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WEDNESDAY MORNING JANUARY 26 1916

VOL. XXXIV—No. 12,859

SUN LIFE-MANUFACTURERS' INSURANCE MERGER IS KILLED Stronger Prescription Measure is Urged in House of Lords Your Subscription to the \$2,000,000 Fund is Needed Today

RECEIPTS FOR THE FIRST DAY ARE \$900,000

Campaign of Toronto and York Patriotic Fund Given Magnificent Send-Off.

ATTAIN OBJECT EASILY
Officials Delighted With Result and Appeal to Citizens to Keep Toronto Ahead.

Including the quarter of a million voted last yesterday afternoon by the York County Council, the official estimate of the first day's receipts in the three-day campaign of the Toronto and York County Patriotic Fund for \$2,000,000, was about \$900,000. An accurate total of the afternoon's receipts was not made, but the noon total was \$500,979, and it was an official in close touch with all the receipts who made the \$900,000 estimate.

The splendid total for the first day of the campaign is attributed by the officials to the splendid organization effected by Major W. S. Dinwiddie. Last night were placed 350 collection boxes in churches, theatres and bars all over the city.

It is expected that the citizens will double their contributions this year, the school children, who last year donated \$21,000, are trying to make it \$42,000 this year, and the churches, whose donations amounted to \$17,000 last year, are trying to double that amount. This work is in charge of Mrs. Plumtree.

Officials Elated.
E. R. Wood, who donated \$10,000 to the fund, is elated at the start off. To say that the officials in charge of the campaign are pleased at the result of the first day's efforts would be putting it mildly. Unanimously they say the response of the public has repaid all the work and energy which they are putting into the campaign. If the first day's record can be kept up for three days it means the patriotic fund will have \$700,000 more than they asked.

(Continued on Page 3, Column 1).

NEW SHIPPING COMPANY FORMED BY TEUTONS

Two Million Dollar Concern Organized For Emigration Traffic.

ZURICH, via London, Jan. 25.—Conferences at Vienna and Buda-Pest between representatives of German and Hungarian shipping companies have resulted in an agreement to organize a new transatlantic steamship line for emigration traffic to America. The capital of the new company is to be \$2,000,000, half of which will be subscribed by the present Austro-Hungarian Navigation Co.

COALITION CANDIDATE RETURNED IN MILE END

Opposition Office-Seeker Rejected by Electors of London Constituency Yesterday.

Special Cable to The Toronto World.
LONDON, Jan. 25.—The result of the Mile End election today is declared as follows:
Warrick Bruce, Coalition candidate, 1981; Pemberton Billing, Independent, 1615; majority for Bruce, 376.

The defeated candidate fought out the contest on the aerial defence of London, which he claimed was inadequate. He carried an aeroplane round with him on his automobile and he received the strong support of the Northcliffe press.

GERMANS HAVE TO PAY MORE FOR POTATOES
Maximum Producers' Price Increased by About Dollar Per Bag.

CARVELL MADE BITTER ATTACK ON PROFITEERS

Fresh Charge Made Regarding Horse Purchases in Peel County.

CHALLENGED ELECTION
New Brunswick's Long Speech Teemed With Allegations of Craft.

By a Staff Reporter.
OTTAWA, Jan. 25.—For nearly five hours in the house today Frank B. Carvell, the Liberal member for Carleton, N.B., lambasted the Borden Government. His speech sounded very much like a challenge to bring on a general election. He denounced the shell committee, the purchase of hay in New Brunswick, and finally touched upon the investigation into the purchase of horses recently held by Sir Charles Davidson at Brampton. Mr. Carvell never minces words, and his address teemed with charges of graft. He even went so far as to say that men would not enlist because of the scandalous abuse in public expenditure.

