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Minister of Trade and Commerce

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DOMINION BUREAU OF STATISTICS - OTTAWA

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Chief, Business Statistics Branch:	Sydney B. Smith, M.A.

COMMERCIAL FAILURES IN THE FIRST QUARTER OF 1945

The number of commercial failures receded to a new low level in the first quarter of 1945. Failures dropped to 52 compared with 76 in the first three months of last year. The number was less than in the first quarter of any other year since 1922 when the statistics were first collected. The trend of first quarter failures has been downward since the end of the first world war, six consecutive declines having been shown since 1939. The largest number for the first quarter during the period of observation was 1,110 recorded for 1923.

Defaulted Liabilities.

The defaulted liabilities dropped to \$994,000 in the first quarter of the present year compared with \$2,036,000 in 1944. Liabilities were at a lower point than in the same three months of any year since 1923 when the computation was commenced. A downward trend was shown from 1939 when defaults amounted to \$3,592,000.

Failures by Branches of Business.

Failures of trading establishments receded from 21 to 15 in the period under review. In manufactures the number at 6 was one less than in the same period of 1944. The decline in services of different classes was to 16 from 26 last year, while an increase from 11 to 15 was shown in other activities, mainly construction and transportation.

Commercial Failures by Areas.

Three failures occurred in Nova Scotia in the first quarter, while none were reported in the Maritime Provinces during the same period last year. The decline in Quebec was from 53 to 37, while only nine were reported for Ontario against 15 one year ago. In the list for the Prairie Provinces, three failures were recorded in Saskatchewan last year while one was shown in Alberta in the elapsed period of 1945. Two failures occurred in British Columbia against five one year ago.

Price - 50 cents.

The Bureau is respectfully requested to advise the Commission of the results of the investigation conducted by the Bureau in the case of the above-named persons.

Very respectfully,
Director of the Bureau of Investigation

Enclosed for the Bureau are two copies of the report of the Commission on the case of the above-named persons, and two copies of the report of the Commission on the case of the above-named persons.

REPORT OF THE COMMISSION ON THE CASE OF THE ABOVE-NAMED PERSONS

The Commission on the case of the above-named persons was organized on June 1, 1910, and has since that time been engaged in a study of the case. The Commission has held numerous public hearings and has received many suggestions from the public. The Commission has also conducted extensive research into the case and has prepared this report for the Bureau.

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Table 1. - NUMBER OF COMMERCIAL FAILURES AND DEFAULTED LIABILITIES
FIRST QUARTER OF 1945

Year	Number			First Quarter	Liabilities
	January	February	March		First Quarter
					\$
1922	374	340	340	1,054	-
1923	387	355	368	1,110	19,674,767
1924	291	260	223	774	14,333,053
1925	270	182	198	630	8,528,251
1926	184	144	136	464	7,564,017
1927	191	143	164	498	6,789,891
1928	197	188	164	549	7,382,987
1929	269	197	180	646	12,786,460
1930	261	205	201	667	17,091,691
1931	240	188	178	606	11,944,578
1932	238	221	208	667	11,110,423
1933	216	214	192	622	11,377,803
1934	153	140	140	433	6,105,814
1935	107	130	124	361	3,658,986
1936	104	131	103	338	4,483,439
1937	82	92	85	259	3,136,865
1938	104	107	107	318	3,356,821
1939	127	130	114	371	3,592,118
1940	124	107	100	331	3,535,992
1941	102	100	92	294	2,456,718
1942	84	76	67	227	2,035,864
1943	37	35	42	114	2,061,635
1944	26	27	23	76	2,035,364
1945	25	16	11	52	994,233

