FULLY SATISFIED BY VIENNA REPLY astria's Assurances for Future Regarded as More Acceptable Than Germany's.

NOTE IS ON WAY TO WILSON

WASHINGTON, Jan. 1. - Austria's reply to the Ancona note not only meets the cardinal points of the American demands, but gives assurances for the future which are considered more satisfactory in their extent than those which were given by Germany.

The full American official view will not be known until after President Wilson has studied the Austrian reply, which was received today from Ambassador Penfield and was immediately dispatched to Hot Springs by a White House meaenger

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It may be stated authoritatively, nevertheless, that danger of a rupture of diplomatic relations has passed, and the controversy now enters the same stage as the Lusitania negotiations with Germany, on even a more favorable basis.

Assurance is Satisfactory.

Austria in the Ancona case has subscribed to the principle that no ships will be sunk unless they offer resistance or flee without the persons aboard being brought to safety. This is considered an assurance that is far reaching and satisfactory.

Germany only promised not to attack "liners" until the persons aboard had been placed in boats. The extent of the designation liners never has been cleared up and the American government does not concede that placing persons in boats necessarily assures their safety.

Points which Austria leaves for further diplomatic correspondence are not conmidered of a nature to bring on a new crisis. Chief among them are questions of fact which affect Austria's responsibility for what happened before the submarine commander torpedoed the Andona. and their importance is minimized by the promise to pay indemnity for Americans lost regardless of the absence of proof as to just how they met their death.

Statement Accepted.

The mere statement that the submarine commander has been punished for not making allowance for the panic on the ship undoubtedly will be accepted without question and without further inquiry as to its nature.

One of the features of the case which has attracted wide attention in official and diplomatic quarters is the apparent similarity of the proceedings in the Ancons case with those in the Lusitania controversy. In both cases observers noted that the foreign office view finally prevailed over those of the admiralty which in each case was hostile to the contentions of the United States.

The sinking of the Japanese liner Yasaka Maru and the French liner Ville de La Clotat after the second American note was received in Vienna are accounted for here on the theory that the Austrian admiralty, holding out for its submarine policy, had not then issued new instructions to the submarine commanders.

Bernstorff Sees Lansing.

Count von Bernstorff, the German ambassador, conferred with Secretary Lansing today on the Lusitania case and it was said that while no communications were passed, views were exchanged and it was indicated that the promised settlement is not far off. The ambassador let it be known that he considered the Aus- tion of humanity.

trian reply a complete compliance with the demands of the United States. The next step in the negotiations in the case will be for the American government to furnish information at its command of the Americans who were lost as one of the preliminaries to fixing the indemnity. The other diplomatic questions which are raised are regarded broadly as academic. being brought into safety.



GAVEL CLUB OF THE SOUTH HIGH SCHOOL-Left to right, top row: Frank Orchard, Merle Curti, Louis Mlaska,

Fred Fluhr, Milton Christenson, Louis Wirth. Bottom row: Edward Johnson, Frank Broadwell, Ralph Goldberg, Dale

Full Text of Austrian Note Granting American Demands

Beckett, Edward Carlson and Breteslav Sedlacek.

VIENNA (Via London), Jan. I., submarine the commander saw that a -The following note, dated Decem- great panic reigned aboard and that he ber 29, in answer to the American government's demands concerning fore he gave the occupants of the steamer Ancona by an Austrian submarine, has been delivered to Frederick C. Penfield, the American ambassador: "In answer to your very esteemed

note No. 4307 of the 21st instant, the davits. the subscriber has the honor to lay the following most respectfully before his excellency, the ambassador Courland Penfield:

Must Be Observed.

"The imperial and royal government agrees thoroughly with the American cabinet that the sacred commandments of humanity must be observed also in war. Just as it has hitherto given at no time and to no

person occasion to doubt its respect for these commandments, in like by the Ancona's wireless. manner also in the whole course of this war, which presents such pictures of confusion of moral conceptions, has it given numerous proofs of humanitarian sentiments toward the forward baggage hold of the Ancona enemies as well as toward neutral states and it was not due to this gov-

ernment that it was, a short time ago. not in harmony with the Washington cabinet precisely on the question which it (the Austria-Hungarian) government, in harmony with the the people held fast to the gunwale. entire public opinion in Austria-Hungary, regarded as principally a ques-

