

CASH BASIS FOR CITY IN 4 YEARS, SAYS THE MAYOR

Tells for the First Time of Steps to Get Out of Financial Slough.

SPEAKS AT DINNER OF 600 CREDIT MEN

Mayor Mitchell outlined to the New York Credit Men's Association at the Hotel Astor last night the policy of the Board of Estimate whereby within four years the city will "pay as it goes." It will ease the taxpayers of the city a little more perhaps, the Mayor admitted, for a few years, but at the end of that time the debt will be reduced and the enormous debt of the city will be attacked.

There were six hundred credit men present when Edward D. Flannery, president of the organization, called upon everybody to greet the Mayor, who was a late arrival, and the Rev. Dr. Joseph H. Lee called for three cheers for the head of the city administration.

Money as Life Breath.

Because credit is the breath of life to any institution, the Mayor explained, the city found itself compelled to borrow money to meet its maturing obligations abroad. It had to pay a high rate of interest, but not so high as private enterprise has paid. It found its credit good, and he concluded, "I submit to you that the city of New York made a valuable and great contribution to the entire national problem abroad." The applause indicated that they agreed with him.

"I suppose you know," he said, "that until a few years ago the financial practice of the city was so loose that fifty-year bonds were often issued for work of a purely current and temporary nature. In fact, in some of the investigations that I made as Commissioner of Accounts a few years ago, we found that carbon paper for typewriting purposes had been purchased through the issue of fifty-year bonds.

"That kind of practice, and also the fact that the city of New York had enjoyed a wonderful and rapid growth—and we have needed a very large number of permanent improvements—account for the fact that our bonded, funded debt has rolled up to enormous figures. We all realized that sooner or later we were going to have to meet that question and determine whether we should go on rolling up the funded debt of the city, adding yearly to the debt service carried in the budget of the city, or whether we would change the system of financing these improvements and adopt the 'pay as you go' policy with regard to these permanent improvements.

Settled for All Time.

"This question of financing ourselves through this period a few weeks ago brought that issue squarely up before the Board of Estimate, and we met it and the question has been settled, and I think settled for all time in this city.

"For those improvements that have already been authorized we are going to issue a fifteen year serial bond, which will be retired through fifteen annual installments to be carried in the tax budget of the city.

"For all future public improvements, except those of a self-sustaining character, we will in the first year carry one-quarter of the cost in the tax budget and three-quarters through the issue of the fifteen year bonds.

"In the second year we will carry one-half in the tax budget and one-half through the issue of those bonds.

"In the third year we will carry one-quarter and three-quarters, and in the fourth, and I hope in all succeeding years, the entire amount of non-self-sustaining public improvements will be carried and paid for in the city budget year by year.

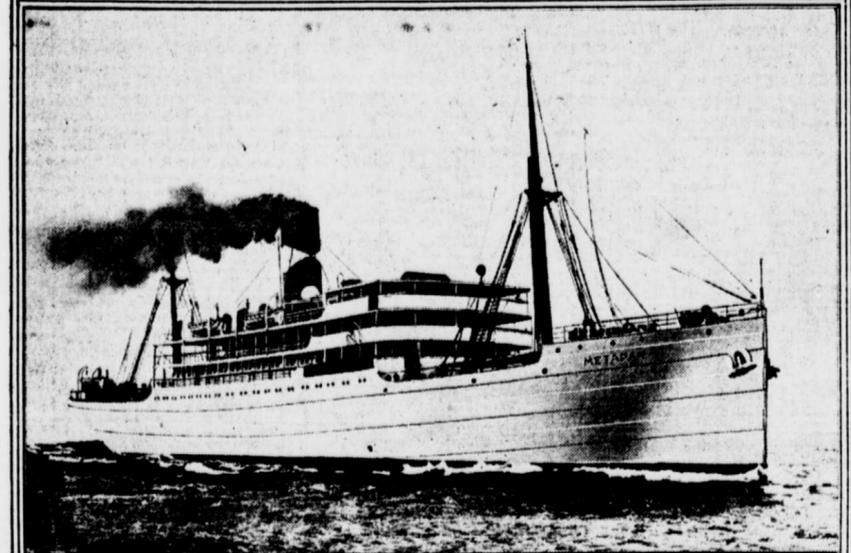
"Now that means that within four years this city ought to be put squarely on the 'pay as you go' basis, and that after that time the city will be going to build out and we will begin reducing the great funded debt of the city of New York steadily and gradually from year to year.

Balance to Be Struck.

"But in the long run I think the benefits will balance the disadvantages to the taxpayers because when once we have got on this basis securely, the reduction in the cost of service of the city is going to balance, at least to a material degree, the increase that may be made by reason of setting these permanent public improvements into the tax budget of the city each year.

