

GERMANS LOSE THE MESSINES RIDGE AND THREE VILLAGES; LIBERALS LEAVING LAURIER

A SWEEPING BRITISH VICTORY IN BELGIUM

General Haig's Army in Greatest Artillery Action of War Captures Villages of Messines, Wytshaete and Oostaverne and Enemy Positions on Fourteen Mile Front.

More Than Five Thousand Germans Taken Prisoners—Captured Important Heights—Million Pounds of Explosives Under Enemy Line Sent Off.

London, June 7.—The British troops made a second drive, and carried the village of Oostaverne and the German positions east of the village over an extent of five miles, it is officially announced tonight.

The German casualties were very heavy and the British took more than five thousand prisoners, many guns, trench mortars and machine guns.

The text of the statement reads: "Our operations south of Ypres have been continued methodically throughout the day, and have been attended by complete success."

"The Messines—Wytshaete Ridge, which for over two and a half years has dominated our positions in the Ypres salient, was stormed by our troops this morning."

Villages Captured.

"In this attack we captured the villages of Messines and Wytshaete and the enemy's defense systems, including many strongly organized woods and defended localities on a front of over nine miles, from south of La Douve Brook to north of Monsorrel. "Later in the day our troops again moved forward in accordance with the planned operation, and carried the village of Oostaverne and the enemy's rearward defense system east of the village on a front of over five miles. "In the course of this advance an attempted counter-attack against the southern portion of our new positions was completely broken up by our artillery fire.

"The enemy's casualties in today's fighting were heavy. In addition to his other losses, up to four thirty in the afternoon over 5,000 German prisoners passed through the collecting stations. Others are still to be brought in. We also captured a number of guns, many trench mortars and machine guns which have not yet been counted.

"There was again great activity in the air yesterday, with many fights. Five hostile formations, one of which consisted of over thirty machines, were attacked and dispersed with heavy casualties. In the course of the fighting nine German airplanes were brought down. At least nine others were driven down out of control. Six of our airplanes are missing."

British headquarters in France, via London, June 7.—The British attack began today, two months after the offensive campaign burst into flame at Arras, was carried out in that classic strip of Belgium saved nearly three years ago from the German invasion.

The blow was struck on a front of approximately ten miles against the high ground known as the Messines Ridge, from which the Germans have overlooked the British lines ever since October of 1914. It was not long after the battle began that word came from all sectors of the fighting fronts that the various objectives had been taken on scheduled time. All the prisoners say the Germans had been expected to be completely surprised by the hour at which it was launched, and the fury with which it was carried forward.

They had been completely dazed by the most gigantic mining operation yet carried out in the world war.

More than 1,000,000 pounds of high explosives had been placed under the German forward positions during the past twelve months, and its upheaval of a score of separate mines spread panic among the troops, already harassed, as they were to the point of distraction, by seven days and nights of fire from the greatest concentration of guns on a given front since the war began.

STEAMERS COLLIDE

Boston, June 7.—The Boston steamer, E. H. Dimock, and the steamer (Swedish) collided yesterday in Nantucket Sound and were damaged.

REWARDS FOR FUGITIVE.
\$50.00—The Standard.
10.00—French Colonel Emil Gabury (present Fox with tin of Forest and Stream)
10.00 in trade—F. A. Johnson, women's wear.
10.00—F. A. Dykeman and Co., dry goods.
10.00—Imperial Tobacco Co., Murad cigarettes.
5.00—A. A. McClankey, cigars.
10.00—Waterbury and Risling, shoes.
5.00—Allen Gundry, optician.

WAS MISQUOTED ON SATURDAY

Mr. King of Queens Did Not Predict Increased Rates.

Special to The Standard. Fredericton, June 7.—Mr. King, the member for Queens, rose to a question of privilege in the house today and declared that he did not make the misquote attributed to him by The Standard that he believed the lumbermen should be called upon to pay increased stumpage rates. The Standard's correspondent was informed from what we considered most reliable authority that Mr. King did make such a statement.

However, neither The Standard nor its correspondent has any desire to misrepresent Mr. King or any other member of the house. The report of Mr. King's alleged remarks was published in good faith, and The Standard's correspondent gladly accepted the statement made by the member for Queens that he was reported incorrectly.

