.EATHER

Tonight and tomorrow, fair; easterly winds. Humidity, 71.

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PORTLAND, OREGON, TUESDAY EVENING, JANUARY 16, 1917. -SIXTEEN PAGES.

Agreement Reached Today

Bowles of Company.

OPEN SHOP RETAINED,

Grievance Committee Agreed

Upon; 600 to Be at Work

Wednesday.

F. H. Melsner, representing th

Metal Trades council, and J. I

Bowles, president of the plant, an

nounced the reaching of a final under-

standing this morning. Striking employes of the plant will

be put back to work as fast as ma-

terial shipments make jobs for them.

It is estimated by Bowles that 150

men will be put back to work tomor-

row morning, making 600 of the usua

"The men return to work under an

open shop agreement, under slightly

Meisner Says Strike Over.

Northwest Steel company is over," de-

morning.

sulted.

of a settlement.

'Just say that the strike at the

from which today's settlement re-

Willamette Still Out,

whose plea the negotiations were start-ed are still out of work, C. B. Ball.

president of the Willamette plant, and

the union officials, having been unable

The strike at the Willamette plant is

being kept up by the men. The plant

declares that, as far as it is concerned.

the unions. The men, on the other

hand, declare that they will eventually

DECLARED O. K.; MOSER

Multnomah County Delega-

Salem, Or., Jan. 16 .- On motion of

President Moser of the senate the

"passed the buck" to the Portland au-

thorities on the anti-picketing and

bannering bill which had been put up

o the delegation for indorsement by

After an hour's discussion with Rep-

esentatives Kubli and Mann insisting

bill. Senator Moser cited section 2176

that the delegation should indorse the

of Lord's Oregon laws, prohibiting vio-

lence or intimidation in connection with

strikes, and declared it would meet the

conditions arising in Portland out of

the shipbuilding industry strikes if the

Moser made a potion which was carried, that the district attorney, sher-iff and chief of police of Portland be

nvited to meet with the Multnomah

delegation at 8 o'clock Thursday night to explain why they are not enforcing

"They are passing the buck up to

While the bill was being discussed

The bill has an emergency clause

indorsement of the Multnomah delega-

tion and to see the bill rushed through

Senate Kills the

Pertland officials had the backbone to

enforce it.

the present law.

since watching over it.

the legislature.

legislative delegation

the Measure,

to agree even as to the preliminaries

900 men again on the payroll.

mpany was settled today.

Between the Metal Trades

Council and President

ON TRAINS AND NEWS PRICE TWO CENTS

ARE SUMMONEI BY COMMITTEE

J. P. Morgan, F. A. Vanderlip, H. P. Davison, Sol Wexler and Arthur Lipper to Be Questioned on Operations.

"LEAK" INVESTIGATION NOW IN FULL SWING

Thomas W. Lawson in Spotlight at Morning Session: Rumors Recalled.

Washington, Jan. 16 .- (U. P.)-Thomas W. Lawson will be "an inmate of an asylum in two years," according to Paul M. Warburg, whom Thomas W. Lawson mentioned yesterday at the house leak inquiry.

"I am profoundly convinced of this man's insanity," Warburg said, just before he was about to take the stand

The summoning to Washington of a group of the nation's most powerful financiers, headed by J. P. Morgan and A. Vanderlip, to shed any possible light they may have as to how the advance news of President Wilson's peace note reached Wall street, was the big development of today's session of the leak investigation.

With Morgan and Vanderlip were summoned H. P. Davison, Sol Wexler The decision of the rules committee

to subpena these powerful financiers indicates their determination to investigate every possible phase of the leak. Asked at whose request Morgan and his associates were being called, Repsentative Harrison merely said:
"I want them summoned for what esentative Harrison merely said: they may know."

Thomas W. Lawson, whose sensa tional disclosures yesterday started the committee on the real work of the probe, was recalled as the first wit-

Verbal clashes between Chairman Henry and Lawson enlivened the hearing continually. A sharp difference developed when Lawson declared that in their statements either he or Chair man Henry was a perjurer, and that the committee had no higher duty than to discover which one was guilty.

