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H. H. WILLIAMS & CO. 33 King Street East.

PROBS - West to northwest winds; fair and a little colder.

The Toronto World

MONDAY MORNING JANUARY 3 1916

For Rent

OFFICE, 36 KING STREET EAST. Choice public and private office, on fourth floor, overlooking King street; large vault. \$35 per month. Apply.

VOL. XXXVI.—No. 12,886

RUSSIANS CAPTURE HEIGHTS AT CERNOWITZ U.S. Consul One of 300 Victims of Persia's Sinking PERSIA FOUNDERED IN FIVE MINUTES ONLY 153 SURVIVORS WERE LANDED RUSSIANS BEGIN OFFENSIVE TO BREAK BACKBONE OF FOE

Enemy Submarine Discharged Torpedo at Liner Without Any Warning.

FEW BOATS LAUNCHED

Passengers and Crew Behaved Splendidly—U.S. Consul Among Missing.

LONDON, Jan. 2.—A despatch to The Times from Cairo says that two boatloads of people were drawn down with the steamer Persia when she sank, as there was no time to cut them. Four boats got away, but it was thirty hours before a trawler picked them up.

LONDON, Jan. 2.—Unofficial despatches from Cairo state that the British steamship Persia, sunk in the Mediterranean on Thursday, was torpedoed without warning and sank in five minutes. Between 150 and 160 survivors have been landed at Alexandria, Egypt.

Reuter's Cairo correspondent makes the unreserved statement that Mr. McNeely lost his life. Robert Grant of Boston is reported safe.

The Peninsular and Oriental Company which owned the Persia, announced this morning that 153 survivors had arrived at Alexandria.

A Lloyd's despatch gives the number as 153, made up of 59 passengers, of whom 17 are women, and 94 crew members of the crew including 59 lascars.

The Peninsular and Oriental Steamship Co. tonight received the following telegram from Col. C. Bingham to be among the survivors of the Persia disaster:

A torpedo struck the ship on the port bow at 10.45 o'clock, between noon when about 40 miles south of the east end of the island of Crete. No warning was given, nor any time allowed to assist. Within five minutes the ship had sunk. It was impossible to lower the starboard boats owing to the heavy list. Five or six boats were lowered on the port side.

The captain was drowned. When last seen he was swimming after the ship.

The survivors include ten military officers and eight persons who are not British subjects.

"The ship was struck amidships on the port side at 9.10 p.m.," says Reuter's correspondent from Cairo. "She had disappeared completely by 1.15."

"Survivors say it was little short of a miracle that anyone was saved. There was no panic. Four boats were launched with the utmost promptitude."

"The captain was drowned. When last seen he was swimming after the ship."

