UNITED STATES DECIDES TO BREAK WITH GERMANY

Allies Have Been Asked to Grant Safe Conduct to Ambassador von Bernstorff, but Washington is Still Hopeful Germany Will Halt Plan of Ruthlessness.

A despatch from Washington says: At 2 o'clock Saturday afternoon President Wilson, at a joint session of Congress, delivered a speech in which he announced that diplomatic relations had been broken off with Germany, that Ambassador von Bernstorff had been handed his passports by the United States, and that Ambassador Gerard had been instructed to request the German Government to return his passports.

Although 30 hours have elapsed, the situation remains unchanged, no overt act having been committed by Germany necessitating a declaration of war by the United States.

Still hopeful that Germany will not ruthlessly sacrifice American lives or rights, the Administration is awaiting developments, but leaving nothing undone to prepare the country for the eventuality of war.

The situation as to Austria is tonight unchanged. There is no doubt, however, that diplomatic relations will be broken with her when she announces her intention to adhere to Germany's course.

To Protect U. S. Cities.

Steps to protect American cities and property against attack by foreign sympathizers are day and night going forward actively, although silently. Preparations to prevent the disabling of German war-bound ships in American ports are being taken, but they are unannounced. The question of convoying American ships on their voyages to the submarine zone still is undecided, although the first impression is to let American ships proceed in a usual lawful way on the assumption that Germany has been warned that an overt act means war.

Asks Neutrals to Follow.

Besides breaking off diplomatic relations with Germany, President Wilson has made a bold stroke to range the moral force of all other neutral countries along with that of the United States in the interest of peace.

The President has suggested to all the other neutrals that they break off diplomatic relations with Germany as the United States has done, and has instructed all American diplomats in those countries to report immediately how the suggestion is received. The opinion in diplomatic quarters here is that European neutrals, at the very doorstep of Germany, threatened by her military power, will hesitate to take such a step. The effect of the suggestion in other countries is being eagerly awaited. This was the only known development of first importance which came out of a day of tense waiting which followed the actual announcement Saturday of the break with Germany.

The President's invitation to neutrals to follow his action was contained in instructions to American diplomats to announce the break with Germany to the Governments to which they are accredited. It was contained in the following note:

"You will immediately notify the Government to which you are accredited that the United States because of the German Government's recent announcement of its intention to renew unrestricted submarine warfare, has no choice but to follow the course laid down in its note of April 18, 1916 (the Sussex note).

"It has, therefore, recalled the American Ambassador to Berlin and has delivered passports to the German Ambassador to the United States.

"Say, also, that the President is reluctant to believe Germany acutally will carry out her threat against neutral commerce, but if it be done the President will ask Congress to authorize use of the national power to protect American citizens engaged in their peaceful and lawful errands on the seas.

"The course taken is in the President's view entirely in conformity with the principles enunciated in his address to the Senate January 12. (The address proposing a world league for peace.)

"He believes it will make for the peace of the world if other neutral powers can find it possible to take similar action.

"Report fully and immediately on the reception of this announcement and upon the suggestion as to similar action."

Thus it becomes apparent that in the shadow of war the President has not abandoned his efforts for peace, and as the first step has moved to direct the moral force of the neutral world to compel Germany's return to an observance of international law at sea.

Should it eventuate that all other neutrals accepted the President's suggestion that they sever diplomatic relations with Germany, the choice of a peace mediator would have to come from the Vatican.

WAR BUDGET HALF BILLION

More Than $400,000,000 for All Land Forces.

A despatch from Ottawa says: The Prime Minister, in presenting the war Budget to the House, declared that of the total of $500,000,000 to be voted, the Department of Militia and Defence required $196,171,000, the Overseas Militia Department $219,000,000, and the Naval Service $17,500,000. The large increase in the demands of the Naval Service presage new and important action by Canada towards coast defence and patrol. In reference to this the Prime Minister's memorandum referred to "new ships and maintenance." The submarine menace will evidently require vigorous action by Canada, as well as by the Admiralty.

The war expenditures proper provide for a total of $433,000,000. The balance of the half billion may be devoted towards further assistance to Great Britain in financing war orders in Canada.

