

## COURSE OF U.S. IS RESTRICTED

Unless Austria Furnishes Good Reason for Argument Rupture Is Understood to Be Certain.

### INFORMATION LOOKED FOR FROM PENFIELD

Trouble With Austria Seems to Involve Germany—Negotiations With Teutons As Allies Likely.

Washington, Dec. 29.—Although the state department so far has received from Ambassador Penfield at Vienna no forecast of what the Austrian reply to the American note will be, it is understood that unless some excellent reason for continuing diplomatic correspondence on the subject is given in the reply, no course seems to remain but to break off diplomatic intercourse. The state department expects some information from Ambassador Penfield as the result of his conferences with Baron Burián the Austrian foreign minister.

Advice received recently through Baron Zweidnek, the Austrian charge at Washington, were to the effect that in answering the note Austria would be guided by concern for the good relations between the two countries. Analysis of this phase led officials here to believe that the Vienna government would attempt to argue the contentions of the United States and possibly would suggest arbitration. The position of the state department is that there can be no discussion over the official admission of the Austrian admiralty on which the contentions are based, unless the Austrian government denies the accuracy of that admission, which is considered unlikely as the admiralty statement was forwarded to the state department by the Vienna foreign office.

AD RUPTURE.—The situation, after being somewhat nearly two weeks, is again beginning to take on aspects of a crisis the status of the negotiations of the United States over submarine warfare, against merchantmen, not with Austria alone but with the Teutonic powers as allies, is commanding attention.

Although Germany has given the United States assurances that she will conform to the principle of visit and search before attack, the practices against which the United States so strenuously contended are being carried on by her ally, Austria, and it has been charged that the Austrian submarines are in some instances furnished by Germany, and in others are officered and manned by the German navy. Such a situation, if it be true, amounts to a practical defeat of the submarine negotiations with Germany.

Furthermore, the impasse in the Lusitania negotiations becomes a factor in the situation.

It is admitted that the United States cannot require Austria to conduct submarine warfare in its relation to the rights of neutrals in a manner different from that permitted to Germany.

## BOY-ED, HOUSE, SHIPPING BILL TAKING SHAPE

Three Men Prominent in U. S. Diplomatic Relations Leave For Europe on the Same Steamer.

### WILL BE READY FOR INTRODUCTION SOON

Feature Which Caused Defeat of Former Shipping Bill Will Be Incorporated in Measure.

(By Parker R. Anderson).  
Gazette-News Bureau  
The Riggs Building  
Washington, Dec. 29.  
The administration's new shipping bill is rapidly taking shape and will be ready for introduction in the senate and house soon after congress convenes, it is stated. The bill, or rather several drafts of the bill, so far made, is the work of Secretary of the Treasury McAdoo, Secretary Redfield, of the department of commerce; Senator Fletcher, of Florida; Senator Simmons, of North Carolina; Representative Alexander, of New York, and Albert Lee Thurman, solicitor for the department of commerce. A number of conferences have been held for the purpose of whipping the measure into shape.

The final draft of the bill will be presented to President Wilson for his approval, since it is to have the backing of the administration, soon after his return to Washington from his wedding trip.

The measure will be introduced in the house by Representative Alexander, of Missouri, chairman of the committee on merchant marine and fisheries, and in the senate either by Senator Clarke, of Arkansas, chairman of the committee on commerce, or by Senator Fletcher, of Florida, or by Senator Lee, of North Carolina, the ranking member of the committee after Clarke. If Senator Clarke will give his support to the bill, undoubtedly he will introduce it as chairman of the committee on commerce.

The bill as it now stands would provide for the purchase or construction of vessels by a government shipping board, with a view to chartering or leasing these vessels to private corporations or individuals desiring to engage in the transportation of the commerce of the United States with foreign countries, or with any of the outlying possessions of the United States. It would also provide for the use of these vessels when required by the government for military purposes as naval auxiliaries or as army transports.

A clause is to be inserted in any contract for their lease providing that in time of war the government may immediately claim them.

The government, however, proposes to retain the right to operate these vessels, if the need arises, as merchant vessels. This is the feature which has caused all the trouble in the past over the bill and which prevented its passage at the last session of congress.

