

TO-DAY'S Messages.

11.10 A.M.

TREASURY BILLS AND CERTIFICATES.

LONDON, To-day. The Treasury has given notice that capital and interest on Treasury bills and war expenditure certificates issued henceforth, will be free from British income tax and from any taxation now or in future while held by persons neither domiciled nor ordinarily resident in the United Kingdom.

THE CHURCH-DESTROYERS.

BERLIN, To-day. Up to August 11th, Austro-Hungarian naval aeroplane squadrons bombed extensively the arsenal, railroad station, outer works, and outer forts of Venice, says an official statement issued at Vienna. Good successes were obtained despite thunder storms and rain. Fires were seen at the arsenal and railway station. A despatch from Rome under date August 12th, said the historic church of Saint Marie Formosa, in Venice, had been destroyed during the Austrian raid over the city on the night of August 10.

RUSSIAN GAINS.

PETROGRAD, To-day. Continued gains for the Russians on the Sereth River and the region along the Zlota Lipa, where the troops have crossed at several points to the western bank, and the capture of the village of Tustobaby, north-east of the Dniester, are chronicled in an official statement issued last evening.

SUNK DANISH STEAMER.

LONDON, To-day. The Danish steamer Ivar was sunk by a submarine off Canca, Italy, on Sunday, according to a despatch to Reuter's Telegram Company from Copenhagen. The crew of the steamer were saved. The Ivar was 2,139 tons, built in 1907, and hailed from Copenhagen.

STRIKE MAY BE SETTLED.

WASHINGTON, To-day. President Wilson conferred to-day with both parties on the threatened country-wide railway strike. Last night it appeared a sufficient foundation had been laid to furnish a working basis for a settlement of the differences between employers and employees. The President will meet both sides again to-morrow.

LONDON BUDGET.

LONDON, To-day. The Austrians and Germans in Galicia are still falling back before the advance of the Russians who, according to Petrograd, have captured the strongly fortified town of Tustobaby, northwest of the Dniester on the Upper Sereth. However, the Teutonic Allies at some points of their newly chosen lines are holding back the Russians with vigorous artillery fire. Berlin says south of Brody on the Lub-Grabarka sector the Russian attacks were put down with heavy losses and that the Russians who had penetrated the Teutonic positions on the Zhoroff-Konkacy line, northeast of Tarnopol later was driven out and 300 of them made prisoners. According to Vienna, Russian attacks southwest of Podkaimon near Brody, ended with the field before the Austro-German positions covered with Russian dead.

No change took place on Monday along either the British or French lines in France, bad weather hindering operations, which were confined most exclusively to artillery duels. According to Berlin the British have been expelled from their trenches over a front of 700 yards southwest of Thiepval in the Pozières sector which they occupied on Sunday. On the Isonzo front, according to Rome, the Italians have made still further advances against the Austrians along the Carso plateau east of Hill 212 in the latter sector another line of trenches have been penetrated and more men made prisoners. In the Gorizia sector Rome says the Austrian guns are being busily employed against the Italians. Here according to Vienna seven charges by the Italians were put down by the Austrians. Petrograd reports a continuation of the Turks offensive on the Persian frontier, but asserts the retreat of the Turks has been forced on the southwest bank of Lake Van in Turkish Armenia through the fire of a Russian flotilla on the lake. The Turkish war office says the Russians in Persia continue to be driven back by the Ottoman's and that in Armenia at Hells the Turks have made a further advance.

DISGRACEFUL GAMBLING IN FOOD.

LONDON, To-day. The Daily Telegraph to-day says,

the opinion is freely expressed in the local wheat market that the rise in wheat prices was the result of a conspiracy on the part of German-Americans in Chicago to force up and embarrass the Entente Allies. The rise of wheat is condemned here as unnecessary, says the Daily Telegraph, and the whole business seems to have been engineered in America. The Statist says a coterie of English speculators have made the situation worse by engineering a local corner in the British wheat market. The newspaper, however, expresses the hope that wheat supplies now enroute here will reach Britain in time to bring to naught the machinations of English gamblers.

HUGE RUSSIAN SPOILS.

PETROGRAD, To-day. The retreat of the Austrians from the Stripa continues with the Russians pounding the Austrian rear guard. Podgany on the Koropice has fallen and General Count Von Bothmer's forces are taking up positions on the west bank of the Zlota River. The surrender of Miriamopol by the Austrians has enabled General Letchitzky to straighten the front of his advance toward Halez, this now forming an almost direct east and west line only seven miles from that town at the nearest approach. The summary of prisoners and booty taken by the Russians during the last weeks operations estimates that 83,200 men and 1,720 officers were captured; and sixty-nine guns, 342 machine guns, and bomb-throwers were taken up by Generals Letchitzky, Scherbachoff and Skharoff.

