

SECOND PHASE OF THE BALKAN CAMPAIGN DEVELOPING; U. S. ASKS BOY-ED'S RECALL

THREE CENT STAMP WILL BE ISSUED

Postmaster General Decides to Make Change and Obviate Inconvenience Under Present Arrangement.

Special to The Standard.
Ottawa, Dec. 3.—Hon. T. Casgrain, the Postmaster-General, has decided to issue a three cent stamp for convenience in war time. This will obviate the necessity of affixing the ordinary two cent stamp and a one cent war stamp upon each letter.

Various designs were submitted today for the approval of Mr. Casgrain, and he will probably select a surcharged 2 cent stamp. This is an ordinary two cent stamp with a special white mark upon it indicating that its value is 3 cents.

FRENCH GOV'T TO REGULATE FOOD PRICES

Report that Greece Refused Requests of Entente Powers Denied in Italy.

London, Dec. 4.—The Daily Mail states that the British Foreign Office denies the report of a resumption of restrictions on Greek commerce.

BRITISH NATION LEARNING WELL THE LESSON OF ECONOMY

National Savings During First Year of War Increased by Million and a Quarter.

London, Dec. 4.—At a bankers convention at Newcastle on Friday it was stated, as illustrating the manner in which the British people had responded to the plea for personal economies to meet the cost of the war, that the national savings during the first year of the war increased from \$1,750,000,000 to \$3,000,000,000. It was added that for the second year of the war the savings would exceed \$5,000,000,000.

OVERDUE VESSEL REPORTED

Some anxiety was felt for the three masted schooner Lillian Blauvelt, which sailed from Halifax on November 10th for St. John, N.B. She was overdue at that port, but has since been reported as having put into Annapolis, on the Newfoundland coast, to escape the storm which prevailed in those waters last week. The Lillian Blauvelt has a cargo of oil from Halifax for St. John, where she is to load fish for Oporto.

SERBIA NOT BEATEN BUT WILL FIGHT TO LAST MAN

Victory or Death the Slogan of the Little Kingdom—Expects to Come Back Into Fight With Army of 200,000 Men to Throw on Flank of Enemy—Sends Troops to Thwart Bulgars Near Greek Frontier.

Rome, Dec. 3.—(Delayed)—The Giornale D'Italia today prints an interview with M. Ristich, Serbian minister to Italy, concerning a rumor that Serbia might capitulate. The minister is quoted as follows: "I absolutely deny that there will be any capitulation, this word being unknown in Serbia. There the people either win or die. The Serbian people and government are irrevocably determined to fight to the bitter end next to their Allies. Serbia will be loyal to her last man. In a short time Serbia will have a fresh army of 200,000 men, full of enthusiasm, to throw on the flank of the enemy. She only needs supplies of arms and ammunition."

SENDS TROOPS TO THWART BULGARINAS AT BUO.

Paris, Dec. 3.—The Athens correspondent of the Havas Agency sends the following: "It is reported from Florina (Greece) that the Serbians have sent a number of battalions to occupy the village of Buo, two hours from the Greek frontier, in order to thwart the Bulgarian manoeuvres having for its purpose the occupation of the railway station at Xanali and cutting off the Serbian retreat toward the Greek frontier."

London, Dec. 3.—The second phase of the Balkan campaign is developing slowly. It is expected, however, that with the conclusion of the operations against Serbia and the occupation of Monastir, the whole Bulgarian army, when the weather permits, will attempt to drive the British and French forces out of Southern Serbia, while the Austrians continue their efforts to over-run Montenegro and the Germans, with the aid of the Turks and what Bulgarians and Austrians can be spared, turn their attention to the Russians, who again are reported to have entered Roumanian territory, on their way to Bulgaria.

A report from France that part of the German army is going to the Galapoli Peninsula to assist the Turks in a great effort to drive the Entente Allies from the peninsula is hardly credited in military circles here, where it is not believed that they can spare the men, guns and ammunition for such a venture. The Turks, it is true, have been displaying more activity recently in the Dardanelles, but this they are believed to have been doing more with ammunition which they have been collecting during the quiet period than with any fresh supplies from Germany.

