

HEAVY TOLL OF MERCHANT SHIPS TAKEN BY GERMAN 'WATER BUGS'

ITALY'S DEMAND TO BE "ADDITIONAL TERRITORY"

Semi-Official Statement in Leading Italian Paper Sets Forth that Country's Position in Regard to Participation in the Great War—Frontier Problem Must be Settled and New Dominions Gained "Beyond the Sea."

Rome, via Paris, Mar. 14.—Territorial expansion for Italy with new dominions "beyond the seas, especially on the Mediterranean," must be obtained declared the Giornale D'Italia in a long article, regarded as of a semi-official nature, in which the present crisis is discussed. Italy's seven months neutrality, the paper says, was not lost for not only have her interests been defended but the nation has acquired greater political and military force.

"Since the beginning of the war," the Giornale D'Italia says: "Italy has declared her neutrality only until her own interests are in question thus intending to exclude any renunciation of her rights and protection. Neutrality has been maintained despite foreign flatteries and the pressure of internal agitation. The forces of the belligerents gradually are wearing out, while our energies are augmented."

All have slowly recognized Italy's right to have the amplest liberty of action against any one. Thus foreign countries have abandoned the strange idea that they would be able to enlist Italy in the name of sentimentalism, like the romantic knight errant, or in

the aid of great powers aspiring to the domination of the world.

"There is now beginning the second phase of the war which probably will be decisive. Italy has a frontier problem which for fifty years has oppressed her like a yoke, as the result of the unfortunate war of 1866, which forced Italy when she took the Venetian provinces to accept a confine which has been a threat. Now that the configuration of Europe, perhaps of a great part of the world, is about to be decided, we must and will obtain, by every means, a frontier which politically and from a military viewpoint, is in no sense a menace.

"Her anti-Italian policy in the Italian provinces within her borders was Austria's fatal mistake. It cannot and must not continue. These Italians must be saved from destruction.

"A nation of 37,000,000 inhabitants, bordered almost entirely by the sea, a great exporter of men, and with agricultural, industrial and commercial interests which are constantly developing, needs expansion beyond the seas, especially on the Mediterranean."

The newspaper says this statement summarises the great problem which Italy must solve "by sacrificing blood and money, if necessary." It declares the nation must be constantly prepared for any eventuality.

CANADIANS UP TO STANDARD OF THE BEST BRITISH TROOPS

(Sir John French Praises Work of Our Boys on the Firing Lines—One of the Finest Bodies of Men He Has Ever Seen.

London, Mar. 14.—(Gazette Cable).—Sir John French has sent a message to Gen. Alderson, commander of the First Canadian Contingent, praising the work of the Canadians on the firing line. Sir John French says the Canadian force is one of the finest bodies of men he has ever seen and that they are fully up to the standard of the British troops.

Today's casualty list, one which has probably been published in Canada, shows that the Princess Patricia's have been heavily engaged but there is no information about the action in which

the regiment suffered so heavily. The first death in the Second Canadian Contingent since its departure from Canada occurred on Saturday, when Gunner L. M. Johnson died of pneumonia in the military hospital at Shorncliffe. Gunner Johnson was formerly a Canadian Pacific Railway conductor in Montreal. He leaves a widow with a family. The general in command of the district inspected the Second Canadian Contingent at Shorncliffe on Saturday and expressed satisfaction with the good appearance and excellent condition of the men.

Enemy Lost 10,000 Men In Three Days Fighting

London, Mar. 14 (9.35 p.m.)—The War Office tonight made the following announcement:

A heavy counter-attack, delivered by the enemy Saturday afternoon, and several minor counter-attacks earlier in the day, all were repulsed.

"Judging by observations on various positions of the field of battle, and by statements of prisoners, of whom there are now 1,720, the enemy's losses must have been very heavy, and cannot have fallen far short of 10,000 men within three days.

"A train at the Don station was blown up by our aircraft Sunday morning."

While the War Office makes no mention of the region where the above operations took place, it is probable that they occurred in the vicinity of Neuve Chapelle, where severe fighting has been in progress for several days.

The town of Don where the railroad station is reported to have been blown up, lies about ten miles southwest of Lille.

VENIZELOS MAKES APPEAL TO GREECE

Athens, March 14, via London.—Former Premier Venizelos publishes a statement in the Ethnos in which he appeals to the new government to abandon neutrality. The article urges that the present moment offers Greece a chance to quadruple itself. It adds that if the new Ministry will embrace the opportunity, M. Venizelos guarantees it the support of the majority in parliament.

