

\*\*\*\*\*  
\* Notice to Advertisers. \*  
\* In order to ensure changes \*  
\* being made in advertisements, \*  
\* copy must reach this office not \*  
\* later than 9 a. m. on the day of \*  
\* publication. \*  
\*\*\*\*\*

# The Daily Mail

\*\*\*\*\*  
\* The Weather. \*  
\* Maritime: Strong winds and \*  
\* moderate local gales, souther- \*  
\* ly and shifting westerly, snow \*  
\* or sleet, turning colder. \*  
\*\*\*\*\*

VOL. XXIII., No. 33

FREDERICTON, NEW BRUNSWICK, THURSDAY, FEBRUARY 8, 1917

TWO CENTS PER COPY

## BREACH BETWEEN U. S. AND GER- MANY STEADILY GROWS WIDER

### Little Hope Now That Hos- tilities Can be Averted

#### Germany's Submarine Campaign Seems to be Steadily De- veloping---Atlantic Liner California Was Sunk in Viola- tion of International Law---Details Were Lacking

WASHINGTON, Feb. 8.—The breach between the United States and Germany is growing wider hourly and hope that hostilities can be averted has been almost swept away.

Germany's submarine campaign of ruthlessness is developing with a fury which many officials here believe soon must confirm the worst fears that had been held for it, and produce the overt act which President Wilson has said would be the signal for war.

The President himself, holding from the first the hope that after all the German threat of unrestricted warfare on the seas would be tempored in execution, awoke today to find that a continuous onslaught of submarine attacks had reached a climax in the destruction without warning of a big British transatlantic liner, as reported last night.

Consul Frost's report that the Anchor Line steamship California had been sunk in violation of international law, did not reach the capital last night until the President had retired, and it was the first thing to come to his attention when he took up his duties today.

Until all the facts are established beyond question, the President is not expected to decide whether or not he considers that the California case presents an issue demanding action by the United States.

In his address to Congress Saturday the President said he would come again before that body to ask authority to take further steps, "if American ships and American lives should in fact be sacrificed."

It was pointed out that so far as known, no American was lost on the California, and no American ship has been sunk without warning since Germany announced her new campaign. Every effort was made today to clear up the details of the liner's destruction, while preparations went steadily forward in every branch of the government to make the country ready for whatever the President's decision may be.

#### Several Canadian Passengers on the S. S.

##### California are Reported to be Missing

NEW YORK, Feb. 8.—Official cable advice that the British steamer California was torpedoed without warning, was received here today by the Anchor Line.

The names of thirteen persons listed as missing were received as follows: Second cabin: Mrs. E. Smith, Edna Smith, and Mrs. Kidd, Calgary, Alberta; J. W. Alderson and son, Vancouver, B. C. (Mrs. Alderson was saved); Mrs. W. C. O'Donnell and two children, of Philadelphia. (Three O'Donnell children appear on the ship's passenger list); Neil Gillies, New York City; Miss Madge Robertson, Toronto. Steerage: Mrs. Margaret Little and one child, New York City (three other little children apparently saved); Miss Annie Forbes, Toronto.

WASHINGTON, Feb. 8.—President Wilson read the latest official reports on the sinking of the California before breakfast and decided nothing definite could be determined until more details were received.

The latest report received at the State Department from Consul Frost at Queenstown puts the number of 162 and the missing at 41. It says the ship apparently was torpedoed at about ten o'clock on Wednesday morning.

#### German Ships Interned in Boston Said to Have Had Machinery Rendered Useless

BOSTON, Feb. 7.—Evidence that most of the vessels of the refugee German fleet at this port have been rendered useless by damage to engines, cylinder heads and valves, is understood to have been found today by Capt. John B. Coyle, of the coast-guard service, who is making a special examination of the vessels for the customs service.

The details of his report to Assistant Secretary Andrew J. Peterson at Washington could not be learned here, but it was stated authoritatively that inspection today of the liners Amerika and Cincinnati and the freighters Wittekind and Koln, developed evidence of damage as extensive as that found on the steamer Kron Prinz Cecilie.

Indications that the harm was done in December were uncovered. The vessels generally could not be made ready for service in less than six months and in some cases nine months would be necessary, according to reliable estimates.

### GOVERNMENT CANDIDATES CHOSEN TODAY

The Government Convention at the Court House this afternoon was well attended, government officials, contractors, bridge and road superintendents making up a good portion of the audience.

Warden Neill moved, seconded by Mr. W. S. Tompkins, that Dr. W. C. Crockett, of Fredericton, Mr. J. K. Pinder, of Southampton, Mr. John A. Young, of Taymouth, and Coun. S. B. Hunter, of Harvey, be the candidates.

Coun. R. H. Graham nominated Dr. O. E. Morehouse, M. P. P., but the latter withdrew his name. He stated some time ago that he would not run on a ticket with John Young, and he meant what he said.

The nomination of the four above named was then ratified by the convention without showing any great degree of enthusiasm.

Mr. John D. Palmer, who had been urged to become a candidate and refused, was chairman of the meeting.

