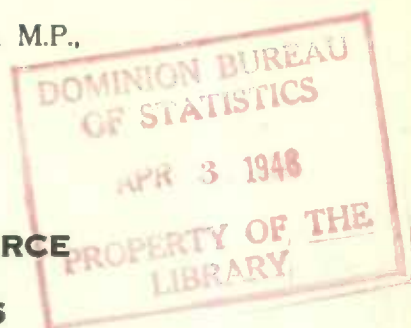


61

002



**CANADA**  
**DEPARTMENT OF TRADE AND COMMERCE**  
**DOMINION BUREAU OF STATISTICS**  
**BUSINESS STATISTICS BRANCH**

---

**CANADIAN FAILURES**  
**IN THE CALENDAR YEAR 1947**



OTTAWA  
1948



Dominion Statistician:  
Chief, Business Statistics Branch:

Herbert Marshall  
Sydney B. Smith

CANADIAN FAILURES UNDER THE PROVISIONS OF BANKRUPTCY  
AND WINDING UP ACTS IN THE CALENDAR YEAR 1947

The advance in the number of commercial failures and the amount of defaulted liabilities continued in 1947 for the third consecutive year. The lowest level in the period covered by official records was shown in 1944 when war activity reduced business fatalities to a minimum. The number of failures in 1947 was nearly double that of the preceding year. Minor increases had been shown in 1945 and 1946. The failures rose from 278 in the latter to 545 last year, and the gain in liabilities was from \$5,966,000 to \$10,078,000.

A declining trend was in evidence from 1923 to the present time in both failures and liabilities. The factors were at particularly high levels during the depression following the first world war. The prosperous periods culminating in 1923-9, 1937 and 1944, led to a marked reduction in bankruptcy proceedings. A greater number of failures reflected the depressed economic conditions of the early twenties, and from 1930 to 1933.

The fluctuations in liabilities followed the general pattern of the number of failures. The extent of the cyclical movements in the former, however, were relatively less pronounced from the early thirties to the present.

Commercial Failures By Areas

During the year there were 15 failures in the Maritime Provinces as compared with 5 in the preceding year. The failures in Quebec increased from 236 in 1946 to 422 in 1947, while in Ontario the number was augmented from 20 to 72. In the Prairie Provinces, a considerable increase was also shown, the failures numbering 12, compared with 5 in 1946, while in the Pacific Province, failures increased from 12 to 24.

Failures By Branches of Business

The failures in trade numbered 153, compared with 77 for the preceding year. Failing manufacturing concerns increased from 57 to 152, while in the primary industries, the number rose from 9 in 1946 to 13 in 1947.

Construction firms increased from 32 to 57, and in transportation 20 failures occurred, compared with 14 in the preceding year. Five failures were shown in finance for the year, and 92 in services of different classes.

