

NATIONAL POST

State of the Reaction

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A day after his State of the Union address, President Barack Obama toured a Canadian-owned auto parts factory in North Carolina to promote his second-term economic agenda. So what was the reaction to the policies in his State of the Union?

IMMIGRATION

The president said he wanted strong border security and "a responsible pathway to earned citizenship," including paying taxes and a "meaningful penalty" and getting in line behind others seeking to enter the country legally. While Republicans and Democrats agree on the need for immigration reform, they disagree on how to go about it. Paul Ryan, a Wisconsin Republican, said on CNN that Mr. Obama's statements on immigration were "pretty productive." "I think that's an area where we have a good chance of getting something done." A bipartisan group of eight senators has been meeting to develop a bill by next month that accomplishes eventual citizenship for illegal immigrants while also containing enough border security and enforcement measures to gain conservative support.

SPENDING CUTS

Unless lawmakers act, \$1.2-trillion in automatic spending cuts happen in two weeks, Mr. Obama said. Republicans, Democrats, business leaders and economists agreed the cuts "are a really bad idea." Democrats and Republicans in the U.S. Congress are nowhere near a plan to avert the spending cuts (known as sequestration).

EDUCATION

Mr. Obama advocated preschool for every four-year-old. He said every \$1 spent on preschool education ultimately saves about \$7 on spending on remedial education and crime while raising future tax revenues because those who attend high-quality preschool programs end up earning higher incomes. "It's one thing to say that there are a handful of small pre-K programs that may have had lasting and significant benefits," said Andrew Coulson, director of the Center for Educational Freedom, a unit of the right-leaning Cato Institute. "It's another to imagine that the federal government can scale them up nationally." Steven Barnett, the director of the National Institute for Early Education Research, said only five states currently have a stated objective of reaching all four-year-olds.

GUN CONTROL

Mr. Obama called for a vote on a range of gun control measures such as strengthening background checks and a ban on assault-weapons.

"Gabby Giffords deserves a vote. The families of Newtown deserve a vote. The families of Aurora deserve a vote," Mr. Obama said. Key Democratic senators from rural states are still wary of supporting limits on guns that will anger their constituents in elections next year. Republicans in the House are skeptical at best. And the National Rifle Association continues to vow political retribution against lawmakers who restrict guns or ammunition. In Congress, few members of either party appear to believe that a ban on the manufacture or sale of assault weapons will pass.

MINIMUM WAGE

Mr. Obama said he wanted to raise the minimum wage to \$9 from \$7.25 by the end of 2015. "Working folks shouldn't have to wait year after year for the minimum wage to go up while CEO pay has never been higher," he said. The issue is a divisive one. "When you raise the price of employment, guess what happens? You get less of it," said Republican House Speaker John Boehner. "Why do we want to make it harder for small employers to hire people?" Senate Minority Leader Mitch McConnell said, "He spoke of workers' minimum wages, instead of their maximum potential." AFLCIO, the federation of labour organizations, and the Service Employees International Union both support the move.

MANUFACTURING AND JOBS

Mr. Obama is asking Congress for \$1-billion to create a network of "manufacturing innovation institutes" - partnerships among the private sector, the federal government and colleges. He's also advocating for an end to tax breaks to companies that ship jobs overseas, tougher enforcement of trade laws and new steps to open markets in Europe and Asia. "He mentioned a number of new items on spending; I didn't hear how we are going to pay for them," said Senator Kelly Ayotte, a New Hampshire Republican. "How do we pay for them when we are already facing a very challenging fiscal situation right now?"