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"Entered as Second Class Matter, Apr. 12, 1916, at the Postoffice at Buffalo, N.Y., under the Act of Congress of Mar. 3, 1879."

VOL. XXXVII.—No. 13,203

GERMANY'S COLLAPSE THRU STARVATION BELIEVED IMMINENT

Strong Russian Lines Stop Teuton Advance in Central Rumania

LODGE ATTACKS GERMAN ENVOY FOR INTERVIEW

U. S. Senator Blames Von Bernstorff for Endorsing Peace Move.

RAPS WILSON'S NOTE

Speaker Contends Presidential Move Interferes in European Politics.

Washington, Jan. 3.—After another debate on Senator Hitchcock's resolution to have the senate endorse President Wilson's peace note, during which Senator Lodge attacked the German ambassador, Count Von Bernstorff, for having made a public statement approving, the senate today again deferred action and will take up the question again tomorrow.

Senator Lodge based his criticism of the German ambassador specifically on a signed Christmas message from the ambassador, published by a New York German language newspaper.

Senator Lodge's open mention of the German envoy's name, which the senator said he knew was contrary to unwritten rules of senate proceedings, was the sensation of a speech in which the senator declared that altho he accepted in full faith President Wilson's statement that the note was in no way suggested by nor associated with the peace proposals of the German allies, nevertheless he believed such statements as the German ambassador's had added to the opinion that the note was timed and designed to aid Germany in making the peace terms she desires.

Leads Opposition.

On the ground that the senate as the only legislative body in the world having a voice in international relations should move slowly and not take any action which might afterwards become

(Concluded on Page 13, Col. 5).

ENEMY'S ARTILLERY ACTIVE BELOW YPRES

British War Office Records Little of Importance in West.

London, Jan. 3.—The British official communication issued tonight says: "In the neighborhood of Souchez and on the southern half of the Ypres salient the enemy's artillery was very active during the morning. Elsewhere there was intermittent artillery activity by both sides."

TWO ZEPPELINS LOST BY FIRE AT TONDERN

Defective Wiring of Hangars Causes Conflagration, Copenhagen Asserts.

London, Jan. 3.—Two zeppeline have been destroyed at Tondern, Schleswig, by a fire due to defective electric wiring in a recently constructed double shed, says a Reuter despatch from Copenhagen, quoting The Ribe, Jutland, Stifts Tidende.

BRITISH MAKE ADVANCE ON TIGRIS RIGHT BANK

Torrential Rains Retard Progress in Region of Kut-El-Amara.

London, Jan. 3.—The war office reports: "Since Dec. 26 operations on the Tigris front have been impeded by heavy rain, which has fallen almost daily, and reduced the ground to a morass. In spite of these adverse conditions further progress has been made on the right bank of the Tigris, east and northeast of Kut-el-Amara."

Eleven Killed, Forty Hurt On Train Near Edinburgh

Edinburgh, Jan. 3.—Eleven persons were killed and 40 injured today when a train loaded with persons returning to Edinburgh after the new year holiday collided with a switch engine 10 miles outside the city.

AMERICAN DOCTORS TO HELP ENGLAND

Many to Practice in Hospitals to Release Others for Service.

HUNDREDS VOLUNTEER

Many Young Physicians in United States Desire to Fight.

London, Jan. 4.—According to The Daily Telegraph arrangements are being made to replace a number of young surgeons in the British hospitals by Americans in order to enable the Britishers to enter the army. There are hundreds of doctors of military age in home hospitals who wish to join the army, says The Telegraph, but hitherto they have been denied that honor owing to lack of substitutes.

With a view to meeting the difficulty, The Daily Telegraph continues, the army authorities some time ago inquired of the medical authorities in the U. S. whether they could send to England detachments of young American doctors.

Hundreds of young doctors in the U. S., according to The Telegraph, have volunteered to serve in the British army, but could not receive a commission because they were not British practitioners. There is no barrier, however, to their practicing in Great Britain, says the newspaper, and they are exactly the material required to fill the places of English doctors who desire to go to the front. The newspaper does not say how many Americans are likely to come but asserts that they "may not run into many hundreds."

It adds, however, that those who do come will be welcomed.

Germany to Issue New Note In Reply to Entente Powers

London, Jan. 3.—It is reported from Berlin that Germany will shortly issue an explanatory note to the neutral powers in connection with certain statements in the entente allies' reply to the German peace proposals, says a despatch to the Central News from Amsterdam.

Report of Torpedoing Warship Declared Absolutely False

Paris, Jan. 3.—The ministry of marine says that the report of the French battleship Verite has been torpedoed by a submarine near Malta, is absolutely false.

