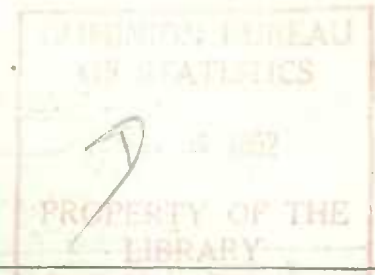




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COMMERCIAL FAILURES

UNDER THE PROVISIONS OF THE BANKRUPTCY AND WINDING UP ACTS

SECOND QUARTER, 1952.

During the second quarter of 1952 failures under the provisions of the Bankruptcy and Winding Up Acts numbered 384 as compared with 321 in the corresponding period of 1951, an increase of nearly 20 percent. The estimated total of liabilities was \$7,335 thousand, or more than 26 percent higher, in the same comparison.

Failures during the first six months totalled 848, representing a gain of 17 percent over the 723 recorded in 1951. These figures reflect a continuation of the upward trend in the number of bankruptcies since the end of the last war. Total estimated liabilities in the six-month period were \$14,552 thousand as compared with \$12,484 thousand in the same period last year, an increase of 16 percent. The average liability per failure amounted to \$17,160 a little lower than the average of \$17,267 during the first six months of 1951.

Owing to changes in the administration of bankruptcies as introduced by the Bankruptcy Act of 1949, the data since July, 1950 are not comparable with preceding periods. In the third part of the Act, provision is made for proposals from insolvent persons. Agreements made under this method are not normally included with statistics of bankruptcies, but when such proposals are rejected by the creditors or fail in their purpose the proceedings may then come under the Bankruptcy Act. In Table 6 of this report, the number of proposals submitted is shown so as to give an indication of the trend.

Failures by Industries

During the first six months of 1952 there were 334 insolvencies of trading establishments as compared with 303 in the same period of 1951, an advance of 10 percent. Failures in the construction field declined slightly in the same comparison. Defaults of manufacturing enterprises totalled 167 compared with 137 last year. Failures of service businesses rose from 138 during the first six months of 1951 to 149.

Failures by Economic Areas

Bankruptcies in the Province of Quebec increased 21 percent, from 529 to 641 in the six months comparison. The number of failures in Ontario rose from 112 to 128, a gain of 14 percent. Insolvencies in the Atlantic Provinces increased from 23 in 1951 to 29 this year. By contrast, bankruptcies in the Prairie Provinces declined from 24 to 16 while failures in British Columbia showed little change.

Insolvency

It must be emphasized that insolvencies can occur through other means than the Bankruptcy and Winding Up Acts. Relevant legislation includes the Farmers' Creditors' Arrangement Act, the Companies' Creditors' Arrangement Act and various provincial Bulk Sales Acts. Statistics in this report relate to the Bankruptcy and Winding Up Acts only.

Prepared in the Business Statistics Section.
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TABLE 1 - COMMERCIAL FAILURES BY MONTHS AND BRANCHES OF BUSINESS, 1951 and 1952

		Total	Agri-	Logging		Manufactures			
	Number	Liabilities	cul-	Fishing	Min-	Total	vegetable	Fur and	Lumber
		in Thousand	ture	Trapping	ing		Foods	Leather	& Manu-
		Dollars							factures
1949 ^x	1,066	21,356	8	10	10	232	31	34	46
1950 ^x	1,303	24,872	24	7	5	257	38	33	36
1951 ^x	1,399	25,912	20	8	8	269	35	31	41
1951									
Apr. ..	124	2,346	-	-	-	20	5	2	3
May ..	97	1,784	1	-	-	22	2	2	1
June ..	100	1,666	3	-	-	16	3	2	2
July ..	107	2,398	2	-	-	16	1	2	4
Aug. ..	118	2,409	1	1	-	22	3	1	5
Sept. .	87	1,662	1	-	-	18	1	2	2
Oct. ..	129	2,380	2	3	1	27	4	2	8
Nov. ..	142	3,154	4	1	2	31	2	5	3
Dec. ..	93	1,425	3	-	2	18	3	1	2
1952									
Jan. ..	153r	2,453r	6	-	2	29	4	2	6
Feb. ..	156r	2,761r	5	-	1	30	3	4	4
Mar. ..	155r	2,003r	3	-	-	29	2	5	2
Apr. ..	127	2,266	2	-	1	26	3	2	4
May ..	162	3,327	4	-	2	33	4	4	2
June ..	95	1,742	3	-	-	20	3	-	4

