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FRIDAY MORNING AUGUST 2 1918

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Jan 19—
SENATE P O OTTAWA.

GERMANS DRIVING THE ALLIES BACK

Allies Drive Germans From Strong Positions on River Ourcq—Capture Heights on Vesle Plateau and Pass Far Beyond Beugneux Village—Over Thirty-Three Thousand Germans Captured in Two Weeks—Enemy Flees Precipitously.

ALLIES MAKE BIG GAINS ON BOTH SECTORS

Have Apparently Placed Germans in Front of Them in Precarious Position.

RESISTANCE FUTILE

Northwest of Fere the Elbow on North Bank of Ourcq Eliminated.

After a short period of relative calm on the Soissons-Rheims salient, the central and western sections of the battlefield again have been the scenes of mighty struggles.

On both sectors the allied forces have achieved notable gains of ground, which, observed on the war maps, seemingly place the German armies in front of them in a precarious position.

In battles extending from the region immediately south of Soissons to the northwest of Fere-en-Tardenois and southwest of the last named town, over the upper portion of the left bank of the "V" salient running to Ville-en-Tardenois, and with St. Gemme as its southern base, French, American and British troops have pushed back the armies of the German crown prince.

Northwest of Fere the entire elbow of the line, where it turned eastward along the northern bank of the Ourcq, has been blotted out, making the line a straight one from Fere to Harennes and giving the allies much better ground over which to work in further outflanking Soissons on the southeast and for pressing on toward Fumes in conjunction with the troops, particularly the Americans, now holding strategic points north and northeast of Fere.

In this fighting the allied troops drove out the Germans who had been tenaciously holding positions between Plessier Huleu and the river and took the high ground north of Grand Rozoy, pressed on past the village of Beugneux and arrived before the villages of Cramaille and Cramoelle. The general advance was about two miles and six hundred Germans were made prisoner.

The most important gain, however, was on the upper western part of the V southeast of Fere. Here the Village of Clerges and the Meuniers Wood both were taken, a manoeuvre which placed the Germans at the bottom of the V at St. Gemme in a seemingly precarious plight, for from the wood and the village the allied guns will be able to rake the Germans, if they should endeavor to make their way northward, their only avenue of escape, by an enfilading fire. Thus the capture of the Meuniers Wood the width of the V from the fringes of the Forest of Rontigny on the east, has been cut down to four miles.

As has been the case during the past week, the Germans contested stubbornly the advance of the allied troops, but to no avail. Since the Battle of the Marne began July 15 the allied troops have taken more than 41,000 Germans prisoner.

Just what part the American troops played in Thursday's battle has not yet been unfolded, but they doubtless everywhere in the centre of the battlefield were in the thick of the fray. Between Seringes and Clerges, respectively northeast and southeast of Fere, they are known to have made good gains over a four-mile front and to have pushed further beyond Sergey and reached within a mile and a half of the Village of Chamery.

On the British front in France and Flanders the bad weather has ceased and the hot sun is fast drying out the muddy ground. The Germans are bombarding heavily various positions held by Field Marshal Haig's men, who in turn are answering the fire of the enemy guns and keeping up with much success their annoying raids into the German lines.

RESERVES OF ALLIES OUTNUMBER GERMANS

London, Aug. 1.—For the first time since the opening of this year's campaign on March 21, the fresh reserves at the disposal of the allies considerably outnumber the reserves at the disposal of the enemy, notwithstanding the fact that the enemy still holds a substantial numerical superiority on the whole of the front, according to the view in military circles here.

Large American Army to Take Field Soon

United States Will Have Three Million Men in Europe by Next Spring—Six New Divisions Each Month.

Washington, Aug. 1.—War department recommendations for enlarging the army and for the extension of the draft age limitations in order to provide new reservoirs of man-power to back up the forces already at the front will be laid before congress next week. Members of the two military committees have been recalled to Washington by the chairman in order to expedite the bill.

In announcing following a conference with Chairman Dent of the house committee, that his increased army project was virtually ready, Secretary Baker would not say what age limits had been settled on nor indicate in any way the size of the army which he is planning.

If the ages are revised they will have to be either below 21 or above 21, or both. "I think it will be both," said Secretary Baker.

Gen. March, in announcing the creation of a July schedule of six new divisions, followed by an August schedule for the same number, has indicated the embarkation upon such a monthly program.

At this rate approximately 250,000 men a month will be sent overseas, their places in the home cantonnements to be taken by 250,000 new men.

It is not certain that the department is aiming at the creation of a force of any definite size. There are now upward of 1,300,000 American troops either overseas or en route. Under the 250,000 a month suggestion and without mishap to the supply lines, October should see 2,000,000 Americans overseas and the opening of the spring campaign of 1919 when many officers believe the final scenes of the German defeat will begin in a great combined drive against the German line, might easily see 3,000,000 men ready for action, with another force of substantially 2,000,000 organized at home.