GERMAN OFFER DUE TO DREAD OF STARVATION

End of Enemy's Endurance Shown to Be Rapidly Approaching.

CANNOT SUSTAIN LIFE

Human Beings Unable to Survive Long on Scanty Rations Allowed.

Special Cable to The Toronto World.

London, Jan. 3.—A most careful study of the economic conditions in Germany reveals that beyond a doubt the peace offer was prompted chiefly by the reason that Germany is on the verge of starvation. This information is not based on the views of individuals—neutrals or others—whose impressions were gained in a visit to Germany and who were generally biased. In any case their views cannot be compared with actual evidence collected directly from German newspapers.

The information shows conclusively that the end of German endurance is approaching rapidly. Scarcely a day passes without its report of serious food riots by the underfed population. While the press is complaining bitterly of the starvation of the people, the authorities continue to reduce their allowances.

Below Living Standard.

Medical experts say the present ration is far below the standard on which human beings can live. Milk prices in Berlin generally have increased, with a coincident decrease in all butter fat allowances. How grave the question of the milk supply must be in countless German communities is illustrated by the conditions prevailing in Mayence, which in normal times requires a daily milk supply of 40,000 quarts. By order of the grand ducal government of Hesse the allowance has just been cut from 14,000 to 4000 quarts a day.

Conditions affecting the potato market appear even more serious than the milk difficulties. Newspapers state that enormous quantities of potatoes which were expected to be available for the winter are frozen.

Further evidence of the seriousness of the situation was contained in this warning, given to the Prussian Diet by Herr Braun, the Socialist:

"A protection against invasion, achieved at the cost of unspeakable sacrifices, will be of no avail to the people if it collapses thru underfeeding, nor does it profit from the difficulties which beset the enemy. The preceding speaker has drawn from these difficulties of the enemy a conclusion which, in my opinion, is a dangerous illusion, that only another effort is needed to plunge our enemies into irreparable disaster. This is just what our enemies have been predicting about us for two years. On the contrary we must not close our eyes to the fact that our food supply is becoming more difficult as the

(Concluded on Page 2, Col. 7.)

FOE PEACE TERMS IN WILSON'S HANDS

Count Andrassy Says Allies May Learn Them From Washington.

CONDITIONS GIVEN

Hungarian Leader Avers Teuton Proposal Not Merely Manoeuvre.

London, Jan. 3.—President Wilson now knows the peace conditions of the Teutonic allies and the entente powers can learn what they are from him, Count Julius Andrassy, formerly premier of Hungary, is quoted as asserting in a despatch from Budapest, forwarded to the Central News Agency by way of Amsterdam. The statement attributed to Count Andrassy was made in a New Year's speech. He said:

"As the entente alleges that our peace proposal was only a manoeuvre, and was not with any earnest desire to bring about peace, I am able to declare that President Wilson now knows our peace conditions and the entente can learn them from that source."

The version of the Budapest despatch received by the Reuter Telegram Co. via Amsterdam, quotes Count Andrassy as saying that the peace conditions of the central powers will be communicated to President Wilson, the quotation being as follows:

"If the entente reject our peace offer only because they maintain that our offer is not honestly meant, but is merely a manoeuvre, and that they cannot enter into negotiations before knowing our conditions, they can learn these from President Wilson, to whom they will be communicate."

BRITAIN'S REPRISAL ON NORWAY IS EFFECTIVE

Coal Famine is Apprehended and Cabinet's Course Criticized.

Christiania, via London, Jan. 3.—Only the British legation here and the Norwegian fishing steamers which supply fish to England are exempted from the British government's prohibition against the export of coal to Norway. Dissatisfaction with Norway's method of exporting ore and fish from this country and her failure to fulfil certain other provisions of the agreement with Great Britain are said to be responsible for the British government's action.

It is feared that the British action may bring about a coal famine, and the Norwegian cabinet is considering the next step in what is regarded as a serious situation. Several of the leading papers criticize the radical cabinet's methods and advocate that it be succeeded by a nonpartisan body of the most prominent men regardless of their political affiliations.

TO ANSWER WILSON IN POSITIVE TERMS

Draft of Document Still Undergoes Some Polishing Process.

TO GIVE PARTICULARS

Note to Indicate Only Preliminaries Permissible for Negotiations.

London, Jan. 3.—Reuter's Telegram Company tonight publishes the following concerning the reply of the entente allies to President Wilson's recent note suggesting that the belligerents state their terms of peace:

"The document is still undergoing slight modification of the draft, and will not be published until a day or two after it is in the hands of the president.