Following Mr. King's statement in the house this afternoon, Hon. Mr. Robinson, a member of the new government, came out strongly in favor of increasing the stumpage charges during the course of his budget address tonight.

The members and the officials of the house sat down to a lunch this afternoon, which was a kindness of Hon. Wm. Currie, the Speaker of the Assembly, needless to say the luncheon was much enjoyed.

EARLY MORNING BLAZE, FIRE BUG WORKS AGAIN

At 2:45 o'clock this morning a fire was discovered in the two story shed at the rear of Charles Walker's residence, 32 Kennedy street, North End. A still alarm was sent into the department and by the time the firemen arrived on the scene the fire had gained considerable headway and the building was totally destroyed.

THE ALBERTA ELECTIONS

Edmonton, June 7.—Results to 8 o'clock indicate return of Sifton government by majority close to that in last legislature, where it was 18 to 23. In Edmonton three seats have gone to Conservatives, although Grosjean is running close in Edmonton, and only two polls to come from Beaver River, where Gerry is leading.

GOVERNMENT PREDICTS A BIG DEFICIT

First Time in Its History Province Such Prophecy Made.

DEFICIT EXPECTED TO BE \$148,576

Hon. C. W. Robinson Brings in Budget of Nearly Two Millions.

STUMPAGE RATES ARE LIKELY TO BE HIGHER

Government to Follow Financial System of Predecessors

Special to The Standard. Fredericton, June 7.—For the first time in the history of the province Hon. C. W. Robinson, former Liberal premier, announced to the House this evening in the course of his budget speech that the government estimated the expenditures for the current year would exceed the receipts by the amount of \$148,576. The announcement of an anticipated deficit was somewhat of a surprise, it being the consensus of opinion that the government would be able to keep the ordinary revenue.

The Contrast. Under the Murray government's conduct of the business of the province the public services were efficient, maintained and prudent business methods enabled them to limit the ordinary expenditures to a sum within the ordinary revenue. But in the face of growing necessity for economy which is being urged on all sides, the government now make the admission to the people of New Brunswick that they believe the expenditures for the year will exceed the receipts by the amount of \$148,576, including \$246,500 additional interest on rail bonds.

That there should be an increase in the stumpage rates paid by the lumbermen for timber cut on crown lands was one of the important statements made by Hon. Mr. Robinson in his budget address. He pointed out the indication of the new government's policy in the matter.

Hon. Mr. Robinson in his remarks to the House was characteristically fair. The former premier was in a very pleasant mood. In fact he gave a high note to the debate, and it is hoped that his example will be followed generally. The member for Moncton city was quite moderate in his criticisms of the former government and gave them considerable credit for the vast increase in revenue that had resulted under the regime of the late administration. He thought that the former government might have done even better, although he did not deny that its record in doubling the revenue from the crown lands showed marked business ability in the systematic collection of what was honestly due the province.

Hon. Mr. Robinson in his speech frankly admitted that the government would have a larger revenue this year than for any previous year in the history of the province. Even with the increased monies coming into the public treasury the new administration has decided to expend a sum greatly in excess of the anticipated receipts.

The former Premier dwelt for some considerable time on the management of the finances of the province under the late administration. He claimed that the reports of the new government's auditors, while yet incomplete, showed that the total excess of expenditures over current revenue from 1908 until the close of the last fiscal year amounted to \$708,983.27. This amount, however, does not represent an actual deficit on current account under the late government. It means solely that the new government supports the view that the application of different methods of accounting in the way of starting items against the

LIBERAL PARTY IS CLEFT IN TWO

Chief Whip Pardee Openly Breaks with Sir Wilfrid Laurier, Latter Declining to Enter a Coalition Government—Attempt Will Be Made to Oust Laurier from Leadership.

Hon. George P. Graham Resigns from Montreal Herald on Compulsion Issue—Conscription Bill Up Monday—Bombshell in Laurier Camp.

(SPECIAL TO THE STANDARD.)

