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TUESDAY MORNING JANUARY 9 1917—FOURTEEN PAGES

VOL. XXXVII.—No. 13,208

RUSSIANS ADVANCE LINES SOUTH WEST OF RIGA

Germans Reach Sereth River in Rumania After Fall of Fokshani

ENFORCES CUT IN PASSENGER TRAIN SERVICE

Order of Railway Commission Affects Toronto and Hamilton.

MUST RUSH FREIGHT Companies Have to Conform to Decree Regardless of Losses.

Ottawa, Jan. 8.—Urgent conditions of the war which necessitate the curtailment of railway passenger services that the freight congestion be relieved are set forth in the formal judgment of the railway commission issued tonight by Sir Henry Drayton: "The chief commissioner says: 'The matter of traffic congestion has been anxiously considered for some time past. Insofar as the fact of congestion is concerned, there is no room for doubt. 'Coal and coke shipments have been delayed to a serious, and in some instances, to an alarming extent. The proper supply of raw materials to munition factories has been interfered with, and the movement of grain from the northwest which is much needed not only by the grain producing territory in the west, but as well by the consuming eastern countries, to say nothing of all the overseas demands which must be met, has been interfered with. 'The grain movement from the west has been limited to some extent by the movement into and out of the eastern territory and storage facilities therein and has also in no small measure been injuriously affected by a shortage of box cars and by a shortage of men and to a lesser extent of locomotive power. 'The causes of congestion are not altogether a railway failure, but include an irregular loading movement overseas, resulting in an uncertainty in the railway movement and consequent congestion of traffic of itself in excess of the traffic ordinarily offered on Canadian lines. Over and above all this the situation is rendered more acute by reason of the fact that owing to the financial and traffic conditions obtaining in 1914, and for a portion of 1915, the railway companies had not ordered equipment which has now become necessary and later were unable to get it, speaking generally, except at largely increased prices, or deliveries at an early date. 'Again, over and above all this, the congestion became more marked in the' (Concluded on Page 11, Column 6).

The Bonne Entente Dinner.

The splendid feeling of unity between Quebec and Ontario at the Bonne Entente dinner last night, and the patriotic speeches made by Sir Lomer Gouin, by Mr. Hearst, Mr. Rowell, Sir George Garnes, Mr. Drummond and others, all went to show how much better and still greater things can be done by Canada for the successful winning of the great war. If we had succeeded by unity of action in founding the Dominion fifty years ago, could we not and were we not now doing still nobler things by uniting all Canada in fighting for the freedom of the world? The Bonne Entente movement promises to be, has already come to be one of the great forces in the reorganization and consolidation of the Dominion, and must be recognized by the politicians and political parties of Canada. The men of Toronto identified with this movement certainly did themselves credit and the country a great service by the magnificent presentation of their case and the welcome they extended to the visitors from Quebec.

ALLIES' CONFERENCE HAS REMOVED FOGS

All Obstacles to United Effort Eliminated, Says Premier Briand.

CONFIDENCE RENEWED Discussion at Rome Described as Timely and Most Fruitful.

Paris, Jan. 8.—Altho no communication has been made public regarding the conference of the allies, says a Rome despatch to The Times, private conversations with some of the principal figures in the conference leave no doubt that the result is fully satisfactory, and that the representatives of the entente powers separate in full accord and full confidence. The French premier, M. Briand, said to The Times correspondent: "Our visit has been most fruitful and was timely. Many difficulties of detail had arisen since the last conference of the allies, and in all directions the attempt was made to becloud the entente and the relations between the allies—without mentioning public events that are known to everyone. It was necessary to dissipate the fogs and overcome the difficulties and find a common solution to accord with present and future events. All that was undertaken in a spirit of accord and good faith, and we have eliminated the difficulties that could hinder our united efforts."

Title of Lord Beaverbrook May Be Choice of Aitken

Canadian Associated Press Cable. London, January 8.—The Evening News suggests Max Aitken will assume the title of Lord Beaverbrook after a small place in his native province. A Sunday paper journal suggests his title will be Lord (Concluded on Page 11, Column 6).

LAWSON SILENT DESPITE THREAT

Refusal to Name Men Responsible for "Leak" Creates Deadlock.

SWEEEPING ASSERTIONS Cabinet Member, Senator and Congressman Said to Have "Plunged."

