BRITISH AND FRENCH SMASH THE GERMANS

Total Number of Prisoners Taken by His Troops to Date 3,500 —Germans Admit a Retirement

British and French smash the Germans

London, July 2.—The "big push" of the allies continues with unabated energy and increasing gains. Throughout the day the Germans have been pushed steadily back until to-night the French are within six miles of Peronne, a vital point on the main feeding railway f the Germans and the centre of a system of radiating highroads. They have recaptured the villages of Curlu and Frise, and have broken into the German second line of defences at a number of points. The British, operating on a fifteen-mile front to the north, have captured the village of Fricourt and pushed farther eastward toward the Bapaume-Peronne highroad, which now is less than seven miles away.

In the first thirty-six hours of their Picardy drive the French and British have captured more than 9,500 German prisoners, cleared fifty square miles of French territory of the invaders, and have carried eleven villages and a complicated series of entrenchments and redoubts which the Germans have been more than twenty months constructing.

"Situation is Favorable."

The situation at the end of the second day is summed up in a sentence by the British Headquarters. "The general situation may be regarded as favorable," says the report received in London to-night from Gen. Haig in France.

The day was one of consolidation rather than of the surging rushes which yesterday carried the allies more than two miles deep into German lines at some points. The greatest progress during the day was recorded south of the Somme, between that river and Assevillers, by the French and east of Albert by the British centre.

On the northern end of the British front, around and below Gommecourt, the Germans are offering the strongest resistance. Berlin's first official word on the fighting, received here to-day, announces heavy losses for the British from Gommecourt to Lo Boiselle and "no advantages worthy of mention."

British Take Fricourt.

In front of Albert, however, despite strong German resistance, the British to-day completed their capture of Fricourt, which had been practically surrounded in the first rush of the offensive, by the capture of La Boiselle and Mametz. The town was strongly defended, being in reality a small field fortress, defended by an elaborate system of redoubts and entrenchments. Pressing through the village the British made an advance toward the east. The extent of this advance is not made clear by despatches so far at hand.

Germans Admit Reverse.

The Berlin statement, admitting that the Teutons were forced to abandon their entire system of first line trenches on both banks of the Somme for some distance north and south, states that the troops withdrawn took up specialy prepared positions some distance to the rear.

It is likely that it is this series of trenches into which the French report having penetrated during to-day.

Over the twenty-five-mile battle line the air fleets of the opposing armies are unusually active. The French have carried out a series of raids on important points held by the Germans behind the front.

ITALIANS GAIN MORE SUCCESSES

Three Lofty Heights Taken by Cadorna's Troops

A despatch from London says:—Further successes are claimed by Rome. The lofty heights of Monte Giamondo, north of Fusin, and Monte Caviojo, have been seized by General Cadorna's troops. Lying between the Posina and Astico these positions give the Italians command of a wide stretch of territory. A further gain in their sweep across the Asiago Plateau also is claimed by the Italians. They have occupied the southern side of the Assa Valley and now are storming the slopes of Monte Rasca, Monte Interrotto and Monte Mosciagh. In addition they have reached the Galtamara Valley, having carried the defensive position of Monte Colombara.

QUEEN VICTORIA OF SWEDEN HAD A NARROW ESCAPE

A despatch from Berlin says:—Queen Victoria of Sweden, sister of Grand Duke Friedrich II. of Baden, was at the Castle in Karlsruhe during the recent French air raid on that German city, when 110 persons were killed by bombs, says an Overseas News Agency despatch from Karlsruhe. She escaped harm, however, as on the occasion of the previous raid, when she also was in the city.

KITCHEN REFUSE FOR GERMAN COWS

A despatch from Amsterdam says:—German newspapers received here contain an order of the Federal Council compelling towns and communities exceeding 40,000 inhabitants to collect kitchen refuse from all households. The refuse is to be sent to a Government factory, there to be converted into condensed food for milch cows.

INTENSITY OF BRITISH FIRE FRIGHTFUL AT CERTAIN POINTS

First Line Enemy Trenches Straightened Out and Munition Depots Five Miles in the Rear Blown Up.

