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# The Toronto World

MONDAY MORNING FEBRUARY 5 1917—FOURTEEN PAGES

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VOL. XXXVII.—No. 13,335

## U.S. "STANDS PAT" BIG BRITISH ADVANCE

Participation in War Taken as Inevitable, and Congress Will Vote Money for War Purposes—Sinking of Housatonic Not an "Overt Act," as Warning Was Given and Crew Rescued—Effort Made to Line Up All Neutrals.

Battle of the Ancre is Resumed and 500-Yard Advance Made on Three-Quarter Mile Front Near Beaucourt, With 100 Prisoners Taken—French Make Successful Surprise Attack Near Verdun—Russians Win Fight Near Riga.

### WILSON MAKES A BOLD STROKE FOR SUPPORT OF ALL NEUTRALS

Suggests That Countries Break Off Diplomatic Relations With Germany and Orders Immediate Reports, Meantime Making Preparations for the Eventuality of War.

Washington, Feb. 4.—Besides breaking off diplomatic relations with Germany, President Wilson has made a bold stroke to range the moral force of all other neutrals along with that of the United States in the interest of peace.

The president has suggested to all other neutrals that they break off diplomatic relations with Germany as the United States has done and has instructed all American diplomats in these countries to report immediately how the suggestion is received. The opinion in diplomatic quarters here is that the American neutrals are being doored by 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 development of first importance which came out of a day of tense waiting which followed the actual announcement yesterday of the break with Germany.

News that the American steamer Housatonic had not been sunk without proper warning and that no lives had been lost, dispelled a cloud which threatened the storm to follow the first overt act against the U. S. under the new war zone order.

Waiting Developments.

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.

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 has broken with Germany and that the American 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 13, 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 that Germany will actually 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 on Jan. 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."

"The 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."

Danger Not Minimized.

The danger that broke diplomatic relations between the United States and Germany will develop into a state of war is by no means minimized by President Wilson's course, and neither he nor other officials of the government are abating their preparations for any eventuality.

Steps to protect American citizens and property against attack by foreign sympathizers are day and night going forward actively, albeit silently. Preparations for the disabling of German warbound ships in American ports are being taken, but they are unannounced. The question of conveying American ships on the voyage thru the submarine zone is still under consideration.

Nothing definite as to Ambassador Corrad's departure from Germany was announced tonight. It is presumed that as soon as he can secure his passports from the Wilhelmstrasse, assemble his suite and all American consular officers in Germany, he will go to some adjoining neutral state, probably Holland or Switzerland, and prepare to return to the United States. President Wilson spent the day quietly, attending church in the morning, conferring briefly with officials over the telephone and in the afternoon talking with Senator Simons, chairman of the senate finance committee, the problem of raising necessary revenues should war come. There were no unusual signs of activity about the different departments, but underneath the surface forces were at work preparing the country for a situation which has been expected, but hoped against, since the issue with Germany became acute.

May Delay Action.

It is not impossible that the present situation will continue several days before there are any evidences of whether Germany intends to halt her campaign of ruthlessness before President Wilson's final demand for respect for American rights or whether she

will follow out her plan and take the consequences.

Provisions made in the new submarine order for the safety of ships at sea at the time it was promulgated may postpone the overt act which would be an act of war.

On the other hand it may come at any moment by the ruthless act, or even mistake, of some submarine commander.

Congress, stirred with patriotic fervor, is making ready to stand behind the president in whatever he may do to uphold the honor and dignity of the country. The only dissenting note comes from a small pacifist group which several months ago supported the movement to warn Americans of armed ships. The president is confident that his action is approved by congress and the country.

**HOUSATONIC SINKING NOT A SERIOUS AFFAIR**

Attacking Submarine Acted Within International Law, Warning Was Given and Crew Rescued.

Washington, Feb. 4.—The possibility that the sinking of the American steamer Housatonic will become a serious factor in the crisis with Germany apparently was eliminated today by evidence that the attacking submarine acted within international law. American consul Stephens at Plymouth reported that warning was given and provision made for safety of the crew.

**HUNS HOLD OUT BAIT TO NEUTRAL POWERS**

Half Promise Given to Supply Them With Coal and Iron.

London, Feb. 4.—Reuters' Amsterdam correspondent says that while Berlin is preserving silence in regard to the rupture of relations between Germany and the United States, the German government has issued the following statement:

"It is stated that negotiations are afoot between the authorities interested concerning how Germany, by removing certain transport difficulties, can take into account the requirements of some neutral states in relation to essential raw materials, especially coal and iron."

