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FROBS— Strong winds and moderate gales, n.e. to s.e., with snow, turning to sleet and rain

FRIDAY MORNING DECEMBER 17 1915

VOL. XXXV.—No. 12,819

ITALY'S AID MAY TURN TIDE IN BALKANS

BIG INSURANCE MERGER CLOSED

BIGGEST DEAL IN INSURANCE YET PUT THRU

Manufacturers' Life Has Been Taken Over by Sun Life Company.

TO REINSURE BUSINESS

Capt. Ross Gooderham of the Manufacturers Goes to the Front.

A life insurance merger of unusual and almost unprecedented magnitude in Canada was announced last night when the board of directors of the Manufacturers' Life Insurance Company issued a statement that the business of the Manufacturers' Life Insurance Company would be reinsured in the Sun Life and that the two companies would amalgamate. An unusually close relationship has for many years existed between the Manufacturers' Life and the Sun Life, and their methods of administration have been largely patterned on the same model. Both companies have within recent years gone into foreign fields, the Sun Life on a somewhat larger scale than the other, and one of the important advantages which it is said will accrue to the Manufacturers' Life by reason of the amalgamation will be the extremely small ratio of expense with which this business will be handled thru the long established agencies of the Sun Life.

The administration of the Manufacturers' Life has been so vigorous, especially in recent years, and the company has made such substantial progress that the announcement of the intention of the company to merge its business with that of another company was received last night with a good deal of surprise. Coupled with the news relating to the merger, however, was the first public announcement that Captain M. Ross Gooder-

(Continued on Page 2, Column 5).

LORD DERBY SECURES TWO MILLION TROOPS

Figures of Enlistments, Tho Not Official, Are Considered Authentic in London.

LONDON, Dec. 17.—It seems to be generally taken for granted that during the seven weeks when the recruiting plan of the Earl of Derby was in operation an aggregate of 2,000,000 men enlisted, of whom over a quarter of a million made direct enlistment for immediate service. These figures are now being freely quoted in political circles, but it has been impossible to ascertain what percentage of single men enlisted.

Premier Asquith yesterday received a deputation of Liberal and labor members of the house of commons, who are opposed to conscription, and at this meeting the question how to deal with single men who have not yet enlisted was lengthily discussed. Nothing definite was decided, however.

FORD STEAMER STILL LYING OFF KIRKWALL

Nobody on Board But Captain is Allowed to Land.

LONDON, Dec. 17, 4.18 a.m.—A despatch to The Times from Kirkwall says the steamship Oscar II., with the Henry Ford peace party on board, is still anchored in the roadstead at Kirkwall. The despatch adds that the examination of the steamer has been made, but that nobody on board has been permitted to land except the captain.

ALLIES RELATIONS WITH ROUMANIA ARE FRIENDLY

Lord Robert Cecil Declines to Discuss Russian Military Plans, However.

LONDON, Dec. 17.—In a written reply to a parliamentary question, Lord Robert Cecil, under-secretary for foreign affairs, states that the relations between Roumania and the entente allies are perfectly friendly, but that he is not in a position to reveal the military plans of Russia.

CONCESSION MADE TO AMERICAN RED CROSS

Britain Will Allow Medical Supplies to Go to Germany.

LONDON, Dec. 16.—The foreign office announced today that hereafter the American Red Cross may send medical supplies to its units operating with Germany or her allies, providing the United States Government gives an understanding that such supplies will be used only by Amreican Red Cross doctors and their assistants.

When such an undertaking is given, the announcement states, medical supplies will not be stopped by the British blockade.

WINSTON CHURCHILL NEARLY HIT BY SHELL

German Projectile Hits Dug-out of Ex-First Lord at Front.

LONDON, Dec. 16—Winston Spencer Churchill, who resigned his portfolio of chancellor of the Duchy of Lancaster in order to join his regiment at the front, had a narrow escape a few days ago, according to wounded men who have arrived home. These men say that Mr. Churchill's dugout was hit by a German shell.

CANADIAN DIVISIONS WILL BE COMPLETE

British Forces Will Not Be Required to Supply Any Branches.

