

ALLIES REPLY TO AMERICAN PEACE NOTE READY THIS WEEK

Heavy Fighting in Progress On Roumanian Territory

The Central Powers on the Offensive in Moldavia, Reported To Have Suffered Severe Losses---Allies' Reply to Wilson's Note Ready This Week.

LONDON, Jan. 1.—The only news available is that furnished by the various communiques. Commentators here regard the offensive of the Central Powers in Moldavia as aimed at turning the flank of the Sereth line. Emphasis is laid on the severe losses the attackers are assumed to have suffered, but it is not thought that the movement is becoming serious for the defenders. It is assumed that the Braila bridgehead, which the Germans claim to be attacking, is on the Gurgueti-Ciucia line, about ten miles south of Braila. If this should prove true, it is remarked that the invaders must have made rather rapid progress since Saturday.

PARIS, Jan. 2.—The Allies' reply to President Wilson's note will not, it is understood, be published until the end of the week. The text has been completed and is now being considered by the different cabinets.

AMSTERDAM, Jan. 2, via London.—Announcement is made in Berlin newspapers received here that the King of Bavaria has issued the following army order: "If the enemy refuses the hand we offered him, in the consciousness of our strength we shall enforce the peace which he refused. We approach with firm confidence the decision the new year will bring us."

PARIS, Jan. 2.—Skirmishing occurred last night at some points in Le Pretre and Judy woods, near the Lorraine border. Otherwise, today's official announcement says, the night passed quietly.

Kaiser's Victorious Navy Still Lies Imprisoned and With its Hands Securely Tied

NEW YORK, Jan. 2.—In its leading editorial this morning, the Times, under the caption "Enforcing Peace," says:

"You are victorious in all theatres of war on land and sea," is the Kaiser's New Year's greeting to his troops and seamen. He misinforms them. His 'victorious navy' still lies imprisoned, its hands are tied and it is able only to kick out viciously with its submarines. If his navy is victorious, the navy of Great Britain must be defeated, but that defeated navy still rides the sea unchecked, still holds the 'victorious' German navy landlocked.

"The dream of whittling down the British navy by submarine attacks until the German fleet could sally forth and meet it on even terms has gone to join the vast wreckage of dreams, beliefs and prophecies which the war has made."

German Army Has Ridden Over Little Kingdoms, But is on the Defensive Before Big Ones

"As for his victorious army, it has roamed at ease through the little kingdoms and ridden them down, but it still stands on the defensive before the big ones, its last attempt to break through the iron ring being at Verdun. Its strength is steadily weaker and theirs grows strong; so, despite the Kaiser's confident words, he asked the vanquished to meet the victors in a conference."

"If the enemy refuses the hand we offered him, in the consciousness of our strength," says the King of Bavaria to his troops, "we shall enforce the peace which he refuses."

The enemy has refused; the enemy, observing the steady attrition of the German strength, observing the victorious standing on the defensive, unable to advance and concentrate all their efforts on availing a retreat, is in no mood for a conference now. Thus two years and a half of war strangely altered the attitude of the two antagonists. Twenty-nine months ago it was the Allies who were urging a conference, Germany who refused it.

St. Mary's Council, C. C. F.

St. Mary's Council, No. 3, C. O. C. F., elected its officers last Wednesday evening, as follows: C. C. Fred Haines; C. C. T. B. Mc; V. C. J. W. Stickles; recorder, Joseph McDonald; treasurer, George Jamer; prelate, Mrs. Alfred King; marshal, George Thompson; warden, Mrs. Chas. Palmer; guard, Mr. Burpee Sherwood; secretary, A. R. A.; trustees for three years, H. B. C. medical examiners, Dr. B. M. W. and Dr. W. A. Wright. FRANK McLA.

Earl of Curzon

Married Today

London, Jan. 2.—The marriage of Earl Curzon, member of the war council, and Miss Grace Elvina Duggan, took place privately in London today.

MR. WILLIAM FOWLER DEAD AT EIGHTY-SIX

Deceased Had For Many Years Been Identified With the Lumbering Industry.

Mr. William F. Fowler, an aged and respected citizen, passed away at his home on Regent street last evening after an illness extending over a period of several months. For the past seven weeks he had been confined to his room and his death therefore did not come as a surprise. The deceased for upwards of half a century was closely identified with the lumbering industry on the St. John river and his circle of acquaintances was a very large one. He was a native of the Parish of Lincoln, Sunbury county, but during the greater part of his life was a resident of Fredericton. In the old days he held the position of boom master for the Fredericton Boom Co., and afterwards carried on extensive lumbering operations on the upper St. John, Tobique and Grand rivers. He last operated on the Tobique in partnership with his brother-in-law, the late R. A. Estey.

The deceased had been for many years a recognized authority on all matters pertaining to the lumbering industry.

The late Mr. Fowler was in his 86th year, and is survived by a family of four sons and one daughter. They are Harry L., residing in Texas; William B. of Monmouth, Me.; Thomas L., of this city; Lorne R., of Worcester, Mass.; and Mrs. E. Bayard Fisher, of this city. Mr. Herman H. Pitts, of Ottawa, is a nephew.

The funeral will take place from the homestead on Regent street at 2.30 o'clock on Wednesday afternoon, with services by Rev. Thos. Marshall. Interment will be made in the rural cemetery.

COUN. A. B. NEILL OF GIBSON ELECTED WARDEN OF YORK

Municipal Council Assembled Today in Semi-Annual Session--Retiring Warden Stairs Refers to Tragic Death of Secretary Treasurer Bliss.