TABLE 1. - SUMMARY OF CORRELATION COEFFICIENTS AND STANDARD DEVIATIONS
 FOR THE PERIOD 1950-1959

Year	Series	Correlation Coefficient		Standard Deviation	
		1950-1959	1950-1959	1950-1959	1950-1959
1950	1	1.000	1.000	1.000	1.000
1951	2	0.985	0.985	0.985	0.985
1952	3	0.970	0.970	0.970	0.970
1953	4	0.955	0.955	0.955	0.955
1954	5	0.940	0.940	0.940	0.940
1955	6	0.925	0.925	0.925	0.925
1956	7	0.910	0.910	0.910	0.910
1957	8	0.895	0.895	0.895	0.895
1958	9	0.880	0.880	0.880	0.880
1959	10	0.865	0.865	0.865	0.865
1960	11	0.850	0.850	0.850	0.850
1961	12	0.835	0.835	0.835	0.835
1962	13	0.820	0.820	0.820	0.820
1963	14	0.805	0.805	0.805	0.805
1964	15	0.790	0.790	0.790	0.790
1965	16	0.775	0.775	0.775	0.775
1966	17	0.760	0.760	0.760	0.760
1967	18	0.745	0.745	0.745	0.745
1968	19	0.730	0.730	0.730	0.730
1969	20	0.715	0.715	0.715	0.715
1970	21	0.700	0.700	0.700	0.700
1971	22	0.685	0.685	0.685	0.685
1972	23	0.670	0.670	0.670	0.670
1973	24	0.655	0.655	0.655	0.655
1974	25	0.640	0.640	0.640	0.640
1975	26	0.625	0.625	0.625	0.625
1976	27	0.610	0.610	0.610	0.610
1977	28	0.595	0.595	0.595	0.595
1978	29	0.580	0.580	0.580	0.580
1979	30	0.565	0.565	0.565	0.565
1980	31	0.550	0.550	0.550	0.550
1981	32	0.535	0.535	0.535	0.535
1982	33	0.520	0.520	0.520	0.520
1983	34	0.505	0.505	0.505	0.505
1984	35	0.490	0.490	0.490	0.490
1985	36	0.475	0.475	0.475	0.475
1986	37	0.460	0.460	0.460	0.460
1987	38	0.445	0.445	0.445	0.445
1988	39	0.430	0.430	0.430	0.430
1989	40	0.415	0.415	0.415	0.415
1990	41	0.400	0.400	0.400	0.400

Table 2. - COMMERCIAL FAILURES IN CANADA, BY PROVINCES AND BRANCHES OF BUSINESS FOR THE FIRST QUARTER 1945, WITH TOTALS FOR THE FIRST QUARTER, 1944

	P.E.I. and N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total for First Quarter	
									1945	1944
TRADE										
General Stores	-	-	4	-	-	-	-	1	5	-
Grocery	-	-	-	-	-	-	-	-	-	2
Confectionery	1	-	-	-	-	-	-	-	1	-
Drink and Tobacco	-	-	-	-	-	-	-	-	-	1
Fish and Meat	-	-	2	1	-	-	-	-	3	1
Boots and Shoes	-	-	-	-	-	-	-	-	-	-
Dry Goods	-	-	-	-	-	-	-	-	-	1
Clothing	-	-	-	-	-	-	-	-	-	2
Furniture	-	-	1	-	-	-	-	-	1	1
Books and Stationery	-	-	-	1	-	-	-	-	1	-
Automobile	-	-	-	-	-	-	-	-	-	-
Hardware	-	-	-	-	-	-	-	-	-	-
Electric Apparatus	-	-	-	-	-	-	-	-	-	-
Jewelry	-	-	1	-	-	-	-	-	1	-
Coal and Wood	-	-	-	-	-	-	-	-	-	2
Drugs and Chemicals	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	3	-	-	-	-	3	11
Total Trade	1	-	8	5	-	-	-	1	15	21
MANUFACTURES										
Vegetable Foods	-	-	1	-	-	-	-	-	1	1
Drink and Tobacco	-	-	-	-	-	-	-	-	-	-
Animal Foods	-	-	1	-	-	-	-	-	1	-
Fur and Leather	-	-	-	-	-	-	-	-	-	1
Pulp and Paper	-	-	1	-	-	-	-	-	1	-
Textiles	-	-	-	-	-	-	-	-	-	-
Clothing	-	-	1	-	-	-	-	-	1	1
Lumber and Manufactures	-	-	-	-	-	-	1	-	1	-
Iron and Steel	-	-	-	-	-	-	-	-	-	1
Non-ferrous Metals	-	-	-	-	-	-	-	-	-	-
Non-metallic Minerals	-	-	1	-	-	-	-	-	1	2
Drugs and Chemicals	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	1
Total Manufactures	-	-	5	-	-	-	1	-	6	7
SERVICE										
Garage	-	-	-	-	-	-	-	-	-	1
Other Custom and Repairs	-	-	2	-	-	-	-	-	2	2
Personal Service	1	-	1	1	-	-	-	-	3	10
Restaurants	-	-	1	-	-	-	-	-	1	1
Professional Service	1	-	4	1	-	-	-	1	7	7
Recreational Service	-	-	1	-	-	-	-	-	1	-
Business Service	-	-	2	-	-	-	-	-	2	5
Total Service	2	-	11	2	-	-	-	1	16	26
OTHER										
Agriculture	-	-	-	-	-	-	-	-	-	1
Mining	-	-	-	-	-	-	-	-	-	-
Logging, Fishing and Trapping	-	-	-	-	-	-	-	-	-	-
Construction	-	-	11	2	-	-	-	-	13	4
Transportation and Public Utilities	-	-	2	-	-	-	-	-	2	5
Finance	-	-	-	-	-	-	-	-	-	1
Total Other	-	-	13	2	-	-	-	-	15	11
Not Classified	-	-	-	-	-	-	-	-	-	11
GRAND TOTAL	3	-	35	9	-	-	1	2	52	76

