

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: Westerly winds, fine and very cold today and tomorrow.

XXIII., No. 11

FREDERICTON, NEW BRUNSWICK, SATURDAY, JANUARY 13, 1917

TWO CENTS PER COPY

700 OF THE CREW LOST WHEN ITALIAN WARSHIP WAS SUNK

Big Italian Battleship Was Destroyed by Mines

Nearly 700 Members of the Crew Met a Watery Grave--- Official Announcement Made by Admiralty---Italian Sea-planes Damage Fortifications at Trieste.

ROME, Jan. 13 (via Paris).—The following official communication has been issued by the War Office: "Our seaplanes bombarded Prosecco and the fortifications of Trieste on January 12. Damage was done to the enemy's works and the machines returned safely in the face of a fierce fire from the enemy aircraft batteries. On the same night two enemy sea-planes made a fruitless excursion against Grado Cervignano. One of them was hit by our anti-aircraft guns and obliged to land. The aviators were made prisoners and their machine was destroyed.

ROME, Jan. 12, via Paris, Jan. 13.—The Admiralty officially announce the loss of the battleship Regina Margherita. The announcement says:

"Serious military reasons which have hitherto prevented the publication no longer existing, it is announced that the battleship Regina Margherita struck two mines on the night of December 11, and sustained such severe damage that she sunk by the head in a few minutes. A majority of the crew of 945 went down with the ship. Unfavorable conditions made the rescue of the survivors most difficult, but 270 were saved. The captain and fourteen officers are among the lost. Beyond the losses of ships officially announced up to the present there have been no others, and news to the contrary, which has been in circulation among the public for some time, is consequently absolutely false."

LODNDON, Jan. 13.—In a proclamation to the German people, the Emperor says that "Our enemies have dropped the mask, admitted their lust of conquest and their aim to crush Germany and enslave Europe and the seas, but they will never achieve their aim. Burning indignation and holy wrath," says the Emperor, "will relieve the strength of every German. God, who planted the spirit of freedom in German hearts, will give us the full victory."

Italian Paper Regards the Allies' Note as a Step Towards the Discussion of Peace

ROME, via Paris, Jan. 13.—The Allies' reply to President Wilson is regarded as a noteworthy step toward the discussion of peace by the Courier d'Italia, because it is a statement of the precise aim the Allies wish to reach through the war. The Tribuna says that all the Allies presented in their answer "a map of Europe drawn according to righteousness and justice, in contrast to a war map emanating from the overbearing spirit of conquest." It concludes its comment by saying that the note is worded in language such as is only used when the writer is mathematically certain of victory.

An Absurd Scheme.

LONDON, Jan. 13.—Referring to Germany's defence of her actions in Belgium, the Westminster Gazette says there is no action in the world but Germany which could set up such a defence for such conduct and that she can do it is proof that her ideas on the subject of treaties and international morality are wholly at variance with those of the rest of the world. The whole of what she gained on the western front is due to this initial foul stroke, which was planned and executed with the knowledge that France has trusted her guarantee and has made her defensive preparations accordingly.

Candy Lovers Have Been Hard Hit by Latest Order of British Food Comptroller

LONDON, Jan. 13.—New orders of the British food comptroller, Lord Devonport, hit hard the British candy lovers, who are not, however, so numerous here as in the United States.

The manufacture of extravagant candy is forbidden. No chocolates may be sold for more than 96 cents a pound, or other candy for more than 64 cents a pound. This includes the price of any covering in which the sweets are sold.

Use of sugar or chocolate for covering cakes or pasty is prohibited. During 1917 no manufacturer will be allowed to use more than half as much sugar as he used in 1916.

NO LOSS OF LIFE IN DUPONT EXPLOSION

New York, Jan. 12.—While official information was lacking, it appeared today that there was no loss of life in the powder explosions at the plant of the Dupont Powder Co. as Haskell, N. J., last night. About a dozen employees were slightly injured. No estimate of the damage was given by Haskell officers, who said statements might be forthcoming today at the company's headquarters at Wilmington, Del.

There were no shells stored awaiting shipment for war purposes in Europe and the devastation was not so widespread. Only powder was being manufactured at Haskell.

CASUALTY LIST

Ottawa, Jan. 12.—Casualties among Maritime men are reported as follows: Infantry.

Died—H. G. McCulloch, New Glasgow.

Died of wounds—McArthur Blackburn, Newport Landing, N. S.

Seriously ill—James McKinnon, Sydney Mines, N. S.

Wounded—Alfred J. Neill, Barton, N. S.; J. A. Fogarty, Hazel Hill, N. S.; E. S. Conrad, Bridgewater, N. S.; G. B. Morrison, Five Islands, N. S.; H. J. Hetherington, Dartmouth, N. S.

Services.

Died—Lieut. Col. Roderick C. McLeod, Halifax.

