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NINE MONTHS' FAILURES.

BRADSTREETS' report of failures in the Dominion of Canada and Newfoundland for the first nine months of the present year has been issued and affords ground for much encouragement. Yet there is no denying the fact that the report would have been more encouraging had the number of failures shown a decrease. But it must be remembered that this was a very trying year at home and abroad, and there has been a certain uneasiness and distrust in trade owing to foreign financial depression.

The number of failures will be seen to be slightly over 2 per cent., an increase which can be attributed mostly to the increased number of men in business. Last year the assetts were but 25 per cent. of liabilities, while this year they were over 56 per cent., showing that creditors have kept a closer watch on their debtors and have insisted on prompter and closer payments, and no extremely rotten failures have been disclosed. This latter phase is encouraging, as it points out the fact that when failures do occur creditors do not lose nearly as great a percentage of their debts, as they otherwise would. This restriction of credits to weak merchants does not mean that general mercantile credits are being curtailed. In fact it may be perfectly consistent with a general extension of credit, because when a wholesaler is carrying a greater amount of credit he is more careful to see that none of his debtors are decidedly weak, and is more likely to close up those accounts of merchants in whom he has not moderate confidence.

The report is as follows:—

	Number of Failures		Assetts		Liabilities	
	1893	1892	1893	1892	1891	1892
Ontario	568	555	$2,356,062	$1,195,351	$5,102,266	$2,855,707
Quebec	441	424	1,427,291	1,536,231	3,560,720	4,253,701
New Brunswick	58	65	217,640	294,950	402,966	463,602
Nova Scotia	94	119	384,698	428,440	736,455	822,507
P. E. Island	19	5	53,450	48,100	117,550	85,000
Newfoundland	10	3	669,410	19,000	911,630	37,000
Manitoba	53	53	2,186,444	246,868	1,804,353	430,430
N.-W. Territory	21	14	45,062	25,402	126,753	46,521
British Columbia	59	40	211,200	166,531	400,150	296,191
Totals	1,321	1,287	$7,552,157	$3,960,873	13,162,843	$9,290,650

In these figures, however, are included the returns for Newfoundland, which forms no part of Canada, and whose commercial death list ought not to be embraced in the reports relating to the Dominion. Eliminating the Newfoundland figures, the comparison for the nine months stands thus:—

	1892.	1893.
Number	1,284	1,313
Liabilities	$9,253,659	$12,251,213
Assetts	3,941,873	6,882,747

We could scarcely expect to escape absolutely from the adverse influences which have wrought so much havoc among our neighbors, trading with them so largely as we do, and affected in our financial operations as we must be by the financial crisis there, but how comparatively little we have been scotched by the collapse of the trade in the United States will be understood by the following figures of failures there during *the nine months*:—

	1892.	1893.
Number	7,372	11,174
Liabilities	$76,971,771	$124,087,768
Assets	39,209,701	225,758,881

Trade in the United States is not recovering as quickly as the believers in the great spontaneity of business in that country thought it would. This is tending to depress Canadian trade to a very small yet quite appreciable extent. Failures for the closing quarter of the present season, for this reason, will no doubt equal in number those of the same period last year. But owing to the conservative buying of the past few months, the failures cannot possibly show a great increase.