Rustchuk, on the Danube, west of the Roumanian border, in the opinion of well advised persons here, to be the point of concentration for the Germans, both as warning to Roumanians that it would be dangerous for her to join the Entente Allies, and to meet any Russian advance.

There is conflict in the speculation here regarding the position of Greece. Some dispatches say a satisfactory agreement has been reached between the Entente Allies and the Hellenic Kingdom, while others aver that the situation is so unsatisfactory that the Entente Allies have re-established their restrictions on Greek commerce.

Word From Saloniki None Too Cheerful

London, Dec. 4.—In a despatch from Saloniki the Daily Telegraph's correspondent says: "The situation at Saloniki is certainly not satisfactory. The efforts so far made is not one from which results can be expected, and if we are to continue some other factor must appear to render progress possible and bring security."

MONASTIR OCCUPIED BY ENEMY

Bulgarians Enter Town After Prefect and Mayor Take Departure — Serbian Troops Retire to Resna Region.

Paris, Dec. 3.—A despatch to the Havas Agency from Athens, dated Thursday, says: "Monastir was occupied at three o'clock this afternoon."

Paris, Dec. 3.—A despatch to the Havas Agency from Athens, bearing today's date, says: "A Florina (Greece) despatch says that the Serbian prefect and the mayor left Monastir a few moments before the entry of the enemy. They were immediately received by the Greek authorities. Before leaving Monastir the prefect issued a proclamation appealing to the inhabitants to keep calm and respect the lives and property of others. The Serbian forces retired to the Resna region."

French Report

Paris, Dec. 3.—The official communication issued by the war office this evening says: "There have been artillery actions at some points of the front. In Belgium, to the west of Valenciennes, we have retaken a small post which had been captured by surprise last night."

"Between the Somme and the Oise, to the southwest of Fay, there has been fighting by means of mines. Our artillery has shattered some sheds and constructions and a supply depot to the north of Laucourt. Fighting with grenades has taken place in the Apremont forest."

"In the Vosges, a short bombardment of Thann was stopped by our artillery. The bombardment caused only insignificant damage."

"The Belgian communication says: 'Notwithstanding the obstacles encountered today on account of the weather, our artillery has repeatedly disturbed the German works in course of completion, and silenced the enemy's batteries, which, although showing feeble activity, had opened fire on the road from Fysegalle to Renieghe.'"

Austrian Report

Vienna, via London, Dec. 3.—The war office today made public the following official communication: "In the northern part of the front, at some places there have been artillery combats and skirmishes."

"Italian war theatre: After the repeated unsuccessful attacks of the last few days against the bridge-head of Tolmino, and our mountain positions north thereof, quiet prevailed there yesterday. Near Oslavia last night we again repulsed an enemy attack. Attacks on Monte San Michele and the northern slope of that mountain also failed."

"Near San Martino Italian detachments which approached with sand bags were annihilated."

"Southeastern war theatre: West and south of Novipazar Austro-Hungarian detachments, strengthened by many armed Mohammedans, captured yesterday and the day before 3,500 prisoners. In the fighting on the frontier district between Mitrovitza and Ipek numerous Arnauts (Albanians) joined us."

WASHINGTON STILL WAITING FOR REPLY ON ANCONA INCIDENT.

Vienna, Dec. 2. via London, Dec. 3.—American Ambassador Penfield today repeated his request to the Austrian government that it make a reply to the American note respecting circumstances in connection with the sinking of the steamer Ancona in the Mediterranean by an Austrian submarine, as a result of which several Americans lost their lives.

FIERCE BATTLE RAGES ON BLEAK HEIGHTS OF CARSO

Bloody Fighting Continues for Nine Days Despite Icy Cold of Bora Blowing at Rate of 60 Miles an Hour—Reported Germany Will Concentrate Troops Near Roumania as Warning to That Country—Greece Still a Puzzle.

Zurich, via London, Dec. 3.—Despatches from the Isonzo front, in the Austro-Italian theatre of war, state that despite the icy cold of the Bora, which is blowing at the rate of sixty miles an hour over the bleak heights of the Carso, the Italians constantly are making attacks along the whole front. Their heaviest assaults are now directed on the Gorizia bridge-head.

