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CANADA

DEPARTMENT OF TRADE AND COMMERCE

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BUSINESS STATISTICS BRANCH

COMMERCIAL FAILURES

IN THE SECOND QUARTER OF 1948



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COMMERCIAL FAILURES IN THE SECOND QUARTER OF 1948

Concerns failing in the second quarter of 1948 rose to 222, a larger number than in the same period of any year since 1941. Despite the sharp increase over the second quarter of 1947, failures were considerably lower than in the same period of pre-war years, comparing with 346 for the second quarter of 1939. Concerns failing showed an increase of about 52 p.c. over the same period of 1947, when the number was 146, and may be compared with 59 and 64 for the years 1946 and 1945 respectively.

Estimated current liabilities for the second quarter of the year aggregated \$3,716,852 compared with \$3,101,753 in the same period of 1947, an increase being noted. This is the highest total for the period under review since the pre-war year, 1939, when liabilities aggregated \$4,189,660.

Comparison With the First Six Months of 1947.

Failures rose appreciably in the first half of 1948, being greater than in the same period of any year since 1941. The 425 failures however, were less than in the first half of the previous years of the period of observation from 1922 to the early part of the second world war. The increase over the first half of 1947 was about 60 p.c., the total for that period having been 266.

During the first six months there were six failures in the Maritime Provinces compared with six last year. In Quebec and Ontario, the number rose from 212 to 323 in the former and from 32 to 67 in the latter. Twelve failures were shown in the Prairie Provinces, compared with six the preceding year, and an increase from 10 to 17 occurred in the Pacific Province.

In trade failures totalled 154, compared with 74 in the same period of last year. Failing manufacturing establishments increased from 77 to 92. Nine failures were reported in the primary industries where nine failures also occurred in the first half of the preceding year. Thirty-seven failures were reported in construction and 16 in transportation.

TABLE 1. NUMBER OF COMMERCIAL FAILURES AND DEFAULTED LIABILITIES, 1922 - 1948

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	15,605,418	35,280,185
1924.....	774	506	1,280	14,333,053	14,756,817	29,089,870
1925.....	630	467	1,097	8,528,251	8,786,430	17,314,681
1926.....	464	400	864	7,564,017	7,258,777	14,822,794
1927.....	498	393	891	6,789,891	6,953,610	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	538	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	1,120,301	3,408,820
1944.....	94	61	155	1,185,693	756,584	1,942,277
1945.....	83	64	147	1,392,780	396,879	1,789,659
1946.....	54	59	113	1,467,014	1,043,949	2,510,963
1947.....	120	146	266	1,431,807	3,101,753	4,533,560
1948.....	203	222	425	3,405,855	3,716,852	7,122,707

Table 2. - COMMERCIAL FAILURES IN CANADA, BY PROVINCES AND BRANCHES OF BUSINESS
FOR THE SECOND QUARTER OF 1948, WITH TOTALS FOR THE SECOND QUARTER, 1947.

	P.E.I. AND N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total for Second Quarter	
									1948	1947
TRADE										
General Stores				8					8	4
Grocery				9					9	2
Confectionery.....				4					4	3
Drink and Tobacco				2					2	3
Fish and Meat				4			1		5	5
Boots and Shoes			1	-					1	1
Dry Goods				5			1		6	1
Clothing			2	2					4	2
Furniture			2	1				1	4	-
Books and Stationery .			1						1	1
Automobile			3	2			1		6	1
Hardware			3	1					4	-
Electric Apparatus ...			1	1					2	-
Jewelry			2	1				1	4	2
Coal and Wood	1		5	1			1		8	-
Drugs and Chemicals ..			1	1					2	-
Miscellaneous			17						17	12
Total Trade	1	-	69	11	-	-	4	2	87	37
MANUFACTURES										
Vegetable Foods				2					2	2
Drink and Tobacco				-					-	1
Animal Foods				-					-	-
Fur and Leather				5					5	4
Pulp and Paper				-					-	-
Textiles				-	1		1		2	-
Clothing				1	1				2	1
Lumber and Manufactures			12	2					14	15
Iron and Steel			7	4					11	5
Non-ferrous Metals ...			2	-					2	3
Non-metallic Minerals.			2	-					2	1
Drugs and Chemicals ..			1	2					3	3
Miscellaneous			8	1	1				10	8
Total Manufactures			40	11	1	-	1	-	53	43
SERVICE										
Garage				7	-			1	8	3
Other Custom and Repair	1		6	2					9	3
Personal Service.....			7	1				1	9	5
Restaurants			2	-					2	2
Professional Service .			3	-					3	9
Recreational Service ..			-	-					-	-
Business Service			2	1					3	2
Total Service	1		27	4			2		34	24