A despatch from Paris says:—The correspondent of La Liberte at the British front says: 'The intensity of the British artillery at certain points is frightful. Shell follows shell at only a few seconds interval. The efficacy of the fire has been noted by reconnoitring parties. Not only first line trenches have been wrecked over a considerable area and some of them entirely straighened out, but the second line and third line defences have come under the British fire. Two munition depots five miles in the rear have been blown up. The prisoners brought back by the British appear to be stunned."

The correspondent after highly praising the British trench raiders and the general spirit of the army, adds:

"The British flying corps lately has been very successful. Time and again German aircraft have attempted to cross the allies' lines to spy out preparations, and each time has had to retreat, pursued by British airmen. Since the beginning of the week British aircraft have destroyed five German aeroplanes."

Major Moraht, the German military critic, commenting in a recent issue of the Berlin Tageblatt on the British activity in Flanders and Northern France, says: "We believe that when the English really make up their minds to undertake a great stategical offensive the end of the British army will certainly be in sight. We do not wish to underrate the seriousness of such a fight. Neither, on the other hand, do we want to allow the British to frighten us. The British army has not, and never will, have the operative strength to drive us out of Northern France and Belgium."

BERLIN EXPECTS CLIMAX OF WAR ON BRITISH FRONT

Impressed by Great Activity of Haig's Forces, Which Includes Several Attacks With Gas.

A despatch from Berlin says:—The intensified artillery activity on the British front is believed here to herald the long-expected great British offensive. If the British mean business at this time they should find the Germans in a state of preparedness. The correspondent is in a position to know that the German line in the far west has not been weakened as the result of having to rush help to the Austrians, and that operations at Verdun are being continued systematically in the face of the possibility of a British offensive.

Military circles here are calmly confident that Great Britain's greatest effort will meet the fate of the previous offensives, but there is keen interest to see Kitchener's new armies in action. The general opinion is that a supreme test of strength between the British and German armies during the coming summer will mark the climax of the war.

In the expectation of perhaps decisive military events on all fronts, peace talk has never been so dead as it is to-day.

CHATSWORTH HALL, DERBYSHIRE OWNED BY DUKE OF DEVONSHIRE

MAGNIFICENT COUNTRY RESIDENCE OF CANADA'S NEW GOVERNOR-GENERAL.

SMASHING BLOW ON TEUTON LINE

Austrians Hurled Back on the Kolomea Front and Southward.

A despatch from London says:—The Russians again are hammering their way toward Kolomea. With slow but sure strokes, before which the Austrian lines, weak without the support of German troops, are crumbling, the Czar's forces are closing upon the Galician stronghold, the key to Lemberg.

"On Thursday General Letchitzky, after artillery preparation," says Petrograd's official statement, "inflicted upon the enemy, despite his desperate resistance, a great defeat in the region between the Rivers Dneister and Pruth, and took possession of three lines of trenches."

Over a front of 25 miles the Russian masses were hurled at the opposing lines. Fierce battling followed, in which artillery combat gave way to hand-to-hand fighting. Austrian reserves were hastily rushed to the threatened sector. With these new forces the Russian onslaught was halted, but in the evening the Czar's troops renewed the assault with fresh vigor, and drove their wedge through the Austrian line. Vienna admits that the Teuton forces are compelled to retire "from part of their front at Kolomea and southward."

HALIFAX GOES DRY AFTER 169 YEARS

Forty-six Bars Were losed Last Night —Liquor Men May Fight.

A despatch from Halifax says:—The 46 liquor saloons in this city closed up on Thursday night to remain closed, in consequence of the prohibition law passed at the last session of the Legislature making Halifax "dry" as well as the rest of the province. It is 169 years since Halifax was founded, and for the first time it will be impossible legally to obtain a drink in any public house.

THREE PEOPLE DROWNED.

Canoeing Tragedy on the Jacques Near St. Catherine, Quebec.