Ottawa, June 7.—Chief Liberal Whip Pardee has openly broken with Sir Wilfrid Laurier. Tonight he was in conference with the leaders of the Conservative party discussing proposals that he enter a war cabinet of Liberals and Conservatives that will ignore Sir Wilfrid Laurier and the racialists from Quebec. Hon. W. J. Hanna, ex-Provincial Secretary for Ontario, and a life-long friend of Mr. Pardee, represented Sir Robert Borden in the negotiation with the Liberal whip. The Standard correspondent is in a position to state that Mr. Pardee signified his willingness to enter a union war cabinet regardless of Sir Wilfrid Laurier, providing a sufficient number of other representative Liberals would agree to the proposition. Later Mr. Pardee expected to meet and confer with Sir Robert Borden himself.

Shock to Laurier Camp. The news of Mr. Pardee's defection, has fallen like a thunderbolt in the Laurier camp. The Liberal whip has given long, devoted support to Sir Wilfrid, taking his political life in his hands to support him on the bilingual issue last session. His sturdy patriotism, however, has compelled him in this crisis to break away from Sir Wilfrid and his open surrender to racialist pressure from Quebec.

If Mr. Pardee deserts Sir Wilfrid, as seems practically certain, he will take with him practically the entire contingent of Ontario Liberals. At four o'clock this afternoon Hon. George P. Graham wired his resignation as editor-in-chief of the Montreal Herald-Telegraph, which is opposed to the compulsory equal service. A caucus of the opposition, called by Sir Wilfrid Laurier tomorrow morning, is expected to see a definite cleavage in the party, while it was reported tonight on the highest authority that the break will come in the form of a resolution to be moved by Chief Whip Pardee, seconded by Mr. Frank Carver, that Sir Wilfrid Laurier resign the leadership of the party and be succeeded by Hon. George P. Graham.

This resolution will be voted down by the caucus, it was reported that Quebec, French-Canadian vote is predominant in the party, but it will serve the purpose of dividing the party into two camps, an English speaking group dedicated to support all measures designed to promote the causes of the war, and another group made up chiefly by Sir Wilfrid Laurier and representatives from Quebec.

Coming down to the financial position of the province, he said that the question was often asked "What is the public debt?" It was difficult to find out the exact amount of the debt, but it seemed to him that the best method was to apply the revenue and expenditure to the year which they properly belonged. This method he explained had been adopted here for the first time by the chartered accountants employed by the present administration. He then read the following statement showing the liabilities of the province:

Liabilities March 31st, 1917—Capital debt, \$16,339,639.13; current debt, \$763,321.73—total, \$17,102,960.86. Required to complete Valley Railway, Gagetown to Westfield, \$1,000,000.00. Required to complete permanent bridges, \$550,000.00. Contingent liability on bonds guaranteed, \$5,013,000.00—total, \$20,665,960.86.

This does not include any liability for the road from Centreville to Andover.

The Valley Railway. Hon. Mr. Robinson continuing explained that the estimated cost of the Valley Railway from Centreville to Andover for which the contract had been let was not included in this statement.

He contended it as true and fair a statement of the liabilities of the province as he was able to place before the people. He had not forgotten the assets on the other side of the account and had no desire to misrepresent the financial condition of the province. The crown lands and mines belonging to the province were undoubtedly of great value.

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filled the position on the opposite side of the House, now filled by his hon. friend (Murray). Revenues and Expenditures. The provincial secretary of 1908, in delivering his budget, had made certain statements regarding the policy of the then government. That gentleman had taken the position that all ordinary expenditure must be kept within the ordinary revenue. He went even further and declared that when the ordinary revenue became exhausted the expenditure must stop.

He also said that he did not blame the leader of the government, which went out of office in 1908 for the conditions which obtained, as he felt that his predecessors in office were responsible.

He (Robinson) considered it strange how history repeated itself, and how applicable the former provincial secretary's words were to the present hon. leader of the opposition.

It was of great importance that close attention should be given to the present financial condition of the province. It was with a view of ascertaining exactly how matters stood that the present hon. leader of the opposition had called in a reputable firm of chartered accountants and instructed them to make a thorough audit of the accounts, which that firm had not completed its report it had placed before the government some preliminary figures which he proposed to use during the course of his remarks.

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