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MMERCIAL FAILURES Historical File Copy

UNDER THE PROVISIONS OF THE BANKRUPTCY AND WINDING UP ACTS

During the third quarter of 1954, the number of failures under the provisions of the Bankruptcy and Winding Up Acts was 465. This represented a decline from the previous quarter but was 18 per cent above the total of 394 recorded for the third quarter of 1953. The total estimated liabilities involved amounted to \$10,688,000 as compared with \$8,075,000 in the same quarter last year, an increase of 32 per cent. The average liability per failure rose from \$20,500 in the third quarter of 1953 to \$23,000.

Failures in the first nine months of 1954 numbered 1,684, nearly 50 per cent above the 1,127 insolvencies recorded in the same period last year. Total estimated liabilities during the nine-month period were \$43,557,000 about 82 per cent greater than the corresponding 1953 total of \$23,943,000.

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 normally included with the 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 is shown so as to give a general impression of the trend.

Failures by Industries

The number of failures in all the main industrial groups during the first nine months of 1954 showed advances over the previous year. There were 718 insolvencies among trading establishments, an increase of 58 per cent over the corresponding period of 1953. In the same comparison failures rose from 237 to 311 in the manufacturing field, from 197 to 307 among service establishments, and from 88 to 96 in the construction industry.

Failures by Economic Areas

Bankruptcies in the province of Quebec numbered 1,218 during the first nine months of 1954 as compared with 824 in the same period last year. In this comparison, failures in Ontario advanced from 173 to 301, and in the Atlantic Provinces from 22 to 35. Insolvencies in the Western Provinces rose from 108 to 130.

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, Research and Development Division.

