AND ELSEWHERE IN CANADA THAT THE GROWTH OF OUR TRADE IS STRAINING OUR BORDER INFRASTRUCTURE THAT IS INDEPENDENT FROM SECURITY DEMANDS AND SO THERE MAY BE THINGS THAT WE CAN DO THAT ARE BENEFICIAL FOR THE LONG TERM. THE STATEMENT LAYS OUT TODAY A WHOLE BUNCH OF INITIATIVES THAT WE'RE UNDERTAKING ON AND I THINK THAT PRESIDENT OBAMA MENTIONED THEM BEYOND BORDER INFRASTRUCTURE, WE HAVE JOINT ACTION GOING ON IN THE AUTO SECTOR, WE WERE WORKING CLOSELY WITH THE UPCOMING ADMINISTRATION AND WE'LL CONTINUE TO WORK WITH PRESIDENT OBAMA'S ADMINISTRATION ON WHAT IS AN INTEGRATED INDUSTRY, NEEDS AN INTEGRATED SOLUTION THAT WE ARE ENGAGED IN AFGHANISTAN AND WE TALKED ABOUT THAT AT LENGTH AND WE'RE LAUNCHING A CLEAN ENERGY DIALOGUE ON ONE OF THE MOST IMPORTANT CHALLENGES OF THE NEXT DECADE, AND THAT IS CLIMATE CHANGE. AND SO I SEE A RANGE OF INITIATIVES THAT WILL CARRY US FORWARD FOR MANY YEARS. I DO WANT TO ADDRESS TWO SPECIFIC THINGS THOUGH THAT YOU RAISED AND ONE IS BORDER THICKENING AND ONE IS FOUR YEARS FROM NOW.

ON THE THICKENING THE BORDER, I JUST WANT TO MAKE THIS CLEAR AND I WANT TO MAKE THIS CLEAR TO OUR AMERICAN FRIENDS. NOT ONLY HAVE WE SINCE 9/11 MADE SIGNIFICANT INVESTMENTS IN SECURITY AND SECURITY ALONG OUR BORDER, THE VIEW OF THIS GOVERNMENT IS UNEQUIVOCAL. THREATS TO THE UNITED STATES ARE THREATS TO CANADA. THERE IS NO SUCH THING AS A THREAT TO THE NATIONAL SECURITY OF THE UNITED STATES WHICH DOES NOT REPRESENT A DIRECT THREAT TO THIS COUNTRY. WE AS CANADIANS HAVE EVERY INCENTIVE TO BE AS COOPERATIVE AND ALARMED ABOUT THE THREATS THAT EXIST TO THE NORTH AMERICAN CONTINENT IN THE MODERN AGE AS DO THE GOVERNMENT PEOPLE OF THE UNITED STATES. THAT'S THE APPROACH WITH WHICH WE TREAT THE BORDER. OBVIOUSLY, WE'VE BEEN CONCERNED ABOUT THE THICKENING OF THE BORDER. YOU KNOW, IN OUR JUDGMENT AND WE'LL HAVE SOME TIME TO TALK ABOUT THIS AS WE MOVE ALONG IN OUR RESPECTIVE GOVERNMENTS, WE'RE LOOKING AT -- THE KEY IS TO LOOK AT HOW WE CAN DEAL WITH SECURITY IN A WAY THAT DOES NOT INHIBIT COMMERCE AND SOCIAL INTERACTION. THAT IS THE REAL CHALLENGE, BUT LET THERE BE NO -- AND THAT'S WHERE THICKENING OF THE BORDER CONCERNS US, BUT LET THERE BE NO ILLUSION OF THE FACT THAT WE TAKE THESE THREATS AS A CONCERN. IN TERMS OF THE BIG PICTURE, THIS IS THE SAFEST PREDICTION IN THE WORLD THAT

TODAY CANADA AND THE UNITED STATES ARE CLOSER ECONOMICALLY, SOCIALLY, CULTURALLY, IN TERMS OF OUR INTERNATIONAL PARTNERSHIPS, THAN ANY TWO NATIONS ON THE FACE OF THE EARTH, CLOSER FRIENDS THAN ANY TWO NATIONS ON THE FACE OF THE EARTH AND I THINK THAT WE CAN SAFELY PREDICT IN FOUR YEARS' TIME WE WILL BE IN EXACTLY THE SAME SPOT.

