

BRITISH SHIPS CAN FLY NEUTRAL FLAG

Ruse Within Certain Limits is Legitimate Under International Law.

LUSITANIA'S ESCAPE

Stars and Stripes Hoisted by Liner Off Coast of Ireland.

(Continued From Page 1.) NO PROTEST EXPECTED.

Special Cable to The Toronto World. LONDON, Feb. 7.—The foreign office has made an announcement regarding the rights under international law of English merchantmen using neutral flags. It is held in official circles that the Lusitania's action was wholly justifiable, contravening no international law, and assumes importance only because of Germany's announced intention of being perfectly ruthless in operations against British shipping. It is not believed Washington will consider it necessary on general principles to make a protest regarding the Lusitania or the British policy regarding flags, but it is recognized that Washington may be apprehensive in this matter because of German intentions to torpedo, if possible, British merchantmen. If actuated by such apprehension, Washington protests to England, this government is ready to consider that Washington should approach Germany and demand abandonment of the announced plan of indiscriminate marine destruction. English international law books, particularly Oppenheim, show that while the American naval code forbids warships using neutral flags, it is a fact that during the Spanish war two American warships committed such an act.

One of Britain's strongest points is that the German prize law of 1909 specially states German warships may follow such tactics. So in British opinion does all international law, and it is agreed that if warships may use neutral ensigns for purposes of capture or escape or drawing the enemy into action, there can be no complaint about merchant ships doing likewise for purely protective purposes. As yet the foreign office has heard nothing from Washington.

Warned by Baltic. Canadian Press Despatch. LONDON, Feb. 7.—The British steamer Lusitania of the Cunard Line, which sailed from New York Jan. 20, and arrived at Liverpool Saturday afternoon, leaving the Atlantic at the time she passed Queenstown until she entered the Mersey. This is vouched for by American passengers who crossed on her.

The Lusitania received a wireless message from the Baltic of the White Star line that the steamer was being sighted from that vessel.

The captain of the Lusitania, in reply to a questioner, declared he had the right to fly the flag of a neutral country for the

THREE BROTHERS SERVE KING AND COUNTRY



George, Alfred and John Birch, brothers of Mrs. Ashley, Esq., are on active service. John is on the Iron Duke, and his brothers are on the firing line. Three brothers in His Majesty's service is the proud boast of Mrs. Frank Ashley, 288 Earlscourt avenue. George and Alfred Birch are on the firing line with the 4th Royal Fusiliers since January last, and John Birch is a stoker on H.M.S. Iron Duke, in the North Sea.

In a letter to his sister, received last week, John Birch states: "We are having a trying time, waiting and watching. I have not been on shore for six months, and we keep constantly patrolling the North Sea for the ships which never come. It is terribly monotonous."

protection of neutral passengers and mails which his ship was carrying. Had Rough Passage. After being delayed by heavy storms which raised seas deck-high and injured eleven passengers, the Lusitania arrived off Queenstown late Friday, she cruised off the Irish port for two hours, and without picking up a pilot, as is usually done, proceeded for Liverpool at full speed, arriving at the Mersey channel at daybreak, with the Stars and Stripes still flying.

CONFERENCE AT WASHINGTON. Special to The Toronto World. WASHINGTON, D.C., Feb. 7.—The incident of the misuse of the American ensign by the Cunard liner Lusitania yesterday occasioned a conference at the White House today between the president and Counselor Robert Lansing of the state department. Secretary of State Bryan was in Washington, but as he has been absent from the city, and, therefore, is out of touch with the affairs of the state department, Mr. Lansing, who has been acting secretary since the issuance of the German war zone proclamation, was called for the consultation.

DENIAL AT WASHINGTON. Special to The Toronto World. WASHINGTON, Feb. 7.—A high naval authority said tonight that he knew of no instance in the course of the Spanish-American war where an American naval vessel made use of a false flag. The allegation made in London was based on a statement contained in the naval authority used by that government and known as "Opf. penhelm," but which was only a footnote to a chapter devoted to the misuse of flags and was a quotation from "Perle's," a German authority.

"Foot note—Naval regulations of the

GERMAN BANKS TO CUT OR PASS ALL DIVIDENDS

National Bank Will Pay Nothing This Year—Dresden Bank to Pay Part.

