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FOR SALE NORTHWEST COR. KING & YORK STS. 100 x 90. Apply E. H. WILLIAMS & CO. 36 King Street East Main 5450

PROBS Fresh northwest winds mostly fair and becoming colder; snowflurries.

Gen. Haig States Ultimate Destruction Of Enemy Field Forces is Much Nearer

THREE MILLION TONS SHIPPING, YEAR'S OUTPUT

American Shipyards Capable of Enormous Production in Coming Year.

ALL SHIPS OF STEEL

Wooden Vessels Condemned as Unsuitable for Traffic on Atlantic.

Washington, Jan. 8.—America's probable output of merchant ships in 1918 was put at three million tons today by Homer L. Ferguson, president and general manager of the Newport News Shipbuilding Company, testifying at the senate shipbuilding inquiry. Estimates frequently made of from five to eight million tons, he declared, were misleading to the public and should not be permitted to go uncorrected.

"The greatest obstacle now in the way of rapid construction, Mr. Ferguson said, is poor housing facilities for shipyard workers.

The testimony of Mr. Ferguson, for 17 years a naval constructor, made a visible impression on the committee, and he was kept on the stand most of the day. He did not hesitate to criticize the shipping board and the emergency fleet corporation and held them to blame in large measure for the slow development of the government's program.

"There is no limit to the amount of ships this country can build if it really sets itself to the task," Mr. Ferguson declared. "The shipyards already built and those building can turn out 5,000,000 tons of ships annually under proper conditions, and the country could, if it set to it, build other yards and produce ten million tons a year. But it cannot be done without man-power, and man-power cannot be obtained unless housing is provided."

Declaring that three million tons is the probable maximum production this year, Mr. Ferguson said the Lloyd's special report estimates the steel output at only 2,500,000 tons. All he did not condemn the wooden ship program, Mr. Ferguson said, but he doubted if the vessels after they were built would be fit for transatlantic service. They could be used to great advantage, he said, on coastwise runs.

FRENCH GENERAL KILLED.

Paris, Jan. 8.—The French general, Lize, commanding the artillery on the Italian front, has been killed in action.

ENEMY'S OVERTHROW FORECAST BY HAIG

British Field Marshal, in Despatches, Gives Resume of Campaign--German Strength From Russian Defection Exaggerated.

London, Jan. 8.—"The additional strength which the enemy can obtain from the events in Russia and Italy already has been largely exaggerated, and the ultimate destruction of the enemy field forces has been brought approximately nearer," is the summing up of Field Marshal Haig of last year's work by the British army on the western front. The statement is contained in an official report of Gen. Haig's spring and summer campaigns, which occupies 26 pages in today's Official Gazette.

The report covers the period from the opening of the offensive to the conclusion of the Flanders offensive in November. Subsequent events of the year, including the Cambrai battle, will occupy a separate report, which is to be published shortly.

Gen. Haig closes today's report with a brief tribute to the Americans. "During the year," says Gen. Haig, "the United States has entered the war and taken up their part with all the well-known energy and ability that great nation. Already many thousands of American soldiers are in France. Warm as it is the welcome they received from the British people, nowhere will they find a more genuine or friendlier greeting than among the ranks of the other great English-speaking armies."

Allied Plans. At the outset of his report Gen. Haig explains how the general allied plan of campaign for the year was settled at a conference at French headquarters in November, 1916.

"The plan," the report says, "comprised a series of offensives on all fronts, so timed as to assist each other by depriving the enemy of the power of weakening any of his fronts to reinforce another."

This plan had to be modified on a wholesale scale from the very start owing to a variety of developments, such as the Russian situation, the requirements of the allies and, particu-

GUAM THE KAISER!

Our neighbors to the south are beginning to speculate about what they will do with the kaiser should he happen to fall into their hands. We have long passed this phase of war practice. We know all about the wisdom of the cooking adage—"First catch your hare." Br'er Rabbit, he lay low. They say he was very nearly caught in the aviation bombing of Mannheim last month. But he and his six sons have escaped scathless so far. So, indeed, has King George and his sons, altho the Prince of Wales has seen as much active service as the crown prince; according to his years, perhaps more.

A wide-awake New York editor does not want the kaiser sent to St. Helena, nor confined in an asylum, nor hanged. He desires to have him sent to the Island of Guam. The editor thinks this would be an ideal place for the kaiser to meditate and ruminate over his misdeeds and, it might be, repent. Guam is in the middle of the Pacific, and nothing ever happens there. The natives are a torpid lot and sleep and loll and live on breadfruit and coconuts, which grow wild. The kaiser would grow tame in this environment.

