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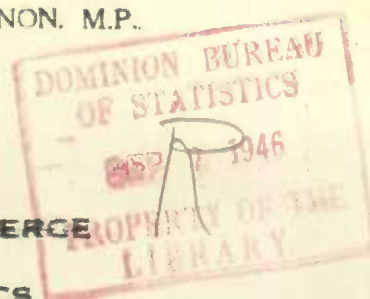
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CANADA

DEPARTMENT OF TRADE AND COMMERCE

DOMINION BUREAU OF STATISTICS

BUSINESS STATISTICS BRANCH



CANADIAN FAILURES

IN THE SECOND QUARTER OF 1946



OTTAWA
1946

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CANADIAN FAILURES UNDER THE PROVISIONS OF BANKRUPTCY AND WINDING UP
ACTS IN THE SECOND QUARTER OF 1946.

The number of failures receded to a lower point during the first half of 1946 than in the similar period of any year since the statistics were first collected in 1922. Assignments were reduced to 113 compared with 147, the previous minimum recorded for the first six months of 1945.

The downward trend has persisted since the computation was commenced. As indicated by the inactivity in bankruptcy proceedings, conditions in the current period are obviously favourable for the continuity of business operations. First-half bankruptcies have declined for seven consecutive years.

The highest point in number of failures during the period of observation was reached during the depression following the first world war. Assignments exceeded 1,000 in each of the years from 1929 to 1933, covering the second important depression of the inter-war period.

Bankruptcies in the second quarter numbered 59 being slightly less than in the same period of either 1945 or 1944. Important decline had been shown from 1939 to two years ago, while since that time, the change has been rather insignificant.

The defaulted liabilities which had reached a minimum for the last 24 years during the first half of 1945 showed an increase in the period under review. The total was \$2,511,000 compared with \$1,790,000 in the first six months of 1945. The total for the second quarter rose from \$297,000 to \$1,044,000 in the same comparison. Increased liabilities were recorded in the four provinces reporting failures in the second quarter of both years.

Commercial Failures by Areas. -

During the first six months there was one failure in the Maritime provinces compared with five last year. The situation was improved in Quebec and Ontario, the number dropping from 121 to 96 in the former and from 13 to 10 in the latter. Three failures were shown in the Prairie provinces in each of the last two years and a decline from five to three occurred in British Columbia.

Failures by Branches of Business. -

The failures in trade were greater than in any other groups of the classification, the increase from the first half of 1945 having been from 28 to 31. Failing manufacturing concerns increased from 27 to 30. No change was in evidence for the primary industries where three failures occurred in the first half of each year.

Construction firms numbered nine compared with 26 last year. Defaulting firms in transportation fell from 7 to 6, while the number for the finance group doubled at four. The decline in services of different classes was from 43 to 25.

TABLE 1. NUMBER OF COMMERCIAL FAILURES AND DEFAULTED LIABILITIES,
1922 - 1946.

Year	Number of Failures			Defaulted Liabilities		
	First Quarter	Second Quarter	First Half	First Quarter	Second Quarter	First Half
				\$	\$	\$
1922	1,054	842	1,896	-	-	-
1923	1,110	886	1,996	19,674,767	15,603,418	35,280,185
1924	774	506	1,280	14,332,052	14,756,817	29,089,870
1925	630	467	1,097	8,528,251	8,786,420	17,314,681
1926	464	400	864	7,564,017	7,258,777	14,822,794
1927	498	293	891	6,789,891	6,952,610	13,743,501
1928	549	411	960	7,382,987	6,702,098	14,085,085
1929	646	507	1,153	12,786,460	7,774,671	20,561,131
1930	667	528	1,205	17,091,691	10,031,651	27,123,342
1931	606	503	1,109	11,944,578	10,768,078	22,712,656
1932	667	573	1,240	11,110,423	10,113,027	21,223,450
1933	622	517	1,139	11,377,803	7,977,992	19,355,795
1934	433	388	821	6,105,814	6,911,830	13,017,644
1935	361	317	678	3,658,986	4,859,282	8,518,268
1936	338	291	629	4,483,439	4,028,276	8,511,715
1937	259	279	538	3,136,865	3,589,816	6,726,681
1938	318	289	607	3,356,821	3,460,052	6,816,873
1939	371	346	717	3,592,118	4,189,660	7,781,778
1940	331	320	651	3,535,992	3,023,065	6,559,057
1941	294	261	555	2,456,718	2,739,771	5,196,489
1942	227	172	399	2,035,864	1,206,693	3,242,557
1943	130	108	238	2,288,519	1,120,201	3,408,820
1944	94	61	155	1,125,693	756,584	1,942,277
1945	83	64	147	1,392,780	396,879	1,789,659
1946	54	59	113	1,467,014	1,042,949	2,510,963

TABLE 2. COMMERCIAL FAILURES IN CANADA, BY PROVINCES AND BRANCHES OF BUSINESS FOR
THE SECOND QUARTER 1946, WITH TOTALS FOR THE SECOND QUARTER, 1945.