It was pointed out by a supporter of the measure that if the proposed law should provide merely that the ships should be built or purchased with government money, or money obtained through the sale of Panama canal bonds, and then should be leased to the highest bidder, the government would be at the mercy of the shipping trust.

"These gentlemen would be only too glad to have the United States provide them vessels which they might operate," he said. "There would be nothing to prevent them pooling their bids and then the government would have to take the best terms it could get. It is absolutely essential that the government retain the right to operate these ships if it becomes necessary to do so. This would not mean that the government need ever do so, for I believe that merely to retain that right would be all that was necessary."

The bill as drafted proposes that the secretary of the treasury be authorized immediately to issue \$50,000,000 of Panama canal bonds to pay for these vessels. In order to put the act into effect immediately, the bill carries an appropriation of \$10,000,000 and, in lieu of that appropriation it is provided that the secretary of the treasury may immediately sell \$10,000,000 worth of Panama canal bonds.

## SHIPPING BILL TAKING SHAPE

French Broad River Above Flood Stage and Is Rising Rapidly—Reached Six Feet at 10 O'Clock.

### RAIN FELL STEADILY THROUGHOUT NIGHT

Much Damage of Property Is Caused by Heavy Rains—Power Company Suffered No Serious Damage.

The wind and rain storm in Asheville and throughout this section last night did considerable damage to wires connecting this city with others, the Asheville Telephone and Telegraph company reporting at 11:30 o'clock today that they did not have a single long distance wire working. It was stated, however, that gangs of men had been placed at work early this morning to repair the damage done by the storm and it is thought by this afternoon most of the wires will be in working order again.

The Western Union and Postal messengers here state that the storm did not effect their lines enough to put any of them out of business. A little local trouble was at first reported but this was soon straightened out.

It might be safely said that last night was a night of precipitation. Taken as a whole it was about as rainy a night as any we have had lately, and there have been several wet nights. At times the character of the downpour could be described as torrential. For those who slept the night through evidence of the heavy rain was furnished by the fact that standing on all level land and in streams of every size swollen out of banks.

The weather bureau reported a precipitation of two and a half inches at 8 o'clock yesterday. At 10 o'clock this morning French Broad river was 6.01 feet and was said to be rising at the rate of one-tenth of a foot an hour. The flood stage of the river is four feet. No damage was reported up to noon.

The light and power plants were not appreciably interfered with, it was said, and no further trouble was anticipated at the offices of the power companies, although there had been heard on the streets some expressions of fear that the turbines might be drowned out.

Rain in Torrents.  
The rain fell more or less steadily all night until about 5 o'clock this morning. At times it came in torrents, especially toward morning. Long after the rain had stopped the drains and ravines were running full. Little brooks were swelled to the proportions of good sized creeks.

Beavers creek, although having subsided considerably, was still out of banks after daylight and in places completely covered small meadows. One man who has lived for years on Beaverdam stated that the stream was higher than he had ever before seen it. At one time it is said the water ran over a trestle of the Asheville and East Tennessee railroad, but the trestle was not injured. Beaverdam quickly runs down, however, and by 8 o'clock was not very high.

Wind Very High.  
There were intervals during the night when the wind was very high, sounding almost like gale, but comparatively little damage has been reported. A long section of bill boards on Broadway was blown down, some signs went down and a little damage was done to glass fronts.

Contractors suffered very much from the rain, many basements to new houses being filled with water and many caved in.

Trees in almost every section of the city were damaged by the high wind, several of the streets early this morning being being filled with branches from the trees which had been torn off during the night.

## WIRES PUT OUT BY THE STORM

French Broad River Above Flood Stage and Is Rising Rapidly—Reached Six Feet at 10 O'Clock.

### RAIN FELL STEADILY THROUGHOUT NIGHT

Much Damage of Property Is Caused by Heavy Rains—Power Company Suffered No Serious Damage.

The wind and rain storm in Asheville and throughout this section last night did considerable damage to wires connecting this city with others, the Asheville Telephone and Telegraph company reporting at 11:30 o'clock today that they did not have a single long distance wire working. It was stated, however, that gangs of men had been placed at work early this morning to repair the damage done by the storm and it is thought by this afternoon most of the wires will be in working order again.