The only hitch in the program may arise from the German people. They have not yet stated their views on the subject. Perhaps when they have, the kaiser will be glad to go to Guam. It would be interesting to get a plibiscite on the opinion of the Germans about sending the kaiser to Guam. If they should vote to Guam the kaiser, we should soon have peace.

RIGHTING OF WRONGS AIMED AT BY ALLIES

President Wilson Anew Lays Down Program of War and Peace--Pledges United States to No Separate Settlement.

Washington, Jan. 8.—America's program of war and peace, with definite terms upon which the nations, great and small, fighting together against the German world domination, are ready to lay down their arms, was given to the world by President Wilson today thru an address to congress in joint session.

"For this program, based upon the rights of wronged and the safety of peace-loving peoples desiring to live their own lives, the president committed the United States to fight and continue to fight, until it is achieved. Thus he pledged the country to the allied policy of no separate peace. "We cannot be separated in interest or divided in purpose," he said. "We stand together to the end."

The speech, heard by congress at an hour's notice and accepted with a wave of approval that brought together virtually every element of both houses, was delivered as a direct response to the German challenge in the negotiations with the Russians at Brest-Litovsk. It followed closely and

approved the address of the British premier, but was far more specific in statement of terms, robbing of force in advance any German peace drive designed to confuse the entente and American governments and their people, who at the same time presenting the foundation for genuine negotiations, whenever the central powers are ready to talk of a just peace.

Wilson's Proposals.

Fourteen concrete proposals laid down by the president began with the declaration that the days of private international understandings are gone and that covenants of peace must be reached in the open. Briefly summarized the other points were:

Concrete Peace Terms.

Absolute freedom of the seas in peace or war except as they may be closed by international action; removal of economic barriers and financial and trade covenants of peace must be reached in the open. Briefly summarized the other points were:

Sanctity of treaties and contracts; reduction of armaments to the lowest point consistent with domestic safety; impartial adjustment of colonial claims, based on the principle that the peoples concerned have equal rights

(Concluded on Page 6, Column 4).

SIX THOUSAND KILLED IN GUATEMALA 'QUAKES'

San Salvador Hears Report That Hundred Persons Have Been Shot for Looting.

San Salvador, Jan. 8.—The newspapers today print with reserve the report brought here by a traveler from Guatemala to the effect that the number of persons killed in the recent earthquakes in Guatemala was estimated at 6,000. The traveler said that more than one hundred persons were shot while robbing the dead. He added that many of the inhabitants of Guatemala were fleeing for safety to Mexico and Salvador.

Recent despatches received from Guatemala have given various estimates of the casualties due to war work on the farms of Guatemala, which began the day after Christmas, these ranging from fifty to two thousand five hundred.

GERMAN PRISONERS FOR CANADA'S FARMS

Government Has Under Consideration a Proposal to Import Hundred Thousand.

Special to The Toronto World. Ottawa, Jan. 8.—The government has under consideration a proposal to bring to Canada German prisoners of war to work on the farms of the Dominion. About 100,000 of these are available, and the necessity for growing more food demands effective action. This available help might aid in solving the situation. It is quite possible that in the near future there will be another national service register of the man power of the Dominion, but if this is decided upon it will be compulsory national service.

AVIATION RECRUITING CEASES.

Ottawa, Jan. 8.—The department of the naval service announces that instructions have been received from the British Admiralty to discontinue recruiting for the Royal Naval Air Service in Canada. No more recruits are being accepted for this service at present.



Boche ammunition wagon left by Germans in their hurry to escape our victorious troops. British official photograph.

HEAVY FALL OF SNOW ALONG BRITISH FRONT

High Winds, Snowdrifts and Frost Cause Almost Cessation of Military Operations.

By R. T. Small, Staff Correspondent of the Associated Press.

With the British Armies in France, Jan. 8.—Another heavy snowstorm set in Monday night along the British front, and by this morning several inches of snow were added to the already considerable depth on the ground. The weather turned colder today, and a biting wind was piling snowdrifts along the front lines.

Notwithstanding the bad roads the movement of traffic still more difficult. There is little or no fighting going on, but the men in the front lines are enduring great hardships in their bitter battle with the weather, and long for spring, even tho it may mean a renewal of intense hostilities.

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LOSSES FROM U-BOATS STEADILY DIMINISH

German Submarines Sank Fewer Ships Last December Than Same Month Year Before.

London, Jan. 8.—(Via Reuter's Telegram Agency)—The minister of marine in Paris has published diagrams showing the losses of allied merchantmen and the tonnage of German submarines which has steadily decreased since June. Measures taken after the serious crisis which culminated in April, 1917, so reduced the losses that in December, 1917, was better than December, 1916. The losses in supply ships was reduced by 1.01 per cent, owing to convoying results. The destruction of enemy submarines was also very encouraging.