Table 1. - NUMBER OF COMMERCIAL FAILURES AND DEFAULTED LIABILITIES  
1922 - 1947

Year	Number of Failures			Defaulted Liabilities		
	Nine Months	Last Quarter	Year	Nine Months	Last Quarter	Year
1922 .....	2,800	1,125	3,925	\$ -	\$ -	\$ -
1923 .....	2,707	701	3,408	46,573,353	15,044,174	61,617,527
1924 .....	1,717	602	2,319	37,433,592	10,671,805	48,105,397
1925 .....	1,513	483	1,996	23,889,896	8,263,801	32,153,697
1926 .....	1,257	516	1,773	22,015,579	10,275,546	32,291,125
1927 .....	1,294	547	1,841	20,865,970	9,768,499	30,634,469
1928 .....	1,414	623	2,037	20,756,502	11,688,935	32,455,437
1929 .....	1,589	578	2,167	26,618,648	12,128,990	38,747,638
1930 .....	1,725	677	2,402	36,648,414	11,515,651	48,164,065
1931 .....	1,581	635	2,216	32,740,366	19,812,534	52,552,900
1932 .....	1,793	627	2,420	30,012,931	21,616,372	51,629,303
1933 .....	1,585	459	2,044	26,347,327	6,606,531	32,953,858
1934 .....	1,159	373	1,532	17,814,461	5,783,799	23,598,260
1935 .....	980	334	1,314	12,975,483	4,591,519	17,567,002
1936 .....	908	290	1,198	11,967,160	3,177,785	15,144,945
1937 .....	827	299	1,126	10,109,873	4,193,489	14,303,362
1938 .....	887	332	1,219	10,114,742	3,902,319	14,017,061
1939 .....	1,060	332	1,392	11,571,298	3,518,163	15,089,461
1940 .....	907	266	1,173	8,644,517	2,018,809	10,663,326
1941 .....	772	236	1,008	7,129,101	2,004,556	9,133,657
1942 .....	572	165	737	4,191,508	1,827,800	6,019,308
1943 .....	340	81	421	4,692,940	646,583	5,339,523
1944 .....	212	48	260	2,739,560	720,621	3,460,181
1945 .....	202	70	272	2,482,718	1,512,391	3,995,109
1946 .....	177	101	278	4,263,568	1,702,585	5,966,153
1947 .....	402	143	545	7,130,301	2,947,256	10,077,557

Table 2. - COMMERCIAL FAILURES IN CANADA BY PROVINCES AND BRANCHES OF BUSINESS FOR 1947 WITH TOTALS FOR 1946

	P.E.I. and N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total for Third Quarter	
									1947	1946
<u>TRADE</u>										
General Stores .....	3	-	17	2	1	-	1	2	26	10
Grocery .....	-	1	13	1	-	-	1	-	16	4
Confectionery .....	-	-	8	-	-	-	-	-	8	2
Drink and Tobacco .....	-	-	4	1	-	-	-	-	5	-
Fish and Meat .....	-	-	11	-	-	-	-	-	11	-
Boots and Shoes .....	-	-	2	-	-	-	-	-	2	-
Dry Goods .....	-	-	2	-	-	1	-	-	3	3
Clothing .....	-	1	8	1	-	-	-	-	10	3
Furniture .....	-	-	2	1	-	-	-	2	5	2
Books and Stationery ..	-	-	2	-	-	-	-	-	2	-
Automobile .....	-	-	-	1	-	-	-	-	1	3
Hardware .....	-	-	-	1	-	-	-	-	1	-
Electric Apparatus ....	-	-	1	-	-	-	-	-	1	1
Jewelry .....	-	-	2	-	-	-	-	-	2	6
Coal and Wood .....	-	-	3	1	-	-	-	-	4	9
Drugs and Chemicals ...	-	-	4	-	-	-	-	-	4	1
Miscellaneous .....	-	-	39	10	1	-	-	2	52	33
Total Trade .....	3	2	118	19	2	1	2	6	153	77
<u>MANUFACTURES</u>										
Vegetable Foods .....	-	-	13	2	-	-	-	-	15	5
Drink and Tobacco .....	-	-	1	-	-	-	-	-	1	-
Animal Foods .....	1	-	1	-	-	-	-	1	3	1
Fur and Leather .....	-	-	16	2	-	-	-	-	18	6
Pulp and Paper .....	-	-	-	-	-	-	-	1	1	1
Textiles .....	-	-	1	-	-	-	-	-	1	-
Clothing .....	-	-	9	-	-	-	-	-	9	2
Lumber and Manufactures	-	2	26	6	2	-	1	5	42	12
Iron and Steel .....	-	-	11	5	-	-	-	-	16	11
Non-ferrous Metals ....	-	-	6	1	-	-	-	-	7	5
Non-metallic Minerals .	-	-	2	-	-	-	-	-	2	2
Drugs and Chemicals ...	-	-	8	-	-	-	-	-	8	2
Miscellaneous .....	-	-	18	8	-	-	-	3	29	10
Total Manufactures .....	1	2	112	24	2	-	1	10	152	57
<u>SERVICE</u>										
Garage .....	-	-	9	1	-	-	1	1	12	2
Other Custom and Repair	-	-	17	-	-	-	-	-	17	9
Personal Service .....	-	1	28	1	-	-	-	-	30	24
Restaurants .....	-	-	9	-	-	-	-	-	9	13
Professional Service ..	-	-	16	1	-	-	-	1	18	8
Recreational Service ..	-	-	2	-	-	-	-	-	2	2
Business Service .....	-	-	4	-	-	-	-	-	4	6
Total Service .....	-	1	85	3	-	-	1	2	92	64