Concurs in Principle. commander at first doubted whether the "The imperial and royal government can also substantially concur steamer would sink. Not until 1:20 o'clock did it sink, after a lengthy paralin the principle expressed in the lei settling with the bow first. very esteemed note, that private ships, insofar as they do not flee or

had to deal with a passenger steamer. namely the Ancons, from Genos. Therethe sinking of the Italian steamer more time than was required to leave the ship in life boats. "At least ten life boats were still aboard, which would have more than sufficed for the rescue of the persons One of these boats hung, still aboard. full of people, half turned outward on

"Since, however, except for this, no further move was made to lower the boats, the commander decided after a lapse of of the United States, Frederick forty-five minutes to torpedo the ship in such a manner that it should remain a considerable time afloat, in order that on the one hand the getting of the people into the life boats should be hastened

and that on the other, adequate opportunity should remain for rescuing the persons still aboard. Steamer Approaches "Shortly thereafter a steamer became

visible, which was throwing out heavy clouds of smoke and headed toward the It likely had been summoned Ancona "Since the submarine commander had

to reckon on an attack by a steamer which he took for an enemy cruiser, he submerged after having, at 12:35 o'clock in the afternoon, had a torpedo fired into from a distance of \$90 meters. The Ancona listed about ten degrees to starboard after this shot.

"Thereupon an effort was made to lower the lifeboat which already was half turned out on the davits. It broke pose; however, and fell into the water. The lifeboat floated keel down farther and "Of the other boats none was lowered

Could Have Been Saved.

into the water, although persons could still be observed aboard. The steamer gradually righted itself to an even keel and settled so slowly that the subm

which rendered difficult the taking to the boats, and the spirit of the regulaion that imperial and regal marine offi cers shall fail in giving help to nobody need, not even to an enemy Officer Punished.

"Therefore, the officer was punished

accordance with the existing rules for exceeding his instructions. The imperial and royal government

the face of this state of affairs, does not hesitate to draw the corresponding conclusion respecting the indomnificanounced today. tion of American clinsens affected by the sinking of the prize, but in this regard it makes the following statement: "The investigation into the sinking of the Ancona could naturally furnish no essential point to show in how far a right

to an indemnity is to be granted American citizens. The imperial and royal government capnot, indeed, even according to the view of the Washington cabinet, be held liable for damage which resuited from the undoubtedly justified

bombardment of the fleeing ship. "It should just as little eave to answer for the damages which came to pass before the torpedoing of the ship, through adians across the Atlantic." the faulty lowering of lifeboats or the

capsizing of lowered boats. "The imperial and royal government must assume that the Washington government is in a position and disposed to give it (the Austro-Hungarian government) the required and certainly not unimportant information in this respect.

"If, however, because of possible lack of material proofs, the particular circumstance under which American citi- of the year, showed \$3,734,203.93 in cash sens suffered damage should not have and securities on hand as against \$2,347,become known to the union government, 567,37 on the corresponding date of 1915. the royal government, in consideration for the humanely deeply regrettable in-cident and by a desire to proclaim chice again its friendly feelings toward the 769.576.37, as against \$7,756,733.64 during 1914. Disbursements last year aggregated \$5,-769.576.37, as against \$7,819,451.28 during the federal government, would be gladly previo willing to disregard this gap in the evidence and to extend indomnity also to lect those damaged whose cause cannot be Cu established.

"While the imperial and royal govern- Ba ment may probably consider the affair BA of the Ancona as settled with the foregoing statements, it reserves to fiself at this time the right to bring up for dis-cussion at a later period the difficult



OTTAWA, Ontarlo, Dec. 31 .- Canada will celebrate the coming of New Year's by increasing the number of men authorized for overseas service from 250,000 to 500,000, Premier Robert L. Borden an-

"Yesterday," the premier's statement said. "the authorized forces of Canada numbered 250,000 and the number enlisted was rapidly approximating that limit today. The first of the new year our authorized force will be 500,000. The announcement is made in token of Canada's unfliching resolve to crown the justice of our cause with victory and an abiding peace.

"The number of men thus far enlisted in Canada is 212,690, while 118,922 have been sent to Europe, 50,000 of whom are on the firing line. Only one soldier has been lost in the transportation of Can-

Millions in Cash In Treasury of Douglas County

The balance sheet of County Treasurer Ure, made up at the end of the last day The total receipts for 1915 were \$8,165,

Turrer	at city	tax	es				5.687.32
	city t				******		,355.07
	100 10			18		1,28	1,857.85
	count			*****			1.891.83
Jurrer	ot tax	(es .	*****			8,311	6.645.18
Back			1223	0.000	*****	20	.746.30
'otal	taxes		*****			8,628	491.48
ount;	y and	city	lev1	CB		3,924	1,944.34

Houses in on Merger

The Omaha Baum Iron store, incorpor-

the two concerns in the building at Thir-

teenth and Harney streets, formerly oc-

of the country and will extend the field

of operation by entering territory not

heretofore covered by either house.

