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SATURDAY MORNING MAY 4 1918—SIXTEEN PAGES

VOL. XXXVIII.—No. 13,688 TWO CENTS

Readin Room
11mar18

Germans May Deliver a Fresh Blow on the Arras-Lens Salient
French Airplanes Drop Several Tons of Bombs on Depots

UNITED STATES COMMANDEERS ALL THE STEEL

Any Surplus After War Needs Are Met Will Be Distributed.

ONE MILL DEPLETED

Automobile Industry Will Be One of First to Feel the Effect.

Washington, May 3.—Every ton of steel and pig iron in the country virtually has been commandeered by the government for war purposes, and any surplus remaining after war needs are met will be distributed to non-war industries under strict government supervision.

This was learned officially today following publication in New York of minutes of a meeting there last Friday attended by the chief steel men of the country and J. Leonard Replogle, director of steel for the war industries board. At that meeting Mr. Replogle announced the government's new policy to guarantee a constant supply of steel for the nation's war activities. He told the steel men they would be required to devote their entire capacity to war orders, and they signed a pledge agreeing to this program.

Eight thousand tons of pig iron were taken today from a large mill engaged in less essential work and shipped to a steel mill doing war work, which was about to close down because of pig iron shortage. Similar action has been taken more than once during the past few weeks, and the practice will be continued whenever steel mills and plants engaged in non-war work have steel and pig iron needed at those turning out steel for the government's war requirements.

The passenger automobile industry, one of the largest consumers of steel of the so-called less essential industries, will be among the first to feel the effect of the new policy.

TO CUT COAL EXPORTS FROM UNITED STATES TO WESTERN CANADA

Washington, May 3.—The fuel administration today revoked, effective May 8, special orders issued last winter diverting bituminous coal to New England and also announced the restriction of shipments of anthracite coal to Canada. This action followed a conference recently held in Canada with coal operators, miners and railways of Canada.

An agreement reached provides that no American anthracite will be shipped to points west of Winnipeg and shipment to western Canada will be materially restricted.

U. S. SHIPPING PROGRAM YIELDS BIG RESULTS

Washington, May 3.—Exact figures on the progress of the merchant shipbuilding program this year were disclosed today for the first time. They show that under direction of the shipping board there have been launched 226 steel and wooden vessels with a total tonnage of 977,371, 440,627.

Nearly 5,000,000 Pound of Tea Stored at Head of the Lakes

Port Arthur, Ont., May 3.—Tea to the amount of 2,753,496 pounds is in storage at Port Arthur and subject to the new war tax of ten cents per pound with one cent allowed off for wrapping. The inland revenue officer here will therefore collect $247,814 for the government. At Fort William an additional 1,950,000 pounds is in storage. The tea is held here by the railways for distribution to eastern railways.

Toronto

The governor-general and party will visit Toronto next week.

The district executive of the G.W.V.A. discusses the scarcity of houses.

Two new lists of Military Service Act defaulters are published by the military authorities.

Active service troops in training in Canada are to get short furlough for farm work.

The board of arbitration in the dispute between the G.T.R. and its station employes meets today.

Rose Feltman, four years of age, 50 Nelson street, is almost instantly killed by a motor car.

The Dominion police make a new, high, one-day record in rounding up Military Service Act defaulters.

The general board of missions of the Methodist Church accepts the resignation of H. H. Fudger, as treasurer.

TRADE AGREEMENT HAS BEEN SIGNED BY U. S. AND NORWAY

Washington, May 3.—Signing of a general commercial agreement between the United States and Norway, the first agreement of the kind to be entered into by America with one of the north European neutrals, was announced tonight by the war trade board.

Under the agreement, Norway is assured of supplies to cover her estimated needs so far as they can be furnished without detriment to the war needs of the United States, and its associates, and Norway, on her part, agrees to permit unhampered export to America and its allies, of all Norwegian products not needed for home consumption.

