

BUSINESS AND INDUSTRY FILINGS UPDATE – MAY 2020

Data for May business BIA filings continues the trend observed in the earlier days of COVID-19 impact, namely, a fairly sharp decrease in filings relative to 2019 levels.

- Arts, Entertainment and Recreation, Retail, and Management are exceptions to the trend
- While still down YTD, Mining and Oil and Gas Extraction filings doubled in May, from 5 YTD April to 10 through May

CCAA proceeding information is available to the present time and, while numbers are small and subject to confounding factors, June continued May's trend of material increases in number of filings. Proceedings have increased more than 130% over 2019 levels, with 12 out of 38 proceedings initiated in June alone.

Consumer insolvencies in May sat at roughly half their 2019 rate, similar to April levels, evidence that CERB and other programs are offsetting the spike in unemployment, and reflecting that fewer consumers see a benefit from declaring bankruptcy.

All Canadian BIA Bankruptcies and Proposals

NAICS Economic Sector	YTD May	Change From 2019 Levels
Accommodation and Food Services	193	-23%
Construction	173	-46%
Retail Trade	173	9%
Manufacturing	112	-21%
Professional, Scientific and Technical Services	85	-35%
Transportation and Warehousing	77	-29%
Other Services	67	-17%
Real Estate and Rental and Leasing	54	-18%
Wholesale Trade	53	-35%
Arts, Entertainment and Recreation	51	59%
Admin & Support, Waste Mgmt and Remediation	48	-36%
Management of Companies and Enterprises	44	13%
Information and Cultural Industries	27	-25%
Health Care and Social Assistance	24	-31%
Agriculture, Forestry, Fishing and Hunting	23	-26%
Finance and Insurance	13	-62%
Mining and Oil and Gas Extraction	10	-41%
Educational Services	10	-23%
Utilities	3	0%
Public Administration	0	0%
Total Business BIA Filings	1,240	-25%
CCAA Proceedings - YTD May	26	63%
CCAA Proceedings - YTD through June	38	138%
Consumer Insolvencies	46,038	-18%

Source: Office of the Superintendent of Bankruptcy Canada