

The Star

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THE JUGO-SLAV REJECTS ITALIAN COMPROMISE

Their Reply to the Allied Ultimatum Regarding the Adriatic Question Received in Paris Last Night.

WAY OPENED FOR FURTHER DEBATE

Jugo-Slavia Points Out in Note They Are Quite Ready to Accept Wilson's Proposal of 1919.

Paris, Jan. 28.—The Jugo-Slav reply to the allied ultimatum regarding the Adriatic question, received in Paris this afternoon, amounts to a virtual refusal of the compromise offered by the Italians. The reply is believed to suggest a new basis of compromise along the lines of President Wilson's proposal.

The Jugo-Slav communication will be presented to the council of ambassadors as soon as it is deciphered.

The note, while amounting to a refusal of the alternative contained in the Allied ultimatum, is couched in a conciliatory tone and opens the way for further discussion of the question. Jugo-Slavia points out that she is still quite ready to accept a solution of the problem along the lines of President Wilson's 1919 proposals, adding that the Jugo-Slav government has no official cognizance of the treaty of London.

The reply adds that the pact of London is a secret document, the text of which was never officially communicated to the Jugo-Slav government, and therefore it cannot consider a solution which is based on a treaty it has never seen nor had an opportunity of examining and discussing.

A despatch from Bern, under Tuesday's date, quoted Belgrade advices as stating that the Jugo-Slav government had decided to accept the Allied ultimatum. This decision, the advices from the Jugo-Slav capital said, was reached by a small majority only after a long discussion. Members of the Jugo-Slav delegation in Paris, however, declared the Belgrade advices without foundation in fact.

ST. STEPHEN AND MILLTOWN ELECT THEIR OFFICERS

Special to The Standard.

St. Stephen, Jan. 28.—Annual town elections were held in Milltown and St. Stephen today. In Milltown there was no contest. Albert Barnes declined re-election as mayor, and is succeeded by Major W. H. Laughlin, M.D. For councillors the old board was returned as follows: A. Nesbitt, 107; Olive, R. J. Porter, Allan McDonald, W. H. Sinclair and H. McAllister. The old board of assessors, J. McFarlane, P. C. Murchie and H. W. Smith were returned.

In St. Stephen Mayor David Johnson was again a candidate and was opposed by Walter G. DeWolfe, who only consented to run Monday evening. Johnson was elected by 22 votes. In the various wards the results were as follows:—Queens ward, D. Johnson 89, W. G. DeWolfe 123; Geo. Gay and W. G. Nelson councillors by acclamation; Kings ward, D. A. Nesbitt, 107; Robert W. Dinmore 80, elected; Leroy W. Hill 72; Geo. H. Dadd 68; Mr. Johnson 98, Mr. DeWolfe 72; Dukes ward, Jas. R. Brown 104, J. B. Polley 83; elected; Clifford Mowatt 88, Jos. W. Robinson 17. Mr. Robinson was a candidate against his wishes and made no effort to secure election. Mr. Johnson 83, Mr. DeWolfe 54.

The new men at the board are Councillors Gay and Dinmore.

For Assessors, H. L. Wall, John Mc Gibbon and W. A. Hystop were unopposed.

GO TO WORK OR JOIN THE COLORS

Italy Uses Whip Hand Over Its Railroad Strikers.

Rome, Tuesday, Jan. 27.—Although conditions have improved, the railway strike still prevents the resumption of normal service. One paper estimated the number of strikers at about 50,000 out of 200,000 railwaymen while the Socialist organ, Avanti, estimates the number at 120,000.

Railwaymen of military age were not enlisted during the war, as their services were needed to maintain the efficiency of the lines. Those who did not resume work today were ordered to join the colors, whereupon some of them asked to be permitted to return.

Bar Tenders Flock To Cuba From Chicago

Chicago, Jan. 28.—Departing at the rate of 12 a day former Chicago saloon keepers and bartenders are going to Cuba, according to Joseph Popper, internal revenue deputy collector.