A despatch from Quebec says:—Three persons were drowned on Thursday morning while canoeing on the River Jacques Cartier near Saint Catherine. They are Mrs. Guillot, whose husband is manager for Narceau and Company, dry goods dealers, of this city; M. Jobin, formerly a farmer of L'Evenement, and his son, aged sixteen. It is thought that the canoe capsized in rough water.

ROUMANIAN FOOD RIOTS

Four Killed in Fight With Police at Galatz.

A despatch from Amsterdam says:—According to Bucharest despatches in German newspapers received here, four persons were killed and five wounded by the police at Galatz, Roumania, Monday, while representing a demonstration of workingmen against the high prices of foodstuffs. The despatches add that the workingmen of Galatz declared a general strike Sunday, owing to the authorities having prohibited meetings and demonstrations in protest against the high cost of living.

SPLENDID BRITISH GIFT TO CANADIAN SOLDIERS

A despatch from London says:—Princess Louise, Duchess of Argyll, presented a silk Union Jack and a silver shield to the General Officer Commanding the Canadian forces on Saturday. The colors and shield are the gift of women and children in the United Kingdom and will remain at Shorncliffe until the close of the war, when they will be taken to Canada. A souvenir, in commemoration of Lord Kitchener, was also given to each disabled soldier.

CANADA'S NEW GOV.-GENERAL

DUKE OF DEVONSHIRE.

DUCHESS OF DEVONSHIRE.

THOMAS KELLY FOUND GUILTY

Of Theft, Receiving and Obtaining by False Pretences.

A despatch from Winnipeg says:—Thomas Kelly has been found guilty of theft, receiving, and obtaining money by false pretences. A verdict of guilty on four out of the five counts in the indictment on the charges arising out of the contracts for the erection of the Manitoba Parliament Buildings, was found by the jury in the Assize Court on Thursday afternoon at 5 o'clock, after it had deliberated for three hours.

ONLY MUNITIONS FACTORY IN ROUMANIA DESTROYED

A despatch from Bucharest to London says that the only munitoins factory in Roumania has been destroyed. The destruction is laid to a plot of German and Bulgarian agents. All the machinery in the plant and millions of shells were destroyed.

PRUSSIAN LOSSES APPROACH 3,000,000

A despatch from Amsterdam says:—"The latest Prussian casuality lists covering the period from June 8 to 20 bring the total of Prussian losses to 2,740,196. This figure is not believed to include the losses at Verdun."

A woman's work is never finished if she is trying to reform some man.

LOST STRIPES, NOT HIS LIFE

German Socialist Dismissed From Army and Given Thirty Months.

A despatch from Berlin says:—Dr. Karl Liebknecht, the Socialist leader, was sentenced on Wednesday to thirty months penal servitude and dismissal from the army for attempted high treason, gross insubordination and resistance to the authorities. The court adopted the view that Dr. Liebknecht was guided by fanaticism and not by unpatriotic feeling, and therefore imposed the lowest penalty on him. Dr. Liebknecht is entitled to appeal from the sentence.

KEEP POOR KITCHENS OPEN INDEFINITELY

A despatch from The Hague, via London, says:—The municipality of Berlin has decided to keep open indefinitely the municipal poor kitchens, which in previous years were open only during the winter months, closing at the end of March. This year the closing has been postponed, month after month, under pressure of the needs of the poor people, and it has now been finally decided to keep the kitchens open for an indefinite period. The Vorwaerts says the kitchens are crowded as in mid-winter and that there are many complaints regarding the insufficiency of the rations served.

BRITISH WOUNDED IN LONDON ALREADY

The first batch of wounded from the British front in France arrived at Charing Cross station this evening. An enormous crowd assembled at the station and the police had considerable difficulty in securing passage for the Red Cross vehicles through the cheering, flag-waving people.

TURKS DRIVEN BACK IN BAGDAD DIRECTION

A despatch from Petrograd says:—The Russians continue to make progress in the Caucasus. "South of Lake Urumiah we pushed back the Turks from the region of Bann toward the Turco-Persian frontier. In the direction of Bagdad we have defeated the Turks, driving them toward the fortified region of Kalavstrahine."

