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The Toronto World

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ACTING MINISTER OF FINANCE PRESENTS BUDGET

Stone Wall Still Stands, With Slight Local Gains Made by Allied Forces

THREE-DAY ATTACK FRUITLESS GERMAN FORCES LOSING SNAP

British Push Back Enemy at Several Points, Notably Between Kemmel and La Clytte, and French Fling Them Out of Loere.

Associated Press War Summary. Again there has come a pause in the battle in Flanders, where the ground everywhere is covered with the gray-clad bodies of German dead, and the British and French are holding securely to all their positions. From Saturday until well into Monday night Gen. von Arnim's forces continued their efforts to break the British lines on the Ypres salient and to press back the British and French from the high ground to the southwest, but everywhere their efforts were fruitless. True, they gained their objective and again captured Loere, but a counter-thrust forced them out again, and at last accounts the French were holding the village. In the hilly region just to the north of Loere the British also pushed back the enemy at several points, notably between Kemmel and La Clytte. Much of the snap of the German attacking forces has been absent from the manoeuvres they have been carrying out in Flanders under the steady line of the entente troops which has been visibly apparent since last Sunday.

Gain at Villers. To the sector near Amiens and to the east around Noyon the enemy likewise has failed in all his attempts to push forward. The British east of Villers-Bretonneux, which lies directly east of Amiens, have advanced their front, and in the Noyon sector the French have re-established their lines which the Germans previously had captured from them. The Germans on various sectors of the line are still hurling tons of steel against the British and French positions, but the allied guns are everywhere answering them in kind. While the present halt in the battle possibly may indicate the near approach of the throwing into the fray of the great reserve army which General Foch has gathered together, that such is the intention of the supreme commander of the allies' forces has not become apparent. It is not improbable, however, that at a meeting of the inter-allied war council in Paris Wednesday, which will be attended by the American, French, British and Italian representatives, measures having in view the turning of the tide of the battle will be uppermost in the discussions.

Relatively Calm. In all the theatres of the war except the western, the situation remains relatively calm so far as fighting is concerned. All along the front in Italy reciprocal bombardments continue, and small manoeuvres by reconnoitering parties are being carried out. In Macedonia the Serbians in the region of Monastir again have entered an enemy position and annihilated the garrison. They have been successful in repulsing an attack by Bulgarians, which had as its object the capture of positions near Vetretsk, held by the Serbians a week ago. The superior King of Austria-Hungary is again reported in Swiss advice to be holding out the olive branch of peace—this time in the direction of Italy, and to consider the offer in her own interests.

ITALIAN SHOCK TROOPS ROUT MANY OF ENEMY

British Parties West of Canove Capture Prisoners—Usual Artillery Firing. Rome, April 30.—The official statement issued by the war office today reads: "On the Asiago Plateau Italian assault troops routed a stronger enemy detachment, which suffered heavy losses in the Village of Stoccardello. Italian and British parties west of Canove and in the Ornic Valley captured prisoners, while an enemy patrol was driven back at Maigna Castellunga. "The usual artillery firing has taken place along the whole front."

HULL GOES DRY TODAY.

Ottawa and Environs Now in the Midst of a "Dry" Area. Ottawa, April 30.—John Barleycorn was given his knock-out in the City of Hull, Que., across the Ottawa River this morning at 9 o'clock tonight, and the third largest city in the Province of Quebec is "dry." By an overwhelming majority a year ago the voters of the city voted to eliminate the sale of liquor after April 30, 1918. With the refusal of Sir Lester Belfrage to renew the licenses of the bonded or Hull, the capital and its environs are in the midst of a "dry" area. The Counties of Ottawa and Prescott, in Quebec, also being under local option.

BIG ADVANCE IN MESOPOTAMIA ACHIEVED BY BRITISH COLUMNS

After Careful Organization, General Marshall Marches Towards Mosul, Capturing Kifra.

London, April 30.—A British official communication dealing with the operations in Mesopotamia says: "Our forces in several columns, the organization of which necessitated a long and careful preparation, have advanced to the north of Baghdad along the main road leading to Mosul by way of Kifra and Kirkuk. "On April 27 Kifra was captured and 40 prisoners taken. The Turks avoided attack and retreated to Kirkuk. Our cavalry overtook one enemy column and charged it, killing more than a hundred men and capturing 533 prisoners and much war material. "On April 28 our cavalry forced a passage of the Aqsa at a point southwest of Tuzhurmatli, and our main force reached the banks of the Aqsa. "On the 29th our cavalry got astride the enemy's communications towards Taug, and shortly afterwards our infantry advanced against Tuzhurmatli, which town was soon captured with 800 prisoners, five guns and some transport. The pursuit of the enemy continues along the main road to the north."