Resignation of Barnes From Gov't Received With Regret By Ministry

London, Jan. 28.—(Canadian Press cable.)—The announcement of the resignation of the Hon. George H. Barnes from the Government produces from journals supporting the Ministry expressions of wholehearted regret, but there is no reason to believe that the resignation will produce any immediate cleavage in the present Ministry. Mr. Barnes made it clear before the general election that his association with the Government was for a period of war emergency and reconstruction, and it was understood throughout that he was not prepared to continue indefinitely his association with the Coalition, but had ambitions to return to the labor platform.

The general opinion is that what the Government loses in Barnes' resignation will mean a corresponding gain to labor, although he may have to meet bitter opposition from extreme laborites, who are inclined to regard him as a political traitor.

SIR GEO. PAISH URGES CANADA TO SELL GOODS

World's Trade is Facing An Absolute Collapse and Greater Production of Food is Needed.

EUROPE FAR FROM BANKRUPTCY

Advances Idea of a World Security Arranged and Guaranteed by the League of Nations.

Toronto, Jan. 28.—Sir George Paish, adviser to the British Chancellor of the Exchequer, arrived here this morning from the United States. In an interview he said: "The condition of the exchange, their ever increasing depreciation, indicate conditions which cannot fall to seriously disturb everyone who understands what such depreciation implies."

Sir George was careful in his language, but the tenor of his words was to the effect that the world's trade is facing an absolute collapse with terrible consequences especially to the people of Europe. He urged the need for increased food production in Canada, especially of wheat which, he hoped, would be shipped in increasing quantities to Europe. He refused to be absolutely pessimistic as regards Britain.

Not Bankrupt.

In regard to the report of some Washington officials that "Great Britain is bankrupt," he said: "Great Britain is not bankrupt." There is no possibility of it. Europe is not bankrupt, but there has been a great fire and rebuilding is necessary."

In his address to the Canadian Club Sir George said that a world security, arranged and guaranteed by the League of Nations, was the only thing that would save the financial situation of all the nations. Such security, he added, would be as good as gold, or better. "If the nations would agree to the security," Sir George said, "not based on one nation but on all the nations, so that the credit of the whole world was behind the bond, such a credit would be the greatest in the world."

Great Britain paid her way all through the war, Sir George said, and was still paying her way, and her difficulty was in financing her friends, the allies. The financial situation had become complicated since the American aid in stabilizing the exchange during the war by liberty bonds and bankers' securities was gone. "We can pay our securities," Sir George said, "if you'll buy our securities, we'll have to find some means of credit to enable us to buy the surplus products of all the world."

Sir George said he had come over from England to inform people as to what the situation really was, because a breakdown seemed very near. "The present situation demands a spirit of co-operation," Sir George continued, "and if we co-operate to help those who are in need, not by giving them things, but by selling them things, then everything will be well. The current exchange will be restored again."

Special to The Standard.

Ottawa, Jan. 28.—Sir Robert Borden whereabouts has given rise to much speculation here. The latest report is that he accompanied Admiral Jellicoe to England on the New Zealand and is expected to arrive there this week. No doubt Sir George Foster and some of his colleagues know where their leader is, but some of the Cabinet Ministers have no more definite information than is in possession of the public.

FRANCE WEeping OVER ADVANCES IN WINE PRICES

Laughter for a Time Over American Prohibition Measure; Now Recommends Abstinence from Wine Drinking.

Paris, Jan. 28.—The French newspapers have been poking much fun at the United States for its rigid enforcement of the prohibition measure, but some of them are now advocating temporary total abstinence from wine drinking to bring down the price to within reasonable limits.

The price of wine, which varied between ten and fifteen francs a hundred liters previous to the war, now hovers between 150 and 180 francs. This is the price paid to the vineyards. Various brokers levy a percentage of profit, and the cost of transportation from Southern and Eastern France is also added, bringing the price of wine per quart to one franc, forty centimes, or one franc, fifty centimes, instead of forty centimes as before the war. This applies to the ordinary red wine, which, before the war, was the common beverage of the French workingman. M. Defert, president of the Syndicate of Wine Merchants, in an interview given to the press today, said that the price of wine would still higher despite the 1919 production, which surpassed that of any former year, amounting to 5,461,000 hectoliters. The only way to bring prices down, he added, was for the people to cease drinking wine for two months. Then the law of supply and demand would be restored and prices would decrease.