IRISH OUTLOOK IS MORE HOPEFUL

A despatch from London says:—"The Irish outlook generally is more hopeful. The Daily Mail predicts an amicable settlement. The Daily Chronicle, on the other hand, says that Lord Lansdowne, Minister without portfolio, and Walter Long, president of the local Government Board, have resigned. Some other papers say that no one has resigned from the Cabinet except Lord Selborne.

Fish Changes Color.

In siam there are small fresh-water fish so pugnacious that when two of them are placed near each other they begin to fight. When the fish is quiet its colors are dull, but when excited it is of a metallic brilliance.

Markets of the World

Breadstuffs.

Toronto, July 4:—Manitoba wheat—No. 1 Northern, $1.18; No. 2, do., $1.16½; No. 3, do., $1.12¾, track, Bay ports.

Manitoba oats—No. 2, C. W., 52½c; No. 3, do., 52c; extra No. 1 feed, 51c; No. 1 feed, 50c; No. 2, do., 49c, track, Bay ports.

American corn—No. 3 yellow, 81½c, track, Bay ports; 85c, track, Toronto.

Ontario oats—No. 3 white, 48 to 49c, according to freights outside.

Ontario wheat—No. 1 commercial, 98 to 99c; No. 2, do., 94 to 96c; No. 3, do., 88 to 90c; feed, 83 to 85c, nominal, according to freights outside.

Peas—No. 2 nominal, $1.75 to $1.80 according to sample, $1.25 to $1.50, according to freights outside.

Barley—Malting, 65 to 66c; feed 60 to 62c, according to freights outside.

Buckwheat—Nominal, 70 to 71c, according to freights outside.

Rye.—No. 1 commercial, 94 to 95c, according to freights outside.

Manitoba flour—First patents, in jute bags, $6.50; second patents, in jute bags, $6; strong bakers', in jute bags, $5.80, Toronto.

Ontario flour—Winter, according to sample, $4.05 to $4.15, in bags, track, Toronto, prompt shipment; $4 to $4.10, bulk, seaboard, prompt shipment.

Millfeed—Car lots, delivered Montreal freights, bags included—Bran, per ton, $20 to $21; shorts, per ton, $24 to $25; middlings, per ton, $25 to $26; good feed flour, per bag, $1.55 to $1.60.

Country Produce.

Butter—Fresh dairy, choice, 25 to 27c; inferior, 23 to 24c; creamery prints, 29 to 31c; inferior, 28 to 29c.

Eggs—Steady to firm; new-laid, 28 to 29c; do., in cartons, 30 to 32c.

Beans—$4.25 to $4.50, the latter for hand-picked.

Cheese—New, large, 18c; twins, 18½c.

Maple syrup—Prices are steady at $1.40 to $1.50 per Imperial gallon.

Dressed poultry—Chickens, 25 to 27c; fowl, 23 to 25c.

Potatoes—Ontarios quoted in car lots at $1.85, and New Brunswicks at $2.15, per bag; Westerns, $1.95.

Montreal Markets.

Montreal, July 4.—Corn—American No. 2 yellow, 83 to 84c. Oats—Canadian western, No. 2, 54½c; do., No. 3, 53c; extra No. 1 feed, 53c; No. 2 local white, 52½c; No. 3 do., 51½c; No. 4 do., 50½c. Barley—Malting, 75 to 76c. Flour—Man. Spring wheat patents, firsts, $6.60; seconds, $6.10; strong bakers', $5.90; Winter patents, choice, $6 to $6.25; straight rollers, $5.10 to $5.60; do., bags, $2.40 to $2.65. Rolled oats, barrels, $4.75 to $5.55; do., bags, 90 lbs, $2.25 to $2.60. Bran, $18 to $20. Shorts, $22 to $24 Middlings, $25 to $27. Mouillie, $27 to $32. Hay—No. 2 per ton, car lots, $20.50 to $21.50. Cheese—Finest westerns, 16¾ to 17c; do., easterns, 16¼ to 16½c. Butter, choicest creamery, 30c; seconds, 29c. Eggs, selected, 33c; No. 1 stock, 28c; No. 2 stock, 26c. Potatoes per bag, car lots, $1.95.