Huge Combination Alleged. Lawson added to his sensational charges of yesterday, in detailing his confidential conversation with Representative Henry on January 1 and Jan-

He said that he had told Mr. Henry Wall street "so big it gave you a thrill," and that this combination had Mexican and war news, until it was so common in Wall street "you didn't have to get things first hand."

(Concluded on Page Five, Column One)

COAST FLOUR MILLS ACCUSED OF HAVING FORMED COMBINATION

Berkeley Citizens' Committee Jury Action Immediately.

San Francisco, Jan. 16.—(P. N. S.)
—Charges of an unlawful combination by eight large flour companies on the Pacific coast to control prices to wholesaler, retailer and consumer were presented to the federal authorities re today, together with a demand

for federal grand jury action The charges were filed by the Berkeley Citizens' committee on the high cost of living, and the firms complained of are;

Globe Milling company, Sperry Flour company, Albers Bros. Milling company Astoria Flour Mills company, Centennial Milling company, Southern Pacific Milling company, C. A. Hutton and the Washburn-Crosby com-

It is understood that the charges were at once forwarded to Don Rathbun, special investigator for the

Rathbun and United States District Attorney John W. Preston recently inestigated the rise of food prices in California, on orders from Washington. The inquiry was kept secret for three months, when it was disclosed that federal grand jury action was not improbable as a result of the investi-

of living ordered some time ago by the public character of anyone. department of justice of the United States district attorneys in different parts of the countries, Oregon as well, have not disclosed any offending food manufacturers or dealers in Oregon

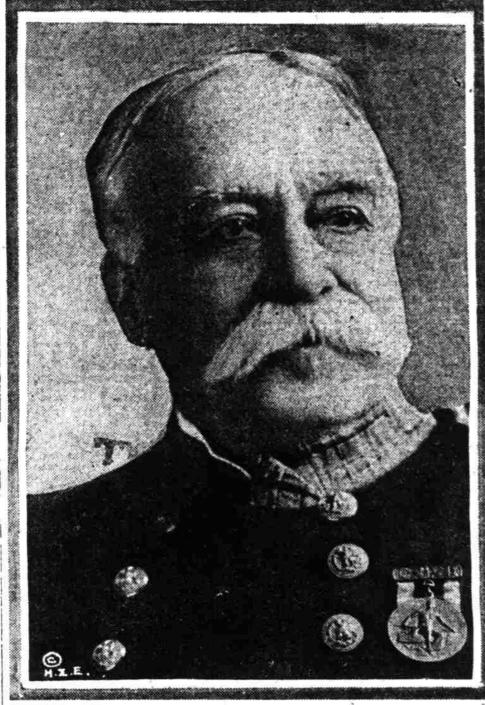
The complaint against the flour companies filed in San Francisco was initiated by the citizens of Berkeley alone and had in all probability no instigation from the federal authorities. Federal authorities here disclaimed any knowledge of the charges against the flour companies or of any contemplated action of a similar nature in Portland,

Advertising Amendment Killed.

Washington, Jan. 16 .- (U. P.)-The house today, on a point of order, killed the Randall amendment to the postoffice appropriation bill, which would
have denied the use of the mails for

have denied the use of the mails for

HERO OF MANILA BAY IS DEAD



Admiral George Dewey

ADMIRAL GEO. DEWEY HE AIMED AT SYSTEM. DIED THIS AFTERNOON NOT AT INDIVIDUALS IN WASHINGTON CIT

Washington, Jan. 16.—(I. N. S.)

-Admiral George Dewey died at

Washington, Jan. 16 .- (U. P.)-Ad-

miral George Dewey is nearing death

A bulletin issued shortly after 1 o'clock by Dr. Fauntleroy said:

time since he became ill."

Vt., December 26, 1837.

vigil.