"The note will be more positive than the reply to Germany, and is expected to indicate in more precise fashion the only preliminaries upon which the allies are prepared to negotiate. In again going over the ground of the responsibility for the war it is likely that the allies will emphasize the only possible terms for peace, thus contrasting sharply the German note, which purposely was of a negative character."

RUSSIANS DESTROY THREE AEROPLANES

Four German Aviators Are Killed by Fall Near Kovel.

FOE OFFENSIVE FAILS

Slavs Beat Off Attack Along Volhynian Sector—Bombard Jezupol.

Petrograd, via London, Jan. 3.—(British Admiralty per wireless press.)—The Russian official communication issued today says:

"Western (Russian) front: Enemy aeroplanes have displayed considerable activity and dropped bombs at various points. One machine was brought down by our artillery near the village of Iva, near Vishnevka Lake. The aviators were made prisoner. In the region of Pershnia Vulka, southeast of Kovel, our aviators brought down two aeroplanes. Both were smashed and the four aviators killed by the fall.

"In the direction of Zalogev the enemy bombarded with a strong artillery fire the villages of Batkuv, Manaiuv and Garbuzov, after which his infantry took the offensive along the above front. Notwithstanding our artillery fire the enemy succeeded in breaking into a trench occupied by one or our companies, but as a result of our counter-attack he was immediately driven out and dispersed. Simultaneously the neighborhood of the village of Manilovka was bombarded with shells which sent out a yellow smoke, which took a long time to disappear.

"On the Dniester, in the region of Jezupol, our artillery fire drove away a working party which was preparing entrenchments, and also successfully bombarded Jezupol."

Narrowly Escapes Death Under Wheels of Car

When he stepped off a westbound King car and in front of an eastbound one at Dufferin and King streets last night, Antonio Ponuck, 91 Elizabeth street, was knocked down and pulled under the car, escaping with minor bruises.

Ponuck undoubtedly owes his life to the fact that the car which struck him was equipped with high trucks and that it was going comparatively slow at the time. The man was caught between the motor and the pavement. It required two jacks and 100 men to lift the car and extricate Ponuck from his predicament. He was hurried to the Western Hospital in the police ambulance. At the time of the accident Ponuck was on his way to report for work.

BRITISH GENERALS CENSURED IN REPORT ON ARMY SCANDAL

RUSSIANS END RETREAT IN CENTRAL RUMANIA

Check Teuton Advance Generally—Capture Three Villages—Foe Attacks in Dobrudja.

Special Cable to The Toronto World.

London, Jan. 3.—Latest news from the Rumanian front further tends to confirm the belief that the Teutonic advance has been brought to a halt, after the fierce resistance offered during late days had considerably worn down the ardor of the enemy. The Rusian official communication of today not only records a cessation of the Teutonic advance, but a counter-advance of a Russian rifle regiment, combined with the capture of three villages southwest of the Rimnik front. This attack drove back southward the detachments of the enemy which had been occupying the three villages. These villages are Gulianka, Kiovenu and Maksineni. In this action the Russians took six officers, two surgeons and 205 men prisoners, and they captured five cannon and eight machine guns.

Matchin in Dispute.

While the Germans in the Dobrudja claim that they have captured Matchin, the Russians do not admit this assertion, but they report:

"In the Dobrudja the enemy thruout the day made a number of attacks in the region of Matchin. He was repulsed, and he hastily retired."

An attack of the enemy against a position held by part of a Russian regiment was repulsed by the Russian

(Concluded on Page 3, Col. 4).

ANSWER OF ALLIES GIVES FOE SETBACK

Austro-Hungarian Press Show Peevishness at Rejection of Peace.

GROW BLOODTHIRSTY

Vienna Organs Demand More Fighting—Say Note is English Production.

Vienna, Jan. 3, via London.—The Austrian and Hungarian press almost without exception considers the reply of the entente allies to the peace proposals of the Teutonic allies as a definite refusal of their offer. The editorials assert that the offer of peace was in good faith, and that the entente has no right to label it as a war manoeuvre so long as the entente has not ascertained by suitable means that the offer lacked good faith.

The Vienna Tageblatt and The Neue Freie Presse, two of Austria's strongest peace papers, point out that the entente note merits no other recognition than that possible on the battlefield, which view is shared by The Pester Lloyd and The Azest of Budapest, the most influential Hungarian papers.

The Vienna Abendblatt and several other newspapers assert that the note is an English production, to which the other governments gave their consent, and that the blood spilled hereafter will be on the heads of the entente.

COLONEL BRUCE ADMITS ERROR

He Apologizes to Surgeon-Colonel Armour for Baseless Criticism.

