

GERMANS LOST HEAVILY IN TWO FUTLE ATTACKS

While Their Only Gain Was a Footing In One
Advanced Position.

Paid Terrible Price For Ground They Held
But a Few Kours.

London cable: A vigorous counter-attack last night resulted in the re-establishment of the allied line in the Voormezele-La Clytte sector, where the Germans in a local attack yesterday succeeded in making some advance. This operation developed hard fighting throughout most of the day and into the night.

Two attacks were attempted against the British lines in the Somme sector. The first, at Bouzincourt, was dispersed. Near Albert the enemy, after suffering heavy casualties, succeeded in penetrating the defence positions on a front of about 150 yards. The Canadian forces from New Brunswick and Nova Scotia have engaged in a successful local attack south of Arras.

ENEMY WAS MOWN DOWN.
With the British Army in France, cable: The Germans had intended to make a much more pretentious assault in Flanders yesterday than they were actually able to carry out, it had been learned. Their failure was due to the excellent work of the allied gunners and to a small coincident operation by the French east of Scherpenberg, which came at the right moment to help upset the enemy plans in this sector.

The German attack as actually executed, lay, roughly, between La Clytte and Voormezele, and it was made principally by the 52nd German Reserve Division—fresh troops which had not been used before since the May offensive began—assisted by the 56th Regulars.

Fresh details which have come to hand, and statements by prisoners, would indicate that the enemy had intended to attack with five divisions on a much wider front, mainly between Loree and the Ypres-Comines Canal, and it is quite possible that this drive was meant to be the forerunner of a grand smash to push up west of Ypres and thereby threaten the British hold on the ruined city.

TERRIFIC BOMBARDMENT.
The Germans preceded their advance by a terrific all-night bombardment against both British and French over a wide front. At 9.30 o'clock the infantry was started by the 52nd Reserve, which was sent against the British in Ridge Wood and the neighboring territory southwest of Voormezele, and by the 56th Division, which attacked the British on the right and the French on the left.

Before the battle started in earnest, however, several things had happened which were to have a vital bearing on the day's programme. Along the Ypres-Comines Canal an unusual movement among the enemy had brought down a tremendous barrage from the British guns against a German division on the right of the 52nd Reserve. Nothing further happened along this sector, but it appeared later that the enemy had been as-

sembling here to participate in the attack and had been so badly smashed that the idea of their taking part had been abandoned.

UPSET GERMAN PLANS.
In the meantime along the French front between Loree and La Clytte the French had their eyes open and began a heavy bombardment. Also, the French had undertaken a small operation in the early morning for the capture of a position east of Scherpenberg Hill. The combination of the French attack and the great bombardment undoubtedly completely upset the German plans for additional German divisions, which were assembling to assist their comrades on their right, could not be brought in. As a consequence the assault was confined to a two-division affair, which was directed mainly against the British about Ridge Wood.

THE BRITISH OFFICIAL.

London cable: "At the close of the fighting this morning in the La Clytte-Voormezele sector," says Field Marshal Haig's report from British headquarters in France "to-night, the French and British positions on this front were completely re-established."

"The enemy launched two local attacks early this morning in the neighborhood of Albert and Bouzincourt. In the latter locality the enemy's attack was broken up by rifle and machine gun fire, and failed to reach our trenches."

"At Albert, after suffering heavy casualties from our fire, his troops succeeded in effecting a lodgment in our advanced position on a front of 150 yards. On the remainder of the British front there is nothing to report beyond artillery activity on both sides in the different sectors."

THE FRENCH OFFICIAL.

Paris cable says: The War Office announcement Thursday night reads: "There was marked activity by both armies on the Haillies-Montcider front."

THE GERMAN REPORT.
Berlin cable says: The official statement issued by the War Office today reads: "During the repulse of English advances on the southern bank of the Lys, near Fuquoy, and south of Albert we took a number of prisoners. During yesterday's unsuccessful night attack by Australian troops on the Corbi-Bray road 45 prisoners, including four officers, remained in our hands."