Washington, Jan. 8.—Asserting that a member of the cabinet, a senator and a member of the house of representatives, had been guilty of plunging in the market during the flurry caused by the leak of President Wilson's note, Thomas W. Lawson, Boston financier, today persisted in his declaration to give their names or to identify them otherwise. As a result, Mr. Lawson tonight is the object of a motion that, if adopted, would place him in contempt of the house. He will resume the stand before the committee tomorrow. Following cross-examination and testimony of Secretary Tammany, and Secretary of State Lansing, the Boston man took the stand. The sum total of the government officials' offerings were sweeping denials that they knew of the existence of a leak or that they profited by any dealings in the stock market. The greater part of the session was given over to verbal wrestling with the Boston financier, who, Representative Garrett of Tennessee, pointed out, was a man who had "thrown the brick."

Italy Discovers NEST OF PLOTTERS

Destruction of Two Battleships Result of a Big Conspiracy.

NUMEROUS ARRESTS Vatican Official's Name Introduced, Thereby Raising Political Issue.

Rome, via Paris, Jan. 8.—More than forty persons are now imprisoned as a result of the investigations into the destruction in September, 1915, and August, 1916, respectively of the Italian battleships Benedetto Brin and Leonardo da Vinci. The latter was blown up in Taranto harbor and 248 men perished. Lieut.-Gen. Count Cadorna, chief of staff, came to Rome on Thursday to attend a meeting of the cabinet which was held for the purpose of deciding upon the disposition of the prisoners, but the question has become a political one from the introduction into the case of the name of one of the officials of the Vatican. An Italian named Ambrogetti, who was among those charged with being implicated in the destruction of the warships, claims to be the financial agent of Monsignor Gerlach, Pope Benedict's private chamberlain. Monsignor Gerlach is an Austrian and according to information here was once a cavalry officer, who became a priest and won the favor of the present pope when the latter was a cardinal. He was the bearer of the red hat from the Pope to the three French cardinals who were appointed at the December consistory. Conspiracy Admitted. It has been learned that Mr. Gerlach, previous to Italy's entry into the war, was interested in a pro-Austrian paper at Vittoria, of which Ambrogetti was manager. The Italian authorities have learned details of the plot which ended in the destruction of the two battleships from the Italian author, Archibald Valente, who was arrested some months ago. The suspicion that the explosions of the ships were due to a conspiracy originated from the fact that certain naval machines were aboard the ships at the time of their destruction and on each occasion escaped unharmed. They were followed to Valente's house in Rome, and were there arrested.

VIENNA'S FOOD SCARCE AND BARBERS ARE FEW

Papal Nuncio Writes That Life is No Round of Pleasure.

Special Cable to The Toronto World, Rome, Jan. 8.—The Stamps Turin published a letter in its issue of today, said to have been written by the Papal Nuncio in Vienna, in which the writer declares that life in the City of Vienna has become all but intolerable. A dozen eggs, and those said to be none too fresh, cost nineteen shillings in the Austrian capital, while the supply of food on the most modest scale necessary to support the five servants in the residence of the nuncio represents the daily expenditure of four pounds. The nuncio himself, despite his 70 years of age, has been reduced to slaving himself. Barbers are few, and their charges for their services are so high that only the extremely wealthy are able to engage a man to shave them.

ARTILLERY FIRMS BECOME INTENSE

British Batteries, Aided by Aeroplanes, Severely Bombard Teuton Trenches.

AIRCRAFT CO-OPERATE French Guns Carry Out Heavy Days' Action on Meuse Front.

