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GREATEST NAVAL FIGHT IN WORLD'S HISTORY

Britain's Navy Reported to Have Achieved Wonderful Victory---19 German Ships Said to Have Been Captured and 19 Sunk--Britain Lost Six Ships Including the Iron Duke

Battle Between German and French Ships in the Mediterranean is Reported---Town of Liege Set on Fire by Shells but Garrison Still Holding Out---A German Fleet Reported to be Bottled up by British Cruiser on the Chinese Coast--Austria Declares War Against Russia--Warsaw Said to be Occupied by the Germans

A flash to J. M. Robinson & Son said: It is confirmed by the British Admiralty that 19 German ships were sunk, 19 were captured and six British ships lost in an engagement in the North Sea yesterday.

London, Aug. 7.--That a most terrific battle between German and British fleets has occurred in the North Sea with a victory for the English fleet is the general belief today though the Admiralty is maintaining great secrecy as to the movements of its ships.

Hon. Winston Churchill, first lord of the admiralty, has stated in the House of Commons that there "had been no losses of any kind or fighting except that already officially announced." He declined to give any further information. The only loss "officially announced" is sinking of cruiser Amphion. She was blown up by a mine.

Queenstown, Aug. 7.--The Cunarder Carmania carrying \$11,418,000 in gold has arrived here safely.

(By direct private wire to J. M. Robinson & Son, Bankers and Brokers.)

London, Aug. 7.--The Admiralty announced that the British warship Vindictive had captured the German steamer Cuxhaven and taken her to Plymouth.

The British consul general at Antwerp reported that the oil tank steamer San Wilfredo has been destroyed by mines off Cuxhaven.

The steamer Calgarion reported by wireless that she was out of danger, near Cape Race.

Rome, Aug. 7.--A Messina dispatch to The Tribune reports that a naval battle between German and French ships is now raging in the Mediterranean.

PRESS COMMENT.

N.Y. Commercial--There is a strong demand that the stock exchange re-open on a strictly cash basis.

N.Y. Journal of Commerce--The banking situation here and abroad is now well in hand.

N.Y. American--A comprehension is under way to permit the opening of all the exchanges of the country at the earliest possible moment.

N.Y. Sun--The most important news bearing upon the general financial situation is the report of a reduction from seven to six in the Bank of France's minimum discount rate.

WAR SUMMARY.

What appears to be an authentic report says that the German warships were routed in the North Sea fight and her fleet is being driven by the British to the Danish coast. The enemy's losses are thirty-seven ships it is said.

The Admiralty declined to either confirm or deny the sensational rumors that are stirring Great Britain today of Germany's defeat in the first great naval battle, news of which comes from many points along

the English and Scotch coast. The British losses are said to be six ships including the Iron Duke.

Austria formally declares war on Russia.

German troops again repulsed at Liege. Many German merchant ships captured by the British.

The small cruiser Amphion in a collision with a mine.

Premier Asquith asks parliament for additional \$75,000,000 war credit.

British royal decree makes it high treason for British subjects to lend money to Germany.

President Wilson appoints secretaries of state, navy, war and treasury as board in charge of the relief of the Americans in Europe.

GREAT NAVAL BATTLE.

London, Aug. 7.--A sensational report was received here early this morning that nineteen German warships were lost and eighteen German warships captured, while the British losses are said to be six ships sunk, including the Iron Duke, the flagship of Admiral Callaghan. The Admiralty refuses to either confirm or deny the report.

STILL HOLDING OUT.

Liege, Aug. 7.--Belgium is still holding out against German attacks, although two of the outer forts are said to have been captured. A French force of fifty thousand is said to be marching to the relief of the Belgians. If Liege falls the Belgians are preparing to fall back to Namur, which is more strongly fortified than Liege.

THE AMPHION SUNK.

The British third class cruiser Amphion was sunk by a German mine and lost one hundred and thirty men. Austria has formally declared war on Russia.

A cable from Rome says that Italy has ordered the German cruisers Goeben and Breslau from the harbor of Messina, enforcing her neutrality.

This may be tantamount to withdrawal from the Triple Alliance.

GERMAN FLEET BOTTLED UP.

A Tokio dispatch says: The British have bottled up a German fleet at Tsing Tau.

New York, Aug. 7.--Reports state that Austria has declared war on Russia and a great naval battle is raging in the North Sea. Italy is likely to fight Austria.

New York, Aug. 7.--Russia decides not to defend Warsaw.

The first big battle may come August twelfth to fifteenth.

The Japanese are to help the British in the far east.

Canada will insist on the application of the Monroe Doctrine, says The Herald.

Tennessee sails with gold for Americans.

The Bank of England will pay in gold.

New York stock exchange may soon re-open.