**WILL ASK BRITAIN FOR SAFE CONDUCT**

U.S. Willing to Oblige Both German and Austrian Ambassadors.

**AUSTRIA BACKS KAISER**

Wilson Believed to Have Received Official Notice From Vienna.

Special to The Toronto World.

Washington, Feb. 4.—It was announced at the state department today that a safe conduct for the German ambassador, Count von Bernstorff, will be requested of the British government in the near future.

The same action undoubtedly will be taken regarding the new Austrian ambassador, Count von Tarnow. Although the state department does not admit it, it is believed that the Austrian government has reinforced the action of Berlin in regard to the new submarine blockade.

The actual passports probably will be handed to the charge d'affaires, Baron Ziehlendorf, since Count von Tarnow has not yet presented his credentials to the president.

It is generally believed that Austria's notification of her adoption of the new submarine warfare is already in the hands of the president.

Ambassador Gerard will probably leave Germany by way of Copenhagen, since there is hardly a possible route by which he could reach the United States thru Holland. Dr. Van Dyke, the retiring American minister to the Netherlands, is now in London and his successor, J. W. Garrett, is to be directed Mr. Garrett to go to The Hague.

**BIG ORDER FOR STEEL FOR "MYSTERY" STORE**

Contract for Thirteen Thousand Tons Has Been Placed.

New York, Feb. 4.—In its weekly review of the iron and steel trade the Associated Press says that among the large transactions of last week was an order for 13,000 tons of steel for the construction of a great department store in Toronto.

On Jan. 24 City Architect Pearse received an application for a permit to build the first unit of a \$15,000,000 departmental store at the corner of Yonge and College streets.

**ENEMY CREWS ATTEMPT TO DISABLE OWN SHIPS**

Appropriate Steps Taken by Authorities of the Philippine Islands.

Washington, Feb. 4.—War-bound German crews at Philippine ports have attempted to disable some of their ships and appropriate steps have been taken by the island authorities. There are 23 ships in Philippine ports, 17 of them at Manila.

**HOPE EXPRESSED THAT WAR NOT TO FOLLOW**

Leaders of Many Classes and Interests in the United States Don't Want It.

Washington, Feb. 4.—The United States and a large part of the world today entered a period of suspense, not knowing what the German-American rupture may bring forth.

All agencies of the government turned to the problems of defense against possible hostilities, while officials and leaders of many classes and interests in this country expressed the earnest hope that war would not grow out of the break of diplomatic relations.

**DINEEN'S STOCKTAKING SALE.**

Reductions of 15 to 20 per cent. apply on all Dineen's stock offers during the February Stocktaking Sale. The original prices were extremely reasonable for high-class furs so that the reductions really mean exceptional bargains. Men's fur-lined and coon-skin coats are on the schedule of reductions.

W. & D. Dineen Company, Limited, 140 Yonge street, Toronto. In Hamilton 30 and 22 King street west.

**FRANCE IS NOTIFIED OF WILSON'S ACTION**

U. S. Ambassador Tells Briand That Rupture Came in Conformity With Sussex Note.

Special Cable to The Toronto World.

Paris, Feb. 4.—An advance of a mile front gained for the British the control of valuable high ground east of Beaucourt and north of the Ancre last night. The British took 21 prisoners and three machine guns and they recaptured two German counter-attacks today. The enemy suffered many casualties, while the British had only light losses.

Resides their success on the northern bank of the Ancre, the British also advanced their front slightly west of Le Transloy.

Two raids in succession demoralized the Germans further southwest of Beaucourt. The British took 21 prisoners and one machine gun in these actions, besides demolishing dugouts.

The report from British headquarters in France tonight reads: "The attack last evening in the neighborhood of Rancourt was repulsed by our fire. Our positions were entirely maintained. We advanced our lines slightly west of Le Transloy."

"We carried out a successful operation last night north of the Ancre as a result of which our line east of Beaucourt has been pushed forward some 500 yards on a front of about three-quarters of a mile. Over 100 prisoners and three machine guns were captured. During the day two hostile counter-attacks were repulsed with heavy losses to the enemy; our casualties were slight."

"The enemy blew a mine yesterday west of Vimy. Little damage was done. We entered trenches during the night south of Beaucourt and took 21 prisoners and a machine gun. Another machine gun and an enemy shaft containing German wire were captured. This afternoon we captured another raid in the same neighborhood, capturing a few prisoners and a machine gun and destroying another mine shaft and several dugouts."