BRITISH EVEN GAIN IMPORTANT GROUND

Charge in Big Battle Makes Considerable Headway Towards Mount Kemmel.

DEFENDERS COMMENDED

Message to Victors Praises Them for Magnificent Stand—Germans Busy Re-forming.

With the British Army in France, April 30.—The German General von Arnim was today busy re-forming his broken divisions and, presumably, bringing up reserves to replace the great numbers of men who gave their lives in fruitless assaults, by which they had hoped to wrench away more of the hill positions and thereby gain a dominating position, with the idea of forcing the allies to pull back their lines to the north. Yesterday was a great day for the allies, and today those divisions which were engaged in the sanguinary struggle received a message commending them for the magnificent defence they had made. Not only was the allied line practically intact at all points, but the latest reports show that the British during the counter-attack yesterday afternoon north of Kemmel reclaimed considerable ground which the Germans had held since Kemmel was taken.

Battle for Crossroads.

At the crossroads between Scherpenberg and Mont Rouge and about Loere the fighting was particularly fierce. Loere changed hands several times during the day, and at nightfall the Germans had a hold on the place. In their counter-attack during the night, however, the French cleared the Germans from their positions between the two hills and thrust them back from Loere, thereby regaining ground to a depth of nearly a mile. The French during the day repulsed the initiative of the officers commanding the smaller units. Time and again French captains organized counter-thrusts with their companies and drove the enemy back after the Germans had gained a footing in advanced positions. The German attack against the British was from the southeast, towards Ridgewood, between Dickebusch Lake and Voormezele. At Ridgewood, where the fighting was very bitter, the Germans at the outset advanced with fixed bayonets, but they came under such an intense machine gun fire that they were never able to employ their steel.

GERMANS HELD GAINS ONLY SHORT TIME

Paris, April 30.—In the sector of Noyon the Germans in attacks today made gains in advanced French trench elements, but later were driven out and the French re-established their lines, according to the official communication issued by the war office tonight. In the region of Hangard there has been a violent bombardment. The text of the statement reads: "The region of Hangard was violently bombarded during the course of the day. "In the Noyon sector a German attack resulted in a spirited engagement. Our troops drove the enemy from the advanced elements where they had taken foot in the first assault and re-established their line. Patrol encounters occurred on the left bank of the Oise."

LOERE RECAPTURED BY FRENCH AFTER ATTACKS LESSENED

German Attempt at Dividing Forces of Allies Fails Disastrously.

MARVELOUS STAND

Defending Troops Bear Incessant Attacks of Superior Numbers.

With the British Army in France, April 30.—Further desperate assaults by Von Arnim's army against the allied lines on the Flanders battlefield yesterday afternoon and evening met with no more success than the enemy's futile and costly attempts earlier in the day to break thru and capture the hill positions west of Kemmel. Not only did the British and French maintain their positions at virtually all points in the face of furious onslaughts, but during the night they reclaimed several bits of territory which the enemy had succeeded in getting a hold on. French bayonets fell on German hands yesterday, but the French once more made a dashing counter-drive and thrust the enemy out of this important place. Fierce fighting continued about Loere all day, and the enemy sacrificed great numbers of men in an attempt to push thru here. Brilliantly. In the meantime the flanks were being held brilliantly against successive shocks. A particularly bitter battle was fought astride the Kemmel-La Clytte highway, near the junction of the French and British. Here the enemy tried his favorite trick of dividing the two forces, but he found no weak spots. At Ridgewood, west of Voormezele, heavy fighting also continued thru the day, the Germans losing great numbers of men, both killed and wounded. It is impossible to say how many attacks the enemy made at this point during the course of the day; they came forward in waves thru long hours. There was no cessation of the enemy's efforts to withstand the onslaught of a force which is overwhelmingly in number.

GERMANS ADMIT FIGHTS IN ISOLATED SECTORS

Berlin, via London, April 30.—The official statement from general headquarters today says: "Infantry engagements developed on isolated sectors on the Flanders battlefield. North of Voormezele and Vierstraat we captured several English trenches. Storming detachments, which were penetrating the enemy's lines near Loere, came into contact with French counter-attacks. During the course of the fighting the enemy Loere. His ability to withstand the onslaught of a force which is overwhelmingly in number. "The British improved their position slightly before Villers-Bretonneux. The enemy artillery was active in this region, and the enemy guns were increasingly busy from Vimy northward.

