RUSSIANS MAKE BIG STRIDES IN DIRECTION OF ERZINGAN

Capture of Guzuskaneh From Turks Means an Advance by the Grand Duke's Troops of Forty Miles in Five Days.

A despatch from London says: Guzuskaneh has fallen before the advancing right wing of the Russian army of the Caucasus, Petrograd announced officially on Friday. The place lies 45 miles south-west of Trebizond, the Black Sea port. The town has about 3,000 inhabitants, and is built on both sides of a ravine. It is noted for its fruit production. The capture of Guzuskaneh indicates that the Russians are pressing forward rapidly toward their objective at Edzingan. Since the capture of Baiburt on July 16 the Czar's troops have advanced to Guzuskaneh, a distance of nearly 40 miles.

Further successes in the Caucasus are reported in the official statement from Petrograd, which follows:

"In the region of Djwizlyk we made further progress, taking prisoner an officer and 60 Turks. Between Trebizond and Erzingan, after a fight, we took the town of Guzuskaneh. In the region north-west of the town of Kialkitscheytli we made prisoner 30 Turkish officers and 400 men, and captured important convoys. We repulsed an enemy offensive in the region east of Rivandouza (region of Mosul)."

WOOD WAS FULL OF GERMAN DEAD

Not Thirty Left Alive When the British Secured Possession.

A despatch from British Headquarters in France, via London, says:—Troops on the left of the recent great British advance attacked the German line which ran in front of Bazentin-le-Petit wood, and was protected by double lines of wire. British guns, however, had accounted for the wire, and before the Germans realized it the British fire was lifted from their front line and British troops were pouring over the remnants of the battered parapets on top of them. Two waves went ahead, and as soon as they had swept the front line clear two other followed.

The right of the attacking force got through this part of the programme with comparatively few losses. But the troops on the left suffered more severely, having been raked by machine-gun fire.

Behind he German front line ran a great wood, itself spanned by three successive lines of trenches, each with wire protection. These were taken one after another in a series of rushes, the men going as fast as they could in the dim light of early morning through a wood dense and chocked with fallen timber, and so full of huge shell-holes that it was all climbing, jumping, scrambling and crawling. Whatever their method of going, they got there. They waited in one trench while the guns behind concentrated their fire on the next line.

Then they staggared forward as soon as the guns had lifted and while the artillery went to the next. Then the process was repeated.

With alternate waits and rushes it took three hours to get through the wood.

It was full of German dead and living, and at the upper end machine guns were posted which searched the open spaces between the wrecks of trees as the British troops came on But nothing stopped them. By soon after 7 o'clock they had cleared the top of the wood and taken 300 prisoners.

The wood itself was full of dead and the Germans taken there say they believe of all the troops who were in the wood, not thirty men escaped alive.

MUNITIONS SUPPLY MEANS EVERYTHING

New Minister Receives Urgent Message From Gen. Haig.

A despatch from London says: Edwin Samuel Montagu, the new Munitions Minister, had the following letter from General Sir Douglas Haig read at the conference of representatives of trades unions on Wednesday:

"At this moment we are engaged in the greatest battle the British army ever fought. I feel confident if the workmen could see their comrades fighting here, both night and day, with heroism beyond all praise, they would not hesitate to surrender their two days' August holiday.

"A two-days' cessation of work in the munition factories must have a most serious effect on our operations. It might even mean an addition of many months to the war. The army in France looks to the munitions workers to enable it to complete its task, and I feel sure that this appeal will not be in vain. Let the whole British nation forego any idea of a general holiday until our goal is reached. A speedy and decisive victory will then be ours."

Mr. Montagu pointed out how vital was the question which had induced General Haig to write such a letter in the midst of his overwhelming responsibilities. The confreres unanimously decided to send a reply to General Haig, assuring him that there would be no relaxation in their efforts, and that all holidays would be postponed until military exigencies permitted of their being taken.

The decision was hearty and enthusiastic, and the conference ended with the singing of the National Anthem, "an incident," says The Chronicle, "probably unknown at a Labor conference any time within the last thirty or forty years.

