
Notice to Advertisers.
 In order to ensure changes being made in advertisements, copy must reach this office not later than 9 a. m. on the day of publication.

The Daily Mail

The Weather.
 Maritime: Fresh westerly winds, fair, not much change in temperature.

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FREDERICTON, NEW BRUNSWICK, MONDAY, JANUARY 8, 1917

TWO CENTS PER COPY

ALLIES PREPARING TO CARRY THE WAR INTO THE HOLY LAND

Austria Hungary Said to Be on the Verge of Collapse

Serious Differences Between the Two Kaisers Have Arisen--- Quarrel Has Gone too Far to be Patched up---Sensational Developments Expected Soon.

LONDON, Jan. 8.—A Berne despatch to the Daily News says: "If the report reaching here from usually trustworthy sources is accurate, Austria-Hungary is very near collapse. No effort is made to conceal the differences which have arisen between the two Kaisers, and Swiss newspapers attribute to Count Golachowski, who recently arrived here from Vienna, a statement that the quarrel between the monarchs has gone too far to be patched up. Austria compelled Germany to agree to a joint offer to open peace negotiations, and now that the offer has definitely been rejected, well-informed neutral observers state that developments of even more sensational character may take place during the next few weeks.

"The liberty allowed to newspapers in the discussion of peace is held in some circles here to indicate that the authorities are anxious to make inflamed public opinion an excuse for ending the war."

LONDON, Jan. 8.—A Daily Telegraph despatch from Rome says: Lloyd George is spoken of by everybody as the leading figure in the conference. The newspapers here have published long and flattering articles about him, and without disparaging the others, it is safe to say that he is most admired among the visitors. All the papers are agreed in saying that it is to his initiative that the holding of the conference in Rome is due.

ROME, Jan. 8.—The Italian press is filled with cordial comments on the conclusion of the conference of the Allied leaders here. The one point emphasized by all is that the conference spells united action and firm resolution on the part of all the Allied nations.

British Forces in the Region of Suez Canal

Are Preparing for a Drive Through Palestine

WASHINGTON, Jan. 8.—The Holy Land may be the next important theatre of war. Official despatches received here indicate that the British forces in the Suez region are preparing for a drive through Palestine. The object of this move undoubtedly is to join the Russian army that has moved south from the Caucasus, cutting the Bagdad railroad and ending Germany's dream of eastern Empire.

It is not permitted to reveal the nature of the despatches which convey this information, but the conclusions drawn from them are amply supported by the facts of the present military situation of the belligerents.

The Russian offensive in Asia Minor last spring, which took Trebizond, Erzerum and Mush, has been halted far short of its goal.

The British Today are Further East of the

Canal Than at Any Time Since War Began

The British campaign from the Persian Gulf up the Tigris-Euphrates Valley, ended in disaster at Kut-el-Amara. But the British forces at Suez recently captured El Arish, 75 miles east of Suez, and have pushed on beyond there, how far is not yet known. The British today are farther east of Suez than at any time since the war broke out.

The Czar's army on the north has been re-enforced, and the Tigris army has been reorganized and is pushing up the Valley. Everything points to excellent chances of success if a combined effort from the Adriatic ocean is made against the Turks.

The Turkish censorship has closed down tightly on all news from Palestine, particularly from the Lebanon district, where it is evident preparations are being made to resist such a move.

RUSSIANS MAKE A GAIN.

BERLIN, via Sayville, Jan. 8.—Russia troops made another attack yesterday with strong forces on the northern end of the Russo-Galician front, near the Gulf of Riga. Today's official statement says the Russians succeeded in gaining more ground.

SHUFFLE IN DOMINION CABINET

Ottawa, Jan. 8.—Ministerial changes in the Federal government followed a cabinet council at noon today. Consequent upon the death of the Hon. T. Chase Casgrain, Hon. Albert Seigny entered the government, but not as Postmaster General. He was sworn in as Minister of Inland Revenue, replacing Hon. E. L. Patenaude, who becomes Secretary of State. Hon. P. E. Blondin, former Secretary of State, is the new Postmaster General. After the necessary order-in-council has been passed the oaths were administered by His Excellency the Governor General.

Had Won Fame As a Composer

St. John, Jan. 8.—Michael Kelly, of St. John, who died this morning in the county hospital as the result of tuberculosis, was the composer of the music for "We'll Never Let the Old Flag Fall," a song which has become well known over the entire empire since the war began. He was a professional musician and composer of many other works which were less well known.

Last year he became bandmaster of the 132nd Overseas Battalion band, but was forced by ill health to give up the post.

He was 35 years of age and unmarried.

PERSONAL

Mr. C. J. B. Simmons, who had been employed on munition work at St. John, has just recovered from an attack of diphtheria which he had at his home here. His son also had the disease.

Mr. H. H. Belyea, of St. John, is a guest at the Barker House.

