

ALLIES' NOTE AFFECTS UNITED STATES DEEPLY

London Observer Says Effect on Public Opinion is Already Profound.

QUESTION OF COLONIES

Germany Must Give Full Guarantees Before Any Territory is Restored.

London, Jan. 14.—The Observer, commenting on the allies' reply to President Wilson, says:

"The effect on opinion in the U. S. is already profound, and will become still deeper as more time and thought can be given to the issues now raised. The U. S. will not try to stop the clock of progress towards wider liberty and equality in Europe. The U. S. never can be asked to resist the claim of France to Alsace-Lorraine, to support the war caste in Germany, to keep Italy, Poland, Czechs, Slovaks, Serbs and Rumanians under a foreign yoke, to assist the Turks on the side of the Decephorus, or to aid a bloody tyranny beyond it. No! It is the dawn of the great deliverance."

Referring to the silence of the Germans on the German colonies, The Observer says:

"South Africa, New Zealand, New Guinea, and New Caledonia are free communities, each with its own Monroe doctrine, and they will never allow the German monarch to reappear in their neighborly hood. Not one single inch of colonial territory will Germany ever get back until the guarantees for her future good behavior are as absolute as the human contrivance can provide. Consistently with that condition, there is no desire to deprive the German people of adequate economic opportunities outside of their frontiers."

"Probably the best thing would be to create in the Ottoman Empire and in Africa an international domain open on equal terms to Germany as to all countries, including, of course, the U. S. This is a big question. In this matter, British statesmanship ought to be foremost in the councils of wisdom and moderation when the main aims of the war are attained, if at the same time there is a change of system and of heart in Germany itself."

DRUGS FROM CANADA SMUGGLED INTO U.S.

New York State Officials Believe They Are Hot on Trail.

CRIMINALS ARE BRED

Ravages of Morphine, Heroin and Kindred Drugs Are Appalling.

Special to The Toronto World.

New York, Jan. 14.—Canada responsible for the shipment of habit-forming drugs to the United States. That is the question that is puzzling the New York state officials and legislature, who have begun an exhaustive investigation of the sources of supply by which those who are dealing in morphine, cocaine, heroin and opium are spreading the drug habit.

"The German chancery has adopted as a program the principles of the rights and freedom of all nations, great or small, and of the sea lanes." In London some speculative discussion is heard over the possibility that removal of the restrictions on U. S. trade would be met by an entente rare to neutrals to seize interned shipping.

"There is no authoritative foundation for such suggestion, but debate in the house and recent utterance of Herr Ballin, director of the Hamburg-American line, provided a new conversational topic."

Herr Ballin is quoted as saying that only a weak steamship would be deterred from leaving the German shipping line, but that the German ships were not being held in neutral harbors.

May Take Interned Ships.

The proceedings in the house of commons which were held on Monday to link with Herr Ballin's words were confined to a question by the Unionist member from West Yorkshire, Mr. Housman, who asked Robert Cecil whether he was aware that many of the interned German steamships were potential commerce destroyers, and in view of international welfare and commerce would the foreign office, Mr. Housman asked, make representations to the neutral governments, under danger arising out of the presence of these German steamships in their ports, with a view to their disablement or use by these neutral governments, under proper safeguards or of handing them over to allied governments for commercial use.

"I am sure," said Mr. Cecil, "that Germany's aim and object was to diminish or destroy all mercantile vessels, and that the neutral governments should prevent or destroy international trade and commerce while conserving German mercantile tonnage for immediate use on the termination of the war."

Lord Robert replied that the initiative must be left to the governments concerned as to the utilization of interned steamships. He added:

"His Majesty's government have on many occasions expressed their disapproval of the neutral governments who draw the attention of different neutral governments to the responsibilities which they would incur if enemy vessels were to leave their ports and take part in belligerent operations. We will continue to make similar representations if and when they seem desirable."

RUTHLESS BOAT WARFARE URGED

U. S. Interference Will Not Avail, Cologne Zeitung Boasts.

MAY SEIZE STEAMERS

London Discusses Possibility of Request Being Made to Neutrals.

Special Cable to The Toronto World.

London, Jan. 14.—According to a report received here from Berlin tonight, the Cologne Zeitung said in its issue of today:

"If our offer of peace is refused the world will be 'out' with the submarines.' Then no American will be able to prevent us forcing peace on the enemy who has no wish to negotiate with us."

