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The Toronto World

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PROB—Masterly winds fair and cool, rain in most localities tonight.

SATURDAY MORNING MAY 13 1916—SIXTEEN PAGES

VOL. XXXVI.—No. 12,967

BRITISH RECOVER SECTION OF TRENCHES TAKEN BY GERMANS RUSSIANS MOVE TO CUT OFF TURK ARMY AT KUT-EL-AMARA Allison Distributed \$195,000 of Rake-off From Yoakum

RUSSIANS PLAN TO TAKE TURK ARMY IN REAR

Advance on Khanikin and Bagdad May Cut Off Large Force.

BULK FACES BRITISH

Petrograd Believes This Command in Danger of Capture.

PETROGRAD, May 12, via London, 1:30 p.m.—The Russian force in Persia, which during the past ten days has completed the arduous task of traversing the mountain district separating it from the Turco-Persian frontier, driving the Turks upon their strongly fortified base of Khanikin, now stands at the very threshold of Mesopotamia, and future developments in connection with the Russian expedition toward Bagdad are being awaited with the greatest interest.

The hasty retreat of the Turks in this quarter seems to imply that the forces defending Khanikin have been greatly overestimated, and it is apparent that they have as yet been unable to transfer the force released by the surrender of Kut-el-Amara to their hard-pressed army north of Bagdad. The Russian advance upon Khanikin, therefore, very seriously threatens the whole rear of the Turkish Bagdad army, confronting that army with the possibility of being entirely cut off from the City of Bagdad, and the forces operating to the southeast against the British.

Turks Change Front. According to the opinion of Russian critics, the Turks are now endeavoring to meet this contingency by an entire change of front from south to north and northeast, so reorganizing their forces as to meet the Russian pursuit in these directions at the expense of their campaign south of Bagdad, which has become less important than that in the Khanikin region in view of the growing danger of a Russian attack upon their rear.

As the Turkish Mesopotamian campaign heretofore has been chiefly directed southward against the British expeditionary force, the wholesale regrouping of forces now necessary is expected to entail difficulties which will leave the Turks at a decided disadvantage if the Russians succeeded in following up their successes with the rapidity thus far shown.

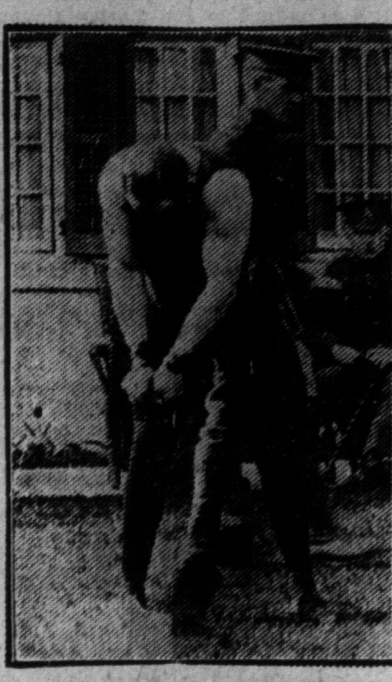
After a long interval of inactivity the Russian forces in the coast region have resumed their progress beyond Trebizond, and the offensive is at present in the hands of the Russians at every important point in the Armenian war theatre.

AFTER a heavy preliminary bombardment, the Germans captured 500 yards of British trenches near Vermelles, and lost part of them again to a counter-attack, Sir Douglas Haig reported in his despatch last night. The Germans said that in the fighting here they took 127 un wounded prisoners. This mishap happened on Thursday night. No further infantry actions were fought in this vicinity today, but considerable artillery firing went on. Opposite Quinchy, north of Vermelles, the British bombed German positions. On the rest of the front only minor duels were fought by the opposing batteries. The loss of 500 yards of trenches does not, of course, necessarily herald any big undertaking by the Germans, and the frontage carried by them is too narrow for use as a foothold for any further advance. Note the magniloquent way in which the Germans announced this small success: "German battalions from the Palatinat stormed several lines of a British position."