"North of the Luce and on the western bank of the Avre the artillery battle continues to be lively. On the rest of the front there were successful reconnoitering advances at several points."

"The enemy has lost 27 airplanes in the last few days in aerial fighting and by fire from our anti-aircraft guns."

applied to another. Difficulties must exist, but each ally was doing its best. There always, Lord Derby said, was an undercurrent of little-tattle of irresponsible people, innuendoes which might become a danger or might create a torrent of mistrust. Such innuendoes, the Ambassador added, came from Germans, trying to set the allies against each other, and whoever repeated them was aiding the Germans.

Way With Depression and Melancholy.—These two evils are the accompaniment of a disordered stomach and torpid liver and mean wretchedness to all whom they visit. The surest and speediest way to combat them is with Parmelee's Vegetable Pills, which will restore the healthful action of the stomach and bring relief. They have proved their usefulness in thousands of cases and will continue to give relief to the suffering who are wise enough to use them.

Foe Spreads Innuendo to Divide Allies.

Paris cable says: Lord Derby, the new British Ambassador to France in succession to Lord Bertie, made his first public speech since his arrival at Paris at the monthly luncheon given to-day by the Anglo-American Press Association. Stephen Pichon, Minister for Foreign Affairs; Sir Sharp, the American Ambassador, and the foreign editors of leading Paris newspapers were present.

Replying to Chairman Elmer Roberts, Paris correspondent of the Associated Press, who referred to the Earl of Derby's ancestry, the British Ambassador said no credit was due him for following the lines of tradition, but he said there was a man, President Wilson, who made ancestry for himself and set an example for the new world.

Old alliances, Lord Derby said, were always difficult to control, but the present alliance was not difficult because it had only one aim. The Ambassador continued:

"We have attained a unique command which was not as easy to attain as might be thought, as it is difficult for one nation to put its army under the control of another, but there is not one man in the country who does not think the right thing was done when Field Marshal Haig placed his troops under General Foch in absolute loyalty born of absolute confidence in the commander-in-chief."

"Under Foch," Lord Derby continued, "is the surest road to victory." The worst thing to do to the press, the Ambassador said, was to lecture it. It had always lectured him, and he had received the lectures with humility. He said he hoped the newspapers would realize that methods of one country could not be

only a slight offence to bring upon him the worst kind of punishment.

In the middle prison camp was a big platform, in the centre of which was a wooden post. The prisoner was put on the platform, his hands were tied to the post, and by leather bands his head was held up toward the sun. For ten hours he remained in this position, his face blistering under the heat of the sun. Then his eyes almost burned out of his head, he was taken down. Another form of punishment consisted in placing a man, with chest bared, in the open to face the sun, or when there was no sun in a small room, in which was a red hot stove. When the perspiration was streaming down his body the Germans who had gathered were invited to throw bucketsful of icy water on his overheated body. The length of the punishment varied from six to twelve hours, according to his offence. These prisoners came back to France by way of Switzerland, where they received a hearty welcome, and where every care and attention was given them by French doctors and nurses. It was in Geneva for the first time in three years they heard the strains of the Marseillaise, and many of them wept bitterly as they listened.

U. S. CROP OUTLOOK.

Winter Wheat Crop One of
Largest Ever.

Washington Report—A winter wheat crop of 52,239,000 bushels was the forecast today by the Department of Agriculture, basing its estimate on conditions existing May 1, and on a canvass of the acreage remaining to be harvested. With continued favorable conditions the crop will be one of the three largest ever known.

The area of winter wheat remaining to be harvested on May 1 was 36,322,000 acres, or 13.7 per cent, less than the average of 41,400,000 acres.

The condition of the crop was 86.4 per cent, of normal, indicating an acre yield of approximately 15.7 bushels. Production of rye forecast from May 1 conditions will be 5,269,000 bushels, based on a condition of 85.5 per cent, of a normal.

