

## IMMEDIATE ACTION NEEDED.

THE many defects in the new Bankrupt Law are every day more and more apparent. The large number who are availing themselves of its provisions, renders it highly desirable that these defects should be remedied as soon as possible. Sufficient experience has unfortunately been had by our merchants to enable them to suggest some simple changes which would as well prevent creditors from being swindled, as it would ensure protection to honest debtors.

A meeting of the several Boards of Trade of the Province should be at once called, the views of the merchants elicited, and the needful amendments brought before the attention of Parliament. We are persuaded, now that the principle is acknowledged, and the act in force, it would not be difficult to have the law made to meet the requirements of the community. The Montreal Board of Trade holds its quarterly meeting to-morrow, Saturday. We hope there will be a large attendance, and some definite action taken in the matter. Even the appointment of a committee to confer with Mr. Abbott, M.P., the author of the bill, and the city representatives, would be productive of good results.

One of the most glaring defects of the Act is the ease with which preferences are still made in Upper Canada. Judgment by default, and the payment in full is allowed a favored creditor, while by entering a frivolous defence, a creditor less favored can be swindled out of his claim entirely. Surely such an outrageous law should not remain a day on the statute books. It is useless to attempt to hedge the matter around with provisions and procedures, while such a manifest chance is open for preferring friends or relatives. It is like stopping all the holes and leaving the gates open.

A case which occurred in Lindsay during the past week, though insignificant in its extent, well illustrates what kind of protection this bankrupt law affords: A young man is assisted with means by his father, who takes an active part in the business. He is unsuccessful, finds it impossible to go on, and decides to fail. Before notifying his creditors, however, he is served with a writ at the suit of his father; he enters no appearance, and, at the end of ten days, his father has judgment for \$2,500. Stock is valued at \$2,700, outstandings, \$400, worth, say \$200—total available for other creditors \$400, to whom he owes \$4,000. The father may have a just claim for \$2,500; but, to take an undue advantage of this kind is unfair and unjust, if not something worse. It may be a legal right, but morally a swindle. There are numerous other points in the law that a few lines would amend; and we hope to see immediate action taken, so that the matter may be brought up during the present session. We are not likely to have another meeting of Parliament this year; and next session may witness so many changes of a constitutional character, that a matter of this kind would be deferred. Besides this, merchants are suffering all the pains and penalties of an imperfect law, with very few of its advantages.

## THE CROP PROSPECTS.

THE present has been one of the most remarkable winters in the recent history of the Province. Not only did snow fall early, and to an unusual depth, but it has continued on the ground an unusual period. Generally severe frosts have been experienced before the ground was covered; and when snow did fall, almost without exception a January thaw has taken it rapidly off, and left the land saturated with water, to be frozen stiff, from which condition it rarely recovered until Spring. The consequence to the tender plant of the growing wheat crop can readily be imagined. A large portion of it was certain to be "winter-killed," and the general yield has always been more or less affected. This year, fortunately for the country, the ground has had a warm covering from an early period. We have not had any very severe or long continued frosts. We have also been without a general thaw, and until within the past week, the temperature though not severe has been uniformly cold. Now toward the end of February we are having genial warm days, and what may be deemed most seasonable weather. The consequence, is that seldom before has the wheat crop in Canada West at this period promised so favorably. We hear from various sections that its progress under its fine covering has been unusually great, that the plant is vigorous, well developed, and each seed bearing. Should we have an early and favorable Spring, the yield not only promises to be large, but the progress of the plant with the start that it has received may be so great as to be beyond the risk of

injury by insects, which generally attack the grain when late in ripening. We therefore think there is good reason for congratulation on the prospects of a large crop. The result, in a commercial point of view, can hardly be overrated. It would do more to restore our trade to a satisfactory and prosperous condition than any thing else that could happen.

## INCREASED DUTIES.

THE total amount of duties collected in Canada on importations for the first half of last year, was \$3,068,000. This amount was levied on \$14,316,900 of dutiable goods; of the above \$3,068,000, the amount collected in Montreal was \$1,801,000, or over half the entire sum. From extended enquiry among our largest importers, and from a knowledge of the stocks on hand, we are persuaded that certainly not more than two-thirds of last year's amount will be imported during the present half year. The majority of dry goods dealers, not only here but elsewhere, will buy less than half of the amount imported last spring; while as the Grocery imports were largely in excess of wants in the early part of 1864, we are certain they will show a very considerable diminution during the present season. It will, therefore, not be surprising if the total value of dutiable goods imported should fall short of ten millions of dollars, and the revenue from this source be reduced to about two millions. Inasmuch as the "ordinary revenue" was only \$4,662,000 for the half year of 1864, the probable reduction of that amount by \$1,000,000, or nearly one-fourth, is a consideration of some importance. From no other source of existing taxation can the deficiency be made up. The difficulty, however, does not stop here. The expenditure of the current half year is likely to be considerably larger than that of 1864; already the votes in Parliament exceed it by over half a million. There is, therefore, an apparent necessity for some action, and we look with anxiety for an announcement of Mr. Galt's intentions. An attempt to borrow money in England now would be attended with unusual difficulties, not only from the condition of the Money Market, owing to the absorption of capital in the variety of enterprises afloat, but because recent occurrences on our frontier will deter capitalists from investing freely in our debentures, except at rates which the country is not prepared to pay. We think it, therefore, not improbable that some changes may take place; probably an increase in the excise duties, or an enlargement and increase of the stamp system adopted last year.

