

#### 4.—Causes of Failures in Canada and the United States, by Numbers and Percentages, years ended Dec. 31, 1927 and 1928 [From Bradstreet's].

##### CANADA (including Newfoundland and St. Pierre-Miquelon).

Failures due to	Number.		Assets.		Liabilities.	
	1927.	1928.	1927.	1928.	1927.	1928.
	No.	No.	\$	\$	\$	\$
Incompetence.....	528	430	1,431,273	1,273,130	4,100,048	3,331,683
Inexperience.....	144	92	192,851	207,324	832,032	637,611
Lack of capital.....	704	708	4,511,651	7,296,676	10,387,616	19,420,110
Unwise credits.....	96	114	545,420	585,997	1,691,185	2,073,842
Failures of others.....	13	8	535,223	378,031	681,755	659,829
Extravagance.....	13	10	49,621	130,341	164,048	300,303
Neglect.....	34	35	65,782	175,560	236,770	988,867
Competition.....	160	151	775,424	574,684	2,462,425	2,133,341
Specific conditions.....	268	263	2,145,988	3,435,377	4,840,262	6,249,426
Speculation.....	12	9	105,124	93,723	360,728	179,508
Fraud.....	44	53	310,445	183,294	1,022,393	562,746
<b>Total.....</b>	<b>2,016</b>	<b>1,573</b>	<b>10,668,801</b>	<b>14,335,127</b>	<b>26,288,262</b>	<b>36,537,566</b>

##### UNITED STATES.

Incompetence.....	6,990	6,396	74,388,781	48,883,262	133,177,786	97,902,345
Inexperience.....	1,047	984	6,134,763	5,833,150	33,962,386	11,832,584
Lack of capital.....	7,071	7,290	132,588,063	90,071,735	215,136,492	178,348,968
Unwise credits.....	284	261	18,536,945	7,690,995	28,869,043	11,925,583
Failures of others.....	274	272	18,012,709	11,721,274	26,054,977	19,215,418
Extravagance.....	93	70	840,305	823,634	2,241,222	1,593,149
Neglect.....	229	160	1,261,951	909,164	2,616,032	2,093,912
Competition.....	495	736	4,399,807	4,971,443	10,305,940	12,253,483
Specific conditions.....	2,993	3,613	112,741,231	99,822,220	169,152,210	162,690,356
Speculation.....	54	47	6,107,664	1,235,900	7,314,832	3,141,233
Fraud.....	737	544	9,766,643	7,098,521	24,300,005	17,091,667
<b>Total.....</b>	<b>20,267</b>	<b>20,373</b>	<b>385,048,861</b>	<b>279,061,198</b>	<b>653,130,325</b>	<b>518,088,698</b>

##### PERCENTAGES OF NUMBER OF FAILURES AND LIABILITIES, CLASSIFIED BY CAUSES.

Failures due to	Canada.				United States.			
	Number.		Liabilities.		Number.		Liabilities.	
	1927.	1928.	1927.	1928.	1927.	1928.	1927.	1928.
	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.
Incompetence.....	26.2	23.0	15.6	9.1	34.5	31.4	20.4	18.9
Inexperience.....	7.2	4.9	3.2	1.7	5.2	4.8	5.2	2.3
Lack of capital.....	34.9	37.8	39.5	53.1	34.9	35.8	32.9	34.4
Unwise credits.....	4.8	6.1	6.4	5.7	1.4	1.3	4.4	2.3
Failures of others.....	0.6	0.4	2.6	1.8	1.3	1.3	4.0	3.7
Extravagance.....	0.6	0.5	0.6	0.8	0.5	0.4	0.4	0.3
Neglect.....	1.7	1.9	0.9	2.7	1.1	0.8	0.4	0.4
Competition.....	7.9	8.1	9.4	5.8	2.4	3.6	1.6	2.4
Specific conditions.....	13.3	14.0	16.5	17.3	14.8	17.7	25.9	31.4
Speculation.....	0.6	0.5	1.4	0.5	0.3	0.2	1.1	0.6
Fraud.....	2.2	2.8	3.9	1.5	3.6	2.7	3.7	3.3