Production of hay will be 107,550,000 tons, based on a condition of 89.6 per cent, of a normal, and an expected average of 20,310,000 acres, of which 5,500,000 is tame and 15,820,000 wild.

Winter wheat condition on April 1 last was 73.6 per cent, of normal 73.2 on May 1 last year, and average 85.7 for the previous ten years.

Rye conditions on April 1 forecast a crop of 5,600,000 bushels, compared with 4,870,000 in 1917.

Hay production was 94,930,000 tons in 1917, and 110,922,000 in 1916.

A Household Medicine.—They that are acquainted with the sterling properties of Dr. Thomas' Electric Oil in the treatment of many ailments would not be without it in the house. It is truly a household medicine and as it is effective in dealing with many ordinary complaints it is cheaper than a doctor. So, keep it at hand, as the call for it may come most unexpectedly.

TORPEDOED 40 ENEMY WARSHIPS

British Subs. Have Not Been
at All Idle.

Teutons Fear to Allow Ships
Out of Port.

Washington Report—More than 40 German warships have been torpedoed successfully by British submarines. This was disclosed by an official British statement received here and made public today by the British War Office. The statement was received by the War Office from the Admiralty. The review was the most extensive ever received in this country on work of the British submarine force. The review was the most extensive ever received in this country on work of the British submarine force.

Various exploits of individual craft are recounted. In many instances the submarine commanders have threaded their way through dangerous minefields, in seek and they quarry, and so successful have they been in penetrating the defenses of the enemy that the enemy "rarely allows his above-water craft beyond the confines of his harbors."

Most of the battles narrated in the review were with German destroyers which had sailed forth presuming on raiding expeditions, but in one instance a submarine commander told of sighting four Dreadnoughts of the "Kaiser" class off the Danish coast, and of discharging torpedoes at two of them. The submarine submerged as the torpedoes were fired, but from the sounds of explosions which the commander heard he concluded that two of the battleships were hit. The submarine was prevented by German destroyers from rising to the surface to observe the effects of its attack.

Another narrative tells of a British submarine meeting a German U-boat and how the patrol, judged for position to launch a torpedo until the German finally decided safety lay in flight. The review also deals with the hazard of operations in the North Sea in the present year, and suffering of the crews from extreme cold. Frequently submarines and wireless sets were covered with ice so that they could not be used.

OVER 500,000 TROOPS ACROSS

U. S. War Secretary's Fore-
cast Surpassed.

Official Statement Conveys
the News.

Washington despatch: More than 500,000 American soldiers have been sent to France, Secretary Baker today authorized the statement that his forecast in Congress in January that 500,000 troops would be despatched to France early in the present year now had been surpassed.

Mr. Baker dictated the following statement:

"In January I told the Senate Committee that there was some likelihood that early in the present year 500,000 American troops would be despatched to France. I cannot either now, or perhaps later, discuss the number of American troops in France, but I am glad to be able to say that the forecast I made in January has been surpassed."

Baron Shaughnessy on the C.P.R.

A Fascinating, Historical and Political Record

Lord Shaughnessy's report to shareholders at the annual meeting of the Canadian Pacific Railway Company, embodied a review of the salient features of the company's financial policy and progress leading up to its present stable position. It is shown that under the terms of the contract dated October 21st, 1880, between the Government and the C.P.R., the Government undertook to give, by way of subsidy, to assist in the completion of certain western sections of the system then in process of construction under government auspices, \$25,000,000 in cash and 25,000,000 acres of land suitable for settlement. Subsequently the cash subsidy was increased by \$10,000,000 and as an offset the land subsidy was decreased by 6,700,000 acres.

In view of the present high credit of the railway it is interesting to note that the company's desire in the early days to finance with capital stock instead of bonds, was demonstrated to be an impossibility, and as a consequence Parliament authorized the issue of \$35,000,000, 5 p.c. bonds and \$65,000,000 common stock.