The detailed items in the estimate of more than $400,000,000 for the land forces both in Canada and overseas include pay and allowances for 400,000 troops, $182,500,000; separation allowances, $36,000,000; rations and subsistence, $50,000,000; clothing and necessaries, $48,000,000; equipment and general stores, $42,261,000; ammunition, $16,750,000; small arms and machine-guns and 80,000 Ross rifles, and bayonets, $5,666,000; forage, $2,500,000; remounts, $2,000,000; ocean transport, $5,000,000; railway transport, $3,000,000; engineer service, $4,000,000; civil employees, $2,000,000; recruiting, customs duties, funeral expenses, fuel, $5,000,000.

The total expenditure by fiscal years since the war began, the Prime Minister said, had been: 1914, $60,750,476; 1915, $166,197,755; 1916 and 1917 up to January 20, $216,901,822. Of the total expenditure for war during the fiscal year the Militia Department had controlled $209,213,000, the Naval Service $5,775,000, and the Justice Department $1,004,000.

CROW'S NEST STRIKE HAS BEEN SETTLED

Minister Announces a 9½ Per Cent Increase for Miners.

A despatch from Calgary says:—The Minister of Labor, Hon. T. W. Crothers, before departing for the east on Sunday, announced a settlement of the trouble between the miners and the operators. The settlement requires the operators to provide the 9½ per cent. increase in wages. It is understood that the operators will add this increase to prices to consumers.

POTATOES IN AUSTRIA SCARCE AS GOLD PIECES.

A despatch from Amsterdam says: The Vienna Arbeiter Zeitung declared on Sunday that the cold of the previous nine days has shown an intensity that no one expected. The Danube is half frozen. Frost is restricting the provisioning of markets, causing an increase in the difficulties of housewives. The journal says: "Potatoes, unfortunately, belong to the treasures. How much acuteness people apply to obtain this food despised in peace time not infrequently, is shown when one reads of some well-off woman exchanging a beautiful dress for two hundredweight of potatoes. If the cold continues potatoes will be sought like gold pieces."

ALLIES ON WESTERN FRONT COURT ATTACK BY GERMANS

Have Everything Ready to Receive Enemy or Make Enemy Receive Them When They Choose.

A despatch from Paris says: "Do you believe, General, that the Germans intend to forestall you in an attack?" asked a Havas correspondent, in an interview with Gen. Sir Henry Rawlinson, corps commander of the British forces on the Somme front. Gen. Rawlinson answered:

"The German officers are keeping up that hope among their men, I know, but, personally, I doubt that our enemies have already forgotten the lesson at Verdun. If they like to send a few hundred thousand men uselessly to slaughter, we see no objection. On the contrary, we have everything ready to receive them, or to make them receive us when we choose."

LEADING MARKETS

Breadstuffs

Toronto, Feb. 6.—Manitoba wheat:—New No. 1 Northern, $1.91; No. 2 do., $1.88; No. 3 do., $1.83; No. 4 wheat, $1.71½, track Bay ports. Old crop trading 4c. above new crop.

Manitoba oats—No. 2 C.W., 67½c; No. 3 C.W., 65½c; extra No. 1 feed, 65½c; No. 1 feed, 64½c, track Bay ports.

American corn—No 3 yellow, $1.11, subject to embargo.

Ontario oats—No. 2 white, 63 to 65c, nominal; No. 3 white, 62 to 64c, nominal, according to freights outside.

Ontario wheat—No. 2 Winter, per car lot, $1.70 to $1.72; No. 3 do., $1.68 to $1.70, according to freights outside.

Peas—No. 2, $2.25, according to freights outside.

Barley—Malting, $1.18 to $1.20, according to freights outside.

Buckwheat—$1.28 to $1.30, nominal, according to freights outside.

Rye—No. 2, $1.40 to $1.42, according to freights outside.

Manitoba flour—First patents, in jute bags, $9.50; second patents, in jute bags, $9.00; strong bakers', in jute bags, $8.60, Toronto.

Ontario flour—Winter, according to sample, $7.10 to $7.20, in bags, track Toronto, prompt shipment; $7.00, bulk seaboard, export trade.

Millfeed—Car lots, delivered Montreal freights, bags included—Bran, per ton, $34; shorts, per ton, $39; good feed flour, per bag, $2.70 to $2.80.