Table 2. - COMMERCIAL FAILURES IN CANADA BY PROVINCES AND BRANCHES OF BUSINESS FOR 1947 WITH TOTALS FOR 1946 - Concluded

	P.E.I. and N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total for Third Quarter	
									1947	1946
<b>OTHER</b>										
Agriculture .....	-	-	3	3	-	-	-	-	6	2
Mining .....	-	-	-	-	-	-	-	-	-	3
Logging, Fishing and Trapping .....	-	-	6	-	-	-	-	1	7	4
Construction .....	2	-	42	7	-	1	1	4	57	32
Transportation and Public Utilities .....	-	-	17	2	-	-	1	-	20	14
Finance .....	-	-	2	2	-	-	-	1	5	7
Total Other .....	2	-	70	14	-	1	2	6	95	62
Not Classified .....	2	2	37	12	-	-	-	-	53	18
GRAND TOTAL .....	8	7	422	72	4	2	6	24	545	278

Table 3. - COMMERCIAL FAILURES IN CANADA BY PROVINCES SHOWING ESTIMATED ASSETS AND LIABILITIES, LAST QUARTER OF 1947, WITH TOTALS FOR THE SAME PERIOD OF 1946 AND 1945

	Number of Bankruptcies	Estimated Grand Total Assets \$	Estimated Grand Total Liabilities \$
Prince Edward Island .....	1	11,234	18,697
Nova Scotia .....	1	3,537	4,081
New Brunswick .....	-	-	-
Quebec .....	112	806,764	2,097,403
Ontario .....	21	433,711	643,675
Manitoba .....	1	3,652	12,366
Saskatchewan .....	1	-	-
Alberta .....	1	4,943	6,689
British Columbia .....	5	126,729	164,345
Total for last quarter 1947 .....	143	1,390,620	2,947,256
1946 .....	101	1,039,890	1,702,535
1945 .....	70	692,408	1,512,391

