

By Charles A. Sprague

Few of the episodes of the war have caused as much interest and wonderment and satisfaction as the capture of the German horde of gold which had been secreted in a salt mine. Until finance officers tally the amount in coin and bullion it is impossible to say just what the total is but early estimates were \$84,000,000. According to Dr. Werner Vieck, who was in charge for the reichbank, the pile represents the entire gold reserve of Germany.

While eyes of officers and GI's popped at the sight of gold bars glowing dully in the dim light of the salt mine, and civilians at home exclaim over the quantity of gold thus seized from the enemy, the real wonder is that this is all the gold that the reichbank had. If the Germans had captured Fort Knox they would find it its underground vaults over \$20 billions in gold, well over 200 times as much gold as Germany had.

Yet in spite of this meager supply of gold Germany was able to rearm, to build up a powerful army, a substantial navy, turn out enormous quantities of military equipment, and at the same time to give fair subsistence to her people. This success disproves completely the theory that national finance must rest on gold.

It used to be argued that the world could not carry on a prolonged war because of the cost. The finance of nations would collapse under the burden. How could Germany, for example, wage war without a strong gold reserve? That theory has gone with the wind. On a gold base which had dwindled before the war to \$33 millions reported in 1935 Germany (Continued on editorial page)

### Jobless Fund Error Found; Total \$216,000

A shortage of \$216,000 was shown in the accounts of the state unemployment compensation commission today, due to a "tabulating error" in computing the payroll of the Willamette Iron and Steel company, but commissioners said "there is no question whatever of any loss to the fund."

The tabulating error of \$18,000, 000 gave the Portland firm a merit rating of 2 per cent, whereas the correct figures would have provided a merit rating of 2.7 per cent and added \$216,000 to the company's liability. It was declared the company still was liable for the full amount.

The commission issued this statement late Monday: "In the accounting of \$80,000, 000 contributed by more than 10,000 employers, and particularly under the war-time handicap of limited personnel, it is only human that an occasional error will be made. Accounting safeguards are created to reveal such errors and periodic audits safeguard the funds of the commission.

"The current audit of the state division of audits revealed a tabulating error in the annual computation of the experience rate for a subaccount of one of the Portland shipyards. Following routine procedure, proper adjustments have been made in the account and the employer notified of the additional contributions due. There is no question whatever of any loss to the fund."

### Quarantine in Reich To Stop Typhus Spread

PARIS, April 9. (AP)—The U. S. army chief surgeon's office imposed a rigid quarantine on all Germany beyond the Rhine today to prevent typhus, now reported in 58 different reich areas, from spreading westward into France and the low countries.

### Kenneth Grimes 'Home' After Long Years as Jap Prisoner

Still below-normal in weight and tanned by the tropic sun, Kenneth Grimes, whose last address was the San Tomas prison camp at Manila, was back in Salem today in "the first American home I've been in since the war."

Grimes arrived by train Monday from San Francisco to visit at the home of his sister, Mrs. H. B. Unruh of 490 N. 23rd st. He was also greeted, in his first visit here in 14 years, by his mother, Mrs. Ruth Poole of Monmouth, a brother, Dale Grimes of Seattle, and several other relatives and friends.

He arrived at San Francisco a week ago in company with others released when American troops re-occupied Luzon. There was no mistaking his satisfaction in having returned, but there were but few details of his experiences he was at liberty to recount. Grimes went to the Philippines with the army air corps, and when

# Allies Strike for Elbe River; Russians Take Heart of Vienna

## Prussian Fortress Captured

### Austria Capital's Fall Imminent as Nazis Collapsing

By Romney Wheeler

LONDON, Tuesday, April 10. (AP)—Russian assault forces swiftly overrunning rapidly-collapsing enemy resistance in Vienna late last night captured the 2000-year-old inner heart of the city, while Soviet forces in the north conquered the long-beleaguered east Prussian capital of Koenigsberg.

The Soviet war bulletin, which was delayed three hours beyond its usual time, said early today that the center of the Austrian capital had been captured in wild street fighting that has engulfed more than three-quarters of the entire city.

The fall of Vienna, second greatest city of Adolf Hitler's greater Germany and the Red army's biggest potential prize, appeared imminent.

Moscow announced that Marshal Feodor I. Tolbukhin's third Ukrainian army troops had captured Vienna's houses of parliament, the town hall, the central police headquarters, the main telegraph and post office, the central European bank and the opera house. All lie either within or on the edge of Vienna's famed Ringstrasse.