"At the same time, we are doing our best following the suggestions that have been made by several commissions that were set up in this city in consideration of the matter to develop new sources of city revenue, in order that we may lighten the burden that is placed upon the real estate of the city through taxation by reason of this increase in the budget.

Liner Rammed and Sunk Off the Hook; Big Rescue Fleet Saves All on Board



THE S. S. METAPAN.

Metapan, Struck in Fog by Iowan, Is Beached at Channel's Edge.

S O S CALL SUMMONS SPEEDY ASSISTANCE

While feeling her way through a thick mist off Sandy Hook just after entering the Ambrose Channel yesterday afternoon the United Fruit steamship Metapan, from the Caribbean, was rammed by the American-Hawaiian freighter Iowan, bound out. She was immediately run aground by her skipper, Capt. Spencer, on the north side of the great fairway to save her from foundering with her passengers and a rich cargo, including half a million in gold bars.

None of the passengers or crew was hurt, but the Metapan will be out of commission some time because of an ugly rent in her port bow about thirty feet from the stem. All the passengers, including twenty-one women and several children, were taken off the wounded ship in her own boats or those of a squadron of philanthropic steam craft that answered her wireless call for assistance and were finally landed in this city.

The Metapan, only recently Americanized and flying the flag of her adopted country over her taffrail, had a happy lot of voyagers from several South American and Central American ports and the West Indies, among them ten English reverts and three young French volunteers. The Americans had given a special dinner the night before and all hands were singing "Tipperary" out on the promenade deck, peering through the mist to get a glimpse of the land. They knew they were pretty close to port, as they had taken on the pilot.

In the midst of the singing a hoarse fog blast of another steamship came out of the gloom.

The Metapan's whistle had been giving prolonged toots in compliance with the rule in thick weather. Presently the vague outline of the Iowan materialized slowly from the fog on the Metapan's port bow. The Iowan appeared to desire to cross the white liner's bow, but it is said she gave no signal indicating this. The Metapan kept sailing serenely on, blowing her fog whistle.

See Crash Coming. Passengers forward noted as the ships neared each other, their courses crossing diagonally, the Metapan heading about north and the freighter south-southeast, that there seemed to be a probability of a collision unless somebody did something in a hurry at the helm of one ship or the other.

When the vessels were within about 100 yards of each other it was seen that the Iowan, then not identified aboard the white ship, would either hit the Metapan or shave her by an uncomfortably close margin. One of the men gathered forward remarked:

"She's going to run us down, sure!" Everybody ran aft to get out of the way of a possible invading prow. Capt. Spencer of the Metapan, realizing his danger and wondering why the Iowan was apparently heading for him, signalled to the engine room for full speed astern and whistled three times to show that he was backing with all his might.

A moment later the Iowan also gave three blasts. She had reversed too late. Her steel stem, under the momentum of her tonnage, knifed a great slit in the port bow of the white ship.

For an instant some of the passengers lost their wits. This was due to the shock of the collision, upsetting several passengers and throwing others against the deck.

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GERMAN FORCE NEAR WARSAW IS CUT IN TWO

Russians Drive Invaders Back 20 Miles, Capturing 10,000 Prisoners.

RUSSIANS IN LEMBERG; OCCUPATION FRIENDLY

PETROGRAD, Oct. 15.—A courier arrived from the front this evening with the news of a great Russian victory over the Germans in the Warsaw district. The German force which advanced to attack Warsaw has been cut in two and has been driven back on the line of Lodz, Piotrkow and Kielce. The Russians were decisively victorious after two days fighting. It is reported that they took 10,000 prisoners and many guns.

FIGHT LASTED 2 DAYS.

Petrograd Regards Result of Great Importance.

By B. W. NORREGAARD. Special correspondent of THE SUN and the London "Daily Mail."

PETROGRAD, Oct. 15.—Although the official communique does not disclose the location of the fighting on the Warsaw-Ivanograd front, it has been evidently not far from the Vistula, since the official army gazette announced several days ago that the Germans had occupied various towns fifteen or twenty miles from the river, among them Tarchin, Groitz, Bardi and Prasotcho, which is seven and a half miles north of Warsaw.

The fighting which ended with the repulse of the Germans began in the morning and lasted two days. Since there are few roads leading to the Vistula, and these mostly ruined from last week's torrential rains, the Germans, from necessity, had to advance in echelon, very slowly. It is probable therefore that detachments which were pressed back did not retreat far before meeting reinforcements which would enable them to resume the offensive, at any rate to keep advancing against the Russians until the main force came up.

The battle was not very extensive and the engagement in itself was not of a decisive character. For moral reasons the outcome is satisfactory, since the first trial of strength turned in favor of the Russians.