GERMANY TO LET LOOSE AIRSHIPS AND SUBMARINES

A despatch from Berne, Switzerland, to The London Daily News says that Count Zeppelin, in a speech to the workmen at Friederichshafen, said:—"I have good news for you. The Kaiser has given his advisers a free hand regarding the use of airships and submarines.. Be patient. Vital blows will soon be struck.'

TERRIBLE COMBATS IN THE AIR BEHIND THE GERMAN LINES

British Aviators Bring Down Five Hostile Machines—One Battle Lasted Nearly an Hour.

A despatch from London says: The British airmen brought down five German craft in fights over the enemy lines Thursday. Referring to these operations, Sir Douglas Haig's report reads:

"Taking advantage of the fine weather the flying corps continued its bombing operations against points of military importance with successful results. The hostile aircraft were inactive until evening, when there was a good deal of fighting behind the German lines. Our patrol encountered eleven German machines, with the result that three enemy aircraft were shot down, one in flames. Another encounter between four of our machines and six of the enemy's lasted 45 minutes. A Fokker was then shot down, and another badly damaged by our fire. The remaining four broke off from the fight.

"During many other combats in the air a fifth aeroplane was forced to the ground. Our total losses for the day were one machine."

ITALY ADOPTS REPRISALS AGAINST GERMAN SUBJECTS

Declaration of War by the Kaiser's Government Expected to be The Outcome.

A despatch from Rome says:—A royal decree was submitted to the Chamber of Deputies on Thursday containing reprisal measures against German subjects. The decree was the result of the strained relations between Italy and Germany. The decree, which was prepared by Baron Sonnino and Signors Sacchi and Raineri, extends to the alien enemies of Italy and her allies every measure adopted against the Austrian subjects.

The first part of the decree prohibits every transfer of property. The second prohibits a recourse to law courts. The third authorizes the Government to adopt against the alien enemies of Italy and her allies additional reprisal measures.

Relations between Germany and Italy will now depend upon how Germany views the decree.

WHEN BIG GUNS HAVE DONE THEIR WORK.

German defences levelled by shell fire in preparation for an infantry assault. Naturally nothing could stand up under such an avalanche of fire.—(London Mirror photo.)

GERMAN ASSAULTS FAINTER AT VERDUN

Teutons Find Increased Difficulty in Concentrating at Any One Point.

A despatch from Paris says: Contrary to expectations, the Germans have made no attempt to follow up the smashing blow delivered against the northern Verdun defences a week ago. The French counter-attacks, according to the official accounts, are gradually winning back the ground gained by the Germans at heavy cost in the vicinity of Thiaumont and Fleury. This inactivity on the part of the Crown Prince is interpreted by French military opinion as evidence that the Germans are finding increasing difficulty in concentrating troops at any one point on the front. The French officers say that each fresh assault on Verdun is requiring longer and larger time to prepare. They claim that the Germans took no less than 18 days in preparation for the attack of July 12.

LIQUOR CONSUMPTION IN CANADA DROPS.

A despatch from Ottawa says:—The consumption of alcoholic liquors in Canada dropped from .872 per capita to .745 per capita in the fiscal year just ended, according to returns issued on Thursday by the Inland Revenue Department. The consumption was about three-quarters of a gallon per capita for spirits, for beer nearly five gallons, and for wine .0625 gallon. The consumption of tobacco also shows a falling off of from 3.421 pounds to 3.329 pounds per head.

THOUSANDS TO GO OVERSEAS.

Authorities Anounce Important Movement of Troops.

A despatch from Ottawa says:—Ten thousand soldiers, principally from Camp Borden, are to proceed overseas soon, it was anounced at the Militia Department on Thursday morning. The necessary arrangements have been completed to secure ships. The units going include seven battalions from Camp Borden and three from Niagara. No chaplains, junior Majors, assistant Adjutants or signalling officers will be included in the ten thousand to go overseas

LATEST ZEPPELINS ARE MONSTER AIRSHIPS.