Special Cable to The Toronto World, London, Jan. 8.—The heaviest artillery actions fought for a considerable time, marked the coming of more favorable weather for observation along the British front today and yesterday. The British guns and massed batteries, aided by aeroplanes, carried out effective bombardments of German front support trenches in the back areas of the Ancre and also east of Neuve Chapelle. The British aeroplanes successfully bombed many places of military importance, and they drove two German machines down damaged in aerial fighting. The French batteries seemed all to be concentrated on the left bank of the Meuse today, where they were particularly active in the region at the base of the Meuse hills. They effectively bombarded German constructions in the Woivre and the Bois de Chevaliers. The Belgians also experienced great artillery activity. Three Raids Fail. The following British official communication was issued this evening: "The enemy made three attempts to approach our positions southeast of Souchez. On each occasion he was driven back by our fire before reaching our trenches. A number of German wounded were left in front of our lines. The artillery has been active on both sides at a number of places along the line, both on the front and the support trenches in the back areas. In particular effective bombardments have been carried out by us east of Les Boeufs on both sides of the Ancre and east of Neuve Chapelle. Ypres was heavily shelled by the enemy during the day. Yesterday a number of enemy batteries were effectively engaged by our artillery in co-operation with our aeroplanes. Many places of military importance behind the enemy lines were successfully bombed. A number of flights in the air took place in which the enemy's machines were driven down damaged. Two of our machines are missing. The official communication issued tonight by the French war office reads: "On the right bank of the Meuse the artillery was quite active in hills. Our batteries carried out destructive fires on German constructions in the Woivre and the Bois des Chevaliers. The day was relatively calm on the rest of the front." Belgian communication: "On the whole of the Yser front there was great artillery activity on both sides, especially around Dixmude and Steenstrate. King Constantine Qualifies For Place in Bread Line Athens, Jan. 7, via London, Jan. 8 (delayed).—King Constantine has applied for and received the regular lend card which is issued to all heads of families. ABSOLUTE CLEARANCE OF FURS. This is the open season for barbers in furs, and the Dinon offerings are unusually attractive. General conditions have prompted the earlier event of the annual clearing sale, and prices are set to figures prevailing towards the end of the season, when immediate clearance of stock is a necessity. Fine Scotch mole sets reduced to three-quarters their accepted value. Persian lamb sets, E. W. & D. Dinon Company, 140 Yonge street.

WINNING POSTER IN SOLDIERS' CONTEST



Henri Dagon. In a contest inaugurated by The Bulletin des Armees, for the best design drawn by a soldier on active service, Henri Dagon, serving in the field telegraph service, won first prize with his design, reproduced below by courtesy of The Bulletin.

REVELATION OF PATRIOTISM AT BONNE ENTENTE BANQUET

Sir Lomer Gouin Brings Firm, Sincere Message from Quebec, Whose Heart, He Says, is in Right Place When Defences of Liberty Are Assailed.

Quebec's message to Ontario delivered last night at the banquet in the King Edward Hotel tendered to the Quebec delegation, the Bonne Entente, by Sir Lomer Gouin, premier of Quebec, rang strong and true, and thrilled the vast assembly. To the citizens of Ontario it was a revelation of patriotism never before made by a statesman of the sister province. It was firm, sincere, and placed the people whom he represented in a new and different light. Sir Lomer spoke for the French-Canadian and the British minority, and he left no doubt in the minds of Quebec auditors as to the attitude of Quebec in this hour of struggle and peril. His heart, he declared, was in the right place, and his heart-strings were taut with love and devotion to the motherland. There could be no doubt, he said, that they may have their differences in religion and in language, but when the defences of their liberty were assailed and only on flag to live, fight and die for. And the reply of Hon. W. H. Hearst on behalf of Ontario was dignified, frank and earnest. There was a sincerity about his deliverance which seemed to draw closer the bonds of friendship between the two races, contrasting the better instincts of the people and eliminating the unruly elements. There was an unusually long list of speakers and the trend of the addresses for the most part were to a better un-

FOE ASSAULTS RUSSIAN LINES ALONG SERETH

After Capture of Fokshani, Teutons Advance South-east of Town.

STILL PURSUE ALLIES Germans Claim Making of Fresh Progress in Rumanian Campaign.

Special Cable to The Toronto World, London, Jan. 8.—The Capture of Fokshani by the Germans is announced by the Berlin official bulletin on the war operations in Rumania today. According to the Petrograd official communication, the advance of the enemy has reached the River Sereth, for Petrograd today records the repulse of attacks north of Oleneska Umeta, and at Al. on the Sereth River, five miles east of the mouth of the Buzze River. The Russians, however, are still holding out strongly in the region of Ponticheski, northwest of Fokshani, where an offensive in close formation was met by a heavy Russian fire and the Germans fell back, leaving a great number of killed and wounded on the ground. The Rumanians were pressed back by a Teuton offensive farther north, but the arrival of Russian reserves checked further movements of the enemy. Foe Makes Progress. As the Russians are withdrawing their front further east in Rumania they are exposing additional sections near the Carpathians to successful attack by the enemy. The German claim today that they threw the allies back from the strongly fortified main mass of Mount Odobetski to the Putna. They also claim that they have occupied the Mloovva position. This had been constructed in October, the Germans say, and it was tenaciously defended. Pushing rapidly forward they (Concluded on Page 3, Column 5).

"BREAK" BY SPAIN TROUBLES WILSON

Impression Given That He Tried to Bring About Neutral Pressure.