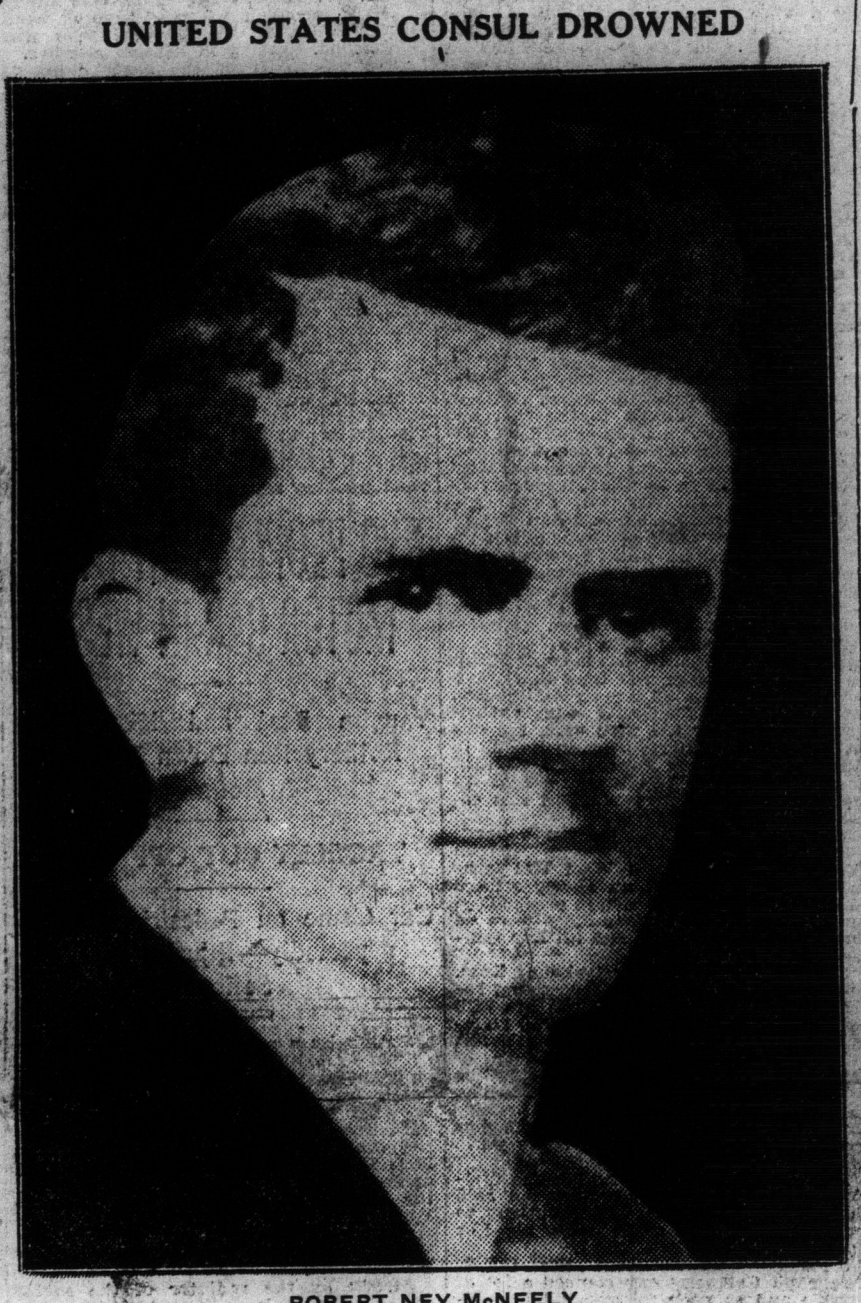
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ROBERT NEY McNEELY, United States consul to Aden, who is reported among those lost on the Persia.

ARABS RETREATED IN HASTE BEFORE ADVANCE OF BRITISH

Enemy Abandoned Provisions, Sheep, Camels and Tents in Their Precipitate Flight.

LONDON, Jan. 2.—(10.40 a.m.)—The following official communication was issued last night: "The British officer commanding in Egypt reports under today's date that our force, which advanced from Matruh (Mersa Matruh) to round up the Harun's camp, found that he had retreated in haste, leaving one month's supplies, 400 sheep, 30 camels and 200 tents. The booty captured after the action at Majid includes 1200 rounds of small arm ammunition, 300 sheep, and 84 camels. In addition, 60 camels were destroyed by artillery fire."

CONSCRIPTION BILL INCLUDES IRELAND

LONDON, Jan. 3.—(12.54 a.m.)—According to an announcement made by the Press Association, Ireland is not to be excepted from the new compulsory recruiting bill.

SIMON IS FIRST TO RESIGN OVER CONSCRIPTION ISSUE

British Home Secretary, Whose Career Has Been Brilliant, is Known for His Strong Pacifist Views.

LONDON, Jan. 3.—(3 a.m.)—The Chronicle announces definitely that Sir John A. Simon, secretary of state for home affairs, retires from the cabinet, thus breaking his brilliant ministerial career for conscience sake.

Sir John A. Simon enjoyed a rapid and brilliant career after remarkable success at the bar. He entered parliament in 1905 and joined the ministry first as solicitor-general, afterwards attorney-general. He is so far a pacifist that he almost decided to resign with Viscount Morley and John Burns when the war broke out. It was only the German violation of Belgian neutrality that induced him to remain as a member of the government.