It is provided that none of the supplies imported from the United States or its associates or forwarded with the aid of American bunker coal shall go directly or indirectly to the central powers or be used to replace commodities exported to those countries. This applies to anything produced by any auxiliaries to production obtained under the agreement.

TO BEGIN EXCHANGE OF WAR PRISONERS

Russia Reaches Agreement With Enemy—New Bolshevik Army Organization Proceeds.

Moscow, May 3.—The exchange of prisoners with Germany will soon begin. A special commission charged with this work has arrived here with Count von Mirbach, the new German ambassador to Russia. There are three million Russians in German hands, while one million are held in Russia. The first to be exchanged will be women, boys under 16 and men over fifty, and invalids. These will be followed by the military prisoners of war.

It is proposed to exchange 40,000 weekly at ten different points. A few exchanges of invalids have already been made. Most of the German prisoners are in Siberia. Their transportation is a grave problem because of railway disorganization, and water transportation is to be used exclusively to move the men.

The formation of a new war department is progressing satisfactorily. Generals in the old army are accepting responsible positions and cooperating with the soviet government in the organization of the red army. Leon Trotzky has publicly stated that they deserve the respect of the workmen, but his efforts to secure wide co-operation are hampered by the thoughtless remarks of a Bolshevik leader who called the generals "workmen's orderlies." Several prominent generals declined posts in the new army for this reason.

PEACE OFFENSIVE IN ATTRACTIVE FORM, NEXT GERMAN MOVE

London, May 3.—In the personal opinion of Lord Robert Cecil, minister of blockade, the failure of Germany's "knockout offensive" on the western front will result in a big peace offensive, directed mainly against Great Britain and possibly made in an attractive form, but which will not afford any terms the allies can look at.

In this opinion, made in a statement tonight, Lord Robert expressed the further belief that the new peace offensive would be largely for German consumption, because "the rulers of Germany know if they have to rely on their own resources they cannot hold out much longer."

GERMANS IN UKRAINE INVADE COUNTRY OF DON COSSACKS

Basel, Switzerland, May 3.—German troops in Ukraine, with a base on the line between Ekaterinoslav and Kharkov, have advanced into the region of the Donetz river coal basin, according to a despatch received here.

The Donetz River coal region is in the eastern part of the government of Kharkov and extends into the government of the Don Cossacks. This report shows that the German advance in southern Russia has extended to a line almost directly north from the eastern shore of the Sea of Azov.

LOCAL FIGHTING WITH SOME SUCCESS, IS REPORT BY HAIG

London, May 3.—"In local fighting last night south of Villers-Bretonneux," says Field Marshal Haig's communication issued tonight, "our troops co-operated with the French and secured a few prisoners.

"The enemy artillery showed considerable activity this morning north of Albert, in the Beaumont-Hamel sector. Apart from artillery activities on both sides on the other parts of the front there is nothing to report."

TO EXCHANGE PRISONERS.

Berne, Switzerland, May 3.—German and Italian delegates to arrange for the exchange of prisoners held their first conference here last night. Dr. Felix Colander, president of the Swiss republic, presided over the sitting.

ULSTER COMMITTEE WITH VETO POWER IN PROVINCE AFFAIRS

Expected That It Will Form a Feature of the Home Rule Bill.

WILL BE LARGE GRANT

But Control of Customs and Excise Will Be Vested in Imperial Parliament.

London, May 3.—The form of the new home rule bill continues to be the subject of discussion in the newspapers and among politicians. According to the belief current at Westminster, the Irish parliament will be given powers which will be a combination of those recommended by the Irish convention's majority report, and those outlined by the letter written by Premier David Lloyd George to Sir Horace Plunkett, chairman of the committee.

It is expected that control of customs and excise will be reserved to the imperial government until after the war, as stipulated in the premier's letter, but this will be offset by the grant of a large sum of money for Ireland from the imperial treasury, and a few millions for urban housing.