TROUBLE BETWEEN CHINA AND JAPAN.

TOKIO, To-day. Chinese troops attacked the Japanese garrison at Chengchiatun between Mukden and Chacyangfu, and have killed or wounded 17 Japanese soldiers and killed one officer, according to official advices from Chongchating the Japanese barracks are now besieged by Chinese soldiers. Reinforcements are being rushed to the beleaguered garrison from Japanese forces stationed at Kaiguna and Sidinghai. The fighting resulted from the arrest of a Japanese merchant.

1.15 P.M.

ITALIAN DREADNOUGHT BLOWS UP.

PARIS, To-day. The Italian dreadnought Leonardo Da Vinci caught fire and blew up in the harbour of Tanante, Italy, and 300 of her crew were drowned, says a Turin despatch to the Petit Journal. The date of the disaster is given only as a day in August. The fire says the despatch was discovered in the kitchen and spread rapidly. Capt. Immy ordered the magazines to be flooded and tried to beach the ship, but one magazine exploded before this could be done. The vessel was turned over on her side and a large number of the crew were thrown into the sea.

FRENCH TAKE TRENCHES AT VERDUN.

PARIS, To-day. French troops captured German trenches on a front of about 300 yards long and 100 yds. north of the Chapel of Sainte Fine at the intersection of the Fleury and Vaux roads on the right bank of the Meuse in the Verdun sector last night, says a War Office statement. On the Somme front the French artillery was very active at Belloy and Lihons; elsewhere the night was calm.

LLOYD'S DON'T LOOK FOR SPEEDY FINISH.

LONDON, To-day. Despite the prominence given to belligerent as well as in neutral countries to economic problems after the war and the rapid growth of plans by commercial and banking institutions for preparing to meet such problems, Lloyd's brokers are not reducing their quotations on the ending of the war in the near future. Ninety per cent. (9 to 10) was quoted to-day on the possibility of its ending by December 31, which was held to be a prohibitive rate, and the possibility of its ending by March or June next year was quoted at 45 per cent. (4½ to 10.)

McMurdo's Store News

TUESDAY, Aug. 15, '16. Dyola Straw Hat Dye has proven of great service to those who wish to change or refresh the color of a straw hat. It is quite easy to apply, dries and sets almost immediately. Dyola gives a clear even color, and will make your old hat like new. Price 25 cents.

Kresco Disinfectant has many uses in the household, on the farm, in the stable and is an extremely potent disinfectant. A one per cent. solution is strong enough for all ordinary purposes. Price 50c. tin or bottle.

WEATHER REPORT.—The weather across country is light southwest wind and dull, raining in places; temperature 44 to 64 above.

EXTRA SPECIAL

For Tuesday, Wednesday and Thursday.

Always Something Doing, Something at the "Busy Store."



LADIES' AMERICAN NIGHT DRESSES

Fine White Lawn Bodies with heavy lace tops and half sleeves and ribbon beading, etc. They are beauties, hardly two alike. Value for

\$1.60. Special: \$1.18.

CHILDREN'S WHITE DRESSES. MOTHERS!

Here is an opportunity for you to avail of Dainty Snow White, Lawn and Embroidery Dresses for the little ones, embroidery skirt and yoke and edging at sleeves. Assorted sizes. Value for 45c.

Special: 35c.

Cream Curtain Muslins

12 pieces of these just to hand. Cream ground with white and coloured figured designs; 47 inches wide. Special per yard,

Tuesday, Wednesday and Thursday 23c.

James Baird LIMITED

Balkan Offensive Will Crush Enemy.

Drive From Salonika Foresadows Destruction of the Bulgarian and Turk—Germany and Austria Will Abandon Allies.

LONDON, Aug. 12.—The importance attached to the new offensive in the Balkans is indicated in a long article written for the Daily Telegraph by Col. Ashmeade Bartlett, who was official observer for the entire press of Britain during the operations on Gallipoli. Colonel Bartlett says:—

"The Bulgarians even assisted by the remnants of the Turkish army are not strong enough to resist an offensive from Salonika and at the same time hold off the pressure of half a million Rumanians from the north."

"I see no reason why Rumania should not throw pontoon bridges across the Danube in 1916. There may be some resistance, but under cover of her heavy artillery the task should be fairly easy of accomplishment. After the river is crossed, there is no formidable position between the river and Sofia which could not easily be turned."

"In 1915 Rumania had neutrality forced on her by the great German drive which cleared the Russians south of Galicia and Bukovina and brought their victorious armies to her northern frontier. She could not afford to risk an attack on Bulgaria with her northern and western frontiers thus threatened. There she could continue her wait-and-see policy."

"The stubborn ill-informed German will fight till crushed, but the entente will be able to clear up the near east and get rid of the foolish dupes who backed the wrong horse. Then we shall be in a position to concentrate our entire strength against the arch-villain of the piece."