	P.E.I. and N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total for Second Quarter	
									1946	1945
TRADE										
General Stores	-	-	2	-	-	-	-	-	2	1
Grocery	-	-	-	-	-	-	-	-	-	1
Confectionery	-	-	-	-	-	-	-	-	-	-
Drink and Tobacco	-	-	-	-	-	-	-	-	-	-
Fish and Meat	-	-	-	-	-	-	-	-	-	1
Boots and Shoes	-	-	-	-	-	-	-	-	-	-
Dry Goods	-	-	-	-	-	-	-	-	-	-
Clothing	-	-	1	-	-	-	-	-	1	-
Furniture	-	-	-	-	-	-	-	-	-	-
Books and Stationery ..	-	-	-	-	-	-	-	-	-	-
Automobile	-	-	-	1	-	-	-	-	1	-
Hardware	-	-	-	-	-	-	-	-	-	-
Electric Apparatus ...	-	-	-	-	-	-	-	-	-	-
Jewelry	-	-	1	-	-	-	-	-	1	-
Coal and Wood	-	-	3	-	-	-	-	-	3	-
Drugs and Chemicals ..	-	-	1	-	-	-	-	-	1	-
Miscellaneous	1	-	4	-	-	-	1	-	6	2
Total Trade	1	-	12	1	-	-	1	-	15	5
MANUFACTURES										
Vegetable Foods	-	-	1	1	-	-	1	-	3	1
Drink and Tobacco	-	-	-	-	-	-	-	-	-	-
Animal Foods	-	-	-	-	-	-	-	-	-	-
Fur and Leather	-	-	1	-	-	-	-	-	1	-
Pulp and Paper	-	-	-	-	-	-	-	-	-	-
Textiles	-	-	-	-	-	-	-	-	-	-
Clothing	-	-	-	-	-	-	-	-	-	1
Lumber and Manufactures	-	-	1	-	-	-	-	2	3	2
Iron and Steel	-	-	3	1	-	-	-	-	4	2
Non-ferrous Metals ...	-	-	-	1	-	-	-	-	1	3
Non-metallic Minerals.	-	-	-	-	-	-	-	-	-	1
Drugs and Chemicals ..	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	2	-	-	-	-	-	2	1
Total Manufactures	-	-	8	3	-	-	1	2	14	11
SERVICE										
Garage	-	-	-	-	-	-	-	-	-	3
Other custom and repair	-	-	1	-	-	-	-	-	1	3
Personal Service	-	-	7	1	-	-	-	-	8	12
Restaurants	-	-	2	-	-	-	-	-	2	4
Professional Service ..	-	-	-	-	-	-	-	-	-	1
Recreational Service ..	-	-	-	-	-	-	-	-	-	-
Business Service	-	-	2	-	-	-	-	-	2	1
Total Service	-	-	12	1	-	-	-	-	13	24

TABLE 2. COMMERCIAL FAILURES IN CANADA, BY PROVINCES AND BRANCHES OF BUSINESS FOR THE SECOND QUARTER 1946, WITH TOTALS FOR THE SECOND QUARTER, 1945 - continued

	P.E.I. and N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total for Second Quarter	
									1946	1945
OTHER										
Agriculture	-	-	-	-	-	-	-	-	-	-
Mining	-	-	1	-	-	-	-	-	1	-
Logging, Fish and Trapping	-	-	-	-	-	-	-	-	-	-
Construction	-	-	6	-	-	-	-	-	6	12
Transportation and Public Utilities	-	-	2	-	-	-	-	-	2	5
Finance	-	-	3	1	-	-	-	-	4	-
Total Other	-	-	12	1	-	-	-	-	13	17
Not Classified	-	-	4	-	-	-	-	-	4	7
GRAND TOTAL	1	-	48	6	-	-	2	2	59	64

TABLE 3. COMMERCIAL FAILURES IN CANADA, BY PROVINCES, SHOWING ESTIMATES ASSETS AND LIABILITIES, SECOND THREE MONTHS OF 1946, WITH TOTALS FOR THE SAME PERIOD OF 1945 and 1944

	Number of Bankruptcies	Estimates Grand Total Assets	Estimates Grand Total Liabilities
		\$	\$
Prince Edward Island	-	-	-
Nova Scotia	1	62,287	124,284
New Brunswick	-	-	-
Quebec	48	400,733	506,159
Ontario	6	36,913	107,718
Manitoba	-	-	-
Saskatchewan	-	-	-
Alberta	2	343,614	275,381
British Columbia	2	22,336	30,407
Cumulative Total for Three Months.			
1946	59	865,883	1,043,949
1945	64	192,123	396,879
1944	62	400,925	756,584

TABLE 4. COMMERCIAL FAILURES BY PROVINCES,

1946

	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	TOTAL
January	-	-	-	18	1	-	-	1	-	20
February	-	-	-	13	1	-	-	-	-	14
March	-	-	-	17	2	-	-	-	1	20
April	-	-	-	17	4	-	-	-	-	21
May	-	1	-	15	-	-	-	-	2	18
June	-	-	-	16	2	-	-	2	-	20
Six Months' Total, 1946 ...	-	1	-	96	10	-	-	3	3	113
Six Months' Total, 1945 ...	1	3	1	121	13	1	-	2	5	147
Six Months' Total, 1944 ...	-	2	-	126	18	-	3	-	6	155

