

TALK AT MADRID.

Spain's Naval Losses—An Extraordinary Manifesto.

LONDON, July 11.—A special despatch from Madrid says:

"All the talk of peace seems up to the present to have led to no tangible results. No doubt the government would welcome an opportunity to negotiate directly with the United States were the signs propitious, but there are so many circumstances to be considered that it looks as though the policy of drift and waiting for something to turn up would continue until Santiago has fallen.

"The fall of Santiago will convince the most sanguine of the hopelessness of the struggle, and will give the government the desired opportunity to suggest an armistice for the discussion of terms. Circumstantial statements are already in circulation to the effect that the war is virtually ended, and that the government has actually opened peace negotiations, but they cannot be verified.

"A detailed account has been published of Spain's naval losses—twenty-one warships and twenty-one merchantmen, as against practically no losses on the American side. This tends to convince the most rabid war advocates, and, as for a long time past, the whole commercial and industrial interests of Spain are bringing strong influence to bear in favor of peace.

"Every day that passes without disturbances strengthens the peace party. It is believed, however, that there is a strong under-current in favor of continuing the war, and the attitude of the Carlists and republicans causes anxiety. A mysterious black-edged, unsigned manifesto appeared in the leading squares of Madrid yesterday (Sunday) bearing the municipal stamp, and headed 'Gloria Victis,' with an angel supporting a dead, naked soldier. The manifesto contains an eloquent appeal from Spanish mothers, calling for the regeneration of the country of the country on the basis of the army and crying, 'Down with the bribed politicians and a bought press.' Four million copies of this manifesto have been distributed throughout Spain, and it is attracting considerable attention."

ACTIVITY IN SPAIN.

Preparing for the Probable Invasion of the United States Squadron.

CADIZ, via Gibraltar, July 12.—The Government has wired orders to display the utmost activity, fearing the arrival of the American squadron at an early date. Guns and howitzers of 24 and 30 centimetres have been placed on the Punta Carnero. Heavy artillery and a garrison have gone to Paloma rocks, between Carnero and Algeciras.

Senor Oschando has stated that neither Carnero nor Centa are singly able to dominate the entrance to the straits, their guns not being heavy enough, but if well fortified would prove a formidable barrier to pass.

A special train of twenty-six cars has arrived at Algeciras with forty-eight quick firing guns and ammunition stores. Another train of the same sort is coming to night. The guns are being distributed in the neighbourhood.

TOURISTS.—Prince Edward Island Illustrated is a beautifully illustrated book on P. E. Island. For sale at the bookstores or at this office—50c

PUBLIC FEELING IN SPAIN.

Trying to Form a New Cabinet.

ALL OF THE OLD MINISTERS HAVE RESIGNED.

The War Will Probably be Continued For a Long Time.

[SPECIAL TO THE EXAMINER.]

MADRID, July 13.—All the Spanish Ministers have handed in their resignation to Premier Sagasta, who has explained the situation to the Queen Regent.

The difficulty in forming a new cabinet is that nobody will accept the Premiership.

Marshal Martinez de Campos would accept it, but he does not command a majority in the Chamber of Deputies.

While military parties urge the war, a large proportion of the civil population is desirous for peace.

It is pointed out, however, that if the United States insists on the cession of Porto Rico and the Philippines, the general feeling will be in favour of the continuation of hostilities, many Spaniards believing that the situation in Cuba will enable Spain to prolong the struggle for a long time.

The Government issued today a loan of 500,000,000 pesetas in treasury bonds.

SPANISH POINT OF VIEW.

Santiago to Fight it Out—Spanish Troops Behaving Well.

MADRID, July 11.—Gen. Blanco has cabled the government as follows: "The proposal for an unconditional surrender of Santiago de Cuba being rejected, hostilities were resumed at 4 o'clock this (Sunday) afternoon. Ordered Santiago to defend itself a la outrance. The enemy commenced by a cannonade, setting fire to the wreck of the Alfonso XIII, which henceforth it will be impossible to save. The Americans also appear to threaten Baturano Bay.