Table 4. - COMMERCIAL FAILURES BY PROVINCES

1947

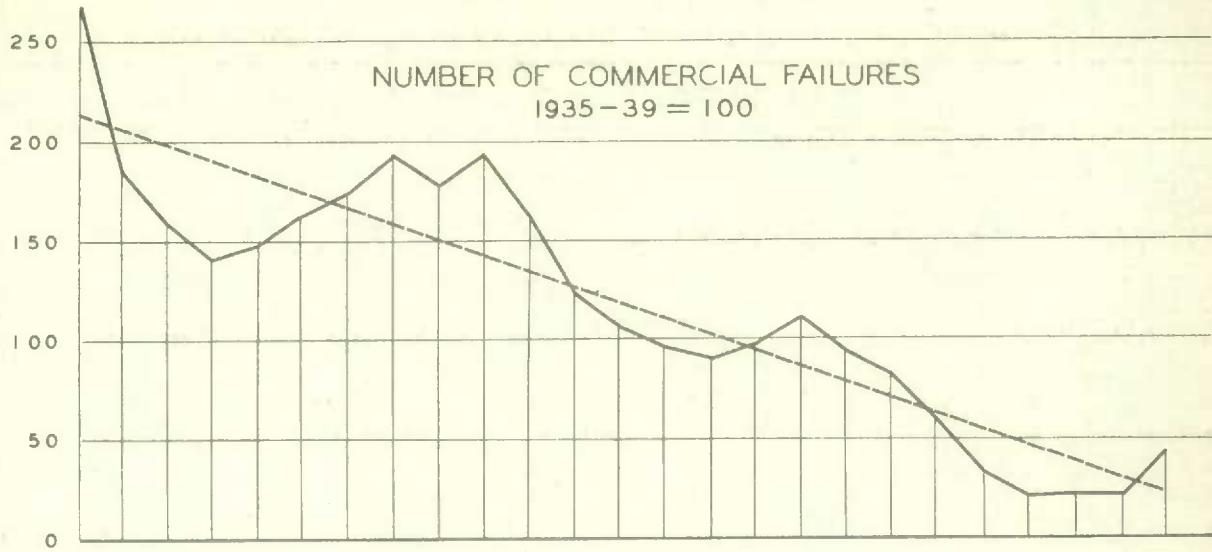
	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	TOTAL
January .....	-	-	-	25	6	-	-	-	2	33
February .....	-	-	-	36	5	-	-	-	-	41
March .....	1	1	1	37	4	-	-	-	2	46
April .....	-	-	-	44	4	2	-	1	3	54
May .....	-	2	-	36	5	-	1	-	3	47
June .....	-	-	1	34	8	1	-	1	-	45
July .....	-	-	2	35	5	-	-	-	3	45
August .....	-	1	1	28	5	-	-	2	-	37
September .....	-	1	2	35	9	-	-	1	6	54
October .....	1	-	-	42	8	-	-	-	2	53
November .....	-	1	-	33	6	-	-	1	1	42
December .....	-	-	-	37	7	1	1	-	2	48
Total for year 1947 .....	2	6	7	422	72	4	2	6	24	545
Total for year 1946 .....	-	3	2	236	20	1	-	4	12	278
Total for year 1945 .....	1	3	1	225	27	3	-	4	8	272

Table 5. - COMMERCIAL FAILURES BY MONTHS AND BRANCHES OF BUSINESS

1947

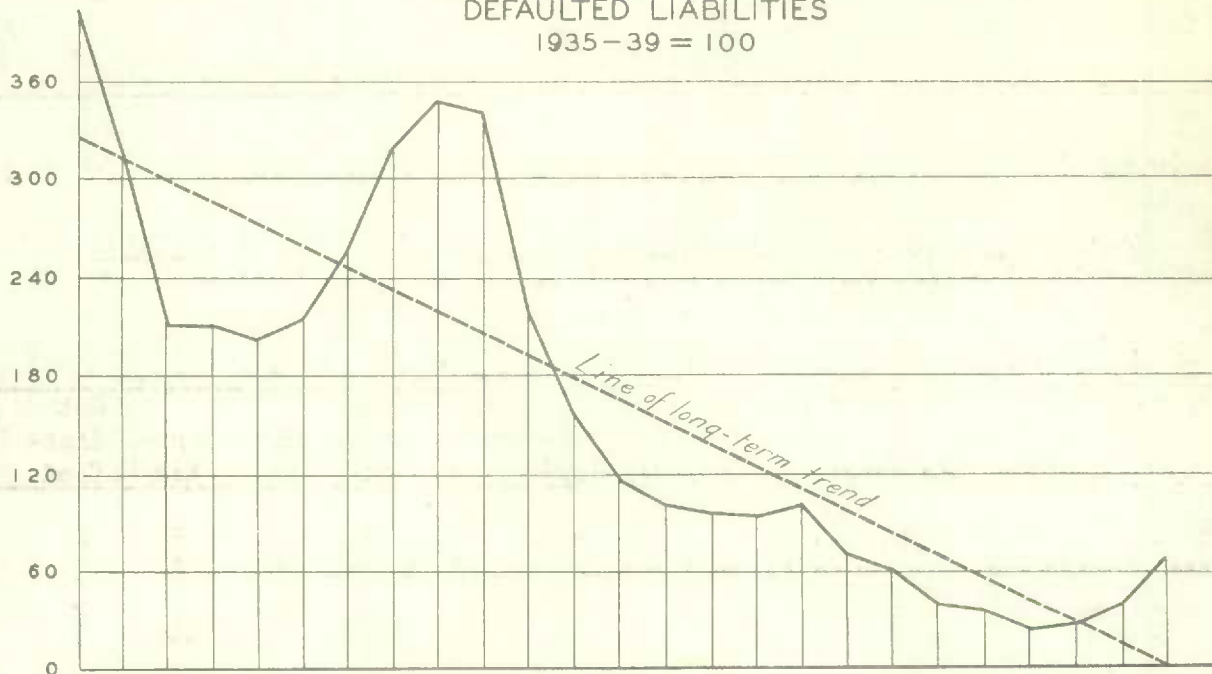
	Trade	Manu- fact- ures	Agri- cul- ture	Logging, Fishing, Trapping	Min- ing	Con- struc- tion	Trans- porta- tion	Fin- ance	Serv- ice	Not Class- ified	TOTAL
January .....	9	10	-	2	-	3	2	-	5	2	33
February .....	12	12	-	2	-	5	2	-	5	3	41
March .....	16	12	1	-	-	5	2	-	7	3	46
April .....	14	17	1	1	-	5	1	1	11	3	54
May .....	14	13	-	2	-	8	1	2	4	3	47
June .....	9	13	-	-	-	6	2	2	9	4	45
July .....	13	14	-	-	-	5	1	-	8	4	45
August .....	14	9	-	-	-	2	1	-	6	5	37
September .....	10	18	-	-	-	5	3	-	11	7	54
October .....	18	11	3	-	-	5	1	-	8	7	53
November .....	14	12	-	-	-	2	2	-	6	6	42
December .....	10	11	1	-	-	6	2	-	12	6	48
Annual Total, 1947 ..	153	152	6	7	-	57	20	5	92	53	545
Annual Total, 1946 ..	77	57	2	4	3	32	14	7	64	18	278
Annual Total, 1945 ..	58	54	2	-	3	39	12	6	70	28	272