A Copenhagen despatch to the London Daily Telegraph describes the new and very powerful Zeppelins which, it says, are housed at the airship and aeroplane station in Darmstadt, the most important in Germany. The new Zeppelins, the despatch says, are 820 feet long, with a gas capacity of 190,675 cubic feet, mount not only machine guns, but light pieces of artillery, have four armor-plated gangways connecting their cars, engines of 4,000 horse-power, and can make 57 miles an hour and rise to more than 13,000 feet.

GERMAN MINE LAYER WILL BE EXHIBITED

A despatch from London says:—The first official announcement that Great Britian had captured a German mine-laying submarine of the U-35 class, was made in the House of Commons on Thursday by Thomas James MacNamara, Financial Secretary of Admiralty, who said that one of these vessels would be brought to London to be viewed by the public.

ROUMANIA READY TO HELP ALLIES

It is Said She Will Enter the War in the Very Near Future.

A despatch from London says: Roumania will cast her lot with the allies in the very near future. That is the belif in London. The plight of Austria, the continued successes of the Russian armies—successes that have reached and passed the Roumanian border—and the impending allied offensive from Saloniki will lead, it is expected, to the important decision. Information from Bucharest forecasts developments at almost any moment.

FORECASTS BIG CROPS IN CANADIAN WEST.

A despatch from Duluth, Minn., says: Bumper crops for the Canadian North-west were predicted by Sir William Mackenzie, of Toronto, president of the Canadian Northern Railway, who was here on Wednesday on his way to Chicago. He said the wheat yield alone this year would be 300,000,000 bushels, and he did not think the farmers would experience much difficulty in securing help to harvest the crops.

CANADA'S ENLISTMENTS NOW TOTAL 350,655.

Ontario Leads with 145,195, as Compared With Quebec's 36,890.

A despatch from Ottawa says: Total enlistments in Canada up to July 15 number 350,655, Ontario leading with 145,195. From the Toronto division alone there are 79,715. Quebec has given 36,890 men, of whom 30,186 were from the Montreal district. From the Maritime Provinces the number is 31,633, and from Manitoba to the coast 136,939.

SCORES OF BODIES OFF THE NORWEGIAN COAST.

Victims of Jutland Battle Floating Amid Wreckage in North Sea.

A despatch from New York says: Scores of bodies of both English and German sailors, equipped with life preservers and floating in a mass of wreckage from the big Jutland naval battle, were encountered off the coast of Norway on July 2 by the steamer Lyngenfjord, which arrived here from Bergen on Wednesday. A fleet of small vessels sent out by the Norwegian Government were collecting the dead.

STEAMERS RELEASED FOR ATLANTIC TRADE.

Northland, Southland and Canada Back Into Service.

A despatch from Montreal says: The British Admiralty has released three of the White Star-Dominion Line steamers which were formerly in the Canadian trade—the Northland, Southland and Canada—which have been engaged in the Government service between Great Britain and the Mediterranean. News of the release of the three ships was received here on Friday.

SIR VICTOR HORSLEY DIES IN MESOPOTAMIA.

A despatch from London says: Sir Victor Horsley, a noted surgeon, died from a heat stroke in Mesopotamia on Sunday. He was born in 1857, and was created a Knight in 1902. He was emeritus professor of clinical surgery and consulting surgeon at the University College Hospital since 1906.

BRITISH ARE BEYOND THE GERMAN THIRD LINE

Attacking on Front of Eight Miles, They Carried German Outer Works for a Stretch of Five Miles.

London, July 23.—The British, including Australian troops, by a midnight thrust on a front of eight miles between Thiepval and Guillemont, carried the German outer works for a stretch of five miles, penetrated into Pozieres, and, wheeling around the village, have driven a wedge across the Bapaume highroad between Pozieres and Bapaume.

The German defence line between Pozieres and Guillemont bore the brunt of the attack, and it was here that the British registered their largest gains. More important than the seizure of terrain, however, is the fact that General Haig has forestalled the German's counter-stroke which was in process of preparation, and for which large Teuton reinforcements had been gathered behind the front.

The initiative is still firmly in the hands of the British, and it is theirs to say what the next movement will be.