R. S. Glass, the Conservative member for East Middlesex, replied in a moderate speech. He reminded the house that Mr. Carvell had made many reckless mis-statements in the past, and had endeavored to cut down the militia expenditures within a few weeks of the time that war was declared. Sir Sam Hughes is expected to take part in the debate tomorrow, and Hon. Mr. Burrell, who was yesterday dealt with by Mr. Carvell this afternoon, will speak on Thursday. The debate on the address, therefore, which was expected to end tomorrow, may consume the balance of the week.

Carvell's Hot Attack.
Mr. Carvell justified an attack upon the government by saying that the national debt of Canada would amount to one billion dollars by the close of the fiscal year on end March 31, 1917. This would mean an annual interest charge of \$50,000,000, and our national roll would not be less than another \$30,000,000. What was now the net revenue of the government?

(Continued on Page 3, Column 2).

DOMINION LINER IS PREY OF SUBMARINE

Norseman Had Been Used by British Admiralty as a Transport.

FRESH PEACE OFFER IS MADE TO SERBIA
Proposal of Extension of Boundaries Thrown Out as Bribes.

LONDON, Jan. 25.—A Liverpool message to the Exchange Telegraph Co. wires a report that the Dominion liner Norseman has been sunk, supposedly by a submarine.

The Norseman is a freighter of 9542 tons, built in Belfast in 1917. She is 500 feet long. She was last reported on her arrival at Liverpool on Dec. 6 from New York.

The vessel has been used as a transport.

WASHINGTON REJECTS HUNS' NEW PROPOSAL

Complications Arising From Lusitania's Sinking Not Straightened Out.

ONE MORE U. S. NOTE
Germany to Be Held to "Strict Accountability." So 'Tis Said.

WASHINGTON, Jan. 25.—The United States is understood to have rejected as being partially unsatisfactory, Germany's latest proposal in the Lusitania negotiations. Secretary of State Lansing, with the approval of President Wilson, is said to have so informed Count Von Bernstorff, the German ambassador, during a conference late today, at the state department.

The ambassador will confer again with the secretary tomorrow. It is understood he will then submit another confidential tentative proposal for a settlement, having embodied in it the requirements of the United States.

After being considered by the president and Mr. Lansing, the matter, unless present plans miscarry, will be transmitted to Berlin for the approval or rejection of the German Government.

Five or six days may elapse before it is known whether the Berlin foreign office will assume a view which coincides with that of the administration.

It was stated by excellent authority that the United States insists upon holding the German Government to a "strict accountability" for the loss of more than one hundred lives and desires that the Berlin Government admit in effect that it is liable according to law for the lives of neutrals lost in the commission of an act against a vessel of the enemy.

AUSTRIANS BOMBARD HEIGHTS NEAR GORIZIA

Italians Report Repulses of Detachments of Foe and Successful Shellings.

ROME, via London, Jan. 25.—The following official communication was issued today:
"In the Sogno Valley Tuesday night from positions around Mori our troops repulsed an enemy detachment which was attempting a surprise attack.

"In the Sugano Valley the enemy artillery threw incendiary bombs on Borgo and Roncengo, causing fires in the latter place. Our artillery has repulsed the bombardment of the Caddozzo station.

"In the Sugano Valley the enemy profiting by the fog, attempted two attacks against our positions on Santa Lucia. Both were promptly repelled.

"On the middle Isonzo the enemy is maintaining an intense artillery fire against our positions on the heights west of Gorizia.

"On the remainder of the front the situation is unchanged."

NO OPPOSITION TO COMPULSION IN UPPER HOUSE

Earl Curzon and Earl Derby Criticize Measure as Too Mild.

TOO MANY EXEMPTIONS
Marquis of Lansdowne Hopes Swift Stroke Will Soon End War.

LONDON, Jan. 25, 9.25 p.m.—The House of lords without division passed the second reading of the military service bill this afternoon.

The Marquis of Lansdowne, minister without portfolio, spoke strongly on the necessity of enacting the measure.