POST FOR JAMESON

M.P. Has Been Appointed Recruiting Officer for Nova Scotia.

By a Staff Reporter.

OTTAWA, Dec 16.—It is announced tonight that all three Canadian divisions at the front will be made complete divisions, including artillery, army service corps, army medical corps, lines of communication, etc. In the second division some of these units had been supplied from the British forces.

If a fourth division is decided upon it will also be made complete.

Clarence Jameson, M.P., for Digby, has been appointed recruiting officer for Nova Scotia. He had a conference with General Sir Sam Hughes this afternoon, before the latter left for New York. Mr. Jameson had done good recruiting work in his own county already, and his organization of the larger field is likely to have substantial results. Some months ago he donated a machine gun to one of the Nova Scotia battalions.

Reports received at the militia department show that, tho the recruiting may fall off to some extent in the larger centres, it is increasing in a satisfactory manner out in the towns and rural districts.

Instead of going to the city to enlist, as some did before, the men are enlisting in the county or local battalions.

ALLIES' PARLIAMENTS IN CLOSER RELATION

Anglo-French Project Reported to Be Making Good Progress.

LONDON, Dec. 17.—A project for the formation of a committee of the houses of lords and commons to cultivate closer relations with the foreign affairs committee of the French senate and the French chamber has been successfully launched. An executive committee, with Viscount Bryce as chairman, has been organized to carry out this plan. It is expected that, altho the work of the committee will be entirely unofficial, results will be obtained.

DE COPPET PRESIDENT OF SWISS REPUBLIC

BERNE, Dec. 16.—(Via Paris).—Camille de Coppet was today elected president of the Swiss Republic, and Edmund Schulthess vice-president. M. de Coppet is a former minister of justice and at the present vice-president of the republic.

RAILWAY STRIKE SETTLED.

CHICAGO, Dec. 16.—The strike of 600 employes of the Chicago Belt Line Railway, which began last Tuesday, was settled tonight thru the instrumentality of M. W. W. Hanger of the United States Commission of Mediation and Conciliation, and the men will return to work tomorrow morning.

U. S. LIKELY TO CUT RELATIONS WITH AUSTRIA

However, at Least One More Note Will Go From Washington.

VIENNA QUITE STIRRED

But, Suggestion is Made That Understanding May Be Reached.

WASHINGTON, Dec. 16.—Press despatches from Vienna tonight, saying the Austrian note was handed to Ambassador Penfield at noon yesterday, made it practically certain that the document would be received at the state department tomorrow.

WASHINGTON, Dec. 16. — The United States will regard Austria-Hungary's reply to the American note regarding the Ancona as being entirely unsatisfactory and unacceptable should the official text, which tonight was momentarily expected, be identical with the unofficial version received in press despatches from Amsterdam and London.

Persistence by Austria-Hungary in the course she apparently has determined to pursue would result in the serverance of diplomatic relations between the United States and the Vienna Government. This step would not be taken by the United States, however, it was authoritatively stated tonight, without one more communication being despatched to Austria-Hungary.

Prepared to Insist.

The United States is described as being prepared to insist that Austria-Hungary promptly comply with the demands for disavowal, punishment of the submarine commander, and reparation by payment of indemnity for the Americans killed or injured in the destruction of the Italian liner, making it clear that failure will mean immediate breaking off of relations.

A second note, it is said, would renew the original demands, and, without dealing in a discussion or exchange of views, would be of even a more insistent nature as to the expectations of compliance without further delay.

The state department tonight had received no official information from its own sources that American ambassador Penfield at Vienna had been

(Continued on Page 3, Column 3).

DISTRIBUTION OF FUND UNJUSTLY CRITICIZED

J. E. Atkinson Tells of Administration of Patriotic Fund Moneys.

THE AVERAGE GRANT

Approximately Sixteen Dollars a Month for Six Thousand Soldiers' Families.