	Manufactures	Con-	Trans-	Trade				Not		
	Iron and	struc-	porta-	Total	General	Grocery	Clothing	Fin-	Ser-	Class-
	Steel	tion	tion		Stores	Stores	Stores	ance	vice	ified
1949 ^x	15	94	46	374	45	47	40	19	203	70
1950 ^x	12	97	40	502	45	60	67	20	273	78
1951 ^x	16	126	42	570	56	65	75	27	255	74
1951										
Apr. ..	1	10	5	56	6	7	6	1	27	5
May ..	3	7	4	42	5	5	6	-	14	7
June ..	-	11	3	37	6	5	4	4	20	6
July ..	1	9	6	50	6	12	7	3	18	3
Aug. ..	1	12	2	53	3	4	6	1	19	7
Sept ..	1	6	2	29	3	5	4	4	17	10
Oct. ..	1	14	4	46	3	4	5	3	24	5
Nov. ..	3	9	4	53	4	4	7	3	25	10
Dec. ..	1	9	2	36	5	3	2	2	14	7
1952										
Jan. ..	1	12	6	60	4	6	5	3	26	9
Feb. ..	1	9	5	59	5	5	6	4	34	9
Mar. ..	-	12	4	66	5	7	8	4	26	11
Apr. ..	3	11	3	46	6	4	3	2	23	13
May ..	4	14	4	61	6	4	8	4	25	15
June ..	2	7	1	42	3	7	4	4	15	3

x Annual totals.

TABLE 2. COMMERCIAL FAILURES IN CANADA, BY PROVINCES AND BRANCHES OF BUSINESS
FOR THE SECOND QUARTER 1952, WITH COMPARISONS

	Atlantic Provinces	Quebec	Ontario	Prairies	British Columbia	Total for Second Quarter		
						1952	1951	1950
TRADE								
General Stores	2	10	3	-	-	15	17	13
Grocery	1	9	4	1	-	15	17	19
Confectionery	-	7	-	-	-	7	4	8
Drink and Tobacco	-	6	1	-	-	7	2	-
Fish and Meat	1	8	1	-	-	10	9	12
Boots and Shoes	-	4	2	1	-	7	2	5
Dry Goods	-	7	-	-	-	7	8	10
Clothing	1	9	4	1	-	15	16	19
Furniture	1	6	-	-	-	7	6	2
Books and Stationery ..	-	5	1	-	-	6	3	2
Automobile	-	1	1	-	-	2	2	3
Hardware	-	4	-	-	-	4	5	3
Electric Apparatus	-	8	-	-	-	8	4	2
Jewelry	1	6	4	-	-	11	10	6
Coal and Wood	-	1	-	-	-	1	8	3
Drugs and Chemicals ...	-	-	-	-	1	1	1	5
Miscellaneous	1	15	5	2	3	26	21	23
Total Trade	8	106	26	5	4	149	135	135
MANUFACTURES								
Vegetable Foods	-	9	-	1	-	10	10	7
Drink and Tobacco	-	-	-	-	-	-	-	-
Animal Foods	-	4	-	-	-	4	3	2
Fur and Leather	-	6	-	-	-	6	6	9
Pulp and Paper	-	5	1	-	-	6	4	1
Textiles	-	7	1	-	-	8	3	6
Clothing	-	11	2	-	-	13	12	15
Lumber and Manufactures	-	7	2	-	-	9	6	9
Iron and Steel	-	7	2	-	-	9	4	3
Non-ferrous Metals	-	1	-	1	-	2	2	-
Non-metallic Minerals .	-	1	1	-	-	2	4	3
Drugs and Chemicals ...	-	-	-	-	-	-	1	-
Miscellaneous	-	7	3	-	-	10	3	12
Total Manufactures	-	65	12	2	-	79	58	67
SERVICE								
Garage	-	10	-	-	-	10	9	12
Other custom and repair	-	12	-	-	-	12	13	11
Personal Service	-	11	1	-	2	14	15	13
Restaurants	-	12	1	-	1	14	11	11
Professional Service ..	-	4	-	-	-	4	9	3
Recreational Service ..	1	1	-	-	-	2	2	2
Business Service	-	6	1	-	-	7	2	5
Total Service	1	56	3	-	3	63	61	57

TABLE 2. COMMERCIAL FAILURES IN CANADA, BY PROVINCES AND BRANCHES OF BUSINESS FOR
THE SECOND QUARTER, 1952, WITH COMPARISONS - Concluded