2103-502

TABLE 1 - COMMERCIAL FAILURES BY MONTHS AND BRANCHES OF BUSINESS, 1953 AND 1954

	Total									
	Number	Liabilities in Thousand Dollars	Agri- cul- ture	Logging Fishing Trappin	ing	Total	Vege- table Foods	Fur and Leather	Ma	mber & nu- ctures
1950× 1951×	1,303	24,872 25,912	24 20	7 8	5	257 269	38 35	33 31		36 41
1952 <b>x</b> 1953 <b>x</b>	1,509	29,658 32,818	42 37	6	7 10	305 359	31 41	24 29		37 45
1953						ALS:	78	W		1
July	120	2,544	3	-	-	24	2	4		2
Aug	136	2,400	3	1	_	24	3	1		2
Sept	138	3,131	4	-	_	31	4	2		5
Oct	205	3,496	3	3	1	51	5	4		5
Nov	167	3,297	5	1	1	28	4	2		2
Dec	158	2,082	2	_	2	43	4	6		5
1954										
Jan	196	5,705	2	4	5	39	3	4		9
Feb	238	6,628	4	3	2	43	4	2		2
Mar	246	5,327	6	4	1	45	5 3 3	3		9
Apr	192	5,200	3	1	2	34	3	2		5
May	146	4,852	5	_	des	33	3	4		4
June	201	5,183	4	1	_	33	4	1		4
July	152	3,393	3	-	_	29	3	2		2
Aug	165	3,908	4	_	1	33	4	2		4
Sept.	148	3,386	3	1	1	22	2	3		2
	Manufac	tures Con-	Trans-		Tı	rade				Not
	Iron Stee	and struc-		Total G	General Stores	Grocery Stores	Clothin Stores	g Fin- S ance v		Classi- fied
1950x	12	2 97	40	502	45	60	67	20	273	78
1951×	16	126	42	570	56	65	75	27	255	74
1952×	17		45	569	53	56	66		279	114
1953x	18		52	650	62	61	86		286	103
	7	11	3	53	ø	5	7	1	22	5
July	]		1	53	8	5	7	1 3	22	5
July		- 12	4	60	6	8	8	3	23	6
July Aug Sept	-	12	4	60 54	6 2	8 5	8	3 2	23 27	6
July Aug Sept	6	12 12 13	1 5	60 54 76	6 2 11	8 5 7	8 6 7	3 2 3	23 27 31	6 7 19
July Aug Sept Oct	i di	12 12 13 13 12	4 1 5 7	60 54 76 60	6 2 11 6	8 5 7 4	8 6 7 10	3 2 3 6	23 27 31 36	6 7 19 11
July Aug Sept Oct Nov Dec	i di	12 12 13	1 5	60 54 76	6 2 11	8 5 7	8 6 7	3 2 3	23 27 31	6 7 19
July Aug Sept Oct Nov Dec	i di	12 12 13 14 12 11	4 5 7 5	60 54 76 60 60	6 2 11 6 4	8 5 7 4 3	8 6 7 10 11	3 2 3 6 3	23 27 31 36 22	6 7 19 11 10
July Aug Sept Oct Nov Dec 1954 Jan		12 12 13 13 12 11	4 1 5 7 5	60 54 76 60 60	6 2 11 6 4	8 5 7 4 3	8 6 7 10 11	3 2 3 6 3	23 27 31 36 22	6 7 19 11 10
July Aug Sept Oct Nov Dec 1954 Jan Feb		12 12 13 13 12 11 10 13	4 1 5 7 5	60 54 76 60 60 86 104	6 2 11 6 4	8 5 7 4 3 6 8	8 6 7 10 11	3 2 3 6 3 3 6	23 27 31 36 22 31 42	6 7 19 11 10
July Aug Sept Oct Nov Dec 1954 Jan Feb		12 12 13 13 12 11 10 10 14 14	4 1 5 7 5 7 6 5	60 54 76 60 60 86 104 109	6 2 11 6 4	8 5 7 4 3 6 8 13	8 6 7 10 11 13 8 15	3 2 3 6 3	23 27 31 36 22 31 42 37	6 7 19 11 10 9 14 20
July Aug Sept Oct Nov Dec 1954 Jan Feb Apr		12 12 13 12 11 11 10 14 14 2 8	4 1 5 7 5 7 6 5 6	60 54 76 60 60 86 104 109 88	6 2 11 6 4 7 11 11	8 5 7 4 3 6 8 13 10	8 6 7 10 11 13 8 15 8	3 2 3 6 3 5 4	23 27 31 36 22 31 42 37 37	6 7 19 11 10 9 14 20 9
July Aug Sept Oct Nov Dec 1954 Jan Feb Mar May		12 12 13 12 11 10 14 14 12 8 8	4 1 5 7 5 7 6 5 6 7	60 54 76 60 60 86 104 109 88 61	6 2 11 6 4 7 11 11 10 9	8 5 7 4 3 6 8 13 10 6	8 6 7 10 11 13 8 15 8	3 2 3 6 3 5 4	23 27 31 36 22 31 42 37 37 25	6 7 19 11 10 9 14 20 9 5
July Aug Sept Nov Dec 1954 Jan Feb Mar Apr June		12 12 13 12 13 12 11 10 14 14 14 18 8 8 9 12	4 1 5 7 5 7 6 5 6 7 8	60 54 76 60 60 86 104 109 88 61 85	6 2 11 6 4 7 11 10 9	8 5 7 4 3 6 8 13 10 6 6	8 6 7 10 11 13 8 15 8 6	3 2 3 6 3 5 4 1 4	23 27 31 36 22 31 42 37 25 37	6 7 19 11 10 9 14 20 9 5
1953 July Aug. Sept. Oct. Nov. Dec. 1954 Jan. Feb. Mar. Apr. May July		12 12 13 12 11 10 10 14 14 2 8 8 9 12 11	4 1 5 7 5 7 6 5 6 7 8 4	60 54 76 60 60 86 104 109 88 61 85 53	6 2 11 6 4 7 11 10 9 7 2	8 5 7 4 3 6 8 13 10 6 8	8 6 7 10 11 13 8 15 8 6 11 8	3 2 3 6 3 3 6 <b>5</b> 4 <b>1</b> 4 3	23 27 31 36 22 31 42 37 37 25 37 38	9 14 20 9 5 17
July Aug Sept Oct Nov Dec 1954 Jan Feb Mar Apr June		12 12 13 12 13 12 11 10 14 14 14 18 8 8 9 12	4 1 5 7 5 7 6 5 6 7 8	60 54 76 60 60 86 104 109 88 61 85	6 2 11 6 4 7 11 10 9	8 5 7 4 3 6 8 13 10 6 6	8 6 7 10 11 13 8 15 8 6	3 2 3 6 3 5 4 1 4	23 27 31 36 22 31 42 37 25 37	6 7 19 11 10 9 14 20 9 5