Hay—No. 1, per ton, $13; extra No. 2, per ton, $12 to $12.50; mixed, per ton, $10 to $11.50, track Toronto.

Straw—Car lots, per ton, $9, track Toronto.

Country Produce—Wholesale.

Butter—Fresh dairy, choice, 37 to 39c; creamery prints, 43 to 45c; solids, 42 to 43c.

Eggs—No. 1 storage, 42 to 43c; storage, selects, 44 to 46c; new-laid, in cartons, 53 to 60c; out of cartons, 55 to 57c.

Live poultry—Fowl, lb., 16 to 18c; chickens, lb., 18 to 20c.

Dressed poultry—Chickens, 22 to 25c; fowl, 20 to 22c; ducks, 22 to 25c; squabs, per doz., $4.00 to $4.50; turkeys, 28 to 33c; geese, 18 to 20c.

Cheese—New, large, 25½ to 26c; twins, 26 to 26½c; triplets, 26½ to 26½c, old, large, 26½c; twins, 26½ to 27c.

Honey—White clover, 2½-lb. tins, 14c; 5-lb. tins, 13 to 13½c; 10-lb., 12½ to 13c; 60-lb., 12 to 13c; buckwheat, 60-lb. tins, 9 to 9½c. Comb honey—extra fine and heavy weight, per doz., $2.75; select, $2.50 to $2.75; No. 2, $2 to $2.25.

Potatoes—Ontario, per bag, $2.60 to $2.75; British Columbia, per bag, $2.60 to $2.75; New Brunswick Delawares, per bag, $2.90 to $3.00.

Beans—Imported, hand-picked, per bush., $6.25; Canadian, hand-picked, per bush., $7.00; Canadian primes, $6.00 to $6.50; Limas, per lb., 10 to 10½c.

Provisions—Wholesale.

Smoked meats—Hams, medium, 25 to 26c; do., heavy, 22 to 23c; cooked, 35 to 37c; rolls, 21 to 22c; breakfast bacon, 25 to 28c; backs, plain, 27 to 28c; boneless, 29 to 32c.

Lard—Pure lard, tierces, 21½ to 21½c; tubs, 21½ to 22c; pails, 22 to 22½c; compound, 16½ to 17c.

Cured meats—Long clear bacon, 18 to 18½c per lb., clear bellies, 18 to 18½c.

Montreal Markets

Montreal, Feb. 6—Oats—Canadian western, No. 2, 69½c; do., No. 3, 68½c; extra No. 1 feed, 67½c. Barley—Man. feed, $1.03; malting, $1.30. Flour—Man. Spring wheat patents, firsts, $9.60; seconds, $9.10; strong bakers', $8.90; Winter patents, choice, $9.25; straight rollers, $8.50 to $8.80; do., bags, $4.10 to $4.25. Rolled oats—barrels, $7.05; do., bags, 90 lbs., $3.35. Bran, $33; shorts, $36; middlings, $38 to $40; mouillie, $43 to $48. Hay—No. 2, per ton, car lots, $13. Cheese—Finest westerns, 25½ to 26c; do., easterns, 25 to 25½c. Butter—Choicest creamery, 42 to 42½c; seconds, 39 to 40c. Eggs—Fresh, 60c; selected, 46c; No. 1 stock, 43c; No. 2 stock, 38c.

Winnipeg Grain

Winnipeg, Feb. 6.—Cash quotations: Wheat—No. 1 Northern, $1.66½; No. 2 Northern, $1.63½; No. 3 Northern, $1.58½; No. 4, $1.47½; No. 5, $1.25½; No. 6, 99½c; feed, 91c. Oats—No. 2 C.W., 54½c; No. 3 C.W., 52½c; extra No. 1 feed, 52½c; No. 1 feed, 51½c; No. 2 feed, 50½c. Barley—No. 3, 96c; No. 4, 90c; rejected, 80c; feed, 80c. Flax—No. 1 N.W.C., $2.62½; No. 2 C.W., $2.59½.

United States Markets

Minneapolis, Feb. 6.—Wheat—May, $1.76½; July, $1.72½. Cash—No. 1 hard, $1.84½ to $1.86½; No. 1 Northern, $1.77½ to $1.80½; No. 2 Northern, $1.74½ to $1.80½. Corn—No. 3 yellow, 95½ to 96½c. Oats—No. 3 white, 52½ to 53½c. Flour unchanged. Bran—$31.00 to $31.50.

