



The Panama Canal.*—The Panama Canal, which was opened to commercial traffic on Aug. 15, 1914, has been a waterway of great importance to British Columbian ports, from which vessels leave direct for British 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 of 1914-18 the great expectations based upon the opening of the Canal were not realized, owing to the scarcity of shipping. However, with the post-war decline in ocean freight rates, an increase in traffic between Canada's Pacific ports and Europe took place, and, while the proportion carried in vessels of Canadian registry was comparatively small, the cargo tonnage nevertheless assumed considerable proportions. The outbreak of war in September, 1939, has again reduced the supply of shipping for the ordinary commerce of the nations involved. It is probable that under these circumstances transcontinental rail transportation has been substituted in Canada for some of the traffic formerly passing through the Panama Canal.

* Revised and figures supplied by the Governor of the Panama Canal Zone.