

# Bankruptcy Statistics

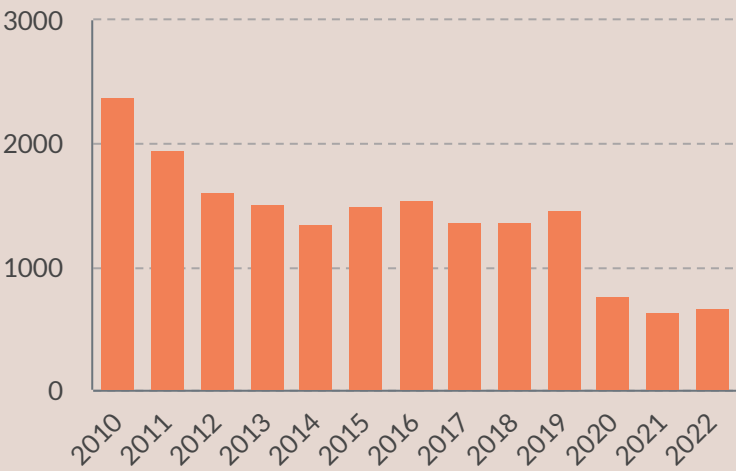
## Newfoundland and Labrador

Consumer and Business Bankruptcies

Bankruptcy is a formal process whereby debtors who cannot meet their obligations sign over all of their assets—except those exempt by law—to a Licensed Insolvency Trustee (LIT). The LIT's role includes selling off those assets to satisfy outstanding debts. Once debtors have formally declared bankruptcy, lawsuits by creditors are stayed and garnishments against debtors' salaries stop.

### Consumer Bankruptcies

Number of Bankruptcies

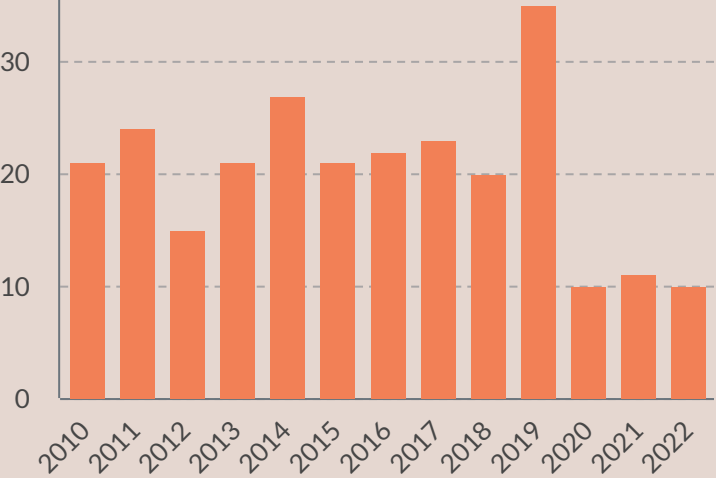


Consumer bankruptcies in Newfoundland and Labrador decreased by 71.7% from 2010 to 2022. The number of consumer bankruptcies was highest in 2010 with 2,378 bankruptcies.

Nationally consumer bankruptcies decreased by 73.5% from 2010 to 2022.

### Business Bankruptcies

Number of Bankruptcies



The number of business bankruptcies in Newfoundland and Labrador has decreased 52.4% from 2010 to 2022.

Nationally, business bankruptcies decreased 35.6% from 2010 to 2022.

## Consumer Insolvency Rate

Insolvency is the inability of an individual to pay off debt as it becomes due. Consumer insolvencies changed dramatically from 2012 to 2022.

Both bankruptcies and consumer proposals are insolvency solutions regulated by the Office of the Superintendent of Bankruptcy Canada. The increase in proposals is attributed to better consumer education. They have also gained popularity with Trustees who are attracted by the better workload and revenue profile of consumer proposals.

Consumer Insolvency Rate  
Per 1,000 Population  
Aged 18+, NL