TO CONTROL BREAD INDUSTRY,

London, March 15, 5.26 a.m.—A despatch from Sydney to Reuters's Telegram Company, says that in order to lower prices the Australian government proposes to nationalise the bread industry.

U. S. OFFICERS AT THE FRONT

Berlin, Mar. 14, via London, Mar. 15.—A party of six American army officers left Berlin this afternoon for the eastern battlefield, under the guidance of Captain Maltzahn. They recently returned from a tour of inspection of the western line.

SEVEN BRITISH STEAMERS TORPEDOED BY GERMANS BUT VERY FEW LIVES LOST

The Indian City sent to bottom off Scilly Islands—Thrilling Race between Merchant Vessel and German Submarine—French collier goes down off Coast of Devon—Admiralty issues statement regarding losses.

London, Mar. 14.—An eye-witness of the torpedoing of the British steamers Indian City and Headlands, off the Scilly Islands, tells the following story of the event:

"About eight o'clock Friday morning a German submarine torpedoed the steamer Indian City, off Biddeford, within sight of Hughtown, on Saint Mary's Island. The submarine remained in the vicinity about an hour, and was an object of keen interest to the islanders, who watched developments as the crew of the steamer rowed their boats toward the shore.

"Immediately the attack became known two patrol boats, which were in the roadstead, put to sea and hastened in the direction of the submarine, on which they opened fire. The submarine was then about ten miles from shore and the battle was keenly followed by the sightseers crowded on the shore. When the patrol boats appeared near the submarine, the latter suddenly submerged herself, but re-appeared several minutes later about two miles further west. The patrol boats stopped to pick up the crew of the Indian City, and then gave chase to the submarine, but the pursuers easily were left behind by the hostile craft, whose speed was too great for them.

Another One Sunk By Enemy.

"After evading the patrol boats the submarine sighted the steamer Headlands, of Hartlepool, and went in pursuit of the ship. The chase was brief, the German easily overtaking the steamer when seven miles off Saint Agnes Island. Both vessels were seen to constantly turn and manoeuvring as a result of the merchantman's efforts to escape destruction. Finally the steamer stopped and a large quantity of steam was seen escaping from her safety valves. Then it was noticed that preparations were being made to leave the steamer, and a few minutes later the crew was observed in a lifeboat pulling away.

"At 10.40 o'clock in the morning, through the telescope, I saw an upward rush of black smoke, apparently the result of the explosion of a torpedo. The Headlands evidently was struck amidships, for she began to settle down by the stern. The submarine went off to the westward and apparently was pursuing a third steamer when she disappeared from the view of those on shore.

"The crew of the Indian City, numbering thirty-seven, and the twenty-three men from the Headlands, were landed at Saint Mary's Island at two o'clock in the afternoon. Both the steamers were afloat Friday afternoon. Attempts to salvage them are proceeding, and it is hoped that it will be possible to bring them to port."

British Losses Since the War.

London, Mar. 14.—The Admiralty last night issued a report giving the total number of British merchant and fishing vessels lost through hostile action from the outbreak of the war to March 10. The statement says that during that period eighty-eight merchant vessels were sunk or captured. Of these fifty-four were victims of hostile cruisers, twelve were destroyed by mines and twenty-two by submarines. Their gross tonnage totalled 309,945.

In the same period the total arrivals and sailings of overseas steamers of all nationalities of over 300 tons net, were 4,745.

Forty-seven fishing vessels were sunk or captured during this time. Nineteen of these were blown up by mines, and twenty-eight were captured by hostile craft. Twenty-four of those captured were caught on August 26 when, it is understood, the Germans raided a fishing fleet.

French Collier Torpedoed.

Bordeaux, France, Mar. 14 (via Paris).—The steamer Auguste Consell, from Cardiff, for Rouen, with a cargo of coal, was torpedoed by a submarine off the Start Point, near the southern extremity of Devon, England, on Thursday afternoon.

The crew of twenty-eight men are reported to have been saved by a Danish steamer, and taken to Falmouth.

Falmouth, via London, Mar. 14.—The Auguste Consell was sunk by the German submarine U-29. Her crew arrived here today on the Danish steamer Excellence Pleske.

Members of the crew say that the commander of the German submarine gave them ten minutes in which to leave their ship, after which she was destroyed with bombs. The German commander told them he left Cuxhaven six days ago, and was about to return. He said that the U-29 would be replaced by another submarine.

The Auguste Consell was a steamer of 1,852 tons.

