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BADEN POWELL EXPECTS ENGLAND WILL BE INVADED

LONDON, Dec. 14.—General Baden-Powell shares the opinion of many other English military experts who believe that Germany fully expects to invade England, if possible, and will direct its activities toward the commercial cities in the north of England, rather than toward London and the resort cities of the south. In the opinion of General Baden-Powell, the German Emperor will endeavour

to land at least 90,000 troops in England. "The general idea," said General Baden-Powell, in a recent interview, "is that the attempt to invade England will be made on the coast of Norfolk or Suffolk. Personally I think that the Yorkshire coast is more likely, for the Germans will first desire to invade the industrial centres of the north. They appreciate what effect that would

have, if they succeeded. Once let them get hold of some of the big manufacturing towns, factories would be smashed up and ruined, and 14,000,000 persons out of employment, rendering them destitute and starving. It is certain that even by short, sharp raid they could do a tremendous amount of damage."

FOUR MEN KILLED BY COLLAPSE OF SCAFFOLD IN TORONTO

TORONTO, Dec. 14.—Four young labourers were killed yesterday when a scaffolding upon which they were at work on a water tank at the Ontario National Brick Company's plant at Cooksville, collapsed without a moment's warning. The four men dropped 70 feet to frozen ground. Two were killed instantly, the others died within three minutes.

A fifth man seized a rope when the scaffolding began to glide under his feet and slid down it to safety. The dead are: Andrew Webster, of Cooksville, and George Warner, J. Bowles and M. McKenna, of Toronto. None of the dead men are over 27 years of age. A. Bidwell is the survivor.

SERVIANS OCCUPY BELGRADE

(Special to The Guardian.) LONDON, Dec. 14.—The Servians, after a fierce fight, have recaptured Belgrade, according to a Nish despatch.

ONTARIO FREE MASONS SENT BELGIANS \$12,000

TORONTO, Dec. 14.—The Free Masons of Ontario have sent \$12,500 to the Belgians to be distributed by King Albert among his distressed subjects, "as in his wisdom he may decide."

NORTH SEA PRECAUTIONS.

WASHINGTON, December 14.—The State department has made public for the benefit of shipping an official notification that, beginning last Thursday morning, all light vessels and buoys in the English Channel and the Downs are liable to withdrawal or alterations. It is believed that this action has been taken in contemplation of vigorous fleet activities, the lights being handled in a manner most wise for the purpose of the fleet. The Downs is the body of water bordering the east coast of Kent, between that coast and Goodwin Sands, just north of the Straits of Dover.

The British official announcement was cabled to the State Department this afternoon by the American consul general at London, as follows: "After sunrise, tenth of December, in English Channel and Downs, eastward line joining Selsea Bill and Cape Barleur to southward of 51 degrees 20 minutes north latitude, all vessels and buoys are liable to withdrawal or alteration. Position lights and lights of light buoys are liable to be extinguished and signals to be altered or discontinued without further notice. Trinity House pilot station lights established by sunrise on the 10th December, 1914, at the undermentioned places and merchant vessels are very strongly advised to take pilots as navigation in area in question will be exceedingly dangerous without their aid."

COMING EVENTS, ANNOUNCEMENTS, MEETINGS, ETC

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BUSINESS ENVELOPES—No. 3 print with name and address, either on flap or front, \$3 per 1,000; \$5.50 for 2,000; \$12.00 for 5,000; \$20 for 10,000. GUARDIAN OFFICE. 6608-11-21m1t

LOST LAST EVENING, BETWEEN the Prince Edward and Pownall St., a gold cuff-link initialed F. E. G. Finder please leave at Guardian Office. 6996-22wMtl.

Minard's Liniment cures Garget on cows.

SUBMARINES FOR BRITAIN MAY BE BUILT IN CANADA

Western Drydock Plant at Port Arthur Ontario, has Facilities for the Assembling of Underwater Craft.

Sir Robert Borden and Members of Government Consider Project Feasible.

Imperial Authorities are Being Consulted.

OTTAWA, Dec. 14.—Submarines, for the British Government are likely to be constructed in the plant of the Western Drydock Company, at Port Arthur (Ont.). Representations are being made to the Imperial authorities by the Dominion Government that facilities are available at Port Arthur for the speedy assembling of the underwater craft.