"The admiral is worse than at any

Shortly thereafter Dr. Fauntleroy

The admiral's wife, who has been at

Admiral Dewey celebrated his seven-

ty-ninth birthday anniversary Decem-

er 26. - He was born in Montpelier,

captain and commodore, which last-

income of \$13,500 a year.

North Powder Ever

North Powder, Or., Jan. 16.— The mercury dropped last night

weather of the winter. Motion

pictures were taken yesterday

of the harvesting of the local

ice crop by electrically oper-

ated machinery, the North Powder plant being the largest

Bend, Or., Jan. 16 .- The low-

est registered temperature last

night in Bend was 12 degrees

below zero. Reports from La-

pine and points south are that

the prevailing temperatures are

west of the Mississippi river.

his bedside almost constantly since his

annhoused "the end may come at any

eak Investigation Resumed Mrs. Dewey, Who Has Been This Afternoon Before the at Husband's Bedside Con-Rules Committee,

Washington, D. C., Jan. 16.—(U. P.) -At the afternoon session of the then that there was a combination in house rules committee, Chairman 5:56 p. m. been in existence for months, peddling on the stand this morning." avoiding mentioning the name of Thomas W. this afternoon. Lawson, principal in the "leak" in-

> vestigation. The latter was not on hand imme-

Lawson had hard work crowding to he witness stand because it was time." lanked by women.

Representative Harrison sought to know what Lawson meant by a "false near collapse as a result of her long erroneous channels. "I didn't mean any person. I meant

system." Lawson answered. The system, he said, had established 'false trails" to cover the latest leaks and the system tried to turn these

lutely innocent." Lawson declared, however, that he Demands Federal Grand had not intended to eliminate all administration sources when, in a recent letter, he accused the system of "laying the blame at the door of the assolates of the greatest president since Lincoln, though the system had proof positive of their innocence."

"I didn't have Secretary McAdoo in mind when I wrote that letter," said Lawson "Did you have Secretary Tumulty in mind?" asked Harrison.

"I did not have Tumulty in mind one way or another," he retorted, Lawson did not say whether Mc-Adoo was on the list of innocents he had mentioned in the letter. Lawson had just told of a letter

which, if published, Lawson said. would have dreadful conquences." it he had acquitted Tumulty of any the lart in the leak. Lawson replied, "I side. didn't have him in mind one way or

"Do you think you ought to have told Tumuty?" he was asked. "Well," he answered, "Mrs. Visconti said she called him up and she told letired from active service in 1899 and care will be rushed, so that all will ne 'he cursed me out in a way that has since resided in Washington, won't stand from any man. He said I'd have to tell him anything I a full admiral, a rank revived espe- ample time for handling next season's had over the 'phone.'

"I did try to reach Mr. Price bewhich he alone held, he received an As an expressiving this out." fore giving this out." Lawson suggested he had "other matters" she wanted to tell the committee in confidence, but said these Brr-r-r, Will Old The investigations into the high cost did not involve either the private or

He was excused until tomorrow, with orders not to leave town. Representative Campbell wanted an executive session wherein to take up "a very serious matter," and the com-mittee adjourned for five minutes.

"These other matters," he said, "came from Mrs. Visconti." In the executive session Representaive Campbell asked that the committee appoint counsel and a stock market expert to conduct further investigation.

Woman Was Burns Detective. Washington, Jan. 16.-(U. P.)-Mrs. tuth Thomason Visconti, the woman of mystery, who has appeared in the ongressional leak inquiry, was formerly associated with William J. Burns. detective, in his investigation of the

Lid Off" National Committee's Executive Committee in Lengthy Statement.

M'ARTHUR IS ACCUSED OF BEING IN CLIQUE

Loss of California and Washington Is Attributed to Crocker and S. Perkins.

New York, Jan. 16 .- (U. P.) -The executive committee of the Republican national committee held out the olive branch to the Progressives today and adopted resolutions providing for some sort of a plan for continuance of Progressive cooperation in running the G. O. P. machinery.