	Atlantic Provinces	Quebec	Ontario	Prairies	British Columbia	Total for Second Quarter		
						1952	1951	1950
OTHER								
Agriculture	-	9	-	-	-	9	4	6
Logging, Fish & Trapping	-	-	-	-	-	-	-	2
Mining	-	2	1	-	-	3	-	1
Construction	2	19	9	-	2	32	28	25
Transportation and Public Utilities	-	7	1	-	-	8	12	10
Finance	-	6	2	-	2	10	5	4
Not Classified	2	20	5	-	4	31	18	31
Total Other	4	63	18	-	8	93	67	79
GRAND TOTAL	13	290	59	7	15	384	321	338

TABLE 3. WAGE-EARNER FAILURES, SECOND QUARTER, 1952, WITH COMPARISON^x

	Atlantic Provinces	Quebec	Ontario	Prai- ries	British Columbia	T o t a l	
						Second Quarter, 1952	Second Quarter, 1951
Trade	-	14	1	-	-	15	9
Manufactures.	-	8	-	-	-	8	4
Service	-	16	-	-	-	16	13
Other	-	10	-	-	-	10	8
Total	-	48	1	-	-	49	34

^x Data included in Tables 1,2,4 and 5.

TABLE 4. COMMERCIAL FAILURES BY PROVINCES, SIX MONTHS, 1952, WITH COMPARISONS

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
January	-	-	7	3	112	23	1	2	1	4	153
February	3	-	1	-	118	23	2	-	1	8	156
March	-	-	1	1	121	23	2	-	-	7	155
April	1	-	-	2	100	22	-	1	-	1	127
May	1	-	5	3	120	22	-	-	2	9	162
June	-	-	1	-	70	15	2	2	-	5	95
Six Months Total, 1952	5	-	15	9	641	128	7	5	4	34	848
Six Months Total, 1951	4	-	7	12	529	112	10	6	8	35	723
Six Months Total, 1950	-	1	9	8	566	85	7	1	9	34	720

TABLE 5. COMMERCIAL FAILURES IN CANADA BY PROVINCES, SHOWING ESTIMATED ASSETS AND LIABILITIES, SECOND QUARTER OF 1952, WITH COMPARISONS

	Number of Bankruptcies	Estimated Grand Total Assets	Estimated Grand Total Liabilities
Newfoundland	2	953	13,869
Prince Edward Island	-	-	-
Nova Scotia	6	111,716	159,999
New Brunswick	5	23,373	43,473
Quebec	290	2,625,477	4,267,114
Ontario	59	1,452,943	2,526,672
Manitoba	2	67,144	47,368
Saskatchewan	3	13,085	20,161
Alberta	2	8,017	11,361
British Columbia	15	111,414	254,036
Comparative Total for the Second Quarter - 1952	384	4,414,122	7,335,053
1951.....	321	4,389,792	5,796,007
1950.....	338	4,529,106	6,135,180
1949.....	230	3,661,513	4,529,840
1948.....	222	2,570,683	3,716,852
1947.....	146	1,887,252	3,101,753
1944.....	61	400,925	756,584
1939.....	346	2,788,143	4,189,660
1932.....	573	11,596,713	16,108,434
1929.....	507	7,534,078	7,882,774

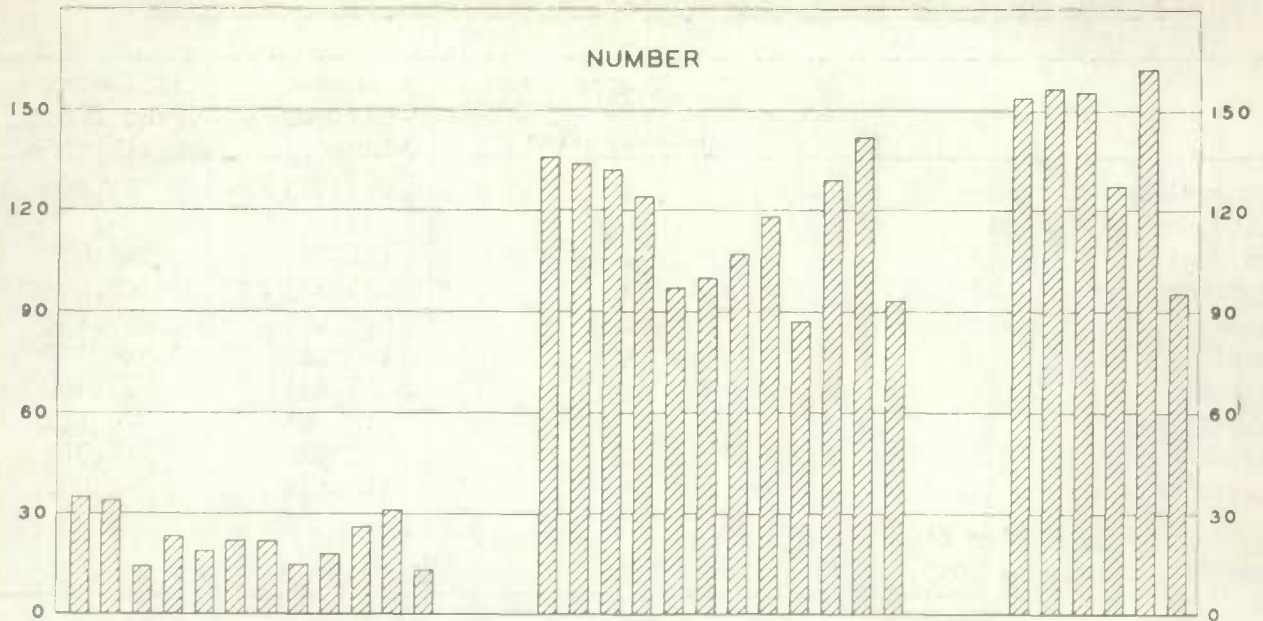
TABLE 6. PROPOSALS AS PER BANKRUPTCY ACT, PART 3.