WHAT WE CAN DO WITH THAT IN THE MEANTIME AND I'M SURE THAT PRESIDENT OBAMA WILL WANT TO DO WITH THAT IS TO TAKE THAT CLOSE RELATIONSHIP THAT IS SO DEEPLY INTEGRATED WHEN IT COMES TO THINGS LIKE TRADE AND MILITARY AND DEFENCE CONSIDERATIONS AND THINGS WHERE WE HAVE NOT ONLY ESTABLISHED A CLOSE, A FRIENDSHIP, BUT WHERE WE HAVE ESTABLISHED MODELS THAT OTHERS WHO WANT TO PURSUE CLOSE FRIENDSHIPS HAVE USED AROUND THE WORLD, THAT WE CAN TAKE THOSE THINGS AND WE CAN CONTINUE TO LEAD IN THE FUTURE. WE CAN CONTINUE TO SHOW HOW TWO COUNTRIES CAN WORK TOGETHER IN WAYS THAT PURSUE GLOBAL COOPERATION AND INTEGRATION TO MUTUAL BENEFIT. AND AS WE ALL KNOW, ONE OF PRESIDENT OBAMA'S BIG MISSIONS IS TO CONTINUE LEADERSHIP, BUT IN A WAY THAT IS MORE COLLABORATIVE. AND I AM CONVINCED BY WORKING WITH OUR COUNTRY HE WILL HAVE NO GREATER OPPORTUNITY THAN TO DEMONSTRATE EXACTLY HOW THAT MODEL CAN OPERATE OVER THE NEXT FOUR YEARS.

>> President Barack Obama: AND LET ME JUST SAY THAT, TO ECHO WHAT THE PRIME MINISTER SAID, WE HAVE NO DOUBT ABOUT CANADA'S COMMITMENT TO SECURITY IN THE UNITED STATES AS WELL AS CANADA, OBVIOUSLY, WE'VE GOT LONG-LASTING RELATIONSHIPS AROUND NORAD, FOR EXAMPLE, AND THE SAME IS TRUE WITH RESPECT TO BORDER SECURITY. THERE'S BEEN EXTRAORDINARY COOPERATION. AND WE EXPECT THAT THAT WILL CONTINUE.

AND PRIME MINISTER HARPER IS RIGHT, IT'S A SAFE BET THAT THE UNITED STATES AND CANADA WILL CONTINUE TO ENJOY AN EXTRAORDINARY FRIENDSHIP, AND TOGETHER I THINK THAT WE'VE GOT AN OPPORTUNITY TO SHOW THE WORLD THAT THE VALUES THAT WE CARE ABOUT, DEMOCRACY, OF HUMAN RIGHTS, OF ECONOMIC GROWTH AND PROSPERITY, THAT THESE ARE VALUES THAT THE WORLD CAN EMBRACE AND THAT WE CAN SHOW LEADERSHIP AND I'M VERY MUCH LOOKING FORWARD TO WORKING WITH THIS GOVERNMENT AND ALL CANADIANS IN ORDER TO PROMOTE THESE VALUES.

I WANT TO ALSO, BY THE WAY, THANK SOME OF THE CANADIANS WHO CAME OVER THE BORDER TO CAMPAIGN FOR ME DURING THE ELECTION. IT WAS MUCH APPRECIATED. AND I'M LOOKING FORWARD TO COMING BACK TO CANADA AS SOON AS IT WARMS UP. [laughter]

>> THIS BRINGS AN END TO THE PRESS CONFERENCE. [Speaking in French] THANK YOU VERY MUCH, EVERYBODY.

>> Peter: BARACK OBAMA AND STEPHEN HARPER, A HANDSHAKE AT THE PODIUM AND THE PRESIDENT SAYING HE'S LOOKING FORWARD TO COMING BACK TO CANADA WHEN IT WARMS UP. THIS ISN'T COLD.