

THE FAILURES OF 1872.

The departure of the old year, closed a series of three years of unexampled prosperity in the History of Canada. Satisfied with her political condition, and with the elements of political discord gradually settling into contentment under her new national existence, the country seems to have bent its energies towards developing our resources and trade. Firm in the belief that the dawn of a new era in her destiny had at length set in, and sanguine of the future, commerce has been forced, and every branch of trade extended to the verge of an unhealthy limit. It may not, however, be amiss at the commencement of the year to glance for a few moments at the obverse of what has been a bright picture. It is undoubtedly true that there is abundant reason to hope that, with the exercise of proper caution and moderation, the trade of the country may be safely tided over any difficulties at present within the ken of our business vision. But the financial indications just now are that the pace has been exhausting, and we need to go a little slower for a while, that our resources need harboring for a time at least. Latterly the sap of our finances has been unable to supply our rapid growth, and where 'fruit had promised it has failed. We have at some trouble collected, as far as is possible, some figures respecting the failures that have occurred in the Dominion during 1872. It has been in some respects an exceptional year. It has been so from the causes we have just stated, and therefore serves the better to illustrate our remarks.

Turning first to Nova Scotia, we find but little change from any previous year. The expansion of her trade has not been so marked or rapid, and failures have been but little, if above the average of former years. Very few estates have passed into the hands of assignees, consequent upon recent business operations. Almost all were old, long drawn out concerns, mere outer shells of credit held together. As far as we can ascertain, it is believed that about \$300,000 will cover all losses by failures in this Province for the year.

We come next to New Brunswick. Here we have reliable data, and the figures before us of the principal failures that have occurred during the year. The first shock of financial tightness upset the fabric of an unhealthy combination,

involving nearly all connected with it in one common ruin. This was so sudden and overwhelming that for a time even legitimate trade was stunned by it. The figures of the two principal insolvencies are sufficient to show to what extent recklessness had been encouraged. In one instance, with liabilities of \$634,000, the estate showed a deficiency of over \$400,000; the other, with liabilities of \$560,000, a deficiency of over \$300,000. So serious and sudden a disturbance could not be without its effect on others even besides those embraced in their ramifications, and, since the 1st of September, one after another of the weaker houses have succumbed. Within a short period we have a list of twenty-seven failures in St. John alone, with an aggregate of liabilities of \$2,051,226, with assets of only \$986,242, leaving a deficiency of \$1,064,983 of somebody's money sacrificed to over-trading and reckless speculation. In the other parts of Province there have been several failures of some consequence, but only in one case do the liabilities exceed \$50,000. This, however, was a bad one, as the deficiency shown is \$42,000. Two others, with liabilities of \$30,000, show deficiencies of \$21,000 and \$23,000. In all we have a record outside of St. John of 36 failures, with total liabilities of \$322,734, and assets of \$117,792, leaving a deficiency of \$204,942, making for the whole Province a total of 63 failures, with liabilities of \$2,373,960, and assets \$1,104,034, and deficiency, \$1,269,925.

In the Province of Quebec the number of insolvents has not been large. We find during the year 232 assignments have been made. Many of these were small and unimportant, and it is impossible to get the actual and correct figures of the whole. We have a record of 160 cases, in which the liabilities were \$1,754,229, with assets of \$683,850. Considering the heavy business transactions during the year, and the numerous populous centres in this district, there is nothing unusual or extravagant in these figures. The effect, however, of an excessive trade of one year is not likely to be apparent till the next; but we are warranted in saying that there is nothing to indicate that an unhealthy tone is likely to be general; and should any number of failures occur during the current year, arising from the transactions of 1872, they will be found to pro-

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