Especially violent and sanguinary fighting is proceeding near Oslavia, where it has continued uninterruptedly for nine days and nights, the Italians apparently hoping to break through the whole line of Austrian defenses here. The Italian losses are said to have been terrific, and in some places the bodies have been found lying in heaps. The sufferings of the campaign have been intensified by the violence of the Bora, which has been more terrible than the heaviest snow storm. At times the men have been forced to lie down to avoid being blown over the rocks.

CANADIAN LOAN RAISED TO \$100,000,000

Original Amount Will be Used for Raising and Equipping Forces and Other \$50,000,000 to Establish Credit in Canada for Imperial Treasury.

Special to The Standard.

Ottawa, Dec. 3.—Of the \$110,000,000 subscribed for Canada's fifty million dollar war loan, the government will accept \$100,000,000. Fifty million dollars of this will be employed to establish a credit with the finance department for the imperial treasury to be available during the next few months for the purchase in Canada of shells, munitions and other supplies. Such a credit will not only give relief to the sterling exchange situation but will materially assist in financing orders placed and procure the placing of further orders in Canada by the imperial government.

Hon. W. T. White stated today that all subscriptions of \$50,000 and under will be accepted in full; subscribers other than the chartered banks will be allotted their subscriptions in full but will be allowed to withdraw or reduce their subscriptions; and the chartered banks which offered \$25,000,000 will be allowed to take such portions as they desire but the total issue will not be allowed to over one hundred millions.

Only Small Fraction Could be Allotted if Issue Confined to \$50,000,000.

The following official statement was made by the finance minister: "The question of the allotment of the war loan has been under careful consideration by the minister of finance. From the returns received to date it is clear that in accordance with the announced intention of the government the subscribers for moderate amounts are favored and the issue confined to fifty million dollars, only a small fraction of the whole could be allotted to subscribers for larger amounts, including banks, insurance and other financial institutions, as well as numerous individual citizens, commercial and industrial companies and municipalities who greatly desire for patriotic reasons to participate in the loan and have made their financial arrangements accordingly. After full consideration the following decision has been reached by the government: (1)—All subscriptions of fifty thousand dollars and under will be accepted in full; (2)—Subscribers other than the chartered banks, for amounts exceeding fifty thousand will be allotted their subscriptions in full but will be allowed to withdraw or reduce the amount of their subscriptions by written notification lodged with the finance department on or before December 15th; (3)—The chartered banks who subscribed an aggregate of twenty-five millions will be allowed to take such portion of their subscription as they desire, but so that the total issue shall not exceed one hundred million dollars."

Of the total loan so increased to one hundred million dollars the government will employ fifty millions to establish a credit with the finance department for the imperial treasury to be available during the next few months for the purchase in Canada of shells, munitions, and other supplies. Such a credit will not only give relief to the sterling exchange situation but will materially assist in financing orders already placed and procure the placing of further orders in Canada by the imperial government.

At a later date when the credit in question becomes exhausted it is the purpose of the minister of finance to devise a plan whereby, with the cooperation of the chartered banks, a further credit for the same purpose will be created. Under the present arrangement the banks will by their subscriptions materially assist in the establishment of the present credit.

RECALL OF CAPT. BOY-ED ASKED BY U.S.

Berlin Notified German Naval Attache is Persona non Grata.

VON PAPEN, MILITARY ATTACHE, ALSO MUST GO

Their Objectionable Activities Since Outbreak of War Make their Presence in United States Undesirable.

Washington, Dec. 3.—Immediate withdrawal of Captain Karl Boy-Ed and Captain Franz Von Papen, respectively naval and military attaches of the German embassy, has been requested by the State Department. In making formal announcement of this action late today, Secretary of State Lansing said the attaches had rendered themselves persona non grata to the United States government by improper activities in connection with war.

Mr. Lansing's statement: "On account of what this government considers improper activities in military and naval matters, this government has requested the immediate recall of Captain Boy-Ed, the German naval attaché and Captain Von Papen, the German military attaché, as they are no longer acceptable to this government."