POPE TO SEND PEACE NOTES TO GERMANY AND AMERICA

NEW YORK, Jan. 8.—A News Agency despatch from Rome, published here today, says: "Pope Benedict will declare the present moment inopportune for a peace movement, in notes to Germany and America, the newspaper Messagero asserted today. According to this source, the notes will be practically identical in terms and will be despatched by the Vatican on Wednesday. The Messagero declares the Pope will narrate his own personal efforts towards peace and his desire to end the great war, but will sum up his conclusions with the statement that the time is not yet ripe for definite steps.

ALLIED AIRPLANES LOST.

BERLIN, via Sayville, Jan. 8.—Six airplanes were lost by the Entente forces yesterday on the Franco-Belgian front, army headquarters announced in today's statement on operations in that war area, as follows: "On the Yser front, in the Ypres salient, and north of the Somme temporarily lively artillery duels developed. Through successful air engagements and the fire of our defensive guns, the enemy lost six airplanes."

ROUMANIAN TOWN FALLS.

BERLIN, via Sayville, Jan. 8.—According to the War Office announcement today, the Roumanian town of Fokshanik has been captured and nearly 4,000 prisoners taken.

MARITIME MEN IN CASUALTY LIST

Ottawa, Jan. 7.—Maritime men in the casualty list are as follows:

Infantry.

Wounded—M. Blackburn, Newport Landing, N. S.

Engineers.

Missing, believed killed—Slapper C. Gilday, Sydney, N. S.

Mounted Rifles.

Missing—V. M. Lutes, Moncton, N.B.
 Wounded, severely—L.G. Louthbury, Lewis Mountain, N. B.

Mr. E. G. McCollough, Montreal, is a guest at the Queen.

Mr. J. E. Patte, of Montreal, is registered at the Queen.

INDIGNATION IN SPAIN OVER THE WORK OF GERMAN SUBMARINES

Spanish Steamer Thought to Have Been Accidentally Sunk Was Torpedoed--- Trade of Canary Islands Restricted By Presence of Submarines.

MADRID, Jan. 7, via Paris, Jan. 8.—Public indignation has been aroused through the publication of a telegram received by the manager of the Cartagena Navigation Company confirming the report that the San Leandro was torpedoed by a German submarine. It was generally believed that the loss of the steamer was accidental. As her cargo was of fruit it was considered unlikely that she would be torpedoed.

The crew of the ship has arrived at Hendaye, France, where they made statements before the Spanish consul, in which they said that they were twenty-six hours in an open boat before reaching the French coast.

The navigation company has sent telegrams to Premier Romanos and the minister of foreign commerce, protesting against the sinking and has suspended the sailing of another of its ships, the San Isidore, which is now loading fruit at Malaga.

Presence of German Submarines in the

Vicinity Keeps Ships Away from the Canaries

The situation at the Canaries is described as grave by the latest despatches from the Islands. Only 233 ships called at Las Palmas in the month of December, as against an average of 700 for that month in normal times. Of the 233, only one was English and there were no French or Italian vessels, a fact attributed to the presence of submarines in the vicinity of the port.

Commenting on these conditions, the Epoca remarks that Spain, without participating in the war, suffers consequences, so far as the Canaries are concerned, almost to the same extent as the belligerent nations.

Lord Northcliffe Reports Favorably on the

Sanitary Conditions on the Western Front

LONDON, Jan. 8.—The announcement today of Lord Northcliffe's return from his ninth visit to the front, contains an interesting statement by him concerning the health of the armies. The annual death rate is placed at exactly 3 per thousand; the average illness, including colds and influenza, is much less than in London, with all the discomfort and inconveniences of the trenches. The conditions appear fundamentally favorable to men in the vigor of life and physically capable of standing exposure and hardships.

Lord Northcliffe's observations confirm what has often been remarked as to the wonderful improvement in the sanitation of the armies. In the past, disease has been as destructive as battles. Biology and pathology, to say nothing of surgery and therapeutics, have made such strides that disease has been practically eliminated as a factor in warfare. War takes medical science into the field, where the control of large masses of troops enables it to develop the highest efficiency.

GERMAN YARN IS DENIED.

BERLIN, Jan. 7, via London, Jan. 8.—"One of our submarines, says an official statement issued today by the German Admiralty, "torpedoed and sank on Dec. 23rd in the eastern Mediterranean, an enemy transport of more than 5,000 tons. The vessel was accompanied by warships."

LONDON, Jan. 8.—Commenting on the German Admiralty report of the sinking of an Entente transport, the London press bureau says: "No transport, British or French, was sunk in the eastern Mediterranean on December 23rd."

ON THE MACEDONIAN FRONT.

BERLIN, via Sayville, Jan. 8.—The following official report from the Macedonian front was given out here today: "Between Ochrida and Presby takes a strong hostile reconnoitering detachment made an attack, but gained no success."

FRENCH OFFICIAL REPORT.

PARIS, Jan. 8.—Patrol engagements occurred last night in the regions of Bouchavesnes, on the Somme front, and of Parroy forest, in Lorraine. Otherwise there was little activity.