## COMMERCIAL FAILURES



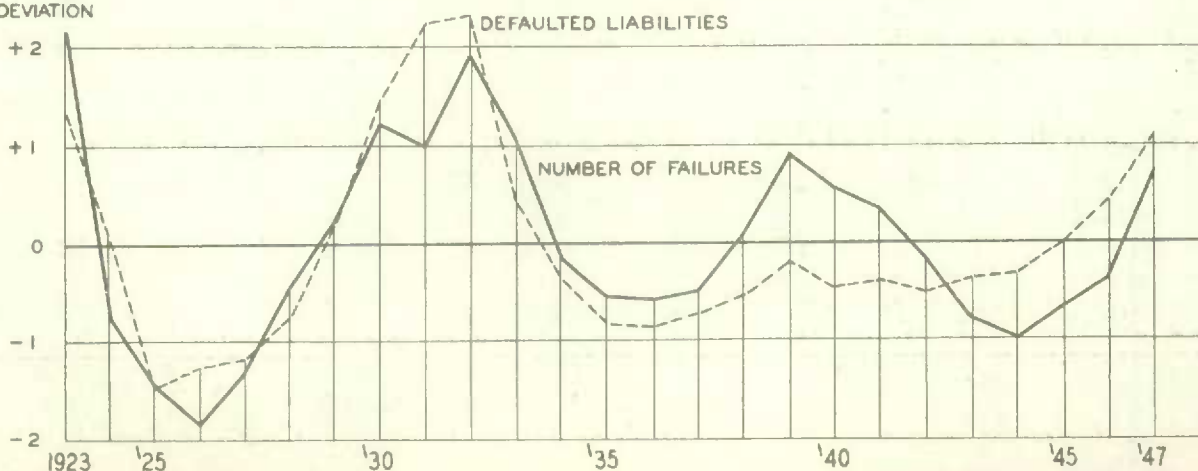
## DEFAULTED LIABILITIES

1935-39 = 100



UNITS OF  
STANDARD  
DEVIATION

## FLUCTUATIONS FROM LONG-TERM TREND







STATISTICS CANADA LIBRARY  
BIBLIOTHEQUE STATISTIQUE CANADA



1010526251