

58.—Commercial Failures in Canada by Provinces and Classes for 1918.
[From Dun's Review.]

Provinces.	Total Commercial.			Manufacturing.	
	Num-ber.	Assets.	Liabil-ities.	Num-ber.	Liabil-ities.
Prince Edward Island.....	3	\$ 1,050	\$ 24,487	1	\$ 6,000
Nova Scotia.....	31	301,165	924,024	6	744,831
New Brunswick.....	12	15,205	37,043	-	-
Quebec.....	349	4,018,448	5,646,463	95	2,075,809
Ontario.....	261	3,908,563	4,399,184	94	3,482,638
Manitoba.....	72	438,743	688,794	8	209,418
Saskatchewan.....	71	472,170	628,466	3	69,020
Alberta.....	34	363,240	454,576	5	176,031
British Columbia.....	40	1,727,751	1,699,440	20	1,485,060
Total 1918.....	873	11,246,341	14,502,477	232	8,248,807

Provinces.	Trading.		Other Commercial.	
	Num-ber.	Liabil-ities.	Num-ber.	Liabil-ities.
Prince Edward Island.....	2	\$ 18,487	-	\$ -
Nova Scotia.....	23	176,139	2	3,054
New Brunswick.....	10	25,818	2	11,225
Quebec.....	241	2,751,942	13	818,712
Ontario.....	147	689,629	20	226,917
Manitoba.....	57	459,266	7	20,110
Saskatchewan.....	64	553,217	4	6,229
Alberta.....	27	271,519	2	7,026
British Columbia.....	19	196,380	1	18,000
Total 1918.....	590	5,142,397	51	1,111,273

Analysis of Commercial Failures.—In Tables 59 and 60 Bradstreet's and Dun's records of commercial failures are analysed according to the method suggested by Kemmerer. First the total number of concerns doing business is indicated and, secondly, the number of failures with the percentage of these to the whole, the latter being stated in the form of an index number of which the base is 100 as representing the figures of 1900. Thirdly, the assets and liabilities are set forth and analysed. It will be noted that the average liability for each year is indicated; this is necessary because the extent of demoralization caused by business failures is proportioned to the size of the failure, the failure of one large concern often causing a stronger business depression than the failure of scores of small ones. The relation of liabilities to assets is also significant. Lastly as a rough balancing of results the index number indicating the porportion of failures to the number of concerns in business and the index number of the size of the concerns failing are averaged, and the result given as the barometer of business depression. This number reversed is a barometer of business confidence. The records of Bradstreet and Dun are not on the same basis, but the general tendency of the two records is the same, the differences in results being usually only a matter of degree.