The secretary acted with the full approval of President Wilson, who is understood to have determined that the United States shall be rid of foreign officials who make themselves obnoxious by activity harmful to the best interests of the nation. The State Department made its request three days ago, through Count Von Bernstorff, the German ambassador. Announcement of the fact was withheld, as a matter of courtesy to Germany, and to prevent the charge being made that the jury trying the Hamburg-American Line in New York had in any way been influenced in reaching a verdict. No reply has been received, but none is necessary, and it is taken for granted that the ambassador will order the attaches away as soon as he has exchanged communications with Berlin.

It was only after the German fleet had been driven from American waters and the activities of the Hamburg-American Line had ceased, that Congress, during the closing days of the last session, and at the urgent request of the president, passed the act which makes such proceedings unlawful. It was understood tonight that while in the cases at New York nothing had actually been proved against Boy-Ed, in view of the attention attracted by the case, officials reviewed his record and determined that now was a good time to get both Captain Boy-Ed and Captain Von Papen out of the United States.

Von Papen's offenses consisted of sending a report to the German war office by Archibald, and the interest he is said to have had in fomenting strikes in munition factories. It was Von Papen, in a letter taken from Archibald when the British authorities searched him made a reference to "these idiotic Yankees."

Announcement.

The State Department's announcement came soon after the cabinet meeting. Secretary Lansing has communicated to Count Von Bernstorff, the German ambassador, that the attaches are no longer persona grata to the United States. The usual diplomatic procedure is for the ambassador to disclaim them from the embassy. They may or may not leave the country, although they probably will. Captain Boy-Ed's activities have, for some time, attracted the attention of the government in connection with alleged misuse of American passports, and more recently in connection with disclosures at the trials of officials of the Hamburg-American line. The name of Captain Von Papen, the military attaché, has been brought (Continued on page 2)

ACTION ONLY TEMPORARY IN HOCKING CASE

No Procedure Which Would Prevent Restoration of Steamer to Company if Prize Court so Decides.

London, Dec. 3.—The British government, it is confirmed in official circles has requested the steamship Hocking and Genesee, of the American Trans-Atlantic Steamship Company, but this action, it is added, is only of a temporary character, and no procedure is contemplated which would prevent the restoration of the ships to the company, in the event that the actions in the prize court are unsuccessful.

It is explained that the government, having decided to centralize the prize court proceedings in London against vessels of the American Trans-Atlantic Steamship Company which have been seized—the number being given as "several"—the requisitioning will, in reality, only cover the trip from the ports where the ships have been captured to London, after which the prize court will take control. The cargoes against which no proceedings have been taken are being discharged.

It is pointed out that the requisitioning of ships flying a neutral flag, against which prize court proceedings have been instituted, is not unprecedented nor contrary to international law, and it is asserted that such instances occurred during the Civil War.

the correspondent says:

"Owing mainly to the intense cold, the troops from certain advanced positions have been withdrawn, and a slight concentration to the rear is taking place."

Rome, Dec. 2.—(Delayed in transmission)—Foreign Minister Sonnino's statement, concerning Albania, and Italian assistance for the Serbian army is interpreted in some quarters here as meaning that an Italian expedition to the eastern coast of the Adriatic is in the course of execution.

In some instances mention is even made of the number of troops already landed on Albanian soil, which, according to the rules of the Italian censorship, it is not permissible to state.

WHITLOCK NOT WANTED BY VON BISSING

Belgian Papers Ordered to Announce U. S. Minister Now on Vacation in States Will Not Return to Brussels.

London, Dec. 4.—The Amsterdam correspondent of the Exchange Telegraph Company sends the following: "Advices from Rosendaal (Holland) state that Belgian newspapers, under the German censorship, have been ordered to announce that Brand Whitlock (United States minister to Belgium) will not return to Brussels. The news has been received with consternation throughout Belgium. It is believed that Gen. Von Bissing (the German governor-general of Belgium) desired to have Mr. Whitlock ousted, and that he is also pressing for the immediate removal of the American and Spanish legations from Brussels to Havre, where the Belgium government is."