South of Ivanograd, the enemy's fourth column, arrived at the Vistula between Sandomier and Jasfow, according to the Army Gazette. Hitherto, there has been no official information as to whether the enemy attempted or effected a crossing in this region. That they did so is highly improbable.

The official communique to-day states that a battle is in progress south of Przemysl. This shows that the Austrians are making serious efforts to relieve the fortress. It is not clear whether the enemy in this quarter are advancing from the south or the west.

According to the Austrian General Staff, whose statements are not very reliable, the Austrians succeeded in reconquering some passes in the Carpathians occupied by the Russians, among them the pass beginning at Sanck, southwest of Przemysl, where a considerable force of Hungarians appeared. It is thus possible that there has been an engagement south of Przemysl with these troops, but it is more probable that the right wing of the Austrian army advancing in Galicia joined issue here with the Russians.

CZAR HOLDS LEMBERG.

City Not Retaken by Austrians—Russian Occupation Friendly.

LONDON, Oct. 15.—The recent unconfirmed rumor that the Austrians and Germans had recaptured Lemberg is disproved by a despatch to the Times from Lemberg of yesterday's date. The despatch says the Russian occupation of Lemberg has been extremely peaceful. Even the classes hostile to the Russians admit that there have been no excesses or anything unpleasant during the Russian regime.

Lemberg is filled with troops who are mingling apparently in absolute friendliness with the population. Every public building, from the railroad station to the museums, is being used as a hospital.

The correspondent adds: "I am increasingly impressed with the excellent care of the wounded. There are many Austrian Red Cross attendants in the streets. They work peacefully with the Russians in caring for the wounded. I saw to-day a large drove of Austrian prisoners, herded by Cossacks, coming from the west."

DISASTER FOR GERMANS.

Retreat of Vanguard is Strategically Expensive.

By O. P. STURK. Special correspondent of THE SUN and the London "Daily News."

PETROGRAD, Oct. 15.—The failure of the German offensive on the Vistula has

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ALLIES TAKE GERMAN TRENCHES, DRIVE FOE FROM FORTIFIED LINE

Advance on Entire Front While Massing Armies to Halt Invader's Raid on Coast Cities—Muelhausen Is Reported in Hands of French, Who Are Driving the Enemy Toward the Rhine.

VON KLUCK'S FORCES ARE PRESSED BACK TO CAMBRAI, CENTRE OF COMMUNICATIONS

Special Cable Despatch to THE SUN.

PARIS, Oct. 15.—Gen. Joffre's reports to-day indicate advances by the allies all along the line in France which more than counterbalance the advance of the German forces in Belgium.

The news is positive and definite that the allies are steadily hammering back the German right wing in northern France, forcing the Kaiser's armies to abandon fortified positions in the centre of their line, nullifying all assaults against the Verdun-Toul-Belfort barrier, and, by advances from Verdun, are moving toward the great fortress of Metz.

There is unofficial news that the French in Alsace have beaten the Germans in severe engagements, have retaken Altkirch and Muelhausen and are driving the enemy toward the Rhine.

The unimpaired strength of the allies' offensive in the extreme north of France and in southwestern Belgium, the occupation of Ypres, the retreat of the Germans from the left bank of the Lys, the recapture of Estaires, on the north bank of that river, and the recapture of Lille (an unofficial report), all indicate that Gen. Joffre has now such forces in the north as will effectually protect Dunkirk and Calais and possibly prevent the Germans from holding Ostend.

While massing a large force to block a German advance toward the French coast cities, it would appear from official news that Gen. Joffre is simultaneously renewing with some success his persistent attack on the German west flank in France. Marked progress reported between Arras and Albert seems to show that the German right wing has been pressed back toward its centre of communications at Cambrai.

GAINS ON ENTIRE LINE ANNOUNCED BY FRANCE

Special Cable Despatch to THE SUN.

PARIS, Oct. 15.—The most favorable news from the French standpoint, that has been received for many days was sent by Gen. Joffre to-night when he reported distinct progress in the west, centre and east. Driving the Germans from the north bank of the Lys the allies have recaptured Estaire. They have fought their way forward more than six miles north and east of Rheims and have pressed their offensive in the region of Verdun. The text of the official communique, issued at 11 o'clock to-night, was as follows:

To-day's reports show progress on our part at several points of the front: on our left wing, north of the Lys, where we have taken Estaires; on the centre, north and east of Rheims, where we have advanced about two kilometers; on the heights of the Meuse, in the Woivre, south of St. Mihiel and near Marcheville.

Estaires is on the River Lys, midway between Hazebrouck and La Bassée, from which it is about twelve miles distant. Marcheville, on the right wing, is about fifteen miles east by south of Verdun.

