

WILSON TO ACT WITHOUT DELAY

Cabinet Approves Draft of Demand on Germany.

SERIES WILL BE TAKEN UP

Falaba, Cushing, Gulflight and Lusitania Grouped in Asking Explanation.

INTENSE FEELING VOICED

Position Taken That Warning of Attacks Does Not Make Them Justifiable.

WASHINGTON, May 11.—President Wilson practically had decided tonight on the first step in the policy which the United States Government will pursue as a result of the sinking of the British liner Lusitania with the loss of more than a hundred American lives.

The President will act promptly—within another day or two. A draft of a communication to be sent to Germany was submitted to the Cabinet today and approved unanimously.

Explanation of Series Demanded.

While no official announcement was made, it was learned that the United States would present and insist upon an explanation of the series of incidents which have occurred since the proclamation of a war zone around the British Isles—the sinking of the Falaba, causing the death of Leon C. Thresher, an American citizen; the attack by German airmen on the American steamer Cushing, the torpedoing of the American steamer Gulflight, and, finally, the destruction without warning of the Lusitania with a toll of more than a thousand lives.

In what are described by those familiar with the document as firm and unmistakable terms, the President voices the intense feeling of the United States over these happenings, and in the name of international law demands an adherence by Germany to the established rules of maritime warfare.

Guarantee to Be Asked For.

The note asks that some assurance or guarantee be given hereafter that unarmed merchant vessels carrying non-combatants be visited and searched when encountered on the high seas by the German navy and passengers and crew transferred to a place of safety before any prize is destroyed.

The President points out, it is understood, that the United States in its note which said Germany would be held to "strict accountability" for any attacks on American vessels or lives had not admitted any right on the part of Germany to carry on such methods of warfare and declares, moreover, that the giving of official notice of an intention to commit an unjustifiable act did not justify the act or make it lawful.

Future Course Not Predicted.

What will follow in event of a refusal by Germany to comply with the wishes of the note to be sent, no one of the President's official family would predict. They said the President was determined to act firmly and deal with each situation as it arose. It was pointed out, too, that in his speech in Philadelphia, in reference to peace, Mr. Wilson was expressing merely an ideal that he wished America could and would follow.

Persons familiar with the President's point of view indicated, however, that he was by no means unprepared for or unaware of the possible eventualities of the present crisis and knew that circumstances and events over which the United States might have no control might demand vigorous action.

The circular from the German government to neutral countries, assuming responsibility and promising rep-

DISASTROUS FIRE STRIKES SEWARD

CHANGE OF WIND, HOWEVER, SAVES ALASKAN TOWN.

Several Residences and Much Rolling Stock of Alaska Northern Gone; Loss \$100,000.

SEWARD, Alaska, May 11.—The roundhouse, machine shops, car shops and the rolling stock of the Alaska Northern Railway, as well as several residences were destroyed by the fire which started yesterday in the timber on the Poland homestead and was blown toward Seward by a strong north wind.

The total loss tonight was estimated at \$100,000. The wind died down early tonight and all danger of further damage is over, but patrols will watch the burned district.

The fire still is burning in timber on the Brownell homestead above and to the west of the town, and in the stumps and brush north of Lowell Creek on the government railroad terminal tract, where it probably will burn several days.

Before the wind shifted it appeared almost certain that the entire town would be destroyed. Mayor Meyers and Fire Chief Horner called upon all the men in town to aid the firefighters. A stand was made at Lowell Creek, where the fire's advance toward the main part of town was stopped.

The fire swept across the reservoir supplying the Seward water system but did not interfere with the water supply. Every barrel and tub in town was commandeered to supply water to firefighters working in places out of reach of the city water mains. The steamer Corwin, which stopped here en route from Seattle to Nome, and the Fire Chief Horner called upon all the men in town to aid the firefighters. A stand was made at Lowell Creek, where the fire's advance toward the main part of town was stopped.

When it seemed likely that the entire town would be destroyed all the women and children were sent to the head of the bay or put aboard the steamer Santa Ana for safety.

1000-BED HOSPITAL IS PLAN

Western Doctors and Miners Going to War to Care for British.