"The German chancery has adopted as a program the principles of the rights and freedom of all nations, great or small, and of the sea lanes." In London some speculative discussion is heard over the possibility that removal of the restrictions on U. S. trade would be met by an entente rare to neutrals to seize interned shipping.

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CANADIAN CASUALTIES

Killed in action—Leonard R. Barham, Albert Beer, England; Antonio A. Agria, Italy; F. T. Wheeler, England; W. J. Macdonald, Canada; John G. Canby, Canada; N. B. Leung, Canada; W. J. Hanley, Canada; W. J. Moore, Canada; W. H. Wilson, 14 Pendith avenue, Toronto; David Melton, Toronto; Sumner Gray, Toronto; D. J. Calder, Lancaster, Ont.; Thos. Marion, Wales.

Winnipeg, Jan. 13.—Argument on the essentials in the contempt case before the King's bench in Paris was concluded yesterday, but the court will meet again on Feb. 5 to hear a discussion in regard to an affidavit submitted by the defendants, made by Knox Magee, which, according to the crown, contains irrelevant, immaterial and scandalous matter. Publication of the affidavit is withheld by order of the court until it has been considered.

R. A. Pringle's argument for the defense of Magee and Beck was, in effect, a justification of their articles. He contended they were not contempt, being directed solely at judges acting as commissioners. He said Mr. Pringle, the defendants had actually intended to attack the bench he would not be acting in defiance of their language, he conceded, might have been a little vigorous, but in considering if the court should have regard to the circumstances in which it had arisen. In any event, counsel contended, the proper procedure was by way of indictment. Judges should not adjudicate upon their own case.

In replying Isaac Pitblado asserted that the defendants' declaration that they intended to disregard to the "crown" was refuted at least in the case of Beck, by the fact that he had persisted in his criticisms of the bench after being cited to appear and justify his first statements. Magee, according to his counsel, retracted "not one word" and the defence contained no expression of regret.

AFFIDAVIT BY MAGEE CREATES NEW STORM

It is Alleged to Contain Irrelevant, Immaterial and Scandalous Matter.

DEFENDED BY PRINGLE

Editor's Articles Not Contempt of Court, Says Defence Council.

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MUST QUAREY TO HOLD THEIR RANK

Officers Are to Revert, if Holding Rank Only in Name.

FOUR HUNDRED JOIN

Canadian Buffs Will Be Inspected By Gen. Lessard Today.

An important ruling just received by Toronto military headquarters from Ottawa declares that "officers of the Canadian Expeditionary Force who have fallen to qualify in rank should be given an opportunity to revert, and if they do not wish to do so, they should be struck off the strength of the C. E. F." This order, which has been issued by a lieutenant-colonel holds rank in name only, and has only qualified for captain's or lieutenant's certificates for their quality of rank, once or revert to the rank he has qualified for.

"Next Wednesday there will be a 'staff officers' tour' in the manoeuvres districts adjacent to Toronto, with several officers from the Dragoons, artillery, cyclists and of each of the infantry brigades participating. The 'cavalry' will be inspected, the staffs being split up into opposing armies. These tours are of great value in giving officers the responsibility of writing the directions for the movements of troops in the field."

This morning the 198th Buffs Battalion will be inspected by Major-General P. L. Lessard, G.B., Inspector-General of the eastern Canada forces. Many recruits.

The splendid total of 888 Toronto men volunteered for active service at the armories depot during the month just ended. A total of 168 of these were accepted for enlistment. On Saturday, 27 men were examined at the depot, and 15 were accepted; of these the Service Corps gained 6; 25th Batt., 3; Skilled Railwaymen and 20th Batt., each 2; and 25th and 26th Batts. each one.

V. G. Snyder and T. G. Drew-Brook, Toronto members of the U. of T. Overseas Co. have been accepted at Ottawa for the Royal Flying Corps.

Lieut. J. D. Kelley, 67th Battery, and C. D. Creighton, 69th Battery, commencing today, will be charged with recruiting for the artillery corps now at Exhibition camp. They will have headquarters at the artillery depot, Toronto armories.

