

The three Sections of this Part, although closely related so far as subject matter is concerned, cover different aspects of the field and the statistics presented in each Section are not comparable.

Statistics of industrial and commercial failures in Canada, given in Section 1, are compiled by Dun and Bradstreet, Inc. This concern is a mercantile agency interested primarily in credit information, and it is not to be expected that their data would be compiled on the same basis as figures of the Dominion Bureau of Statistics or the Superintendent of Bankruptcy. These statistics are established on a broader basis than those of Section 2, inasmuch as they include bankruptcies in general, insolvencies under provincial companies' Acts and such proceedings as bulk sales, bailiffs' sales, landlords' seizures, etc., when loss to creditors results. On the other hand, the statistics do not include assignments of farmers (under the Farmers' Creditors Arrangement Act) or of wage-earners, so that, as a general rule, the totals run lower than those in Section 2. As pointed out, between 1875 and 1919 the agencies, now Dun and Bradstreet, Inc., were the only source of figures of commercial failures, and their statistics have an added value because they present an unbroken historical series, though not on a comparable basis since 1934 (see text preceding Table 1). Dun and Bradstreet, Inc., have ceased to publish statistics of assets since 1940.

Section 2, on the other hand, is limited to bankruptcies and insolvencies made under Dominion legislation, such as the Bankruptcy Act (including the Farmers' Creditors Arrangement Act), the Winding Up Act and the Companies' Creditors Arrangement Act, but not failures, sales, or seizures carried out apart from such Dominion legislation. In the field covered, however, Section 2 is broader than Section 1, inasmuch as the Dominion Bureau of Statistics figures include failures of individuals such as wage-earners and farmers.

A word should be added as regards the value to be placed upon figures of assets and liabilities. Such values are estimates made by the debtor and, unfortunately, are not made uniformly. The human equation enters into them to a considerable degree and they must be accepted with this qualification.

Section 3 is limited to the administration of bankrupt estates by the Superintendent of Bankruptcy, under the Bankruptcy Act (including the Farmers' Creditors Arrangement Act). This Section, however, gives definite information on the amounts realized from the assets as established by debtors and indicates that values actually paid to creditors are invariably very much lower than such estimates alone would imply. It can, therefore, be assumed that this applies in even greater degree to the extended fields covered in Sections 1 and 2.

## Section 1.—Industrial and Commercial Failures from Private Sources

A historical table giving failures for Canada and Newfoundland, by classes, for the years 1915 to 1935 is given at p. 969 of the 1936 Year Book. Early in 1936, Dun and Bradstreet, Incorporated, from whose reports these figures were taken, adopted a new method of classification. The principal changes consisted of setting up a new group of construction enterprises previously included in manufacturing and a new class for commercial service. Real estate companies, holding, and other financial companies and agents of various kinds, were dropped. These changes