In an address on the "Distribution and Administration of the Money Subscribed to the Patriotic Fund," at the Central Y.M.C.A., College street last night, J. E. Atkinson, a member of the executive said: "I found that any criticism of the distribution and administration was very largely unfounded and that after investigation, it developed that the cases in point were well dealt with. There were instances where we found that women did not use the money in riding in a taxi, after advising her to do different, she failed to do so, why the allowance was stopped."

The Average Grant.

"We gave $160,000 a month to carry out the plans of the patriotic fund. There are 8000 families to provide for and each gets on an average of $16 a month. The cost of administration is less than one per cent, and we had reduced the minimum of administration expenses two per cent, eight months before the time set by the Dominion executive.

Mr. Atkinson urged those present to belong to the 50,000 Club, as this would give to the fund half of the needed amount, and relieve the financial tension next month when the campaign for the coming year for funds would be started.

U. S. NOTE ON COAMO HAS REACHED PARIS

It Was Delivered to the French Foreign Office Yesterday.

PARIS, Dec. 16.—The American note to France concerning the removal of persons from the American steamer Coamo and other American vessels by the French cruiser Descartes, was received at the American embassy here last night and was to be delivered to the foreign office today.

It is presumed that several days will be required for consideration of the subject before a reply is given.

FRENCH POUND AWAY AT TURKISH BATTERIES

Enemy's Artillery Activity Lessened—Turk Aeroplane Put to Flight.

PARIS, Dec. 16.—Tonight's official statement on Dardanelles operations says: "The Turkish artillery displayed less activity on Dec. 15. An enemy aeroplane which attempted to make a flight over our lines was pursued by our machines and compelled to flee. Our heavy artillery continued to bombard the batteries on the coast of Asia."

CHINA MUCH DISTURBED BY TROUBLES IN INDIA

Fears Being Blamed for Smuggling of Arms to Revolters

TO FOIL FOE'S PLANS

Russia Suggests Seizure of German Concessions to Check Kaiser's Agents.

PEKIN, Dec. 16.—China is much disturbed by the rumors of serious uprisings in India. All the telegrams concerning the Indian troubles intimate that the disturbance is the result of German activities made possible thru the smuggling of arms from China. Despatches from Russia indicate that the Russian officials feel the activities of German agents in China should be checked and the suggestion that the entente allies seize German concessions in China has been very disconcerting to the Chinese. Wherever they turn Chinese officials are met with veiled threats. Europeans on both sides of the great war constantly remind the Chinese of what will happen after the conflict is over in case they show any favoritism during the struggle.

EXPECTS U.S. TO BREAK OPENLY WITH AUSTRIA

London Daily News Sees No Hope in Forecast of Vienna's Rejoinder

GERMANY AT BOTTOM

Insolence of Reply Veiled by Bad Composition Constitutes Flat Defiance.

LONDON, Dec. 17.—As in the case of the American note to Vienna, the London morning papers show little disposition to comment on the Ancona case. Among the exceptions is The Daily News, which considers that there can be but one issue, namely, a rupture of diplomatic relations.

The Daily News says: "The extraordinary insolence of the Austrian reply is veiled somewhat by its extremely bad composition, but its general tenor is clear, and there could scarcely be a more flat defiance of a peremptory demand. The full seriousness of the situation depends upon the degree in which Germany may be implicated. In view of the new developments, the note certainly could not have been sent without Germany's approval, for nobody seriously doubts that in this campaign as in all the rest of her policy, Austria is the subservient tool of her ally. * * * An open rupture with Austria will definitely free the United States Government from even seeming condonation of the submarine crimes, and will do much to restore her prestige and authority among civilised nations, which she will need if she is to play adequately the part to which her greatness and destiny call her."

ITALIAN FORCES IN BALKANS TO THREATEN ENEMY'S FLANK

BULGARS' BIG PREPARATIONS

Strenuous Effort Made to Raise New Army of One Hundred Thousand Men.

PARIS, Dec. 16.—An Athens despatch to the Havas Agency, dated Wednesday, says The Hestia learns from Sofia that the Bulgarian Government is preparing a new army by calling up all exempted men and all Bulgarians able to bear arms living in the regions occupied in Serbia. The Bulgarian staff is said to count upon thus raising an army of 150,000 men. They will be armed with Austrian rifles.