The Archbishop of Canterbury, in the course of the debate, bestowed a benediction on the measure, saying he regarded it as a plain, straightforward, vigorous effort to meet a situation extraordinarily difficult.

Earl Curzon, lord privy seal, in winding up the debate, expressed the opinion that the most serious criticism of the bill was made by those who contended that it did not go far enough. No one would like, better to see a permanent measure passed than himself, but obviously it was out of the question to attempt to revolutionize the whole military system in the middle of a great war and force upon the country a general system of compulsion.

Earl Derby's Assurance.
Earl Derby, director of recruiting, said he was convinced that the bill (Continued on Page 3, Column 2).

EXPECTS CELEBRATION OF KAISER'S BIRTHDAY

London Looks for Serious Attempt to Break Thru Lines of Allies

MUCH BOMBARDING ON
British and French Heavily Shell German Works in Belgium.

LONDON, Jan. 25.—The morning papers emphasize the renewal of heavy fighting on the western front. They believe that there was a serious German attempt to break thru the French lines close to the Flanders coast on Monday, and predict that German activity in the west will probably reach its highest effort on Thursday, when the German Emperor celebrates his 57th birthday.

The operations of today on the fronts in France and Belgium were practically confined to heavy shelling of the German positions at several points. British and French batteries bombarded the works of the Germans established southwest of Boesinghe in Belgium, doing serious damage to them. Several German batteries were silenced by French batteries in Artois and a German heavy battery which attempted to destroy the bridge at Berry-au-Bac was caught under the fire of a French heavy calibre gun and damaged. German positions in the Vosges were also heavily shelled.

The British guns bombarded the German lines at Ouvillers-la-Boiselle, Le Bridoux and Boesinghe, exploding a store of bombs near the village. The Germans have been active on both sides with the British aviators maintaining their supremacy.

UNITED STATES ASKED TO ASSIST ARMENIANS

Fugitives in Syria and Mesopotamia Are in Bad Plight.

LONDON, Jan. 25, 5.55 p.m.—Viscount Bryce today asked the government of the United States to take steps to send relief to the Armenians, who he states have been driven by the Turks into the deserts of Syria and Mesopotamia.

THE INSURANCE MERGER KILLED

The Dominion Superintendent of Insurance has reported that the proposed merger of the Manufacturers' Life into the Sun Life is not in the public interest, and, therefore, that the companies are not to proceed further in the deal.

As The World said, and exactly as The World said, viz. that if the minister of finance, as political head of the insurance branch, asked the superintendent to pass upon the proposal, he would act in the public interest. Certainly it would have been in the interests of the shareholders of the companies, the men who were buying and selling out the policy-holders, but not of the public, who were interested in safe insurance on reasonable charges.

Once more Sir Thomas White has shown quick action in the public welfare, notwithstanding a lot of tricky newspaper writing to help the thing thru.

The Winnipeg Free Press declared upon the proposal; so did the Calgary News-Telegram. The Toronto Telegram was also strongly against the merger.

Night Riders Discouraged
Tom Macaulay—Didn't I square it with Ross Gooderham and have a troop of smooth workers on the job in Toronto? Sir Herbert—It's an awful state of affairs that a man can't go ridin' off after dark up in Ontario any longer. E. F. B. Johnston—I know. I've got to live among them. Sir Hugh Graham—More of that blamed public rights not they talk in Toronto. Montreal Gazette—Rank socialism! Toronto World—But good for the public, all the same.

MIXED OPINIONS GREET GOVERNMENT'S REPLY

Charges of Looseness in Blockade Believed by Some Not Sustained.

AMATEUR STATISTICIANS
Others Stick to Ground and Say Side Issues Only Touched By Answer.

LONDON, Jan. 25.—(2.49 a.m.)—The government's reply to the allegations of The Daily Mail and The Morning Post concerning looseness in the blockade against Germany, is the subject of editorial comment in the morning papers. While The Daily Mail and The Morning Post stick to their ground, and declare that the government statement deals mostly with side issues, other newspapers assert that the government's reply is absolutely convincing and unanswerable.

