Obama vows to fight effort to link Keystone XL, payroll tax cut

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US President Barack Obama promised to block any effort to include a Keystone XL pipeline project approval provision in legislation to extend the payroll tax cut, which is due to expire at yearend. "My warning is not just specific to Keystone," he said following a Dec. 7 meeting with Canadian Prime Minister Stephen Harper. "Efforts to tie a whole bunch of other issues to something [congressional Republicans] should be doing anyway will be rejected by me."

Harper, who appeared with the president, said the Canadian government's positions on the proposed pipeline, which would move oil produced from Alberta's oil sands to US Gulf Coast refiners, are very well known, and that he's discussed the matter with Obama on many occasions.

"He's indicated to me, as he's indicated to you today, that he's following a proper process to eventually make that decision here in the United States, and that he has an open mind in regard to what that decision may, or may not, be," the prime minister told reporters. "I take that as his answer."

Responding to allegations that his Nov. 11 decision to postpone final consideration of TransCanada Corp.'s application for Keystone XL's cross-border permit was politically motivated, Obama said: "Look, this is a big project with big consequences. It is my job as president to make sure that a process is followed that examines all the options and looks at all the consequences before a decision is made. Now, that process is moving forward."

Obama added that he did not expect it would be necessary to veto a payroll tax extension bill "because 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."

Congressional Republicans who had urged Obama to use his meeting with Harper to announce reconsideration of his Nov. 11 action did not immediately comment. But American Petroleum Institute Executive Vice-Pres. Marty Durbin said in a statement that federal lawmakers trying to move the Keystone XL project forward should be commended for their efforts.

"President Obama said that lawmakers should not load the payroll tax bill with a 'bunch of politics,' but it's hard not to see 'politics' in delaying the decision until after next year's election," he continued. "The 20,000 skilled American workers who will build the pipeline can't wait. The president should move this project forward as soon as possible."

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