The Western Union and Postal messengers here state that the storm did not effect their lines enough to put any of them out of business. A little local trouble was at first reported but this was soon straightened out.

It might be safely said that last night was a night of precipitation. Taken as a whole it was about as rainy a night as any we have had lately, and there have been several wet nights. At times the character of the downpour could be described as torrential. For those who slept the night through evidence of the heavy rain was furnished by the fact that standing on all level land and in streams of every size swollen out of banks.

The weather bureau reported a precipitation of two and a half inches at 8 o'clock yesterday. At 10 o'clock this morning French Broad river was 6.01 feet and was said to be rising at the rate of one-tenth of a foot an hour. The flood stage of the river is four feet. No damage was reported up to noon.

The light and power plants were not appreciably interfered with, it was said, and no further trouble was anticipated at the offices of the power companies, although there had been heard on the streets some expressions of fear that the turbines might be drowned out.

Rain in Torrents.  
The rain fell more or less steadily all night until about 5 o'clock this morning. At times it came in torrents, especially toward morning. Long after the rain had stopped the drains and ravines were running full. Little brooks were swelled to the proportions of good sized creeks.

Beavers creek, although having subsided considerably, was still out of banks after daylight and in places completely covered small meadows. One man who has lived for years on Beaverdam stated that the stream was higher than he had ever before seen it. At one time it is said the water ran over a trestle of the Asheville and East Tennessee railroad, but the trestle was not injured. Beaverdam quickly runs down, however, and by 8 o'clock was not very high.

Wind Very High.  
There were intervals during the night when the wind was very high, sounding almost like gale, but comparatively little damage has been reported. A long section of bill boards on Broadway was blown down, some signs went down and a little damage was done to glass fronts.

Contractors suffered very much from the rain, many basements to new houses being filled with water and many caved in.

Trees in almost every section of the city were damaged by the high wind, several of the streets early this morning being being filled with branches from the trees which had been torn off during the night.

## BIG CONCERNS GET CHARTERS

Company at Salisbury Has Authorized Capital of Half Million — \$300,000 Authorized Capital for the Troy Power Com'y.

### MORE GOOD REPORTS FROM CONVICT CAMPS

News from Six Counties Fails to Show One Trusty Who Did Not Respect His Parole.

(By W. T. Bost).  
Raleigh, Dec. 29.—Governor Craig continues to hear good reports from the convict camps over the state, the six counties replying to his request for reports showing that all prisoners paroled took no advantage of the state and returned cheerfully to work.

In Buncombe county one prisoner who had a fine opportunity to get a substantial commutation took a notion that he deserved the holiday parade and left before his time. He was caught before night and will go back to camp to live out all the days of the wicked. This was no violation of any honor agreement with the state, however, because the prisoner was not to have received his liberty. He was not a trusty.

By the first of the year Governor Craig hopes to have full reports from all the camps. Nothing would please him more than a report of uniformly good conduct indicating appreciation of the state's humanity in giving to prisoners much more than is required by the constitution.

A \$500,000 corporation Monday and one for \$200,000 yesterday received charters from the office of secretary of state and they promise big business.

The half million dollar business is known as the Jule Manufacturing company of Salisbury, a corporation chartered to manufacture all sorts of acid, nitric acid, picric acid, gun cotton, dyes, dvestuffs etc. The capital paid in is \$1,000 and the incorporators are B. R. Livingston, New York; Joseph B. Chilton, Charleston, W. Va.; Charles F. Montgomery, Gold Hill; Edwin C. Gregory, Salisbury; John D. Brown, Salisbury.

The Smitherman Power company of Troy, Montomery, pays in \$45,000 of its \$200,000 capital as a precedent to beginning business. It is chartered by J. C. Hurley, who pays in half the capital; by six members of the Smitherman family and others.

The Millner Manufacturing company of Statesville is another big corporation with \$300,000 of its \$215,000 paid in.

T. D. Miller, A. P. Barrow, J. S. Moore, J. W. Kancer, J. G. Shelton and E. P. Grier of Statesville are the incorporators.

