River, and operations here may lead to encirclement of the German forces both in the Donetz Basin and on the shores of the Sea of Azov.

The Nazis are fighting desperately to hold their ground n the hope of launching a spring offensive against the Caucasus, but, says the Stocknolm correspondent of the limes, Berlin military spokesnen can not disguise their inxiety over the Red army's dictorious progress towards Berdyansk, on the Sea of Azov, is its capture by the Russians would be a serious setback.

Von Kleist's troops, since heir smashing defeat at Rosov, have been making a stand it Taganrog. The capture of Berdyansk would cut them off.

Kharkov, Kursk and Orel are still in the enemy's hands, but ill three cities are threatened y advancing Russians, who show their inventiveness in varfare by using ice-yachts to ransport troops along frozen ivers and over lakes someimes at 60 miles hourly.

In Berlin, hopes are exvill be able to hit back in Southern Russia by the end of farch, when the thaw usually ets in. But the Russian high ommand is pressing its adance everywhere so as to ake full advantage of winter onditions.

What it has to do during he next two months to wreck laxi plans is to recapture the vhole of the Donetz region, ncluding the great Dnieper am, selze Smolensk and expel he enemy from the Leninrad area. It is a stupendous ask.

Bands of German deserters ave escaped from the eastrn front into the forests of last Prussia, where Nazi miliary police have been sent to ound them up.

The siege of Singapore be-

an officially on Saturday last, ays the Times correspondent, then a great breach was lown in the stone causeway niting the island by railway ith the mainland. Artillery larted firing across the straits uring the night but there was o activity by the Japanese.

Some isolated British troops overing the withdrawal of the cain forces from the mainind," and cut off by destruclon of the causeway, swam ack to the island without ifficulty.

Air strength will largely de ide Singapore's fate, says the imes correspondent. If the apanese gain command of the ir it will be difficult for Britsh ground forces to maintain osition, but if the Royal Air force gains superiority the whole tide of battle may turn. The island's anti-aircraft bateries keep the Japanese combers at a height that preents accurate bombing, but nore lighter aircraft are ur-

ently needed. These should mash up enemy fighter and omber formation flying over he island

Editorially, the Times says he positive value of the Singaore naval base has been lost,

(Continued on Page 2.) See TIMES.

R.A.F. ACTIVE

(By Associated Press.)

CAIRO, Feb. 2 .- British forces have fallen back about 100 miles from Bengasi under attacks by Axis forces "in considerable strength," the Middle East communique announced today.

The war bulletin mentioned fighting at Maraua, 85 miles east of Bengasi, and in the Slonta area, which is about 19 miles still farther northeast.

Maraua, roughly midway be-tween Bengasi and Derna on the hump of Cirenaica, lies east of Barce, which Axis communiques reported today has fallen to Field Marshal Erwin Rommel's troops.
At Maraua the British an

E DYN THE ST. FREE BY AND LONG BY

Cairo Cabinet Quits

CAIRO, Feb. 2.—(AP)—The Egyptian cabinet headed by Prime Minister Ussein Strry Pasha, resigned today as the aftermath of student demon-strations against it.

egin indultan nasaû del betweenese

nouncement said, the 11th Infantry Brigade carried out a successful counter-attack "in which many casualties were in-flicted on the enemy'n and counter attacks also checked the enemy in the Slonta area.

FIGHT WAY OUT.

The communique said the 7th Indian Infantry Brigade, which had held Bengasi, fought its way almost intact through Axis ter-ritory to reach eastern bases, but that engineer and other units left behind to demolish installations in the lost port probably had been captured.

The 4th Indian Oivision was withdrawing in the highlands east of Barce "in close contact with the enemy who is following up this movement in consider-able strength," the communique said. It indicated British forces of some size were passed by the Axis advance and were receiving air support.

ON OFFENSIVE.

At Msus, southeast of Bengasi, it said, Imperial mobile columns smashed on the offensive yesterday and captured four enemy vehicles with their crews. "Throughout the course of yesterday's operation," it added, "our air forces continued to render effective support to operate

der effective support to opera-tions on land, while our bombers tions on land, while our bombers during January 31 - February 1 attacked mechanical transport columns in the area of El Aghella - Agedabla, staring a number of fires."

