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U.S. Senate Votes To Eliminate Funding For Pilot Program For Mexican Trucks

by LADB Staff

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In the latest salvo in the ongoing war between the US and Mexico concerning a transportation provision in the North American Free Trade Agreement (NAFTA), the US Senate has moved to end a pilot program implemented by former US President George W. Bush that allowed qualified Mexican truckers to transport cargo deep into the US. The Senate decision angered Mexican officials, who have long complained that the US has failed to meet its obligations to comply with the NAFTA provision that would have allowed Mexican truckers access to US highways in 1995. But the Senate decision does not end Mexico's hopes to gain access for its truckers to US highways, as President Barack Obama's administration has promised to create a new program that meets the security and labor concerns of Congress and also complies with US obligations under NAFTA.

The US Senate effectively ended the pilot program when it moved in a voice vote to remove funding for the program from a US\$410 billion spending bill passed on March 10. The measure was signed by Obama the next day. The pilot program, which the Bush administration began in 2007, established strict training, documentation, and inspection guidelines for Mexican trucking companies wishing to transport goods into the US (SourceMex, February 28, 2007). Even though the guidelines were in place, the Bush government was never able to fully implement the program because Congress consistently removed funding (SourceMex, September 12, 2007 and July 23, 2008). Before the pilot program, Mexican truck drivers were only allowed to deliver their goods in a narrow zone inside the US border, where the goods would be transferred to US trucks.

The pilot program was an attempt by the Bush government to comply with the NAFTA transportation provision while also meeting concerns of US detractors, who worried that improperly trained drivers and obsolete trucks could create a safety hazard on US highways (SourceMex, February 23, 1994, January 17, 1996, and February 05, 1997). The Mexican government has countered that the US's consistent refusal to allow full access to Mexican truckers is part of a protectionist stance that caters to special-interest groups like the US Brotherhood of Teamsters and the Sierra Club. The truckers union says that lower-paid Mexican drivers will take away jobs from US workers, while the environmental organization worries that Mexican trucks would increase pollution in the US.

Mexico argues that it should be afforded the same free access to US highways as Canada. Mexico considers retaliation, but trucking industry wants new plan. There was no immediate comment from high-level officials in President Felipe Calderon's administration to the Senate vote. But the Mexican Embassy in Washington labeled the measure "protectionist" and said the government would consider a retaliatory action. "As stipulated by NAFTA, the Mexican government will decide what steps it will follow, given the decision by the US Congress not to comply with the international trade obligations of the US," said an embassy statement. Mexican legislators also said they would get involved.

In an interview with The Christian Science Monitor, Deputy Juan Carlos Velasco Perez called the Senate decision "regrettable but not surprising." Velasco serves on the transportation committee (Comision de Transportes) in the lower house. "The US government puts a lot of limits on our trucks in the border states so they can't get in," said Velasco Perez, a member of the opposition Partido Revolucionario Institucional (PRI). He said key PRI leaders would meet with trucking-industry groups to discuss what "reciprocal measures" Mexico might take against the US. Mexico's top trucking-industry group, the Camara Nacional del Autotransporte de Carga (CANACAR), may not be as open to taking retaliatory action.

The organization argues that the pilot program was poorly designed and inhibited participation. As evidence, only 27 Mexican companies had opted to participate in the program, which allowed access to as many 100 firms. The program also contained provisions for US trucking companies to operate in Mexico, but only 10 companies had taken advantage of the program. "The program's objective hasn't been met, and this is reflected in the low participation of both Mexican and US companies," said CANACAR executive director Oscar Moreno. "The Senate decision to block funds could represent a hammer that finally drops on a program that wasn't working."

Some detractors in the US Senate appeared willing to consider a revamped program. In a letter to US Transportation Secretary Ray LaHood, Sen. Byron Dorgan (D-ND), sponsor of the provision in the spending bill that ended the program, said he does not oppose eventually allowing Mexico's long-haul trucks on US highways as long as proper safety guidelines can be established. The Obama administration is also willing to look into the matter. The president has instructed the Office of the US Trade Representative (USTR) and the State and Transportation Departments to work with Congress and Mexican officials to craft legislation that creates "a new trucking project that will meet the legitimate concerns" of Congress and US commitments under NAFTA. This would likely be one of the first tasks for the new head of the USTR, former Dallas Mayor Ron Kirk, once the US Senate approves his nomination.

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