TEXT OF PRESIDENT WILSON'S ANNOUNCEMENT TO CONGRESS.

(Concluded from page 23).

store the principle of the freedom of the seas, from whatever quarter it has been violated."

ASSURANCES ACCEPTED.

To this the Covernment of the United States replied on May 8, accepting the assurance given, but adding "the Government of the United States feels it necessary that it takes it for granted that the Imperial Government does not intend to imply that the maintenance of its newly-agnet, and policy is in any way contingent upon the course or results of diplomatic nerotiations between the Covergrent of the United States and the belliggrent Governments, knowing that passages in the Imperial Government's note of the 4th might appear to be susceptible of that construction. In order, however, to avoid any misunderstanding, the Government of the United States notities the Imperial Government that it cannot for a moment entertain, much less discuss, a suggestion that respect by German nava! authorities for the rights of citizens of the United States upon the high seas, should in any way, or in the slightest degree, be made contingent upon the conduct of any other Government, affecting the rights of neutrals and noncombatants. Responsibility in such matters is single, not joint, absolute, not relative.

. To this note of May 8 the Imperial Cover ment made no reply.

On January 31, the Wednesday of the present week, the German ambassader handed to us, along with a formal note, a memorandum which econaimed the following:

"The Imperial Government therefore does not doubt that the Government of the United States will understand the situation thus forced upon Germany by the Entente Allies by all methods of war and by their determination to destroy the Central Powers, and the Government of the United States will further realize that the now openly disclosed intention of the Entento Allies' Governments gives back to Germany the freedom of action which she reserved in her note addressed to the Government of the United States on May 4, 1916.

"Under these circumstances Germany will meet the illegal measures of her enemies by forcibly prevent-Ing. after February 1 1917 to a zone on the color, France and Italy and in the Eastern Mediterranean, all navigation, that of neutrals included, from and to England and from and to France, etc., etc. All ships met within the zone will be sunk."

NO ALTERNATIVE.

I think that you will agree with me that, in view of this, which suddenly and without prior intimation of any kind, deliberately withdraws the solemn assurance given in the Imperial Government's note of May ment of Germany.

4, 1916, this Government has no alternative, consistent with the dignity and honor of the United States, but to take the course which in its note of April 8. 1916, it announced that it would take in the event that the German Government did not declare and effect an abandonment of the methods of submarine warfare which it was then employing and to which now it purposes again to resort.

I have therefore directed the Secretary of State to announce to His Excellency the German Ambassador that all relations between the United States and the German Empire are severed, and that the American Ambassador at Berlin will be withdrawn, and to hand to His Excellency the passports.

Nothwithstanding this unexpected action of the German Government, this sudden and deeply deplorable renunciation of the assurances given this Government at one of the most critical moments of tension in the relations of the two Governments, I refuse to believe that it is the intention of the German authorities to do in fact what hey have warned us they will feel at liberty to do

I cannot bring myself to believe that they will indeed pay no regard to the ancient friendship between their people and our own, and destroy ships and take the lives of Americans in the wilful prosecution of the naval programme they have announced their intention to adopt. Only actual overt acts on their part can make me believe it now. If this inveterate confidence on my part in the sobriety and prudent foresight of their purpose should unhappily prove unfounded, if American ships and lives should in fact be sacrificed by their naval commanders, in heedless contravention of the just and reasonable undertaking of international law and the obvious dictates of hemanity, I shall take the liberty of coming again before the Congress to ask authority to use any means that may be necessary for the protection of our scamen and our people in the prosecution of their peaceful and legitimate errands on the high seas. can do nothing less. I take it for granted that al neutral governments will take the same course.

We do not desire any hostile conflict with the Imperial Government. We are the sincere friends of the German people and desire to remain at peace with the government which speaks for them. We shall not believe that they are hostile to us unless and until we are obliged to believe it, and we purpose nothing more than reasonable defense of the undoubted rights of our people.

We wish to serve no selfish ends. We seek to stand true alike in thought and action to our principle which I sought to express in my address to the Senate only two weeks ago-seek merely to vindicate our right to liberty and justice and an unmolested life. These are the basis of peace, not war. God grant that we may not be challenged to defend them by acts of wilful injuries on the part of the Covern-



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CANADIAN NORTHERN RAILWAY EARN-INGS FOR DECEMBER.

The following is the statement of earnings and the expenses for the month of December, 1916, of the

·	C. N. It			
ť		1916.	1915.	Increase.
n	Total gross carnings \$	3,485,400	\$ 3,435,600	\$ 49,800
7.	Operating expenses .	2,661,600	2,233,500	428,100
ı.				
Ľ	Net earnings	823,800	1,202,100	*378,300
1	Aggregate gross earn-			
1	ings from July 1st :	21,631,500	17,351,600	4,279,900
	Aggregate net carn-			
-	ings from July 1st	6,296,100	5,524,500	771,600
9	(*)—Decrease.			

BURY GOES TO RUSSIA.

The C. P. R. issued the following statement re Mr.

"Referring to a despatch from Ottawa relative to Vice-President Bury's trip across the Atlantic, Lord Shaughnessy stated that as the Canadian Pacific is handling large quantities of Russian freight via Vancouver and Vladivostok, it was thought desirable a principal officer of the company should visit Russia with a view to acquiring such geographical and other information as might be of service in dealing with transportation problems, and Vice-President Bury decided to go himself."

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For application forms apply to the Deputy Minister of

DEPARTMENT OF FINANCE, OTTAWA OCTOBER 7th, 1916.