Reid Charges MacMillan Over Boats

By Daily Province Staff Correspondent

OTTAWA, Feb. 2.-Tom Reld, M.P., charged in the course of an address this afternoon that "no sooner had it become known that the Japanese fishing fleet was being taken into custody and that no fishing licenses would be issued to the Japawould be issued to the Japa-ness for the duration of the war than representations were made by certain inter-ested parties asking for the release of the boats to the Japanese again."
"What interests," de-mended commenters.

manded some members.

"Well my information is that one of them was the head of the Canada Fishing Company and also chalman of the Wartime Shipbulid-T +A "

ing Ltd." H. R. MacMillan holds the

VEAK ON GEOGRAPHY

Trainees on Walk to Frisco

CRANDROOK, B.C., Peb. 2.— to get a glimpse of it and San P).... 4 bit week on Canadian Prancisco on their first long leave. They found the Pecific seconds, and distances, two





NTARIO HIRES B.C. JAPS

Fit. Lt. J. C. Hackney,

officer commanding the R. C. A. F. recruiting depot in Vancouver, said today an order to stop enlisting Amer-

ican boys had been received from headquarters in Ottawa.

Before and since the Pa-

Before and since the Pa-cific war started more Amer-icans tried to enlist in the air force than could be ac-cepted. They were signed up on monthly quotas which varied from time to time ac-cording to the facilities available for assigning men

available for assigning men to manning depots. Unlike Canadians, who generally have jobs or rela-tives in the vicinity, Amer-ican boys were generally dependent upon the R. C. A. F. for maintenance until as-

WASHINGTON, Feb. 2. —
(AP) — Rationing of electric
power in nearly every sector of
the United States is expected in

signed to depots.

Expect Rationing

Of Electric Power

informed circles here.

PREY OF CANADIAN WARSHIPS

Survivors' Tales Hint Three TAKE HUNDRED Axis Subs Sunk in Atlantic

(By Canadian Press.)
AN EAST COAST CANADIAN PORT, Feb. 2.—Possibility that three Axis submarines might have been wiped out in brushes with merchant ships and Canadian warships in the Atlantic recently was seen here today as sailors of the merchant vessels told of the encounters. The men of one Canadian mer-

chantman told of ramming two objects believed submarines within a few minutes, and of a subsequent hour-long attack by Enlistment of two Canadian corvettes. Crew 115 V-1 two Canadian corvettes. Crewmen of a British freighter said they had opened fire at night on what appeared to be a submarine and had scored direct hits.

PICKS UP SURVIVORS.

PICKS UP SURVIVORS.

That same day, the British vessel wicked up 32 survivors of a torpedoed tanker who had been in a lifeboat 18 hours. The ship-waveled man, who were brought. wrecked men, who were brought here, reported 10 others aboard the ship were killed.

fourth engineer of the The fourth engineer of the Canadian Treighter, whose name can not be revealed, told of the meeting with the supposed U-boats after his vessel had put The into port for repairs. She was damaged only slightly in the

The collisions came at night, the engineer said. The ship scraped over one obstruction and about five minutes later ran START BOMBING.

A few minutes later, the corvettes started depth-bombing in that area, he said, apparently having picked up the sound of submarine engines. He counted 18 explosions.

The British vessel's adventure The British vessel's adventure came about in a similar way. At dusk, her keel grated over some object. Shortly after, the silhouette of what seemed to be a sub loomed up about 50 yards away. Opening fire, the ship's gunners appeared to score two hits. The object disappeared.

R.C.A.F. Plane Leads Destroyer to Rescue

HAMILTON, Bermuda, Feb. 2.—(CP)—Bellef that a Royal Canadian Air Force plane had led rescuers to 34 men of a British freighter torpedoed on the Atlantic was expressed by the vessel's captain after a United States destroyer had brought the group into this port.

group into this port.

The seamen had been in the lifeboats 38 hours, the captain said, they sighted a plane which swooped down to within 10 yards of the boat and dropped a message offering them

-J. H. McVety, regional super-visor in Vancouver for the en-

visor in vancouver for the sim-ployment service, said he was unable to give any details. Col. C. H. Hill, assistant com-missioner, R.C.M.P., said "it is likely some will be going there."

Government to send some of British Columbia's Japanese to the district to work in camps and

A number of Japanese have been contacted by the hiring committee and believe that they are to go, although they do not know what wages they will receive.

Last week lumber camp oper-ators at Cochrane, Ont., declared they were suffering from a labor shortage and asked the Federal

A number of Japanese have already been approached by members of a coinmittee of Japanese who were asked by the authorities to find suitable workmen who wanted the jobs.

Hiring of Vancouver Japanese to work in lumber camps in On-

LABOR SHORTAGE.