Unfriendly influences at home and abroad so prejudiced the international money markets that the original \$65,000,000 stock only yielded an average of less than 46 p.c. of its face value. The unwillingness of investors to pay a higher figure for the stock in those days need not be considered extraordinary, however, when it is known that as late as 1895, when the railway had been in operation for over nine years, the stock was offered in the market as low as 33 p.c. with but few takers. In 1885 Baring Bros. of London were induced to find purchasers for the \$35,000,000 first mortgage bonds, and by this means the company was enabled to repay the loans from the Government, and to meet its floating debt.

The review goes on to describe the linking up of eastern Canada with the company's system which served for thousands of miles of territory that was practically uninhabited. The eastern connection was imperative if the unremunerative territory was to be successfully developed.

The history of capital expenditure is an interesting chapter, not only in the history of the C.P.R. but also in that of the Dominion itself. After 1899, so rapid was the traffic development, it was necessary to provide substantial additions to traffic facilities of every description. From 1902 to 1914 inclusive, the records show expenditures for second tracks, reduction of gradients, terminals, work-shops, etc., of \$206,300,000; and for cars, locomotives, and other equipment \$130,000,000. To meet this expenditure of \$336,300,000 the directors appealed successfully to the ordinary shareholders of the company. In the thirteen years mentioned, the shareholders were offered and accepted \$195,000,000 par value of common stock for which they paid the company no less a sum than \$262,100,000. Out of this \$337,500,000 of bonds were paid off and retired, and \$26,200,000 was used to pay the cost of railway lines acquired or constructed, and of additional steamships, on which no bonds or debentures were sold. The remaining sum of \$202,150,000 was supplemented by the sale of preferred stock and equipment notes bringing \$56,500,000 and making a total of \$258,650,000 applied against expenditures of \$336,300,000. The difference of \$77,650,000 was provided from the surplus revenue of the company being a further contribution by the shareholders of that amount from surplus or "undivided profits."

This remarkable financing, made possible only by the faith and cour-

age of shareholders, put the company in a position efficiently and economically to deal with a large and ever-increasing volume of traffic, at the same time enabling the directors substantially to reduce the bonded debt. Notwithstanding the low price at which the original \$65,000,000 common stock was sold (\$46.00 a share) the entire \$260,000,000 of this common stock now outstanding has yielded to the Company's Treasury in cash an average of \$112 for each \$100 of stock, and if the sums provided for capital out of surplus earnings are considered (a quite proper calculation, as those earnings were at all times applicable for dividends) the shareholders paid an average of \$143 for each \$100 of stock that they held.

The explanation of the company's extraordinary success in face of the above record, is to be found in the company's policy of keeping down the annual fixed charges, while extending its rails into new productive territory as opportunity offered; also in the economies attending the long haul of traffic over one huge system, eliminating heavy tolls for switching and other kindred services between connecting companies.

A brief reference to the Ocean and Coastal Steamship branches is to the effect that this property is secured by a comparatively small demand on capital account, and has a present market value in excess of \$65,000,000. Other properties and assets of the company were purchased or developed by the surplus income held in trust for the shareholders.

Something About the Land Grant.

The company's Land Grant, "which is a source of serious anxiety to financial doctrinaires who have only half studied the subject," is treated at considerable length in the review. As late as 1888, when the railway had been in operation for some time, the Dominion Government consented, as a consideration for some concessions under the Charter to guarantee the interest on \$15,000,000 Land Grant Bonds, but would in no circumstances guarantee the payment of the principal which would have given the security increased market value, although the bonds had fifty years to run and only represented a value equal to 75c. per acre. This did not reflect much confidence on the part of the Government towards Land Grant values, and there is no doubt that at that time the Government could have recovered the whole Land Grant subsidy at the price per acre just mentioned, i.e., 75c. For many years this Land Grant was a drag on the Company's development. Interest had to be met on the Land Grant Bonds, which proceeds had been devoted to the purpose of the railway, and although considerable sums were spent on immigration propaganda, land sales were disappointing and unsatisfactory, the prices yielding the company only from \$1.50 to \$2.50 per acre, after selling expenses had been paid. It was not until 1898 that agricultural lands in Western Canada attracted buyers in any numbers, and even in that year when 348,000 acres were sold, and in the three subsequent years, the net return was only \$2.80 per acre.