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1951											
Jan.	-	-	-	-	12	-	-	-	-	-	12
Feb.	-	-	-	-	20	-	-	-	-	1	21
Mar.	-	-	-	-	17	1	-	-	-	-	18
Apr.	-	-	1	-	9	2	-	-	-	-	12
May	-	-	-	-	15	-	-	-	-	-	15
June	-	-	-	2	18	-	-	-	-	2	22
July	-	-	-	-	12	1	-	-	-	-	13
Aug.	-	-	-	-	15	1	-	-	-	-	16
Sept.	-	-	-	1	14	2	-	-	-	1	18
Oct.	-	-	-	-	20	1	-	-	-	-	21
Nov.	-	-	-	-	5	-	-	-	-	-	5
Dec.	-	-	-	-	3	-	-	-	-	-	3
1952											
Jan.	-	-	-	-	13	1	-	-	-	-	14
Feb.	-	-	-	-	25	2	-	-	-	-	27
Mar.	-	-	-	-	22	2	-	-	-	-	24
Apr.	-	-	-	-	11	3	-	-	-	-	14
May	-	-	-	1	15	2	-	-	-	-	18
June	-	-	-	-	8	1	-	-	-	1	10

COMMERCIAL FAILURES.

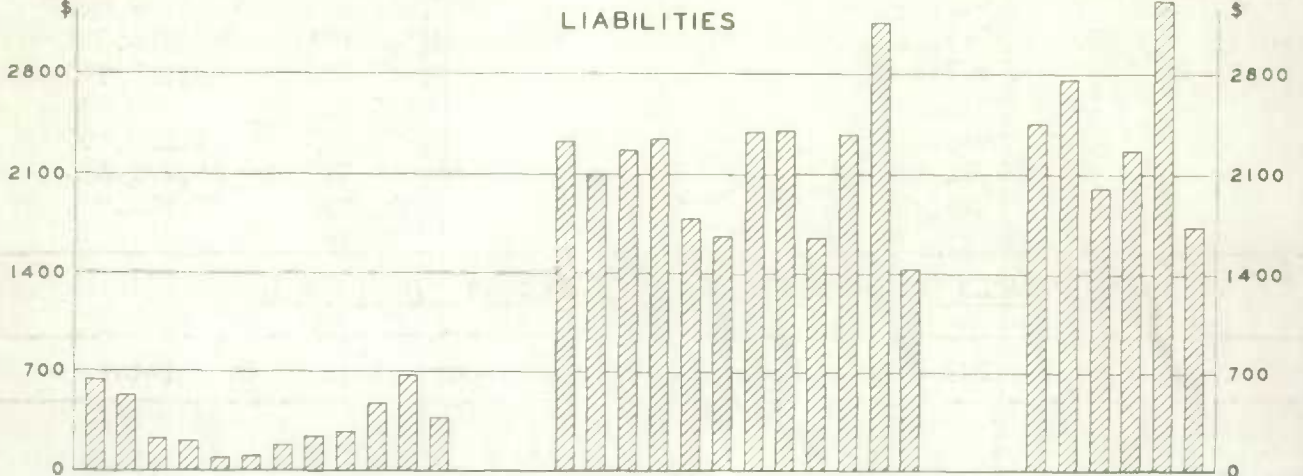
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