THURSDAY MORNING

# ussened in a degree the excitement RUSSIANS STRIKE

It is realized that if no citizen of the United States was among the ictims it merely was a fortunate ac-ident, and that it can be only a mater of hours before Americans are sught in the wholesale destruction

The California is the first big pas-penger steamer to be destroyed since he Arabic was torpedoed in the Medi-erranean months ago. Her sinking has about swept away the last linger. ing hope here that Germany, after all would allow passenger carriers to es-ape in an effort to avoid driving the

inited States to hostilities. The message from Consul Frost and at the close of another day detoted to energetic preparations for the war regarded as virtually inevit-able and to guarding against any act by the United States which might precipitate hostilities.

nally notifying American shipowners seas are the same as they were prior Surai, southeast of Focsani, and at to the issuance of the German decla-tacked the Russian trenches. The fire

ration. Ind that a neutral vessel may take any accoss the Sereth. A Petrograd despatch, forwarded by the British admiralty, per wireless press, says: The war office today issued the fol-lowing official communication: Western (Descent forwarded by the British admiralty, per wireless press, says: The war office today issued the fol-

thonth. German naval experts have said it counter-attack by our reinforcements would be necessary to cut off 1,000,000 tons the month to completely solate England. If trenches. The present rate of \$50,000 tons destroyed is maintained, it is sugrested that the bal-dislodged the enemy from trenches in ance will be more than made up by the enormous amount of neutrol shipping held in port by the various neutral govern-ments and private shippers.

In port by the various neutral govern-in port by the various neutral govern-in port by the various neutral govern-in port by the various neutral govern-Departures Secret. Hereafter the government will seek to have kept secret the fact of departure of vessels for the war zone in order not to invite unnecessary risks. The treasury department has previously issued instruc-tions against the publication of manifests and every effort will be made from now on to allow as little information as pos-sible to find its way to German sub-marine commanders.

sible to find its way to German sub-marine commanders. The statement to shippers were sent to-day to all who had previously requested a ruling by the department, and included both freight and passenger-carrying yes-dels. Among others, it went to the Stand-ard Oil Co., whose offices had ordered all their huge oil-carrying fleet to hold to poft. Whether the implied invitation given shippers to arm if they see fit will cause that policy to be adopted is un-known, but information at the navy de-partment shows that guns are available in practically all navy yards and that gunners could be quickly provided. Austrian Situation.

Austrian Situation. The Austrian situation seemed more The Albertan than any time since the German declaration. Charge Zwiedinek called at the department, but no details were given out either as to his visit or the Austrian note has been received from bienna. An interview cabled from there, however, indicated Austria's total adhe-

FOE IN RUMANIA Czar's Advanced Guards Drive Enemy Back Near Sloniou. FOE CROSSES SERETH

Speedily Counter - Stroke Drives Germans Back Near Surai.

Adhere to Hights. The most important step taken turing the day was the sending of telegrams by Secretary Lansing, for-telegrams by Secretary Lansing, for-Rumanian front, capturing trenches in that the state department could not the region south of Sioniou. Their ad-tadvise them as to whether their ves- the region south of Sioniou. Their ad-sels should sail on voyage thru the vance guards made the capture. The war zone, but at the same time stat- River Sereth has frozen over and that the rights of American ves- parties of the enemy, two companies of to traverse all parts of the high 500 men strong, crossed over near

is and them to sea prepared to the second se

the region south of the River Sloniou-and repulsed enemy counter-attacks. During the course of the night the enemy, two companies strong, crossed

IS LANDED IN FRANCE

Lars Kruse is Believed to Have Been Victim of Torpedo.

London, Feb. 7 .- In the house of London, Feb. 7 .-- Walter Hines Page. lords today, the Marquis of Crewe, rene American ambassador, has been viewing the situation much as Andrew notified that the sole survivor of the Bonar Law had done in the house of Belgian relief steamship Lars Kruse, commons, said that Germany had which was sunk by a torpedo or mine near the Belgian coast on Monday, has been landed in France. Mr. Page thrown aside the mask of humanity by her latest utterances, and had promised a warfare of unequalled

telegraphed this report to Ambassa-dor Sharp at Paris, with the request savagery which was staggering, not that he get in touch with te survivor in the sense its authors hoped, but to those who contemplated Germany's

Special to The Toronto World. Washington, Feb. 7.-Acting on

moral position. The speaker said he knew of no



KING OPENS HOUSES

cance of U.S. Break

With Foe.