The report of the afternoon, containing details confirmed and summarized by the night report, pointed to a betterment of the situation in every important part of the battle line. It was particularly noted that the French are developing an offensive toward the German fortress of Metz. The text of the communique, given out at 2:46 P. M., was as follows:

Belgium.—The German troops coming from Antwerp marched toward the west and in the evening of October 14 reached the district of Bruges and Thielt.

First.—On our left wing the enemy has evacuated the left bank

FRENCH CAVALRY CHARGE WON BATTLE ON THE LYS

Special Cable Despatch to THE SUN.

PARIS, Oct. 15.—The capture of Estaire and the victory of the allies beyond the Lys were made possible by a brilliant, daring exploit of the French cavalry. A correspondent near the battle front gives the details in a despatch received to-night.

The Germans, strongly posted on the left bank of the Lys, defended their positions with machine guns and heavy artillery. Every attempt made by the allied infantry to cross the river was frustrated. The situation was critical because the Germans were bringing up fresh troops to strengthen their grip at the river.

Last night 2,000 French cuirassiers made a long detour, avoiding detection by the Germans. They came to the Lys at a point where the stream flows with rapid current and is very deep. One courageous horseman swam the river, a rope looped about his shoulders, and when he reached the other side, tied the rope to a tree.

Rapidly and surely the cuirassiers made their way across the Lys by holding to the rope as they swam their horses. In a remarkably short time they were safe on the other side, having succeeded in crossing without alarming the German pickets. Drawing up on the left bank, the French gathered momentum for a charge

straight at the flank of the German line, at a point near Moerville. The charge was irresistible. The Germans were completely surprised, gave way at the flank and were unable to hold their artillery positions at the river bank.

Germans Abandon Place. Immediately a division of the allied infantry quickmarched to the river and crossed on a pontoon bridge speedily constructed by the engineer corps. The infantry pressed its advantage to such purpose that the Germans abandoned Estaire and withdrew generally from the vicinity of the Lys.

The allied army is developing a strong offensive to a point well within Belgian territory. The occupation of Ypres and the withdrawal of the Germans from the Lys have produced a new stage of the campaign in the north.

Artillery duelling along old portions of the battle line has slackened. At one important point only thirty shells were fired to-day. The infantry on both sides is constantly on the alert. The allies have been able to reduce their strength at these points. Many of the advanced German trenches appear to have been abandoned and the allies were able to make considerable headway to-day in their advance on the German fortified positions.

There is a strong indication that the Germans are preparing to retire at the

TWO MORE QUIT AS DIRECTORS OF NEW HAVEN ADMITS SERB PLANNED DEATH OF ROYAL PAIR

William Skinner and M. F. Plant Resign From Railroad's Board. Assassin, on Trial, Lays Whole Plot on Major Tankosic.

Special Cable Despatch to THE SUN. SARAJEVO, via Vienna and Rome, Oct. 15.—Gabrinovic, one of the accomplices of the assassin of Archduke Francis Ferdinand and his wife, the Duchess of Hohenberg, on June 28, took the stand to-day at the trial.

Gabrinovic admitted that the murder plot was hatched in Belgrade. He said Major Tankosic, a Serbian officer, supplied him and his fellow conspirators with the revolvers and bombs with which they intended to kill the royal pair. He said Major Tankosic superintended their target practice with the revolvers. The officer also supplied the conspirators with poison, with which they intended to commit suicide after the assassination. He likewise supplied them with transportation to Sarajevo and did everything to facilitate the crime. His arrangements were such that failure was impossible.

Gabrinovic acknowledged that he knew the Crown Prince of Serbia, but would not divulge the nature of a conversation he had with the heir to the Serbian throne.

The prisoner said the shooting of the Duchess of Hohenberg was unintentional. He regretted his act now owing to the fact that it resulted in the present frightful war.

Gavrilo Princip, who fired the shots, was the next witness. He declared that he did not regret his crime. He confirmed the statement of Gabrinovic that the shooting of the Duchess was unintentional.

Princip said he shot Archduke Francis Ferdinand because he regarded him as an enemy of Serbia and he hoped that the murder would result in uniting Bosnia and Herzegovina with Serbia. He admitted that Major Tankosic had supplied the conspirators with revolvers.

Princip did everything he could to shield his accomplices.

CATHEDRAL AGAIN BOMBARDED.

Special Cable Despatch to THE SUN. BORDEAUX, Oct. 15.—The bombardment of Rheims was resumed on Tuesday. One shell demolished the gallery of the apse of the cathedral. Three shells struck the Palais de Justice, one of which demolished the flooring. The public prosecutor was caught in the wreckage, but was extricated after some time. He is suffering from brain shock.

CHAS. E. MATHEWS—DEBBS. Nov. 11, 2, 10th St. Complete office outfitting. —466.