BRITISH BY SURPRISE ATTACK CAPTURED GERMAN TRENCHES

Two Night Enterprises Successfully Carried Out Near Armentieres, With Slight Losses—Artillery Bombardment Continues Around Ypres.

LONDON, Dec. 16.—The following official communication was issued this evening: "Last night two small enterprises were successfully carried out near Armentieres, hostile trenches being entered and their occupants disposed of. The enemy losses are estimated at 70 men killed. Our losses were trifling.

"Today there has been an artillery bombardment by both sides about Ypres.

"The report in the German wireless of Dec. 15, that we lost four aeroplanes, is untrue."

FUTILE ATTACK OF TURKS WAS COSTLY

LONDON, Dec. 16.—A British official statement issued tonight says: "Gen. Townshend reports from Kut-el-Amara that, according to Arab reports, the Turks lost 2000 men in their attack on the evening of Dec. 12. Gen. Townshend cannot affirm this, but he himself estimates that the Turks lost fully 1000. They have not resumed their attacks since."

SUSPICIOUS CHARACTER HELD FOR EXPLOSIONS

John Szodoba of Several Aliases Arrested by Detectives of Powder Company

HAD ARSENAL IN ROOM

Quantities of Gun Cotton, Dynamite and Black Powder Seized by Salem Police.

SALEM, N. J., Dec. 16.—Detectives of the Dupont Power Co. today arrested John Szodoba, alias Dr. Jacob Szoboda, alias Louis Hartman, a former employe of the powder company, who, according to the detectives and Salem officials, has recently been acting in a suspicious manner, and who, they believe, knows more about the recent explosions at the Dupont plants than he will admit. The charge lodged against Szodoba was the larceny of goods valued at about $3, but Magistrate T. Smith held the prisoner under $1000 bail for a further hearing, declaring tonight that he considered the arrest "a very important one." Szodoba was taken into custody at his boarding house at Penn Grove, where is located one of Dupont's largest plants.

In his room the officials say they found a large quantity of gun cotton, both raw and treated, nitroglycerine, dynamite, black powder of the finest quality and a number of letters written in French and German. The explosives, the prisoner told Magistrate Smith, had been left in his room by fellow-boarders. The letters are now being translated, but their contents will not be made public until tomorrow.

NEW FORMAL PROTEST DELIVERED TO GREECE

Allies Will Continue to Fortify Saloniki Without Sign of Worry.

PARIS, Dec. 16.—A despatch to The Temps from Saloniki, dated Dec. 15, says that the general commanding the fifth Greek army corps, which has been occupying Saloniki, delivered to Gen. Sarrail, the French commander-in-chief, before the Greek evacuation of the city, a written protest against the fortification work that has been begun at Saloniki.

The protest, says the despatch, is purely formal, resembling that presented in October against the landing of allied troops.

The Bulgarians are still just beyond the Greek frontier, which they do not appear to desire to cross, the message adds.

TINKER AT FOOD PRICES TO PLACATE POPULACE

Members of Reichstag Budget Committee for Cutting of Maximum Sugar Prices.

TO REGULATE RICE, TOO

Some Also Favor Reduction in Limit for Old Age Pensions.

BERLIN, Dec. 16, via London, Dec. 16.—The budget committee of the Reichstag has adopted various resolutions looking to the regulation and cheapening of food supplies. These resolutions include a reduction in the maximum price of sugar and by-products, the fixing of maximum prices for rice and vegetables of all kinds, as well as foodstuffs for live stock, and providing for special allowances of grain to breeders of animals and poultry.

The budget committee also has adopted a resolution recommending the reduction of the age limit for old age pensions from 70 years to 65 years. Another resolution increasing the war allowances of the families of soldiers, and the pay of privates was referred for further action.

The committee also discussed a proposal to reduce the war salaries of the higher officers in order to secure funds for increasing the privates' pay. The Socialists finally offered a resolution demanding a thoro revision of all military salaries.