The Daily News says: "There has rarely appeared a more crushing exposure than that issued by the government in reply to the latest Northcliffe scandal. The fireworks of the press have demanded that we brush neutrals out of our path with the force of the entente allies if the vast resources of the United States ceased to be at their command."

The government's statement shows the present scheme of economic pressure is working on Germany with ruthless certainty.

The Daily Chronicle says: "The more crushing than the government's reply cannot be imagined. The official statement shows that the Daily Mail and Morning Post statistics made nearly every mistake that amateur statisticians could make."

ATTACK ON BANKS BY PREMIER OF ALBERTA

Needs of Business Men Not Properly Met, He Declares.

CALGARY, Alta., Jan. 25.—A strong attack on the banks was made by Premier A. L. Sifton this afternoon in an address to the Canadian Club on Lessons from the War, in which he expressed the view that the time was ripe for the initiation of some amendments to the existing legislation governing banks, by which some more definite way as to the disposal of their deposits should be secured to the public, to the end that the legitimate business of the country should receive its due consideration.

Premier Sifton said that one of the first lessons that the people learned from the war was that the finances of the country were controlled by a few men. Despite the fact that they had taken additional deposits to the tune of \$100,000,000 during the last year, the banks, nevertheless, had curtailed credit to legitimate business to the extent of \$20,000,000 less than they had done during the previous year, and had increased by \$20,000,000 loans to speculators for the purpose of increasing the price of stocks.

The premier said the shareholders of banks should not have uncontrolled say as to the mode of investing the money which they held in trust for the people.

BIG INSURANCE MERGER PLANS FACING DEFEAT

Superintendent of Insurance Reports Against Sun-Manufacturers' Consolidation.

HINT GIVEN COMPANIES
No Steps to Be Taken Pending Announcement by Treasury Board.

By a Staff Reporter.
OTTAWA, Jan. 25.—It is practically certain that the proposed amalgamation of the Sun Life Assurance Company of Canada and the Manufacturers' Life Insurance Company will not be carried out.

When the minister of finance was notified of the agreement he at once instructed the superintendent of insurance to consider its terms carefully and make an actuarial report as to the position of the policyholders of the Manufacturers' Life and the advantage or disadvantage likely to accrue to them from the agreement. The superintendent of insurance has made this report, which states that in his view the proposed insurance agreement is not in the interests of the policyholders of the Manufacturers' Life Insurance Company.

As the opinion of the superintendent of insurance is likely to carry great weight with the minister, it is believed that the minister has notified both companies of his conclusions, so that no further step may be taken in the way of making changes in the agency force pending the decision of the treasury board. Under the statute it may be a month or more before the proposed amalgamation reaches the board.

BISHOP FALLON TAKES ISSUE WITH PROHIBITION

Styles Campaign Dangerous Attempt to Regulate All Conduct by Statute.

MENACE TO LIBERTY
Declares Principle is Same as That Involved in War Against Germans.

LONDON, Ont., Jan. 25.—Bishop Fallon, head of the Roman Catholic Diocese of London, today issued a statement to the press in which he expressed opposition to the campaign now on for province-wide prohibition.

"I am opposed to the principle of prohibition in regard to the manufacture and sale of intoxicating liquors," runs the statement, "I regard the present agitation in Ontario as an unjust invitation to the state to meddlesomely interfere with the rights of the citizen and as an equally dangerous attempt to regulate all human conduct by statute. We are threatened with a multiplication of the functions of the state that will seriously narrow the circle of individual rights."

He adds that the very principle for the vindication and safeguarding of which the British Empire is now engaged in its conflict with Germany, is "precisely the principle which, in my opinion, is menaced by the present attempt to force the enactment of prohibition legislation."