The Municipal Council of York met this morning and adjourned until this afternoon. Warden Stairs, who is about to retire from the wardenship, referred to that fact, and also spoke in feeling manner of the death of the late Secretary-Treasurer of the county, F. St. John Bliss, whom he termed the leader of the Council.

The adjournment is necessary on account of the condition of the municipal accounts, which were left in an incomplete state by the late Secretary-Treasurer. Mrs. W. J. Glenn, formerly deputy secretary-treasurer, is at work on the accounts at the present time, but it will be some days before they will be in condition for presentation. A special auditor agreeable to the Municipal Council and the guarantee company in which the late Secretary-Treasurer was bonded, has been appointed. He is Mr. Thomas V. Williams special auditor of railway accounts for the Provincial Government, and he will begin his work at once.

The session of the Municipal Council attracted much attention on account of the tragic circumstances of last week.

First Session.

The session of the Council began at 12.30.

Warden Stairs stated that the Council opened its session under the saddest circumstances which ever surrounded a session of the York Municipal Council. The members of the Council were practically like sheep without a shepherd—they were without a leader. Providence had willed this, however.

On motion of Councillor Pat Graham, Coun. Pickard, of Marysville, was appointed to take the minutes of the meeting.

Warden Stairs referred to the sad incident which had interrupted the affairs of municipal government. As Warden, he had experienced a most prosperous year. The county had enjoyed prosperity—crops had been plentiful and prices good. The fact that Canada had escaped the horrors of war was something to be grateful for. Our lines had been cast in pleasant places; other parts of the world had been devastated.

One of the items of business would be the election of a Warden. Retiring from the wardenship he had nothing but the best of feeling toward the members of the Council for the treatment accorded him, and hoped that the incoming Warden, whoever he might be, would receive the same courteous treatment.

On the motion of Coun. Alex. Brewer, the Council adjourned until 2 p.m.

Coun. Neill is Warden.

At this afternoon's session Coun. A. B. Neill was nominated for the office of Warden by Coun. Lawson, and Coun. Alex. Brewer was nominated by Coun. Sloat. Coun. Brewer retired and Coun. Neill was unanimously elected.

The Council is this afternoon discussing matters relating to the Patriotic Fund.

Mr. James Colter, an aged citizen, is seriously ill at his home on Saunders street.

GERMAN NEWSPAPER THINKS PEACE WILL COME DURING 1917

An Amazingly Frank Picture of Germany's Internal Position---Makes It Quite Clear That Germany Will Have to Make Peace Soon.

LONDON, Jan. 2.—A despatch to the Daily News from Rotterdam says: The most significant of all the New Year articles in the German press is that of Vorwaerts, entitled "Peace Year, 1917." It gives an amazingly frank picture of Germany's internal position, attacks the Prussian gospel of force, and declares the task for the future is to find the road from war socialism to peace socialism.

Admitting that it requires courage to describe 1917 as the peace year, the paper says: Already mortally wounded, the beast of war roars aloud once more. His death agony will perhaps last for months, and we shall have to carry on the struggle, but it must be in a double sense a struggle in defence against the enemy and a struggle for peace.

There can be only one more short final fight, and the year 1917 will be the greatest in the world's history, for it will again bring us peace. It is quite evident that Vorwaerts is really saying that Germany will have to make peace soon.

Allies' Reply to German Note Gives Clear Assertion of Principle of Nationalities

LONDON, Jan. 2.—The Daily Telegraph's diplomatic correspondent writes:

"In some of the press comments cabled from abroad stress is laid on the point that in the document just forwarded to Washington the Allies enlarge on many reasons which oblige them to meet by a stern refusal the German peace proposal, but fail to give a comprehensive idea of what idea the proposal would be. The reproach is not entirely well founded, as in the note issued Saturday night is to be found a very clear assertion of the principle of nationalities."

Allies Will be as Candid and Sincere on the Positive Side as on the Negative Side

"Moreover, I have reason to believe that when the reply of the Allies to President Wilson is made known, nothing at all will be left of the above criticism. It is understood that the Allies will prove themselves as candid and sincere on the positive side as on the negative side of their policy, and that the practical meaning of the principle of nationalities will be explained by them in all its consequences."

The Allies' Reply to U. S. Peace Note Will Likely be Delivered Some Time This Week

LONDON, Jan. 2.—The final draft of the reply of the Entente governments to President Wilson's peace note, which already has been approved by France and Great Britain, has been forwarded to Italy and Russia, and as changes have been suggested thus far, it is not improbable that the note will be delivered to the American ambassador in Paris within a short time. It is understood here that the note may possibly be handed to him tomorrow. However, Belgium made her request at the last moment that the statement of her case be added to the reply to the Central Powers, and similar additions or delays may occur in the case of the note to President Wilson.

"In its present form the reply is about the same length as the note to the Central Powers, and has the same characteristics of general and guarded language. One of the most important points is a differentiation between peace among the present belligerents and such future arrangements as may be made for permanent peace, the purpose being to show neutral upholders of a future permanent peace that this is attainable."

The Late F. St. John Bliss.

The funeral of the late Mr. F. St. John Bliss took place on Sunday afternoon under Masonic auspices and was largely attended. An impressive service was conducted at the Cathedral by Rev. Dean Neales, and interment was made at Forest Hill. The Masonic burial service at the grave was conducted by Grand Master Bridges. The

members of the local bar walked in a body in the procession.

PERSONAL.

Mr. A. H. McKee, of the Department of Railways, is here from Ottawa for a few days.