"There was considerable artillery activity on both sides during the day north of the Somme and in the neighborhood of Beaucourt-Hamel."

The report from British headquarters in France Saturday night, reads: "Successful raiding parties were driven off during the night east of Bouchavesnes and in the neighborhood of Arras. The enemy suffered considerable losses from our artillery fire while retreating."

"North of the Ancre our positions on Beaucourt-Hamel ridge have been further improved. We entered trenches of the enemy and secured a few prisoners. The enemy blew a mine last night east of Ypres, doing insignificant damage. We have captured a machine gun. Successful bombardments were carried out by us today north of the Somme and in the neighborhood of Beaucourt, Arras and Armentieres."

**FEW STEAMERS SEEN ON ATLANTIC LANES**

Officers of Two Lines So Report on Arrival at New York.

New York, Feb. 4.—The Associated Press says: "Officers of the White Star liner Cedric and the Scandinavian-American Line steamship Frederick VIII, which arrived here today, report a scarcity of shipping in the lanes these vessels traveled. The ocean appeared to be deserted, they said. The Cedric didn't sight a single ship from the time she left Liverpool, and the Frederick VIII passed only a sailing vessel, one day out from New York."

**Denmark, Sweden and Norway Conferring on Sub. Situation**

London, Feb. 4.—The Exchange Telegraph's Copenhagen correspondent says he understands negotiations are in progress between the Danish, Swedish and Norwegian governments concerning the submarine situation.

**Sweden Demanding Inquiry Into Torpedoing of Steamer**

London, Feb. 4.—According to Reuters' Stockholm correspondent the Swedish government, as a result of the torpedoing, on Jan. 29, of the Swedish steamer Edda, has instructed the Swedish charge d'affaires at Berlin to demand an investigation of the case by Germany. Sweden reserves her right for future action.

**"America First" Declaration Of Hyphenates of Pittsburgh**

Pittsburgh, Feb. 4.—"America and only America" was the answer of Pittsburgh's German-Americans when questioned regarding the new crisis.

Germany's Hyphenates are all loyal to their adopted country, and "America first" was the statement of Reinhardt Ulrich, president of the local branch of the German-American alliance.

### BRITISH TAKE FOE POSITION IN ACTION NORTH OF ANCRE

Make Successful Advance East of Beaucourt, Gain Slightly in the Fighting West of Le Transloy, North of Somme, Score Heavily in Trench Raids Near Souchez.

**EXPECT FEBRUARY TO BE BIG MONTH**

Britons Look for Terrible Hun Convulsions on Land and Sea.

**TAKE BUT SMALL TOLL**

German Submarines Secure Reduced Number of Victims in Four Days.

London, Feb. 4.—The first four days of German terrorism at sea have resulted in hardly a perceptible increase in the toll of shipping. Yesterday, in fact, the number of vessels sunk was below the recent average. On Feb. 1, ten ships were sunk, the following day eight more, yesterday the sinking of only four was reported, and today two more were sunk. A third was damaged, but remained afloat. Of the 24 victims, nine were sailing under neutral flags, including the American steamer Housatonic.

This is accounted for chiefly because the stoppage of the outgoing shipping from European neutral ports has decreased the number of vessels that might fall prey to German submarines. Soon, however, it is expected these savings will be resumed, since many of the neutrals are seriously dependent on their overseas trade with Britain and her allies. Great campaign by Germany is expected at any moment. Undoubtedly the renewal of unrestricted submarine warfare will be accompanied by fresh zeppelin attacks, another try with her fleet, and smashing blows with her armies in the west.

Expect Zeppelins.

Germany has permitted stories of the abandonment of zeppelins as an offensive arm to come out. That is a good reason to expect fresh attacks. But Britain has learned fast. She has the men and the means to combat attack, and she is not easily terrified. February is bound to produce some of the biggest features of the war—and to mark the real turning point of the struggle.

The morale of the German leaders has broken before that of the soldiers in the trenches, because the leaders know so much more about the true condition of Germany and her allies. When Hottel succumbed to Tirpitz and Reventlow he admitted that the only possibility of success for Germany rested in a campaign to terrorize.

The allies, on the other hand, are entirely cool and ready to meet the wild champion of terrorism. Their military work has become easier, for they have simply to wait until the enemy exhausts himself.

