

GERMANS SUCCESSFUL IN RUSSIAN POLAND

LODZ OCCUPIED BY INVADERS?

City Is In German Hands It Is Not Unlikely That Warsaw Is Seriously Menaced.

PETROGRAD DISCOUNTS IMPORTANCE OF FALL

As the Russians Are Strong Enough to Hold Germans in Poland and Pursue Southern Campaign.

London, Dec. 7.—Comparisons of reports from Berlin and Petrograd lead to the conclusion that the German forces have occupied Lodz, whence the German invaders were driven when they were attempting to make their first advance on Warsaw. Berlin is positive that Lodz is now in the hands of the German troops, and from Petrograd comes the admission that the situation at that place is desperate.

If the fall of this city is a fact, it may indicate that Warsaw is seriously menaced, but from Petrograd comes the semi-official statement that the Russians are strong enough to hold the invaders in North Poland and that they will content themselves with doing this while they devote their main energies to the campaign around Cracow and to the invasion of Hungary. Hungary, according to the contentions from Petrograd, represents the weakest part of the Teutonic coalition. Messages from Petrograd also state that as early as the time of the fall of Lemberg the Austrians made overtures to the Russians concerning terms of peace; and the story is revived in Petrograd that the Hungarian prime minister has demanded of Emperor William better military protection for Hungary, declaring that the lack of this would cause the loss of the Hungarian kingdom.

The latest French official reports set forth that there are no changes of importance to record with reference to the situation on the western fields of battle; and with the exception of a special dispatch to the effect that Ostend is burning, no other news has reached London of the situation in France and Belgium.

Late reports from Montenegro and Serbia indicate that these Balkan allies are at bay in their mountain strongholds and are holding the Austrians in check.

On the water some unusual activity has been noticeable, resulting in the destruction of a Turkish auxiliary in the Black sea by Russian submarines. Destruction by mines of two Swedish vessels, merchant ships, off the Finnish coast has been reported; and the news of the crippling of a Turkish cruiser by a mine has also been received.

In diplomatic circles interest is now centered in Rome where the statement of former Premier Dioletti that Austria had been planning war against Serbia as early as in 1913 has caused something of a sensation.

The Balkan states are said to be nearing a rapprochement which will enable them to make common cause against the German allies.

Take Lodz.
Berlin, via London, Dec. 7.—It is officially announced that the Germans occupied Lodz Sunday.

Lodz, a city of some 150,000 population is the chief manufacturing center of Russian Poland. It has numerous textile mills, the majority of them for the manufacture of cotton goods. In addition it has flour mills, dyeing establishments, brick yards, machinery plants and breweries. The population is made up of Poles, Germans and Jews.

Petrograd, via London, Dec. 7.—The Novoye Vremya's correspondent at the front tells of the bombardment of Lodz. He says:
"The shelling of Lodz began a week ago and grew heavier until the town at five minute intervals, setting many fires.

"The town is in a pitiable state. The 700,000 inhabitants are scantily provided with food and there is no employment. There has been no regular communication with the outside world the past two months."

Ostend Burning.
London, Dec. 7.—"Ostend is reported on fire" says a Daily Chronicle dispatch from Dunkirk.
"It is believed the conflagration was caused either by a British bombardment or German incendiaries."

Servians Resume Offensive.
Paris, Dec. 7.—A Havas dispatch from Nish, Serbia, reports that since December 3 the Servians have resumed a vigorous offensive against the Austrians. The Servians, on Friday, the dispatch adds, pursued the right flank of the enemy to the Koludrah river, where the Austrians were forced to abandon four batteries.

Delayed Message.
Petrograd, Dec. 7.—(Delayed in transmission)—The official communication of the Russian general staff says:
"Yesterday the fighting was without change. The essential engagement continued and the German attacks were repulsed."

The word "yesterday" refers to Saturday, December 5, before the capture of Lodz by the Germans was reported from Berlin.

Ships Gathered.
London, Dec. 7.—The Central News correspondent at Copenhagen says this dispatch has been received from Berlin:
"Forty British and French warships are gathered outside (name deleted by censor) with the evident intention of forcing their way through. This, however, will be impossible, as the fortifications have been strengthened and the water is strewn with mines."

Servian Success.
Nish, Dec. 7.—(Via London)—The Servian war office issues the following official statement:
"On the whole front the Servian army's success is reported. Everywhere the Austrians have been repulsed. We have captured two general officers, 16 officers, 2,400 men and a large quantity of booty. On one of our fronts we captured from the enemy four complete batteries."