New York, Jan. 16 .- (U. P.) -- George W. Perkins "blew the lid off" the Republican national committee's executive committee today in a lengthy Col y of New Jersey, declaring it was theatre of wai. seeking to force retirement of Na-"shift responsiblity for Mr. Hughes" defeat from their own shoulderswhere it rightfully belongs-to those of Willcox."

lowed the committee's action last night in naming a vice chairman, in designating Washington as its permanent headquarters, filling a vacancy at the District of Columbia and appointing a sub-committee of three to pass on all matters of publicity, nance and expense, later naming itself as a committee to select "such progressive Republicans," according to associated with it as a campaign com-

"All these things," said the Perkins-Colby statement, "were wilfully and defiantly done, in spite of the fact that Mr. Hays, the Republican state group, insisting upon this arbitrary positions and our curtain of fire. In action, that if the contemplated action were taken, we would have nothing to do with such an impotent and powerstantly, Is Near Collapse.

"The election of a vice-chairman was

UNION PACIFIC PLACES ORDERS FOR MILLIONS OF FEET OF LUMBER

illness became serious, is said to be 1800 Refrigerator Cars for Fruit Express.

After a course at the Norwich Miliand the system tried to turn these trails toward administration people.

"For instance," he explained, "I meant Lansing. I believe he is absolutely innocent."

The course at the Norwich Milipotential of the valuable personal instruction of his 503,003 feet of lumber to be used in father, who was one of the best known the construction of 1800 refrigerator physicians of his day, the future and the construction of 1800 refrigerator. physicians of his day, the future sea cars for the Pacific Fruit Express are fighter entered the Naval academy at being placed by the Union Pacific systhe age of 16 years. Immediately tem among the lumber mills of this upon leaving the academy, four years territory, it was announced today by later, in 1858, he was ordered to active Harvey E. Lounsbury, general freignt agent of the O-W. R. & N. Co. During the civi, war he was a par-

ticipant in many of the principal naval operations along the gulf coast and in the lower Mississippi valley. After the war Lieutenant Development of the order to the war Lieutenant Dewey served at III. It is estimated that the lumber, at various stations and rose successively current rates, will cost \$220,000 at the

through the grades of commander, mills. The Pacific Fruit express is-a cornamed rank, he reached in 1896. Early poration separate from any railroad company, specializing in the handling in 1898 he assumed command of the of perishable products of orchard and On May 1 of that year, in Manila farm. It owns its own equipment, bay, he commanded in the greatest which is handled by the carriers on naval battle that had taken place since a contract basis, similar to the con-Trafalgar, completely annihilating the tracts prevailing between the rail-Spanish fleet under Admiral Montejo, roads and the express companies. The destroyilng 11 and capturing five ves- P. F. E. is controlled jointly by the Shortly after this Lawson was asked sels and all the land batteries without Union Pacific and Southern Pacific the loss of a man on the American systems, through ownersnip of stock. It is because of this ownership of immediately on receipt of the of- stock that the Union Pacific's purficial news of the victory Commodore chasing organization is looking after Dewey was promoted to the rank of the placing of orders for this new car rear admiral and thanked by a reso- lumber.

ution of congress. Admiral Dewey It is understood that work on the have been manufactured and delivered By an act of congress he was made to the western railway centers in

As an example of the need for suc additional cars, Mr. Lounsbury said the O-W. R. & N. loaded 2000 more refrigerators during the fruit season be-Be the Same Again the demands for the seconds. The order will be placed

The order will be placed equitably among the mills of the Willamette of Portland on Southern Pacific and O-W. R. & N. tracks.

Allied War Council Is Opened in London

London, Jan. 16.-(I. N. S.)-A great war council of the entente powers opened here today. It is understood that only military matters are to be discussed, and that diplomatic and economic questions will not be considered.

Plan Devised for Financing United States Al NURTHWES

Additional Inheritance Tax, Excess Profits Tax and Bonds Are

Washington, Jan. 16 .- (U. P.) - Reve-George W. Perkins "Blows state and s nues, including bond issues totaling of an additional inheritance tax, an excess profits tax of 8 per cent on corporations and co-partnerships, and by bonds, Democrats of the house ways and means committee decided today. The decision has the approval of the resident and Secretary of the Treas-Chairman Kitchin was authorized to

draft a bill incorporating the decision.