Duluth, Feb. 6.—Wheat—No. 1 hard, $1.78½; No. 1 Northern, $1.77½; No. 2 Northern, $1.72½ to $1.75½. Linseed—To arrive, $2.89½; May, $2.92½; July $2.93½.

Live Stock Markets

Toronto, Feb. 6.—Choice heavy steers, $10.40 to $10.75; do., good, $10 to $10.25; butchers' cattle, choice, $10 to $10.25; do., good, $9.35 to $9.75; do., medium, $8.65 to $9; do., common, $8 to $8.25; butchers' bulls, choice, $8.60 to $9.25; do., good bulls, $8.15 to $8.35; do., medium bulls, $7.25 to $7.75; do., rough bulls, $5.15 to $5.35; butchers' cows, choice, $8.00 to $8.50; do., good, $7.40 to $7.65; do., medium, $6.35 to $6.60; stockers, $6.25 to $7.50; choice feeders, $8 to $8.50; canners and cutters, $5 to $5.40; milkers, choice, each, $70 to $100; do., com. and med., each, $40 to $60; springers, $50 to $100; light ewes, $9.25 to $10; sheep, heavy, $6 to $7.50; calves, good to choice, $11.75 to $14; lambs, choice, $13.50 to $15; do., med., $9.75 to $10.25; hogs, fed and watered, $13.75 to $13.90; do., weighed off cars, $14 to $14.15; do., f.o.b., $13.15 to $13.25.

Montreal, Feb. 6.—Choice steers, $10 to $10.25; good, $9 to $10; choice butchers' cows, $8 to $8.50; good, $7 to $7.50; canners, $5; choice butchers' bulls, $8.25 to $9; good, $7 to $8; canners, $5.50 to $6; calves, $5 to $8; milk-fed, $10 to $11; lambs, $13 to $14; choice select hogs, off cars, $14 to $14.75.

FORTY LIVES LOST IN TENEMENT FIRE

Havoc Wrought by Explosion of Gas Main in Basement.

A despatch from Chicago says:—Forty persons are believed to be dead and as many are injured as the result of a gas explosion and fire that wrecked a tenement building at 813-23 West 14th Place, in the heart of the West Side early on Friday. Injured persons and residents forced from their homes scantly clad, suffered miserably in a temperature of 10 degrees below zero, and the cold hindered the work of firemen and rescuers. hasty organization and resultant confusion would inevitably produce.

MILITARY MEDALS PRESENTED BY THE INDIAN VICEROY

A despatch from Delhi says:—The Viceroy, Lord Chelmsford, at a special parade held at the Vice-Regal lodge presented military medals and orders to 200 Indian officers and men. The scene was brilliant and impressive. Gen. Sir Charles Munro and a large number of the Headquarters Staff were present. The decorations included three Victoria Crosses and several French and Russian decorations.

PARCELS FOR WAR PRISONERS.

Canadian Post Office Dept. Will Send No Parcels to Germany.

The Post Office Department is in receipt of a cablegram from the British authorities stating that no parcels containing foodstuffs or articles of clothing should be forwarded in future from Canada for prisoners of war in Germany.

The British authorities represent that it is absolutely necessary that the above regulation should be complied with. Therefore, on and from the 1st February, 1917, the Post Office Department will r use to accept any such parcels for prisoners of war in Germany. The Department is advised by the English authorities that such parcels cannot be accepted for transmission to the prisoners, and could not get through.

The Canadian Red Cross Society through its London Office undertakes that every Canadian prisoner shall receive adequate relief in food and clothing, sending one parcel every week to each prisoner. Therefore, existing organizations should continue their work of collecting funds to be sent to the Canadian Red Cross Society; and it is most desirable that they should not relax their efforts in this respect.

Persons desiring to have additional food or supplies sent to a Canadian prisoner should send money for that purpose to the Prisoners of War Department, Canadian Red Cross Society.

A letter containing a remittance and asking the Prisoners of War Department, Canadian Red Cross Society, to send food or other articles to a prisoner of war should be addressed to the Prisoners of War Department, Canadian Red Cross Society, and should contain information in the following form:—

No. 12345 Private A. G. Robinson,
48th Highlanders,
Canadian Contingent, B. E. F.,
Canadian Prisoner of War, Gottingen, Germany,
c/o. Prisoners of War Department,
Canadian Red Cross Society.