FLOWERS AND TELEGRAMS FOR FORMER EMPEROR

Extra Staff Required at Amerongen Telegraph Office to Handle Birthday Congratulations Sent William.

Amerongen, Tuesday, Jan. 27.—(By the Associated Press.)—The staff of the Amerongen Telegraph office today was increased in order to handle the flood of telegrams of congratulations received by former Emperor William of Germany on the occasion of his birthday.

Two huge cart loads of flowers and other gifts were delivered at Bentinck Castle, where the one time Emperor is domiciled.

The Queen's commissioner for the district of Utrecht, who arrived at Amerongen during the afternoon, called at the castle, where a celebration was a quiet one. The blue and white flag of the Bentinck family was hoisted above the castle today for the first time since the arrival of William in Amerongen.

FREIGHT HANDLERS TIE UP RAILROADS IN NEW ENGLAND

Boston and Maine and Boston and Albany Have Declared An Embargo on Shipments.

Boston, Jan. 28.—Freight transportation through local rail and water terminals of the Boston and Maine, and Boston and Albany railroads was stopped today, and an embargo on shipments was declared by each road as a result of a strike by union freight handlers. The embargo on the Boston and Maine affects all shipments; the Boston and Albany embargo excludes Boston and Albany shipments, but less than carload shipments. About 1,200 men walked out.

New Basis of Exchange For U. S. Gov't Purposes

Boston, Jan. 28.—For government accounting purposes the pound sterling will be figured at \$3.05, beginning February 1, according to a Treasury Department announcement sent by Secretary of Navy Daniels to all naval stations today.

Budget Debate May Precipitate General Elections

Toronto, Jan. 28.—A special despatch to the Star from Ottawa intimates the possibility of a general election being precipitated by the debate on the budget at the forthcoming session of parliament. That an amendment to the budget will be introduced by T. A. Crerar, from his position on the cross benches, is foreshadowed owing to repeated assertions that present conditions are no bar to his return. Coming from Mr. Crerar such an amendment is looked upon as more dangerous to the Government than should it come from the Opposition.

Whereabouts of Sir Robert Borden Known To Few

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Special to The Standard.

Ottawa, Jan. 28.—With the opening of Parliament still a month away the Government's legislative programme is understood to be well on to completion. The most important measure to be brought down, from a political standpoint at any rate, is the long promised but much delayed Dominion Franchise Act. This bill, the cardinal feature of which is understood to be the substitution of Federal for Provincial voters' lists, is likely to arouse considerable controversy. Ever since 1885, when Blake and the then Liberal opposition staged a memorable fight against Sir John Macdonald's Military Service Act, for a period of fifteen years, a position unquestionably injurious to Liberal predominance in certain sections of the country.

NOT SATISFIED WITH VERDICT IN C. P. TRAIN WRECK

Advisability of Holding a Second Inquest Being Considered by Attorney General's Department.

Toronto, Jan. 28.—It is probable that a second inquest will be held at North Bay in regard to the cause of the collision near Corbell, on Sunday, causing the death of eight persons and the injury of many others. The Provincial Attorney General's department is not satisfied with the verdict of the jury in the Tilly case last night, exonerating the train crew, and Crown Attorney Melkes, of Nipissing, has been asked to report on the advisability of holding an inquest on the body of another of the victims.

PROBING THE POWHATTAN AFFAIR

Board Sitting in New York Endeavoring to Determine if Bolshevism Was Cause of Trouble.

Washington, Jan. 28.—Investigation of the cause of the disabling of the Army Transport Powhatan at sea is being made by an official board sitting at New York in announcing this today the War Department said reports regarding Bolshevism activity by members of the transport's crew or others on board had thus far been proven to be without foundation. From the formation available here, it appears that in a heavy gale a portion of the coal bunker bulkhead was carried away, allowing about seventy five tons of coal to shift. The fuel choked the pumps and they could not keep up with a leakage through a clogged ash ejector. In spite of the rapidly rising water in the stowroom, it was stated, all of the stowroom remained on duty until specifically ordered out by the chief engineer when the water was shouldering high.