"Already the Turks and Bulgarians are beginning to realize how completely they misread the European situation. It will come as a great shock to Ferdinand and Enver when they find the all highest has not a single division to send them in their hour of need."

"The first important move is to separate Bulgaria and Turkey from all connection with the Central Powers."

"This can be accomplished only by the clearing of the enemy out of Serbia, and gaining possession of the Orient railway. With Nish in our possession the communication now open between Berlin, Vienna, Belgrade, Sofia and Constantinople will be cut and with the Danube patrolled by gunboats, not a biscuit or a cartridge can reach the Bulgarians and Turks, who must then rely on their own feeble resources."

"Once Nish is in our possession, the Anglo-French army can turn its attention to an invasion of Bulgaria. When Bulgaria finds she has been abandoned to her fate by Germany and Austria, she faces absolute ruin, which means disappearance from the map as an independent nation, or else she must endeavor to save something from the wreck by coming to terms as speedily as possible."

"The collapse of Bulgaria means the collapse of Turkey. The last stand of the Turks in Europe must be made at two points, the lines of Chataldja and the lines of Bulair. But by the army on Gallipoli-Island, the Gallipoli falls and we command the straits, and the longed-for roads to Constantinople we could send the Mediterranean fleet to Constantinople together with transports and thus turn the lines of Chataldja. At the same time it must be remembered that once our fleet is in the sea of Marmora it can vitally assist the ar-

my attacking Chataldja by enfilading the whole left wing of the Turkish positions from the Bay of Blyukchek-meje. The days of the Turks are certainly numbered."

Terrible Losses Suffered by the Austrians.

"I Saw Lines Upon Lines of Austrian Corpses, Exposed as if for a Review of the Dead," Says a Correspondent.

LONDON, August 11.—A dispatch from Rome to the Daily Telegraph says:—"The Italian offensive continues. Two forts alone of the eastern defense of Goritz remain in possession of the Austrians, namely Monte Santo and San Gabriele, but they are isolated beyond possibility of recovery, reinforcements and provisions being cut off. The fact that the Italians had tunneled through mountains, so that they debouched with their artillery beyond the Austrian lines, the Austrians thus being caught between two fires, was the determining factor in their success. The Italian advance in the Pizzo Tolmino and Montalcune sectors continues and there is renewed activity in the Trentino."

"The number of prisoners is steadily increasing. The number so far officially given is much less than the real total. It will take several days to make an inventory of the booty. The Austrians were unable to save the contents of the Goritz depots, which were among the most important in the Empire."

An estimate of the Austrian losses in the Goritz engagement is furnished by the correspondent of the Daily Telegraph at Milan, who wires: "Their losses were enormous. Not many of the defending army had time to retreat."

A Swiss correspondent on the Austrian side says: "I saw on Podgora, on Sabotino and on Monte Santi, lines upon lines of Austrian corpses, exposed as if for a review of the dead. The work of the Italian artillery was systematic. Every inch of the Austrian trenches and secret lairs was mapped out, and each battery had its work assigned. The Italian infantry accomplished the remainder by a series of brilliant assaults. They approached the Austrians from one quarter through subterranean galleries to within forty yards, and in another forded and swam the Isonzo into the face of a hall of shells and rifle fire."

"At a third point the engineers threw bridges across the stream to reinforcements. Detachments of the Salsale and Pavia brigades received orders to cross. Into the river the troops plunged wading waist deep, holding their rifles high, while others carried hand grenades high in the air. All crossed within half an hour and entered the town."

Central Powers in Sore Straits.

May Resort to Desperate Methods in View of Situation on Eastern Front.

Rotterdam, Aug. 11.—The present position of the Central Powers on the Eastern front is desperate and it is within the range of possibility that desperate measures may be resorted to. Those under contemplation are of a combined political and military character and are quite apart from calling in Turkish aid.

Stanislaw is gravely threatened by the Russian advance. The Central Powers may try to save their position by a flanking movement, further to the south.

Another desperate measure concerns Poland, that is all three of the Poles. The negotiations over the Polish question between Germany and Austro-Hungary which have been in hand many months, lately have been resumed in Berlin, and are nearing conclusion. The well informed military critic of the Nieuwe Rotterdamse Courant writes:

"The Central Powers already have given evidence that they do not fear to take thorough measures under extraordinary circumstances and any such measures will undoubtedly affect Poland. It may be supposed that the result of the present negotiation over Poland will be directed to securing more men for the Central Powers. The Poles might be supposed to be willing to join the Central Powers in the fighting in order that consolidation and partial independence be given them."

If this object is to be attained the Central Powers will have to be ready to undertake something more than half measures.

Train Notes.