AUSTRIA ON BRINK OF BIG REVOLUTION

Serbs, Croats, Slovenes Take Plebiscite in Favor of Union With Serbia.

London, April 30.—A despatch sent out today by Reuters Limited, says it has been learned from Serbian sources that unmistakable signs of an approaching revolution in Austria-Hungary are becoming daily more evident. A plebiscite is being held among the Serbs, Croats, and Slovenes in favor of their union with Serbia and Montenegro under the sceptre of King Peter of Serbia. The Prince Archbishop of Carniola is at the head of this movement. "Demonstrations of a very serious character are taking place in the whole Kimmel territory and continued until darkness fell. "Macedonian front: Between the Vardar and Lake Dojran an enemy thrust which followed artillery preparations lasting several days broke down before our lines."

United Irish League Out Against Conscription Act

Dublin, April 30.—The national directorate of the United Irish League today elected John Dillon chairman to succeed the late John Redmond. A resolution was unanimously adopted protesting against the application of conscription to Ireland, declaring that such an attempt under present circumstances would be certain to end in failure and disaster, and calling on the members of the league throughout the country to "strengthen and extend its organization, with a view to co-operating effectively with the Mansion House conference in resisting the application of conscription to Ireland."

INCREASES IN EXISTING TAXATION AND NEW PLANS TO RAISE REVENUE

The Budget in a Nutshell

Total revenue for last fiscal year \$288,000,000, of which \$146,000,000 came from customs duties, \$27,000,000 from excise and \$21,000,000 from the war tax on business profits. Balance of trade for last fiscal year in our favor \$600,000,000. Favorable balance of trade with Great Britain, \$700,000,000. Adverse balance with United States; Exports to United States, \$440,000,000; imports from United States to Canada, \$750,000,000. Victory Loan realized \$289,000,000 in cash at a cost of about \$5,000,000. Another loan will be issued in the fall, and from year to year during the continuance of the war. National debt in the neighborhood of \$1,200,000,000. War has cost to March 31, 1918, \$778,000,000. Importation of luxuries may be curtailed by license system. War Tax on Business Profits Act of 1917 amended. Will apply to partnerships and corporations having a capital of more than \$25,000 and less than \$50,000, but will be limited as to these concerns to a tax of 25 per cent. upon net profits over 10 per cent. Income Tax Act amended. Exemptions in favor of unmarried persons reduced from \$1500 to \$1000, and of married persons from \$3000 to \$2000, but an additional exemption of \$200

is allowed for each child under 16 years of age. War sur-tax running from 2 to 35 per cent. upon income tax paid. General increase in the tax upon large incomes. Income tax on corporations increased from four to six per cent. Ten cents a pound tax on tea. Additional taxes on coffee, cocoa, chicory and non-alcoholic beverages. Stamp duty of one cent per hundred on matches imported or manufactured in or imported into Canada. War excise tax of ten per cent. on automobiles manufactured or imported into Canada. (This not to include motor trucks, delivery wagons and tractors. Same excise tax is levied upon jewelry, real or imitation, and upon gramophones, graphophones, phonographs, talking machines, mechanical piano and organ players and records therefor, whether manufactured in or imported into Canada. These excise taxes will not be levied upon goods manufactured for export. Heavy additional taxes on tobacco, cigars and cigarettes and an excise tax of five cents per pound upon leaf tobacco. Ten per cent. tax on sleeping car tickets and tax on Pullman car seats raised from five to ten cents. Total immigration into Canada during the year 1917, of which 169,000 from United States.

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Amended Income Tax, Fresh Impost on Businesses, Increased Rates on Certain Articles, War Tax on Luxuries Included in One of Most Important Budgets Since Confederation.

Ottawa, April 30.—To Hon. A. K. Maclean, acting minister of finance, this afternoon, fell the task of presenting to parliament one of the most important budgets since confederation. The steadily growing financial obligations of the Dominion, due to the war, made necessary the announcement of a number of increases in existing taxation as well as a number of new taxation proposals. Mr. Maclean's statement which was made to a crowded house and in the presence of full galleries excited more than ordinary interest at the capital.

The minister's proposals included a renewal and extension of the business profits war tax; an increase in the income tax; an increase in the excise duties payable on manufactured tobacco, etc.; a duty of 10 cents per pound on tea which has been free, with a similar excise on tea in store in order that holders of the article will have no advantage; changes in the duties upon coffee and chicory in order to place the taxation upon these articles upon a parity with the taxation upon tea; an increase in the special war tax rates on sleeping car berths and parlor car seats; excise taxes on matches, playing cards; a specific duty of five cents per linear foot upon moving picture films; and a special war excise tax of ten per cent. upon the selling value of automobiles, jewelry, gramophones, graphophones, phonographs, talking machines, mechanical piano and organ players and records when imported into or manufactured in Canada. The tax upon automobiles is applicable to all imported into or manufactured in Canada, and unaided on April 30.