When the coalition government was formed last May, Sir John refused the great prize of the post of lord high chancellor, made vacant by Viscount Halifax's retirement, because he preferred a political career and became home secretary.

It has been rumored for several days that he would resign because of the conscription bill.

TURKS BEAT RUSSIANS ON CAUCASIAN FRONT

LONDON, Jan. 2.—A Bagdad despatch received by Reuter's Telegram Company by way of Amsterdam says that a Turkish division, advancing in the region of Sul Dulak, south of Lake Urumiah, drove the Russians from the town, inflicting important losses.

Washington Awaits Further News of Consul McNeely's Death.

ZWEIDINEK'S PROMISES

Vienna Will Adjust Matter if Necessity Arises, He States.

WASHINGTON, Jan. 2.—Anxiety over the news of the sinking of the British steamship Persia increased in official circles here today when a consular despatch brought the information that the ship had been torpedoed without warning, and that at least one American citizen, Robert N. McNeely, new consul at Aden, Arabia, was missing. At the same time officials were much gratified at the indications, emanating from Baron Erik Zweidinek, charge of the Austro-Hungarian embassy here, that the Vienna Government would be quick to "satisfactorily adjust" the matter should it develop that an Austrian submarine commander had disobeyed instructions in regard to torpedoing passenger-carrying ships without warning.

"More Assurances." "Judgment should be withheld pending the receipt of the real facts surrounding the sinking of the steamship Persia," said Baron Zweidinek. "It may have happened in many ways. In the first place it is not yet proved that an Austrian submarine commander had disobeyed instructions in regard to torpedoing passenger-carrying ships without warning."

"I am confident, at least I hope that the first explanation will be quite satisfactory. If the commander of the submarine disobeyed his instructions, I feel sure my government will not hesitate to satisfactorily adjust the matter."

"From the answer made to the last note on the Ancona alone, it is quite evident that the Austro-Hungarian Government will not countenance any act which is wrong."

Complete confidence prevails in Teutonic diplomatic circles here that if an Austrian submarine sank the Persia without warning the act would be disavowed promptly, reparation made for Americans injured, and the submarine commander severely punished.

Saw Wreck of Torpedo. Only one despatch concerning the sinking of the Persia was received today by the state department. It came from Consul Garrett at Alexandria, Egypt, and indicated that the ship had been lost. He was last seen in the water before the ship went down.

Charles H. Grant of Boston, another American who was aboard the Persia, was among the survivors. An submarine was seen by the survivors, according to the consul's report, but an officer of the ship said he saw the wake of a torpedo. The Persia went down in five minutes. This despatch was immediately forwarded to President Wilson at Hot Springs.

While Secretary of State Lansing tonight declined to comment upon the situation confronting the U. S., it became known that he and other administration officials were awaiting full information before forming an opinion and determining upon any action.

Hydro Radial Bylaws

TORONTO For 21,161 Against 5,766 Majority for 15,395

LONDON

For 2,763 Against 2,087 Majority for 676

GUELPH

For 932 Against 306 Majority for 626

BERLIN

For 665 Against 306 Majority for 359

MIMICO

For 200 Against 30 Majority for 170

NEW TORONTO

For 180 Against 11 Majority for 169

NEW STEP BY BRITAIN TOWARD ARMY REFORM

Commissions to Be Granted Only to Men Who Have Completed Recruiting Course—Training of Troops Will Be Expedited.

LONDON, Jan. 2.—(7.51 p.m.)—The war office announces that hereafter commissions as officers will be granted only to men who have completed their course as recruits, and that preference will be given to men who have served with the expeditionary force.

TORONTO GIVES SOLID BACKING TO BECK PLAN

Favors Hydro Radials by Majority of Over Fifteen Thousand.

BOARD AND COUNCIL

Majority of Members Will Vote for Promotion in Fire Department.

Toronto voted solid on Saturday in favor of hydro radials, and in spite of the opposition which was vigorously waged against it, declared itself in favor of public ownership by 15,000 majority. The campaign which was put up by the Toronto Board of Trade Council netted only 5768 votes, and this after an expenditure estimated at something like \$5000 for advertising and general publicity purposes.