WENATCHEE, Wash., May 11.—(Special.)—Dr. Thomas H. Grosvenor is considering entering the English hospital service either in England or in France. On Saturday last he received a telegram from Dr. J. M. Neff, of Spokane, who, in company with Dr. J. B. Murphy, one of the big surgeons of the world, is organizing a hospital unit of 32 doctors for service with the British army.

The plan is to have a 1000-bed hospital. They will arrange for a complete hospital staff which will go from Chicago, including 75 nurses and 32 doctors, in June, and they are guaranteed free transportation from and to New York. The physicians receive the same salary as British officers of equal rank, about \$8 a day and maintenance. Dr. Neff urges Dr. Grosvenor to go and the offer will be accepted if Dr. Grosvenor can arrange to take his wife and baby with him.

GERMANS GIVE RUSSIAN AID

Two Citizens of Teuton Descent Help Man Get His Final Papers.

MINNIVILLE, Or., May 11.—(Special.)—Nine applicants for citizenship were passed upon today, the first day of the May term of Circuit Court for this county, Judge H. H. Belt, of Dallas, presiding.

The nationalities represented were four Danes, three Germans and one Russian and one English. The Russian had for his witnesses two citizens of German descent.

Those receiving their final papers today are: John G. Weber, Albert Dunow, Henry Felser, Herbert Chergwyn, Adam Bauer, Eskiel Hansen, James C. Johnson, Christ Hanson and N. P. Peterson, the last four being residents of Carlton.

FLOATING COURT SAILS

Officers to Handle Cases Arising in Alaska District.

SEATTLE, Wash., May 11.—The coast guard cutter Bear sailed tonight for Bering Sea and the Arctic Ocean, carrying mail for Nome and Point Barrow. She also takes Government supplies for the stations in Bering Sea and the Arctic, north of Nome.

Before leaving Nome J. J. Hutson, second lieutenant of the cutter, will be sworn in as United States commissioner by the Federal Court. Lieutenant R. L. Lucas will take oath as marshal. They will hold court at the places where the boat stops, administering justice in minor criminal cases and in more important ones binding the defendants over to the regular court at Nome.

MR. LISTER WILL PREACH

Governor Will Occupy Pulpit of Olympia Church Peace Day.

OLYMPIA, Wash., May 11.—(Special.)—Governor Lister has accepted an invitation to occupy the pulpit of the Olympia Congregational Church next Sunday, "Peace day."

In reply to an inquiry from a New York newspaper yesterday Governor Lister said that a large navy, such as the newspaper is championing, could not be built up in sufficient time to render immediate service. He expressed the belief the present war likely will so impress the world that it will be the last.

ITALIAN NEUTRALS STILL RETAIN HOPE

Rome, However, Thinks War Is Imminent.

STATESMAN URGES PEACE

Plea Made to Maintain Barrier Against Slavs.

FORMER ALLIANCE CITED

Pacificist, in Final Effort to Avert War, Argues Nation Should Not Play Into Hands of Ambitious Russia.

ON THE ITALIAN FRONTIER, via Paris, May 11.—The opinion prevails in Rome that Italy's participation in the war is only a question of days.

Nevertheless there is still in Italy a party which hopes in the possibility of the country remaining neutral. With the idea of presenting correctly the views of this party, its leader, one of the most influential statesmen of modern Italy, has been interviewed. This statesman lives near the frontier. He declined to permit his identity to be divulged for fear his words would be misunderstood as an endeavor to create obstacles for the Italian Cabinet, "and this Cabinet," he said, "must be supported by all Italians, even if it makes mistakes."

Plea Made for Treaty.

Continuing, the leader of this party said: "Italy, so far as possible, must remain faithful to her treaty with the central empires. They allowed her to remain neutral, but not to pass to the opposite camp.

"Whatever examples may be brought forward of the violation of international agreements, it is neither noble nor honorable for any country to commit such violation without very grave motives.

"In the present situation Italy would not have a sufficient motive to cast off her ancient allies if Austria would consent to cede to her territory inhabited by Italians.

Fees City of Trieste Suggested.

"If Trieste were organized into a free city, administered by her Italian citizens and protected against any possible attempt on her nationality, Italy might be satisfied to receive the remainder of Italian territory now under Austrian administration, leaving at the same time Trieste to the central empires as an Italian commercial port."

"Once the reason of the antagonism between Italy and Austria is removed, the elimination of Austria would be of no advantage to Italy. For if Austria, Hungary disappeared, Italy would then be in contact with the Slav world, which is more powerful and more to be feared than Austria."