E. A. Christy, a director of the company, and chairman of the American Shipbuilding Company, a \$20,000,000 corporation, interviewed Sir Robert Borden and other members of the Government Saturday and represented that the plant at Port Arthur could easily undertake the construction of submarines. The Imperial authorities have been cabled regarding the offer.

FRENCH HAVE CUT GERMAN COMMUNICATIONS NEAR METZ

NEW YORK, Dec. 14.—A cable to the Herald from London this morning says:—By admissions from Berlin it seems certain the slender German hold on the Meuse at St. Mihiel is about to be broken. The French have crossed the German line of communication with Metz midway between St. Mihiel and Pont-A-Mousson although at a cost of 600 prisoners and a large number of men killed and wounded.

The French have been particularly successful in the last few days in the Woerthe district, the commander of a steady grinding fight forward from the woods south of Apremont and an equally gruelling advance from the forts south of Verdun. This conflict

almost lost sight of in the larger events of the Flanders and Polish camps would in any other war have been ranked among the great campaigns.

It was in October that the German left centre made a sudden dash from the Franco-German frontier in an effort to cut a way through the barrier forts, roll back the French on Verdun and Toul and compel General Joffre to end his efforts to outflank the German right. The dash resulted in the capture of fort Camp Des Romains and Fort Les Parthes, a hold on the left bank of the Meuse and the occupation of St. Mihiel. There the invading army was checked but the weeks that

have passed have been filled with almost constant fighting to break this arrow-like force projecting into French territory.

From the North, the South and the West, the French have been battering the German lines. Gradually, their entrenchments crept upon each side until two weeks ago the Germans had only a tiny thread of ground from St. Mihiel in a zigzag haphazard line, North-East to Metz. Berlin now confirms reports from Paris of the precarious situation of this force and it is reasonable to expect in the near future, the beginning of a desperate battle of extrication.

MONTHLY MEETING OF CITY COUNCIL

The monthly meeting of the City Council was held last night. His Worship Mayor Sterns in the chair. The Council members were present, with the Mayor, Mr. J. MacIn, and the Health Officer, Dr. H. D. Johnson, also in attendance.

The minutes of the previous meeting having been read and adopted, a statement of account for fire alarm service outstanding on the books since Oct., 1911, and asking for a settlement of the same by January 1, 1915, in default of which the fire alarm service would be discontinued. A letter was next read from the Commissioners of Sewerage and Water Supply, applying for the issue of water debentures to the amount of \$10,000, being the proportion at present required of the total issue of \$25,000 necessary for the installation of a new pumping plant, etc.

In regard to this matter a resolution was moved by Councillor Riley, and seconded by Councillor McKenna, "That the Water and Sewerage Commissioners be granted the privilege of issuing \$10,000 water debentures to pay for the installation of a new pumping plant, etc. per Legislative Report of the city the power, dated April, 1914." This resolution was put to the vote and carried.

A resolution, moved by Councillor McKenna, and seconded by Councillor Wright, was carried, "That tenders be called for printing the City Report for the year ending 31st December, 1914."

With regard to the communication from the Telephone Company, Mr. Riley stated that at the time the Telephone Company met with the accident in contemplation of vigorous fleet activities, the lights being handled in a manner most wise for the purpose of the fleet. The Downs is the body of water bordering the east coast of Kent, between that coast and Goodwin Sands, just north of the Straits of Dover.

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This was all the business before the meeting, and the Council adjourned.

Minard's Liniment cures Diphtheria

THE WEATHER THE TEMPERATURE TIDE, MOON, ETC.

(Special to The Guardian.) TORONTO, Dec. 15.—Maritime: Gale, westerly to North-Westerly; light local snow falls of flurries, but for the most part fair and decidedly colder.

THE WEATHER.—Yesterday it rained all day, clearing at night and becoming cold.

The highest temperature recorded yesterday was 46 deg. above zero and the lowest 36 deg. above. The lowest temperature yesterday was 36 deg. above. At 9 a. m. yesterday it was 36 deg. above and at 9 p. m. 38 deg. above.

The tide will be high this morning at 9:09 and tomorrow at 10:10. It will be high tonight at 8:25 and tomorrow at 9:19.

The sun sets this afternoon and tomorrow at 4:16; it will be high tomorrow and Thursday morning at 7:36.

The moon sets this afternoon at 2:37.