Sunday's express reached Port aux Basques at 11.30 p.m. yesterday. To-day's mail and freight left Port aux Basques at 9 a.m. The Trepassey train reached the city on time to-day. The local from Carboneau arrived in the city at noon to-day.

Striking Points of British Drive.

A Vast Organization Was Prepared by the General Staff—Worked Like a Charm.

On The British Southern Front, July 31 (Correspondence of the Associated Press)—One of the most striking features of the great British drive north of the Somme was the extraordinary thorough preparation before the offensive was begun.

Long before the attack was launched the British staff was busy building up a vast organization which should be complete to the most minute degree military experts declare that the degree of preparedness achieved was unprecedented. Seemingly nothing that could be done was left undone, and when a representative of the Associated Press visited this section of the British front to see the captured territory and watch the assault proceed the various activities were being conducted with such coordination that they appeared to be done by clock work.

The collection of huge stores of ammunition, the assembling of artillery and the concentration of troops were but one phase of the preparation. Bases for various supplies were prepared where they would be most easily accessible when the advance began. Emergency hospitals were constructed and enclosures were built for the reception of prisoners. Great numbers of extra motor lorries were provided for transport work over roads which were continually being improved by myriads of workmen and Red Cross motor ambulances were made ready for the speedy handling of large numbers of wounded, both British and German. But it was not only for work in the British occupied territory that plans were laid. Provision must be made for the troops when once they had forced their way into German ground. The royal engineers worked out an elaborate scheme whereby water for the use of the men should follow them into the German trenches along the lines.

It is not permitted to say how this was accomplished but it is stated that it has been done successfully. Gun emplacements back of the German front lines were worked out in advance and routes of least resistance for reaching these points were decided upon. Plans for the consolidation of captured territory were elaborately considered and provision was made for the immediate clearing away of the great quantity of debris of every description that always strew a battle ground.

In fact every scheme possible was applied in order that there should be no loss of time or energy when once the offensive had begun.

Now that the attack is under way there is intense but methodical activity for miles behind this part of the front. Motor lorries flow in steady streams back and forth along the roads, bringing supplies to the front. The wounded are being moved swiftly but with great care to the base hospitals many miles away, after treatment in the emergency stations. And all along the line scores of thousands of soldiers are busy handling supplies, making provision for calls from the extreme front and clearing and consolidating the ground taken.

Reids' Boats.

The Argyle leaves Placentia to-day for the west.

The Clyde left Twillingate at 5 p.m. yesterday, outward.

The Dundee left Port Blandford at 8.50 p.m. yesterday.

The Ethie arrived at Humbermouth at 6.30 a.m. to-day.

The Glencoe left Port aux Basques at 12.30 a.m. to-day, coming east.

The Home left Fortune Harbor at 12.45 p.m. yesterday, outward.

The Lady Sybil reached Port aux Basques at 8.15 a.m. to-day.

The Kyle left Port aux Basques at 11.50 p.m. yesterday.

The Wren left Clarendville at 5.30 a.m. yesterday.

The Meigle is on her way to St. John's.

EUROPEAN AGENCY

Wholesale Indents promptly executed at lowest cash prices for all British and Continental goods, including Books and Stationery, Boots, Shoes and Leather, Chemicals and Druggists' Sundries, China, Earthenware and Glassware, Cycles, Motor Cars and Accessories, Drapery, Millinery and Piece Goods, Fancy Goods and Perfumery, Hardware, Machinery and Metals, Jewellery, Plate and Watches, Photographic and Optical Goods, Provisional and Olmen's Stores, etc., etc.

Commission 2½ p.c. to 5 p.c. Trade Discounts allowed. Sample Cases from \$50 upwards. Special Quotations on Demand. Consignments of Produce Sold on Account.

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Imperial (New)

The Falklands Islands

Great Britain's Possession on Edge of Civilized World

The Falkland Islands, where Ernest Shackleton recently found haven after the hardships of a previous Antarctic expedition, have rarely been in world news since 1833, when the British flag was planted over the land which, together with South Georgia, constitutes the Empire's "farthest" peninsular possessions. The land group is described in a bulletin issued by the National Geographic Society, which says:—

"Except when some unfortunate skipper is compelled to cast anchor in the harbor of Port Stanley, where damage wrought by the fierce storms of Cape Horn can be expensively repaired, the Falkland Islands are seldom visited, save by the occasional mailboat from England. It must have been a sensational news event, therefore, when the 900 Port Stanley inhabitants and the 1,100 other

Columbia

On the

Pop

COME AND HEAR

10" Double

A1920—Along the Rocky

A1923—My Mother's Rosary

A1899—M-O-T-H-E-R by H

A1896—Little Gray Home

A1886—Casey at the Dent

A1908—Casey Takes the

A1917—You can't get along

A1866—In the Gloaming

A1917—Medley of Irish Jig

A1866—Home, Sweet Home

A1917—Medley of Irish Jig

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