In all probability a high percentage of Toronto officers will be placed with the 25th Railway Construction Battalion. Lieut.-Col. L. T. Martin, C.B., has been chosen Major in the secondly second in command of the 204th Battalion as his senior major, and the junior will be Major R. B. Herron, who has been chosen his assistant-major. Major Wm. Whaley, formerly book-keeper with O'Brien, McDougall and O'Gorman. The assistant organizer of the battalion is Lieut. C. S. Lewis.

ATTACK ON CURRIE MADE BY DEWART

Colonel's Speech in House on His War Record is Cited.

ROWELL ALONE LEADS

Liberalism in Ontario Not Double-headed Monster, Says Dewart.

By a Staff Reporter.

Collingwood, Jan. 13.—The Liberal concluded their campaign in the West Simcoe by-election Saturday night, with a big meeting in the opera house. Hartley Dewart, K.C., M.L.A., was the main attraction, and also it was after ten o'clock when it commenced to speak he was accorded a splendid hearing. While his main topic was nice, he devoted considerable attention to Col. Currie, M.P., who had spoken upon every platform in the riding, and denounced C. M. Bowman, M.L.A., as pro-German and "one of the most dangerous men in Ontario."

"When Col. Currie says the latter is watching the election in West Simcoe," said Mr. Dewart, "he probably means he is anxious to know whether Currie is going to remain in Canada, and attend to his parliamentary duties or lead another battalion to the firing line." Sarcastically he remarked that the election of West Simcoe would be more interested in knowing what Currie had done than what Col. Currie's opinion was of Mr. Bowman. He read extracts from Col. Currie's speech in the house on February 22, when he defended himself from criticism which Mr. Dewart said had never been so long launched. Upon that occasion the colonel had declared that only two men stood between him and the decoration for his bravery at the front.

Rowell Sole Leader.

The Southwest Toronto member vigorously refuted the statements of Hon. Currie, and said that the Liberal party had become a double-headed monster with Mr. Rowell leading one clique and Mr. Dewart, the other. "There is no Liberalism in Ontario," he said, "and that man is Mr. Newton Rowell."

He discussed the nickel issue and the election, and said that when the Ontario minister characterized The Providence Journal as a yellow sheet they were wrong. Upon that occasion the colonel had declared that only two men stood between him and the decoration for his bravery at the front.

He concluded by appealing to West Simcoe to return Isaac Scott on Monday as one means of securing the seven seats in the Ontario House.

Helped Recruiting.

J. C. Elliott, M.L.A., defended C. M. Bowman, M.L.A., and said that the Liberal committee, he reminded the meeting, upon the motion of a Mr. Rowell, prominent in the eye of the Ontario work in assisting the recruiting of the 160th Battalion. He said that the man who had been taken into the ranks was a man of high character, and that since 1905 the cost of government administration had tripled. He characterized the government's expenditure as a "ruin" and said that the government's expenditure on the war was a "ruin" and that the government's expenditure on the war was a "ruin."

VIGOROUSLY OBJECTED TO VISIT OF POLICE

Attempt to Find Liquor on Premises Might Have Ended Seriously for Police.

When plainclothesmen Allen and Pillerger, of Wilton avenue police station, attempted to enter the premises of Russell Jackson, 222 Ontario street, on Saturday afternoon, Jackson resisted with an iron bar. The policemen had requested entrance on a search for a man who was believed to be in possession of having liquor in his possession. Allen and Pillerger forced their way into the house, but were struck on the side of the head with a heavy iron bar in the hands of Jackson, which he had thrown aside as the weapon was descending, in all probability the wound would have been much more serious. Jackson was then in-law, assisted Jackson with a shorter bar and clubbed Allen over the head with it, causing a wound which required six stitches to be sutured. The man who held the police on for two minutes was held by the police on the charge of wounding.

The policemen discovered no liquor on Jackson's premises.

HONOR SUPERINTENDENT

In order to express appreciation for the efficient manner in which the coal and coal concession has been handled by H. Farrell, the terminal superintendent, the coal section of the Toronto Harbour Association are holding a luncheon in his honor next Wednesday.

Soldiers' Positions Held Open

The Electric Wiring and Fixture Co., 261 College street, have announced that the positions held by former employees now serving their country will be kept open, and at the highest rate of pay. The company of this company's employees have enlisted.

Restricted Train Service Becomes Effective Today

At 12.01 this morning a new passenger schedule went into effect on both the C. E. R. and the G. T. E. by which forty-nine trains in and out of Toronto have been temporarily taken off the service. The new schedule is for a period of three months, and will be in force until the end of the year.