The amended business tax provides for the taxation of businesses with a capitalization from \$50,000 down to \$25,000 which were exempt under the former tax. The rate will be 25 per cent. of the amount by which the profits exceed 10 per cent. Income tax exemption in the case of unmarried persons is reduced from \$1500 to \$1000 and for married persons from \$3000 to \$2000. The rate of taxation will be 20 per cent. from \$1000 and up to \$1500 in the case of single persons, widows or widows without dependent children, and two per cent. from \$2000 up to \$3000 in the case of all other persons. The present super tax is to be continued at the present rate, but comes of \$50,000, at which point a new classification is proposed. In addition to the normal tax and super tax there will be a profit surtax lasting until the year in which the war ends. This tax will start at 5 per cent. of incomes from \$6000 to \$10,000, increasing gradually to 25 per cent. on incomes in excess of \$200,000. Provision is made for an exemption of \$200 for each child under the age of 16 years. The corporation income tax now 4 per cent., is increased to 6 per cent.

ONLY LOCAL FIGHTS FOLLOW BIG BATTLE

French Troops Take Ninety-four Prisoners in Counter-attack at Loere.

London, April 30.—"Except for local fighting at different points, there has been no infantry action today," says Field Marshal Haig's report from British headquarters in France tonight. In a successful counter-attack last night at Loere the French troops captured 94 prisoners. "Further reports confirm the report that the enemy's losses were very heavy in his unsuccessful attack yesterday. "South of the Somme our patrols brought in a few prisoners. Beyond the usual artillery activity on both sides there is nothing further to report."

BRITISH PILOTS ATTACK ENEMY BEFORE LOERE

Bombs Dropped on Germans During Battle—Eight Hostile Aircraft Downed. London, April 30.—An official report on aerial operations, issued tonight, says: "East of Loere the enemy's troops on Monday offered good targets to our pilots, who dropped 275 bombs on them and engaged them with machine gun fire. "Seven hostile machines were brought down in air fighting, and one was shot down by our infantry. Two of our machines are missing."

SEIZES ALL BELLS AND ORGAN PIPES

Will be Made Into Guns According to Belgian Governor's Decree.

New York, April 30.—The German government of Belgium has issued a decree calling for a list of all bells and organ pipes in Belgium, and it is intended to take them away to be manufactured into guns, according to a statement issued here tonight by Senator Henri Lafontaine, president of the executive committee of the Society for Gifts for Belgian Soldiers. "We are advised," added Senator Lafontaine, "that the Germans are constantly bringing up picked troops for a continuous attack on the Belgian soldiers. It is most important that we do everything possible to keep up the morale of our men in order that they be able to withstand the onslaught of a force which is overwhelmingly in number."

FRENCH MAKE GAIN OF NEARLY A MILE

Counter-attack From Scherpenberg Slope Reclaims Considerable Strip of Ground

British Headquarters in France, April 30.—Today was all quiet on Flanders battlefield. French counter-attack of last night was brilliantly successful, not only in recovering ground on the southern slope of Scherpenberg, but in advancing the line to a depth of 1000 yards astride the Drauzette road. Loere changed hands several times, but finally the Germans were held well beyond the eastern fringe. Desperate struggles occurred in the ruins of the village between small parties, including much bayonet fighting. A fine bayonet charge was made by one of our brigades just as the enemy was wavering in the face of furious fusillades. The Franco-British took a large number of prisoners during the day, but they were fewer than the magnitude of the struggle would lead one to expect owing to the desperate hand-to-hand character of the fighting. The prisoners show considerable depletion at the failure of Von Arnim's heavy thrust and admit that the task ahead of the German army threatens to bleed the fatherland of its manhood.

Toronto

Rev. Dr. Endicott tells of his experiences on his visit to China.

Two hundred and thirty-one Category B. men reported at Exhibition Camp for duty. The jewelry workers and the employers reach an agreement on wages and eight-hour day. W. F. O'Connor, K. C., former coast of living commissioner, addresses the Toronto Press Club.

Rev. John MacNeill gets a great ovation on the occasion of receiving an honorary degree from McMaster University.

Fred Barter dies as the result of burns received two weeks ago at the Swiss-Canadian plant.

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