Table 2. - COMMERCIAL FAILURES IN CANADA, BY PROVINCES AND BRANCHES OF BUSINESS FOR THE SECOND QUARTER 1948, WITH TOTALS FOR THE SECOND QUARTER, 1947 - Cont'd.

	P.E.I. and N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total for Second Quarter	
									1948	1947
OTHER										
Agriculture			1	4					5	1
Mining								1	1	-
Logging, Fishing and Trapping						1		1	2	3
Construction			10	4	1	1		2	18	19
Transportation and Public Utilities			6						6	4
Finance										5
Total Other	-	-	17	8	1	2	-	4	32	32
Not Classified	-	-	13	2	-	-	-	1	16	10
GRAND TOTAL	2	-	166	36	2	2	5	9	222	146

Table 3. - COMMERCIAL FAILURES IN CANADA, BY PROVINCES, SHOWING ESTIMATED ASSETS AND LIABILITIES, SECOND QUARTER OF 1948, WITH TOTALS FOR THE SAME PERIOD OF 1947 and 1946

	Number of Bankruptcies	Estimated Grand Total Assets \$	Estimated Grand Total Liabilities \$
Prince Edward Island	-	-	-
Nova Scotia	2	1,176	79,748
New Brunswick	-	-	-
Quebec	166	1,492,943	2,237,473
Ontario	36	653,745	946,114
Manitoba	2	40,688	36,813
Saskatchewan	2	-	-
Alberta	5	176,197	168,679
British Columbia	9	205,934	248,025
Cumulative Total for Second Quarter-			
1948.....	222	2,570,683	3,716,852
1947.....	146	1,889,252	3,101,753
1946.....	59	865,883	1,043,949

Table 4. - COMMERCIAL FAILURES BY PROVINCES, 1948.

	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	TOTAL
January	-	-	-	53	8	1	-	1	2	65
February	1	-	1	48	12	-	-	-	1	63
March	-	1	1	56	11	1	-	-	5	75
April	-	1	-	60	12	1	-	2	2	78
May	-	1	-	54	13	-	-	2	4	74
June	-	-	-	52	11	1	2	1	3	70
Six Months' Total, 1948 ..	1	3	2	323	67	4	2	6	17	425
Six Months' Total, 1947 ..	1	3	2	212	32	3	1	2	10	266
Six Months' Total, 1946 ..	-	1	-	96	10	-	-	3	3	113

Table 5. - COMMERCIAL FAILURES, BY MONTHS AND BRANCHES OF BUSINESS, 1948

	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	23	12	-	-	-	5	3	-	14	8	65
February	22	13	-	-	-	7	3	-	12	6	63
March	22	14	-	-	1	7	4	-	16	11	75
April	26	19	3	-	1	6	2	-	15	6	78
May	28	16	2	1	-	5	3	-	12	7	74
June	33	18	-	1	-	7	1	-	7	3	70
Six Months' Total, 1948 ..	154	92	5	2	2	37	16	-	76	41	425
Six Months' Total, 1947 ..	74	77	2	7	-	32	10	5	41	18	266
Six Months' Total, 1946 ..	31	30	-	1	2	9	6	4	25	5	113

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