The Ulster committee will be a feature of the parliament, this committee having power of veto over legislation affecting Ulster exclusively, possibly over the administration.

It is also believed that no viceroy will be appointed for a time, but his powers will probably be placed in the hands of a commission of three, composed of Lord Middleton, General Mahon, commander of the British forces in Ireland, and a high judge whose name is at present unknown.

John Dillon, the leader of the Irish Nationalists in parliament, is believed to desire the return of the Nationalist members to parliament to discuss Irish legislation, but the Sinn Feiners oppose this and a split in the Nationalist party may result.

BELGIANS REPEL A GERMAN ATTACK IN NIEUPORT ZONE

Paris, May 3.—A Belgian official communication says: "Last night the machine gun and rifle fire of our infantry checked a German attack on one of our positions in the Nieuport zone. There were bombing engagements and artillery activity in the region north of Langemarck. The activity of the artillery became more severe along our front this afternoon, principally in the region of Boesinghe, where we have carried out a destructive fire upon hostile batteries. A German airplane was shot down today."

FLYING MEN BATTLE SEVERELY OVERHEAD

British Down Eighteen German Aircraft—Thionville and Zeebrugge Lockgates Bombed.

London, May 3.—The British official communication dealing with aviation issued tonight says:

"A thick haze Thursday interfered with the work of our airplanes. Three and a half tons of bombs were dropped on Bapaume and other targets in the battle areas. At times the fighting in the air was severe.

"Fourteen hostile machines were downed and four were driven down out of control. Five of ours are missing.

"During the night five and a half tons of bombs were dropped on Chaulnes, Juniville, the railway junction at Bapaume, and at Caix. Three very large bombs also were dropped from a low height on the lockgates at Zeebrugge.

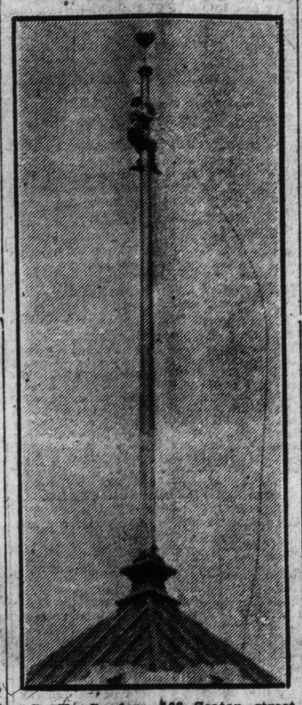
"Friday another most successful raid was carried out against the railway station and sidings at Thionville. The Carlshutte works again were hit and several bursts were seen on the station, sidings and gas works. All our machines returned."

BATTLE IN FINLAND REPORTED BY BERLIN; 20,000 PRISONERS

Berlin, via London, May 3.—"In southwestern Finland we have overwhelmingly defeated the enemy during a five days' battle near Lakhti and Tavasthus, capturing 20,000 prisoners," says the German official communication issued this evening.

"From other theatres," the communication adds, "there is nothing new to report."

UP ALOFT!



C. E. Sanders, 122 Seaton street, climbed the pole on the new Robert Simpson Company building this week in order to put in a new rope on the pulley. He had the rope fastened round his shoulders, and it was necessary to have it fixed up before painting the pole could be done. It was therefore necessary for Mr. Sanders to "shin" up the pole the first time. The wind was blowing very strongly at the time, as may be seen from the distance the rope is out from the pole. It is estimated that the top of the pole is about 385 feet above the level of the street. Mr. Sanders does most of this kind of work thruout Canada.

ENEMY GOT REPORT ON SALONICA ARMY

Former Khedive of Egypt Secured Important Document Thru Socialist Paper.

COPIED IN PAPER'S OFFICE

One of Accused Also Brought Back Large Sum From Switzerland.