Two offensives were launched by the Germans against the Russian northwestern lines, one attempt being made north of Selburg Station and the other being made southeast of Lake Medmsi, south of Dvinsk, on Wednesday, but in neither quarter did they succeed in their designs, the Russian war office reported yesterday. After their first repulse near Selburg the Germans decided to renew the action on further bombardment of the Russian positions, and the fighting is being continued near the ruins of Jepukor Village. No success whatever was gained by the enemy in his offensive near Lake Medmsi. The German artillery has been actively employed against many sectors of the Russian front between Jacobstadt and Dvinsk.

It is not improbable that the Germans are now aiming at something more than a local offensive against Russia. Reports are current again that they plan the making of another attack by water on the Gulf and Port of Riga. The occupation of this harbor would seem to be an indispensable preliminary to any real attempt to advance into the interior of Russia. But in view of the great failure of the German naval staff to carry this enterprise thru to a successful

STRONGEST SOLDIER



Pte. Glover of the 180th Battalion tearing a deck of cards in two at the field day for wounded soldiers, held Friday at the home of Mrs. Boulthbee, York Mills.

GERMANS CAPTURE BRITISH TRENCHES

Five Hundred Yards Taken and Partly Lost by Enemy.

BOMB FOE POSITIONS

Lively Attack Made on Trenches Opposite Quinchy.

LONDON, May 12, 11:30 p.m.—About 500 yards of British trenches in the region of Vermelles were captured by the Germans Thursday night, but later the British in a counter-attack took back a portion of their lost ground, according to the British official communication issued this evening. The communication says: "Yesterday evening, after a heavy preliminary bombardment, the enemy succeeded in capturing about 500 yards of our front trenches northeast of Vermelles. We regained a portion of the ground lost by a counter-attack made during the night."

"Today there has been no further infantry action, but considerable artillery activity has been shown in this neighborhood. Further north, opposite Quinchy, we bombed the enemy's positions. Otherwise there has been nothing but minor artillery duels at various points on the front, principally in the region of Thionval, Neuville St. Vaast, Masines, Voormezele, St. Eloi and east of Ypres."

YOAKUM SPLIT SHARE EQUALLY WITH ALLISON

"Gentlemen's Agreement" Made Long Before Fuses Were Discussed.

ALLISON KEPT LITTLE

Relative and Friends Were Treated With Princely Generosity.

By a Staff Reporter. OTTAWA, Ont., May 12.—Evidence given at today's sitting of the royal commission was of a somewhat sensational character. B. F. Yoakum, stockholder in the American Ammunition Company, who with Cadwell and Basicik negotiated the 2,500,000 fuse order from the shell committee, admitted that in addition to the agreement between himself, Basicik and Cadwell for the distribution of the million dollar commission, there was a "gentleman's agreement" between himself and Col. Allison for equal shares in Yoakum's portion of the million dollar commission. As Yoakum was to get \$475,000 of the amount, Col. Allison's share was nearly a quarter of a million, or exactly \$117,500, less expenses. Some of the amount already has been paid. It appeared that allowing for deductions Allison's share was reduced to \$107,000.

An Early Alliance. Mr. Yoakum explained how this agreement originated. Long before the fuse business was completed, he said, Allison and himself "incorporated two companies with the object of negotiating war business. Allison, he said, had experience in handling big munition business, so the witness, whose railroad activities had fallen in with those of Yoakum, thought it a good deal of money already. I gave him \$25,000 to get into association with him on a share and share alike business of negotiation."

Subsequently witness said these companies were abandoned because they were found to be unnecessary, but the agreement between himself and Allison, which was not reduced to writing, stood to this day. Mr. Yoakum said that Col. Allison had made a reassignment of practically all his share in the million commission, and he gave

(Continued on Page 11, Column 1).

