

Transport Topics **Online**

Updated:

U.S. Still Wants Trucking Deal, Obama Tells Mexico's President

\$2.4 Billion Trade Dispute Remains Unresolved

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President Obama last week assured Mexican President Felipe Calderon that the United States remains committed to reaching a cross-border trucking agreement with its southern neighbor.

However, meeting privately last week in Guadalajara during a summit conference of Obama, Calderon and Canadian Prime Minister Stephen Harper, the two leaders did not reach a solution to the nearly five-month-old, \$2.4 billion trade dispute stemming from the shutdown by Congress of a pilot program that allowed a few carriers from each country to deliver freight to the other country.

A senior administration official told The Associated Press that Calderon pushed Obama on his earlier promise to resume longhaul trucking between the two countries during the Aug. 9 discussion (4-20, p. 1).

According to the U.S. official, Obama told Calderon he would "try to move forward," with a new program, but he added that Congress has "legitimate safety concerns" about Mexican trucks.

In a 2009 spending measure, Congress prohibited the Department of Transportation from continuing its cross-border trucking program, which was aimed at testing the safety of Mexican trucks delivering in the United States.

The 2009 spending ban expires Sept. 30, the end of the fiscal year, and neither the House nor the Senate has included a similar provision in its appropriations bill for 2010.

However, the Senate Appropriations Committee said in a report accompanying its version of DOT's budget that Congress had closed the program "because of serious and legitimate safety concerns, and expects that the administration will not commence another Mexican trucking pilot program until those concerns have been addressed and resolved."

The committee also "urges the administration to work expeditiously . . . to establish a proposal to implement a cross-border trucking program that maintains the safety of our roads and highways and enhances the efficient movement of commerce."

The program, launched by the Bush administration in 2007, has been unpopular with Congress, which attempted to shut it down several times.

In response to the United States closing the pilot program, Mexico slapped \$2.4 billion in tariffs on dozens of U.S. products.

Under the North American Free Trade Agreement, the United States, Mexico and Canada are supposed to allow each other's trucking fleets free access. However, since 1994, with the exception of a handful of carriers allowed by the now-defunct pilot program, the United States has had a moratorium on Mexican trucks.

In a joint press conference on Aug. 10, neither Obama nor Calderon directly addressed the trucking program, but each raised the issue of complying with trade agreements and protectionism.

"It is essential to abide by NAFTA and to resolve the pending topics that impede us to reach greater regional competitiveness," Calderon said.

Obama, citing the amount of trade that flows between the three countries, said the leaders "reaffirmed the need to reject protectionism."

In Washington, Candice Tolliver, spokeswoman for the Federal Motor Carrier Safety Administration, told Transport Topics that the agency "continue[s] to work to find a solution that addresses the concerns of Congress and is consistent with our international obligations."

FMCSA is the agency within DOT responsible for overseeing cross-border trucking.

Before Obama's trip, Transportation Secretary Ray LaHood told reporters DOT had sent a proposed new program to the White House for review.

"We'll come back in the fall and assess where things are at with that," LaHood said Aug. 4.

Despite the public commitment to resolving the dispute, at least one opponent of the program said he sensed the administration was wavering in its support for cross-border trucking.

"I thought there would have been a bit more committed rhetoric, but from what it sounds like, there was not much movement on the issue," said Rod Nofziger, director of government affairs for the Owner-Operator Independent Drivers Association.

OOIDA, along with the Teamsters union and other advocacy groups, has been a vocal opponent of the cross-border trucking program.

Nofziger said the reports from Mexico were "surprisingly less specific, less detailed than what some other administration officials have been saying," citing LaHood's previous commitments.

"Overall, Obama sounded to us much less committal on the issue," Nofziger said.

Separate from the international trade dispute, Mexico's largest trucking association, Camara Nacional del Autotransporte de Carga, or Canacar, also has sought billions of dollars in damages resulting from the border closure ([click here for previous story](#)).