

No Recession at the Port of Houston

By [gdelaughter](#) | October 28, 2011 – 2:09 pm



Bayport Container Terminal near Houston. Photo courtesy of Port of Houston.

(Houston—KUHf) The Port of Houston is busy these days. There are 25 miles of public and private facilities along the Houston Ship Channel, which brings in traffic from Galveston Bay and the Gulf of Mexico. Figures show the port ranks first in the U.S. in handling foreign waterborne tonnage and second in terms of overall tonnage. Officials tout numbers from a recent study showing the port has about a 118 billion dollar economic impact in Texas. There's also state and local sales tax revenues, pegged at close to four billion dollars.

“Any business that can demonstrate profitability in these times of economic uncertainty is on the right path,” said Houston Port Authority Chairman Jim Edmond outlined successes and challenges in his annual “State of the Port” address.

Edmonds says diverse cargo is part of the reason for the port's strong performance in down economic times. They're handling more steel pipe for one, showing a 62 percent increase from last year, and officials say that's because of increased drilling activity. Edmonds cited a ten percent increase in total tonnage for the first nine months of the year, along with a 12 percent increase in revenue and a 35 percent increase in net income.

“The worst thing for the people of Houston and the state of Texas is to operate as though we are in a recession. We aren't. Economic recession can be a fear-driven dynamic,” he said optimistically.

Still, challenges lie ahead for the Port of Houston. The widening and deepening of the Panama Canal is only a couple of years away and that could bring ships to Houston that are two to three times larger than the ones the port currently serves.

It's what Edmonds calls a "game changer." He says it will require three billion dollars in capital improvements to get ready for the bigger vessels. That includes work on six wharves at the 35-year-old Barbours Cut terminal, which sits at the mouth of Galveston Bay. Work is slated to begin next year.

"It's expected to take about 18 months to modernize each wharf at Barbours Cut at a cost of \$25 million per wharf, and about \$65 million per wharf to equip it with wharf cranes and RTG cranes," the shorthand for rubber tire gantry cranes for stacking and storing large quantities of shipping containers

Edmonds says the Port of Houston is one of about a dozen ports around the U.S. that's aggressively getting ready to handle the larger ships, in what he calls a "high-stakes" competition.

Scott, Rider

From: Your Friends at the Alliance [marketing@freetradealliance.org]
Sent: Friday, October 14, 2011 5:35 PM
To: Scott, Rider
Subject: Cross Border Trucking: First Mexican Company to Receive Permit

Having trouble viewing this email? [Click here](#)



ALERT

PRESS RELEASE

For more information, contact:
Kyle Burns, President & CEO
Office: 210.229.9036
Email: kburns@freetradealliance.org
www.freetradealliance.org
Release date: October 14, 2011

First Permit Issued to Mexican Trucking Company

First Mexican truck company has been granted authority to operate beyond U.S. commercial border zones. Transportes Olympic, a Monterrey based company, was issued its permit today following a successful completion of the U.S. Federal Motor Carrier Safety Administration's audits.

Under an agreement reached in March by presidents Obama & Calderon, Mexico is now expected to suspend the remaining 50% retaliatory tariffs imposed on U.S. products due to previously suspended cross border trucking programs.

###

The Free Trade Alliance is a public-private alliance comprised of the City of San Antonio, San Antonio Greater Chamber of Commerce, San Antonio Economic Development Foundation, Bexar County, San Antonio Hispanic Chamber of Commerce, Port San Antonio, and CPS Energy. Our mission is to develop and enhance the international trade-related economic development of San Antonio and the region through foreign

10/14/2011

Mexican truck is first in delayed NAFTA program

AP Associated Press

NUEVO LAREDO, Mexico – A Mexican truck crossed into the U.S. on Friday bound for the nation's interior, fulfilling a long-delayed provision of the North American Free Trade Agreement that had been stalled for years by concerns it could put highway safety and American jobs at risk.

The crossing came nearly two decades after passage of NAFTA, which was supposed to give trucks from both countries unhindered access to highways on either side of the border.

At a ceremony before the tractor-trailer set off for a Dallas suburb, the owner of the Transportes Olympic trucking company said he considers his fleet's access to the U.S. interior like being invited to a friend's house.

"We have to be extra orderly and very respectful," Fernando Paez told dignitaries of both countries and a crowd of 300 people. "We will demonstrate that we can operate safely and efficiently."

The Freightliner truck was hauling a large steel drilling structure. At the wheel was Josue Cruz, who waved from the cab, flashed a thumbs-up and thundered toward the bridge over the Rio Grande leading to Laredo, Texas. He was expected to unload in Garland on Saturday or possibly Monday if the business couldn't receive the cargo immediately.

Trucks have crossed into the interior before but only as part of a short-lived pilot program that began in 2007 with a limited number of vehicles. President Barack Obama's administration canceled it in 2009, and Mexico retaliated by placing tariffs on a wide range of American goods.

Hours before Friday's ceremony in the border city of Nuevo Laredo, Mexico announced it was suspending the tariffs. But the Mexican government warned that they could be reinstated if the U.S. does not honor the accord.

The \$2 billion worth of tariffs were imposed on 99 U.S. products, including Christmas trees, onions, oranges, apples, juice concentrates, toothpaste, deodorant, sunglasses, among others. Mexico reduced the tariffs after signing the trucking agreement with the U.S. in July and then removed them completely Friday.

"With this program, we're initiating a new stage of competition, of prosperity, of regional integration," said Bruno Ferrari, Mexican secretary of the economy.