LIEGE IS BURNING.

Rotterdam, Aug. 7.--Shells fired by German artillery have set fire to the Cathedral of St. Paul, the Palace of Justice, the Church of St. Jacques and the Royal Theatre. Flames also are winding their way towards the University.

EMBASSY WRECKED.

St. Petersburg, Aug. 7.--Via London--The foreign office announced that

Out of London comes the report that the British fleet has engaged the German fleet in battle on the high seas. The British admiral refuses information as to whether a naval engagement is in progress, but the British warships which put out several days ago, have been searching for the Germans in the North Sea.

The British cruiser Amphion has been sunk by contact with a mine, with the loss of more than a hundred men.

Emperor William of Germany, in an order to the army and navy, calls upon all Germans capable of bearing arms to fight for the Fatherland.

In Belgium, Germans and Belgians are fighting around Liege, where upwards of 100,000 men are engaged. According to official reports from Brussels, the two days fighting has cost the Germans thousands of men. The Belgians are also believed to have lost heavily. As yet there have been no reports from German sources as to the outcome of the German attacks.

Austria-Hungary has declared war on Russia, and the Russian ambassador at Vienna has been given his passports.

The British prime minister, in the House of Commons, asked for an additional war appropriation of \$500,000,000 and an army increase of 500,000 men both of which requests were granted. At the same time the government declared a moratorium in London for a month, with certain exemptions.

A Tien-Tsin despatch says the Russian cruiser Askold and the German cruiser Emden, in an engagement off Wei-Hai-Wei have both been sunk.

London, Aug. 6.--An Admiralty report says that the British cruiser Amphion was sunk this morning by striking a mine. Paymaster J. T.

Gedge and 130 men were lost. The captain, sixteen officers and 135 men were saved.

A previous report said that the German mine layer Koenigin Luise had probably placed some mines before she was sunk by the British torpedo boat Lance.

The Amphion was a light cruiser of 3,140 tons. She was attacked by the third destroyer flotilla, under Captain C. H. Fox, commanding officer. Her regular complement was 292 men. She was commissioned in April 1913.

SUNK MINER LAYER

London, Aug. 6.--The British torpedo boat destroyer Lance was the hero of the first naval engagement in the present war, sinking the Hamburg American line steamer Koenigin Luise, which had been fitted out as a mine layer.

The Lance fired only four shots. The first destroyed the bridge of steamer, the third and fourth tore away the stern, and the Koenigin Luise sank in six minutes. The Lance rescued 28 of the German crew. Several of them were wounded. Two of them each lost an arm, and a leg of four others was shot away. None of the Lance's crew was injured.

The Koenigin Luise was caught in the act of laying mines some sixty miles from Harwich.

The German wounded number 65 and among them is understood to be the officer who was in command of the Koenigin Luise. They are in the naval hospital at Harwich under guard.

EASTERN COAST CLEAR TO HULL

Hull, Eng., Aug. 6.--The hospital authorities here today received orders to prepare to receive 250 persons wounded in the North Sea engagement.

Shipping firms have been informed that the east coast is now clear from Hull to London.

FIGHTING IN CHINESE WATERS

Manila, Aug. 6.--An authentic report here today says a German squadron has been given battle by British cruisers at Tsing-Tau.

RUSSIAN CAPTURED?

Tokio, Aug. 7.--It is reported that German warships have captured a vessel belonging to the Russian volunteer fleet.

MONEY VOTED

London, Aug. 6.--The House of Commons this evening unanimously passed a war credit of \$500,000,000 for the increase of the British army. This is the second war credit passed by the house, the sum of \$525,000,000 having been voted two days ago.

The House of Commons during the afternoon was asked by Premier Asquith to authorize the raising of 500,000 additional soldiers. The commons was war crazy this afternoon and the members frantically cheered every cabinet member who defended Britain's action in accepting the German challenge.

Premier Asquith defended England's course in joining in the war in strong language. He derided intervention, denouncing Germany's attempt to bargain with England at the expense of France.

(Continued on page four.)

BAXTER'S BOMBSHELL REFUSED TO EXPLODE

St. John, M. P. P. Tried Unsuccessfully to Spring a Sensation Before the Royal Commission---Claimed That Mr. Carvell Was a Party to a Plan to Call off the Enquiry---Mr. Carvell Gave the Story an Emphatic Denial and Was Backed up by Mr. Fowler, M. P.

(Special to The Mail.)

St. John, N.S., Aug. 7.--E. S. Carter, Liberal organizer, and F. B. Carvell, M.P., went on the witness stand this morning at the royal commission hearing and emphatically denied that any overtures had been made by them to settle the Dugal charges for any consideration. Mr. Carter told of a suggestion being made by a prominent lumberman to drop the charges upon payment of expenses but he laughed at the proposition and reported it to Dugal and his counsel, Mr. Carvell.

