

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 conveying 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 acutely 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.

CANADIAN ORDER OF FORESTERS HAS SPLENDID RECORD FOR 1916

WILL READJUST ITS RATES

Society Proposes to Place Its Business on a Basis of 100 Per Cent. Actuarial Solvency.

The Canadian Order of Foresters has had a record possibly without parallel in the history of Fraternal Insurance Associations operating in Canada. This Society was instituted in 1879. In 1885 it enacted a table of monthly assessments which has been in force from that time down to the present without a single change. During that period all other Fraternal Insurance Societies, it is claimed, have found it necessary to revise rates, until this Society stands as the only prominent institution operating upon a remarkably low schedule of rates. In 1916 the Society paid out in death claims over \$726,000.00. Notwithstanding this large payment, it added to the Insurance Fund, for the year, over \$422,000.00. The balance standing to the credit of the Insurance Fund on the 31st of December last was \$5,628,343.00. In spite of this most unusual record, the Society decided to have a most thorough and comprehensive investigation made of its actuarial standing. This course was thought wise on account of the legislation passed by the Ontario Legislature at its last session.

The Legislature in 1916 passed an Act which requires that all Fraternal Insurance Societies shall, on or before the first day of April, 1918, file a report with the Registrar of Friendly Societies, which report shall contain a valuation of all its Insurance Certificates in force on the 31st December, 1917. This report must not only show the Insurance Liability which the Society has undertaken to pay, but also the Assets which the Society has available, in the way of accumulated Funds, and future assessments for the payment of the Insurance Liabilities as they mature. The object of this statement is to show the degree of actuarial solvency which each Society has, as of December 31st, 1917. The Act provides further, that at the end of each three-year period, after 1917, a similar statement of valuation shall be filed in order to ascertain whether or not the Society has maintained its degree of actuarial solvency. The object of the Act is, that where a society shows at the end of the first three-year term that it has not maintained its degree of actuarial solvency that there shall be such an increase in rates as will insure that the society shall maintain the degree of solvency which it had on 31st December, 1917, or improve that position.

In view of this legislation, the Canadian Order of Foresters decided not to wait until the 31st December, 1917, to ascertain the facts required by the Act, and, shortly after the Act was passed in 1916, this Society engaged Mr. Abb Landis, of Nashville, Tennessee, for the purpose of investigating its actuarial standing, as of the 31st December, 1915. Mr. Landis is one of the leading actuaries on the American continent to-day, and is so recognized in the Insurance world. His experience extends over a term of twenty-five years, eighteen years of which has been devoted exclusively to Fraternal Insurance Associations. In these eighteen years Mr. Landis has advised with one hundred and eighty-six societies, six of these societies being Canadian. He has also been for fifteen years on the Committee of Statutory Legislation of the National Fraternal Congress, and has been prominently identified with the drafting of all bills dealing with Fraternal Insurance legislation. Mr. Landis is also the author of eight books on Insurance, which are accepted as authorities to-day.

The Actuary has found that during its whole experience of thirty-six years, the Canadian Order of Foresters has had an exceptionally favorable mortality experience. Because of this exceedingly favorable mortality experience, and the large amount of accumulated funds, Mr. Landis has been able to prepare unusually favorable monthly assessment rates, which will enable the Society to provide for the payment of all future claims. These rates of assessment, as compared with rates deduced from other mortality tables, is very much to the advantage of the members of the Canadian Order of Foresters.

In constructing a mortality table on the experience of the Society, Mr. Landis has eliminated the first five years of membership duration. The object of this course is in order to insure the death rate under more nearly normal conditions than would be possible by taking the first five years of duration into consideration. During the first five years there is a gain from recent medical selection. He has recommended a schedule of rates, which, based upon the report which will be filed as of the 31st December, 1917, should show more than 100 per cent. of actuarial solvency, because of margins of safety which may be classified as follows:—

First: There would be gains from actual interest earned in excess of 4 per cent., which is the amount the Actuary fixes as the basis of calculation. As a matter of fact, the average interest earned by the Society, upon its Insurance Fund, as at present invested, is 5.44 per cent. As the securities held by the Society are mostly for long terms, there should be a substantial gain on interest account.

Second: There would be a saving from a lower death rate by reason of the fact that the first five years of membership has been eliminated by Mr. Landis in constructing his mortality table.

Third: There would also be gains

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 east-

ern 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 Moeller, 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.

from accumulation forfeited through lapses. No allowance was made for such gains in fixing the schedule of rates.

Fourth: There would be a surplus in contributions owing to the fact that, after eliminating the first five years of membership, the Actuary loaded the tabular rates by an arbitrary sum to make assurance doubly sure.

Notices of motion have gone out to the membership providing for readjustment, and this legislation will be considered at the next meeting of the High Court of the Order in June.

The rates for members who are now in the Order start at sixteen, with a monthly assessment of 65c; at twenty the rate is 69c; at thirty, 85c; at thirty-five, \$1.08; at forty-five, \$1.53, with gradually increasing rates for the older ages. The rates for new members start at sixteen, with a rate of 65c; at twenty, 73c; at thirty, \$1.02; at thirty-five, \$1.23; at forty, \$1.52; at forty-four, \$1.83.

Two options are given to those who are already members of the Order. One option provides that all members who are between the attained ages of sixteen to forty-five, inclusive, ages elect to take term insurance, which will entitle them to carry their present insurance at their present rate until they have attained the age of sixty years. Members between the attained ages of forty-six and fifty-five, inclusive, may elect to continue the present amount of their insurance, at the present rates, as term insurance for a period of fifteen years. Those members who are between the attained ages of fifty-six and sixty-nine, inclusive, can carry their present protection as term insurance, at their present rate, for ten years. Term protection of members between the attained ages of seventy to seventy-six gradually decreases from nine years at the age of seventy to three years at the age of seventy-six and over.

The second option insures to all members no matter when admitted, when they attain the age of seventy, and over, the right to paid up insurance for amounts set out in the schedule prepared by the Actuary, where such members do not desire to continue to pay the life rates. This schedule entitles the members from sixteen to eighteen to paid up insurance for \$900 at the age of seventy, which amount gradually decreases as the attained age of the member increases.

The adoption of the proposed readjustment will place the Society on a basis of absolute solvency from an actuarial standpoint, and enable it to maintain its splendid position in the world of Fraternal Insurance.

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.

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

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.'

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.

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.

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."

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, being charged with the whole responsibility."