

AUSTRIANS' TURN NOW TO RETREAT; DRIVEN TO HILLS NORTH OF KRASNİK

GERMANY'S TENTATIVE PROPOSALS IGNORED

Pres. Wilson Decides Not to Engage in Informal Discussion of Forthcoming Reply from Berlin—Right of Search and Visit Must be Recognized by Germany.

Washington, July 8.—The United States government will not engage informally in any discussion or negotiation with Germany regarding the character of the forthcoming reply to the last American note on submarine warfare.

Ambassador Gerard at Berlin has been informed that such is the President's decision, and that the Ambassador is to make no comment on the tentative draft given him by the German Foreign Office. If asked for an expression, he is to say that the United States will await a formal reply before discussing the question further. The outline of the German note, as cabled by Ambassador Gerard, is known to be far from satisfactory to officials. With respect to the sinking of the Lusitania, on which more than 100 Americans perished, no admission of liability is made; whether in extension or not, the view is expressed in the draft that when torpedoed it was not believed the Lusitania would sink so rapidly as she did. As for the future, citizens of the United States would be permitted to travel with safety on the high seas if passenger ships, not carrying munitions of war, were employed. The United States would be required to inform the German government of the date of departure and character of vessels carrying Americans and guarantee that such ships had no munitions of war aboard.

Insist On Original Demands

In this connection high officials here stated today that it would be an unusual act for the United States to notify any belligerent government of the date of departure from an American port or the character of the cargo.

SAYS THOMAS' STATEMENTS INACCURATE

T. A. Russel Gets After Major Thomas at War Contracts Probe—Commission to Meet in Nova Scotia.

Special to The Standard.
Ottawa, July 8.—The war contracts inquiry was adjourned this afternoon until Monday next when Major D. A. Thomas, who was employed by General Hughes to supervise the purchase of mechanical equipment for the second contingent on a commission basis of 1 1/2 per cent., will be examined. T. A. Russel, the Toronto motor car manufacturer in today's evidence went straight after Thomas on account of statements he had made to the effect that he had saved the government large sums of money as compared with the prices paid by Russel. According to the figures produced by Russel the statements of Thomas were far from accurate. Russel also showed how he had equipped and placed on shipboard the mechanical transport of the first contingent in 26 days and stated that although the second contingent is in England the mechanical transport section of it had not left Ottawa nor is prepared to leave. Thomas has been in charge of this work since November 16 last. Russel also charged that mistakes had been made regarding the bodies of the trucks and had to be replaced. The examination of Thomas which he will probably make on Monday will therefore be decidedly interesting. The attack made by Russel cannot be ignored. After the examination of Thomas the commission will adjourn to meet at Kentville in Nova Scotia the week after next. There the purchase of horses will be inquired into.

of a merchantman of another belligerent. Count Von Bernstorff, the German Ambassador, was in communication by wireless with his government during the day, and is understood to have advised the Berlin Foreign Office that the form in which the proposals had been made did not appear to be acceptable to the United States.

He learned that the position of the Washington government is that there must first be recognition by Germany of the principle that an unarmed and unresisting merchantman must be visited and searched, and passengers and crew removed to a place of safety, before the ship is destroyed. Until there is an agreement on this principle, the American government cannot discuss any modus vivendi or temporary arrangements, it is declared. The German Ambassador, it is believed, is urging his government to make a broad statement on the principles involved for later discussion arrangements concerning the separation of passengers and contraband traffic.

German Reply Probably Tomorrow.

Berlin, July 8.—The German reply to the American note regarding the Lusitania and submarine warfare, according to information obtained here, probably will be delivered on Saturday, July 10, or possibly even tomorrow. The general tenor and motive of the government behind these proposals may be communicated confidentially to the leading representatives of the press tomorrow, but it is understood that the publication of the text in Berlin will be deferred until the afternoon of the day on which it is presented at Washington.

TRAWLER SUNK; ONLY ONE OF CREW SAVED

Blown Up By Mine in North Sea—Germans Seize An American Steamer Bound For Sweden.