SOMEBODY BLUNDERED And as a Result Delicate Negotiations Ended in Disaster.

Special to The Toronto World, Washington, Jan. 8.—Secretary of State Lansing today laid bare the circumstances connected with the alleged request made of Spain by the American Government that it support the president's peace note. The American ambassador to Spain, Joseph E. Willard, is now in this country, and three days before the note was made public, was called to Secretary Lansing's home for a conference. He was instructed to send a communication to the charge d'affaires of the American embassy in Madrid, asking him to request the Spanish Government to request the purpose and text of the American note met with approval, a voice that approval in some manner of the belligerents. Embassies Washington. This the Spanish Government declined to do in a formal note which caused great embarrassment to the state department, for it put the president in the position of having tried to bring neutral pressure to bear on the warring nations against a continuance of the conflict. The state department says the instructions from Ambassador Willard to the charge d'affaires were entirely in form, and that the communication was entirely informal. Until the reply from the embassy powers has been received, there will be no developments in the peace situation. The president today indicated his dissatisfaction with the communication by certain newspapers in stating that he would address a second note to the belligerents despite the official denial that he contemplated doing so.

RUSSIANS BURST THRU STRONG FOE DEFENCES

Czar's Men Gain Positions in Advance in Regions of Lake Babit and Swamps of Tirul.

Special Cable to The Toronto World, London, Jan. 8.—The struggle between the Russians and the Germans before the line of the Dwina, between Riga and Dvinsk, is growing into several heavy engagements with the realization of important progress already by the allies. Several battles are proceeding. In the fight south of Lake Babit, the Russians have captured 1600 men and 800 prisoners since Saturday, and they announce today that south of the western end of this water they took prisoners, machine guns, bomb-throwers, and one heavy battery. Fighting is also proceeding for possession of the barrier of the Tirul swamps, where the Russians made the further progress of capturing a village near the northwestern corner of this obstacle. The points under attack are all strong defensive positions on the line of the River An, and this has been made a powerful barrier by the enemy. The defenses bristle with machine guns and the natural difficulties of the situation make it a formidable one for the attack. A Petrograd despatch intercepted by the British admiralty per wireless press, says: "The Russian war office communication issued today says: 'Western (Russian) front: Our detachments gained possession of a village in the vicinity of the northwestern corner of the Swamps of Tirul. After a stubborn struggle we captured enemy trenches north of the Village of Kainzem, and south of the western end of Lake Babit we took some prisoners, machine guns, trench mortars and one heavy battery. All the fierce counter-attacks by the enemy were repulsed. 'In the battle south of Lake Babit since the beginning of the operations on Saturday, we have captured sixteen cannon and about 800 prisoners. Our troops have displayed extraordinary endurance and unrestrained bravery.'

WAR SUMMARY THE DAY'S EVENTS REVIEWED

ON the principal fronts of the allies fighting is proceeding in a great many places with the design of wearing down the strength of the enemy. This is what is especially going on along the British lines in Flanders and in front of Riga. The French, whose principal duty it was to hold the Germans until Great Britain and France developed their resources for the last or third phase of the war, are content to wear down the enemy with their machinery instead of with their man power, and so they are devoting much energy to bombardments about Verdun. The new active sore that has been opened by the Russians in the region of Riga demands notice. The Russian bulletin of yesterday records important tactical successes against the Germans. The Russians have captured a village near the northwestern corner of the Tirul swamps in a turning movement to circumvent this obstacle. They also took some trenches north of Kainzem village and below the western end of Lake Babit. Trench mortars, machine guns, and a heavy battery were taken. Since Saturday the Russians have taken here 800 prisoners and 16 heavy guns in this fighting.

The Russian effort in this region of Riga is therefore resolved into a considerable tactical operation, designed to clear the foe from certain natural and difficult obstacles in the line of an advance. Its duration and its success depend on the quantity of shells that the Russians can deliver on this front. General Ruzsky, one of the most brilliant military leaders of the war, who is in control of the operations, has long been preparing for the resuming of active warfare by the training of new troops and the perfecting of his artillery arm. By this time the Baltic is probably frozen over, and so the Germans are deprived of an important means of bringing up supplies. They are forced to depend entirely on inferior land communications. It is obvious that a serious Russian offensive like that of the Somme would threaten the invasion of East Prussia in the near future, and would imperil the chief potato-producing regions of Germany. In order to prevent such an irruption the enemy would be compelled to make a large concentration of force at a time when he is fully employed in

(Continued on page 2, col. 1 and 2.)

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