The canal traffic figures in the foregoing Tables, 18 to 21, include duplications where the same freight passes through two or more canals. Table 22 below eliminates most of this duplication for the St. Lawrence-Great Lakes system. Even in this analysis, however, grain traffic originating at Lake Superior ports and transhipped from Upper Lake to smaller boats at Port Colborne or other points on lakes Erie or Huron, is really a duplication although not appearing as such and is shown separately and deducted in the table. The elimination of duplications for Canadian canals only, is not feasible because both Canadian and United States vessels use the locks on both sides of the river at Sault Ste. Marie without the payment of tolls or other restrictions.

22.—Freight Traffic Using the St. Lawrence River, Welland Ship, and Sault Ste. Marie Canals, navigation season of 1937.

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Canals Used.	Up- Bound Freight.	Down- Bound Freight.	Total.
	tons.	tons.	tons.
St. Lawrence River only	2,972,622	1,550,416	4,523,038
St. Lawrence River and Welland Ship	1,997,687	2,301,327	4,299,014
St. Lawrence River, Welland Ship, and Sault Ste. Marie <sup>1</sup>	229,091	587,705	816,796
Welland Ship only	726, 190	4,254,502	4,980,692
Welland Ship, and Sault Ste. Marie <sup>1</sup>	149,961	1,501,488	1,651,449
Sault Ste. Marie¹ only	15, 123, 244	70,045,133	85,168,377
Totals	21,198,795	80,240,571	101,439,366
Deduct grain transhipped at Port Colborne and Buffalo	_	1,315,754	1,315,754
Totals	21,198,795	78,924,817	100,123,612

<sup>&</sup>lt;sup>1</sup> Includes both Canadian and United States canals at Sault Ste. Marie.

The Panama Canal.\*—The Panama canal, which was opened to commercial traffic on Aug. 15, 1914, is a waterway which is destined to be of the greatest importance to the British Columbian ports, from which vessels now leave direct for Great Britain and European ports throughout the year. As an alternative route to that of the transcontinental railway lines, such a passage by water is of vital importance in the solution of the larger transportation problems of the continent, and while its influence is perhaps more potential than actual, such a check on transcontinental rail rates is a valuable one. During the War the great expectations based upon the opening of the canal were not realized, owing to the scarcity of shipping, but, with the post-war decline in ocean freight rates, an increase in traffic between our Pacific ports and Europe has taken place, and, while the proportion carried in vessels of Canadian registry is comparatively small, the cargo tonnage has nevertheless assumed considerable proportions.

Table 23 shows the amount of traffic originating in or destined for Canada carried through the canal. The greater importance of the route as one from Pacific to Atlantic ports is illustrated by the much larger volume of freight originating at western ports than at eastern ports, and the larger volume destined for eastern than for western Canadian ports. Strictly inter-coastal Canadian cargo during the latest year aggregated 119,939 long tons as compared with 119,577 long tons in 1936.

<sup>\*</sup>Revised, and figures supplied, by courtesy of the Governor of the Panama Canal Zone.