Special Cable to The Toronto World. London, Feb. 7.—After the house of ommons opened with the customary

austere war ceremonies and the King

read his speech from the throne, H. H.

Asquith, A. Bon ir Law and Admiral

Sir Hedworth Menx spoke on matters pertaining to the German submarine

mpaign. The submarine langer had

called into service the best brains of

counter the submarine trouble."

many's new naval policy as one

"undisguised savagery."

Ex-Premier Asquith described Ger-

was not worth while discussing the

motives which actuated the German

Government. The novel feature of i

was that it was a direct and defiant

challenge to the conscience and to the interests of the entire neutral world. "This declaration of war on neu-

trality," continued Mr. Asquith, "is

a challenge which has been taken up

with dignity and without de'ay by the

us to forecast the bearing of this memorable event upon the future of the war. Still less is it fitting for us

greatest of neutral states. It is not

of

He said it

IN SPANISH WATERS SUBMARINES TO GO SANK PERUVIAN BARK AS ZEPPELINS DID Germans Show Flagrant Disregard of all International Rules. London, Feb. 7.-The Peruyian sail- Admiral Mew Expects Same ing vessel Lorton, while on a voyage Success as Attended from Callao, Peru. was sunk by a Aerial Defences.

German submarine on Monday inside Spanish territorial waters, according to a British official statement issued today. The text of the official announcement says: "The Peruvian sailing vessel Lorton, on passage from Callao, was sunk by an enemy submarine Monday inside Mr. Law Refers to Signifi-

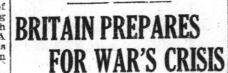
Spanish territorial waters. "It is interesting to note that on the very day this dual affront to two neutral states was perpetrated a German wireless press message was boasting of the consideration shown by Ger-many to the interests of neutrals."

FATE OF SEVENTEEN SAILORS IN DOUBT

British Steamers Ninian and Corsican Prince Are Reported Sunk.

the country, the speakers said Admiral Meux said: "We have every London, Feb. 7 .- The British steamreason to hope that the same success as attended the destruction of zeppers St. Ninian and Corsican Frince were sunk today says the Central News. The survivors have been landkins is in a fair way of being realized ed. Seventeen men are reported miss-

The crew of the British steamer Palmleaf assert that after their ves-"Western (Russian) front-In the sel had been torpedoed by a German Beresína River the enemy, after a submarine the captain and chief engineer were made prisoner by the Germans, who left the other members of the ship's company in open licats,



Lord Curzon Predicts Hun to tender advice or suggestions to a government which is well able to take

New Depths.

Before.

mies of the human race." Andrew Bonar Law, the chancellor

of the exchequer, in addressing the commons expressed satisfaction with what he alluded to as the perfect manner in which former Premier Asquith had voiced the feeling of the country on the role of the neutrals in the face of the submarine menac

Hopes for Best. Noting that more and more mer-chant shipping was coming under the direct requisition of the government, and that the shipping controller was putting down a large number of new ships, Mr. Bonar Law said he did not minimize the submarine danger, but that some of the best brains in the country at large and among naval men were concentrated upon the problem. Altogether, he declared, he was not

without hope, whatever the ravages of submarines might be, that something

Bonar Law did not wish to say



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ANATOLIAN-Blue ground, small Persian de-sign. Size 11.3 x 8.10. Sale price \$150.00 Browns, blues and tans; size 12.9 x 9.1. Regular price \$350.00. Sale price..... \$275.00 ROYAL KIRMANSHAH-Allover design, old rose, blues and greens; 11 x 8. Regular price FINE MELEZ-Chinese design, in yellow and blues; 13.10 x 10. Sale price..... \$325.00 ROYAL SAROUK-Dark blue ground and border, rose medallion; a very fine specimen; size 11.6 x 8.3. Regular price \$390.00. Sale price.... \$297.50 ROYAL SAROUK-Deep rose ground, royal blue border, allover design; size 11.8 x 8.3. Regular price \$375.00. Sale price.... \$285.00

**FEBRUARY 8 1917** 

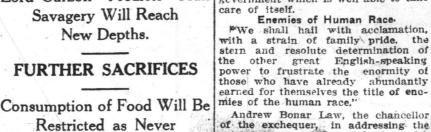
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OUT-OF-TOWN BUYERS-We wish our out-of-town patrons throughout Canada to take advantage of this rare opportunity. We will pay most careful and prompt attention to any outof-town inquiries, and, if necessary, we will make a very careful selection from our present stock during this Great Sale for any outside buyers who are unable to come personally.