Dozier Comes to **MONUMENTS FOR Missouri** Pacific **NEW COURT HOUSE** As Freight Agent Patriotic Societies Are Boosting

R. M. Dosier, commercial agent for the coming to Omaha, here to succeed A. R. Malcolm, promoted to general agent

GRAND ARMY TAKES PART

Project to Erect New

Shafts.

Acting as a committee, Major R. Wilcox, A. S. Creigh, Jonathan Edwards and Captain C. E. Adams have called a meeting to be held in Memorial hall in the court house at 2 o'clock, the afternoon of January 8. They have invited all patriotic, civic and commercial societies, the mayor and city council, Board of Education, and the State Hatorical societies to send delegates. In addition, they invite all public spirited citizens and representatives of the press. The purpose of the meeting is to talk over and determine upon what steps should be taken relative to the erection of a monument, or a number of monu ments on the court house grounds, commemorative of the Nebraska soldiers and sailors of the civil war, the Nebraska Pioneers and the Lincoln Highway. The three Grand Army posts in Onishs, the Sons of Veterans and the Sons of the Revolution have formed a temporary organization, locking to the crection of a monument. Now they dealer to hold the meeting for the purpose of getting the views of the public as to design and lo-

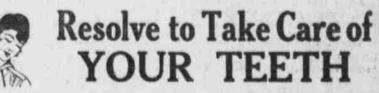
Missouri Pacific at Memphis, Tenn., is for the Pacific coast country, The appointment was made in St. Louis

yesterday. It is expected that Mr. Dowler will be nere early this week to enter upon the discharge of his duties. While he is a stranger to Omaha, it is asserted that he is middle aged and has been with the Missouri Pacific & Iron Mountain roads for many years.

> Liver Compinint Makes Youn tahappy.

No joy in Lving if your stomach and liver don't work. Stir your liver with Dr. Ning's New Life Pills. All druggists .-Advertisement

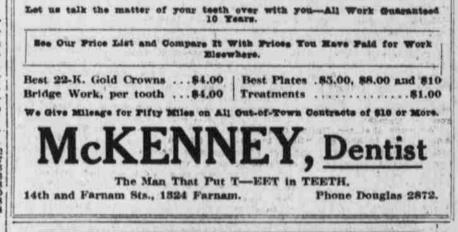




This is a strictly health resolution and the most important one that it is possible to make. Father, mother, brother, sister, everybody make this resolution and see that those under your care are properly taught the importance of Good Teeth in order to grow a strong, clean, healthy body. As time passes, the Public is awakening to this important fact, and the longer it is put off the more time lost, health impaired, bodily discomforts and monetary loss.



Don't dread it. The Modern Methods of Dentistry are painless; every convenience for your comfort is at your service ,and we will take pleasure in examining your teeth free of charge at any time, and tell you exactly what you need and what it is going to cost.



Welcome New Year Right Merrily in The Great Cities

CHICAGO, Jan. 1 .- Two and a half million dollars is the estimate given by leading hotel and cafe managers as the amount expended here in the ushering out of the old and the welcoming in of the new year. The same authorities pronounced the celebration as not only power. the freest in the matter of expenditure. but the gayest which has been observed in Chicago.

The light tilting of the "lid" resulting from an official opinion by the corporation counsel made it possible for the revels to continue long after the advent of January 1, 1916.

NEW YORK, Jan. L-New Yorkers abandoned themselves last night to rev- | to communicate to the federal government the result of the investigaelry and racket. "The gayest New Year ever on record," was the verdict tion in accordance with existing deof those who know intimately the hispartmental regulations as begun imtory of Broadway and other streets mediately after the receipt of the where the white lights blaze. Half an full report on the sinking of the Anhour before the chimes of Old Trinity appounced the advent of 1916 the clang cons and which was just recently of church bells, the shriek of whistles on received. factories, ferryboats and ships of every

kind and the din of every description of tin horns heralded the approach of midnight.

1915, at 11:10 o'clock in the forenoon, the The celebration began early and lasted ommander of the submarine observed late.