BUYING OUT OF ALL RAILWAYS ONLY SOLUTION

Canada's Transportation Situation Desperate, Says W. F. Maclean, M.P.

LOAN TO G.T.P. PASSED

Pugeley Would Make Provision for Taking Over of C. N. R.

By a Staff Reporter. OTTAWA, May 12.—The house of commons today in committee of supply passed the estimate appropriating eight million dollars for aid by way of loan to the Grand Trunk Pacific Railway Company. The Canadian Northern loan stood over, and there may be some further discussion of the general railway situation. Only a handful of members were in the house when the Grand Trunk Pacific item passed, and a considerable part of the day's debate was devoted to a more or less partisan dispute over the National Transcontinental Railway scheme. Just before the committee rose, Hon. Wm. Pugeley gave notice that he would propose an amendment by way of condition attached to the Canadian Northern loan to the effect that the system could be taken over any time within five years at a price to be fixed by the governor-general in council. Urges Nationalization. W. F. Maclean (South York) discussed the general railway situation. He believed the government should act quickly and nationalize either the Canadian Northern or the Grand Trunk Pacific Railway of Canada. He was opposed to riding the Grand Trunk of its Grand Trunk Pacific enterprise. He thought that the railway should be nationalized, including the Canadian Pacific, and did not believe in buying up lame ducks and dead horses while the privately-owned roads kept all the profitable lines.

Mr. Maclean in opening said that he could not give his assent to the proposed amendment. He was in favor of the war and that as soon as the war was over and the sun shone again the Canadian Northern

(Continued on Page 7, Column 4).

WOUNDED SOLDIERS SEE SPORTS



Mrs. Boulthbee of "The Hollow," York Mills, yesterday threw open her house and grounds for a field day for the soldiers at the Convalescent Home. This photograph shows a burlesque boxing bout between the biggest and the smallest men in the home, with Lieut. Lou Marsh of the 180th Sportsmen's Battalion acting as referee.

MURRAY-KAY CO. TO MOVE UPTOWN

Official Announcement Made of Decision to Leave Present Premises.

CAPITAL OF \$7,500,000

Ogilvie's of Montreal Has Been Purchased as a Subsidiary Company.

Murray-Kay, Limited, are going to build new premises on a new site, and move. Where that site is has not been announced. To make the change they stock of the company to \$7,500,000. This money will provide also for the acquisition of the business of Ogilvie & Sons, Montreal. A special general meeting of the shareholders has been called for Wednesday next to gain the consent of the shareholders to these two business changes. A statement sent out to the shareholders explains that "it is not possible to continue in our present stores, as a financial centre. The circular says that the condition of the company has caused the directors the most anxious thought for the last two years, but that it is only now that a concrete plan has been agreed upon among them. The new manager, who is stated to have had long experience in department store business," will take charge immediately on completion of the new arrangements. The financial arrangements are that the \$3,500,000 first preference shares will be sold for cash. It will be arranged that any shareholders who wish to can take a share in the underwriting of the new preference under the same conditions as the underwritten will be for \$2,000,000, of this \$1,500,000 will be issued to the present preference shareholders. Not more than \$100,000 of the balance will be used in connection with the James A. Ogilvie and Sons, Limited, business in Montreal. The balance will be kept in the treasury. The reasons given in the circular for the proposed purchase of the Ogilvie business are to increase the purchasing power of the company so as to purchase in the best markets at the least expense, and to increase the turnover of the company. The Ogilvie business was established over 40 years ago, and is stated to have an excellent reputation. The directors think that they have made a very satisfactory bargain.

CHURCH'S STAND IS NONSENSICAL

How Hon. T. W. McGarry Describes Mayor's Attitude on War Tax.

SCORES CITY COUNCIL

Deliberate and Prepared Attempt to Stir Up Strife in Ontario.