Bombard Cracow.
The Hague, Dec. 6.—(Via London, Dec. 7.)—A Russian staff officer today asserted that according to official reports a Russian force is bombarding Cracow and suburbs from the southeast. The officer added that the Russians have left a sufficient force to oppose a renewal of their German offensive and that they will concentrate all their forces for an entrance into Germany on the line of Cracow, Oppelen and Breslau.

The officer said that according to his information cholera is ravaging the Przemysl garrison.

GERMANS DESTROY THE LENOCYZA MONASTERY

Paris, Dec. 7.—A Havas dispatch from Petrograd says that the Germans destroyed the monastery at Lenocyz, about 15 miles to the northwest of Lodz, which has been in existence for 1,000 years. The monastery was destroyed, it was stated, on the pretext that the ringing of the bells was a signal for the Russians. In the attack, one priest and two monks were killed.

\$53,000,000 FOR THE WATERWAYS

Amount Estimated for Rivers and Harbors Work in Nation for Fiscal Year of 1915-1916.

NUMBER OF LARGER ITEMS RATHER SMALL

Mississippi River Gets \$10,500,000; North Carolina Is Remembered in Several Small Items.

Washington, Dec. 7.—More than \$53,000,000 is estimated for improvements and maintenance of the nation's waterways and harbors during the fiscal year of 1916, which begins July 1, 1915.

The great waterways require the larger part of the money. The total of the works is made up of a comparatively small number of large items and a comparatively large number of small items. The Mississippi river estimate is \$10,500,000; the Ohio, \$9,884,000; the Hudson, \$8,570,000; the Tennessee, more than \$8,000,000; the Columbia and the Missouri rivers \$3,500,000 each; and the Delaware, \$1,500,000.

Larger Waterways.
Estimates of appropriations for the larger waterways are:
Mississippi river: Southwest Pass, \$600,000; South Pass, \$50,000; passes to mouth of Ohio (including expense of Mississippi river commission), \$6,000,000; mouth of Ohio to Minneapolis, \$3,785,000; between Brainerd and Grand Rapids, Minn., \$5,000; Mississippi and Leech Rivers, Minn., \$60,000.

Ohio river: Below Pittsburgh, \$9,884,000.
Hudson river: \$3,670,000.
Missouri river: Kansas City to mouth, 6-foot channel, \$2,200,000; Kansas City to Cloux City, \$150,000; Sioux City to Fort Benton, \$150,000.
Tennessee river: Above Chattanooga, \$1,792,000; between Florence and Riverton, \$120,000; below Riverton, \$287,000.
Cumberland river: Below Nashville, \$1,000,000.
Delaware river: Philadelphia to sea, \$1,500,000; above Trenton, \$47,500.
St. Marys river: Construction of fourth lock, \$1,000,000.
Columbia river: Mouth, \$1,750,000; Columbia and Lower Willamette, \$600,000; at Cascades, \$10,000; at Threemile Rapids, \$80,000; Upper Columbia and Snake Rivers, \$65,000.
Monongahela river: Reconstruction of lock and dam No. 5, \$211,200.
Allegheny river: \$10,000.
Inland waterway, Rehoboth bay to Delaware bay, \$130,000.
Potomac river: At Washington, \$20,000.

Estimates of harbors and smaller waterways include:
Virginia: James river, \$100,000; Rappahannock river, \$10,000; Mattaponi and Pamunkey rivers, \$8,000.
North Carolina: Beaufort, \$17,000; Beaufort inlet, \$10,000; Morehead City, \$5,500; Cape Fear river, locks and dams above Wilmington, \$271,000; below Wilmington, \$295,000; Neuse and Trent rivers, \$32,000; New river and waterways to Beaufort, \$37,300; Northeast, Black rivers and Cape Fear river above Wilmington, \$16,500; Pamlico and Tar rivers, \$25,500; Scuppernon river, \$5,400; Smith's creek, \$5,400; waterway Pamlico Sound to Beaufort inlet, \$10,400.

South Carolina: Waccamaw river, \$58,500; Charleston \$70,000; Winyah bay, \$100,000;antee, Waterways and Congaree rivers, \$20,000.
Georgia: Altamaha, Oconee and Ocmulgee rivers, \$40,000; Brunswick, \$41,000; Savannah, \$75,000; Flint river, \$50,000; Savannah river, Savannah to Augusta, \$35,000; above Augusta, \$2,000; Chattahoochee river, below Columbus, \$130,000; Coosa river between Itoms and Dan No. 4, \$75,000; locks and dams, \$50,000; St. Marys river, \$5,000; waterway, Savannah to Fernandina, Fla., \$77,000.