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sion to the German policy and about dis-pelled what little hope remained of a modus vivendi that would prevent a sev-erance and allow the United States to pedoed. United States Getting Ready

erance and allow the United States to care for the great prisoners' camps over which she has assumed guardianship. That most of the neutral world will line up behind this country, at least to the ex-tent of vigorously protesting against the German campaign became evident today with reports that Spain, Norway, Sweden, Denmark, Brazil, Bolivia and probably other Latin-American countries would with their replies shortly. While it is Definition of the second secon

War Bread Soon to Make

Its Appearance in France NEXT BRITISH MAIL.

Paris, Feb. 7 .- War bread soon will make its appearance in France. What via England, will close at the general kind it will be has not yet been defi- postoffice as follows: Regular mail are being made with a new bread that plementary mail will close at 6 a.m., will close at 9 p.m., Thursday. Supwill contain more whole wheat flour Friday. Registered and parcel post than that now sold. matter, 5 p.m., Thursday.

can ships.



believe, as they have been taught, that submarine ruthlessness will win the war for them, and its failure will serve to throw them into despair. This defeat will probably come at a time when Germany will have more than she can do to keep her celebrated war map unaltered under the influence of allied military pressure. \* \* \* \*

Grandcourt, a village on the south bank of the Ancre River in French Picardy, fell yesterday into British possession. The continuous pressure f the British against this village from both banks of the Ancre, forced he enemy to evacuate it. The British then seized it and an adjoining densive work. The Germans lost many men about Grandcourt in the opertions of the past few days. Like the other villages on the Somme and the Ancre, the Germans had powerfully fortified Grandcourt during their long tenancy and with it Miraumant has served to cever Bapaume from the The next step will bring the British close to Miraumont, but they west. will probably elect to proceed by a turning movement about Pys and up the Ancre valley. London critics now expect that the British will soon enter the strong position of Le Transloy. Their troops now seriously threaten this position. \* \* \* \* \*

The Canadian war records office has issued a communication on two It declares that Germany's decision to rm and dignified protest against it more raids of the Canadians, bringing the total number up to seven in a ciose completely certain sea routes is brief period of time. The Canadians took 23 prisoners and two machine outside the legal principles of interguns. A composite party of Manitoba and Alberta troops carried out one national law. It adds that if Germany of the raids and a party of Quebec troops carried out the other raid. hopes to have Spain's help to avoid These operations had as their principal purpose the harrying of the enemy, more loss of life it must be understood the destruction of his mine shafts, and the securing of prisoners. that Spain, while ready at the proper time to lend the initiative in support the destruction of his mile shares, and the security of predicter. The to lend the interver in canadians.

For the first time in two weeks the Rumanian front has shown signs of activity. The Russians report that their advanced guards have dislodged the enemy from his trenches in the region of Slonon. The freezing of the Sereth River enabled two companies of Germans to cross it near Surai and to attack the Russians. Artillery fire speedily dispersed them. On the northern flank, several lively local combats are proceeding on the historic Beresina River.

## 84 8 10 11

Washington is waiting in great anxiety for full information of the Stockholm, Feb. 7 .-- Sweden will not casualties sustained in the sinking of the passenger ship California, off the accept President Wilson's invitation in the struggle, to confer with my mincoast of Ireland. She had 35 passengers on board. No definite details have to sever diplomatic relations with arrived concerning the numbers rescued or missing. One American escaped Germany. The Swedish Government, drowning. Meanwhile American passenger vessels will sail towards Eur- however, will protest against the ope without an armed escort. Germany will get an opportunity to do her inaugurated German naval ngwly worst. If she deliberately provokes war, she will have war. Meanwhile policy. the allied diplomats are striving to prevent the raising of a large army by