Paris, May 3.—The most of today's session in the trial of directors of The Bonnet Rouge, the defunct socialist and Germanophile newspaper, was taken up with the consideration of trips to Switzerland by M. Vercasson, one of the accused men, in behalf of M. Duval, a director of The Bonnet Rouge, who is also on trial. M. Germain, an expert accountant, testified that Vercasson brought from Switzerland 475,000 francs, which he gave to Duval.

Capt. Paul Denoe, recently severely wounded at the front, and wearing the cross of the Legion of Honor, the war cross with five stars, and two palms, was another witness. He was formerly administrator of the San Stefano Casino Company, and said he resigned from that post owing to the fact that Marx, the Mannheim banker, had obtained control of the society and desired entirely to dominate it. Duval was unreservedly devoted to Marx's interest and had become "Marx's man." Marx was a dangerous man, of a sort well-known before the war, "a German ostentatiously professing Francophile sympathies."

Information on Salonica.

The close relation between The Bonnet Rouge case and the prosecution of Bolo Pasha was established when Police Commissioner, Faralicq testified that Abbas Hilmi, former khedive of Egypt, had obtained in 1916 a complete report concerning the conditions existing in Gen. Sarrail's army at Salonica. A man called Adda, private secretary to Yozen Pasha, came to France frequently and always returned with important military information. The report concerning the condition at Salonica was full and complete, showing that Gen. Sarrail's army was unable to take the offensive, giving the exact number of men incapacitated by sickness and disease and the exact losses in recent battles in Macedonia.

The report was a copy of a document sent by Gen. Sarrail to the French Government, exposing the situation and asking for reinforcements.

Mme. Lewis, former stenographer for M. Marion, assistant manager of The Bonnet Rouge, identified the document, which she typed at her employer's request. They were copies of two letters from Gen. Sarrail to the minister of war, two telegrams and a ten-page letter from Capt. Mathieu to M. Paix-Scailles, who was suspected in January of having given important military information to unauthorized persons and was tried before a courtmartial concerning the situation at Salonica.

GERMANS MAY DROP ATTEMPT TO BREAK LINES AT YPRES

GERMANS ARE FEVERISHLY BUSY REPAIRING DAMAGE IN HARBOR

Channel at Zeebrugge Still Blocked and is Likely to Remain So for Some Time.

London, May 3.—Latest reports show that the Germans are displaying great activity in endeavoring to repair the damage caused at Zeebrugge, the German submarine base on the Belgian coast, by the recent British naval raid. The channel is still blocked and it is thought likely it will remain so for a considerable time.

Apart from the fact that the entrance is occupied by two sunken concrete vessels the position of the sunken cruiser Thetis, which is at the edge of the shoal, is likely to increase the difficulties of dredging and prevent the harbor from being cleared up.

Admiral Jellicoe, former first sea lord, has sent warm congratulations to Admiral Keyes, in command of the naval forces at the time of the raid, on his achievement. Plans for the enterprise were submitted and approved by Admiral Jellicoe when he was first sea lord.

A DELUGE OF BOMBS FROM FRENCH PLANES

Many Thousand Kilograms of Projectiles Dropped on Various Stations.

Paris, May 3.—The statement issued by the war office tonight reads:

"There was no infantry fighting during the course of the day, but there was great activity by the opposing artillery in the region north and south of the Avre. Our batteries took under their fire and dispersed bodies of enemy troops south of Villers-Bretonneux and before Castel. There were lively artillery engagements on the right bank of the Meuse.

"Eight German airships were brought down on May 2 and 12 others, gravely damaged, fell behind their lines during a series of combats with our aviators. Effectual aerial bombardments were carried out during the day and night of May 2, 27,000 kilograms of projectiles being dropped on the railway stations at Ham, Nesle, Roye, Chaulnes and St. Quentin and upon bivouacs and cantonments in these regions. Seven thousand kilograms of bombs were dropped on enemy establishments in the region of Rethel and upon the railroad station at Asfe'd-la-Ville."