Winnipeg Grain.

Winnipeg, July 4.—Cash quotations:—Wheat—No. 1 Northern, $1.10¾; No. 2 Northern, $1.09; No. 3 Northern, $1.05¾; No. 4, $1.00; No. 5, 94½c; No. 6, 90¾c; feed, 85¾c. Oats—No. 2 C.W., 46½c; No. 3 C.W., 46c; extra No. 1 feed, 45½c; No. 1 feed, 44½c; No. 2 feed, 42½c. Barley—No. 3, 69½c; No. 4, 64½c; rejected, 60½c; feed, 60½c. Flax—No. 1 N. W. C., $1.57¾; No. 2 C. W., $1.54¾.

United States Markets.

Minneapolis, July 4.—Wheat—July, $1.06¾; September, $1.07½; No. 1 hard, $1.13½; No. 1 Northern, $1.07½ to $1.09¾; No. 2 Northern, $1.05¾ to $1.07½. Corn—No. 3 yellow, 76 to 77c. Oats—No. 3 white, 37½ to 37¾c. Flour unchanged; shipments, 56,608 bbls. Bran, $17.00 to $18.00.

Duluth, July 4.—Wheat—On track, No. 1 hard, $1.10½; No. 1 Northern, $1.09½; No. 2 Northern, $1.01¾ to $1.06¾; No. 1 Northern, to arrive, $1.09½; No. 3 Northern, on track, 96¾c to $1.02¾. Linseed—On track, $1.78½; to arrive, $1.78½; July, $1.78¾ asked; September, $1.81½ asked; October, $1.80½ bid; November, $1.80½ bid.

Live Stock Markets.

Toronto, July 4.—Choice heavy steers, $10.00 to $10.50; good heavy steers, $9.40 to $9.90; butchers' cattle, choice, $9.50 to $9.75; do., good, $9.10 to $9.35; do., medium, $8.85 to $9.00; do., common, $8.00 to $8.25; butchers' bulls, choice, $8.35 to $8.50; do., good bulls, $7.45 to $7.65; do., rough bulls, $4.75 to $5.25; butchers' cows, choice, $8.00 to $8.25; do., medium, $6.25 to $6.75; stockers, 700 to 850 lbs. $6.75 to $7.75; choice feeders, dehorned, 950 to 1,000 lbs, $8.25 to $8.85; canners, choice, each, $75.00 to $100.00; do., com. and med., each, $40.00 to $60.00; springers, $50.00 to $100.00; light ewes, $9.00 to $10.00; sheep, heavy, $6.00 to $8.00; spring lambs, per lb., 12½c to 14c; calves, good to choice $9.50 to $12.00; do., medium, $7.25 to $8.50; hogs, fed and watered, $11.40 to $11.60; do., weighed off cars, $11.65 to $11.75; do., f. o. b., $10.90.

Montreal, July 4.—Butchers' steers, choice, $9.75 to $10; medium, $8.70 to $9.25; common to fair $7.70 to $8.25; rough, $6 to $7; bulls, choice, $7.50 to $8.25; fair to good, $6.75 to $7.15; medium, $5.75 to $6.50; cows, choice, $7 to $8; fair to good, $5.90 to $6.65; canners and cutters, $3.85 to 4.85. Sheep, 7c to 7½c; spring lambs, $5 to $8 each. Calves choice, 9½c to 10c; medium, 8½ to 9c. Hogs, selects, $11.35 to $11.60; roughs and mixed lots, $11 to $11.25.

GERMAN PAPER PAYS TRIBUTE TO CANADIAN GALLANTRY

One General and Several Officers, It Says, Preferred Death to Surrender.

A despatch from London says:—The Cologne Volkzeitung, describing the gallant stand made by the Canadians at Ypres at the beginning of the month, says many of them made an obstinate resistance, preferring to be killed rather than surrender. One general and several officers who refused to give in were killed. The general drew his sword, and when a sergeant demanded his surrender he cut him through the face, whereupon an infantryman bayoneted him. Many such groups who resisted desperately and refused all mercy had to be cleared out with bombs.