A London cable this afternoon the United States in case of war, for such American action would only the United States in case of war, for such American action would only weaken their offensive by drawing on their reservoirs of war material. Switzerland have also protested to and resources of all my subjects, but heard of the sinking of the California Officials view the case of the California as exceedingly grave, perhaps as Germany against further submarine I am assured that the people will releading to war. outrages.

learned that the Lars Kruse was tor Even Napoleon and many's act. might be done to replace the lost ton-Frederick II., he said, unscrupulous as nage by new ships. Mr. Bonar Law d they were, would have shrunk from such a threat. The action of the United anything about the action taken by States in the face of the German the government of the great republic To Commandeer All Ships

menace, he added, would be founded on except to point out that President Wilson had shown thruout, indeed, to an extent which had led some people to a high moral basis. He hoped, however, hat nobody would suppose that the action of America would make it less incriticize him-that he desired to pre advice of the president and the United cumbent upon the allies to do the utserve neutrality.

most possible to win the war. U.S. Patience Unexampled. "He has snown," chancellor, "that he desires peace-I Earl Curzon lord president of the souncil, alluding to the action of the won't say peace on any terms, but on any terms which the allies can be in-duced to accept. The fact that the United States in severing relations United States and to comwith Germany, said: United States Government has broken mandeer all privately-owned Ameri-

with Germany is, in itself the best "When, after patience almost nnexampled, the United States, thru its president, refused to have further to testimony to the justice of our cause and the illegality of the methods lo with an unclean thing, it justified whereby our enemies are trying to the saying that the moral judgment of

King George's Declaration. In opening parliament, King George The next British and foreign mail, the world would be delivered against Germany. He declared that other neutrals declared that the entente had outyould undoubtedly follow the example lined their policies and aims in the of America, and that there were other notes addressed to the United States as far as could be done at the present nations which would like to follow it time. The King added:

they could. Lord Curzon thought that the allies "Threats of further outrages upon were approaching the real and ter- public order and the common rights rible crisis of the war, and things would be attempted by the central powers "surpassing in horror and monstrosity anything hitherto tried," of humanity serve to steel our deter-

The scene as King George read his speech presented a striking military Must Restrict Imports. spectacle, in marked contrast to the Recognizing the seriousness of the usual civil procedure. The King word peril, he soid, Great Britain was mul-tiplying destroyers, arming merchanz-men, developing scientific inventions tinctly military or naval, with Admiral

for the discovery and destruction of Jellicoe, first sea lord; Lieut.-Gen. Sin submarines, and endeavoring to pro- Wm. Robertson, chief of the imperial tect neutral shipping by organizing staff, and Field Marshal Viscount sea large of safety thru the danger French, commander-in-chief of the zones, in addition to accelerating shipermies in the United Kingdom, and others in full uniform, these high offi-"Ere long the government must call

cers replacing the usual train of court on the country to accept a restriction functionaries. In the house of lords, American Am of imports and consumption of com-

modifies far in excess of anything yet known. We must be ready with all dip<sup>\*</sup>omatic reservations conspicuously our resources to beat the enemy."

SPAIN MAKES PROTEST AGAINST HUN WARFARE

Note.

lomatic Relations.

methods of war.

our heroic allies remain steadfastly Legality of Methods Cannot Be and unanimously resolved to secure just reparation, restitution for the past, and guarantees for the empire, Accepted, Says Formal which we regard as essential to the progress of civilization," the King

Madrid, via Paris, Feb. 7 .- The "In response to the invitation of the Spanish Government's reply to Ger-President of the United States we nany's submarine war zone note 's have outlined as far as possible at present our general objects and aims. Threats of further outrages of the

determination.

Tribute to Forces. "During the winter," the King con-"my navy maintained untinued, challenged and ceaseless watch on the

seas and enforced vigorously a blockade of the enemy. My armics conducted successful operations in Europe and Mesopotamia, and are fully prepared to renew the struggle BUT WILL NOT SEVER in close and cordial co-operation with my allies on every field. I trust their united efforts will carry the successos Declines President Wilson's Sugalready won to a victorious conclu-

gestion to Break Off All Dipsion. "I have invited representatives of the dominions and the Indian Empire, which have borne so glorious a share isters on important questions of common interest relating to the war.

all parts of the empire. "The accomplishment of the task to which I have set my hand will entail

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