The last quarter of the moon was on Thursday, Dec. 10th, at 7:32 a. m. There will be a new moon on Wednesday, Dec. 16th, at 10:35 p. m.

The length of today will be eight hours and forty-one minutes.

Minard's Liniment cures Neuralgia.

TURKISH SHIPS CAPTURED AND SUNK BY THE RUSSIANS

PETROGRAD, via London, Dec. 14.—A Turkish steamer, loaded with wheat, bound for Constantinople, has been captured near the mouth of the Danube by Russian Black Sea cruisers, which have brought the vessel to Odessa, says a despatch from that port.

Russian torpedo boat destroyers, it is also reported, have sunk several Turkish sailboats, loaded with ammunition, near the coast of Asia Minor.

According to information reaching here, a large Turkish division has attempted in vain to enter Russia through Persian territory. The Turks have been repulsed, in spite of assistance rendered by the Kurds.

TO OPERATE ON KAISER'S THROAT

(Special to The Guardian.) LONDON, Dec. 14.—Telegraphing from Berne, Switzerland, the correspondent of the Central News says:—A telegram received here from Munich states it has been decided to operate on Emperor William's throat, but the operation is being deferred owing to the present condition of the Emperor.

BRITISH CASUALTY LIST

(Special to The Guardian.) LONDON, Dec. 14.—(Official)—The officers' casualty list for the week ending Nov. 30 was made public to-day. It shows that during these seven days the British forces on the continent lost 79 officers killed, 141 wounded, 33 reported missing. This gives a total of 253 for the week. Added to the previous totals, the last report shows that since the outbreak of hostilities Britain has had 966 officers killed, and 1,918 wounded, while 532 are reported missing. The total casualties among officers up to date is therefore 3,466 men.

CRUISER DRESDEN SAFE IN COSTA RICA

(Special to The Guardian.) WASHINGTON, Dec. 14.—American Consul Latham at Punta Arenas, Costa Rica, cabled the State Department to-day that the German cruiser Dresden had arrived there early to-day safely. She was uninjured.

(Special to The Guardian.) BUENOS AYRES, Dec. 12.—It is stated that British warships have entered the Straits of Magellan in pursuit of the Dresden, which has taken refuge in Punta Arenas, Costa Rica.

MUTINY AMONG ANTWERP SOLDIERS

(Special to The Guardian.) AMSTERDAM, Dec. 14.—A despatch from Antwerp says reports are current in Antwerp of a mutiny among part of the Bavarian troops garrisoning the city. While the story is not confirmed it is a fact that the Bavarian barracks have been closed to outsiders.

FRENCH OFFICIAL

(Special to The Guardian.) PARIS, Dec. 14.—An official statement this afternoon reports comparative quiet in Flanders, and artillery exchanges of relatively minor importance elsewhere.

In the Meuse, German batteries are said to be moving to the north. In the Woerthe district the French captured a trench and repulsed two counter-attacks. The advance of the French line into Alsace has brought it to a point north of Altkirch and about ten miles to the east of the frontier.

(Special to The Guardian.) PARIS, Dec. 14.—(Official to-night)—In Belgium several attacks by the French troops have resulted in progress along the Ypres canal and to the West of Holiheke. Several violent counter-attacks have all been repulsed by our troops. The railway station of Commercy (Dept. Meuse) was bombarded yesterday by batteries firing from a very great distance, but no significant damage was done. In Alsace an offensive movement resumed by the enemy to the North-West of Cernay was repulsed. On the rest of the front there is nothing to report.

RUSSIANS STILL DRIVING THE GERMANS INTO THIN AIR

(Special to The Guardian.) PETROGRAD, Dec. 14.—The General Staff of the Russian army has given out the following communication under date of Sunday, Dec. 13th:—"There has been no important engagement on any of the fronts in the region of Mlava. We continue to force back the German troops who are in retreat. On the left wing of the River Vistula there has been no change in the region of Mount Duka. Austrian columns are coming down the Northern slope of the Carpathians."

SUMMARY OF THE SITUATION

(Special to The Guardian.) LONDON, Dec. 14.—The most striking feature of to-day's news is the candid admission by the Austrian government of the defeat of the Austrian army in Serbia, and apparently of the abandonment of the third attempt at invasion of the territory of her small Slav neighbour. While featuring the enemy's superior force, the Austrian War Office announces plainly an extended retirement and many losses.