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YESTERDAY'S NEWS: Minimum temperature, 64 degrees; maximum, 80.6 degrees. TODAY'S NEWS: Windy showers, southwest wind, 10 to 15 miles per hour.

War.

Axis continue advance against Turks. Page 2.

Russians also retreating in South Poland. Page 2.

Italian neutrals making final effort to avert war. Page 2.

Anti-German riots in London may lead to internment of all Germans. Page 2.

Attack with asphyxiating gases repelled by British on western line. Page 2.

Lindson Blaken and Herbert Stone, Americans, give their lifetimes to women and children. Page 2.

Officer of Gulflight says American flag was in plain sight. Page 1.

British Admiralty denies story from German sources that British ships engaged in battle with each other in North Sea. Page 2.

National.

Wilson to demand explanation from Germany of group of submarine warfare incidents. Page 1.

Domestic.

Sons of Revolution express faith in Navy, if called on to defend American honor. Page 4.

Colonel Roosevelt says Lusitania incident calls for vigorous action. Page 4.

Sport.

Pacific Coast League results: Portland-Oakland game postponed, rain; Salt Lake City-Angels 11; San Francisco 2, Venice 0. Page 14.

Rip Hagerman pitches three-hit victory for Cleveland against Yanks. Page 15.

Rodgers will be Beaver captain; Murphy goes to Aberdeen. Page 14.

Tennis school to be opened at Multnomah Club tonight. Page 14.

Pacific Northwest.

State Grange opens season at Tillamook. Page 2.

State industrial clubs to exchange products with those of other states. Page 2.

Disastrous fire hits Seward, Alaska. Page 1.

Commercial and Marine.

Local wheat prices bid up sharply. Page 15.

Crop damage reports cause wheat selling at Chicago. Page 14.

Stock market recovers much of ground recently lost. Page 15.

M. H. Houser, first Portland exporter to fix positively new-crop grain ship, taking Andre Theodore. Page 14.

Portland and Vicinity.

J. A. Farrell, president of Steel Corporation, optimistic as to business outlook. Page 1.

Congress of Mothers will open its convention tonight. Page 5.

Costs estimated to fall on water users regarding plan of financing. Page 15.

Bruce Granville and C. P. Mack, believed to be Station A robbers, face long terms. Page 14.

Hearing begun in \$20,000 suit against milkman, charged with stealing affections of patron's wife. Page 8.

Miss Beatrice Lash leads in race for queen when vote finally counted. Page 20.

Weather report, data and forecast. Page 19.

BODY REPORTED FOUND

Rumor in Ireland Investigated by Vanderbilt's Secretary.

QUEENSTOWN, May 12.—There is a persistent rumor current here that Alfred Gwynne Vanderbilt's body has been recovered on the Irish coast. Webb Wade, Mr. Vanderbilt's secretary, is investigating.

CRUISER GOEBEN BATTLES

Russian Fleet Reports Defeat of German Vessel in Black Sea.

PETROGRAD, May 11.—An official communication issued tonight says: "On the 10th our Black Sea fleet, after bombarding the forts of the Bosphorus, exchanged fire with the cruiser Goeben, which, being struck by many projectiles, made off rapidly."

WHO SAID WAR?



FLAG ON GULFLIGHT PLAINLY IN SIGHT

Officer Says Ensign Fluttered in Breeze.

SUBMARINE THOUGHT BRITON

No Attention Paid to Craft by Accompanying Vessels.

BRITISH PATROLS NEAR BY

American Steamer Subsequently Is Towed Into Port; Captain Dies Suddenly Following Day on Board Rescuing Vessel.

WASHINGTON, May 11.—The State Department late today made public a sworn statement by Ralph E. Smith, ex-chief officer of the American steamer Gulflight, now her captain, describing the torpedoing of that vessel May 1 off the Scilly Islands. When torpedoed, the officer says, the Gulflight was flying a large American ensign, six by 10 feet in size. He said he saw the submarine, but "could not distinguish or see any flag flying on her."

Chief Officer Smith further says that shortly before the submarine was sighted two British patrol boats, the Iago and Filley, took positions on either side of the Gulflight and ordered her to follow them to the Bishop Light-house.