New Paper Company Ready for Business

The Field-Hamilton-Smith Paper comfrom the vessel. pany was incorporated yesterday with a capital stock of \$35,000 to carry on a business at 1114 Harney street. The firm is composed of Clifton R. Field, Council to escape. The commander at first re-Bluffs, president, for many years with mained stopped for some minutes in order the Carpenter Paper Co.; John F. Hamfito increase the distance, since he feared ton, Omaha, formerly with the Marshall that the steamer had a stern gun and Paper Co.; Lee A. Smith, Omaha, secwould fire at the submarine with it. retary and treasurer, lately of the Carpenter company. The company plans to handle everything in connection with the wholesale paper, woodenware and light hardware trade.

Young Man Killed By Tractor Wheel sag and stopped only after the third hit.

"During the flight the steamer had al-CEDAR BLUFFS, Neb., Jan. 1.-(Spe ready, while at full speed, let some boats cial Telegram.)-Charles Olsen, aged 32, with persons in them, fall, which immewas killed today when he fell under the diately capaized. After stopping the wheels of a bly tractor that he was steamer began launching boats. sing as power for running a circular The engine gear became engaged EXW. the commander saw that six boats were by mistake and while trying to stop the filled and rowed hastily away from the machine Olsen slipped on some ice and steamer. Another boat was capsized and fell underneath. He was a son of Eric floated keel up. The people held on marine authorities reached the conclu-Olsen, one of the wealthiest farmers of to the hanging lines and to the capsized sion that he had omitted to take ade-Saunders county. He leaves a widow and boat shild

"During these further forty-five minoffer resistance, may not be destroyed without the persons aboard been saved without difficulty with the boats still on hand.

"From the fact that this, contrary to "The imperial and royal governhis expectations, was not done, the comment is very responsive to the asmander concluded that the crew, consurance that the federal government trary to all scamen's customs, had accepted their own rescue with the first lays value upon seeing that the good boats and abandoned to themselves the relations which happily exist bepassengers entrusted to their protection. tween Austria-Hungary and the "The weather at this time of the in-United States of America remains. cident was good and the sea calm, so It reciprocates this assurance most that the lifeboats could have reached the nearest coast without danger, as

warmly and is now, as heretofore, indeed, the lifeboats actually were damconcerned to render these relations aged only by the unskilled lowering, but more hearty so far as lies in its not after they had struck the water. "The loss of human lives is in the

"Guided by the same spirit of first instance by no means ascribable to the sinking of the ship, but in all probfrankness as the goernment of the abilities in a much higher measure, to United States the imperial and royal the rapid lowering (Hinunter Werefen) of government, although it does not find in the note frequently referred the fact that the crew concerned only to the answer to all the legitimate for itself did not rescue the passengers of the capsized boats. questions submitted by it is willing

Result of Inquiry.

"The result of this investigation may be

ummarized as follows: On November 7.

Fires Sixteen Shells.

Ascribable to Shots.

"It is also probably ascribable to shots which hit the fleeing vessel, but the death of persons, who sank with the steamer is also, above all, ascribable to the disloyal conduct of the crew. "As appears from the above adduced state of affairs, the very esteemed note

of December 9 is based in many points incorrect premises. Information reaching the United States government that solid shot was immediately fired toward the steamer is incorrect; it is incorrect that the submarine overhauled the steamer during the chase; it is in-

in latitude 38:40 north, longitude 10:08 correct that only a brief period was east. in foggy weather, at a distance of given for getting the people into the roundly 3,000 meters, and one point to boats. starboard, the outlines of a large Italian "On the contrary, an unusually long

steamer. He took it at first for a transperiod was granted to the Ancona for port steamer and turned about and fired getting passengers in the boats. from his rear gun a warning shot far "Finally, it is incorrect that a number

of shells were still fired at the steamer Simultaneously he displayed the signal. after it had stopped. "Leave the ship." The steamer did not stop, but rather turned aside and sought

What Facts Show.

'The facts of the case demonstrate further that the commander of the submarine granted the steamer a full fortyfive minutes' time, that is more than an adequate period, to give the persons aboard an opportunity to take to the

"When the distance had reached 4,500 boats. Then since the people were not neters he had the pursuit taken up with all saved, he carried out the torpedoing full power and fired from his forward in such a manner that the ship could gun at a decreasing distance sixteen remain above water the longest possible shells, among which he observed three time, doing this with the purpose of makhits. "During the chase the steamer went signg possible the abandonment of the vessel in boats still in hand.

"Since the ship remained a further Thereupon the commander ceased firing. forty-five minutes above water, he would no have accomplished his purpose if the crew of the Ancona had not abandoned the passengers in a manner contrary to duty.

