

## Local Temperature

Maximum 42  
Minimum 32

# The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

PRINCE RUPERT, B.C., MONDAY, JANUARY 4, 1943

## Tomorrow's Day

Sunrise 10:02  
Sunset 17:31

PRICE: FIVE CENTS

# Russians Sweep Ahead Everywhere

RUSSIANS ON THE MOVE IN DEADLY DRIVE AGAINST NAZIS



In the thick of the battle for Stalingrad men of the Soviet forces which hurled back the Nazis are shown advancing. Infantrymen, their auto rifle ready, lead the party. Behind them comes the crew of trench mortars. Two men drag the mortar on its wheeled carriage, two others rush up with the ammunition.

## Rostov, Important Gateway To Caucasus Oil Area Has Been Recaptured by Soviet

### AIR POWER OF ALLIES

Great Demonstration of Superiority In North Africa

LONDON, Jan. 4 (CP)—In a great display of growing Allied air power in Tunisia, British and American planes shot down twenty-eight enemy aircraft, damaged thirty-four others and battered Axis supply bases over the week-end as French forces thrust near the Tunis-Tripoli highway and pushed deeper into southern Libya from the Lake Chad region. Duststorms and rains combined to hamper all operational activities yesterday within Libya.

Both Cairo and Axis dispatches told of adverse weather in that theatre and mentioned no significant manoeuvres by either side. Marshal Erwin Rommel's Afrika Korps appears to be digging in for a stand 40 miles west of Wadi Bei El Chebir and 150 miles east of Tripoli. Owing to heavy rains, there is still no land action of any consequence in Tunisia although air fighting keeps up.

British and American airmen destroyed twenty-eight planes over Tunisia, rocked Tunis and its port as well as Sousse and Sfax, blasting Axis harbors and railways, a North Africa communique reported today. The British Eighth Army nudged forward in Libya but slowly in order to maintain supply lines.

Red Army 'Gorges Mercilessly Along Against Winter-Stricken Axis on Five Major Fronts—Key Railway Point to Leningrad Retaken

MOSCOW, Jan. 4 (CP)—The Red Army of the Caucasus advanced along both banks of the Terek River today, driving the Germans back to the northwest and west from newly-captured Mozdok, thus breaking the salient that Nazi forces thrust forward more than four months ago toward the Grozny oil fields, Russian reports said.

The swift Russian capture yesterday of Mozdok and Malsobek, fifteen miles southeast of Mozdok, was considered a major victory like those of Stalingrad and Velikie Luki where the Red Army continued its offensives. An important railway junction and a key to Leningrad has also been recaptured.

With the Russians forging ahead on no less than five major battlefronts, German lines appeared to be crumbling in most important sectors, the Soviet said. The Nazi command, however, stiffened resistance at some points only to be hit at others by the hard-driving Red Army.

The plight of twenty-two Nazi divisions in Stalingrad is even more serious.

The war in the air has also been going badly against Germany which lost 266 planes during the past week, ninety-six being large transports endeavouring to carry supplies to the winter-stricken Nazi armies. Russian plane losses for the week are numbered at 122. The Red Army has pushed on for thirty miles beyond newly recaptured Velikie Luki and is now only sixty miles from the old Latvian border.

The Russians have scored further victories on all fronts with increasing disaster for the Nazis. There has also been a further Soviet advance from Selista, capital of Kalmyk province.

The Soviet pace in the middle Don area has been slowed down.

### Torpedo Boats Hit Destroyers

WASHINGTON, D.C., Jan. 4 — United States motor torpedo boats attacked eight Japanese destroyers off Guadalcanal, hitting one and damaging another.

### BOTH SIDES LOST SHIPS

More Information Regarding Naval Battle Off Norway Coast

LONDON, Jan. 4 — The British Admiralty announces the loss of the destroyer Gleam and the corvette Napdrag in a naval battle in the North Atlantic in which the Germans lost a destroyer and had a cruiser damaged. The battle occurred when German naval vessels attacked an Allied Murmansk-bound convoy.