Koenigsberg, ablaze and in ruins from concentrated Russian artillery and aerial bombardment, fell little more than 24 hours after Marshal Alexander M. Vasilevsky's third white Russian army began storming the city in an all-out assault Sunday.

## U-Boats Sink Fewer Ships During March

WASHINGTON, April 9. (AP)—German U-boats sank fewer allied ships in March than in February, the monthly Anglo-American statement said today.

The undersea raiders continued to increase their effort, the statement added, but casualties inflicted on them were again severe. The prolonged and extensive bombing and mine-laying policy of the allies "has undoubtedly delayed the introduction of the new type U-boats," it was stated. "In a similar manner the capture of Danzig by the Soviet arms helps to cut off the evil at its source."

## Grumman Makes 658 Airplanes During March

BETHPAGE, N. Y., April 9. (AP)—Grumman Aircraft company announced today production of 658 combat airplanes during March, claimed a world's record for one month's production at one plant. The total included 605 Hellcats, 105 more than the company's quota, and 53 new type fighter planes.

## Delay Seen In Opening of Alumina Plant

WASHINGTON, April 9. (AP)—The new alumina reduction plant at Salem, Ore., may not be able to begin operating June 1 unless a war production board decision is revised to allow the plant supplies of ammonium sulphate.

Senator Cordon (R-Ore) said the WPB chemicals bureau has agreed to review the earlier refusal for ammonium sulphate on May 15—two weeks before the plant is scheduled to go into production.

War Food Administrator Marvin Jones told Cordon no special allotment of the chemical could be allocated to the Columbia Metals company plant because earlier allocation already exceeded available supplies.

Hunt Food Co. might increase stock shares. A plan to change the company's corporate name to Hunt Foods, Inc., to exchange three shares of a new common stock for each two shares of the now-outstanding common stock and to more than triple the authorized number of shares of such stock will be submitted to stockholders of Hunt Brothers Packing company at the May 23 meeting. Directors of the company which maintains large operations in Salem authorized reference of the plan to stockholders when they met Monday in Los Angeles. (Details on Market page 8).

## Plays Trick



First Lt. James A. Lucas, Jr. (above), of Assonet, Mass., now at army's Thomas E. England General hospital, Atlantic City, N. J., captured the town of Binsheim, Germany, while actually a badly wounded prisoner of war. The tale he told his captors of their impending "annihilation" caused them to surrender. (AP wirephoto)

## U. S., Americas Resume Links With Argentina

WASHINGTON, April 9. (AP)—Argentina was welcomed back into the American family of nations today, 13 months after she was excluded on the grounds that her government cooperated with the axis.

The United States and 19 other republics resumed what Secretary of State Stettinius called "normal diplomatic relations." This followed Argentina's recent declaration of war on Germany and Japan and her adherence to the Inter-American agreements for security and cooperation in this hemisphere which were adopted last month by the Mexico City conference.

For the United States this meant recognizing the regime of General Edelmir Farrell which came in power in March 1944 and which the then Secretary of state, Cordell Hull, declined to recognize on the charge that it was working against the interests of the allied cause.

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## Liberty Bell Opens Drive

PHILADELPHIA, April 9. (AP)—Mayor Bernard Samuel struck the Liberty Bell in Independence hall seven times tonight, officially opening the nation's seventh war loan drive for \$2,500,000,000.

As the deep tones of the bell carried over a nation-wide radio hookup (Mutual), Mayor Samuel said: "I am proud that Philadelphia, the workshop of the world, has been chosen to launch this seventh war loan program." The first phase of the drive will be devoted to industry. Sales to the general public will start May 14 and continue through June 30.

## Chamber Eyes City Of Future

### Long-Range Survey Approved at Annual Meeting

Salem's 1300-member chamber of commerce—the largest organization of its kind, for per capita population, of any city in the country—was formally launched on a long-range program for civic development today.

By a standing vote, amid an artistic array of panels portraying the potentialities of the mid-valley area, the humdrum who jammed the chamber quarters for its annual meeting Monday night gave enthusiastic approval to the organization's new plan.

The program will entail the raising of a minimum of \$65,000, with estimates of need ranging to \$100,000, for the procuring of surveys of population expectancy and distribution; the general needs of transportation of all kinds; anticipated city, county and private buildings; parks, playgrounds and civic center areas; public services; industrial possibilities; zoning; and a coordinated plan of financing.

