









## Panama Canal Authority Forms Alliance with Massport

On October 17 the Massachusetts Port Authority (Massport) and the Panama Canal Authority (ACP) formally signed a Memorandum of Understanding (MOU) that creates a strategic alliance between the two authorities.

The agreement is an effort to increase cooperation, such as joint marketing, and to boost trade between the Port of Boston and the Panama Canal, as well as increase trade to Asia from Boston via the "All-Water Route." The term of the agreement is one year, renewable on an annual basis.

"There will be real, tangible benefits from this agreement between the ACP and Massport—a win-win situation for our customers, the people living in the New England region, and the Canal," said Panama Canal Administrator Alberto Alemán Zubieta. "The joint marketing, exchange of ideas, and the sharing of information on modernization projects demonstrate our desire to execute solutions for the long-term growth needs of the shipping community and international trade."

More than 60 percent of traffic passing through the Panama Canal originates from or travels to the East Coast of the

United States. Over the last few years, containerized cargo transported on the Asia-U.S. East Coast route has experienced significant growth as the result of an increase in demand for all-water serv-



Container Ship in Miraflores Locks, Panama

Photo courtesy of ACP Web site

ice by shippers. The increase in shipping has created new jobs and has contributed to economic growth and development.

In 2002, 266 container vessels made port calls to Boston, a 33-percent increase from 2001, and Massport processed more than one million metric tons of containerized cargo, a 4-percent increase over 2001. During the first six months of 2003, Massport's Conley Terminal handled a 14-percent increase over the same period in 2002, processing 90,117

twenty-foot equivalent units (TEUs) of containerized cargo. The Port of Boston is currently served by weekly direct ocean-carrier service to and from the Far East via the Panama Canal.

The agreement between the two authorities allows them to conduct the following activities:

- Joint marketing activities to generate new shipping business via promotions, advertising, and public relations activities.
- Data sharing to forecast future trade flows and market trends.
- Exchanging market studies that may benefit either

party in future product development or business ventures.

- Sharing information related to modernization and improvement projects that benefit business and increase demand.
- Exchanging advanced technologies to spur cutting-edge programs in the shipping and maritime community.

## MBTA Fare Increase to Fund Service Improvements

### ■ Fare Increase *cont. from p. 1*

today's vote of the [MBTA] Board that the voices of riders have been heard. A good balance has been struck between the need for new revenue and the desires of our customers."

Bus fares will increase from 75 cents to 90 cents and the price of a subway token will increase from \$1.00 to \$1.25. The maximum commuter rail and boat charge for a one-way ticket will be \$6.00. Fares for THE RIDE will be \$1.50.

The fare hikes, which are expected to raise approximately \$49.1 million of additional revenue annually, are necessary to maintain current service, close a

deficit in the budget, and provide service and safety improvements such as:

- Adding capacity on the Green Line during the evening hours by deploying more two-car trains.
- Offering express service on the Fitchburg commuter rail line.
- Making service more frequent on some of the busiest bus routes and improving the reliability of bus service by increasing supervision on targeted routes.
- Recruiting ten new police officers to patrol the system and deter fare evasion, and hiring fifteen more commuter rail conductors to help ensure that all fares are collected.

The revenue generated by the fare increase will also allow the MBTA to fund its \$2.8 billion Capital Improvement Program, two-thirds of which is devoted to projects that will keep the current system in a state of good repair and improve accessibility. The list of capital improvements includes:

- Rebuilding five Red Line stations (Ashmont, Shawmut, Fields Corner, Savin Hill, and Charles/MGH).
- Modernizing Blue Line stations and lengthening platforms to accommodate new, six-car trains.

### ■ Capital Improvements *cont. on p. 6*