FROSTS IN THE WEST SHOWN BY REPORTS

Quick Recovery After Rain is Seen, However, in Some Districts.

CUT FOR FEED

Report From Saskatchewan Says That Damage is Not Yet Known.

Reports received within the past couple of days by the Massey-Harris Company on the crop situation in Manitoba and the western provinces, are not as good as anticipated. The company's representative at Edmonton says: "Disastrous frost damage reported to crops that were advised as encouraging last week. Full extent of damage not yet known but we fear for the worst. Considerable is now being cut for green feed to save situation as far as possible. Wheat crop practically hopeless, but oat crop prospects slightly more favorable."

From Saskatchewan the report says: "Full extent of frost damage not yet known but very serious. Splendid rain over whole territory which will help feed of damage to grain."

Frost, Wind, Drought.
From Winnipeg: "Last reports indicated severe damage from frost, wind and drought. Heavy general rain last week should benefit short late grains and assist in filling stage. Continued satisfactory conditions justify expectations of larger yield than anticipated ten days ago. It is an amazing country for recovering from serious reverses. Be strong in your faith."

Swift Current: "Weather last week very cold with considerable good showers pretty well over our territory and will help crops greatly. Light frost, but believe damage is only nominal, if any."

Yorkton: "Severe frosts Wednesday supposed to have done considerable damage. Recent cold weather and heavy rains may have saved situation."

Regina: "Have had good rains last two days and crop conditions improving. Slight frost Indian Head and north."

U. S. DOUBLES WAR TAXES UPON AMUSEMENTS

Washington, Aug. 1.—Doubling of the present special taxes on manufacturers of tobacco, cigars and cigarettes and increased taxation of brokers, theatres and other amusements, billiard and pool parlors, bowling alleys and capitalization of corporations, were agreed on by the house ways and means committee today in framing the \$8,000,000 revenue bill. A new tax of one per cent. on retail sales of merchandise by the house ways and means committee today was adopted. Pullman seats and berths and passenger rates will be subject to a uniform tax of eight per cent. Stamp taxes were undisturbed.

PORTUGUESE SHIP SUNK.

Lisbon, Aug. 1.—The Portuguese barque Porto was sunk by a German submarine 550 miles off the Atlantic coast, July 27. The navy department announced today that a crew of 18 had been landed at an American port by a British steamer.

TWO RHENISH TOWNS RAIDED BY BRITISH FLYING SQUADRONS

Fire Breaks Out in One Factory Hit at Duren—British Airmen Down Three German Machines at Treves.

London, Aug. 1.—The air ministry communication tonight says: "On the morning of the 1st of August one of our bombing squadrons started to bomb Cologne, but, finding it enveloped in a cloud, turned and dropped its bombs on the factories at Duren (Rhenish Prussia) in one of which a fire broke out. All our machines returned."

A second formation attacked the railway works at Treves. They were heavily attacked by large numbers of hostile machines. Three of the enemy machines were destroyed. One of our planes has not returned."

Bonar Law Asks Huge Credit

Three Billion and Half Dollars to Prosecute War Largely in History—Expenditure on Army Shows Big Increase Over Estimates.

London, Aug. 1.—In asking for a vote of credit of £700,000,000 (\$3,500,000,000) in the house of commons today, Andrew Bonar Law, chancellor of the exchequer, said that the largeness of the amount was not due to increased expenditure, but to the fact that parliament was about to adjourn. He hoped, he said, that more than one more vote would be necessary before the end of the fiscal year.

The chancellor said the expenditure on the army showed an increase of £5,000,000 over the estimates. Loans to the allies and the dominions had been less than the estimates by £22,700,000.

The vote asked is the largest in the history of the country. It is intended for the carrying on of the war until the end of October.

Analyzing the expenditure under the various heads, the chancellor explained that the increase of £5,000,000 in the army expenditure, over the estimate of the current fiscal year, was due to the fact that the strength of the army was greater than at the time the budget estimate was framed.

Regarding loans to the allies and the dominions, he said the deficit due from the allies now, he added, had reached a total of £1,402,000,000, and from the dominions £208,500,000.

Advances that had been loaned to Russia was £568,000,000, while to France £402,000,000 had been lent; to Italy £215,000,000, and to Belgium, Greece and smaller nations, £113,000,000.

Bonar Law said that in 1916 Great Britain had agreed to give to the Italian exchequer a monthly credit to be used to help Italian exchange. A similar contribution, the chancellor added, was being made by America, and France would also help.

The rate of interest charged, Bonar Law said, was five per cent, which was below the rate which the government was paying.

Till End of August.
Bonar Law estimated that the last vote would carry on until the end of August, that the estimate would be realized and the balance would probably last until the first week of September.

During the period from April 1 to July 30, there had been under-spending to the amount of £21,500,000 on the four fighting services; there had been under-spending on shipbuilding, due to the need of taking men from the shipyards for the army; there had been over-spending on the army, due to the fact that the ration strength was higher than had been anticipated.