TROOPSHIP MISSANABIE HAS REACHED ENGLAND

Seventeen Hundred Officers and Men From Canada Were Aboard.

OTTAWA, Jan. 2.—It is officially announced, thru the chief press censor's office, that the troopship Missanabie, which sailed from Canada on Dec. 15, has arrived safely in England.

She had on board the following troops: No. 3 Siege Battery, 6 officers, 214 men; drafts; Horse Artillery, 2 officers, 100 men; Field Artillery, 11 officers, 603 men; Winnipeg Highlanders, 6 officers, 249 men; Infantry from Edmonton, 1 officer, 44 men; Cyclists, 2 officers, 60 men; Army Service Corps, 5 officers, 200 men; Army Medical Corps, 10 officers, 30 men; Dental Corps, 20 officers, 29 men; Civilian Franchisers for regular army, 5 officers; Naval ratings, 2 officers, 82 men; details, 4 officers, 6 men. Total 1714.

DURAZZO BOMBARDED BY AUSTRIAN SQUADRON

PARIS, Jan. 1, 10.15 p.m.—An official Montenegrin statement issued yesterday at Cetinje says: "During a bombardment of Durazzo yesterday by an Austrian squadron, the steamer Michel, carrying more than 500 tons of provisions for Montenegro, was burned and her cargo destroyed."

BRITISH LABOR DEMANDS WILL BE FULLY MET

Legislation Which Will Settle Differences to Be Rushed Thru.

MUST HAVE MUNITIONS

Unskilled Labor Will Be Introduced and Big Output Assured.

LONDON, Jan. 2, 8.18 p.m.—An account of the conference held Friday evening between Premier Asquith, David Lloyd George, the minister of munitions, and a deputation from the Amalgamated Society of Engineers, which is the most influential trades union body, and includes most of the trades concerned in manufacture of munitions, issued tonight by the press bureau shows that the government has decided to acquiesce in all the demands which the unionists in return for their consent to the immediate introduction of Mr. Lloyd George's scheme of labor dilution.

Will Rush Legislation. The press bureau's account is made up for the most part of excerpts from Mr. Asquith's remarks to the deputation at the conference, which lasted three hours, but includes also the statement that the deputation agreed, before the conference was closed, to accept on behalf of the membership

(Continued on Page 7, Column 3).

FIRE OPENED ON NANCY BY LONG RANGED GUN

Ten Projectiles Fired Into Tower, Killing Two Persons—French Attack Cannon.

Special Cable to The Toronto World. PARIS, Jan. 2.—The French war office reports that a German long-range gun opened fire on Nancy Saturday. It threw about 10 projectiles on the town and its environs, killing two inhabitants and slightly wounding several others. The French batteries immediately shelled the gun.

French artillery have been particularly active in the Vosges, especially in the vicinity of Mulbach. The usual artillery engagements are reported from other parts of the front.

BIG FUR SALE STARTS TODAY.

Watch the windows of the W. & D. Dineen Co. Limited, 140 Yonge street, for the magnificent display of furs at greatly reduced prices. The whole stock is being placed on sale this month at prices that represent the greatest values that have been known for many years. This is the time to buy furs—NOW. Prices may not be so low again for many years. It is economy to participate in this sale and to get the furs you need at these greatly reduced prices. Call in today and see the bargains. It will pay you. Tell your friends of this sale. Everybody has a chance to save money in furs by going to Dineen's, 140 Yonge street.

Capture Heights Overlooking Cernowitz in New Drive To Counter Recent German Operations in Balkans.

LONDON, Jan. 2.—(10.38 p.m.)—The Russians have captured the heights northeast of Cernowitz, Bukovina, according to a despatch to Reuter's Telegram Company from Petrograd. Eight hundred and seventy prisoners fell into the hands of the Russians.

Russia's campaign in Bessarabia continues to be the most important visible war activity. From the Pripet to the Roumanian frontier, over a front of at least 300 miles, a huge Russian force with a great appearance of confidence is hurling sledge-hammer blows at the opposing force, which, according to all accounts, totals at least a million and a half men.