TABLE 5. COMMERCIAL FAILURES, BY MONTHS AND BRANCHES OF BUSINESS,

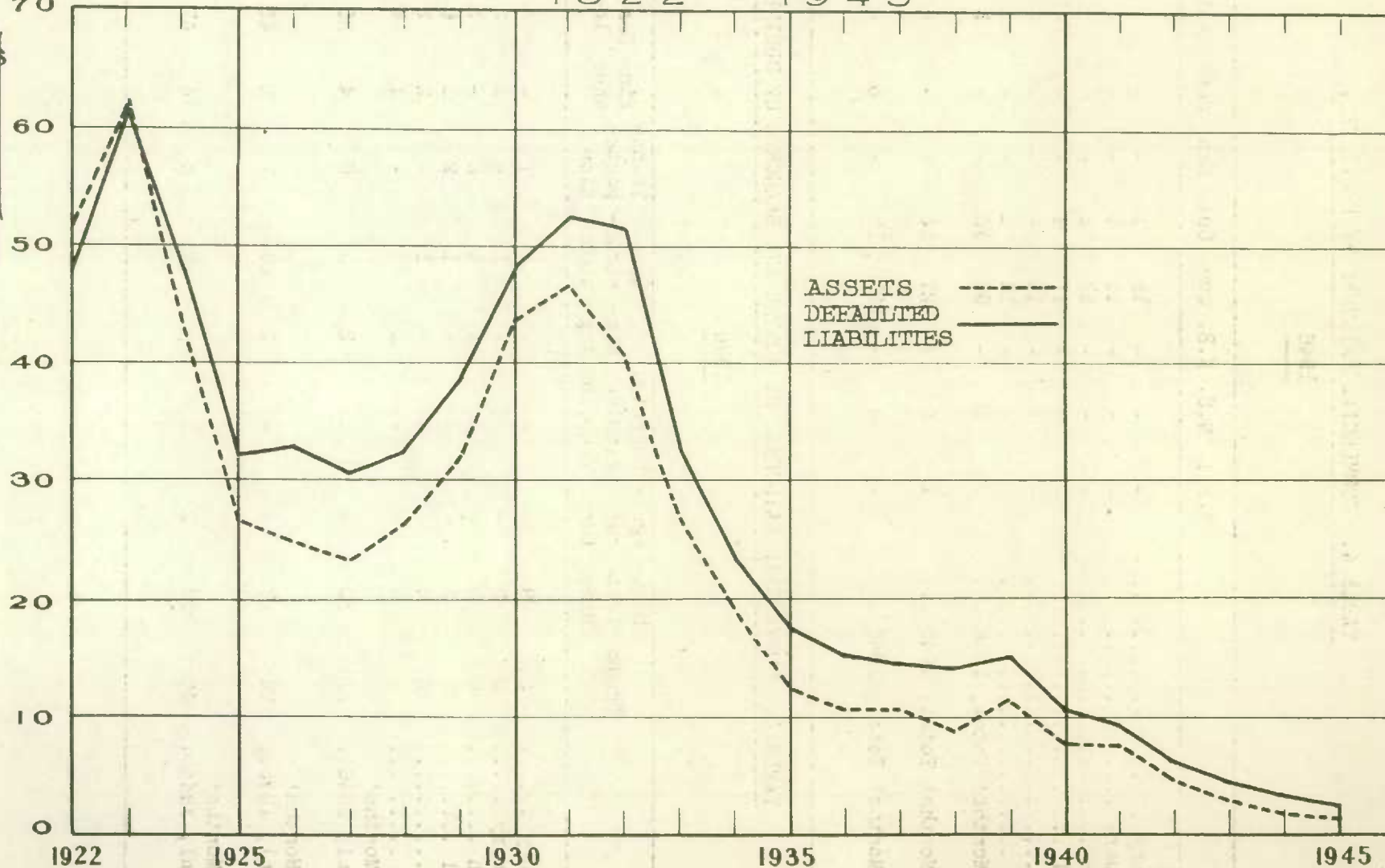
1946

	Trade	Manu- fact- ures	Agri- cul- ture	Loggnig, Fishing, Min- Trapping ing	Con struc- tion	Trans- porta- tion	Fin- ance	Serv- ice	Not Class- ified	TOTAL
January	5	9	-	-	-	1	1	-	4	20
February	5	2	-	-	-	1	-	1	5	14
March	6	5	-	1	1	1	2	-	3	20
April	8	3	-	-	-	1	2	1	6	21
May	3	5	-	-	-	3	-	2	3	18
June	4	6	-	-	1	2	-	1	4	20
Six Months' Total, 1946..	31	30	-	1	2	9	6	4	25	113
Six Months' Total, 1945..	28	27	1	-	2	26	7	2	43	147
Six Months' Total, 1944..	46	23	1	1	-	12	6	4	47	155

COMMERCIAL FAILURES ASSETS AND LIABILITIES 1922 - 1945

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