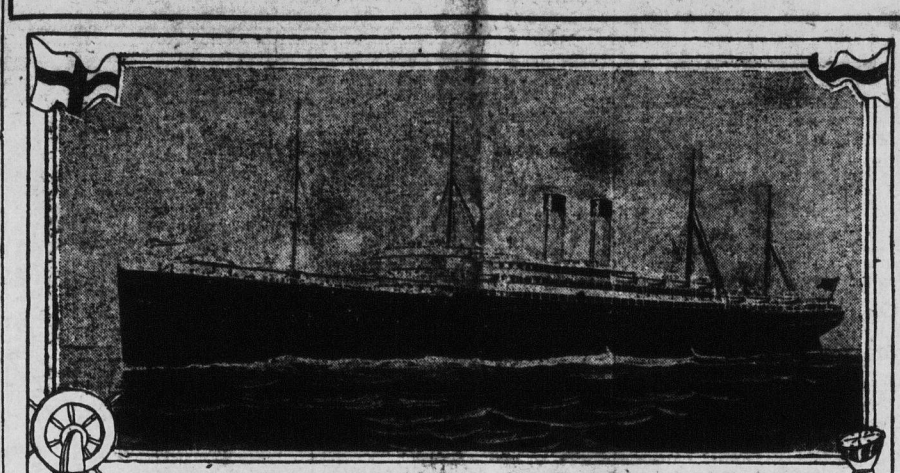
London, July 9.—The Grimsby trawler Chesire was blown up by a mine in the North Sea Wednesday. All the crew with the exception of the chief engineer, were killed.

Berlin, July 8.—The American steamer Platuria, which, while on the way from New York with a cargo of petroleum consigned to a Swedish port was stopped by a German warship, and taken to Swinemunde, has been released. This action was taken after the United States embassy had taken up the case. The Platuria has proceeded to her destination.

ASPHYXIATED BY FUMES FROM BREWING VAT

Montreal, July 8.—Patrick McNally, aged 55 years, residing at 1275 City Hall avenue, was asphyxiated this afternoon while cleaning out a vat in the brewery of the Dow Brewing Company, where he had been employed seventeen years. Alexander McCann, 36 years old, 192 Mountain avenue, another employee of the Dow Company, went to McNally's rescue, and was also killed by the fumes in the vat.

The Adriatic at Liverpool



The steamer Adriatic arrived in England yesterday. There had been rumors to the effect that a plot had been arranged to sink her on the way across and the name of Holt was mentioned as having arranged the scheme and placed bombs on board. A number of prominent Canadians, including Premier Borden, sailed on the Adriatic, and there will be general satisfaction on learning that the rumors were unfounded and that the ship has arrived in port in safety.

Liverpool, July 8, 11.10 p. m.—The White Star liner Adriatic arrived in the Mersey this evening.

New York, July 8.—The Dow Jones News Bureau published late today a statement that the White Star liner Adriatic had docked safely at Liverpool at 2 o'clock this afternoon.

New York, July 8.—The White Star line announced shortly before six o'clock tonight that the steamer Adriatic arrived at Liverpool this afternoon.

GR. BRITAIN WILL LIKELY ENTER A STRONG PROTEST

Against Interference By U. S. With Volunteers Leaving to Fight For Allies.

DISCRIMINATES IN FAVOR OF GERMANY

Washington Will Be Asked to Decide If Societies Sending Volunteers For Allied Armies Violate Neutrality.

Washington, July 8.—Sir Cecil Spring-Rice, the British Ambassador, formally applied to the State Department today for a definition of the American government's view as to whether English patriotic societies or other unofficial agencies violate neutrality laws in sending subjects of Great Britain from the United States to volunteer in the British army.

Conferees between the Department of State and Justice will be held before an answer is given to this question, from which a serious diplomatic controversy may develop. The practice of returning volunteers to England has prevailed since the beginning of the European war, and it is said that the British government is prepared to register an emphatic protest if the United States takes the position that it is illegal. The return of indictments at San Francisco against five persons charged with enlisting recruits for the British army is understood to have precipitated the Ambassador's action.