The remittance should be in the form of a Post Office Money Order drawn in favor of the Prisoners of War Department, Canadian Red Cross Society, for the prisoner of war in question.

Any person wishing to send a remittance direct to a prisoner of war may do so by means of a Post Office Money Order, which is issued free of commission. Instructions as to how to proceed can be obtained from postmasters of accounting post offices.

Parcels for prisoners of war containing articles which are not prohibited, may be sent fully addressed to the place of destination in the form above care of Prisoners of War Department, Canadian Red Cross Society, London, England, to be forwarded after they have been censored.

Detailed regulations respecting communication with prisoners of war are being issued to the postal service generally, and full information may be obtained by making application to any postmaster.

SETTLE EX-SOLDIERS ON LAND AT ONCE.

Government Will Send First Party North in Few Weeks.

A despatch from Toronto says: The Ontario Government's soldier-colonization plan will be actively under way within a fortnight, or considerably earlier than had been planned. The reason lies in the unexpectedly prompt response of soldiers to the offer made them. Already about twenty men have applied for training in farming in the North, and Hon. G. Howard Ferguson has decided to put them at it without delay. Arrangements have already been made to secure lumber and within the next two weeks the men will be taken to the Monteith Experimental Farm. They will be put at work constructing temporary quarters for thirty men. These will be used until the new dormitory building is ready. As soon as Spring opens the men will be put upon the land and given practical instruction in settlers' work.

WAR FOR GERMANY "RICH IN SACRIFICES."

Kaiser Talks of Final Battle for "House, Home, Honor and Freedom."

A despatch from Amsterdam says: Emperor William, replying to a telegram received by him from the Director of the province of Brandenburg, says a despatch from Berlin, sent this message: "After thirty months of warfare rich in sacrifices, the entire German people, in holy wrath at the rejection of my peace offer, is inspired anew with doubled strength and stands as one man with the Kaiser and Emperor in order victoriously to pass through the blood of the final battle which now has become inevitable for house, home, honor and freedom, and finally to place enemy peace disturbers within bounds. May God and our good sword help us thereto."

WILL CONFOUND DEVICES OF THE WICKED ONE

A despatch from London says:—"The burden on my shoulders is overwhelming," said Premier Lloyd George, in responding to a municipal welcome at Criccieth, Wales, his home, on Friday, "but I am confident that with the united efforts of us all and with the justice of our cause, we shall confound the devices of the wicked one."

THE PRIVATION IN GERMANY REACHES UNEXAMPLED DEGREE

50 Per Cent. of Population in Large Towns Suffering From Disease Caused by Inordinate Eating of Jam.

A despatch from Amsterdam says:—Germany's difficulties have been increased by the paralysis of coal transport. There is abundant indication that the frost is occasioning intense suffering and inconvenience. There is plenty of coal, but a deficiency of railway, river and road transport. The Munich military authorities ordered all schools closed owing to the difficulty of supplying fuel. Also the university, technical school, theatres, meetings and recreation halls.

German rivers are frozen and transport on the Rhine is at a standstill.

Many Dutchmen are returning to Holland, being unable to exist in Germany. From one I hear the situation is very bad. Rhine barge smuggling, until lately a valuable source of food supply, has stopped though large quantities of provisions are still smuggled by hand.

The Telegraaf learns from the eastern frontier of Holland as a result of information furnished by Germans of various social positions living in different parts of Germany that privation has reached an unexampled degree. Taxation has enormously increased, especially in Cologne, Hamburg, Berlin and Frankfurt.

Lecturing Wednesday at Berlin Dr. August Moellor, member of the Committee on War Provision offices, estimated that a full ration was available for only thirty-nine of the fifty millions of the population not serving in the field. This report, published in the German press, obviously did not magnify the seriousness of the situation. The Telegraaf's correspondent says 50 per cent. of the population in the large towns are suffering from cramp in the stomach and jam disease, which reveals itself by a skin eruption, due to the large quantity of jam consumed in default of other food.

BUT ONE REASON FOR MANIFESTO

Germany Intends to Sink All Hospital Ships Encountered.