TWO SWEDISH STEAMERS STRIKE MINES AND SINK

London, Dec. 7.—A Reuter dispatch from Stockholm says that the Swedish steamer Luna and Sverdrup struck mines off the coast of Finland and sank. The crew of the Luna were saved but with the exception of one seaman, those aboard the Sverdrup were lost.

ESTIMATES FOR U. S. EXPENSES

Figures Presented to Congress Put Cost of Running Government for Fiscal Year at \$1,090,775,134.

OVER THREE MILLION LESS THAN LAST YEAR

No Salary Increases, No Public Buildings and All Items Reduced to Minimum in Estimates.

Washington, Dec. 7.—Estimates prepared to congress today put the cost of conducting the government during the fiscal year 1916, which begins on July 1, next, at \$1,090,775,134. This sum is \$3,392,962 less than the congressional appropriations for the current fiscal year ending next June 30, and \$17,906,843 less than the estimates for the current year.

Without salary increases of any kind, no estimates whatever for new public buildings and all items reduced by order of President Wilson to what departmental heads consider the minimum, the estimates represent the administration's efforts to keep the governmental expenditures within its income which has been decreased by the European war. By grand divisions, the estimates submitted today are as follows:

Legislative establishment, \$ 7,641,048
Executive establishment, 31,845,883
Judicial establishment, 1,240,580
Department of agriculture, 20,706,012
Postal service, 297,355,164
Foreign intercourse, 4,607,183
Military establishment, 105,566,844
Naval establishment, 142,919,003
Indian affairs, 6,742,480
Panama canal, 18,231,563
Public works, 79,917,541
Miscellaneous, 82,843,325
Permanent annual appropriations, 151,567,597
With the expectation that the postal service will continue to be self-sustaining the postal item of \$297,355,164 will be deducted as it is returned to the treasury from postal earnings leaving the actual total of expenditures at \$793,419,970.

As there is such a comparatively small change in the estimates, there is also comparatively little change in the items of fixed charges and new estimates for expenditures have been reduced to the minimum. While the rule is one of reductions, the army and many establishments alone show increases of any note. The army estimate is increased to \$106,377,802; the naval estimate is \$142,919,033 against a current appropriation of \$141,393,217.

Estimates for the legislative establishment include salaries and expenses of congress. The executive estimates include the president, vice president and the civil service commission. Practically no changes are shown there.

In the state department the only changes are some slight increases in salaries, in contingent expenses for the diplomatic and consular service growing out of the Mexican situation and the European war.

In the treasury department the expense of collecting the income tax is estimated at \$1,229,000, a decrease of \$280,000. Estimates are presented for maintaining the western mints and assay offices, against which each session of congress brings a fight.

New Item.
In the department of commerce a new item is one of \$3,000,000 for an agricultural census, \$1,493,500 is asked for lighthouses, beacons and fog signals, \$75,000 is estimated for investigating costs of production, and \$100,000 is estimated for promoting commerce in South and Central America. This latter item is double the amount appropriated last year.

In the department of labor the estimate for the work of commissioners of conciliation on labor disputes would be raised from \$50,000 to \$75,000. For a study of the extent of industrial unemployment in the United States, \$10,000 is estimated.

In the department of agriculture the principal special items, aside from the fixed charges of operation, are \$600,000 for quarantine work to fight the cattle tick in the south; \$645,000 to enforce the pure food law; \$1,000,000 for co-operative farm demonstration work; \$50,000 for live stock experiments in southern countries where silage cane has been the principal product; \$87,000 for dairy experiments in tax semi-arid and irrigated regions of the west; and \$240,000 to encourage improved farm management methods. For free distribution of seeds \$352,540 is asked. The total estimate for the fiscal service is \$3,848,256. For the enforcement of the new law to regulate dealings in cotton futures and to carry on the investigation of marketing and distribution of food products, \$376,595 is asked.

Army Estimates.
In the army estimates, \$200,000 is (Continued on page 11)

BAPTIST HOSTS ARE GATHERING

Delegates in Raleigh for the Baptist State Convention Which Begins Working Sessions Tomorrow.

GREATEST OF CHURCH MEETINGS IN RALEIGH

Homes Have Been Provided for Hundreds of Visitors—Opening Sermon to Be Preached Tonight.

(By W. T. Bost.)
Raleigh, Dec. 7.—The couriers of the Baptist state convention, the pastors who hold in the evening their first conference, are arriving here today and tomorrow the annual convention begins.