"Members of the provincial government will continue to exert all efforts that the name of Ontario will continue to stand as it stands today, at the top of the British Empire. Such events as have happened this week will not deter us. We have too much faith in the loyalty of the people. Let us fight this war to a successful conclusion, whether the law is legal or not. Such was the statement of Hon. T. W. McGarry, provincial treasurer, in a routing address at the Ward's Liberal-Conservative open meeting held in Parkdale Assembly Hall last night, in which he bitterly scored certain members of the city council who were opposed to the property tax imposed by the provincial government. "The government of this province," he continued, "last year decided that the ordinary revenue would not allow us to do more in patriotic work than forming a committee to advise the government to enable us to do our duty. An imposition of a tax of one mill on the dollar on every person holding property in Ontario was passed. The reason was that for months before, men women and children had been giving voluntarily. There was no equality in the giving. The government decided that the fairest way was to make the giving general through the province. It was not a tax against the city of Toronto. We imposed the tax as we saw many things that we should do. One hundred and ten men of the government passed their opinion on it and there was not one dissenting voice. In the 883 municipalities of Ontario not one man spoke against the war measure. Don't Praise Themselves. "There were no objections until lately. During the past few days the city papers have been filled with objections. The mayor took the stand that the government had no power to levy the tax, and was therefore opposed."

(Continued on Page 2, Column 6).

LAST ROUTE MARCH OF NINETY-FIFTH THRU CITY

Parade to Don Flats Monday, Take Dinner and Return to Exhibition Camp.

The last route march of the 95th Battalion thru Toronto will take place on Monday. The men will march to the Don Flats via King street between 10 and 11 a.m. They will have dinner on the flats and will return via Queen street between 3 and 4 p.m. to their quarters at Exhibition Camp.

COUNCIL FLOPS ON QUESTION OF PROVINCIAL TAX

Some Aldermen Change Mind on Mayor's Motion, Which is Struck Out.

FAVOR LEGAL OPINION

Board of Education Allowed Fifty Thousand for Medical Inspection.

Until next Thursday the city council will be literally "up in the air" regarding the war tax of \$82,051 levied by the provincial government. Yesterday afternoon the mayor's motion that the city treasurer collect the amount and hold it until the courts decide whether the government have power to make the levy was struck out, and an amendment by Controller Cameron to the effect that legal opinions be obtained before the council takes action was carried with only Controller Foster and Ald. Flewman dissenting. The debate on this question was then adjourned until Thursday, when the opinions of prominent legal authorities will be submitted and a decision arrived at. "Flopping," as one alderman called it, began directly after Ald. McBride reopened the discussion, shortly before 2 o'clock, for discussion. It was not long before a large number of members switched from supporting the mayor and took up the campaign with the dissenters. Finally all of them said they had reconsidered the matter and had decided that legal opinions were necessary before they resumed the discussion. As the matter now stands the amount is still included in the estimate, and until some decision is arrived at the tax rate will not be struck. Compromise Effected. A compromise has been effected regarding the amount of \$1,000 requested by the board of education to carry on medical inspection work in the schools. Yesterday afternoon a conference was held between members of the board and Mayor Church and Controllers O'Neill and Cameron. As a result Controller Cameron moved that an appropriation of \$10,000 be inserted in the estimates for medical inspection and that a conference be held between officials of the council and the board of education, to be presided over by Dr. J. W. S. McCullough, at which course of action for the future will be decided upon. This was carried by 15 to 6. Aid. Ramsden wanted the amount cut down to \$4,000, but his amendment was decisively beaten. Just as soon as the estimates were finished with the rider inserted to withhold from the government the \$82,051 until the validity of the war tax had been determined by the courts, he struck out. Mayor Church replied to the long argument put up by the aldermen, and he was followed by Ald. Archibald, who maintained that, although his vote might be unpopular yet he was going to vote for some legal opinions to be obtained. "Flopping" Commences. Ald. Flewman was the first one to "flop," and he frankly admitted that the mayor had quite deceived him on Wednesday night. Ald. MacGregor declared in favor of the mayor, maintaining that politics played no part in his vote. Ald. Ball thought the only way out of the difficulty was by a 1-1-1 mill tax rate, while Ald. Ramsden, Maguire and Beamish remained as on Wednesday, in favor of the mayor's proposal. Ald. Gibbons wanted legal advice, and Ald. Graham declared that the tax was nothing compared with the burdens laid upon the people in Europe as a result of the war. Ald. Nesbitt, Robbins and Rydell all changed their opinions during the interim, and Controller Foster remained loyal to the mayor. Aldermen Hiltz and McBrien wanted legal advice. The debate lasted for more than three hours, during which every alderman, with the exception of Ald. Wagstaffe, spoke on the question. At no time did the discussion become very warm, but some tried to account for the remarkable switching of votes. The Beamish spoke about public notoriety, and his remarks were regarded humorously by some and presented by others. Controller Foster, Ald. Maguire and MacGregor wished it understood that with them there was no political axe to grind, while Ald. Archibald sacrificed popularity to vote as his conscience directed. At all events the rapidity of the "flopping" resulted in much whispering in the corridors about politics and party whips.