New measures will be taken to repel the enemy, says the Austrian statement. Apparently that means that the Austrian army directed against Serbia will assume a defensive line. Against the repulse the Austrian balances the occupation of Belgrade as an asset to the good.

An unofficial despatch from Nish, Serbia, reports the Servians after the battle recaptured Belgrade.

The progress of the war in Northern Hungary is less definite. Sunday's report, with candor equal to that of the Austrian bulletin, spoke of the resistance which the Germans and Austrians are encountering, and added that it is evident the Austrian forces on the Carpathians are not numerically strong enough to clear the Russians out of Hungarian territory, but the Austrians claim that they are driving down the slopes the Russian invaders who were last week in occupation of several towns south of that mountain ridge.

Poland is fast becoming like Belgium in point of suffering, while the Allies and opposing armies drive each other back and forth and relieving cities and villages and inflicting the inhabitants with bombardments, which more than gives a Hun polish to the ruins, according to accounts. Both armies accuse each other of cruelty. The flight of civilians from Lodz was one of the tragic events of the war, and pictures the fate of Lodz as a repetition of Louvain, with the slaughter of four hundred and the sacking of the city. A distressing feature of the fighting in Poland is that the blood of kindred is spilled against each other. There were several hundred thousand Poles in the Russian ranks and several hundred thousand more in the ranks of the Germans and Austrians. The Germans claim to have gained a position in Northern Poland, although they are not believed to be as near Warsaw as reported. On the other hand, the Russians announce strategic realignment of forces to strengthen their position. In a later report, the Austrians announced they recaptured important points to the north of the Carpathians and the capture of 9,000 prisoners. The main issue in the East is whether the German and Austrian armies by their operations in northern and central Poland and the Austrian advance across the Carpathians will shake the Russian grip from Przemysl and the Cracow fortresses remain unchanged.

To-day shows no important developments in the Western area. The French War Office reports artillery engagements in which they had the better of the Germans and small advances at various points. The Germans deny these claims.

Troops in France and Belgium are suffering from a plague of mud and damp and hardships, frozen feet and hands. Life in the trenches of the Allies is easier than before since they have been reinforced so they do not spend more than two days on the firing line, whereas last month they were without rest or opportunity to

TRUST FUNDS VANISH INTO THIN AIR

In a report prepared by C. R. Drayton, provisional liquidator for the Dominion Trust Company, it is declared that the debts of the concern amount to \$2,000,000 to general creditors and \$1,000,000 to depositors.

To pay these the liquidator expects there will be a trifle less than a million altogether available. The liquidator is advised by his lawyer that the general creditors have the first claim on the assets and with nothing left for the depositors. He advises that they appeal to the Government for assistance.

The company had no power conferred by charter or Government enactment to receive deposits, so that they do not even rank as general creditors, but must take their chances with shareholders, who, of course, are not expected ever to realise a cent on their claims.

Virtually \$5,000,000, the liquidator finds, have vanished from this institution, more and more loans put by the company the liquidator thinks shrinkage will leave only \$115,000 available.

The Alvensleben account of over a million is regarded as a highly speculative asset. The liquidator gives the following summary of the direct causes of the liquidation:

1. The fact that, in violation of its powers, the company received deposits and kept in hand little or no liquid assets with which to meet a possible run.
2. The fact that moneys in hand, both trust moneys, and the company's own moneys, were invested not as required by the provisions of its charter, but in highly speculative assets and in the shares or bonds of highly speculative companies, whereby more and more advances were necessary to protect the company's security.
3. The fact that moneys entrusted to investment were not kept separate nor in a separate bank account, although the company's charter required this to be done. At the date of liquidation the moneys amounting to between four and five million dollars. Part of this was always uninvested and always carried in the company's bank account mixed with its own money and often, if not always, dealt with as if it were its own money.
4. The fact of the misappropriation of trust and other securities. This appears to have been a vain attempt to save the situation and has been most noticeable during the few months prior to liquidation. The inability of the company to hand over trust funds when demanded rendered the situation acute.
5. To sum up the situation, the company seems to have done most things that a prudent company should not do, and few things that a trust company should do.