NAFTA, signed in 1994, had called for Mexican trucks to have unrestricted access to highways in border states by 1995 and full access to all U.S. highways by January 2000. Canadian trucks have no limits on where they can go.

But until now, Mexican trucks have seldom been allowed farther than a buffer zone on the U.S. side of the border, where their cargo was typically transferred to American vehicles.

The public debate surrounding the accord had mostly focused on the safety of Mexican trucks. But labor unions and other groups were strongly opposed to the agreement, saying it would cost Americans trucking and other jobs.

The U.S. Department of Transportation says the safety concerns have been resolved. Electronic monitoring systems will track how many hours the trucks are in service. Drivers will also have to pass safety reviews, drug tests and assessments of their English skills. Mexico has the authority to demand similar measures from American drivers.

The impact of the program will be limited at first. Only 10 other Mexican trucking companies are going through the certification process right now.

Juan Carlos Munoz, president of Mexico's largest trucking trade group, known by its Spanish initials as CANACAR, noted that opposition remains in Mexico. Some Mexican trucking companies doubt that the U.S. will treat them the same as American drivers.

"But we can't cry before they hit us, as we say here in Mexico," Munoz said. He called Friday's activity the "first step on a long climb."

U.S. Ambassador Anthony Wayne said governments "have to support the businesses in their efforts to reduce costs and accelerate trade."

Paez said the approval process was rigorous, even though his company already qualified under a Department of Homeland Security trusted carrier program.

But American groups that fought the program for years remained opposed to the entry of Mexican trucks.

Mexico "does not meet our safety standards and a violent drug war is raging there, which the Mexican government is powerless to control," Teamsters General President Jim Hoffa said.

Rep. Duncan Hunter from San Diego said the program offers no benefits for American truckers, who will be forced to compete against Mexican carriers.

October 31, 2011 from [KCUR](#)

Tough as it is to find work these days, tens of thousands of jobs paying middle-class wages are going unfilled.

Open truck-driving jobs require little more than a high school diploma and a month or so of training. But not everybody wants to be a long-haul truck driver, and many who do find they just can't hack it.

The story began three years ago when freight traffic fell off a cliff, pulling tens of thousands of truck drivers down with it. But now, at the American Central Transport terminal in Kansas City, Mo., recruiting manager Chad Still is showing off a lot of empty concrete.

"Not a lot going on over here today, which in the trucking industry, that's a [big] deal," Still says. "The less trucks and trailers you see around here, the better the freight is."

Freight is now moving at pre-recession levels and companies are hiring. Transportation analyst Noel Perry figures trucking companies are short of about 125,000 drivers. What's the hold up?

"It's real simple," he says. "Let's say you get laid off tomorrow. Do you have a commercial driver's license? No."

Learning To Drive An 18-Wheeler

For that you'd have to spend five or six weeks and a few thousand dollars at an institution like the Fort Scott Community College truck-driving school in Kansas City, Kan., where students like Cory Dockery come to restart their careers.

"I looked on the Internet and that's all you [basically see for] work: driving jobs and, I guess, working in the health care field. I really didn't want to be a nurse," Dockery says.

But mastering an 18-wheeler is not as easy as it looks. Dockery and another new driver are trained by John Williams, a second-generation trucker. Dockery is focused on mastering all the shifting and tricky backing maneuvers; landing a job is the least of his worries.

"I never thought in my wildest mind that I would ever be a truck driver, you know," he says. "But the way times [are] changing now, you have to find something that's going to be steady and permanent."

Permanent, maybe not: Many people who go into trucking seem to be in a hurry to get out of it.

"Trucking is an industry that goes through people like oats go through a horse. It's a tough job," says Todd Spencer, executive vice president of the Owner-Operator Independent Drivers Association.

He ought to know: He used to be a trucker. Spencer says this driver shortage is a myth.

"It's not a shortage; the problem is retention," he says. "And you won't be able to keep good people if you don't pay them comparatively for the demands that you ask."

Rough Demands From The Job

Trucking is an industry that goes through people like oats go through a horse. It's a tough job.

- Todd Spencer, executive vice-president of the Owner-Operator Independent Drivers Association

Long-haul truckers can pull down more than \$50,000 before expenses, but it can be a brutal job. Truckers routinely drive for weeks on end without ever going home. They work and live in a cab about the size of a large office cubicle, eating in truck stops and sleeping in parking lots.

They're paid not for their time, but for the miles they drive. They see family only when work permits. Bob Costello of the American Trucking Associations says the work is getting less forgiving.

"If you are a new driver to this industry, you better be on your game every day," he says. "Because once you get a record — [if] you got in an accident, it was your fault — you're going to be fired, and it's going to be very difficult to find another job in the industry."

There's no escaping the scrutiny these days. The government now tracks each violation, from flat tires to fudged records, and scores each driver — a new requirement from last year. Coming regulations will likely trim the maximum workday and force truckers with serious health problems to get off the road.

All this is pushing some drivers out, and making quality drivers increasingly valuable. Bert Johnson with Con-way Truckload says the industry is just starting to respond.

"Pay has gone up a little bit, but really in the grand scheme of things we're paying people the same way we paid years ago," he says. "That's going to change, though."

It will change for the better as far as drivers are concerned. Johnson says companies are also adding benefits, like better health care and signing benefits, even refiguring logistics to get drivers home more often. Because just about everyone in the industry agrees: Good, safe, conscientious truckers are totally in the driver's seat these days.