LATTER IS INDIGNANT

Bruce Report Termed "Partisan" and "Disgraceful" by Him.

Canadian Associated Press Cable.

London, Jan. 3.—The Canadian Associated Press learns that Col. Bruce, since the issue of the Baptie report, has sent Surgeon-Colonel Donald Armour a letter of explanation, apparently intended as an apology, concerning his (Bruce's) criticisms of Dr. Armour's work. Col. Bruce had reported an operation was being wrongly performed by Dr. Armour, whereas the operation indicated had never been performed. The Baptie commission investigated the matter fully and found Col. Bruce's allegations entirely wrong.

Col. Bruce's letter to Dr. Armour states that he (Bruce) was misled by a subordinate officer who did not follow orders.

Col. Armour Indignant.

Col. Armour, speaking to the C.A.P. tonight, said: "As a Canadian practising in London in close touch with the medical services since the beginning of war, I am prepared to say the Baptie report is just what one with such experience as mine would have expected. General Jones' work has been past all praise, considering the circumstances, and for Dr. Bruce, without any military experience or knowledge of military organization or military surgery, to issue a partisan report is disgraceful."

CLASH OF DOCTORS UPSETS CONFIDENCE

London Star Comments Caustically on Bruce and Baptie Reports.

PERLEY GIVEN PRAISE

He Met Situation With Courage and Wisdom, Says The Standard.

Canadian Associated Press Cable.

London, Jan. 3.—The Star tonight says: "Those laymen who are apt to be influenced by the modern dogma of infallibility of doctors will be interested in the Canadian medical controversy. Dr. Bruce drew up a report which demanded reorganization of the Canadian service from top to bottom. Every section of this report was a severe criticism of existing arrangements. Now comes a second board, presided over by Surgeon-General Baptie and consisting of a Canadian general and three Canadian army surgeons. Their report wholly condemns the report of Bruce's board, denies the allegations, and commends the hospitals that the Bruce report commended. The British and Canadian public may choose between the reports. Either Bruce's report is scandal-mongering or Baptie report is whitewashing. It is pleasant to reflect that any single member of these rival boards may in his medical capacity give a certificate which may hang a man or blast a woman's reputation. When we are asked to accept the verdict of the medical profession on say, vivisection, vaccination or bone-setting as final and decisive we may well recall the Bruce and Baptie reports."

Perley Given Praise.

The Evening Standard says: "These allegations against the medical service formed one of the most unpleasant matters with which Sir George Perley, the overseas minister of militia, had to concern himself after assuming office, but he met the situation with courage and wisely sought for an enquiry by a board composed of leading medical men of both the imperial and Canadian forces. In all but a few particulars they have reported entirely favorable to Carleton Jones, who built up the service and was in supreme command of it until quite recently, when the late minister of militia sent over an eminent Toronto medico, who was given the rank of inspector-general and reported in favor of "top to bottom change."

THREE MORE SHIPS SUNK.

London, Jan. 3.—Lloyds announce that the Norwegian steamer Britannic, 2259 tons, has been torpedoed. Her crew was landed. The shipping agency also announces that the British steamer Bay Craig, 2404 tons, and the Norwegian steamer Ellik, 587 tons, have been sunk. The crew of the Ellik was saved.

DINEEN'S REDUCED FURS.

The entire Dineen stock of furs is included in the annual clearing sale, and prices reduced to end of season figures, when the clearing out of furs is a necessity to avoid having to carry stock over until the following summer. Superb Hudson seal coats, plain design, with full collars and cuffs, regularly worth $200 and $225, are reduced to $145. Other reductions are proportionate.

W. & D. Dineen, 140 Yonge street.

Mrs. Cornwallis West, Prominent in Society, Used Influence to Advance and Reduce Favorites—Gen. Cowans and Others Severely Condemned—Viscount French's Name Mentioned.

London, Jan. 3.—An army scandal, involving the exercise of influence over high officers by a prominent society woman, is described in the report of a court of inquiry issued tonight, and Mrs. Cornwallis-West, wife of Col. William Cornwallis-West and mother of the Princess of Pless and of the Duchess of Westminster, is officially severely censured.

The late Sir Arthur Basil Markham, Liberal member of parliament for the Mansfield division of Nottinghamshire, who died last August, demanded an inquiry in the house of commons into this matter, and was seconded by Irish members, who declared that a young Irish officer's honor was involved. It has since developed that the officer was Lieut. Patrick Barrett, of the Welsh Fusiliers.

Barrett Unresponsive.

