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LADB Staff

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Recommended Citation
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by LADB Staff
Category/Department: Mexico
Published: 2000-01-19

US President Bill Clinton has ordered the US Trade Representative's Office (USTR) to delay opening US roads to Mexican truckers for at least another year. Clinton's directive, announced at the beginning of the year, angered Mexican officials. Under terms of the North American Free Trade Agreement (NAFTA), the US was scheduled to open its roads to Mexican truckers in January 1995. But the US government failed to comply with this provision, citing the wide difference in each country's requirements regarding weight, size, and insurance coverage for trucks (see SourceMex, February 23, 1994, January 17, 1996, February 5, 1997). The constant US refusal to comply with the NAFTA truck-access provisions led the Mexican government to request the creation of a dispute-resolutions panel in September 1998 (see SourceMex, September 23, 1998). But the panel did not become a reality until early 2000, when its five members were named.

Special panel expected to rule on dispute in mid-2000
Mexican Trade Secretary Herminio Blanco said naming the panel was a major victory for Mexico, which expects a decision by mid-2000. "Last week, five panelists were named to make a decision, and surely they will decide the closed US border is against the NAFTA agreements," Blanco said in a radio interview. Blanco said the government has also named Canada in its complaint to ensure that the other NAFTA partner also opens its borders to Mexican truckers. "Canada is also obligated under NAFTA to open its borders to the free transit of Mexican trucks," said Blanco. "That country has not complied with this commitment." The Mexican trade secretary said the US restrictions are hampering the country's export potential. "This archaic system is taking away the competitiveness of Mexican exports," Blanco told reporters. But the US has filed its own NAFTA petition, with USTR lawyers implementing a series of legal maneuvers to further delay giving full access to Mexican truckers. Clinton administration officials said NAFTA allows member countries to delay or suspend certain provisions of the agreement when they have safety or health concerns. Among other things, the administration has cited a recent report by the US Inspector General's office. It said 21,000 Mexican trucks were inspected at the US-Mexico border before transferring goods to US truckers, and 41% failed to meet US safety requirements. The violations included defective brakes, badly worn tires, and nonfunctioning lights. The Zedillo administration insists that the latest US refusal to allow access to Mexican trucks is a politically motivated maneuver to appease the US International Brotherhood of Teamsters during an electoral year. In a Los Angeles Times interview, US Trade and State Department officials acknowledged that the tactics are designed to ensure that the issue is not resolved while US Vice President Al Gore pursues the presidency. The concern is that, if the Clinton administration were to allow Mexican trucks on US roads during the 2000 election, the Teamsters would almost certainly not support Gore if he were the Democratic presidential nominee. "This is a textbook case on how politics subverts trade policy," said a senior trade official who asked to remain anonymous. "The White House has made it clear it won't be resolved this year. There's no question in our minds that we are subverting NAFTA, and we are doing it purely because we don't want to upset the Teamsters." Opposition to opening US roads to Mexican trucks is also increasing in the US Congress. In October, US legislators approved a bill that imposes severe financial penalties on
Mexican shipping companies whose trucks venture more than a short distance inside the US (see SourceMex, October 27, 1999).

**Mexican truckers face tighter requirements at home**

The Mexican government, meanwhile, is attempting to address some of the safety concerns raised by the US government. The Secretaria de Comunicaciones y Transportes (SCT) recently unveiled tough regulations requiring Mexican truck drivers to undergo drug and alcohol testing and regular roadside inspections. In addition, the Mexican Congress is expected to consider legislation soon to require Mexican drivers to keep logbooks or limit the number of hours per day that they are behind the wheel. But Mexico's largest truckers organization acknowledges that the industry is not yet in any condition to meet the tougher regulations that would be imposed if they were allowed to enter the US. The organization wants access to US roads, but is also asking that the implementation of tougher requirements be delayed. "It is difficult to prepare ourselves to compete with the United States...we would ask for five more years," said Miguel Quintanilla Rebollar, president of the Camara Nacional de Autotransporte de Carga (CANACAR). Mexico's fleet of 300,000 trucks, operated by almost 8,000 trucking companies, averages 16 years of age and would require more than US$2.4 billion to modernize. In comparison, the US has a fleet of 1.5 million vehicles with an average age of five years. "We don't have the infrastructure or technology or financing to compete against the US transport industry today," said Quintanilla. Mexican companies would need six or seven years, replacing 20,000 trucks a year, to bring down the average truck age to six or seven years, Quintanilla said. But some Mexican critics also fault the Zedillo administration for failing to sufficiently pressure the US government to open its roads to Mexican trucks. "We hear the same story every year," said columnist Jose de Jesus Garcia of the daily newspaper Excelsior. "Mexican authorities have failed to take the appropriate steps, they have easily accepted the arguments presented by US officials." Garcia said he hoped Secretary Blanco was right in assuming that the matter would be resolved by the NAFTA dispute-resolution panel by the middle of this year. "Otherwise, the next administration will inherit another difficult issue that the Zedillo government was unable to resolve," said Garcia. (Sources: The New York Times, 01/08/00; Spanish news service EFE, 01/09/00; El Universal, 01/10/00; Reuters, 01/10/00, 01/11/00; Los Angeles Times, 01/07/00, 01/12/00; La Jornada, 01/10-12/00; Novedades, Reforma, 01/12/00; El Economista, 01/11/00, 01/12/00, 01/14/00; Excelsior, 01/10-12/00, 01/17/00)

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