POWERFUL OFFENSIVE HAS BEEN STARTED BY RUSSO - ROUMANIANS

Berlin War Office Reports Strong Attacks Which, I Asserts, Were Failures.

Sayville Wireless.)-A powerful offen- return to work of the balance is not sive has been started by the Russo- definite. statement, signed jointly with Everett Roumanian forces in the Roumanian

The war office today reported strong advanced wage conditions and with an Russo-Roumanian attacks between the understanding as to future griev tional Chairman Willcox, and trying to Casinu and Sushitza valleys and on ances," declared Bowles. "A commit both sides of Fundeni. In two places tee representing each craft, seven in the trenches of the German allies were all, advised by a union official satisentered, but in both instances the factory to me, will hereafter take up Russian and Roumanian soldiers were individually any grievance that may iriven out by counter attacks, the official statement said. In the mountains of Moldavia the

Austro-Germans have captured 202 additional prisoners. The war office communication reads: 'Army group of Archduke Josef-Hostile attacks, delivered on Monday between the Casinu and Sushitza valleys, remained absolutely without suc-

The Roumanians, who had entered our trenches at one point, were driven back by our counter thrusts. Works December 29 at 10 a.m. ers and 200 men "Army group of Field Marshal von preparation, on both sides of Fundeni, strong Russian masses advanced to the to Mr. Hemenway, the leader of the attack. The storming waves broke

French Detachment Lost. Berlin, Jan. 16.-(1. N. S.)-(Via

Wireless.)-An attempt by French detachments to penetrate German positions near Bouvraignes, on the western front, was repulsed, the is working a partial force, and its head German war office reported today. The artillery fire in certain sectors no negotiations will be considered with has been heavy during the past 24

Roumanians Make Big Gain.

Petrograd, Jan. 16 .- (I. N. S.) -A Petrograd, Jan. 16.—(I. N. S.)—A gain of 1½ miles by the Roumanians southwest of Pralea, in the Roumanian war theatre, was reported by the war office today. South of Rekosa the German allies retired.

Two Turkish Ships Sunk. Petrograd, Jan. 16 .- (I. N. S.) -Two nore Turkish ships have been sunk in he Black sea off the Bosporus by Russian submarine, it was officially

High Price of Wheat

Brings Flour Raise Patent to Go to \$8.40 Wednesday;

Purchases by Germany and Decrease of Supply Strengthen Wheat. Flour, following on the heels

heat, which today took leap on the markets of the United States, will be dvanced 20 cents Wednesday merning. ecording to information from local the Employers' association of Port-This will bring patent flour land. to \$8.40 per barrel wholesale as a The cause of the rise is the unusual

strength of wheat. It is reported locally that Germany is quietly purchasing American wheat for shipment after the war. The decrease in the visible supply

f wheat has also contributed to the strength of the Chicago market, which practically controls other markets of

Gen. Bell Stops Over For Coming-Out Ball

Major General J. Franklin Bell, the legislature, asking us to pass an-United States army, commanding the other law when they don't display western department with headquarters enough nerve to enforce the one altween July 1 and December 31, 1916. at San Francisco, stopped off in Port-than during the same period of 1915. land Monday on an official trip to While the bill was being discussed Considering that constantly more acre-ages of fruit are coming into bearing, ball of Miss Mary Bacon, which took the demands for 1917 are expected to place at the Hotel Multnomah Monday tion, was in the lobby of the capitol night. He is an old friend of the impatiently waiting results. He had Bacon family, being associated in the brought the bill up from Portland the mills of the Willamette army for many years with the late several days ago and has been here Portland and the region north General Bacon, father of Miss Bacon, since watching over it.

Report Is Adopted On Immigration Bill

Washington, Jan. 16.—(U. P.)—The house adopted today a conference report on the immigration bill, incorporating the "gentlemen's agreement" provision by which Japan restricts

immigration from her islands to the United States.