Petrograd reports considerable successes in the early stages of the campaign, and despatches emphasize the excellent equipment, supplies and munitions which Russia laid up for this purpose during a period of comparative passivity.

Some London observers, speculating on the meaning of the Bessarabia move, hail it as one of the most ambitious strategic plans since the beginning of hostilities, and predict that it will prove a colossal attempt to break the backbone of the German allies' whole line across the Balkans.

Will Meet Allies in Balkans. Thus one critic says: "The plan is that Russia and the other allies, moving from different sides, shall meet in the Balkans and gain complete mastery of that peninsula. If they succeed, Turkey will be subdued and the vital of Austria-Hungary menaced."

So long as Russia keeps up her present activity just north of the Roumanian border, the attitude of Roumania will continue to grow in importance.

Russians Start to Win. The Russian official statement of Saturday reports the gaining of preliminary successes by the Russians on the front south of Pripet, and the bursting thru of the German and Austrian wire entanglements on the section between the Dniester front and Roumanian border, and the successful consolidation of the new positions there.

The Russians crossed over the Star River, and took the Village of Kigriasi by storm. This point lies between the Kovel-Sarny Railway and Zbarazsk. The enemy failed to drive the Russians across the river again by desperate counter-attacks, and his attacks on the Russians in the Mliastoff region, southeast of Kigriasi, also broke down. The Russians also made a successful advance north of Olksa. Station and consolidated the position which they seized. Two lines of the enemy's trenches were also occupied on the Strips front, and the enemy was driven back to the right bank of the Dniester in Usciocko region.

Sir Adam's Congratulations

The London, Ont., Jan. 2, 1916. Mayor Thomas Church, Toronto, Ontario: Well done, Tommy. Hearty congratulations. Adam Beck.

The Board of Trade Funeral

John—Are you going to the funeral, little man? Hockey—Yes, mister. John—Better have it a automobile one, an' git it over quick.



SON'S

ed All Day Day—These m. Monday.

Boot Prices

\$2.99. Selected gunmetal calf, velvet coll leathers; made on fine kid, chocolate kid, oak lace and Blucher styles; oak bark tanned leather, air is perfect in workman every foot; sizes 6 to 11.

both, dull kid and colored fine vic kid, chocolate kid, McKay, hand-turned and Regular \$3.50 to \$5.00.

heels; sizes 1 to 5, Mon-\$1.69.

and girls; dongola kid, with low heels; sizes 5 to 10 1/2.

BOOTS.

and high heels, 52c. medium and high heels, and high heels, 86c.

and heels; sizes 1 to 5, 57c; 5, \$1.19; sizes 11 to 13,

11 to 2, \$1.74; sizes 5 to 11, sizes 11 to 2, 99c; sizes 2, 43c; sizes 3 to 10 1/2, 36c.

Women at prices

ers manufacturers' clearing materials; sizes 32 to 42.

nations (in plain or plaid), silk or fur trimmed, nov- and 40. Mid-Winter Sale,

all this season's and the s. Mid-Winter Sale, Mon-

ck panels, and other smart corduroys, silk poplin and

MARKET

DE 6100

Strawberry Jam, Lilly Brand, 6c. Pot Barley, 6 lbs. 25c. Indies, per dozen 15c. in Bulk, per lb. 20c. Table Cleaners, 3 tins 20c. Alpha Soap, per bar 5c. and Surprise Soap, 6 bars 25c. and Taylor's Borax Soap, 6

Big Bar Soap, per bar 10c. large package 10c. Washing Powder, 3 packages 25c. Dish Cleanser, 3 tins 25c. No Rub, 6 packages 25c. Table Turnips, 2 for 5c. British Columbia Apples, per Grapes, per lb. 25c.

Pure Celona Tea of uniform fine flavor, black or mixed, large package 10c.

DAISIES AND FRUITS. Daisies, Roses, Daffodils, etc., in bunches. Bunch 35c up. Pinks, 20c, \$1.45 and \$1.85. Size Rubber Plants, Monday 50c

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