The visiting delegates, numbering half a thousand or more, have been assigned homes and have found a city for them. The names of hosts and their guests cover a whole newspaper page and many others are expected whose entertainment is otherwise provided for. The latest statistics provided by the secretary of that department, show that 258,000, 2,093 churches, and 2,052 Sunday schools will be represented in the vast delegation that will sit here this week. Fully a thousand are expected including local delegates and visitors.

The opening services will be preached by Rev. Frederick Mack Gardner, pastor of the Southern Pines Baptist church. This takes place this evening in the auditorium of the First Baptist church, where all day sessions will be held. At the evening service Rev. Dr. Henry F. Cope, a very distinguished Baptist preacher, will speak on "The Preacher Educating his People."

The conference of pastors continues through Tuesday until the evening services which will be held in the city auditorium. The sermon, the convention sermon proper, will be preached by Rev. Dr. E. T. Carter, pastor of the Spencer Baptist church. The preachers' conference ends Tuesday. Beginning early in the morning, the ministers work all day and have such men as R. A. McFarland, Henry F. Cope, John R. Sampsey, T. J. Taylor, Joe S. Snyder and Baylus Cade to address them.

The meeting of the convention in Raleigh will be the fifteenth held in this city. All night sessions will be held in the great auditorium, the only building in the city that will seat the crowds expected to attend this convention, the greatest of all church gatherings that have come here.

Elks Memorial Service.
The Raleigh Elks memorialized their dead yesterday afternoon at 3 o'clock in beautiful exercises marked by a splendid address by Walter P. Andrews, of Atlanta.

The fraternity lost two members by death the year closed. The service yesterday afternoon was greatly aided by Professor R. Blinn Owen of St. Mary's, who directed the music. The visiting speaker is a native North Carolinian who has gained a reputation at the Atlanta bar of which he is a member.

County Offices Change.
The new offices of Wake county took the oath of office this morning. Sheriff J. H. Sears and Clerk Millard Mial succeeding themselves, while Arch J. Wood becomes the successor of Charles H. Anderson, and L. D. Stephenson is made treasurer over George Norwood, retiring incumbent.

For the first time in many years a regular nominee lost in Wake county. Mr. Wood being run by his friends after the canvassing board had given the nomination to another. Barring this, no interest attached to the regular election.

Working on Tax System.
Chairman E. L. Travis of the state corporation commission, spends each day in going over the three biggest tax systems of the union. He does not talk governor talk.

"I will admit that I have had many letters and been spoken to many times in this connection," Mr. Travis said, "but I am now trying to do something on the tax system that we hope to work out the coming year. There is great dissatisfaction with the taxing measures now in effect. It is not so acute and no so insistent as was the feeling on the railroad rates last year, but it is very great all the same. I should think that the best thing that any man in office could do who has an opportunity to do anything that will determine his future, would be to work out well the problems that his office puts upon him to work I have not even thought about another promotion in office, but what I mean is this—that if I thought about it, the best thing to be done toward getting it would be the accomplishment of something in the present one.

"You know what it means to have somebody else do the work that you feel you are expected to do yourself." (Continued on page 11)

CONGRESS OPEN, FINAL SESSION

STORM INCREASES IN ITS INTENSITY

Atlantic Seaboard Is Lashed Today From Hatteras to Eastport, Maine.

Washington, Dec. 7.—With storm warnings displayed all along the Atlantic coast from Cape Hatteras to Eastport, Me., the heavy gale, which has been whipping the seaboard and which has been menacing shipping during the past 40 hours, has increased in intensity. The wave has been moving slowly northward from the Virginia capes, where it was centered this morning. The gale's force has been felt from Hatteras to Lower New England and has been marked by general rains in the middle Atlantic, Southern, and New England states.

Already some vessels have been reported in distress.

Unknown Warship Ashore.

Washington, Dec. 7.—The unknown warship which went ashore off the coast of Delaware last night is believed by officials of the navy department to be one of a foreign fleet. The safe arrival of two American destroyers at Norfolk and the report of the captain of the battleship Kansas that he is riding out the storm off the Delaware capes disposes safely of all the American war vessels in that vicinity.

No American war vessel answering to the description of the one ashore, which is said to have four funnels, is near this vicinity.

Today no word was received from the revenue cutter Itasca, which went out yesterday for the purpose of rendering assistance to the stranger.

Navy officials say that if the vessel in distress does belong to a foreign navy, she is probably not using her wireless for fear of revealing her position to some hostile vessel.

The Gale Is Terrific.
The velocity of the gale touched the high record mark in some instances. At midnight, the wind was blowing 72 miles an hour at Block Island, 60 miles at Sandy Hook and Delaware breakwater, and 36 miles at Cape Hatteras.