An amendment to the charter of the E. L. Hart company of North Wilkesboro changes the name of that company to the Jenkins Hardware company.

Samuel H. Parabee, editor and partner of the Hickory Daily Record, has returned to his new home after spending just half the time at Christmas in his old home allowed the convicts who he was trusted.

## BRITAIN PREPARED TO EMPLOY FORCE

Cabinet Virtually Decides to Conscript Unmarried Men If Necessary.

### BULGARS RETIRE BACK OF GREEK FRONTIER

Battles Rage on the Dneister and in Bessarabia—Entente Forces Feeling Secure in Saloniki.

London, Dec. 29.—At yesterday's meeting of the British cabinet it was practically decided that the government may have to use compulsion in order to bring unmarried men to the colors in order that Premier Asquith's pledge to married men may be kept. There was not a complete agreement, however, among the ministers concerning the question of conscription, which has vexed the government for many weeks.

It is considered that the crisis which threatened the disruption of the government may yet be averted, and that the formal announcement of the decision to inaugurate the new policy will be deferred until a meeting of the cabinet on Thursday.

It is stated on excellent authority that the cabinet has virtually decided upon a modified form of conscription bill, to be introduced in the house of commons next week, giving the government the necessary power, should it be found needful to bring in single men and preserve Premier Asquith's pledge to married men.

Therefore it was resolved that at the earliest opportunity a bill should be introduced in parliament in order that the government might have the necessary power, should it be found that no other course was effective to this end.

The line of policy upon which a majority of the ministers agree indicating that some, at least, of the anti-conscriptionist section of the cabinet so far waived their principle as to consent to a modified application of force is as follows:

First, that the premier's pledge to married men is binding on the whole government.

Second, that the pledge should be redeemed forthwith.

Third, that the principle of compulsion should be accepted.

Fourth, that the premier should announce this policy at the earliest opportunity after the re-assembling of parliament.

Premier Asquith is expected to make a statement on the whole question in the house of commons on Wednesday or Thursday of next week and announce the speedy introduction of a bill of a permissive character, making service in the army obligatory on unmarried men who have failed to attest under the Derby scheme.

## PREPARATION ON VARIOUS FRONTS

Operations in Several Theaters Indicate Both Sides Are Preparing for Spring Campaign.

### BULGARS RETIRE BACK OF GREEK FRONTIER

Battles Rage on the Dneister and in Bessarabia—Entente Forces Feeling Secure in Saloniki.

Berlin, Dec. 29.—An offensive by the French forces which attacked the German lines at Hirzstein is announced by the German army headquarters. Details regarding the outcome of the attack are lacking, the statement adds.

London, Dec. 29.—The allies fortifying themselves at Saloniki are beginning to feel secure, it is said against attack by the Teutons and their Bulgarian allies, especially since the Bulgars have retired some distance back of the Greek border, where they are said to be fortifying themselves. Besides the entente forces are continually receiving reinforcements and supplies and their leaders such attack as their opponents could make. There are also indications that the central powers are not now disposed to attack the allies, considering that the entente troops are disposed at Saloniki are less likely to prove embarrassing than they might on some other fronts.

The Germans are reported to be building extensive fortifications along the Dvinsk and the Bug river, and this is only one of the operations which indicate that both entente powers and Teutons are preparing for spring campaign on a large scale.

The invasion of Egypt is now thought to be the immediate object of the Teutons in the near-east, and late reports are to the effect that operations in this theater are to be pushed vigorously, under the direction of Field Marshal Von Mackensen. The British are fortifying the Suez canal and rushing supplies and reinforcements to Egypt in preparation for the attack expected from the Germans.

A big battle is reported to be under way in Bessarabia. Vienna reports the Russians attacking fiercely on the Dneister and in Bessarabia. The Austrian communication speaks of the Russians advancing in several lines fifteen or sixteen deep, which the artillery broke up, with huge Russian losses.

