

FORECAST—Little change in temperature.
Sun-shine yesterday, 5 hours 20 minutes.

VOL. 99 NO. 153

VICTORIA, B.C., WEDNESDAY, DECEMBER 31, 1941—20 PAGES

PRICE FIVE CENTS

Anti-aircraft Guns Are Mounted and Ready to Blaze at Any Invader of This Area



Firing an "ack-ack" gun of which many are now in the process of assembly and mounting here.



Barrels of the Bofors tested this morning are swiftly and easily interchanged.



Faster than a pump-gun is this Bofors firing clips of shells. (See page 2 for story.)

Manila's Fall 'Imminent'

Associated Press
The United States War Department said in Washington today American and Philippine troops continue "strong resistance, inflicting heavy losses on the enemy" in the fierce battle for Manila.

With the battle in its highly-critical stage, the Allies adopted a war of nerves technique on Japan, leaving that country's people apprehensive over an attack on their own islands or anywhere on the far-flung Pacific front.

The Navy Department said that at 10:25 a.m. (7:25 a.m. P.S.T.) it was still in communication with Manila.

Gen. Douglas MacArthur's communique from Manila said: "The enemy is driving in great force from both north and south. His dive bombers practically control the route from the air. The Japanese are using great quantities of tanks and armored units. Our lines are being pushed back."

Private advices received in New York today indicated the fall of Manila is imminent.

These suggested arrangements based on the assumption that the capital of the Philippines shortly would be in Japanese hands.

Try to Evacuate 300 Casualties

Between midnight and 3:35 a.m. E.S.T. only one brief dispatch had been received by New York Associated Press headquarters from its Manila bureau. That reported that Gen. Douglas MacArthur's attempt to evacuate 300 seriously wounded from Manila by ship.

Censorship might have delayed later messages.

The Tokyo radio broadcast a Japanese claim that an invading column advancing from the southeast was within 20 miles of Manila.

In London, Reuters reported today a dispatch from Shanghai to Vichy which said the Japanese were only six miles from Manila.

The fall of Manila would not necessarily mean the end of the

States and Philippine armed forces presumably would continue resistance in other parts of the islands.

The Allies invoked their war-of-nerves technique against Japan today to mask the grand strategy of operations that might develop anywhere along a 5,000-mile front, reports from Washington said.

The overwhelming Japanese armies were smashing closer to the gates of Manila, but Tokyo exhibited signs of uneasiness over the possibility of development elsewhere. Paris' blackouts were reported in Japan.

Whether the Allied "nerves" offensive pressed—a lightning thrust against Japan at some unexpected point was a subject of lively conjecture here, where all eyes were on the tide of the fighting in the Philippines.

The capital realized that, if the terrific pressure on the Philippines was to be relieved, it would take a smashing surprise attack on Japan in some other part of the vast Pacific theatre.

1ST CASUALTIES FROM HONGKONG

OTTAWA (AP)—The Defence Department late today issued the first Hongkong casualty list since the colony fell to the Japanese Dec. 25.

There were no Victoria or British Columbia soldiers mentioned in the list.

The list says Brig. J. K. Lawson, leader of the Canadians, is missing, believed killed in action. Col. Patrick Hennessy was "killed in action" and Major Charles Augustus Lyndon of Edmonton and Rfmm. James C. Clayton missing in action.

Listed as wounded in action are Cpl. J. A. Coleman, Scotstown, Que.; Pfmn. Russell Collins of Bury, Que.; Rfmm. Thomas MacLaughlin of Bass River, N.S.; Rfmm. Alden MacNaughton of Matapedia, Que.; Rfmm. R. A. Passmore, Toronto; Rfmm. R. A. Smith, Scotstown, Que.; Rfmm. W. E. Waterhouse, Melbourne

Final Bulletins

Kaluga Recaptured

MOSCOW (AP)—The Red Army has recaptured the important centre of Kaluga on the Moscow front, a communique said early Thursday.

Guayaquil Shaken

GUAYAQUIL, Ecuador (AP)—Many persons were injured and several old buildings shaken down by a strong earthquake which shook the Guayaquil area this afternoon.