A despatch from London says: An editorial in the Times says:

"Signs of increased ruthlessness and intensity of the German submarine campaign accumulate. There can be only one reason for the manifesto of the German Government with respect to the hospital ships which the Foreign Office made public recently. It has all the familiar marks of a German document designed to prepare the way for inhuman deeds. It is based on the lie that British hospital ships have been used for transport of munitions and troops.

"The sinking of hospital ships by German submarines is, of course, no new outrage. There have been several flagrant attacks on Russian Red Cross Vessels in the Black Sea, and on our own hospital ships and those of the French. Certainly we owed the comparative immunity in home waters more to measures of precaution than to any forbearance of the enemy. The fate of the Britannic and Braemar Castle, both sunk in the Aegean in November, proves that well enough, but the Admiralty is probably right in saying that the new German manifesto means that the German Government intend to attempt to add other and more unspeakable crimes against the law of humanity to the long list. The most recent of those crimes is among the worst. On Saturday during a heavy easterly gale the Artist, a British steamer, was torpedoed 48 miles from land. Of the crew, who were forced into open boats utterly without means of reaching land or succor, sixteen survived. In this case, too, the Admiralty does not mince words. It says: 'Those who perished in those three days of bitter exposure were murdered.'"

BRITISH WOMEN ASKED TO AID LAND WORKERS

A despatch from London says:—Government appeal is about to be made to women to help the land workers to secure the necessary food production. At least 100,000 land workers are wanted.

PUBLIC IS ASKED TO EAT LESS FOOD

British Food Ministry Issues an Appeal to the Public.

A despatch from London says:—The Food Ministry has issued a public appeal to the nation to limit the consumption of bread to four pounds, of meat to two and a half pounds and of sugar to three-quarters of a pound weekly per head.

The Food Controller says that after consideration of available stocks and the probable need of future supplies the situation requires that heads of families should endeavor to limit household consumption to this basis. He adds that these items will naturally be supplemented by other food products, but that the effect of the suggested restriction will reveal itself through the returns available to the Food Controller and that the nation is placed upon its honor to observe the proposed conditions.

"Only thus," the Food Controller adds, "can the actual situation be adequately met and the urgency of the situation admits of no delay in informing the country what is demanded of it. Compulsory rationing involves elaborate machinery and ought to be avoided as long as possible. Meanwhile to meet the contingency that rationing may become necessary, the needful machinery for it is being organized so that it may be ready if needed."

IRELAND PROSPEROUS IN EVERY DIRECTION.

A despatch from London says: Robert Colvill, president, at the meeting of the Bank of Ireland in Dublin, said that trade in all departments of Ireland's industrial life was extraordinarily active. It was difficult to realize in this favored island we were in the middle of the third year of the great war. The flax industry in the North was prosperous. Exports of Irish linen the past year were £2,000,000 more in value than the preceding year. Shipbuilding and agriculture were prosperous. The prices of cattle, horses and livestock were extraordinarily high. The price of oats, barley and wheat were more than double those of normal years.

GERMANY OFFICIALLY SILENT OVER UNITED STATES ACTION

Berlin Semi-Official News Agency Declares, However, That Wrong Interpretation Was Given By President Wilson to the Note.

A despatch from Berlin says:—Press despatches have reached Berlin, according to which diplomatic relations between Germany and the United States have been broken off, says the Overseas News Agency. No official confirmation has been received.

"In case the news is correct," adds the Agency, "the general feeling in Germany is regret that the American President gave to the German note an interpretation which was not intended by Germany. The German measures are not intended to damage neutrals, but were caused by the necessity of defending Germany against hostile measures which are contrary to international law. Germany's enemies, therefore, beng charged with the whole responsibility."

TURK CORDON AROUND LEBANON HAS SHUT OFF FOOD SUPPLIES

Half the Christians and Druse Tribesmen in the Zone Died of Starvation.

A despatch from London says: Information received from authoritative quarters, says the Reuter Telegram Company, shows that the Turks have surrounded the entire region of Lebanon with a military cordon, thus preventing any food from getting through, with the result that about half the Christians and Druse tribesmen in the zone have died of starvation.

Syria and Palestine have been devastated and the olive and orange gardens ruined. Large numbers of the most illustrious Arab families have been deported.