Constantine III.  
Paris, Dec. 29.—The Athens correspondent of the Midi wires that King Constantine is suffering from virulent pleurisy and that his condition is serious. The dispatch says:

"Recent reports describe King Constantine's illness as grip and say he is out of danger, but such is not the case. Although the world at large has been much mystified as to the nature of king's malady, it is well known to physicians here that the sickness of the Greek monarch is unfortunately fatal."

It is no secret among Greek physicians that the king is a victim of virulent pleurisy, which is conceded to be incurable. Constantine's death is regarded as certain within three years."

Berlin, Dec. 29.—The report that King Viktor Emanuel was wounded by an Austrian grenade and is now in a hospital is given out by the Overseas News Agency, which describes the report as sensational rumor.

Another sensational rumor, made public by the agency is that it is generally believed that a general intimate with the king has been shot for maintaining relations with the enemy.

## SOUTH IS SWEEP BY SEVERE STORM

Knoxville, Dec. 29.—The southern storm which was central over Mississippi yesterday passed over Tennessee early today and was featured by a sharp gale and a driving rain. The local weather bureau announced that the wind attained a velocity of 38 miles and was blowing in a north-easterly direction.

Several telephone toll wires were crippled by the storm and a heavy rain which fell this morning impaired street car traffic for a short time but there was no more serious damage in this section. There was a strong wind today and the weather was cooler.

Birmingham, Ala., Dec.—29 Wire communication out of Birmingham was seriously interrupted early today. There was only one telegraph connection from this city with Montgomery, but over it came the information that while the storm there and in nearby sections had been severe no great damage was done. The roof of the Buckeye Cotton Oil mill was blown off and a portion of the front wall of a two story building on First avenue in which a restaurant was located was blown or knocked down, when a heavy sign fell. Plate glass windows shattered considerably and many signs were hurled down.

## Enthusiasm Is Great At Stockholm Peace Meeting

Ford Peace Advocate Claims Secret Information Regarding Influences for Peace which He Says Would Astonish the World—Rev. Mr. Aked Finds Fault With President Wilson for Lack of Support.

Stockholm, Dec. 28.—The public meeting held here last night under the auspices of the Ford peace expedition was characterized by the most enthusiastic demonstrations for peace in Europe since here since the beginning of the war.

Nearly 1000 citizens of Stockholm attended, and every mention of the possibility of an early ending of the war provoked long applause.

When Louis Lochner, secretary of the expedition, announced that the executive committee of the expedition had secret information that certain ones of the belligerent nations were willing to negotiate for peace the meeting became tumultuous.

"It would astonish the world," said Mr. Lochner, "if we made known at this time what influences are at work for peace. The information has been in the hands of executives ever since we were called from New York. It was the real encouragement behind the expedition."

"We have every assurance that our project will meet with favor, although at the time it cannot be said just what is behind the movement."

Rev. Charles Aked of San Francisco declared in his speech that he regretted to say that America was not giving the peace idea such support as might be desired. Rev. Mr. Aked found fault with President Wilson for what he characterized as his failure to take the initiative in organizing neutral nations into a peace movement.

## GEN. HUERTA REPORTED TO BE ILL AT EL PASO

Washington, Dec. 29.—Federal authorities in El Paso have been instructed to report fully on the condition of General Huerta, reported to be ill and anxious to get away from the surveillance of federal agents and soldiers. Unless it is shown that Huerta is seriously ill, it is probable that the department of justice will press for an indictment against him for violating neutrality laws, before the grand jury at San Antonio next month.

## GREEK STEAMER IS IN NO DANGER NOW

New York, Dec. 29.—Apprehension for the safety of the Greek steamer Thessaloniki because no word had been received from the vessel for four days, has been removed by the receipt of a radio message from the steamer which said that the Thessaloniki was 300 miles off Sandy Hook at 1:30 o'clock this morning and that she was in no danger. The vessel sent out a call for help Wednesday, but a later message stated that no assistance was required.

## KILLS NEGRO; WOUNDS ANOTHER.

Wakefield, N. C., Dec. 28.—F. J. Horton, a prominent citizen of Wakefield, last night shot and killed Douglas Hopkins and wounded John Grady, both negroes. Witnesses say the negroes cursed Horton and Grady shot at him, when he shot and killed Hopkins and wounded Grady.