Canadian Press Despatch. BERLIN, Feb. 7.—Via London.—The Berliner Tageblatt says it learns that the Dresdner Bank will pay a 6 per cent. dividend this year, instead of 8 1/2 per cent. as previously. It is also stated that the National Bank of Deutschland has announced that it will pass its dividend. This bank paid six per cent. last year.

CONDEMNED THE WAR AND WERE SUSPENDED

Two Czech Newspapers Cease to Exist Because They Favored Peace.

Canadian Press Despatch. PRAGUE, Feb. 7.—It is reported from Vienna that the commandant at Prague has suspended the publication of two Czech newspapers, the Kladsnikobob and the Stredosky Zlonskic on a charge of publishing articles condemning the war and making disrespectful utterances regarding the emperor.

SPECULATION IN FOOD FORBIDDEN BY RUSSIA

New Regulation Causes Instant Drop of Twenty-Five Per Cent. in Prices.

Canadian Press Despatch. WARSAW, Feb. 7.—Military orders have been issued prohibiting speculation in food or other necessities of life under penalty of imprisonment. Since this regulation went into effect artificially advanced prices have fallen 25 per cent.

EVANGELIST GIVES POWERFUL ADDRESS

Mrs. Booth-Clibborn Heard by Large Audience at Convocation Hall.

DAUGHTER AT KNOX. Miss Victoria Says Supernatural Change is Absolutely Necessary.

A large audience listened in rapt attention to the remarkable address given by Mrs. Catherine Booth-Clibborn in convocation hall yesterday. The experiences thru which she has passed in her effort to bring comfort to thousands were told with a touch of pathos which gave the words a brooding meaning. The years which she has spent in the countries of Europe now engaged in war were referred to. On two occasions she was imprisoned in Switzerland, and yet with all the trials and hardships which were endured, those years are looked upon as some of the brightest. She told of a wealthy man who at first was loth to believe that Christian teachings were even worth considering, and how today, thru conversion, he was a staunch worker in the cause. His spare time is spent now in distributing Testaments of the Scriptures of the prisons and in caring for the children of those so unfortunate as to be confined within prison walls.

Fifteen years of unceasing effort were spent in France, but today there are ten million men who have joined the ranks of Christian soldiers.

Miss Victoria Booth-Clibborn, daughter of Mrs. Booth-Clibborn, occupied the pulpit at Knox Presbyterian Church last night. Her subject, "Ye must be born again," bore the real message of her life work. A most lucid exposition was offered the original text, "We speak that we do know, and testify that we have seen."

The Semi-ready Store

143 Yonge Street

Store to Rent \$8.00 Suits

Fixtures for Sale. Already some of the fixtures—big clothes cabinets in the wholesale warehouse upstairs—can now be offered for sale; the stock is just about half what it was two months ago, when we decided to quit the retail business.

One show cabinet, mahogany and plate glass, holds 160 suits, cost \$165, will be sold for \$110.

Larger cabinet, will hold 150 dress suits and frocks, cost \$180, for \$125.

Store and Building for lease on a long term.

Every Suit and Overcoat to be sold now below wholesale cost

This sale appeals to men who would not buy ordinary ready-made clothes as a gift. Ours is high-class hand-tailoring—and we challenge any retail tailor to duplicate the workmanship at twice the price of any garment offered for sale.

The R. J. Tooke Shirts, Collars and Men's Furnishings are being sold below cost. For instance, Collars worth \$1.10 a dozen wholesale we sell at \$1 per dozen.

The Semi-ready Store 143 Yonge Street.

IS EVANS BASKING IN SUNNY FRANCE?

Monetary Times Wants to Know What Steps Are Being Taken.

A VIGOROUS SEARCH

One That Will Bring Him Back is Now Asked For.

In the current issue of The Monetary Times the following has appeared relative to the position the Ontario attorney-general should take in the apprehension of H. Pollman Evans, the missing link in the recent Union Life trial.

"In view of the evidence submitted during the Union Life trial, in view of the remarks of the judge, of the crown counsel and of the defence counsel, in view of the facts, there is a serious duty confronting the attorney-general of Ontario. That duty does not lie only in issuing a warrant for H. Pollman Evans. That duty lies in the institution of a vigorous search for Evans—a real search, a search in which the searchers are in earnest, in

GOEBEN BADLY DAMAGED, CANNOT BE REPAIRED

Contact With Turkish Mine Disasters for Former German Battle Cruiser.