The bill also includes the literacy test, which caused the president to the test, which caused the president to the bill once. It will be effective versity O. A. C. and Monmouth Nor. The names of those attending were veto the bill once. It will be effective versity, O. A. C., and Monmouth Normal.

Cruiser May Be Shipped on Cars to Home

Trestle to Be Built to Stranded Milwaukee; Even Armor Will Eu: eka, Cal., Jan. 16.-(U. P.)-A

unique feat in marine salvaging probably will be attempted on the stranded United States cruiser Milwaukee. She will be virtually hauled to the Mare Island navy yard by rail in pieces.

Naval officers on the scene today ad practically decided to recommend this course. They point out that it will be impossible to haul the cruiser off the sands. Instead, they propose to build a railroad trestle out to her, put men to work stripping her WAGES ARE INCREASED of everything portable, loading the guns, mountings, engines, boilers, fit-

> cars and sending them to Mare Island, nearly 200 miles away. Admiral Caperton arrived here today on the cruiser San Diego and at once ordered an investigation of the stranding of the Milwaukee. He will take personal charge of the situation.

lings, and even the armorplate, in box-

MINNESOTA BANKER TO TAKE INTEREST IN PORTLAND BANK

Scandinavian-American Bank of Portland Postpones a Meeting Awaiting Coming, transport liquor into the state either

of Minnesota will become identified making trips by automobile or otherwith the Scandinavian-American bank full of liquor. of Portland on February 1 when the annual meeting of the bank will be held. The meeting has been delayed two weeks in order for the incoming clared E. H. Meisner for the men this banker to make suitable arrangements to take control. While the name of the incoming tain exceptions as to retail and whole-

The strike in the Northwest Steel company and the Willamette Iron & banker was withheld by bank officials, sale druggists for medicinal, scientific. it is stated that he is owner of about Year. The men were called out in 14 banks in the middle west and is a poses. the former plant December 30 at noon, stockholder of the First National Liquid and at the Willamette Iron & Steel bank of St. Paul. He is considered purposes upon the written prescription one of the best bankers of that of a physician, while the user is also section. He is also one of the big men formerly connected with effect that it is to be used for medici-Through the appeal of a committee six workers from the Willamette big men on & Steel Works that a conference James J. Hill, the late railroad, mag- nal purposes only. started looking toward their return nate.

to work, a conference was finally se-cured between Northwest Steel com-larg r financial interests with the 10 \$100 or imprisonment up to 50 days. pany officials and the unions January Scandinavian-American, the bank will move at an early date to the Benson block, Northeast corner Fifth and Morrison streets. The property is now By an irony of fate, the men through owned by officials of the bank. Be- come immediately effective up removal of the bank the quarters will be entirely renovated.

For the first time in the history of upstairs. The second floor of the Benson block will be used as quarters for the bank. A wide marble stairway will be constructed on the Fifth street side of the building. The front of the uilding will be changed and will be aced with ornamental white enamel

President officials of the Scandinavian-American bank are: President, C. F. Hendricksen; vice president, Will F. Wright; cashier, Anthon Eckern; assistant cashiers, O. J. Hawkenson and A. L. Morland; directors, C. F Hendricsksen, M. G. Thorsen, C. J. Hawkenson, Anthon Eckern Henry Harkson and Conrad P. Olson. The new banker will reside in Port-

Pitcher and Catcher SAYS POLICE AFRAID Sign Beaver Paper

Despite the baseball strike talk the Portland baseball club is two players tion "Passes Buck" on nearer its 1917 status. Pitcher Byron Houck and Catcher Gus Fisher signed contracts this American peace note as listing peace morning. Neither player belongs to terms, but as setting forth the the fraternity, it is said. the Portland club would train in Hono-

> E. O. Hall & Co., sporting goods disributors, wired the McCredies today that they could have anything within lously arrogant" phrases of the note. reason if they would bring the Beavers | That general opinion has served to to the mid-winter carnival to train. Rates and transportation being satis- firmly, in their determination to confactory, Manager Walter McCredie stated the trip would be made.