### Jap Position Now Hopeless

MELBOURNE, Jan. 4 — Allied forces have completed the destruction of Japanese forces at Buna, killing 650 Japanese in bitter fighting, a communique said. The only remaining remnants of the Japanese Papuan army are confined in a narrow salient extending from Sanananda Point. The communique added that the "enemy's situation is now hopeless." Buna Mission was captured at the week-end by the Americans and Australians.

### How Nazis Make Their Soldiers Fight

MOSCOW, Jan. 4 — An order to the Nazi forces in Russia has been issued by Chancellor Adolf Hitler threatening execution of the families of all German soldiers who dare to surrender in the Russian campaign.

### SUB BASE HARD HIT

Heavy Attack on St. Nazaire—Ruhr Valley Visited Again

LONDON, Jan. 4 — British bombers attacked targets in the Ruhr last night to top off a day-long Sunday assault on Nazi strongholds which included a smashing raid by United States heavy bombers on St. Nazaire submarine base.

Three of the Royal Air Force craft were reported missing from the night assault. As well as France, enemy targets in the Low Countries were also attacked.

German bombers came over northeast and southeast England including the Isle of Wight and caused some damage and casualties.

Heaviest bombers of the United States air force were used in cascading tons of explosives on St. Nazaire Sunday. It was one of the biggest daylight raids in weeks. Seven American bombers are missing. Bombs were seen to hit the target area, starting fires at St. Nazaire which is one of Germany's largest bases for u-boats.

### DOMESTIC TRAGEDY

Woman Confesses in Regina To Drowning Her Two Small Children

REGINA, Jan. 4 — Mrs. Frank Rill, aged 29, was placed in custody after walking into a police station and saying that she had just killed her two children—three years and five weeks old. The children were found drowned in a water cistern in the basement of the Rill home. The husband said he had been worried about his wife.

### HOCKEY SCORES

SATURDAY  
Toronto 6, Montreal 3.  
SUNDAY  
Boston 3, Detroit 2.  
Rangers 3, Chicago 4.  
Montreal 4, Toronto 4.

### 1942 Customs Revenue Sets Up New Mark

Customs and excise revenue at the port of Prince Rupert for the year 1942 totalled \$588,637.04 as compared with \$550,502 in the year 1941. Incidentally, the revenue for 1942 was the heaviest in the history of the port. The revenue for this December was \$54,410.22 compared with \$47,140.18 in December 1941.

### SHIP WAS SCUTTLED

Germans Chose to Sink Their Own Ship Rather Than Lose It

LONDON, Jan. 4 — A 10,000-ton German merchantman was scuttled by its crew after being intercepted by British naval vessels. The crew was captured.

### Ottawa Session Opening Shortly; Post War Plans

OTTAWA, Jan. 4 — The session of Parliament will open on January 23, it is announced. Plans for post-war rehabilitation will be given attention in addition to dealing with war matters. The opening of the session will see some vacant seats with by-election dates not yet set.

### MAKE RAID UPON KISKA

Allied Planes All Return Safely From Latest Attack

WASHINGTON, Jan. 4 — United States bombing planes made still another raid on Kiska Island in the Aleutians. Japanese planes again rose to meet them and one was brought down. All American planes returned safely to their base.

### NAVY WINS THIS ROUND

Japanese Planes Destroyed in Vain Attempt to Sink United States Battleship

WASHINGTON, D.C., Jan. 4 — An American battleship destroyed an entire flight of twenty enemy dive bombers with anti-aircraft guns in the South Pacific, the Department of the Navy reported today.

The battleship destroyed a total of thirty-two planes before the enemy ceased trying to sink it. The battleship suffered only one bomb hit, causing minor damage.