Canadian Press Despatch. LONDON, Feb. 7.—English refugees arriving here from Constantinople declare that the former German cruiser Goeben, now owned by Turkey, was so badly damaged by striking a Turkish mine that it will be impossible to repair her at Constantinople.

Increased Earning Power=

What it means

The gain of nearly \$4,000,000 in the assets of the Canada Life in 1914, means a substantial increase in the Company's earning power, which already was exceptional.

In each of the past six years the Canada Life has earned a greater amount of surplus than in any previous year.

In 1914 The Canada Life earned \$1,533,000 surplus

In this respect, as in many others, the year 1914 was one of the very best in the Company's history. N.B.—New business of over \$14,000,000. was paid for in cash.

Herbert C. Cox, President and General Manager.

The full detailed report will shortly be published and will gladly be sent to those desiring it.

The Nickel Problem Grows More Serious

To the Canadian people the nickel question is second only in importance to the actual events in the battlefields of Europe in which our empire is engaged, and where Canadians and Australians and other of the dominions, not to forget India, have sent their sons. Canadians are still wondering why the Ottawa government refuses to prohibit the export of nickel. How serious the public are moved on this question can best be gauged by the following article, which we reprint in full.

From The Toronto Contract Record (Feb. 3). However the interests of the government and the International Nickel Co. may be mixed up, to whatever extent one party may have committed itself to the other, and in spite of the stative statements that are forthcoming in regard to the exportation of nickel, it is becoming more and more apparent that the people of Canada want this question settled. The men who control the country's real backbone will not rest until Canada takes a definite step to retrieve her position in the eyes of the rest of the empire. They are not satisfied that the men who have become involved in the interests of the International Nickel Company are representative of true Canadian sentiment, which, to say the least, should not lag behind that of Australia, who cut off Germany's supply of wool by refusing to go to neutral countries without a definite guarantee that neither the wool nor the product thereof would find its way to the enemies of the British Empire. Australia's position, of course, is entirely different from Canada's. Australia's wool is controlled by Australia, Canada's nickel is in the hands of a German exporting company.

It is a strong statement, perhaps, but, in our opinion, the Canadian Government is prosecuting the interests of the empire and betraying every man, woman and child in that empire by not placing an immediate prohibition upon the export of nickel and maintaining it until the question is definitely settled as to how the nickel is to leave Canada and where it is to go. History teaches us that upon such national questions the United States must be tied down beyond any possibility of wriggling, let alone escape. The point is well taken that the measure adopted by England in regard to rubber leaving the empire for the United States are directly opposed to those taken by Canada in regard to its supply of nickel. It is admitted that 99 per cent. of the high-grade rubber used by United States manufacturers in tires and other goods is obtained from British East India. Rubber, like nickel, is a war commodity of great importance and England uses her whip hand with absolute effect. Canada allows herself to be duped into betrayal.

Apart from the aspect of the question as it regards the enemy, there is the question of our own industrial development. The cry of "Made in Canada" is heard on all sides. From selfish motives alone we should put this into practice, refining our nickel in Canada and producing the finished article. Here is a part of the Canadian Manufacturers' Association and an outlet for its activities.

Canada, so far, has made a big loyalty noise, but with the passing of the tumult and the shouting she finds nothing done. Australia has cut off the enemy's supply of wool and New Zealand his wheat, the whole Canadian produce is filling his belly as Canadian nickel is going into the manufacture of the main implements of war which he is enjoying for our destruction. There is not a man in Canada today—at least not a man possessed of real backbone and having British blood in his veins—who is not concerned with his responsibility in this vital question.

Premier Hearst is to appoint a commission to investigate the whole question of nickel. We trust he means business and that he will see to it that every portion of this issue, find a way, notwithstanding any responsibility of the federal government, of stopping the export to the United States, where Germany has got all her nickel in the past. Mr. Hearst, however, seems to think that what he has to do is to find out whether nickel can be refined in Canada, and what tax should be collected from it by the province. He may learn that he will have to do much more than this; and whatever he does he will have to do quickly, not for one minute will the public stand any prolonged and unnecessary pursuit of detail.