SIX DAYS' LIBERTY; BACK IN TORONTO

Pte. Lillie, Arrested in New York, is in Custody at Exhibition Camp.

Pte. Robert Lillie, who was arrested in New York City on Thursday because he escaped from military custody in Toronto six days ago, is now back in Toronto again. This time he is under detention in the police headquarters at Exhibition Camp. About a week ago he was transferred from the main guard room, near the Dufferin street entrance to the park, to the military base hospital, East Gerrard street for medical treatment, but owing to being exceptionally lusty, having formerly being prominent as a pugilist, he threw aside his guardians at the hospital and escaped to the United States.

It is said that he served for one year in France with the Canadian army, but on recovering from wounds received in battle made his way to the United States, instead of back to the front. It is likely that he will face a district courtmartial in Toronto on three charges: Desertion from France, escaping from Toronto base hospital and assaulting of the military guard.

TWO WITNESSES HEARD IN OPENING OF TRIAL OF JOSEPH CAILLAUX

Paris, May 3.—A preliminary hearing in the case of Joseph Caillaux, former premier, who is charged with treason, in connection with the operations of Bolo Pasha, was held this morning. Captain Bouchardon, of the military court of Paris, presided. The witnesses heard were Charles Roux, first secretary of the French embassy at Rome, and Gustave Herve, editor of La Victoire.

MOUNTED POLICE FOR FRONT.

Ottawa, May 3.—It is announced that the Royal North West Mounted Police will supply a squadron of cavalry to serve as reinforcements for the cavalry overseas.

ALMOST THREE BILLIONS.

Washington, May 3.—With only one day of the third Liberty Loan campaign remaining the total of subscriptions tonight rose nearly to the three billion dollar level.

RAIDS BY CANADIANS WERE SUCCESSFUL

Kemp Cables Report of Smart Operations by Various Battalions.

Ottawa, May 3.—Major Gen. S. C. Mewburn, minister of militia, today received from Sir Edward Kemp, minister of overseas forces, a cable regarding operations of the Canadian corps in France. The cable states:

"During April 27 and 28 there were three raids on the enemy, resulting in the capture of one officer, fifty-five other ranks, five machine guns, one grenade thrower, and in addition heavy casualties were inflicted on the enemy.

"British Columbia troops raided the enemy north of Lens at 11.15 p.m., April 27. The enemy was frisky, stubborn and refused to surrender. Eleven Germans were seen killed. No prisoners were captured, but shoulder straps furnished important identifications.

"A raiding party from a Manitoba battalion entered the enemy trenches north of Lens, inflicting heavy casualties. It is estimated that twenty Germans were killed. Two prisoners were taken and one machine gun captured. Our casualties were slight.

"Manitoba and Quebec troops carried out a successful operation at 2 a.m., April 28. They penetrated the enemies defences to a depth of five hundred yards, inflicted heavy casualties, and captured one officer, fifty-two other ranks, four machine guns, and one grenade thrower. Our casualties were slight."

The Mayor With the Flower, the Plug Hat, the Cane.

When the Dominion Board of Railway Commissioners were here a year ago to approve the plans of the two C.P.R. viaducts across the Rosedale ravines they would have made an order for joint structures, that is, with an underdeck for public traffic; but the city officials had no policy or courage. One hundred thousand dollars additional, one-fourth of the cost of the present bridges, guaranteed by the city, would have provided these underdecks and subways at the ends as well. Now independent bridges and subways will have to be built at a cost of over half a million dollars, and no likelihood of construction for many a long day ahead!

Mayor Church will be out with a plug hat, a posey and his cane, when Sir George Bury comes up to open the bridges; but that is all the credit he will have in the celebration.

The moral of it is that railway bridges are being built all the time, but it requires municipal officials to have the courage and capacity to link up and get public thorofares included in the structures at one-fourth the cost.