The latter said: "I am poor enough, God knows, but do not want money bad enough to make it that way."

Mr. Carter said he had never heard of any proposition to settle apart from that suggestion and certainly none had been made by Dugal or himself. He also told of discovering the information that led to the charges and to placing the facts before Messrs Dugal and Carvell.

Mr. Carvell repeated on oath the statement he made to the court yesterday and upon cross examination by Baxter, whom he had notified to be present, denied absolutely that he was a party in any way to any proposal to settle the charges. He spoke of learning that a prominent St. John Tory had made certain proposals to a Liberal lumberman, which involved a confession of Premier Flemming and he offered to give their names if Mr. Baxter wanted them, but he was not asked to make them public.

Mr. Teed cross examined both Mr. Carvell and Mr. Carter respecting the origin of campaign funds and while both admitted that they knew of the expenditure of money they had no personal knowledge of its source.

Mr. Baxter tried to make it appear that Dr. Pugsley had some knowledge of negotiations but Mr. Carvell said the only knowledge Dr. Pugsley had was what he told him of the offer of the two lumbermen and said further that Dr. Pugsley wanted to give evidence to that effect if necessary.

The timber charges are being summed up by counsel today.

St. John, Aug. 7.--Never was a man caught in his own net and exposed more quickly and completely than was J. B. M. Baxter, M.P.P., yesterday afternoon.

Mr. Baxter was given an opportunity to make a statement before the royal commission, which is inquiring into the Dugal charges and attempted to take advantage of his opportunity to make slanderous statements about F. B. Carvell, leading counsel for Mr. Dugal. His statements were denied absolutely and unequivocally by Mr. Carvell and this denial, supported in the strongest manner possible by G. W. Fowler, M.P., left Mr. Baxter without a leg to stand upon. He did not even attempt to question the denials.

When the counsel announced that they were prepared to allow Mr. Baxter to make his statements there was a pause until the chairman inquired who was calling Mr. Baxter. Neither side made a move but Mr. Teed murmured that Mr. Baxter was calling himself.

Mr. Baxter came forward, was sworn and took the stand. There was another pause.

"Am I to examine myself?" said Mr. Baxter.

"Apparently," said the chairman. Then Mr. Teed relieved the embarrassment of the situation by volunteering in a perfunctory manner to undertake the task.

With a few questions from Mr. Teed Mr. Baxter proceeded to tell the story of his business relations with the Valley Railway in the capacity of solicitor. He told of accepting the \$500 check as a retainer or as advance payment for his services and explained his action in returning it by saying that he did so voluntarily when he learned that the company was to seek additional aid of the legislature of which he was a member.

The effect of his statement was altered when, under cross examination, by Mr. Carvell, Mr. Baxter was forced to admit that it was after the appointment of a committee of the legislature to investigate the affairs of the company that the check was returned.

THE FORESHORES BILL.

Explaining that he was doing so to test the veracity of the witness, Mr. Carvell asked Mr. Baxter if he was the author of the Foreshores Bill. Mr. Baxter refused to answer, but after some further probing, declared that he would tell what he knew about the bill if he were asked under the proper circumstances.

"You mean that if you are under oath in an inquiry relating to the matter, when you cannot escape answering, you will do so?" asked Mr. Carvell.

After further questioning Mr. Baxter denied that he had dictated the entire bill to Miss Kirk at Fredericton, but that as far as he would go in his denial.

White with rage at having been trapped into even a partial admission Mr. Baxter then turned to the commissioners and made the wild charge that Mr. Carvell and his associates had made overtures with the purpose of calling off the Dugal inquiries and related what he said had been told to him in confidence by a member of the legislature following a secret committee meeting of the leaders of the Conservative party at which negotiations of this character were discussed.

With a solemnity and earnestness that must have carried conviction to even his political enemies, Mr. Carvell gave an absolute and unqualified denial to this slanderous attack. Then turning to the counsel for the government, he demanded that Mr. Fowler substantiate his statements.

Mr. Fowler arose and with sincerity as impressive as that of his opposing counsel, made a denial as sweeping and as convincing.

Mr. Baxter made a movement as if to take the stand again and attempt to oppose his word to that of the gentlemen who had thus branded his statements; then thought better of it and turned away.

This portion of the session was one of the most dramatic that has marked the inquiry and was listened to with breathless interest by an audience which crowded the court room. There were some subdued cheers for Mr. Baxter when he began, but none when he left the stand.

Mr. Baxter's attempt to explode a bombshell is thus reported by the Telegraph:

(Continued on page five.)