Small shipping in the Chesapeake bay has been damaged. Forecasters promise generally fair weather in the South Atlantic states tonight and Tuesday.

GUTIERREZ, VILLA AND ZAPATA ENTER CAPITAL

Formally Occupy Capital Section, According to Agents of General Villa.

El Paso, Texas, Dec. 7.—Eulalio Gutierrez, provisional president of Mexico, with Generals Villa and Zapata formally occupied the capital section of Mexico City yesterday, according to a report given out officially by Villa agents here.

No press dispatches have arrived from the south during the last few days. George C. Carothers, representative of the American state department, reported last night from Mexico City that he entered the capital Saturday and was the guest of the Mexican minister, who has been looking after the interests of the United States.

The situation in northern Mexico awaited the movements of General Ines Salazar, who has begun an independent revolutionary movement.

PROGRESS IN BALKANS SATISFIES THE ALLIES

Political Situation Shaping Itself Nicely for Them, Is Report From Athens.

London, Dec. 7.—Progress has been made in the political situation in the Balkan states satisfactory to the allies, according to a telegram from an Athens correspondent, who understands that a rapprochement between Serbia and Bulgaria, British, French and Russian ministers have visited the Greek premier, and he states that a Greek paper says that the visit concerned proposals that Greece should assist Serbia.

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Work to Be Undertaken Will Not Be Fully Disclosed Until the President Makes Address.

APPROPRIATION BILL LIKELY TO COME FIRST

Cotton Legislation on House Program—Foreign Affairs Will Get Much of the Senate's Attention.

Washington, Dec. 7.—The sixty-third congress assembled today for its third and concluding session.

President Wilson will deliver his annual address, in person tomorrow from the rostrum in the hall of the house before a joint session, outlining the administration program. Until that is fully disclosed, the work which will be undertaken during the comparatively few remaining days in the life of this congress, which dies at noon March 4, remains undefined, except that the usual appropriation bill are likely to receive first and chief attention. Whether the sixty-fourth congress, chosen at the November elections will be called in special session or will not assemble before another year no one can predict with certainty.

After six weeks of respite from legislative grinding, during which many participated in the political campaign, members of both houses assembled prepared to go on with the unfinished business left over from the last session. That the general appropriation bills would be difficult to complete before March 4 if much other legislation were to intervene, was the consensus of opinion among leaders of both dominant parties. What circumstances may arise from the European war or changed conditions in Mexico may be the deciding influence in the meeting time of the next congress with its new host of republicans in the house.

Private Life for Some.
With the falling of the gavel in both houses today many legislators of some of their prominent figures for years in the political life of the nation, turn their faces toward private life, for this session of congress is their last unless changing fortunes return them.

Those Retiring.
Among prominent house democrats retiring are: A. Mitchell Palmer of Pennsylvania, a member of the ways and means committee; Stanley E. Bowdler of Ohio, who will return the seat he took from former Representative Nicholas Longworth; Robert J. Bulkley of Ohio; John R. Clancy of New York; Robert T. Diefenderfer of Pennsylvania; Jeremiah Donovan of Connecticut; Richmond Pearson Hobson of Alabama; Henry M. Goldfogel of New York; Charles A. Morley of Indiana; Robert E. Lee of Pennsylvania; George A. Neeley of Kansas; Frank T. O'Hair of Illinois, who will yield back the seat he took from former Speaker Joseph G. Cannon; John J. Mitchell of Massachusetts, a member of the ways and means committee; Edward W. Townsend of New Jersey, and many others. Of the progressive organization in the house members who will be retired include the party leader, Victor Murdock of Kansas; M. Clyde Kelley, W. J. Hulings and Henry W. Temple, all of Pennsylvania; James C. McLaughlin of Michigan, and William H. Hinebaugh of Illinois.

Leaders on all sides look forward to interesting developments over the naval and the army appropriation bills because of agitation resulting from the European war. Representative Augustus P. Gardner of Massachusetts has a resolution directing congressional investigation into the military preparedness of the United States for war.

First Business.
The first calendar business before the house today was the cotton relief legislation urged by Representative Henry of Texas, and others, who almost prevented adjournment of the last session by insisting on it. The general understanding among members of both houses was that President Wilson would press the bill for government purchase of ocean steamships; the measure to pave the way for ultimate independence of the Philippines; and the measures proposing a comprehensive plan of dealing with waterway improvement and conservation of natural resources.

A general waterway bill to establish a nation-wide system of broad reach, such as has been introduced by a congressman. (Continued on Page 11.)