Explosion Interrupted Card Game.

Liverpool, via London, Mar. 14 (11.15 p.m.)—The crew of the British steamer Florazan, which was torpedoed at the mouth of the Bristol Channel, March 11, arrived here today. The men say that their cargo of cotton had been discharged at Havre, and the steamer was crossing the channel to England. No submarines had been seen.

Thursday night, while the men of the crew were playing cards, a terrific explosion occurred, throwing the men all about the ship. Two boats had been made ready for launching, and were lowered and the captain and all the crew, except one man, who is supposed to have been drowned in the stake hold, got in them. It was first thought that the Florazan would turn turtle, but the vessel righted herself. The ship's boats were picked up by trawler an hour after the explosion. The Florazan was then on fire, according to the men, and it was believed there was no hope of saving her.

Did The Haridade Escape?

London, Mar. 14.—A despatch from Belfast says that the British steamer Haridade, which was reported in the Admiralty statement as having been torpedoed March 13, in the Irish Channel, was chased for over an hour by a submarine, but that the latter was unable to get into position to torpedo the Haridade owing to the skilful manoeuvring of the ship.

(Continued on page 2.)

SECOND BATCH OF CANADIANS IN THEIR CAMP

London, March 15, 3.05 a.m.—The Second Canadian Contingent, which arrived in England last week without incident after a ten days' voyage, is now in camp. Although the men have not completed their full course of training, they have shown such remarkable aptitude that they will soon be ready to take their places on the fighting line.

The behavior of the Canadians since their arrival has been exemplary.

FRENCH MAKE PROGRESS IN THE ARGONNE

Village of Vaquois Captured After Hand to Hand Encounters—All German Attacks Beaten Off.

Paris, March 14, 6.20 p. m.—Official advices from the front, describing the capture of Vaquois, in the Argonne region, by the French, says:

"After several days desperate fighting the French troops took possession of the plateau and half the village of Vaquois, on the eastern outskirts of the Argonne, and have been able to prevent the Germans from making use of this important strategic position to their own advantage.

Vaquois lies in the high country, not far from Cheppy and Montaucon, on a height overlooking the Aire River, between the Hesse and Argonne forests. This place served the Germans as a post of observation.

"The Germans," says the statement issued regarding these operations, "were thus able, at will, to direct a hot fire in any direction against the valley roads through which our provisions, trains and troops were forced to travel, and the surrounding country was rendered increasingly difficult, owing to the marshy ground along the Aire River.

"The first assault occurred on February 25, and after the fierce kind of street fighting—every inch of ground being disputed—the French succeeded in gaining a footing on the plateau, and in occupying half the village. They were obliged, however, to leave the village the following night, owing to the strong German counter-attacks.

On March 1, the French troops renewed the assault in greater strength. Three regiments participated during the course of the afternoon, and we again occupied part of the now ruined village. Fierce hand-to-hand encounters ensued, and four German counter-attacks were repulsed. The enemy sustained heavy losses, and we took two hundred prisoners.

"During the following day, despite every effort on the part of the enemy, the French maintained themselves in the positions they won, until March 6, when the Germans, after a heavy attack, finally abandoned hope of driving the French out of Vaquois.

"The German counter-attacks were carried out with fury, and the number of reinforcements brought up indicated the extent of the French success. The Germans told of the havoc wrought by the French artillery, and non-commissioned officers paid tribute to the improvement of the French infantry since the beginning of the war."

CZAR LEAVES FOR THE BATTLEFRONT

London, Mar. 14.—The Emperor of Russia left the Imperial residence at Tsarskoye Selo to Saturday for the battlefield, according to a despatch from Petrograd to Reuters's Telegram Company.

BRITISH LAND VICTORY OFFSET LOSS OF SHIPS

Biggest and Newest of German Submarines Active off Scilly Islands but British Evened Accounts by Neuve Chapelle Victory—Situation in Italy Rapidly Reaching Climax—General Summary of Day's War News.

London, March 14.—The submarine U-29, one of the largest and fastest of German underwater craft, had a successful three days off the Scilly Islands and in the English Channel, where on Thursday, Friday and Saturday she succeeded in sinking four British steamers and one French steamer and in damaging three others. The German commander gave the crews of most of the steamers time to leave their vessels.

The submarine U-29 was chased by patrol boats, but proved too elusive for them, while steamers which tried to ram or escape from her found that the submarine was much faster than similar craft which had previously been sent on a mission to destroy Great Britain's overseas trade.

Anxiety Over Liners.