Shortly after the C.P.R. contract was made, the Federal Parliament commenced to vote grants of land in large areas by way of subsidy for the construction of railway lines in western Canada, and many companies incorporated for that purpose. Most of these companies never materialized, though much good land was bespoken by them, thus necessitating the C.P.R. going further afield to satisfy the last 2,000,000 acres of its Grant. The company was compelled to accept lands along the line west of Medicine Hat, in the "semi-arid" district, where there was little or no water, which made the lands practically valueless. To recover this tract it was decided to adopt a plan of irrigation, and an expenditure of \$15,000,000 was made in the construction of works and ditches comprising an area of 2,240,000 acres. Of this area, not previously worth five cents an acre for practical purposes, portions now served by the ditches command high prices.

The company has expended approximately \$17,000,000 in the encouragement of immigration, and to forward the sale of such lands as it had received. Branch lines of railway were also constructed to open up the territory for prospective settlement.

Of the original Land Grant 14,000,000 acres have been sold, data, yielding approximately \$94,000,000, or an average of \$6.72 per acre, from which, however, must be deducted the expenditures during thirty years for immigration propaganda, agencies, commissions, etc., together with irrigation costs, making the net return less than \$5.00 per acre. On the 14,000,000 acres thus far sold, taxes to the amount of \$20,000,000 have been paid into the Public Treasury.

The "Ten Per Cent Clause."
In regard to the much discussed "Ten per cent clause," the review states that the suggestion made in some quarters that the spirit and intent of this clause was to limit the company's dividends to ten per cent is entirely out of harmony with the clear, unquestionable language of the instrument. The Clause had no more relation, direct or indirect, to the C.P.R. dividends than it had to the dividends of any other railway company, or of any commercial or industrial corporation. Seventeen per cent instead of ten per cent per annum might properly have been distributed from the average earnings of the railway had the directors not been convinced that a prudent and conservative policy was in the best interest of the property.

The total capital of the C.P.R. is \$622,000,000 which contrasts with the actual cost of the company of \$687,000,000 exclusive of the Government railway constructed by the Government and handed over to the Company. It is also exclusive of \$131,000,000 provided from surplus earnings, land sales, etc., expended on the property and written off without being capitalized, so that based upon cost, the transportation system represents an outlay of \$18,000,000 or about \$61,000 per mile.

The conservative financial policy of the directors cannot be better illustrated than by the fact that the net earnings per mile required to meet annual interest charges on the G. T. R., C. N. R., G. T. P., and the N. T. R. would suffice to cover the annual interest charges, dividends on the preference stock, and seven per cent dividend on the common stock of the C.P.R.

Extraneous investments, including steamship lines, railway companies outside Canada, Government securities and loans, money set aside for investment, unsold lands, accounts payable on lands already sold, coal mining and other properties, are appraised at \$253,000,000 which is substantially below the market value. Many of these properties and resources had little or no value when they came into possession of the company, but were developed and safe-guarded until they became profitable.

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TO GERMANIZE BALTIC STATES

Deliberate Policy of Berlin
So Announced

By the Imperial Vice-Chancellor.

Amsterdam cable: Friedrich von Payer, the German Imperial Vice-Chancellor, in announcing to the Main Committee of the Reichstag the establishment of a special department to regulate Germany's Eastern policy, said:

"We hope particularly for advantages relating to the safeguarding of our food supplies and then for what can be comprised under the general term of colonization. The relationship of border states to us shall and must furnish us with the military security of our frontiers against Russia, which security we cannot renounce."

"Besides this, however, there is also national sympathy with the Germans in these territories. That applies particularly to the Baltic Provinces. The treatment of States must differ, according to their size, their economical and political conditions, their geographical situation, and further direct connection which is possible."