Flag Standing Out in Breeze.

"I personally observed our flag was standing out well in the breeze," the officer said.

The text of Captain Smith's statement follows:

"May 11, 1915.—I am Ralph E. Smith, now master of the steamship Gulflight. At the commencement of the voyage I was chief officer. The ship left Port Arthur on April 10, 1915, about 4 P. M., laden with a tank cargo of gasoline and wooden barrels of lubricating oil. The voyage was uneventful. When about half way across the Atlantic the wireless operator told me there was a British cruiser in our vicinity and that he had heard messages from this ship the whole time since leaving Port Arthur, but she made no direct communication with or to our ship. From the sound of the wireless messages given out by the British ship, she seemed to maintain the same distance from us until about three days before we reached the mouth of the English Channel.

British Patrol Vessels Spoken.

"On May 1, about 11 o'clock in the forenoon, we spoke two British patrol vessels named Iago and Filley. We were then about 25 miles west of the Bishop lighthouse. The patrol vessels asked where we were bound. After informing them we were bound for Rouen, they ordered us to follow them to the Bishop. The Filley

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Tuesday's War Moves

WITH two of the greatest battles of the war in progress—one between Arras and the Belgian coast and the other in Western Gallia—to say nothing of the operations in the Dardanelles and lesser engagements along the eastern and western fronts, the armies of the belligerents are now fully occupied.

The battle in Northern France and Flanders might be divided into three sections. From the coast to Dixmude the Belgians, supported by French marines, have taken the offensive and, besides repulsing German counter attacks, have gained a footing on the right bank of the Yser Canal. Around Ypres, particularly to the east of that town, the Germans continue to attack the British lines and are again using gas and a tremendous amount of artillery; but, according to the British version, without making any impression. Farther to the south, as far as Arras, the French continue their offensive and have made very material progress, capturing a number of German guns, with guns and machine guns.

The greatest importance is attached to the French operations, as they threaten the German lines of communication for the armies on the Oise and the Aisne. The result of this battle, which doubtless will not be decided for days, is awaited with deep interest.

According to the French report, the Germans, their railway lines having been damaged by allied airmen, have brought up reinforcements by motor-cars. These have been met by the concentrated force of the French artillery. In fact, the artillery is becoming more and more the determining factor in the war.

Around Ypres, the Germans, before launching their attacks, which have been delivered on successive days, set up a large number of heavy and light guns, subjecting the British to a bombardment such as they themselves received at Nueve Chapelle. Officers and men who have escaped from it say that the trenches were utterly destroyed and the ground churned up by the shells.

Nevertheless, the British found some kind of shelter, and when the German infantry tried to advance they were mowed down. There are no signs, however, of the German attacks slackening. The Germans are reported to be concentrating more and more their efforts to take the place of or give support to those now on the firing line. Indeed, many believe that the biggest effort yet undertaken to reach the French coast ports is now under way.

The Russians are making desperate efforts to stop the Austro-German rush in Western Gallia and are fighting stubborn rearguard actions in an endeavor to hold the German allies until reinforcements can come up.

Despite the serious reverses they have suffered in the western part of the front, the Russians are continuing their attacks in Eastern Gallia and along the eastern sector of the Carpathians.

At the other end of the line in the Baltic provinces the Russians apparently have brought up a force sufficiently strong to drive back the German raiders who were threatening Mitau. Seemingly they are leaving the Germans in undisputed possession of the present of Libau.

The opinion prevails in Rome that Italy's entry into the war is the question of days, while along the border the universal feeling is that it is a matter of hours. The peace party, however, contends that the country will remain neutral. Ex-Premier Giolitti, one of the chief exponents of the policy of peace, it is reported will enter the Italian Cabinet, taking a post without portfolio.

Anti-German feeling, engendered by the sinking of the Lusitania, has caused riots in Liverpool, Manchester, Salford and Birkenhead.

Property of Germans in all these places has either been burned, looted or damaged. In Liverpool all unarmored Germans have been interned and naturalized suspects of Great Britain of German birth have been advised to leave the city. The question of the internment of enemy subjects has been brought up in the House of Commons and the Cabinet will discuss the question.

A German aeroplane has dropped bombs on St. Denis, France, wounding several persons and damaging several houses.