TABLE 2. COMMERCIAL FAILURES IN CANADA, BY PROVINCES AND BRANCHES OF BUSINESS
FOR THE THIRD QUARTER 1954, WITH COMPARISONS

	Atlantic				British	To	tal :	for arter	
	Provinces	Quebec	Ontario	Prairies	Columbia				
RADE								-	
General Stores	1	6	4	1	_	12	16	10	
Grocery	1	13	5	_	_	19	18	12	
Confectionery	2	9	_	_	_	11	8	7	
Drink and Tobacco	_	2	=	_	-	2	2	5	
Fish and Meat	_	9	1	-	-	10	10	9	
Boots and Shoes	-	4	ī	-		5	5	2	
Dry Goods	***	8	3	_		11	8	8	
Clothing	-	15	10	1	1	27	21	14	
Furniture	***	5	3		-	8	5	4	
Books and Stationery .	-	8	2	_	_	10	5	3	
Automobile	_	6	3	3	-	12	8	4	
Hardware	_	2	í	í	-	4	5		
Electric Apparatus	-	7	7	_		14	20	3	
Jewelry	1	2	2	-	_	5	7	2	
Coal and Wood	esc.	3	_	dire	400	3	5	3	
Drugs and Chemicals	-	3	1	1	_	5	6	2	
Miscellaneous	2	15	5	3	2	27	18	20	
otal Trade	7	117	48	10	3	185	167	110	
Vegetable Foods Drink and Tobacco Animal Foods Fur and Leather Pulp and Paper	-	6 5 3	3 2 -		-	9 7 3	9 - 5 7 4	5 - 3 2 8	
Textiles	_	9	1	_	-	10	11	7	
Clothing	_	11	4	-	-	15	13	9	
Lumber & Manufactures. Iron and Steel	_	6	1	000	1	8	9	8	
Non-ferrous Metals		3	1	man	_	4	3	3	
Non-metallic Minerals.	_	3 2		_	dire	3	4	5	
Drugs and Chemicals	_			_	-	2	2	2	
Miscellaneous	eller	1	_	_	-	1	2	3	
otal Manufactures	_	10	3	_	-	13	10	7	
		65	18		1	84	79	62	
ERVICE									
Garage	_	9	6	3	-	18	13	13	
Other custom & repair.	1	12	6	2	1	22	13	10	
Personal Service	0.00	16	4		-	20	9	15	
Deckerment	400	12	4	***	2	18	18	11	
Restaurants		8	_	_	_	8	6	4	
Professional Service .	con con	0							
Professional Service . Recreational Service .	-	4	man	_		4	4	3	
Professional Service .			1	_	***	4	4	3	

TABLE 2. COMMERCIAL FAILURES IN CANADA, BY PROVINCES AND BRANCHES OF BUSINESS FOR THE THIRD QUARTER, 1954, WITH COMPARISONS- Concluded