## PETROLEUM TRADE IN CANADA.

A GLANCE at almost any American newspaper will at once satisfy the observer that Petroleum is the rage at present. Within the last six months some five hundred companies have come into operation in the United States, representing a capital of three hundred and sixty-six millions of dollars. It is not to be denied but that in the greater number of cases, where undeveloped regions have been purchased, a great proportion of the investors will be grievously disappointed. At the same time, when the lands are prolific and producing, so great is the demand springing up for petroleum that the fortunate owners of such lots may realize enormous fortunes. To such an extent does the excitement prevail, that it is considered a matter of congratulation when a tract of land is secured in any part of a county, a corner of which may be known to be producing. That such lands should yield is most uncertain; and the expectation of their doing so is contrary both to experience and existing theories. While therefore we may look forward with a tolerable degree of certainty to a no very distant obliteration of the greater part of these wild-cat concerns, we are satisfied that those companies which hold actually producing lands cannot fail to realize large, perhaps enormous profits.

Petroleum is an article very largely consumed, and it can be used for so many purposes, as an illuminating oil, for making gas, for fuel in place of coal, and in numerous other ways, that there can be little fear of the supply exceeding the demand. The conviction of this fact has taken firm root in the minds of the American public, and hence the rush for petroleum stocks.

The excitement, first commenced at Oil City, Pennsylvania, has gradually infected other districts, reaching Ohio, Western Virginia, Kentucky, Buffalo, and finally Canada West. In no place has more oil been actually produced within the same area as at Oil Springs, Enniskillen, the oil region proper of which has the dimensions of one mile and a half by two

miles. Here, it is not saying too much that millions of gallons of oil have run to waste. In 1862, one well spouted for 48 hours a stream of pure oil four and a-half inches in diameter, and inundated acres of the adjacent land. The quantity yielded in that time is estimated at half a million of gallons, which would be worth now, if collected, the handsome sum of one hundred thousand dollars in American currency. Many other wells flowed thousands of barrels a day, and in no case has there ever been a well sunk to a proper distance in the west that did not yield oil in paying quantities. But notwithstanding all this, oil interests, it is well known, did not flourish. The reason is obvious. The method of refining in those days was not known, and operations were carried on by persons of very small means and no experience. The consequence was, that what oil they turned out was only half made, and when shipped to foreign markets ruined for the time the name of the Canadian oil. Happily for all concerned, and for many who have the remnants of old oil properties, it has become an established fact, and allowed to be so by even the best Pennsylvania authorities, that the Canadian oil, refined as it can now be, is at any rate equal to their own; and they moreover admit that in point of body it is superior by 15 per cent. This main point being established, Canada has the following advantages over other districts:—Her oil regions are in close proximity to railways, and to the Lake ports where vessels can load and clear for Buffalo, Oswego, Montreal, and other Lake ports, and even, as has often been done, actually direct to a European port. Then there is one very significant advantage in favor of Canada, and that is, that the oil both crude and refined is free from any tax, whereas all produced in the States is taxed, for refined, 20 cents per gallon with drawback, and for crude, 6 cents per gallon with no drawback—on shipments there are, besides, endless taxes, on sales, incomes, &c. It is little wonder, then, in the face of those facts, that the petroleum business promises to revive in this Province. If the oil is found in large quantities the trade may take immense proportions; as the market of the world, long looked for, is now open to us. The article has only been known some six years, and already the government returns in Pennsylvania alone, of the exports of petroleum for 1864, amounted to sixty millions of dollars, being four millions in excess of those of coal. In adverting to the oil fields, we should not forget to mention the Bothwell region, which promises to yield as largely as Enniskillen. The wells in course of construction all promise a large yield, and those completed have been pumped with great success. One, the company's well, has produced 6,000 barrels, and Licks' is at present pumping 50 barrels a day. Already Americans have bought up a considerable portion of the developed lots in this district, and extensive operations are about to commence. Bothwell is well situated on the river Thames, which is navigable for shallow craft to Louisville, a distance of some twenty miles, where vessels of three hundred tons can load and clear for any part of the world. As to the oil having been exhausted at Enniskillen, there need no longer be any fears; for old wells which have lain idle for a long period, being again tested with approved appliances, are proving themselves still to have rich stores of oil; and as to the question of the existence of the oil at a greater depth than that at which it has been heretofore found, that has been set at rest within only the last ten days by the striking of a rich spring said to be equal to 100 barrels a day, at 540 feet, which is double the depth of the old flowing wells. This augurs well for the results in this district.

We know it is a bad time, considering the condition of our local money market, to urge our capitalists to embark in new enterprises. But unless some interest is taken by Canadians in this branch of trade, what promises to be an important resource of the country, will be absorbed by American dealers, and our Province lose the greater part of the profit which should belong to it.

## The Exchange Market.

The rate of Sterling Exchange in New York, in consequence of large shipments of Cotton, and the purchases of United States securities on the continent, has been unprecedentedly low during the week. The effect has been to cheapen the rate here, as very considerable amounts have been sent here for sale. The Banks yesterday were drawing at 108½ for round sums for cash, and 110 for discount. On the street good bills have been sold at 108 for cash. On New York, the rates have been as low as 107 to 107½.