"I should like to make reference to the assistance given to Italy," said the chancellor, "because the German Government has spared no effort to create the impression that Italy is being utilized and exploited by the alliance, especially Great Britain." In 1916 Great Britain agreed to give to the Italian exchequer a monthly credit to be used to help Italian exchange. A similar contribution is being made by America,

British and French Drive Enemy From Positions on Ten-mile Front, Capturing Villages—Romigny Also Falls Before Assault Above Rheims-Dormans Road.

Paris, Aug. 1.—In an advance of about two miles on the Aisne-Marne front today, the allied troops reached Cramoelle and Cramaille, on the southwestern part of the salient, capturing 600 prisoners, according to the war office announcement tonight.

Clerges and Meuniers Wood have also been occupied, and the Village of Romigny, north of the Dormans-Rheims road, was taken.

From July 15 to July 31, the prisoners captured by the allies numbered 32,400.

The text of the statement reads: "North of the Ourcq our troops, in conjunction with British units, drove the enemy from positions to which he had been energetically clinging in the region of Plessier Huleu and the river. We captured the height north of Grand Rozoy, passed beyond the village of Beugneux and reached Cramoelle and Cramaille, realizing at this point an advance of about three kilometres. Six hundred prisoners remained in our hands.

"Further south we occupied Clerges and Meuniers Wood. "North of the Dormans-Rheims road we conquered after a stubborn engagement the Village of Romigny, taking about 100 prisoners.

"The total number of German prisoners taken on the Marne battlefield and in Champagne during the period between July 15—the date of the beginning of the German offensive—and July 31 is 32,400, of which 674 are officers."

Deliver New Stroke.

London, Aug. 1.—The allies today delivered a new stroke over a ten-mile front between Buzancy, about four miles south of Soissons, to Seringes, north of Fere-en-Tardenois. The result was a considerable advance and the wiping out of the elbow in the line at Oulchy-le-Chateau, according to advices to The Evening Standard.

Germans in Flight.

With the French Army in France, Aug. 1.—With the fall of darkness tonight fighting continued between the allies and the Germans on the western side of the Soissons-Rheims salient. Allied observers reported that bodies of Germans were fleeing precipitately northward along the road leading from Launoy, which lies about midway between Soissons and Fere-en-Tardenois.

The attack by the allied forces which brought them such good results during the day, started at 4 o'clock this morning, with the aid of tanks. The British joined with the French in attacking the woods, thickets and villages, each of which had been transformed into a fortress with the aid of machine guns.

By six o'clock Hill 205 and the villages of Courdoux, Servenay and Cramoelle had fallen before the determined allied assaults and prisoners were coming in. By 7 o'clock the advance was so marked that the British and French batteries were able to go forward to new positions. The Germans' guns replied feebly, but their mitrailleuses were very numerous.

The enemy counter-attacked furiously from Buzancy and Eveque Wood, but his efforts were splendidly held up by the allied infantry.

By evening the allies had occupied Cramaille, northwest of Fere-en-Tardenois, and the hillocks to the north of it.

Americans Gain in Centre.

With the American Army on the Aisne-Marne Front, Aug. 1.—The American troops pushed forward their lines at certain points Thursday on the centre of the Rheims-Soissons salient, notwithstanding the resistance of the Germans, who did not give ground on some sectors until they actually had been shot from their positions.

The Germans are desperately clinging to their strongholds at Nesles and in the Bois Meuniers, northeast of Ronchères, but the Americans have gained a hold on the northern edge of the Meuniers Wood. The Nesles Forest is under the range of the American heavy guns.

Aviators report that the Germans are rushing up reinforcements, including tanks. The enemy's heavy guns are pounding the Nesles and Meuniers woods unmercifully.

Observers and prisoners who had been brought behind the lines previously reported the forests as having been jammed with German troops and also with large quantities of supplies. The German losses in men, therefore, must have been very great, as the heavy guns started shelling the woods several days ago.

Blasted Way Thru Wire.

The allied troops continued today to encounter barbed wire. Between Seringes and Sergey there were woven fields of wire entanglements. At creek crossings and in the valleys the German machine gunners held their commanding positions until the heavy guns of the French and Americans blasted a way thru the wire and ousted the enemy from his positions. Some of the enemy machine gunners stuck to their posts under terrific fire until they were killed.

The American heavy artillery commands the Village of Chamery, northeast of Sergey, the Americans having wrested the hill beyond the last named village from the Germans in a battle lasting for hours. The lines swayed back and forth many times, but the Americans eventually pushed the Germans back. This fighting was in the open and the American infantrymen showed great courage.

To the north of Clerges, the Americans also advanced their line. The fight began early Thursday for the possession of a farm, from which the Americans swept away the Germans. North of Sergey the Americans crossed wheat fields that had been planted by French peasants, the crops of which had been partially garnered by the Germans. What remained of the wheat was recovered by the Americans.

There was much aerial activity throughout Thursday. The Germans sent out large numbers of aviators, who appeared to be determined to

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