The following are a few examples of misappropriation or diversion of trust funds:—

1. A client sent \$250,000 for investment in first mortgages. The mortgage is supposed to be held in trust for him, but it has been discovered that at least two other parties have also an interest in it.
2. Securities earmarked as held for depositors have been hypothecated to one of the banks as security for advances. It will be very hard to trace these securities, as the earmarking for depositors was merely in a total, the details of the items so earmarked not being stated in the books. It seems fairly certain, however, that the debentures of the B. S. Securities, Limited, amounting to \$640,000, come under this category.
3. The Edinburgh agents of the company have sent approximately \$890,000 for investment. Of this amount about \$145,000 has not been invested. The directors attempted to earmark certain securities on their behalf on October 26, 1914, but I have been instructed by my solicitors to disregard this earmarking. The balance of the moneys sent by the Edinburgh agents appear to have been properly invested, but I have not yet had time to appraise their securities. It should be stated that the company were allowed six months in which to find an investment for moneys remitted by the agents and that practically no investments of these moneys have been made by the company in the six months prior to the death of the late managing director.
4. A client sent \$85,381.25 for investment in a specific security. As this money went into the company's bank account and the investment was not made, it would be almost impossible to trace the money now so as to give the client a preference.
5. The company, while acting as trustee for a certain company, used over \$40,000 of trust funds for their own purposes. Failure to pay over this money when demanded early in October 1914 made the situation acute.
6. Securities which were earmarked

TURKISH BATTLESHIP TORPEDGED AND SUNK

(Special to The Guardian.) LONDON, Dec. 14.—The Official Bureau to-day announced that the Turkish battleship Messudieh has been torpedoed by a British submarine. The Official Bureau's statement is as follows:—"Yesterday submarine B. 11, in charge of Lieut. Commander Norman B. Holbrook, Royal Navy, entered the Dardanelles and in spite of a difficult current dived under five rows of mines and torpedoed the Turkish battleship Messudieh, which was guarding the mine fields. Although pursued by gun fire from torpedo boats, the B. 11 returned safely after being submerged on one occasion, nine hours. When last seen the Messudieh was sinking by the stern."

DECEMBER 10 THE DAY KAISER PLANNED TO BE IN CALAIS

NORTHEASTERN FRANCE, Dec. 10.—This must be a day of bitterness for the Kaiser. It is December 10, the date fixed by him for the triumphant arrival of the German troops in Calais, but as I write Calaisians are no doubt sleeping peacefully in their beds, and all along the line the Germans are fed not by a thin line of khaki and blue but a thick band of steel, which grows stronger every day.

The Allies are now on the offensive, and, though the Germans are not in many places content with playing merely a game of defense, they are beginning slowly but surely to move eastward.

In the last two or three days the Allied troops have been especially successful along the line between Ypres and Dixmude. It has been stubborn fighting. Several German trenches have been taken and held, and the work with the bayonet is reported to have been exceedingly fierce in several places.

This, fighting, I think, is merely a prelude, and there is reason to believe that by the end of the month the Germans will hold considerably less of Belgium than at present and some of the towns of Eastern France will come into the possession of the Allies.

French Victory at Vermelles

Town in France, Wednesday, December 9.—The French victory at Vermelles has driven the Germans back beyond the main road between Lens and La Bassée, but there they have a number of improvised forts, some of them equal in strength to the forts at Vermelles. The Germans are skilful at using walled positions and houses. They spare no means to turn a factory into a fort, and there are miles of factories, houses and mines with mining machinery still standing around Lille they have defensive positions of great value.

Troops for Flanders

ROTTERDAM, Dec. 10.—A Louvain correspondent says that on Tuesday afternoon six troops trains passed through that place toward Flanders. The troops were all lids from 18 to 20. Late the same afternoon three trains of Germans wounded arrived together with a train of prisoners, with three machine guns and a quantity of war material. A further force of about 7,000 infantry from the lines in Northern France also arrived at Louvain and proceeded immediately to Flanders.

CONDENSED ADS. TOO LATE FOR CLASSIFICATION

ONE CENT per word each insertion for advertising in this column. Cash must accompany orders. Minimum charges twenty-five cents.

**Remember the basket social in aid of the Red Cross to be held at York Hall at 7 p. m. Wednesday, Dec. 16. Admission 15c. Ladies with baskets free. 6979-11-15M3pjd.

Minard's Liniment Cures Rheumatism.