DECLARE ALLIES' TERMS UTTERLY UNACCEPTABLE

Press of Central Powers Irritated Over Lloyd George's Statement--Russ Delegates at Brest-Litovsk.

London, Jan. 8.—The press of Germany and Austria-Hungary in editorial comment on the address of David Lloyd George is unanimous that the terms as set forth by the British premier as the basis for peace are not acceptable to the Teutonic allies. Therefore it is not unlikely that President Wilson's address will be received by the enemy newspapers in a like manner.

Unofficial advices are to the effect that the Russian peace delegation has returned to Brest-Litovsk for a resumption of the pourparlers with the enemy delegates. No confirmation of this report has been received.

SNOW STOPS FIGHTING.

Rome, Jan. 8.—The official statement from general headquarters today says: "Snow and bad weather have reduced fighting activity to a minimum. There were artillery actions of some intensity only in the eastern sector of the Asiago plateau and in the Monte Tonja, Montenera and Montelic regions. North of Monte Lemerle our reconnaissance patrols captured a few prisoners."

HUGHES CABINET RESIGNS.

Melbourne, Jan. 8.—Frank Gwynne, Tudor leader of the Labor party and a member of the house of representatives, will be the next prime minister of Australia. The Right Hon. Wm. Morris Hughes tendered the resignation of the Nationalist government to the governor-general this morning, as a result of the defeat of the description proposals.

DINEEN'S MEN'S FURS.

All Dineen's exceptionally fine furs for men are included in the stock leveling sale that makes way for the February stock-taking. Fur-lined and coonskin coats, chauffeurs' coats and driving coats, motor gauntlets, robes and caps. Special reductions in prices. Dineen's, 140 Yonge street.

CANADA NEEDS MORE FOOD PRODUCTION

Food Controller Describes Work His Department is Carrying on in Co-operation With United States.

Production and still more production was the slogan of Hon. W. J. Hanna, food controller, in his address under the auspices of the Men's Association at St. Clair Avenue Methodist Church last night. Mr. Hanna said he had been preaching conservation up to the present but now he was asking Canada what she could do in the way of production.

"The great country of Canada, with wonderful stretches of fields not yet in the fertilizer stage, what can this Canada produce in the way of pork, beef and foodstuffs? A great production campaign is now to be launched and from Winnipeg to the Pacific coast, the vital question is being considered by men alive to the need of the hour: How much wheat can I produce in the next 12 months? In Ontario a pork production campaign is on; 250 million bushels of wheat more than was produced this year must be raised on this continent in the next twelve months."

"It is not for me," continued Mr. Hanna, "to tell you to refrain from eating pork and do not forbid the answer is simple. The food controller has found that of all foodstuffs wheat, pork and beef are the most suitable for export to Europe, and every pound of bacon eaten in Canada is diverting that amount of food stuff from export, and from the army fighting in Europe."

"It is not for me," continued Mr. Hanna, "to stand here, a mere man and tell the housewives that they conserve 80 per cent. of the wheat flour. I know the women of Canada will all do this when they realize that every pound saved from the stomachs of Canadians is another pound to

send to the men fighting for us overseas, to our allies and to the brave people of Great Britain."

Reviews His Work.

Mr. Hanna reviewed the work of the food controller's office since its institution, pointing out that six months ago the situation that faced this department now did not then exist, that he did not himself know when he accepted the position of food controller for Canada what a great and grave responsibility he had assumed with the office. Reviewing the food situation from the outbreak of the war, Mr. Hanna said that it was not until the end of 1917 that the situation which now confronted them unfolded itself, and the duty of sending from the shores of the United States and Canada to the men at the front food supplies, regardless of cost, was the one great duty of the hour.

"The amount needed to supply the allies and the army at the front means that 500 million bushels must reach the shores of Europe or the people there will go hungry. Where's it to come from?" asked Mr. Hanna. "This is the question the food controller's department is trying to answer. On Dec. 1 not one bushel of wheat was available in the United States for export. In Canada there were 110 million bushels; that meant 30 million bushels short of the required amount."

What United States Did.

"I said there was not one bushel in the United States for export," said Mr. Hanna, "they used what they or plant for themselves. But they are not going to use it; they will save 80 per cent. of their wheat and thus liberate one million bushels for export. They will not go hungry either."

(Concluded on Page 7, Column 1).

WAR FRONTS MARKED BY SMALL OPERATIONS

Raids Occur in the West--Violent Bombardments Reported, Particularly on Italian Front.