TURKS SINK SUBMARINE

Crew Captured Trying to Enter Marmora, Admiralty Hears.

LONDON, May 11.—The Admiralty tonight issued the following statement:

"A Turkish official communication, coming by way of Berlin and Amsterdam, says the Australian submarine AE-2 has been sunk off Turkish waters while trying to enter the Sea of Marmora and that the crew of three officers and 29 men were taken prisoners.

"No confirmation of this report so far has been received at the Admiralty."

CANADA INTERNS GERMANS

Steamer Prince George Collects 182 To Be Sent to Camp.

VANCOUVER, B. C., May 11.—The Grand Trunk Pacific steamship Prince George tonight brought 182 German and Austrian prisoners of war who were immediately transferred to a waiting train and taken to Vernon for internment in the detention camp there.

These men had been collected from Prince George and up-country points along the Grand Trunk Pacific line.

STEEL CHIEF HERE; TRADE MESSAGE JOY

J. A. Farrell Shows Business Is Improving.

IRON AND STEEL TAKE JUMP

Dollar Predicted Basis of Commerce of World.

FOREIGN DEMAND TO GROW

American Manufacturers to Control Eventually All Markets; Profit Sharing Called Necessary.

Trout Streams Lure.

SIGNIFICANT UTTERANCES BY JAMES A. FARRELL, HEAD OF UNITED STATES STEEL CORPORATION.

The steel business has increased more than 100 per cent since January 1.

The American dollar is destined to become the trade standard of the world.

American manufacturers eventually will control the world's principal markets.

Tremendous expansion of trade will follow the close of the war.

The profit-sharing arrangements, industrial accident relief, personal welfare work, pensions and co-operation are accepted as the standard attitude of modern employers toward employees.

These humanitarian methods are necessary for present-day industrial success.

Oregon trout streams are so alluring that I'm going to take a day off to try my luck, although I never fished for trout before.

Business in iron, steel and allied trades has increased more than 100 per cent since the first of the year and is continuing to increase.

This is the cheerful message brought to Portland yesterday by James A. Farrell, president of the United States Steel corporation.

Mr. Farrell was in Portland on a combination business and pleasure visit. He disposed of most of his business yesterday and is prepared to tackle the pleasure today.

Armed with a brand-new rod and reel, a wad of stout leaders, a reinforced line and an ample supply of spoons, hooks and flies, he departed last night for the Deachutes river. He was the guest of Thomas D. Honeyman and was accompanied by a few friends, and the party was under the guidance of Curtis G. Sutherland, of the O.-W. R. & N. Company, than whom no one is better informed on the habit of the trout that don't want to be caught.

"I never fished for trout in my life," confessed Mr. Farrell last night, "and if I catch anything on this trip I'll be tempted to come to Oregon to try my luck again."

Preparations Made for Outing.

"I'll bet he catches some if there are any fish to be caught," insisted Mr. Sutherland, knowingly.

Preliminary to the fishing expedition Mr. Farrell had to be measured for an outing shirt, a khaki suit and a pair of high-topped boots. This process served to reveal the caliber of the man. He is tall, broad-shouldered and raw-boned, but his outward appearance does not betray his real size. He is 48 inches around the chest and 42 around the waist. Every inch of him is bone and muscle. There is no surplus weight about him. He is constantly in fit condition, physically. And a man in his position has to be.

For, besides being head of one of America's most gigantic industrial concerns, he is active in many other particulars.

The United States Steel corporation is probably the foremost present-day example of "the new order" in the attitude of the large employer towards its employees.

Employees' Welfare Promoted.

It maintains successfully a profit-sharing system with its employees, a pension system, an accident relief fund, a sick benefit system and an employees' welfare system. The eight-hour day long has been in effect among the company's skilled men.

While all these progressive departments were inaugurated prior to Mr. Farrell's incumbency as president, he is in hearty sympathy with them and declares them as essential to the success of the company's extensive business as is its accounting system or its sales force.

"It is the modern way of dealing with the employe," he said. "It is the accepted way by all modern corporations. The employe is entitled to an opportunity of sharing in the profits of the employer and the employer in its duty bound to take an interest in the welfare of the employe."

Interest Extends to Homes.

The welfare work of the steel company goes so far as extending sanitary regulations to the homes of its workmen and providing proper housing (Concluded on Page 13, Column 2.)