Asks Police Inquiry

OTTAWA (CP)—Pat Conroy, secretary-treasurer of the Canadian Congress of Labor, said this afternoon he had sent a telegram to Attorney-General Conant asking for an investigation into the activities of provincial police stationed at Kirkland Lake in connection with the gold mine strike.

Egyptian Shuffle

CAIRO (AP)—Finance Minister Abdel Hamid Badawy Pasha resigned today and an Egyptian cabinet reshuffle appeared likely over import difficulties arising from the war in the Pacific.

Drive Against Finns

HELSINKI (AP)—The Red army is attacking Finnish lines along the whole front, with fighting fiercest in the Swir River sector between Lakes Ladoga and Onega, a Finnish communique said today. The Finns claimed they had repulsed the Russian attacks generally.

Sol Hiss Dies

CHICAGO (AP)—Sol Hess, 19, creator of the comic strip, "The Nebs," died of a heart attack today in his apartment in the Sheridand Hotel here. He had lived and worked in Chicago most of his life.

May Seize Radios Of Japs in B.C.

The provincial government is considering the advisability of confiscating short wave radio receiving sets owned by Japanese, Attorney-General R. L. Maitland said this afternoon. Representations probably will be made to Ottawa after the problem has been gone into.

There is nothing to prevent Japanese receiving short wave messages from Japan at present, Walter Howard, supervising radio inspector for British Columbia, said.

Victoria Pilot Limp Home From Brest

LONDON (CP)—Pilot Officer R. G. Lane, whose parents, Mr. and Mrs. G. E. Lane, reside at 1468 Beattie Street, Victoria, B.C., brought home a big Halifax bomber on three of its four engines after the plane was damaged in the daylight raid on Brest, German-occupied France, Tuesday.

He said today that during the raid he was "too busy taking evasive action to see the bombs burst—flak was all around us."

"We got a fair amount of damage," he added, "and when we dropped our stuff we beat it as quick as we could."

Despite the failure of the starboard outer engine, Lane brought the Halifax to a perfect landing. His first words when he stepped out of his plane were "Gosh, I'm hungry."

P.O. Lane has been one of the most effective bombing pilots in Britain. He has been frequently mentioned in news dispatches. A couple of weeks ago he participated in a: effective raid on Italian bases.

Churchill: 'Deeds to Reveal Our Grand Strategy'

'Mr. England' in Canada's Capital

OTTAWA (CP)—Prime Minister Churchill today said he considered the decisions on grand strategy for the future conduct of the war, to be made in conferences with President Roosevelt, would be expressed "in deeds and not in words."

He told a press conference here the holding of Hongkong as long as had been done was most important and could not have been achieved without the assistance of Canadian troops.

He said he did not have much hope of Italy falling out of the war soon.

"I'm afraid the organ grinder, has the monkey too firmly by the collar," he said.

Will Hold Singapore Against Japanese

He expressed confidence Singapore would be held against the Japanese attacking forces in the Far East.

Asked what he thought of conscription for Canada, he said it was his practice not to comment on any contentious question. Canadians would have to settle the matter of conscription among themselves.

The British Prime Minister said he had made no particular resolutions for the New Year except to go on as hard as he could.

About 200 correspondents, photographers and radio news representatives met Mr. Churchill in the vaulted racquets court in the west wing of Rideau Hall, where the Prime Minister is guest of the Governor-General and Princess Alice.

Mr. Churchill came into the room with Prime Minister Mackenzie King and took his place on a small platform, facing the semi-circle of men and women and the battery of cameras.

St. Pierre, Miquelon Minor Incident

He was in great humor and frequently joked with reporters.

Questioned regarding the Free French seizure of St. Pierre and Miquelon, he said he regarded "that as a very minor matter compared with other things now going on."

The Free French had acted without the knowledge or consent of either the British, United States or Canadian government, but he believed everything would work itself out satisfactorily.

Regarding a message of reassurance reported to have been received from Mr. Churchill by the Australian government, the Prime Minister said he could not comment other than "we could not comment and his colleagues were constantly engaged on a number of measures designed to relieve the situation in the Pacific."