London, Jan. 8.—On the fighting fronts there is little activity aside from artillery duels and small operations of the nature of raids. In one of these small affairs near Bullcourt the Germans succeeded in entering a British trench, but later were driven out in a counter-attack, leaving prisoners in the hands of Field Marshal Haig's army. Likewise several small attacks against French positions were repulsed.

Altho bad weather has fallen upon the Italian front, heavy bombardments are in progress on the northern part of the line from the Asiago Plateau to the Monte Tonja, Montenera and Montelic regions. North of Monte Lemerle our reconnaissance patrols captured a few prisoners."

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REDUCE STREET LIGHTING TO CONSERVE ELECTRICITY

Advertising or Ornamental Signs Also To Be Cut Off From Power in Order That Munition Plants May Have Sufficient Energy.

Strict economy in the use of electric power for lighting, heating and the running of motors must be observed thruout certain portions of Ontario in order that the manufacture of war essentials may proceed uninterrupted, and with this in view an order was issued by Sir Henry Drayton, power controller, and an appeal by Sir Adam Beck, chairman of the Hydro-Electric Power Commission of Ontario, yesterday, the first shutting down of the use of electrical energy for advertising or ornamental lighting, reducing street lighting to the safety point only and ordering the switching off of every heater or motor the use of which is not absolutely needed.

The appeal from Sir Adam Beck to his second to the people of the Niagara, Toronto and Windsor and central Ontario districts. By observance of the order and loyal response to the appeal it is figured that between 12,000 and 15,000 horsepower will be saved for the industries that need every unit of power that can possibly

be turned in their direction. The order is as follows:

Power Controller's Order. To all commissions, companies or persons generating, distributing or using electrical energy in Ontario, where there is a shortage of electrical energy or where electrical energy is being generated or supplemented by steam, gas or oil plants:

It is hereby ordered and directed that the strictest economy in the use of electrical energy be practiced. With this in view the commission and companies supplying electrical energy and the officers of corporations, as well as individuals using electrical energy, will on and after Tuesday, Jan. 15, 1918, and until further notice see that no electrical energy be used for advertising or ornamental lighting; that electric street lighting be reduced to the utmost possible limit—discontinuing cluster lighting entirely and only using such lamps as are actually necessary for the safety of the public. Under the heading of advertising is included the interiors of buildings

(Concluded on Page 6, Column 3).

DRASTIC ACTION WILL HELP OUT TRAFFIC CHAOS

United States Agencies to Be Closed, and Soliciting to Be Forbidden.

RETURN CARS HERE

New York Coal Shortage May Cause Tie Up of War Work.

New York, Jan. 8.—That the order of the Canadian Railroad War Board closing all domestic and foreign railway ticket exchanges, except those at the various depots, will antedate similar action by the American railroad administrator by only a few days, was the opinion expressed tonight by a prominent New York railroad man. Not only, it was said, will every outside ticket exchange be closed, but the various railroad agencies, except those at the various depots, will be instructed to cease soliciting freight and passenger business. This drastic action, it was stated, results from serious freight congestion and generally chaotic traffic conditions, which have rendered the movement of coal, foodstuffs and war materials extremely difficult.

New York's Coal Needs.

Harry T. Peters, chairman of the fuel conservation commission, declared tonight that New York needs 1,200 cars of coal a day, and "that it is not getting half that amount."

"If we do not get more coal," Mr. Peters added, "business will simply shut down of its own accord. There are ships waiting for bunker coal which have been idle since December 10, and they carry everything from munitions to food and clothing for our troops."

A railroad official today stated that somewhere in the maze of congested traffic on United States railroads there were approximately 30,000 freight cars belonging to Canadian lines. Earnest efforts were being made, he said, to return these cars to Canada, but that precedence must be given to the transportation of war necessities and that the process of extricating the Canadian cars was necessarily slow. This official was inclined to place the responsibility for the existing congestion on "excessive legislation."

"It may be difficult for the Canadian agency—An armed allied air-plant piloted by Second Lieut. of Reserve Shamis, of Kitchener, Canada, descended in Brele, South Holland. Lieut. Shamis lost his way in the clouds and thought he was descending in France. He was taken to The Hague."

KITCHENER AIRMAN INTERNEED.

Amsterdam, Jan. 8.—(Via Reuter's Telegram Agency)—An armed allied air-plant piloted by Second Lieut. of Reserve Shamis, of Kitchener, Canada, descended in Brele, South Holland. Lieut. Shamis lost his way in the clouds and thought he was descending in France. He was taken to The Hague.

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