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THE DAYS' EVENTS REVIEWED

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It is raining heavily in France, and so much rain has already fallen that the River Seine is rising, navigation on it has ceased and floods may ensue. With such bad weather, really heavy fighting is impossible. So the official communications from the battle lines keep on dealing with "fights and snuffing." The British official communications of the past two days do not contain any notice of Serre, but they mention the recapture of a small post northwards of Serre. A small body of Germans had entered this position, but was immediately driven out. Thirteen more German prisoners were taken in this area of Serre and Beaumont-Hamel. British trench raiders have taken part in many enterprises and the Germans have also attempted many dashes into the British positions. The British batteries have again heavily cannonaded the positions of the enemy northwest of the Ancre and they have obtained "good results," says the British official bulletin.

The Italians have captured two submarines. One is the VC12, which the German navy ceded to Austria-Hungary, and the other is the VT12 of the Austro-Hungarian navy. The first submarine has been incorporated into the Italian navy, a bulletin issued at Rome says. How these craft were taken is not told.

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While in the past few days submarine depredations have become fewer, probably owing to the destruction of some of these craft and the return of others to their bases after cruises, the Germans are beginning to threaten a great outburst of submarine activity. The allies reject many new submarine proposals, but it is impossible to believe that they have refrained from any atrocity within their power to commit out of humanity. The suggestion of greater frightfulness to come is designed to impress the allies with the might of Germany and more amenable to the proposal of signing an inconclusive peace; to end the war on the basis of a draw. In this theory the Germans are mistaken.

From Germany there continue to come stories of food scarcity sufficient in number to be convincing that something dreadful has happened. It is asserted that the enemy is suffering from famine; that he is in reality suffering from is said by experts to be the breakdown of his elaborate system of distributing food and feeding the populace. The enemy first attempted to do away with economic laws by the fixing of prices and rationing of his people, the same as he has been doing with his army. This scheme proceeded with a fair degree of smoothness for a time; but when the shortage of foodstuffs became more intense and the great staple food of the north German, the potato, also showed signs of giving out owing to a failure of the crop, the whole system broke down. Economic laws have now begun to assert their supremacy over contravention state regulations. The rich Germans are now receiving a more plentiful supply of food than they formerly received under the food controllers, but the poor people are feeling the pinch of want in a greater degree than in the early and middle stages of the war. Before famine takes the central powers in its grip they would anticipate it and surrender, for it would take three to six months after the capitulation to relieve the suffering, owing to the general scarcity of shipping. Whether famine is still near or far off from Germany, no person has any account; but it would be idle to count on peace until the allies have reached their military objectives and have won a complete victory. The German food scarcity, however, will make the task of the soldiers easier.

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NATIONAL GOVERNMENT ADVOCATED FOR CANADA

(Continued From Page One.)

acquire or retain office were apt to have more influence in the affairs of their party than in the welfare of the state. There was also the temptation appealing to prejudice to divide the people along party lines, and to stir upon geographical location, race and religion. The keynote of future national effort was co-operation. The western provinces were to be included, and so had the people of the mother country by establishing a national government.

"If they could have a national government in England and in France, why could we not have one in Canada?" he asked.

National Railways.

Mr. Maclean said he believed some strong arguments in favor of nationalization of railways, but he said the great difficulty in the way was the patronage system. By having a united government people could do away with the patronage system and immediately increase the great cause of public ownership. There would also, he said, be a national currency and a state bank of rediscunt, and the government to assume the leadership in the banking business, as had been done in the United States. A national system of public works would be established. He said he was not declaring war on the chartered banks, but they would continue to do business, but they would do more business, give better service and charge lower rates, yet they would work under the government in the sense of having a government work under them.

Mr. Maclean said that in the national government and united parliament, the French-Canadians should be represented. Quebec had been backward so far in regard to recruiting, but he believed that that party could be established. He said he was not declaring war on the chartered banks, but they would continue to do business, but they would do more business, give better service and charge lower rates, yet they would work under the government in the sense of having a government work under them.

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HERO OF MANILA BAY IS NEAR DEATH'S DOOR

Admiral Dewey is Slowly Sinking at His Washington Home.

Special to The Toronto World.

Washington, Jan. 14.—Up to a late hour tonight there has been but little change in the condition of Admiral Dewey, who is confined to his bed in his home in this city.

