# Transportation Labor Opposes the Outsourcing of American Train Crews

## Stopping the Unsafe Outsourcing of U.S. Rail Jobs

The rail industry is an immensely profitable enterprise, operating freight rail service across the United States, Mexico, and Canada. The American men and women who fill rail labor's ranks want to see this industry succeed and flourish while sharing in its success. Rather than reinvesting in the workers who sustain the industry's success and profits, some Class I railroads are now doubling down on their efforts to outsource American train crew jobs and use Mexican-domiciled crewmembers. TTD previously opposed Kansas City Southern Railway's efforts to replace American train crews with crews from Mexico on trips across the border, and we expressed our strong opposition to both CPKC's continued cross-border operations and Union Pacific's recent actions to use Mexican-domiciled crews in the United States.

Freight rail service between the United States and Mexico has long operated as a critical component of North American supply chains and trade. Today, two Class I railroads, Union Pacific (UP) and Canadian Pacific Kansas City (CPKC), operate freight traffic that travels between the two countries, operated directly by themselves or by a Mexican subsidiary. A third, Burlington Northern Santa Fe (BNSF), does not operate within Mexico itself, but interchanges at the border with non-subsidiary Mexican railroads.

For more than 30 years, the railroads have complained about inefficiencies related to their cross-border operations, and their attendant compliance with Federal Railroad Administration (FRA) regulations. Of great concern to rail labor, this has included ongoing efforts to operate freight trains across the border and into the United States using Mexican-domiciled crewmembers.

We strongly oppose operations of this nature, and we reiterate our call on Congress and the Trump Administration to prohibit such operations by requiring American citizens or permanent residents to operate trains coming across the Southern Border.

#### Kansas City Southern/CPKC

In 2018, the American rail carrier Kansas City Southern Railway (KCSR) launched a two-pronged effort to relocate rail operations and jobs to Mexico. KCSR received permission from the FRA, over the objection of TTD and its rail unions, to modify KCSR's Program of Certification for Locomotive Engineers and Remote-Control Operators (Part 240 Program) to begin replacing American train crews with crews from Mexico on trips across the border. KCSR also received permission from the FRA to allow brake inspections to be conducted by Mexican workers in Mexican rail yards before those trains crossing the border and traveling through communities throughout the United States. TTD and our affiliated unions strongly oppose both

efforts, both to the acceptability of the modified Part 240 plan as well as other safety concerns related to these employees.

Since that time, KCSR, now CPKC, has operated Mexican-domiciled crews into the United States, to its Laredo Yard in Texas, at which point the aforementioned waivers allow the performance of a Class I brake test.

### Union Pacific (UP)

As recently as 2023, when renewing Union Pacific's (UP) waiver to allow it to postpone Class I brake tests, the FRA required that Union Pacific trains must be operated from the bridge to that yard by a properly qualified and certified UP locomotive engineer and conductor." [1] Unlike CPKC, UP was at that point permitted to delay the more rigorous brake test but was not permitted to operate the train from the border using a Mexican-domiciled crew. In late 2023, UP sought and was successfully granted a modification to its waiver which clarified that crews must be certified by UP, but not necessarily employed by UP.

By 2024, rail unions began receiving reports that UP was providing simulator training to Mexican nationals to operate cross-border. On April 8th, 2025, UP relayed to its unions that Mexican crews would begin operating trains between the border interchange at Eagle Pass and Clarks Yard (seven miles into the United States). It is unclear what actions FRA has taken to ensure that Mexican-domiciled crews are operating safely.

#### **Safety Considerations**

The FRA has no safety jurisdiction over Mexican train crews or train operations in Mexico. Furthermore, U.S. Department of Transportation (USDOT) regulations currently allow foreign railroad workers to operate up to 10 miles into the United States without being subject to U.S. drug and alcohol testing regulations.<sup>[2]</sup>

We have been given little reason to place our trust in the nascent Mexican regulatory body, the Agencia Reguladora del Transporte Ferroviario (ARTF), to promulgate and enforce rail safety regulations. This body's regulatory framework, given its track record as a fairly new regulatory body, does not oversee safety standards equal to the standards in the U.S. and Canada. Created less than a decade ago, ARTF is still developing its own rail regulations and its enforcement capability. In the past, Class I railroads have attempted to draw parallels between these proposals and existing U.S.-Canada cross-border rail operations. FRA and Transport Canada's regulatory cooperation is predicated on decades of careful collaboration and a commitment to safety that Mexico cannot currently demonstrate. The end result is that Mexican-domiciled crew operations in the United States are virtually unregulated and less safe compared to American operations.

### Job Impacts

In addition to matters relating to safety, we are deeply concerned about the impacts of these

operations on the jobs of American railroaders. Fundamentally, any work currently being performed in the United States by a Mexican-domiciled crew is work that would have otherwise been performed by American crew members who have the training and requisite expertise to conduct safe operations.

There is no existing law or regulation which limits how far into the United States a Mexican-domiciled crew can travel, or which would restrict point-to-point operations within the United States from being performed by a Mexican-domiciled crew. The only limitation to date is the discretion of the railroads, perhaps influenced by a lack of desire to comply with U.S. drug and alcohol testing requirements if said crew were to exceed the previously discussed 10-mile radius. If UP, CPKC, or another railroad determined that it wanted to operate Mexican-domiciled crews further into the interior of the country, there would be no limitation on such operations.

However, expanded operations of this nature would have a severe and deleterious impact on U.S. crews, who would lose work to lower-compensated Mexican train crews. While this is of immediate concern to the thousands of rail workers in the border states of New Mexico, Arizona and Texas, it may ultimately affect rail workers more broadly across the United States. Thus, the lack of regulatory and statutory guardrails on this matter is deeply concerning.

#### Conclusion

We believe strongly that without action, it is only a matter of time before Mexican-domiciled crews begin to more significantly encroach on the work currently performed by our union. For reasons related to securing domestic jobs and rail safety, we believe that cross-border operations using Mexican-domiciled crews must be prohibited.

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[1] Docket Number FRA-2007-28339 [2]49 CFR 219.3(d)(i)