	Atlantic	Onchas	0.4	Prairies	British	Total for Third Quarter			
	Provinces	Guenec	Ontario	rratifies	Columbia	1954	1953	1952	
OTHER									
Agriculture Logging, Fishing and		7	3	6.0		10	10	8	
Trapping	COM	1		elain	60	1	1	2	
Mining	day.	1	1	entin	ettatio	2		-	
Construction	1	18	8	2	-	29	35	21	
Public Utilities	elector	9	1	1	1	12	6	9	
Finance	_	6	1	_	data	7	6	5	
Not Classified	2	22	7	2	4	37	18	23	
Total Other	3	64	21	5	5	98	76	68	
GRAND TOTAL	11	314	108	20	12	465	394	300	

TABLE 3. WAGE-EARNER FAILURES, THIRD QUARTER, 1954, WITH COMPARISONX

							tal fo	
	Atlantic Provinces	Quebec	Ontario	Prairies	British Columbia		1953	-
Trade	42	26	2	1		29	14	12
Manufactures	-	12	1	_	100	13	3	2
Service	eth	15	1	-	-	16	9	11
Other	cap .	7	1	⇔	_	8	12	7
Total	-	60	5	1	den	66	38	32
X Data included in Tables	1, 2, 4, an	nd 5.						

TABLE 4. COMMERCIAL FAILURES BY PROVINCES, THIRD QUARTER, 1954, WITH COMPARISONS

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta	B.C.	Total
January	-	-	3	3	143	25	4	4	4	10	196
February	edn	elece	2	1	182	40	1	-	6	6	238
March	1		3	2	180	39	2	4	4	11	246
April	_	1	2	2	140	31	2	2	4	8	192
May	-	1	1	ents	109	24	4	2	3	2	146
June	-	G200	2	_	150	34	1	3	3	8	201
July	_	des	-	4	104	36	1	2	2	3	152
August	1	(C)	1	3	107	39	1	4	3	- 6	165
September	-	elece	- Caller	2	103	33	1	3	3	3	148
First Nine Months 1954	2	2	14	17	1,218	301	17	24	32	57	1,684
1953	3	- 1	9	9	824	173	18	15	23	52	1,127
1952	6	600	16	11	890	176	9	5	8	43	1,164
1951	5	1	11	17	763	157	11	10	12	43	1,030
1950	ataca	4	12	14	735	132	10	4	9	48	968
1949	-	2	2	8	571	89	11	3	9	44	739

## TABLE 5. COMMERCIAL FAILURES IN CANADA BY PROVINCES, SHOWING ESTIMATED ASSETS AND LIABILITIES, THIRD QUARTER OF 1954, WITH COMPARISONS