The cruiser Pennsylvania (Sic), which I had sent with thirty thousand rations to force the blockade at Santiago, was pursued by the enemy and abandoned its cargo. This attempt to revictual the town, therefore, has failed.

The enemy opened the attack on San Juan and El Morro at 4 15 p. m., by a brief fusillade and by guns. Our troops maintained their positions and the enemy abandoned their advanced trenches and those on the hill of San Juan. The squadron simultaneously bombarded the town. The firing ceased at 7 o'clock. Our troops behaved admirably and our losses were slight."

Another Havana despatch says: "The Americans abandoned their positions at Santiago. The Spaniards had one cavalry officer wounded.

Captain Aunon, Minister of Marine, denies that Admiral Cervera had instructions to leave Santiago Bay. The government left it to his discretion to make an exit if he were unable to resist in the bay.

An official despatch from Iloilo, Philippine Islands, says: "Seven chiefs and two thousand rebels have made submission to the military commander."

SANTIAGO NOT YET SURRENDERED.

General Toral Refuses Shafter's Demand.

BOMBARDMENT OF THE CITY WILL BE RESUMED TO-DAY.

Heavy Siege Guns Being Brought up, and got Into Line.

[SPECIAL TO THE EXAMINER.]

BEFORE SANTIAGO, July 12.—This morning, General Toral sent out a reply to Premier Shafter's second demand for the unconditional surrender of Santiago made by latter yesterday afternoon.

In his reply General Toral referred to his refusal to accede to the American demand made on Sunday, and again reiterated his determination to resist.

Notwithstanding this, the American batteries did not open fire this morning and the renewal of the bombardment will probably be postponed until to-morrow. Wednesday, when it is hoped that all of General Randolph's batteries will be in position.

The siege guns that landed yesterday will also be brought up as soon as possible.

THEY WERE SURPRISED

But Retreated Without Loss.

OFF SANTIAGO, July 12, via Kingston.—Captain Adolph Marix, of the converted yacht Scorpion, and Captain Purcell, of the Osceola, had a hot time on July 3 at Manzanillo, where they had established a blockade. Manzanillo had until lately been unguarded, and the Spanish have used it for a port of supplies. General Pando and his branch of the army being there, it was decided to locate the stable door last week, and on Sunday, July 3, the Scorpion and Osceola were before the place. It is on a long, deep bay, and a close examination by Captain Marix convinced him that its defence was one small fort and four gunboats.

On Sunday morning Capt. Marix decided to go in after the gunboats, and so signalled Capt. Purcell. Capt. Marix tells the story as follows: "Imagine their surprise upon finding, instead of gunboats and a small fort, the shore filled with artillery and infantry. The fire we moved into was a desperate one, considering that we did not have any protection for our men or the guns. For 25 minutes we stayed at it, and I think we must have done a lot of damage. I had no pilot, and could not move in closer. We were hit frequently, and at last, when a shot had cleaned our galley, and I saw that it was useless to risk the men's lives, we moved out.

"The gunboats laid behind the hills in a small cove, and we could not get at them. We moved out slowly and the fire ceased. The next morning we captured a large lighter and a sloop filled with provisions. No attempt was made by gunboats to come out to the defence of these ships."

AN AMERICAN OPINION.

The general opinion seems to be that an alliance on paper between Great Britain and the United States cannot be expected. But a friendly understanding may be aimed at. On the whole, the feeling in the United States is favourable. Here is the opinion of an American traveller on one phase of the subject, as expressed in a Boston journal: "I think an alliance would be the best thing that could happen, as I find out every time I go to foreign countries an Englishman is the best protected man on the face of the earth, no matter what country he is in. He can have all the protection he wants, while an American has to invariably apply to the British Consul for help. I was in Turkey two years ago, and when set upon by a mob I proudly declared I was an American and would call upon my Government for help. The result was I was jeered at, and was asked where the American Government was. If I had been an Englishman, would I have had to put up with insults? No sir. If they get insulted England sends a warship and demands an apology and protection, and gets it. If we form an alliance and the world at large knows it, no foreigners will dare interfere with us wherever we go."