Herr von Payer defended Germany's intervention in Finland, saying: "We rejoice that by our intervention we insured to Finland her independence and freedom. But really our fundamental idea was to create in north Finland a final condition of peace, both military and political."

Charging the Russians with supplying the Red Guards with arms and ammunition, Herr von Payer said the entire staff of the 43rd Russian Army Corps, consisting of twenty officers, recently was captured in Finland. This, he said, proved that Russia had attempted to rob Finland of her freedom. "Our intervention was solicited by the legitimate Finnish Government," he added.

RESTRICTED TRAVEL.

Britons Must Show Ade-
quate Reasons for Trips.

London Cable.—Sir Albert Stanley, President of the Board of Trade, announced in the House of Commons today the decision of the Government to place great restrictions on travel in London and vicinity, which later will be extended throughout the country. Passenger train service, he said, would be reduced by 40 per cent, and it will be necessary for everyone to show that his proposed trip has an adequate reason. The issue of season tickets will be greatly restricted. This will affect a large number of aliens, who have moved to places outside of London, owing to the air raids, and travel back and forth each day.

Asthma Doesn't Wear Off Alone.
Do not make the mistake of waiting for asthma to wear away by itself. While you are waiting the disease is surely gathering a stronger foothold and you live in danger of stronger and yet stronger attacks. Dr. J. D. Kellogg's Asthma Remedy taken early will prevent incipient conditions from becoming chronic and saves hours of awful suffering.

ANY WONDER WE'RE SKEPTICAL

Amsterdam cable: The Rheinische Westfälische Zeitung, of Essen, a copy of which has been received here, prints the following concerning the signing of the peace treaty with the Ukraine:

"We have concluded a bread peace. Bread is on the way—to Austria. With Roumania we have concluded a peace which, besides bread, is bringing us petroleum. It is a long way from Roumania to Berlin. Between them lies Austria, to whose famishing borders population in Germany, Bohemia and Tyrol we have had to supply food to save them from death by starvation. The German people know all that. Is it any wonder they have become skeptical?"

NEWEST RUSE BY HUNS IN ITALY

Work On Superstitions of
the Ignorant

By Old Device of "Turning
Tables."

Paris cable: Germans are never at a loss to find some new way of conducting their propaganda in the allied and neutral countries. Some of this propaganda might have had serious results, particularly in France and Italy, had not the authorities of those two countries laid hands on the enemy agents. Some who have been caught were tried and shot, among them Bolo Pasha and Cavallini, who had sought to inspire the allied newspapers. The collaborators on one of these organs in France are now facing their military judges at the Bonnet Rouge trial.

But the newspaper propaganda having failed, the Germans had to turn their attention to other methods of demoralizing the allied peoples. So Italy is now suffering from a "turn table" propaganda. In olden times people believed in turning the tables. All you had to do was to sit at a round table and ask questions. If the table turned or leaned to one side your questions would be answered in the near future.

In Italy turning tables are made to answer questions by German agents, who always paint the allies black. The tables always predict that the Germans will be victorious in arms. To make the ignorant believe, the enemy agents are tipped off to the procedure of the Germans in Italy, and they make the tables predict or report some happening. In this way Naples knew several days beforehand that the town would be bombarded by Zeppelins. It is said it was Ludendorff who first thought of "turn tables."

UNDER FOCH IS WAY TO VICTORY

Says Lord Derby in First
Paris Utterance.

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FIENDISH WORK IN HUN PRISONS

Tortures Worse Than Any
by the Apaches.

Told of by Repatriated
Frenchmen.

Marseilles cable: France and Germany at a recent conference held in Switzerland signed an agreement for the repatriation of its prisoners who have been in captivity since 1914. Some of these captives, mostly old territorialists, have just arrived here, where they feel they are in a new world. The first batch to be exchanged comprise artillerymen captured in the fall of Fortress Maubeuge in August, 1914.

The abominable cruelties inflicted on the French prisoners-of-war have been told many times, yet one of these old poilus gave a description of a new form of torture inflicted on him and his fellow-prisoners. At the commencement of his captivity it needed