"From a distance of about 2,000 meters he commander saw that six boats were liled and rowed hastily away from the teamer. Another boat was capsized and loated keel up. The people held on to the hanging lines and to the capsized oat. "During the further approach of the

questions of international law connected with submarine warfare. "The undersigned has the honor to re

quest most respectfully that his excel iency, the ambassador of the United States of America, will be pleased to ated, succeeds to the business of the utes all persons yet aboard could have bring the foregoing to the attention of Omaha Iron Store company and the the federal government and takes advan-Baum Iron company. The new company

tage of this opportunity to renew to his will carry on the combined pusiness of excellency an expression of his most especial esteem. "BURIAN."

Hazel Wright Is Winner of Doll In Bee's Contest

At last Hazel Wright has a doll. And a "great big' beautiful doll," it is. too, twenty-four inches high, with beau-

tiful hair, lovely clothes and eyes that The Baum Iron company has been in open and shut. When Hazel heard it she was about

the happlest girl in the world. For Santa Claus had passed her house

the hoats during full speed, as well as to without leaving a doll, although she had asked him to, and had been a good girl. But Hazel didn't sit down and cry. She just got busy in The Bee's contest

and she got a lot of other people to help her by cutting pictures of the dol out of The Bee and then she brought them to The Bee office. She had 711 al-

succeeded

together and it was enough to win. So the beautiful doll, whose name is "Florence," belongs to Hazel now and

lives with her at her home, 2400 Avenue illes and friends. D. Council Bluffs. Another fine thing about Hazel winning the doll is that she had tried sev-

eral times before, but some little girl always got more pictures than she. This Salvini, Italian didn't discourage her and now she has

Tragedian, Is Dead Culled from the Wire.

> LONDON, Jan. 1 .-- Tommasso Salvini, the eminent Italian tragedian, has just died at Florence, Italy.

LEGISLATURE BY LOYAL CLUB

Leonard Holmburg, retiring president of the Loyal club, has been indorsed by that organization as candidate for state legis-

Mr. Holmburg presided over the club for eight years. His indorsement for the April primaries was made at a meeting of the club. A public statement of this action of the club was signed by S. Hansen, F. E. Stone, T. Harrison and E



The Western Union Electrical club of Omaha entertained at a watch party and dance in The Bee building last night. Some two hundred attended the affair composed of the members of their fam-

At midnight the teleprophers gave 191s an appropriate "20" and welcomed the 1916 new arrival under the caption "Welcome 1916" in Morse.







HOLMBURG ENDORSED FOR

lature.

Thompson.

The United States mint at Denver re-relived a total of \$34,542,615 gold and silver in 1915, according to the annual report of superintendent Thomas Annear. This is an increase of \$58,563 over the 1914 re-ceipts of this sum 54,263,443 was gold and \$74,175 silver. Ban Diego turned out on masses to do honor to the tinal day of the Panama-chifornia exposition, which long since free from debt, has been operated suc-essafully since last January. Coincident with the closing of the 1916 exposition will come the opening of the Panama-Cali-tornia international exposition of 1918 to more the opening of the Panama-Cali-tornia international exposition of 1918 to more the opening of the Panama-Cali-tornia international exposition of 1918 to more the opening of the panama-Cali-tornia international exposition of 1918 to more indictments were returned at Chi-sage against five men sileged to have workers to de violence to persons who workers to de violence to persons who workers the unions, the employers and the user strike returned and the size of the strike recently con-standed by that union. County grand jury blamed the unions, the employers and the use strike. B. F. Harris ef Champaign. III., chairof the strike. B. F. Harris of Champaign. III., chair-man of the agricultural commission of the American Bunkers' association, an-nounced the members of the commission for the year of 1916. They are E. J. Cur-tin, Decorah, Ia.; Joseph Hirsch, Corpus Christi, Tex.; George T. Wells, Denver, Colo.; J. R. Wells, Columbus, Wis.; R. I. Woodside, Greenville, S. C.; William H. High, San Francisco, Cal The Chicago Opera company brought **RUBELS GOING-OUT-OF-BUSINESS SALE**

Commences Tuesday Morning, **January** 4

Store closed tomorrow (Monday). Marking down prices and preparing for the Big Sale. For full particulars see Monday evening papers.

cupied by the Baum Iron company. This organization is headed by H. I. Adams, president and general manager; Frank L. Adams, treasurer; H. J. McCarthy, secretary, and Daniel Baum, jr., vice president. By this merger of these houses, the Omaha Baum Iron store becomes the most extensive distributor of heavy hard-