A. E. Silverwood, head of the Silverwoods Limited, who is chairman of the local committee of One Hundred, declares that he is more than satisfied with the results of the first two days' canvass for signatures to the petitions which will go to the government. He declares that the canvassers are getting the signatures of men that they did not expect would sign, and the results to date indicate an overwhelming majority in favor of prohibition. The result in the country, he said, was even better.

Men's Fur Bargains.
There are many bargains in Men's Fur and Fur-lined Coats included in Dineen's January Clearing Sale. Dineen's have always enjoyed a superior reputation for muskrat lined coats, with English cloth shells and this standard make is now reduced to stock-clearing prices. Excellent heavy driving coats, that regularly sell for twenty-five dollars, are reduced to \$19.75. Dineen's, Manufacturers, 140 Yonge street.

WAR SUMMARY

Today's Events Reviewed

HAVING considered the general situation in the war with more gravity, Sweden has lowered her tone in regard to seizure of mails by the British censors and negotiations are now under way to settle the dispute. It has long been the hope of the Germans that they could stir up Sweden against the allies, but this expectation appear to have been dashed to the ground by a trip which the British and French Governments gave some Swedish observers around the trenches the other day. One of these visitors to the front said that if Sweden wished to act with any hope of success in the controversy, she would have to act speedily or it would be too late. Competent Swedes who have been recently on a tour of Germany also have begun to bring back stories that conditions there are becoming extremely serious. An attack on Finland is hopeless for the Swedes.

News from the Anglo-French battlefronts yesterday reveals the maintenance of greater artillery activity than usual against the Germans, violent bombardments being carried out with the infliction of heavy punishment on the hostile positions and personnel. Serious damage was done to the German works thrown up at points southeast of Boesinghe by French and British gunfire. Several German batteries were silenced at points east of Neuville and around Vailly. A German heavy battery was damaged at Berry-au-Bac by a French long range gun when it attempted to destroy a bridge. British gunners carried out bombardments at Ouvillers-La-Boiselle, Le Bridoux and Boesinghe and they exploded a bomb store in the German lines near the last named place. In Flanders the aircraft have been active on both sides, with the British maintaining the supremacy.

The Russians are complacent over the assistance given them by their ancient and unsubsidized ally, the winter, for their official communique of last night speaks of a great number of the men in one German division in Galicia being frost-bitten, some of them suffering so severely that they had to be sent home. Artillery duels prevailed on this front yesterday, as well as at particular spots in the Dvina River front.

The feature of the Italian official communique is the notice taken of an intense bombardment of Italian positions established on the heights north-west of Gorizia.

Turkish reports of the inflicting of a reverse on British forces in Mesopotamia must be accepted with great reserve. It is not improbable

(Continued on Page 2, Columns 1 and 2.)

URGENT NEW EFFORT TO DRAW U. S. SETTLERS

Roche Tells Delegation Advertising Campaign Has Not Been Relaxed.

OTTAWA, Jan. 25.—Representatives of Canadian colonization companies with headquarters in Canada and the United States called on Hon. Dr. Roche, minister of the interior, today and asked that energetic steps be taken by the government to combat the campaign now in progress in the United States against emigration to Canada, particularly with reference to land settlement in the west.

They asked that an effective publicity campaign be carried on in American papers, pointing out the advantage of land settlement in Canada, and depicting the stories of conscription that have been published in a section of the American press.

Dr. Roche pointed out that the government was now advertising in four thousand different papers in the United States, and that in addition a meeting of the government's agents would be held at Chicago next Friday and Saturday, at which he himself would be present, and at which a progressive propaganda would be considered.

HOSPITAL FOR WOUNDED BURNED NEAR BOULOGNE

Grand Hotel at Wimereux Was Occupied by Sixty British Soldiers.

PARIS, Jan. 25.—The Grand Hotel at Wimereux, near Boulogne, which was occupied as a hospital by sixty wounded British soldiers, was today destroyed by fire. All of the wounded were removed from the building without accident.