WASHINGTON, Feb. 2.-

Planes, Auxiliaries

Smashed by Fleet

to opergroup which may have at

British ships have shepherde

tide of the war in the Far East.

or Africa, to Singapore, reaching

and supplies to the Malayan army

from the naval base at Pearl Hai

anese bases in the Marshall and Gil

lines from Britain and Australia,

The U.S. Fleet, engaged in w

A sea and air attack by the United States Pacific fleet on the mid-Pacific flank of Japan's broad öffensive, announced yesterday, raised the probability of a full-fledged offensive in the enemy's nerable island mandates, timed to ease the siege of Singapore and check the pressure on the East Indies and Australia

The navy department said warships and planes of the Pacific fleet had wreaked terrific damage on Japanese naval and air bases in the Marshall and Gilbert islands, lying across the route of sup-ply to the Western Pacific combat areas.

CONFID

pore, an

yesterday dence tha will "star have Brite

Air Fo

Aus

Secr

Defe

мейво

Australiar

swiftly to secret def on yesterd ers lashed forces ba foothold c in the Bis

A comm

nese ship Rabaul, ca but results

disclosed:

It was a

which lan boing Isla tant Neth some 635

of Autsra

damage.

Disclosu

secret me

Australia's

vasion was Forde, ari three-hour

Many enemy auxiliary ships were sunk or damaged, many enemy planes were destroyed and the installations ashore and the installations ashore were heavily battered. The com-

were heavily battered. The com-munique gave no figures on enemy losses.

Two United States warships were slightly damaged by "near misses" of Japanese bombers and 11 aircraft were lost:

It was, so far as has been, reported, the first time Ameri-can hombs have faller on Japa-

can bombs have fallen on Japa-

said it was probable that "100 or more" vill be signed up by lumbermen.

The labor department official said they will be hired through the government agency in Vancouver (employment services of Canada.)

A number of Japanese already been members

coastal batteries.

'The loss of 11 American alreaft also bespoke severe fighting aloft. It was believed to be the heaviest loss suffered by United States air forces in a single engagement to date but if the ratio of Japanese to Ameri-can losses which has prevailed in previous air fights was main-tained, the Japanese suffered a vastly heavier blow.

The communique said Admiral way close Chester W. Nimitz, Pacific fleet port. Chester W. Nimitz, Pacilic fieet port.

commander, "reports that The Au
no large enemy combatant vessels were found," a phrasing had dropt
which led to surmise that the cinity of
attackers had hoped to surprise

(Continued on Page 2.)
See U. S. FLEET.

(Continued on Page 2.) See U.S. FLEET.

Out Alien Japanese SAN PEDRO, Calif., Feb. 2.— (AP)—Male Japanese allens on Terminal Island were taken into custody today by 180 federal, terday, att city and county officers and are army, navbeing held at the immigration station on the island.

A Japanese wno bought a ticket for Calgary loday at a city railroad station said about 100 Japanese are voluntarily leaving the city for prairie points. He said that the movement mostly fishermen and cannery will take place within a few days, workers, are said to total 400.

cisions re

(Conti

JAPS' BALLOON BARRAGE USELESS IN DEFENSE OF ARMADA

EYE-WITNESS STORY OF MACASSAR

Dutch Airmen Put Japanese Losses at 32 Ships, 16 Planes; Allie

(By Associated Press.)

BATAVIA, N.E.I., Feb. 2.-Japanese invasion fleet in the Straits of Macassar used an ela-Straits of Macassar used an elaborate balloon barrage to protect it from Netherlands and American bombers, but a total of 32 Jepanese ships were sunk, fired or heavily damaged and 16 for their planes were shot down in the four-day running battle, two Netherlands ar officers said today in a convey consisted of two conveys were shot down in the four-day running battle.

leave from his squadron, told the flighter flights. One large war, list, hit a

peave from his squaron, fold the Aneta News Agency.

"Finally on Eriday, January 23, through a rift in the clouds we sighted the enemy—a convoy of about 25 stips as far as we could make out. The convoy was hugging the Celebes Coast and

ship-we think it was a battle four Nippo ship, but things happened so fast we could not make sure— was sunk, a-heavy crulser was set on fire and was listing sharply when we last-saw it, and another cruiser, four transports and a destroyer were fired.

destroyer were fired. Ingress in Despite balloon barrage, which rose sank a cru about 9000 feet above the decks

air. reached E landed tro

craft carrie scene. An fighters in