War Expenditure Greatly Increased

Ottawa, Jan. 12.—War comes high. Canada's war outlay in the nine months of the fiscal year ended with December totalled \$170,229,748, almost double that of the corresponding period of last year.

The financial statement of the Dominion for the nine months of the fiscal year ended with December, shows a total revenue of \$166,856,349, as compared with \$122,027,821 in the corresponding period a year ago.

TEUTONS' LATEST NOTE IS RIDICULED BY FRENCH PRESS

PARIS, Jan. 13.—The new Austrian and German notes are greeted with ridicule by the French press of all shades of opinion. The Figaro says the Germans and Austrians had declared they would not reply to the refusal of the Allies to consider their proposal, but that on reflection they concluded it would be better not to remain quiet "under the smashing blow of our note." "They have replied," says this newspaper, "but are they and said they could not continue the conversation even indirectly with enemies who treated them so badly, it is to neutrals they addressed their attempt at a defence. For the two notes we see today are but bad pieces of special pleading of counsel, who realize the jury's verdict must inevitably be against their clients. As to their comparison of the way they treated the Belgians and Serbians with Great Britain's treatment of Ireland and the Transvaal, it is only necessary to point out that there were 300,000 Irish, all volunteers, in the British army, and that General Botha conquered German West Africa, while another Boer General is now completing the conquest of German East Africa. The pretence that the employment of native troops is a grievance against the Allies is simply grotesque on the part of the power which Allied herself with Turkey and approved, encouraged and directed the massacre of Armenians."

Sir Sam Hughes In Good Company

Montreal, Jan. 13.—Lieut. General Sir Sam Hughes, ex-Minister of Militia, Hon. Rudolphe Lemieux and Gen-

ator J. P. Casgrain, will speak at a great mass meeting in Sherbrooke, on Tuesday evening to appeal for recruits for the 245th Battalion Grenadier Guards, being raised here by Lieut. Col. C. C. Ballantyne.

Mrs. Parlee and son Pabitt have returned to their home in Montreal.

BRITISH ARE STEADILY HAMMERING AWAY AT GERMAN TRENCHES

Winter Warfare is Being Carried on With Great Determination---People Of Holland do Not Look For an Early Peace---Serious Times at Gratz.

With the British Armies in Field, Thursday, Jan. 11.—Successful attacks were made this morning by the British troops to the north of Beaumont-Hamel, in which they pushed the Germans off some high ground from which they had observation of the British trenches and added another hundred or so prisoners to about two hundred previously taken. It is a continuation of the series of small encounters which have happened in this part of the line during the past ten days.

They have not been big fights, they were not very important as military events, although of local importance, but they show very clearly the character of this winter warfare and the spirit of the men who are up in the firing line, and the effect of the definite and edadly British policy of hammering at the Germans unceasingly with high explosives, giving them no rest, no silence for a nerve cure, no kind of truce whatever.

Weather Conditions Along the Western Front About as Bad as They Can Possibly Be

The weather in the country between Serre and Beaumont-Hamel is as bad as anywhere along the battle front. Behind the German lines there is a series of lakes through which their reliefs have come up with their transports.

The front lines on both sides are not trenches in more than name. Their strong points thrust out into the swamps in advance of the ditches which once were good trenches, and may be again if ever the rain and snow and sleet stop falling and sifting down parapets and sandbags.

The Dutch People are Convinced That Peace is No Nearer Now Than it Ever Was

LONDON, Jan. 13.—A special despatch from Amsterdam says the Dutch are convinced that peace is no nearer now than it ever was, after having read the notes of the Allies to President Wilson and that of Germany to the neutrals.

"It is idle to deny that the Dutch regard both sides as out for conquest," the despatch says. "Their attitude may best be described in the Shakespearian words, 'A plague of both your houses.' The Dutch papers recognize that the attitudes of the two groups exclude an early peace. The socialist paper Volk says the framers of the Allies' programme can scarcely believe their demands will be realized.

Troops Had to be Called Out at Gratz To Quell Disturbances by the Austrians

AMSTERDAM, Jan. 13.—The news has just leaked out that there were serious popular disturbances at Gratz, Austria, last Saturday and Sunday. Huge crowds thronged the streets demanding increased rations. They cried: "We are starving; we want peace." The crowds were riotous and attacked numerous shops. The disturbance reached such a point on Saturday night that troops quartered at Gratz were called out. The troops included a battalion of the 27th regiment. Another regiment was composed chiefly of Czechs. The soldiers refused to attack the population and the officers being powerless, marched the men back to the barracks. The disturbances were renewed on Sunday without any aid from the military. The police were unable to restore order.

A SWISS OPINION.

GENEVA, Switzerland, Jan. 12, via Paris, Jan. 13.—The Journal, commenting on the Allies' reply to President Wilson, predicts that the note will make the most favorable impression. "Its language is firm and dignified," says the Journal, "and is that of sincerity. It is instinct with the principle of justice. The Allies have explained their position with all possible clearness, and it is now for the Germans to reply."