### TO RATION NEWSPRINT

Federal Government Announces This Is To Be Done

OTTAWA, Jan. 4 — The government announces today that newsprint is to be rationed in Canada. It will be on a graduated scale, according to the size of newspapers.

PNEUMONIA TARGETS  
Pneumonia has been found to be more common among men than women.

### BUSINESS BROKE OLD YARDSTICKS OF OTHER YEARS IN DOMINION

New Official Index for 1942 Shows Gain of 24 Percent Over 1941—Major Expansion in Employment And Farm Incomes Higher

By ALEX PRINGLE  
(Canadian Press Staff Writer)

The third full year of war witnessed continuous expansion of Canada's industrial plant and a sizeable growth of agricultural production to meet the call for more food at home and abroad. The fisheries industry likewise stepped up the tempo of output but lumbering and gold mining were handicapped by the shortage of the labor supply and these alone among the country's basic industries suffered retrogression.

The war has had the effect of directing the Dominion's productive effort into many new channels lying outside the scope of peacetime economic barometers. The Dominion Bureau of Statistics found it necessary a few months ago to replace its outmoded business speedometer with a new index that would better measure the faster clip at which industry has been travelling under the spur of the war effort and at the same time reflect the usual factors entering into the compilation of the physical volume of business.

According to the Bureau's new indicator the volume of business showed a gain of 24 percent for the first 10 months of 1942 in comparison with the corresponding 10 months of 1941. A few of the 75 or more classifications entering into the index compilation show increases of 35 percent or more. Manufacturing generally enjoyed an expansion of 40 percent.

**Employment Expansion**  
Standing out prominently in the year's list of new records appears the sharp expansion of employment. Canadian plants are now turning out \$2,600,000,000 in war materials annually and this output in addition to production for civilian needs has called 750,000 additional workers (men and women) to the nation's payrolls in the last two years. The national income has grown 70 percent since 1938.

The flood of money going into the pockets of workers has produced the greatest volume of spending in the country's history despite the heaviest burden of taxation ever imposed in Canada. Retail sales are currently 15 to 20 percent greater than a year ago and for 1942 the total is expected to exceed the 1941 total by 35 percent.

All the money is not going into consumer goods, taxes or even war bonds. Deposits in the banks now total around \$3,300,000,000, a gain of nearly \$1,000,000,000 in three

### JAPAN LOST MANY SHIPS

Seven During Past Week Brings Bag of American Subs to 112

WASHINGTON, Jan. 4 — United States submarines have sunk seven more Japanese ships. This brings to 112 the total of Japanese ships now sunk by American submarines.

### Pacific Coast Shipbuilding Quota Is Big

PORTLAND, Jan. 4 — A quota of sixty-nine ships to be built during January has been set for west coast of United States shipyards. The quota for the west coast for the year is equal to that of the whole nation for last year.

### Home of Bing Crosby Burns

Residence of Noted Screen Star Consumed by Flames Last Night

HOLLYWOOD, Jan. 4 — The beautiful twenty-room Colonial mansion of Bing Crosby, screen star, was completely destroyed by fire last night. The family rushed safely from the building without injury. Crosby was absent playing golf.

The fire was caused, it is believed, by a short circuit when Mrs. Crosby and her four young sons were taking down Christmas tree decorations. Damage is estimated at \$250,000. Many valuables were destroyed but not the original manuscript of "Dixie" which was not there.

gave the gold mining industry a setback. Gold receipts at the Canadian mint were down eight percent for the first 10 months of 1942. At the same time the mining of essential war metals has been encouraged and these continued to expand. One producer, The International Nickel Company of Canada, brought a plant addition into operation in 1942 enlarging the output of nickel by 50,000,000 pounds over the 1940 output and enlarging their copper production by 75,000,000 pounds.

Production of newsprint slackened along with the lumbering industry generally. Production of newsprint decreased five percent for 10 months of 1942 and exports of newsprint in the same period slumped 4.2 percent.

**Mines Situation**  
Shortages of labor and materials