



FOR IMMEDIATE RELEASE

Contact: Steve Mulder
(202) 280-1962
smulder@vennstrategies.com

**With New DOT Data Affirming Mexico's Trucks Are As Safe As U.S. Trucks,
Alliance Urges Administration and Congress to Resolve Costly Dispute**

September 3rd/Washington, DC – On the heels of a report by the Department of Transportation's (DOT) Inspector General affirming that Mexican trucks are as safe as U.S. vehicles – and that Mexican truck drivers have better safety records than their U.S. counterparts – the Alliance to Keep U.S. Jobs (www.KeepUSJobs.org) reiterated its call for the Administration and Congress to resolve a costly, longstanding bilateral trucking dispute.

"This dispute is not only hampering trade relations with one of the United States' most vital economic partners, but it has also cost America many millions of dollars and has put at risk tens of thousands of good U.S. jobs," said Steve Mulder, the Alliance spokesman. "The obstacles to resolving this issue quickly have been removed," he said.

In March, prompted by political claims of safety concerns, Congress effectively eliminated a cross-border trucking safety demonstration project run by DOT. That action put the United States in violation of the North American Free Trade Agreement. It also prompted the Government of Mexico to announce retaliatory tariffs on about \$2.4 billion of U.S. manufactured and agricultural exports to Mexico. Mexico's actions were deemed permissible by an international panel of trade experts, including representatives from the United States.

Mulder noted that the tariffs, which remain in place, were prompted by "pure politicking" in the United States, and that the new DOT report "makes it clear that Mexico has lived up to the United States' demands when it comes to truck safety."

The DOT's August report – "Follow-Up Audit on the Implementation of the North American Free Trade Agreement's Cross-Border Trucking Provisions" -- notes that, in FY 2008, more than 220,000 inspections were performed on Mexican trucks by DOT's Federal Motor Carrier Safety Administration. In the course of those inspections, only 1.2 percent of Mexican drivers were placed out of service for a violation, as compared to nearly 7 percent of U.S. drivers who were inspected. About 21.2 percent of Mexican trucks –

compared to 21.8 percent of U.S. trucks – were placed out of service for safety reasons or because they had violated some other regulation.

Moreover, U.S. auditors scrutinized Mexican trucks and drivers far more closely than U.S. trucks and drivers: Only eight inspections were performed, on average, on each U.S. carrier, while on average 51 inspections were performed on each Mexican carrier.

The DOT Inspector General’s audit did note minor problems – attributable to the U.S., not to Mexico – that it recommended be solved. It said that DOT still needs to “improve the consistency of information [on Mexican driver traffic violations] reported to the Mexican Conviction Database (MCDB) and to improve the capacity to perform safe and efficient bus inspections at border crossings.” Neither issue, however, was linked to problems with the safety of Mexican trucks or truck drivers.

In May 2009, the Congressional Research Service issued similar findings, and referred to a prior year audit performed by DOT, telling Members of Congress:

“[T]he safety of Mexican trucks ... is now comparable with U.S. trucks. ‘Out-of-service’ violations are those that are serious enough to keep the truck from continuing its journey until the violation is resolved. ... However, recent data provided by the FMCSA ... indicate that other Mexican trucks are as safe as U.S. trucks and that the drivers are generally safer than U.S. drivers.” Those and other findings are contained in “NAFTA Implementation: The Future of Commercial Trucking Across the U.S. Border” (May 2009).

In spite of the evidence that safety arguments are “political and meritless,” said Mulder, “we’ve pursued a course of action that has come back to haunt our own industries. We have an opportunity now to put back into place programs that allow us to honor our NAFTA commitment and stand up for the millions of U.S. jobs that are at risk in industries that have been, or fear they soon could be, made subject to punitive tariffs by Mexico. There is no more time for excuses or delay. The Administration promised action, and the time to act is now.”

###

ABOUT THE ALLIANCE

The Alliance to Keep US Jobs is a coalition of 150 U.S. companies and associations that are concerned about the adverse impact to the U.S. economy stemming from a failure to resolve the longstanding trucking dispute. Members of the Alliance represent many thousands of U.S. workers that are employed by companies and industries that are subject to tariffs on their products shipped to Mexico.