

has stated that the era of new big-city airports is probably over.

The emerging global economy is one where New England is aiming to take advantage of its location and increase its trade and shipping activity between Europe and Canada. In particular, one of the goals of Massachusetts Governor William Weld and the Massachusetts Port Authority Executive Director, Alden Raine, is to have Boston serve as the capital of the Atlantic Rim, as Los Angeles is the capital of the Pacific Rim. This goal is far from being realized, however, since Boston faces great competition from other Atlantic seaboard ports.

Also, the North American Free Trade Agreement (NAFTA) between Canada, the United States and Mexico will create the largest free trade zone in the world with 360 million people. Please see further discussion of NAFTA in the Legislation section.

B. THE NEW ENGLAND ECONOMY

The New England economy, which has been hit hard by cutbacks in the defense industry and plunging real estate prices, continues to lag behind the rest of the nation. The early eighties was an economic boom period for Massachusetts. In the late eighties, Massachusetts experienced a recession. However, in January 1993, there was an increase of 39,100 jobs in Massachusetts, according to the U.S. Bureau of Labor Statistics. This indicates that Massachusetts is participating in the slow, modest economic growth of the nation.

Also in January, the Associated Industries of Massachusetts (AIM), a 3,300-employer organization, reported that its business confidence index was at its highest point since 1991.

Each New England state, however, is financially constrained and faces financial problems at both the state and local levels. State transportation plans are ambitious and will seek to further mass transit, intermodal development and improve highways and bridges. Projects will depend on funding at every level of government. It is realistic to expect that not all planned projects will obtain the financing necessary for their completion.

Background on the region:

The New England region in the five states forming the consular territory offers a rich market for the Canadian transit industry. New England offers a diversified economy with many predominant industries which create the need for efficient means of transporting people and goods into and out of the region. Boston is the major city in terms of commercial activity.

A large number of excellent colleges and universities contribute to the high level of education in the general labor pool of the region. This factor serves to assure a New England perspective focusing on quality products and services, improvement of the regional economy, and the promotion of research and development