### Lusitania Victims After Damages

New York, Feb. 8.—All persons except two who failed to file their claims on or before December twenty-six last, will be debarred from participation in damages against the Cunard Steamship Company resulting from the sinking of the passenger liner Lusitania, according to order of the Federal District Court granting five million dollars here yesterday. Already claims against the company have been filed and the steamship company has made a stipulation to pay only one hundred thousand dollars, the extent of its liabilities on freight and passenger money.

Mr. H. G. Odell of St. John, is registered at the Queen.  
Mr. H. W. Schofield of St. John, is a guest at the Queen.  
Mr. A. O. Skinner of St. John, is at the Queen.

## AMBASSADOR GERARD IS STILL IN GERMANY

### Is Being Held There Until Von Bernstorff Makes A Safe Departure From the United States---Re- port That He Was at Berne was a Mistake.

WASHINGTON, Feb. 8.—Ambassador Gerard, American consuls and the American sailors brought in on the prize ship Yarrowdale are being held in Germany until assurances have been received from here as to the safe departure of Count Von Bernstorff, and the German consuls and the safety of German war-bound ships in this country.

It was said at the State Department today that sensational reports have been current in Germany that the German ships here have been confiscated and their crews seized. Pending confirmation Germany has detained the Americans.

#### Officials Inclined to Minimize Situation.

Officials here are inclined to minimize the importance of the detention because they believe it largely has arisen from a misunderstanding and soon will be straightened out. It has been officially announced that there is no intention of taking the German ships.

That Ambassador Gerard is still in Berlin and not at Berne, Switzerland, as was thought possible yesterday, is shown in a despatch received today from Ambassador Willard at Madrid. Mr. Willard says that the impression that Gerard was at Berne had been due to a telegraphic mistake. The despatch should have been dated "Berlin, via Berne," instead of "Berne."

## SPANISH GOVERNMENT PROTESTS AGAINST SUBMARINE PIRACY

### Full Text of Reply to German Note is Made Public---Thinks That the Huns Should Respect the Rights of the Neutral Nations.

MADRID, Feb. 8.—The text of the Spanish note in reply to Germany's submarine war zone note has been given to the public. It says that Spain has so far maintained strict neutrality, and has right to expect that the lives of her subjects shall not be placed in peril. The note then proceeds:

"Even before the imperial government had set aside these restrictions, His Majesty's government has protested, holding them insufficient to comply with the restrictions of international maritime law. But the methods of war announced by Germany are being carried to such an unexpected and unprecedented extreme that the Spanish government, considering its rights and the requirements of its neutrality, must with still more reason protest calmly, but firmly, to the imperial government an almost make at the same time the necessary reserves, imposed by the legitimate presumption of responsibility which the Imperial government assumed, principally in view of the loss of life which its attitude may cause.

#### German Policy Contrary to the Principles

##### Formerly Observed by All Civilized Nations

"His Majesty's government bases its protest on the fact that the decision to completely close the road to certain seas by substituting for the indisputable right of capture in certain cases a pretended right of destruction in all cases, is against the legal principles of international life.

Above all, and beyond all, it considers that the extension, in the form announced, of this pretended right of destruction to the lives of non-combatants and the subjects of neutral nations such as Spain, is contrary to the principles observed by all nations even in moments of the greatest violence.

#### Spain Would Lend at the Proper Time Her

##### Initiative and Support to Peace Movement

"If the German government, as it says, expects that the Spanish people and government will not close their ears to the reasons which have caused its decision, and hope that they will co-operate to avoid further calamities and sacrifices of human life, it will also understand that the Spanish government, while disposed to lend at the proper time the initiative and support to everything that could contribute to the advent of a peace, more and more wished for, cannot admit the legality of exceptional methods of warfare.

"These methods, indeed, notwithstanding Spain's right as a neutral and her scrupulous fulfilment of the duties incumbent on her as such, make more difficult and even stop altogether her sea trade, compromising her economic life and also threatening with grave dangers the lives of her subjects.

#### Spain's Protest Against German Piracy

##### Is Fully Sustained by Reason and by Law

"His Majesty's government, supported more firmly than ever by the justice of its position, does not doubt that the imperial government, inspired by the sentiments of the friendship which unites the two countries, will find, notwithstanding the severe exigencies of this terrible war, means of giving satisfaction to Spain's claims. These claims are based on the inexorable duty which bids a government to protect the lives of its subjects and maintain the integrity of its sovereignty, so that the course of national existence be not interrupted.

"For these reasons set out, His Majesty's government feels itself fully sustained in its positions by reason and law."

#### AN ENEMY PATROL CAPTURED.

PARIS, Feb. 8.—A German patrol was captured last night by the French near Bonzee, in the Verdun sector, today's official communication says. Patrol encounters occurred during the night in other parts of the front.

#### GRANTED SAFE PASSAGE.

WASHINGTON, Feb. 8.—France has formally granted safe passage through the Allied blockade for Count Von Bernstorff and suite. Similar action is awaited from Great Britain.