\$100 Week Offered Machinists To Go To United States

Toronto, Jan. 28.—Ship building companies of the Delaware River district of the United States are offering Canadian mechanics \$100 a week in hope of making good the shortage of labor which exists in their yards, according to Herbert Lewis, Secretary of the Local Union, International Association of Machinists. A letter containing this offer came from union officials of Baltimore, Md., Secretary Lewis says.

LEGISLATIVE PROGRAM HEAR TO COMPLETION

Most Important Measure to be Brought Down by Gov't is the Long Promised Dom. Franchise Act.

MR. KING MAY HAVE TO SPLIT SALARY

Cross Bench Party to Contest Liberal Leader's Claim to Title of Leader of "His Majesty's Loyal Opposition."

Irish Labor Party Declines Alliance With Nationalists

Belfast, Ireland, Jan. 28.—The official report of the Parliamentary Labor Party delegation, which has been investigating conditions in Ireland, declines an alliance with the Nationalist Party. It declares that the fact that the Nationalists recently addressed Irish supporters in Great Britain to vote for Labor candidates means only that the Nationalist Party is convinced that the only party ready to give justice to Ireland is the Labor Party.

The Labor Party delegation consists of Arthur Henderson, William Adamson, John R. Clynes, W. T. Wilson, John A. Parkinson and W. R. Smith.

SALE OF GERMAN LINERS IN U. S. POSTPONED

War Department Protests Against Sale, Claiming Seized German Ships Are Wanted for Transport Reserve.

Washington, Jan. 28.—Action on bids for thirty of the former German liners seized in the United States was deferred today by the shipping board as a result of a protest from Secretary Baker against the sale of such of these vessels as have been included by the War Department in the Army Transport Reserve. In his letter to Chairman Payne the War Secretary disclosed that the shipping board, the Navy Department, and the War Department had agreed, with the approval of President Wilson, upon a policy to be followed in connection with the former German ships which constituted the building up of an Army Transport Reserve. He said vessels released to the Shipping Board for the service indicated in the agreement were released "with the understanding that they are subject to immediate withdrawal in case of an emergency for use as transports."

Twelve ships were named in the agreement, six being allocated for the South American service, and six for the Trans-Pacific Service.

Bids on the liners, which include the Leviathan were received up to the closing January 20, and were considered by the Shipping Board Directors. In all twelve tenders were received. One of these was for the entire group of ships and another for a large proportion of the vessels.

CONTEST LEADERSHIP

Mr. Mackenzie King's claim to the title of leader of His Majesty's Loyal Opposition, so far as the title has a bearing upon the salary of seven thousand per session attached to the post, is to be challenged upon the floor of Parliament. It is understood that the Cross Bench Party, now recognizing no party entity, has decided to request a portion of the salary, basing its demand upon the claim that it represents at least as large a section of the electorate as the Liberals led by Mr. King.

What action may be taken in case this claim is pressed is problematical, but no matter what the outcome, the situation which the demand would create would be intensely interesting. Last year the Farmers were content to remain unrecognized consequently Mr. D. D. Mackenzie was able to have his services recognized to the extent of \$19,000 for two brief sessions.

BOARD SITTING IN NEW YORK ENDEAVORING TO DETERMINE IF BOLSHEVISM WAS CAUSE OF TROUBLE

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DISPOSAL OF GERMAN SHIPS SEIZED BY BRAZIL OCCUPYING ATTENTION

Rio Janeiro, Tuesday, Jan. 27.—called on President Pessoa asking him the question of final disposition of the forty-five German ships taken over by Brazil during the war, some of which were leased to France, is again keenly occupying public attention. Following the recent denial by Foreign Minister Marquis of reports that the Government was negotiating the sale of the vessels to North American interests, a delegation from local organizations

EXCHANGE RATES DWINDLE TO NEW LOW RECORDS

Feeling Akin to Consternation Has Taken Possession of British Capitol Over the Financial Situation.