In one place to the right of Pozieres the artillery failed to completely level the wire entanglements erected by the Germans, and the English troops attacking on that front were subjected to a furious machine-gun fire which cost them heavily. Despite this, they succeeded in penetrating into Guillemont, and now hold sections of the outskirts. In addition, the British for a time regained complete control of Longueval, where there has been heavy fighting for the last week. Later, the official report states, they were forced to cede ground in the northern part of the village before a strong German counter-attack.

The gain at Pozieres puts the English troops beyond the German third line. They are within two miles of the heights of Martinpuich, crest of the plateau.

Markets of the World

Breadstuffs.

Toronto, July 25.—Manitoba wheat—No. 1 Northern, $1.22⅝; No. 2 do., $1.20⅝; No. 3, do., $1.17½, on track, Bay ports.

Manitoba oats—No. 2 C.W., 49⅛c; No. 3 do., 48⅝; extra No. 1 feed, 48½c; No. 1 feed, 48½c; No. 2 do., 47½c, on track, Bay ports.

American corn—No. 3 yellow, 89c, on track, Toronto.

Ontario oats—No. 2 white, 47 to 48c, according to freights outside.

Ontario wheat—No. 1 commercial, 98c to $1; No. 2, do., 95 to 97c; No. 3, do., 89 to 91c; feed, 87 to 88c, nominal, according to freights outside.

Peas—No. 2 nominal, $1.75 to $1.85; according to sample, $1.25 to $1.50, according to freights outside.

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

Buckwheat—Nominal, 70 to 71c, 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; $4.15 bulk, seabord, prompt shipment.

Millfeed—Car lots, delivered Montreal freights, bags included—Bran, per ton, $19; shorts, per ton, $22; middlings, per ton, $24; good feed flour, per bag, $1.65 to $1.70.

Country Produce.

Butter, fresh dairy, choice, 26 to 27c; inferior, 24 to 25c; creamery prints, 29 to 31c; inferior, 28 to 29c.

Eggs—New-laid, 29 to 30c; do., in cartons, 31 to 33c.

Beans—$4.50 to $5, the latter for hand-picked.

Cheese—New, large, 17c; twins, 17¼c; triplets, 17½c.

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—New Brunswicks quoted at $[illegible] per bag; Western, $1.85.

Provisions.

Bacon, long clear, 18 to 18½c per lb. Hams—Medium, 24 to 25c; do., heavy, 20½ to 21c; rolls, 19 to 19½c; breakfast bacon, 25 to 27c; backs, plain, 26 to 27c; boneless backs, 29 to 30c.

Lard—Pure lard, tierces, 16¾ to 17c, and pails, 17¼ to 17½c; compound, 14 to 14½c.

Montreal Markets.

Montreal, July 25.—Corn, American No. 2 yellow, 91 to 92c. Oats, Canadian western, No. 2, 53 to 53½c; do., No. 3, 52 to 52½c; extra No. 1 feed, 52½ to 53c; No. 2 local white, 53c; No. 3 do., 52c; No. 4 do., 51c. Flour, Man. Spring wheat patents, firsts, $6.60; seconds, $6.40; strong bakers', $5.90; Winnipeg patents, choice, $6 to $6.25; straight rollers, $5.10 to $5.30; do., bags, $4.80 to $5. Rolled oats, barrels, $4.05 to $5.45; do., bags, 90 lbs., $2.40 to $2.60. Bran, $20 to $21. Shorts, $23 to $24. Middlings, $26 to $27. Mouillie, $31 to $32. Hay, No. 2, per ton, car lots, $18.50. Cheese, finest westerns, 15¾ to 16c; do., easterns, 15½ to 15¾. Butter, choicest creamery, 29½c; seconds, 28¼c. Eggs, fresh, 35c; selected, 32c; No. 1 stock, 29c; No. 2 stock, 26 to 27c.

Winnipeg Grain.

Winnipeg, July 25.—Cash quotations:—Wheat—No. 1 Northern, $1.15½; No. 2 Northern, $1.13½; No. 3 Northern, $1.10¼; No. 4, $1.05; No. 5, 99c. Oats—No. 2 C.W., 41½c; No. 3, C.W., 43c; extra No. 1 feed, 42¾c; No. 1 feed, 42¾c; No. 2 feed, 41¼c. Barley—No. 4, 71½c; rejected, 64½c; feed, 64½c. Flax—No. 1 N.W.C., $1.69½; No. 2 C.W., $1.66¼.