				Ba	Numbe of inkrupt			stimate and Tot Assets		Grand	mated Total lities
								\$			\$
Newfoundland	00000	000000000	000		1				_		_
Prince Edward					-				_		•
Nova Scotia					1				-		-
New Brunswich					9			198,8	387	3	58,028
Quebec					314			4,629,1			09,816
Ontario					108			2,328,2			96,35
Manitoba					3			18,5		~,,	37,054
Saskatchewan					9			185,3		2	250,31
lberta					8			129,3			94,77
British Colu			4 6 0		12			198,			341,73
					12			1/09	07	-	-4-512-
Comparative								F / 44 -	0/	2.0	44 00
Third Quar	ter -		0 0 0		465			7,688,3			88,079
			000		394			4,982,9			74,79
		1952	0 0 0		300			4,263,			750,17
			000		312			4,489,9			69,77
		1950	000		248			4,399,9			798,16
		1949	000		239			5,150,			18,22
		1948	000		181			2,582,1			39,13
		1947	000		136			1,698,	737	2,	596,74
		1944	000		57			373.1	165		797,28
		1939			343			3,206,1	18	3,	789,52
		1932			556			6,841,4		8,	791,50
		1929			437			7,066,	742	9,3	315,96
		TABLE 6.	PRO	POSALS	AS PER	BANKE	RUPTCY	ACT, PA	ART 3		
	Nfld.				AS PER			ACT, PA		B.C.	Total
1953	Nfld,									B.C.	Total
	Nfld.				Que.	Ont.				в.с.	Tota:
April	Nfld.				Que.	Ont.	Man.				11
April	Nfld.				Que. 9	Ont.	Man.				11 14
April May June	Nfld,				Que. 9 12 21	Ont.	Man.				11 14 21
April May June July	Nfld.				Que. 9 12 21 12	Ont.  1 2 - 1	Man.				11 14 21 13
April May June July August	Nfld.				Que. 9 12 21 12 16	Ont.  1 2 - 1	Man.				11 14 21 13 16
April May June July August September .	Nfld.				Que. 9 12 21 12 16 14	Ont.  1 2 - 1 - 2	Man.				11 14 21 13 16 16
April May June July August September October	Nfld.				Que.  9 12 21 12 16 14 10	Ont.  1 2 - 1 - 2	Man.				11 14 21 13 16 16
April  June  July  August  Ceptember  October	Nfld,				Que.  9 12 21 12 16 14 10 10	Ont.  1 2	Man.				11 14 21 13 16 16 11
April  June  July  September  October  November  December	Nfld.				Que.  9 12 21 12 16 14 10	Ont.  1 2 - 1 - 2	Man.				11 14 21 13 16 16 11
April  May  July  August  October  November  December	Nfld,				Que.  9 12 21 16 14 10 10 12	Ont.  1 2	Man.				11 14 21 13 16 16 11 11
April  June  July  August  October  November  December  1954  January	Nfld.				Que.  9 12 21 16 14 10 10 12	Ont.  1 2 - 1 2 1 1	Man.				11 14 21 13 16 16 11 11 13
April  June  July  August  September  October  November  December  1954  January  February	Nfld.				Que.  9 12 21 12 16 14 10 10 12 32 37	Ont.  1 2 - 1 2 - 1 2 4	Man.		Alta.		11 14 21 13 16 16 11 11 13
April  May  June  July  August  October  November  December  1954  January  March	Nfld,				Que.  9 12 21 16 14 10 10 12 32 37 37	Ont.  1 2 - 1 2 - 1 1 2 4 2	Man.			1	11 14 21 13 16 16 11 11 13 34 41 40
April  May  June  July  August  October  November  December  January  February  March	Nfld,				Que.  9 12 21 16 14 10 10 12 32 37 37 38	Ont.  1 2 - 1 1 2 4 2 1	Man.		Alta.		11 14 21 13 16 16 11 11 13 34 41 40 41
April  June  July  August  October  November  December  January  March  May  May	Nfld,				Que.  9 12 21 16 14 10 10 12 32 37 37 38 37	Ont.  1 2 - 1 2 - 1 1 2 4 2 1 2	Man.		Alta.	1	11 14 21 13 16 16 11 11 13 34 41 40 41 39
April  May  June  July  August  October  November  December  1954  January  March  May  May	Nfld,				Que.  9 12 21 16 14 10 10 12 32 37 37 38 37 38	Ont.  1 2 - 1 2 - 1 1 2 4 2 1 2 2 2	Man.		Alta.	1	11 14 21 13 16 16 11 11 13 34 41 40 41 39 40
April  May  June  July  August  September  October  November  December  1954  January  February  March  May  June	Nfld,				Que.  9 12 21 16 14 10 10 12 32 37 37 38 37 38 42	Ont.  1 2 - 1 2 - 1 1 2 4 2 1 2 3	Man.		Alta.	1	11 14 21 13 16 16 11 11 13 34 41 40 41 39 40 46
1953 April May July August September October November December 1954 January February March April May June July August	Nfld,			N.B.	Que.  9 12 21 16 14 10 10 12 32 37 37 38 37 38	Ont.  1 2 - 1 2 - 1 1 2 4 2 1 2 2 2	Man.		Alta.	1	14 21 13 16 16 11 11 13 34 41 40 41 39 40

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