Washington Votes National Suffrage

Olympia, Wash., Jan. 16 .- (U. P.) -The senate today passed a joint resoution introduced by Senator Walter Davis of Pierce county, memorializing congress to submit to states for rati- That the aliled attempt to break the lication the national woman suffrage mendment now pending, Only three senators voted "no."

Legislature to Be Asked to Aid in Forming Ship Lines

A bill for tax to establish

or to aid in establishing water lines out of Portland has been nearly completed by a committee of the Chamber of Com-merce and effort will be made attached and he had hoped to get the | * to have it introduced in the legislature within the next few days, said Fraklin T. Grifchairman of the committee yesterday evening. "The committee has given long and painstaking consideration to the subject and the complete draft of the measure we One Board Bill #

believe will be acceptable from

a legal point of view," said Mr. Griffith. Mr. Griffith's commit-

IMPORTATIONS Anderson Measure, Intro-

duced in House This Morning, Does Not Contain Search, Seizure Clause.

MEASURE CARRIES AN EMERGENCY "CHASER"

Drunkenness Made Misdemeanor With Penalty of Fine, Imprisonment.

Salem, Or., Jan, 16.-The long expected "bone dry" bill made its apwas reached. It is a long and involved looking instrument, to look at it; but, according to Dr. Anderson, who is its house father, it is not hard to understand.

The bill does not contain the "search and seizure" clause, which has been so much talked of during the last few months, and the law in that regard will remain as it is, unless the bill is changed during its course through the two houses. It is made unlawful, however, for

any person not a common carrier to for personal use or for the use of any other person. This will stop the prace tice which has grown up of people wise and returning with their suitcases Some Exceptions Made.

Common carriers are prohibited from ransporting liquor, except under license and permit from the district atmanufacturing and sacramental pur-

Drunkenness is also made a misde

Liquor may

both as a penalty for conviction, Carries Emergency Clause. The bill carries an emergency clause and if passed with it attached will be-

governor's signature Today seems to be fish day at Salem. The fish and game commission is on ocal banking, a bank will be located hand to have its first conference with the joint committees of the two houses,

(Concluded on Page Four, Column Four)

CONSPIRACY TO CRUSH GERMANY IS BERLIN'S VIEW OF ALLIED NOTE

German Public Regards Reply to U. S. as Statement of Aims of Conquest,

By Carl W. Ackerman.

Berlin, Jan. 16 - (U. P.) -Germany does not regard the allied reply to the entente's aims of conquest. The note It also became more probable that is regarded as confirmation of the conspiracy of nations to crush Germany. The German public, it was apparent cday, has arrived at this decision after the first shock of the "ridicuweld all Germans together, even more tinue the war in defense of their na-

tional existence. While the general opinion is that further peace moves are not likely until after the big spring offensives, considerable interest is evidenced here in the conference of colonial premiers called by England.

In view of the heavy losses sustained by colonials in the war to date, it is believed this conference may be significant, considered with the renewed offensive planned on the west. western line will fail is accepted as ertain here.

It is accepted that Germany's only answer to the latest allied note must be to fight still more vigorously. It has been repeatedly made clear that Germany will state her peace terms only when negotiations are opened.

But in the meantime public opinion backs up the government in satisfaction that Germany has made her posttion clear; has given full indication of the humanitarian motive which moved her in suggesting peace and in ad-judging that responsibility for con-tinuance of the war now rests with the entente.

President Only Peace Hope. Washington, Jan. 16 .- (I. N. S.)-Germany regards the direct peace negotiations with the enemies of the central powers as "a closed incident." This was stated by an official German source here today, and cannot be doubted as reflecting the Berlip government's view.

It was stated flatly that any move oward securing peace must now com from President Wilson and indicated that, while no one representing Germany in Washington is in the con-fidence of the White House, the feeting abroad is that further efforts by Washington of some character will be