It was reported by his attending physicians that the hero of Manila Bay was passing his most unfavorable day and that the aged admiral seemed to be slowly sinking.

His anxious family, for hours before his home today, hourly expecting to hear that he had passed away. Although it was at first thought that his illness was one that would yield readily to medical treatment, his advanced age has greatly complicated his illness.

CENTRAL POWERS HAVE WELL-DEFINED GOAL

Allies' Reply Has Created Greater Unity of Effort, Berlin Boasts.

Berlin, Jan. 14, via London, Jan. 13.—Further comment on the note of the entente powers to President Wilson lays emphasis on the decisive character of the declarations which clear the way for the central powers a well defined goal of defense against the plan of their opponents for remaking the map of Europe. Ever forward, the new turns to the Socialist dissenters, who have been demanding peace "without conquerors, without conquest," and says that Germany's enemies are not ready to give such a peace, hence "every dead and every word tending to shake the self-defensive will of the German people would be a crime against the German people."

USED WOODEN CANNON TO SCARE SUBMARINES

Capt. Bullen Brings Steamer Herschel Safely Thru Danger Zone.

Beaton, Jan. 14.—A wooden cannon, fashioned from a spar and equipped with smoke bombs and detonating caps, was used by Capt. Bullen of the British steamer Herschel, in bringing his ship safely thru a German submarine zone off the Irish coast, according to the officers of the steamer which arrived here today from Cardiff, W. Wales.

The officers stated that warnings of the presence of submarines in the Beaton area were received by the British steamer Herschel, and he fitted up the dummy gun before leaving port. Upon receiving additional radio warnings after sailing from Cardiff, he ordered the atordock cleared as for action, and the "gun" was mounted and manned. Smoke bombs and detonating caps were exploded at frequent intervals to convey the impression that the crew was engaged in target practice. Although no submarine was sighted, Captain Bullen declared that he believed his ship passed over some, because of the thick scum of oil which covered the water.

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At 12.01 this morning a new passenger schedule went into effect on both the C. E. R. and the G. T. E. by which forty-nine trains in and out of Toronto have been temporarily taken off the service. The new schedule is for a period of three months, and will be in force until the end of the year.

WAR SUMMARY

THE DAYS' EVENTS REVIEWED

(Continued From Page 1.)

in order to demonstrate his power the enemy is now striving to march upon Galatze.

In the eyes of the allied general staff every position has its price in casualties, so if the Germans choose to throw away a sufficient number of lives they will arrive at Galatze. When they arrive at it they will derive no military benefit from its possession. The Rumanian armies have escaped. Napoleon once said that so long as the forces of the enemy remained in the field, the taking of towns was an "empty honor," and the matters at the present day.

It is raining heavily in France, and so much rain has already fallen that the River Seine is rising, navigation on it has ceased and floods may ensue. With such bad weather, really heavy fighting is impossible. So the official communications from the battle lines keep on dealing with "fights and snuffing." The British official communications of the past two days do not contain any notice of Serre, but they mention the recapture of a small post northwards of Serre. A small body of Germans had entered this position, but was immediately driven out. Thirteen more German prisoners were taken in this area of Serre and Beaumont-Hamel. British trench raiders have taken part in many enterprises and the Germans have also attempted many dashes into the British positions. The British batteries have again heavily cannonaded the positions of the enemy northwest of the Ancre and they have obtained "good results," says the British official bulletin.

The Italians have captured two submarines. One is the VC12, which the German navy ceded to Austria-Hungary, and the other is the VT12 of the Austro-Hungarian navy. The first submarine has been incorporated into the Italian navy, a bulletin issued at Rome says. How these craft were taken is not told.

In the Caucasus the Russians have captured a village from the Turks 12 miles north of Kalkit. They seem to be preparing for an advance.

While in the past few days submarine depredations have become fewer, probably owing to the destruction of some of these craft and the return of others to their bases after cruises, the Germans are beginning to threaten a great outburst of submarine activity. The allies reject many new submarine proposals, but it is impossible to believe that they have refrained from any atrocity within their power to commit out of humanity. The suggestion of greater frightfulness to come is designed to impress the allies with the might of Germany and more amenable to the proposal of signing an inconclusive peace; to end the war on the basis of a draw. In this theory the Germans are mistaken.

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