The war minister opposed such changes as did also Dr. Helfferich, the secretary of the imperial treasury, who remarked that savings thus made would be insignificant.

McKENNA TO BECOME THE VICEROY OF INDIA?

London Post Works Itself Into Rage Over "Persistent Rumor."

LONDON, Dec. 17.—The Morning Post in an editorial today refers to a persistent rumor that Reginald McKenna, chancellor of the exchequer, is to succeed Baron Hardinge as viceroy of India, and makes a strong protest that Mr. McKenna is a party politician and totally unsuitable for such a high position.

SIR EDWARD GREY AGAIN TAKING REST

LONDON, Dec. 17.—Sir Edward Grey, the British foreign secretary, is again taking a rest in the country. His place at the foreign office is being filled by the Marquis of Crewe, lord president of the council.

Outlook in Balkans Grows Much Brighter for Entente Allies—Forces at Saloniki Strongly Reinforced With Men, Guns and Ammunition.

LONDON, Dec. 16.—There is a more hopeful feeling in London with regard to the Balkan operations now that it is definitely announced that the Italians have effected a landing on the Albanian coast, and that the Anglo-French force, which has fallen back towards Saloniki, has been strongly reinforced with men and guns, including some heavy naval weapons.

It is not stated how large a force the Italians will send to the assistance of the Serbians and Montenegrins, but from the fact that the official account intimates that landings have been made at more than one port, it is taken for granted that an army of considerable proportions is to be sent across the Adriatic. This, with the Montenegrins and Serbians who escaped into Albania, will be a serious threat to the central powers' right flank, while they can never look on in idleness at the concentration of an army at Saloniki, which at a chosen moment would undertake an offensive, and at the gathering of Russians in Bessarabia.

"Quiet prevails along the whole front of the army of the east," says tonight's French official statement.

Germans Would Strike.

It is anticipated, therefore, that the Germans will strike at Saloniki, before the Anglo-French forces grow too strong, and, it is believed, with that end in view, they are now negotiating with the Greek Government. If their plans include the participation of the Bulgarians in the attack, they are likely to meet with opposition from Greece, as Greece is strongly averse to any Bulgarians crossing her frontier. This applies also to some extent to the Austrians, whose ambitions always have been for a port on the Aegean, preferably Saloniki.

On the whole, therefore, it is thought here that the Greeks might prefer to see the entente remain there until the end of the war. In fact, Lord Robert

(Continued on Page 5, Column 5.)

FRENCH TAKE HOUSES OCCUPIED BY ENEMY

By Sudden Blow, Group of Dwellings Were Wrested From Germans

SHELTERS BOMBARDED

Fires Started in Foe's Trenches on Heights of Meuse.

Special Cable to The Toronto World.

PARIS, Dec. 16.—Artillery actions, with clashes of opposing infantry, combined with several successful strokes delivered against the Germans, featured the day's activities on the front in France and Belgium, as reported in the French official communique of tonight.

A group of houses held by the enemy was captured by the French in a sudden blow, 15 prisoners being taken without the French suffering any loss, this smart affair taking place southeast of Vauly in the Aisne valley. Several walls, behind which German bomb throwers and sharpshooters were concealed, were destroyed by French guns.

Mine fighting in the Argonne shattered German trenches at Vauquois.

Works and shelters of the enemy were severely damaged by French artillery in action at Bois du Chevaliers, on the heights of the Meuse, where several fires were started.

Belgian artillery took effective action against German batteries south of Dixmude and silenced nine throwers near Steenstraete.

A German ammunition depot was blown up near Quennevieres by French artillery last night.

World-Renowned Hats on Sale Today at Dineen's.

The Dineen store is the best place in Toronto to get the world's best hats. This store carries the most exclusive line of men's hats that can be found in Canada. The wide variety of the styles and the unquestioned quality of the stock become all the more of a marvel when the very low prices at which the hats are sold become known to those men who have not yet acquired the habit of buying their hats at this old established hat shop. To visit Dineen's, 140 Yonge street, is to learn what real hat value means. Drop in today and get that new hat you need; you will be pleasantly surprised.