A PLOT DISCOVERED.

YOKOHAMA, July 12.—Another plot at Seoul, the capital of Corea, against the government, has been discovered. Several prominent officials have been arrested on charges of complicity. Others, including a former minister of war, have fled.

TARTE OFF ON A TOUR.

Fielding the Only Minister Left in the Capital.

[SPECIAL TO THE EXAMINER.]

OTTAWA, July 12.—Mr. Tarte will go to the Maritime Provinces before he visits Western Ontario.

He will inspect the harbors of St. John and Halifax.

His departure will leave Fielding the only minister at the capital.

PROMOTION FOR SAMPSON AND SCHLEY.

[SPECIAL TO THE EXAMINER.]

WASHINGTON, July 13.—President McKinley has determined to promote acting Admiral Sampson and Commodore Schley in recognition of their services in the destruction of the Spanish naval fleet in American waters, but is as yet undecided as to the extent of the promotion.

PROVINCIAL BY-ELECTION.

First District of Prince County

[Special by Telephone.]

ALBERTON, July 13.—F. J. Buote and Meddie Gallant were nominated this forenoon. The attendance was small and there is not much interest in the election.

CERVERA'S TREASURE.

Some of it Cannot be Found.

Port Antonio, Jamaica, July 11.—What has become of Cervera's treasure chest? Is the burning question among the officers of the American fleet. It is customary for the admiral of the fleet to carry enough cash to purchase supplies while away from home. Cervera was not an exception to the rule. He left Cadiz with \$200,000 in silver and gold. He paid a portion of this for coal delivered by British vessels near Guacoa and supplies purchased at Martinique, but it is reported that he still had \$100,000 when he reached Santiago, and that the best part of this sum remained untouched at the time the fleet dashed out of the harbour last Sunday. The money was kept on board the flagship 'Teresa' in a wooden chest in the admiral's room. The chest was, of course, burned, but the hinges remain, showing that the fire was not hot enough to destroy the money. Nevertheless, the money was gone, and only \$20,000 in silver can be traced. This sum was discovered by a party from the flagship New York, the members of which report that some one had been there ahead of them and apparently made a rich haul.

Death to Mosquitoes.

(The Empire.)

An Anglo-Indian sends the following tip for those who are troubled by those very troublesome creatures, mosquitoes: "Throw a little bit of alum, about the size of a marble, into a small bowl of water, and wet the hands and face and any exposed parts likely with it. Not a mosquito will approach you. They hum about a little and then disappear. I never had any occasion to use a mosquito curtain, and am glad to think that I can perhaps benefit others (travellers in particular) by this little bit of information."

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- Plain cloth, braid trimmings black and fawn, \$1.30 are now 88c
- 2 only capes, one royal blue one cardinal, high collar, black velvet trimming, \$1.50 for \$1
- Black fawn, red or green cape, braid trimming, were \$1.95, are now \$1.30
- Cadet blue cloth cape, trimmed with white braid, \$2.20 now \$1.47
- Fawn cape with high collar, trimmed and faced round collar with navy velvet, was \$3.30, for 2.20
- Triple cape, in fine covert cloth, fawn and green, were \$4.25, now 2.83
- Fine fawn covert cloth, trimmed with a satin ribbon, were \$4.65, now 3.10
- Handsome, plain cloth cape, very stylish, was \$6.00, now 4.00
- A Lot in various styles and shades, were \$6.25, are now 4.42
- Handsome dove-grey cape sateen trimmed, was \$7.60, is now 5.07
- Dark fawn cape, braid trimmed, was \$8.25, is now 5.50
- Very fine fawn cloth, plain but stylish, \$12.25 for 8.17
- Heavy BLACK diagonal corded satin, trimmed with ribbon, \$12.45, is now 8.30
- Beautiful black crepon cape, lined with taffeta silk, elaborately trimmed was \$15.50, is now 1.033
- Rich black velvet cape, silk lining trimmed with lace, ribbon and jet, was \$13.85, for 9.24

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