A great deal will depend on the character of the commission and, if counsel is to be employed, on the character of the counsel. The public may count on the International Nickel Company having the very ablest help it can get, and if it pursues the policy of the past, it will try and make Canadians believe that nickel cannot be refined here, and if we order it to be done, that we will lose our nickel business in the United States. This argument is well answered by a Sudbury correspondent also in this column today.

There will Mr. Rowell, the leader of the opposition, be in this important matter? He will be able to throw some light on the subject, and perhaps he will be able to see his way to force the government to proceed at once without any refer-

ence to a commission to collect the taxes that have evidently been evaded by the International Nickel Company. Whether Mr. Rowell will get any support from The Globe or not is doubtful. So far it has been very much against the idea of prohibiting the export of nickel. Mr. Rowell has the chance of his life if he refuses to go with The Globe and comes out for bold action all round.

Editor World: Remember the great power of this International Nickel Company which is the bottom of the whole trouble. The Ontario Government has a stupid system of collecting royalty. It should be not per ton weighed daily at pit's mouth by a good government inspector, and not on profits by bookkeeping with fraudulent returns. If the prohibition could be had during the war, all right. Let us have a tax cents per pound export duty on the nickel ore and matte—in fact, a prohibition cents. Then the refineries will arise, true Canadian ores, and the International Nickel Company will have to refine in Canada or go out of business. Moreover, the Canadian Government would then have its hand on the nickel in one form, which it has not now. No compensation to any company for loss by prohibition. It is war time, and most business-like language, so why should a foreign company be exempt from such loss.

OTTAWA, Ont., Feb. 7.—The weekly bulletin of the trade and commerce department, just issued, shows that Canada exported nickel matte during the year ending Nov. 30, 1914, valued at \$5,218,822, of which \$1,455,697 went to the United Kingdom, and \$3,763,125 worth to the United States.

How much went to Germany from the United States and how much went since the war began? We may have to find this out from Washington. Mr. Hearst ought to get busy on this matter of destination.

Editor World: The issues that have appeared in your paper recently on the nickel question are valuable and will serve to enlighten the people of the Dominion on the manner in which our nickel industry at Sudbury has been handled for the past fifteen years.

I am a citizen of Sudbury, and have been for some time, therefore I have been sizing up the movements of our American nickel operators in the past few years. In the first place, they have tried hard to make the people believe that nickel could not be refined in Canada economically. What a bluff! Then, in the second place, when any other concern or capitalist would enter the field with the intention of becoming an operator in the nickel industry, ready to turn out the finished product right here in Sudbury, they would, without a doubt, run up against many obstacles placed by our American nickel operators (in an indirect way) for the purpose of quashing their achievement, which would certainly unfold the curtain of mystery that has been shadowing nickel refining in Canada.

If our American nickel operators have absolutely satisfied themselves that nickel cannot be refined in Canada economically, then, why should they worry? They know perfectly well, should our government or any other concern build a refinery in Canada, and it prove a failure, then this matter would soon adjust itself, and very much in favor of their argument, and the exporting of nickel matte would once again proceed; but this is not their game, what they want is to work our politicians so the government won't prohibit the export of nickel matte, and at the same time the United States Government have a duty of \$120 per ton on all refined nickel entering their Union, and this, of course, you will plainly understand, will allow the refining to be done in the United States, giving employment to the American laborer and mechanic, build up the American manufacturer, protect the American market for their nickel, enrich the pockets of the nickel trust by millions each year, and all this is produced from one of the many natural resources of our fair Dominion.

Now, Mr. Editor, I appreciate the stand your paper is taking on behalf of our nickel industry, and I hope you will keep up the good work, and spread the intelligence to our loyal Canadians, who are so true to our empire at this particular time, and enlighten them as to how our nickel is handled, and its destination when refined. Unfold the curtain of mystery that is in the grip of a powerful machine, controlled at one end by the International Nickel Trust, and the other end by politicians.

Editor World: Your nickel campaign is overshadowing all other war news, and I can assure you that you have the best wishes of all loyal Canadians. After reading the nickel articles, the paper is passed along to others.

Table with financial data, including 'For week ended' and various monetary figures.