Mr. Churchill was asked regarding reports Canada and the United States would pool their resources with the United Kingdom without financial obligation to the latter.

"Casualty news financial matters to the Chancellor of the Exchequer," Mr. Churchill replied. He would not comment on these reports.

He told a questioner he did not think it would be possible to have Dominions' Ministers in London at the same time for long periods sitting as an Empire war cabinet.

He was confident of the outcome in Libya, but warned the power of the enemy to resist was not yet broken. He was "very satisfied" with the way in which Gen. Sir Claude Auchinleck had conducted the campaign.

A questioner asked if Mr. Churchill believed Malta could be defended more successfully than was Crete.

"I have not the slightest reason to suppose that Malta can be taken," he replied at once. There were powerful defenses there, including anti-aircraft batteries unsurpassed in the world.

Questioned on the fall of Kerch to the Russians in the Crimea as a possible definite turn against the Germans on the northern battlefield, Mr. Churchill said he hoped it would be.

He said he believed the Russians had made a "deep lesion" in the Nazi ranks, but would not estimate the losses inflicted.



With his massive figure framed in the doorway, Prime Minister Winston Churchill enters the East Block of the Parliament Buildings at Ottawa to attend a special meeting of the war committee of the Canadian cabinet. Prime Minister Mackenzie King accompanies him.

Victoria's Liquor Bill \$103,041 at Christmas

Victorians this Christmas paid \$103,041 for liquor—\$15,094 more than in 1940, when the total figure was \$87,947. In the two Victoria stores and the one in Esquimalt was \$87,946. Officials of the Liquor Control Board, announcing these figures, explained all liquors are up in price approximately 10 per cent over last year. This, in some measure, accounted for the soaring liquor sales. In Victoria, too, navy and army canteens are included in the total.

In the two Victoria stores and the total paid out for Christmas liquor was \$84,478—\$12,953 more than in 1940, when the figure was \$71,524.

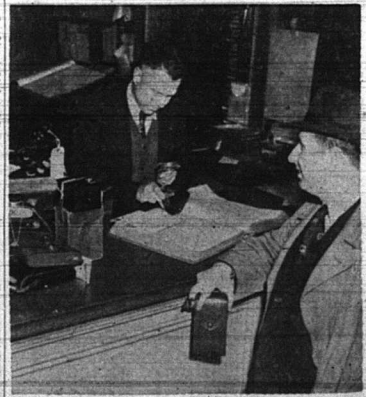
The Esquimalt liquor store, in the heart of the navy and army

district, did an \$16,563 business, compared with \$16,362 last year, an increase of \$200.

In Vancouver the seven stores took in \$364,641, compared with \$238,837, an increase of \$125,804. These figures are only for Dec. 23 and 24, and do not take into consideration the week-end before Christmas, when the liquor stores commenced their annual rush.

Liquor purchased has continued high since Christmas and reached a climax again today in preparation for New Year's Eve, but the New Year sales never hit the proportions of those at Christmas.

(See Page 20 for story on liquor sales to March 31.)



ALIENS' CAMERA-RADIO BOUND-UP—In San Francisco resident aliens are quick to respond to an order to give up their cameras and shortwave radios, with Martin Donig, right, German alien, one of the first to turn in his camera to Officer Lorraine Eckhardt. The order, in effect for some time in Honolulu, has been applied to the seven western states. British Columbia is considering taking similar steps some day.

W. H. Ker Dead

Walter Henry Ker, 72, leading Vancouver businessman and member of the firm of Brackman-Ker Milling Company, died today in a Vancouver hospital. Born in Victoria, he moved to New Westminster in 1894, where he managed the New Westminster and Vancouver branches of the business.

Mr. Ker was the uncle of R. H. B. and Col. Russell Ker of this city and the last of four sons of the late Robert Ker who came to Victoria in 1859 from Scotland, later becoming treasurer and auditor-general of "Vancouver Island and British Columbia during Crown Colony days.

No Times Tomorrow

New Year's Day will be a holiday for this newspaper. The next regular edition will be published Jan. 2.