Men's Hat Day at Dineen's. Saturday is men's hat day at Dineen's. All the best makes of English felt and soft felt hats, as well as the cloth caps that are most particularly suited for wear in rough weather. Dineen's men's hat store, 140 Fongue street, corner Temperance street.

WAR SUMMARY THE DAY'S EVENTS REVIEWED

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(Continued on Page 2, Columns 1 and 2.)

BRITAIN TO IGNORE PEACE OVERTURES

Latest Feelers Offer No Basis for Negotiations.

FOE FEELS BLOCKADE

Lord Robert Cecil Comments on Suggestions in German Note.

LONDON, May 12.—"The latest peace overtures, said to be of German origin, while not as insistent and impossible as previous statements on the same subject, certainly do not yet offer a basis for negotiations," said Lord Robert Cecil, minister of war trade, in discussing with the Associated Press the latest reputed German peace terms. Lord Robert Cecil continued: "We have never received, either officially or unofficially, any direct peace suggestions from Germany, and the only indirect overtures we are aware of appear in the speeches of Chancellor Von Bethmann-Hollweg and the recent German note to America. We would not think of discussing or even considering any overtures without consulting our allies. No formal or informal conference for this purpose has ever taken place. "In diplomatic procedure a neutral is hardly likely to make any suggestion of peace terms unless certain they are acceptable to the recipient. If Germany should decide to approach us thru the medium of the United States, the latter would have to use its own judgment as to whether or not to deliver the message. "While disclaiming any knowledge of the internal condition of Germany," Lord Robert declared that the increasing reports of peace overtures indicate there is some truth to the stories that the central powers are in desperate straits.

HYDRO HEAD FOR EASTERN ONTARIO

Manager L. G. Ireland of Brantford System Has Been Appointed.

HAS SPLENDID RECORD

He Will Take Over Important New Duties at End of Month.

Special to The Toronto World. BRANTFORD, Ont., May 12.—General Manager L. G. Ireland of Brantford Hydro-Electric Commission and Brantford Municipal Railways Commission, has handed in his resignation, to take effect at the end of May. He has been appointed to take complete charge of the development work and engineering of the new development system in Eastern Ontario, recently secured by the Ontario Government and turned over to the Hydro-Electric Commission of Ontario. He was for five years previously connected with the Seymour system, now taken over by the hydro. It is a decided promotion for Mr. Ireland, as he will have as his superior only Chief Engineer Gaby of the Hydro-Electric Commission of Ontario. Mr. Ireland has been in Brantford for three years, having taken charge of the local hydro-electric from its inception. With the purchase of the Grand Valley Railway and Brantford street railways from private owners he was appointed to take charge of these interests also and was very successful in combining the two systems, effecting a great saving to the city.