According to the British contention it is unjustly discriminatory to interfere with the transportation of volunteers, who are not actually enlisted on American soil, when no objection has been made to "notifications by Consuls to residents of other countries in the United States. In this connection emphasis is laid upon the fact that Great Britain has no reservations, in the same sense as Germany, France, Italy and other continental powers.

Officials of the Department of Justice explained today that they have had no understanding with the State Department in regard to recruiting. They pointed out, however, that the Criminal Code plainly prohibits the enlistment of "any person" in the United States to fight against the people of a friendly nation. The efforts of the Department, it was declared, have not in any instance been directed against

Blame For Sinking Of Str. Falaba Must Rest On German Submarine Crew

London, July 8.—Lord Mersey, presiding at the inquiry into the sinking of the American steamer Falaba today, declared that blame for the catastrophe must rest conclusively with the officers and crew of the German submarine.

Lord Mersey added that the submarine made no effort to save life, and probably could not do so without endangering itself.

Lord Mersey said he was satisfied that the witnesses who had described the lifeboats as rotten were mistaken, and that the damage sustained by some of them in launching was not due to neglect on the part of the company or crew.

"We emphatically contradict a report emanating from Vienna that our troops were defeated in an encirclement at Trebinje. This is the same engagement referred to above. Our troops made no retreat, and more than held their own at all points."

Will Let Powers Decide The Future of Albania

London, July 8, (10.50 p. m.)—A despatch to Reuters' Telegram Company from its Cetinje correspondent states that the government has officially announced that it will submit Albania's future to a decision of the powers.

Austrians Driven Back.

Cetinje, via London, July 8, (9.45 p. m.)—The following official statement has been issued by the war office:

volunteers returning to their own country to fight, but against organized efforts to induce such return.

A lull in the neutrality campaign of the Department of Justice is expected to follow today's developments—the return of indictments in San Francisco in connection with enlistments for the British army and the delivering of supplies to German warships, and the indictments in Chicago against the Montenegrin officials.

FIRE ON MINNEHAHA DUE TO BOMB PLACED ABOARD BY HOLT?

No Late Word of Steamer's Plight—No Ammunition Near Where Fire Started.

New York, July 8.—While the steamship Minnehaha, afloat at sea with 15,000 tons of munitions aboard was speeding to Halifax, N. S., tonight the line officials and authorities here were bending every effort to learn if the blaze caused by an explosion could possibly have been the handiwork of Frank Holt, J. P. Morgan's assailant, who had given warning that a steamship would sink in mid-ocean on July 7.

The Minnehaha is due to reach Halifax tomorrow morning. Captain Clark's last message said the fire was under control. It started late yesterday from an explosion in a forward hold far away from the ammunition which was stored aft. Although Captain Clark did not say so, line officials here believed that he had picked up the wireless warning sent to all ships and had caused a search to be made to ascertain if there were any bombs aboard.

The fact that no further word was

RUSSIANS ON OFFENSIVE IN TERRITORY OVER WHICH THEY WERE RETREATING LAST WEEK

Austrians Forced to Assume Roll Czar's Army Has Played for Past Month—Grand Duke's Army May Be Able to Drive Invaders Out of Poland Again.

London, July 8.—The Italian navy has suffered its first serious loss, an Austrian submarine having successfully torpedoed the cruiser Amalfi in the narrow waters of the Adriatic. Most of the crew were saved.

This is the second Allied warship to fall a victim to an Austrian underwater craft, the French cruiser Leon Gambetta having, earlier in the war, been caught in the Ionian Sea. It is realized that the loss of the Italian warship is only one of the incidents which must be expected where fleets keep to the sea, blockading enemy ports or protecting commercial shipping.

As an offset, it is claimed that a French warship has sunk a German submarine in the Channel, while the British Admiralty announced tonight that it was a British submarine which torpedoed a German warship in the Baltic recently, although no details are added to the brief statement made in the Russian official communication the day after the attack took place.