With a German submarine in the waters around the Scilly Islands, which the big liners pass on their way across the Atlantic, there is much uneasiness in shipping circles, and during the course of the day a report, which also reached the American liner New York by wireless was circulated to the effect that one of them had been torpedoed. This report, it is believed, arose from the sinking of the Andalusian, which belongs to the German Line.

The British feel that they more than evened matters up for the loss of these steamers by the victory at Neuve Chapelle, and the defeat of the Germans in their efforts to recover the ground gained by the British regulars and Indians on the preceding days.

Germans Lost 10,000 Men.

According to a report issued by the War Office tonight, the Germans on Saturday morning delivered several minor attacks, and in the afternoon a very heavy one, which were all repulsed. The total number of prisoners taken in three days was 1,720, while it is estimated that the total German losses were not far short of 10,000.

British airmen also have been active again, and have destroyed a train at Don, a short distance from Lille. This co-operation between the air and land forces has become more pronounced, the airmen always being active when any fighting is in progress, to obstruct the movements of German troops.

The Belgium army continues to gain

a little ground at the bend of the river Yser, and in Champagne, the Argonne and the Vosges there has been fighting of varying importance. The Germans have again bombarded Ypres, Soissons and Rheims. In the latter two towns the cathedrals have suffered further damage.

The French have occupied Embmenton, on the railway mid-way between Luneville and Rivington, on the borders of Lorraine.

Stubborn Battles in West.

Some idea of the stubbornness of the battles on the western front, which receive only a few words in the daily official reports, can be gathered from the French report of the capture of the village of Vaquois, on the eastern border of the Argonne forest, which was issued today. For days the French and Germans contended for this village, the importance of which, from a tactical point of view, is very great, and the losses on both sides must have been much more numerous than in many of the historic battles.

News from the eastern war zone continues to be scanty. The German and Russian armies, which are concentrating for a big battle around Przasnysz, apparently have not yet come into contact. The fighting thus far reported has hardly been more than an affair of outposts.

Still Pounding Dardanelles.

The bombardment of the Dardanelles and Smyrna forts continues on the days when the weather permits. Reports from Athens say that the super-dreadnought Queen Elizabeth has destroyed, by indirect fire from the Gulf of Saros, several shore batteries. At the same time a violent duel is going on between the Turkish forts and the ships of the Allies, and the Turkish troops have come under the fire of the warships. The Smyrna forts were bombarded yesterday.

The situation in Italy is reported to be reaching a climax. Considerable feeling has been aroused by the discovery of a large number of old French rifles, which, it is alleged, are being sent by the Germans to Tripoli.

From Vienna comes the statement that the whole ministry, including Baron Burián, is now supporting Emperor Francis Joseph in his refusal to make any territorial concessions to Italy, in return for Italy's continued neutrality.

FRENCH AND GERMANS IN A BLOODY ENGAGEMENT

Recent Battle in Alsace One of Most Sanguinary of War—No Quarter Asked or Given—French Finally Won Position.

Geneva, via Paris, Mar. 14.—Details received here of the engagement fought between the French and Germans for the possession of the heights at Reich Ackerkopf stamp it as one of the most sanguinary of the war in Alsace. Many regiments were used on both sides and they frequently were reinforced. General Deimling personally directed three German counter-attacks against the crest of a hill which had been captured by French Chasseurs and Alpine troops.

According to reports no quarter was given and none was asked. Few shots were fired for most of the work was done with the bayonet. The Germans, it is said, after four repulses retired to Muehlbach leaving 900 dead and three times that number wounded. Grim bravery was shown by the troops on both sides.

The success reported by the French gives them a position commanding two valleys for their artillery.

NIobe SEAMAN IS CRIPPLED FOR LIFE

Petrolia, Ont., March 14.—Crippled for life, as the result of a fall through a hatchway of the Canadian cruiser Niobe, George Richardson, a British reservist, has returned to his home here. Richardson, who was assigned to duty on the Canadian warship when the war broke out, suffered complete paralysis of his right arm and side in the accident, and will apply to the Dominion government for a pension.

THE ITALIAN LEAGUE MAKES DRASTIC MOVE

Milan, via Rome, Mar. 14 (1.20 p. m.)—The National League, at a general assembly, has passed a resolution demanding the liberation of all Italians from Austrian dominion through intervention in the European war. The league has also sent a telegram to Queen Helena, expressing admiration for "the splendid patriotic virtues of her people (Montenegrins), who are bravely fighting for the same ideals as animate the Italians."