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### VERDUN FIGHTING GROWS VIGOROUS

French Carry Out Fierce Bombardments of Positions on Meuse.

**DO MUCH AIR WORK**

Allies' Machines Engage in Nocturnal Raids Over German Lines.

Special Cable to The Toronto World.

Paris, Feb. 4.—Fighting has become more vigorous on the front of the Meuse, northwest of Verdun, with the resumption of heavy bombardments of the German positions in the rear of Hill 304 by the French. Two surprise attacks were made. French some advantages near Hill 204 at Moulin St. Quentin and in the region of Tracy la Val, between the Oise and the Aisne. Ten prisoners fell into French hands in the first attack and 22 in the second.

The official French war statement issued tonight announces a resumption of activities in the neighborhood of Hill No. 304. The statement follows: "A coup de main on the enemy trenches near Moulin St. Quentin yielded ten prisoners. An enemy attempt to occupy a mine crater at Epargue was checked by our fire. Our artillery effectively bombarded the German works at various points on the entire front, especially in the sector of Hill No. 304."

"Between the Oise and the Aisne we made a successful surprise attack on German trenches in the region of Tracy la Val and took two prisoners," says today's report from the war office.

"On the Verdun front there were intermittent artillery engagements in the sectors of Le Mort Homme and Hardaumont Wood."

"Our aviators threw a number of projectiles on barracks and roads at Ailly and Tergnier. One of our squadrons bombarded military establishments at Thionville."

Elsewhere the usual artillery activity continues on both sides.

"A number of fights took place in the air yesterday. Two German air planes were destroyed; two others were driven down damaged. Three of our machines are missing."

The official statement issued by the war office Saturday, reads: "There was an interesting cannonade today at various points along the front. Patrol encounters occurred in the region of Bezonvaux. We made prisoners."

"Two aeroplanes were brought down within our lines by our special guns, one in the direction of Oulches (Aisne) the other near Epihan Sablon, in the region of Beaurieux."

Belgian communication: "During the course of the night patrol encounters in front of Dixmude ended to our advantage. Several attempts by the enemy to enter our trenches failed."

**GERMANY SHOWN UP IN HER TRUE COLORS**

Allies to Fight on Even if United States Does Not Join Cause.

Special Cable to The Toronto World.

London, Feb. 4.—Before a big meeting held at Dudley tonight, Minister of Pensions, Barnes declared that Germany had shown herself "in her true colors to the world."

Mr. Barnes said in part that Great Britain should eagerly welcome President Wilson's co-operation in "our fight for the interests of civilization."

"If the United States does not enter the war," continued Mr. Barnes, "we must continue to fight until victory over the allied nations has been accomplished."

"Germany," he declared, "has proclaimed her attitude on neutral and unarmaged shipping the most ghastly exhibition of depravity that the world has ever seen."

"Peace at the present moment is an utter impossibility."

## WAR SUMMARY

THE DAY'S EVENTS REVIEWED

PRESIDENT WILSON of the United States announced in an address before the senate on Saturday that owing to German ruthlessness with submarines he had ordered the breaking of diplomatic relations with Germany, and he followed up this action by instructing American ambassadors to request other neutrals throughout the world to break off diplomatic relations with Germany, too. The president does this in conformity with the league to enforce peace, and thus a weapon devised by the Germans to put economic pressure on the allies from the neutrals has become an engine to coerce Germany. Whether the threat of what is coming will induce Germany to surrender to the neutrals or the understanding that they apply the league against the allies remains unforeseen. The break with Germany, however, appears definite and final.

In forcing the United States to break off diplomatic relations with her, Germany has committed an almost inconceivable folly. The fact that the American government has at last taken the bold step of treating Germany as an uncivilized country, unworthy of diplomatic intercourse with white men, will increase the confidence of the American public that the allies will win a complete victory, and it will accordingly enhance the credit of the allies. In war, credit means finance and finance means war material. The basic war material consists of iron and steel, and since the furnaces of France and Belgium are supporting the enemy, the allies have not yet surpassed the output of Germany, but they have largely depended on the production of the United States for their needs. In order to form a basis of credit in the United States the allies have been sending gold, but after a time gold becomes useless, so they have to float loans. These have as their foundation the confidence that the allies will ultimately be able to redound

Additional News on the Situation in the United States Will Be Found on Page Four.

(Continued on page 2, cols. 1 and 2.)

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