United States Markets.

Minneapolis, July 25. — Wheat — July, $1.15⅝; September, $1.15¼; No. 1 hard, $1.22¼; No. 1 Northern, $1.11¼ to $1.17¼; No. 2 Northern, $1.12¼ to $1.16¼. Corn—No. 3 yellow, 82½ to 83½c. Oats—No. 3 white, 38 to 38¼. Flour unchanged; shipments, 79,244 bbls. Bran, $17.50 to $18.

Duluth, July 25. — Wheat — On track, No. 1 hard, $1.18½; No. 1 Northern, $1.16¼ to $1.17½; No. 2 Northern, $1.11¾ to $1.12¾; No. 1 Northern, to arrive, $1.16¾; No. 3 Northern, on track, $1.00¾ to $1.09¾. Linseed—On track, $1.92½ to $1.93; to arrive, $1.92½; July, $1.92 bid; December, $1.92½ asked; October, $1.90½ asked; November, $1.90 bid; December, $1.89 asked.

Live Stock Markets.

Toronto, July 25.—Choice heavy steers, $8.25 to $8.50; good heavy steers, $8 to $8.25; butchers' cattle, choice, $7.80 to $8; do., medium, $7.50 to $7.75; do., common, $6.35 to $6.75; butchers' bulls, choice, $7.25 to $7.75; do., good bulls, $6.75 to $7; do., rough bulls, $4.50 to $5; butchers' cows, choice, $7.10 to $7.35; do., good, $6.75 to $7; do., medium, $6 to $6.25; stockers, 700 to 850 lbs., $6.25 to $6.75; choice feeders, dehorned, $6.40 to $7.25; canners and cutters, $3.75 to $4.75; milkers, choice each, $70 to $80; do., common and medium, each, $40 to $60; Springers, $50 to $90; light ewes, $7.60 to $8.25; sheep, heavy, $4.50 to $5.35; Spring lambs, per lb., 13½c to 14½c; calves, good to choice, $9.50 to $12; do., medium, $7.25 to $8.50; hogs, fed and watered, $11.30 to $11.40; do., weighed off cars, $11.65 to $11.80; do., f.o.b., $11.80.

Montreal, July 25.—Export cattle, choice, $9 to $9.25; do., medium, $7.75 to $8.75; butchers' cattle, choice, $7.25 to $8.25; do., medium, $5.25 to $6.25; canners, $4.50 to $5; butchers' cattle, choice cows, $6 to $7; do., medium, $5.50 to $5.75; do., bulls, $6.50 to $7. Hogs—Fed and watered, $11.75 to $12.25; do., f.o.b., $10.50 to $11.50.

U-BOAT POSTAL SERVICE BERLIN TO AMERICA.

A Geneva despatch to the Exchange Telegram, London, says that the Munich Nachrichten publishes a Berlin despatch saying that the postal authorities are compiling regulations and scales of charges for a submarine postal service between Germany and the United States.

DECISIVE BATTLE NOW RAGING, EVERYTHING IS IN THE BALANCE

German Correspondents Realize That the Fate of the Central Powers Rests on Outcome of Present Offensive.

Berlin, July 23.—Max Osborn in a despatch to the Vossische Zeitung from western headquarters says:

"We are shaken by burning pain as new streams of German blood are flowing, and we recognize our powerlessness over what cannot be changed.

"After two years of war the Angel of Destruction is passing through the ranks of the German arms with a fury and mercilessness as if the death dance of battles had only just begun.

"Whilst aur enemies suffer fearful losses, we do not blind our eyes to the new mourning come to us, nor over the seriousness of the fate of this decisive battle raging on all fronts. We should be unworthy the stupendous task we have to fulfil and the almost incomprehensible sacrifices our heroes make if we were not able to understand the whole fury and burden of these weeks.

"We feel the raging storm of the united power of the enemy. It is now a question of everything for the life or death of our nation. We stand differently now from what we did in August, 1914. Unexampled deeds of fate lie between. But still the concluding point has to be reached and everything is in the balance of death or life."