All the belligerent powers are rapidly building submarines, and it is reported that Austria has now at Pola alone. Thus the Italian ships will run serious risks in moving about the waters of the Adriatic, which are well suited to these craft.

The Operations on Land.

So far as land battles are concerned, interest still centres in Southern Poland, where the Russians, strongly reinforced with both men and guns, and with their railways and the fortresses of Ivangorod and Brod-Litovsk to draw upon, have held up the Austro-German attempt to outflank Warsaw from the south-west.

The Austrians tonight made the admission that before superior Russian forces they have withdrawn to the hills to the north of Krasnik. Further heavy fighting must occur in this region, but the Russian military writers express confidence that now any effort of the German allies to deliver a lightning blow has been discounted, and that the Grand Duke's army will be able to hold its positions, and perhaps drive the invaders back.

While this is going on, it is believed, there is little probability of the Germans detaching any part of their eastern armies for a renewed offensive in the west, and if such a move is made it must be undertaken by fresh troops. There is already heavy fighting at several points in the west, notably in the Wevre district, where the French have regained some of the ground which they had lost to the southeast of St. Mihiel, and at Soissons, where the French have made a further advance toward the village. But there is no evidence, as yet, of the arrival of any new armies, which Dutch reports persistently repeat are being moved through Belgium.

The Austrians and Montenegrins have resumed fighting, and both sides claim successes.

KENTVILLE N. S. HAS ANOTHER BAD FIRE

D. A. R. Roundhouse With Two Locomotives Burned Last Night—Machine Shop Saved By Firemen's Good Work.

Kentville, N. S., July 8.—The third in a series of disastrous fires occurred shortly before midnight, when the Dominion Atlantic Railway roundhouse was totally destroyed. Only two engines were in, these are the chief loss. The firemen put up a stubborn fight and saved the machine shop which is a continuation of the roundhouse. The fire was seen coming through the roof and at the east side of the building which no one has been at work during the day. The coal shed also caught but only partly burned. The night was fortunately a quiet one and a heavy shower impending doubtless hastened plans. Though a number of houses facing Main street were near the shed none caught.

The Minnehaha left here July 4 for London. She carried no passengers. Her crew numbered nearly 100.

The possible fate of the Minnehaha overshadowed all other developments in the case of the man who set off the Capitol bombs, then shot J. P. Morgan and finally killed himself.

The theory that Holt had accomplices because of the large amount of money he was supposed to have spent was almost abandoned by the police tonight upon the receipt here of much of the dead man's correspondence. There was nothing in the correspondence to indicate that Holt had an accomplice.

Late today Holt's body was shipped from Hanstead to Dallas, Texas, where it was said he would be buried.

SUSPECT A PLOT TO BRING HALDANE BACK

Lloyd George's Contradiction of Haldane's Statements at Cabinet Meeting Stirs Up Northcliffe Papers Again.

London, July 8 (Gazette Cable).—The contradiction given by Lloyd George to Lord Haldane's version of what took place at a cabinet meeting on munitions under the late government has caused a sensation in political circles, although the feeling is accentuated at this dispute is largely a personal one, the contention of which can do no good at the present juncture. "Let the dead bury their dead," is the attitude taken by prominent politicians on both sides. The episode has, however, roused the Northcliffe organs to start a further campaign against Lord Haldane. The Daily Mail suspects a plot to bring him back into public life, and stigmatizes such papers as the Daily Telegraph and the Pall Mall Gazette as pro-Haldane, because these Conservative journals have not joined in unsparing vituperation of the former Lord Chancellor.

It is interesting to note that Forster Law agrees with his predecessor in the colonial office that an Imperial conference is not possible this year. Answering a question in the Commons Mr. Law stated that if the premier of Canada or of any other dominion, were visiting London, the Imperial government would take advantage of the opportunity to confer with him, but anything in the nature of a formal conference was impossible.

The Times, which laid stress upon the necessity of a conference when Mr. Hancock was in office, offers no comment upon Mr. Law's statement.