According to a statement in the house of commons before recess, he was completely exonerated; his commanding officer, Lt.-Col. Delme-Radcliffe, was removed from his command, and Gen. Sir John Cowans was censured, but was returned because of his good work. Gen. Owen Thomas, who was also concerned, was vindicated.

Barrett was a sergeant in the Welsh Fusiliers. Col. Delme-Radcliffe and other officers recommended him for a commission late in 1915, and his claims were supported by Col. and Mrs. Cornwallis-West and several prominent civilians.

"Probably before this time, and certainly later," says the report, "Mrs. Cornwallis-West began to take more than an ordinary interest in Mr. Barrett, to which he consistently failed to respond. Eventually, he wrote her in February last a letter of remonstance, which she placed in the hands of his commanding officer."

Generals Censured.

Barrett was severely censured by his commander without the opportunity of stating his case. Soon after that he was transferred to another battalion on the demands of Mrs. Cornwallis-West. Gen. Cowans, who aided the Cornwallis-Wests in securing Barrett's transfer, is censured for interfering with discipline. Gen. W. M. Mackinnon, who was also concerned in the correspondence, is criticized for interfering with the affairs of the western command, after he relinquished his command, but is not disciplined, because he has since retired.

The court of inquiry, which consisted of Field Marshal Sir Wm. Nicholson, formerly chief of general staff, Major-General Lord Cheylesmore, Justice Sir James Richard Atkin, and the Right Hon. Donald Maclean, M.P. for Peebles and Selkirk, reports regarding Mrs. Cornwallis-West:

Boasted of Her Power.

"We have no doubt that her injudicious boasting of the power she wielded at the war office—which was confirmed to an appreciable extent by the wording of some of Sir John Cowans' letters—was calculated to bring him and the administration at the war

(Concluded on Page 5, Col. 2).

MONTREAL PAPERS TO CONTINUE PUBLICATION

Mail and News Secure Financial Backing, It is Announced.

Montreal, Jan. 3.—The Daily Mail will appear tomorrow morning with the following announcement:

"Negotiations are in progress for continuing The Daily Mail and The Evening News under the former control and management. This issue of The Daily Mail has been produced under difficulties which the public will appreciate and our readers will, we trust, make due allowance. The success of the negotiations which have been in progress for the past 24 hours will enable The Daily Mail and The Evening News to print larger and better newspapers than heretofore, and place the property on a strong financial basis."

STEADY PROGRESS ON TRENT VALLEY CANAL

Eastern Section to Be Open for Navigation Early in Summer.

By a Staff Reporter.

Ottawa, Jan. 3.—The eastern section of the Trent Valley Canal, between Lake Simcoe and Lake Ontario, at Trenton, will be finished this winter, and it is expected will be opened for navigation early next summer. All that remains to be done is the building of a Grand Trunk Railway bridge at Campbellton and a few lock gates at various points.

The western section between Lake Simcoe and the Georgian Bay, is in progress of construction, but no serious effort will be made to finish it until after the war; in fact, one contract on this section has yet to be let.

WAR SUMMARY

THE DAY'S EVENTS REVIEWED

THE news from the Rumanian front steadily becomes better for the allies, for the latest intelligence shows that except in perhaps a few places where some of the Teutonic forces lagged behind the others, the advance of the enemy has come to a standstill. It became more evident after the retirement of the Russo-Rumanian forces from Buzeu that the allies were making fierce resistance. They were able to do this because their supply of shells began to be replenished, and no further reason for their retreat existed beyond the choosing of suitable lines on which to make their stand. The object of increasing the pressure of the allied resistance during the past ten days or more was of the same nature as the applying of brakes to a swiftly moving train. It was to weaken the momentum of the Teutonic advance so that the force of the drive would not be too great to burst thru the stronger barriers erected ahead.

* * * * *

Not only did the Russians and Rumanians, in yesterday's report, retain their ground against sporadic attacks of the enemy, but a Russian rifle regiment, stationed southwest of the River Rimnik, attacked the enemy, drove him southwest towards the Danube, and captured the three Villages of Gulianka, Kioveni and Maksineni, taking 213 prisoners, five cannon and eight machine guns. A Teuton attack, launched with poisonous gases, against Russian positions southwest of Fokshani, was speedily checked by Russian rifle fire. In the Dobrudja it looked as if the Russo-Rumanians were about to withdraw their forces to the northern bank of the Danube and to hold some fortified bridgeheads, unless the intention is the immediate assumption of a big counter-offensive to clear the enemy from the Balkans. About the fate of Matchin some doubt exists. The Russians say

(Continued on page 2, cols. 1 and 2).