The citizens of Toronto, especially the ratepayers in Rosedale and up the way of Mount Pleasant road, should go and look at these splendid viaducts and then ask Mayor Church and Colonel Harris why they were not made joint propositions, for railway and public.

Mayor Church has been out with the C.P.R. magnates a score of times with his plug, his cane, his posey, and he fills the bill to that extent; but what has he done to get bridges in Rosedale or the Mount Pleasant municipal car line constructed?

Colonel Harris' main decorations are neither hats nor canes nor buds; just long and weary delays in finishing his jobs, the Bloor street viaduct, to wit, or starting one, the car line above mentioned. The mayor with the decorations, the commissioner that takes years to deliver results, are getting to be something of a grim joke in these days of high taxation.

Press Is Preparing People For the Abandonment of Effort---Will Turn Attention to Some Other Part of Front.

(Associated Press War Summary).

Having met with a reverse in their operations on the northern side of the Flanders salient, where the French and British have stood shoulder to shoulder in defense of Ypres and the high ground which forms a bulwark in front of the channel ports, the Germans have, as indicated by the most recent reports, turned to the southern side of the angle in the allied lines in northern France. On Thursday night and Friday the German artillery had seemingly centred its fire on the line between Givenchy and the Nieppe forest, and it may be that the enemy soon will launch an attack against this vital section of the British line.

Despatches from the British headquarters tell of a tremendous cannonade in the Lys region, which may be taken to mean the part of the Flanders battlefield at or near Merville, where the Germans made their greatest advance after the fall of Armentieres.

May Not Try for Ypres.

Articles appearing in German newspapers would seem to indicate efforts to prepare the German people for an announcement that there will be no immediate attempt to take Ypres. Experts, writing what may be considered inspired reviews of the situation, say that nothing would be gained by the capture of the ruined city. This may mean that the Germans will turn their attention to some other part of the front for a new effort, and the establishment of lines near Merville and further east may be the first step in an attempt to either bore straight thru the allied armies, or cut thru toward the south and force a British retirement from the Arras-Lens salient. So far as known, no infantry fighting has occurred in this sector in the past day.

Allies Not Idle.

While waiting for the Germans to make the next move, the allies have not been idle. All along the line, their patrols have been active, and at Hangard and Villers-Bretonneux, before Amiens, they have taken tactical positions from the Teutons. One of these positions was Hill 82, north of Castel, a height which afforded good observation of the allied communication lines.

The authority of General Foch, who was recently designated commander-in-chief of the allied armies in France has been extended to include the forces on the Italian front, as a result of the meeting of the inter-allied war council at Abbeville.

War News

General Petain further extends furloughs in French army.

German artillery shows considerable activity north of Albert on British front.

British troops co-operate with French in local fighting south of Villers-Bretonneux.

Lord Hugh Cecil says coming German peace offensive will be for home consumption.

Germans claim defeat of Finn Socialists in five days' battle and taking of 20,000 prisoners.

The enemy used 35 fresh divisions in addition to the nine already there against the British in the north.

If the enemy continues his offensive in Flanders, he must impair his chances of success in the south.

The British war office regards the results near Ypres as satisfactory, because the enemy used up more fresh divisions than the allies.

ENEMY GUNS SILENCED.

Reciprocal Artillery Actions Proceed in Macedonia—Serbians in Raid.

Paris, May 3. — An official statement says: "Eastern theatre: There were reciprocal artillery actions along the Struma sector, in the region of Vetrenik and at the Cerna Bend. Our heavy artillery silenced many enemy batteries. Enemy reconnaissance parties were dispersed north and east of Mayadag, in the region of Sokal and at the Cerna Bend. Before Gradesnitza a Serbian detachment penetrated Bulgarian trenches and captured prisoners."

HERE THEY ARE!
What we have been waiting for. New shipment received of Christy's, London, England, hats and caps. Come on in today and make your selection when the stock is fresh and the variety at its best. Of course the place is Dineen's, corner Temperance and Yonge Streets.