NO SOLUTION OF PROBLEM OFFERED

Willingness on Part of American Bankers to Extend Credits and International Exchange Com. Might Help Out.

HEAVY TAXES ARE FORCING SALES

Tenants Buying in Most Cases, Thereby Establishing Many Small Farmers as Property Owners.

New York, Jan. 28.—(By Canadian Press)—That Great Britain is undergoing great economic and political changes during the period of reconstruction following the war is the opinion of Major Richard Lloyd George, the British Prime Minister, who is in the United States on a business trip and is stopping at the Pennsylvania Hotel.

To the Canadian Press he voiced his regret that his hurried trip to this continent on business affairs made it impossible for him to visit Canada. He will sail for home February 14 on the Adriatic.

Landowners Selling

"One of the most important changes in England," he said, "is the breaking up of our spots of large landowners, who are selling their holdings because they are unable to pay the heavy taxes that have been imposed on them. In the sale of these properties they are reserving the first opportunities of buying to the tenants whose ancestors have been on the land for many generations. By the establishment of many small farmers as property owners we are creating the thrifty peasant class in Britain which has been such an aid to France and Belgium in rebuilding those war-demonstrated countries."

The land owning classes came in for praise from Major Lloyd George who said they had made no effort to profiteer during the war.

Labor Party Stronger

Asked as to the feeling in Britain over the lifting of the embargo against Soviet Russia, he said: "Feeling in favor of re-opening trade with Russia has been growing for some time and is very strong at present, especially among the laboring classes. But you must attach no importance to a statement by me, as a business man. The Labor Party in Britain is growing stronger and stronger. It is showing its influence everywhere, especially in the by-elections. However, no party is strong enough to dominate the government in Britain. Whatever change comes about the government must continue to be one of coalition as it has been during the war."

Asked what he thought about prohibition in this country, the Major replied: "I don't think about it. That is your business."

CANTON GOVT DESPATCHES WAR VESSELS TO MACAO

Portuguese Have Recently Built a Dike There in Violation of Treaty Rights — Macao Proclaimed Under Martial Law.

San Francisco, Cal., Jan. 28.—The Government of Canton has despatched five war vessels to Macao, demanding immediate removal of a dike recently built by the Portuguese in Chinese territory in violation of treaty rights, according to a cable despatch received here today by the Chinese World, a local Chinese daily newspaper.

The Portuguese authorities have proclaimed Macao under martial law, and have despatched 200 soldiers to the scene of the trouble, while a large number of Chinese inhabitants of Macao are leaving for Hong Kong in fear of actual fighting, the despatch stated.

Macao is a seaport town and the Portuguese settlement in China on a peninsula at the mouth of the Cantow river, about 40 miles from Hong Kong. It has an area of 14 square miles.

BOMB THROWER BUSY IN CAIRO

Cairo, Jan. 28.—A bomb was thrown today by a man impersonating a photographer at a motor car in which the Minister of Public Works, Ismail Sirry Pasha, was driving. The car was shattered, but the minister was not hurt. The bomb thrower escaped.

Passports Refused Delegates To Socialist Congress

London, Jan. 28.—The Government has refused passports for James Ramsay MacDonald and Charles Roden Duxton to go to Russia as part of a delegation appointed by the International Socialist Congress at Bern. The decision was taken after consultation by Premier Lloyd George with Premiers Nitti, of Italy, and Millerand, of France.

Disposal of German Ships Seized By Brazil Occupying Attention

Rio Janeiro, Tuesday, Jan. 27.—called on President Pessoa asking him the question of final disposition of the forty-five German ships taken over by Brazil during the war, some of which were leased to France, is again keenly occupying public attention. Following the recent denial by Foreign Minister Marquis of reports that the Government was negotiating the sale of the vessels to North American interests, a delegation from local organizations

MANY CHANGES OCCURRING IN GREAT BRITAIN

One of the Most Important Changes is the Breaking up of the System of Large Land Owners.

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