Presiding at the dinner meeting, over which the green light of a traffic "go" signal cast a constant glow, was the chamber's president, Loyal Warner, who reviewed the organization's growth, cited its assistance in assuring adequate wartime transportation to Camp Adair and Portland work centers, told of the work in connection with the \$5,000,000 alumina plant, and declared 13,000 persons under an \$80,000,000 appropriation would begin completion of the Willamette project immediately after the war.

Tribute Paid Carl Hogg. Warner also paid high tribute to Carl Hogg, immediate past president and now a director and chairman of the group's planning commission committee, who was credited with bringing the long-range planning program to its present stage of development.

It was Hogg who disclosed the program to underwrite the series of surveys, by engineers still to be announced, and who declared that 10 to 15 per cent of the \$65,000 minimum already had been pledged. He also urged that members aid in emphasizing the need for years-ahead planning and said that a desire to help on the part of every citizen was essential to assure success.

100,000 "Conservative". Warner, who pointed out that 1945 is the 50th anniversary of the chamber and similar preceding groups, declared that a population of 100,000 "before many years" was a "conservative estimate," and that "whether we desire it or not we must anticipate the present trend."

Congressman James Mott, who returns to Washington on April 14, congratulated the chamber on its program, declared the "future of the Willamette valley is almost unforeseeable," and said that completion of the Willamette project was assured, with the plan holding "highest priority."

The possibility of "ironing out objections" to city acquisition of Bush pasture and resubmitting the plan to voters was mentioned by Paul Wallace, planning commission member, who also suggested as a slogan for future planning: "I will lift mine eyes unto the hills." (Story also on page 2.)

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## Tokyo Says Jap Navy Unit Looking For Yankee Fleet

SAN FRANCISCO, April 9.—The Japanese navy has sent another "special attack unit" toward Okinawa in search of the U. S. Pacific fleet but apparently has not yet joined battle, Tokyo radio said tonight in a broadcast recorded by Blue network.

"A special attack unit (suicide corps) comprised of a battleship, cruisers and destroyers left its base determined not to return—and dashed into enemy waters in order to carry out close-in assaults," Tokyo said.

## Bombs Saturate Ground in Path Of 8th Army

ROME, April 9. (AP)—The bulk of allied air strength in Italy was thrown into a terrific bombardment today of an eight-mile wide strip in the path of the Eighth army in the direction of the Po river toward Ferrara.

A portion of the US 15th air force joined the US 12th air force in the terrific saturation bombing, which at first reports appeared to exceed even the devastation wrought at Cassino in the great assault of 1944.

Within the area was the town of Lugo, ten miles northeast of highway No. 9 and one mile west of the Senio river that has been the frontline boundary for many weeks.

The limited locale was literally soaked with high explosives by relays of American planes.

## 1500 Liberated Yank Soldiers Arrive Home

BOSTON PORT OF EMBARKATION, April 9. (AP)—Fifteen hundred American soldiers came back to their homeland tonight with tales of hungry months in German prison camps.

Advancing Russian troops liberated them as the nazi fell back in Poland last January too rapidly to move the prisoners.

The returning men were the first large group of liberated American troops to come home from the European theater.

They told of meagre meals in nazi prison camps. They talked of their escapes.

Soldier after soldier enthused about "those Red Cross packages that kept us alive."

They said of the Poles—"they didn't have much, but they shared with us what they had."

## Japs Hit Back on Okinawa

### Enemy Launches 3 Counterblows But 2 Repulsed

GUAM, Tuesday, April 10. (AP)—Under cover of the heaviest artillery duel of the Pacific war, Japanese made three counterattacks Monday on American positions in southern Okinawa. Two, by 50 Nipponese each, were repulsed, but the third, by 150 enemy troops, was still engaging 24th army corps troops in fierce fighting, the Associated Press Correspondent Robbin Coons reported from Okinawa.

The infantry was held to small local gains all along the southern front, running from just north of the capital city, Naha, to Yonabaru on the east coast. However, the 184th regiment of the Seventh division recaptured Red hill, an east coast position which the Japanese had seized from the Yanks in a bitter close range battle fought with tanks, bazookas, small arms and grenades.

Coons reported the Japanese laid down a two-hour artillery barrage, indicative of the stepped-up tempo of the battle. He also reported the Japanese are entrenched in depth along the southern front in positions which they had been preparing for probably a year.

He predicted the Okinawa campaign may last 60 to 90 days—making it two or three times as long as any previous central Pacific island conquest. Iwo Jima, previous longest, extended over 26 days.

## Gas Explosion, Blaze Fatal To 3 Children

PORTLAND, Ore., April 9. (AP)—Three small children were burned to death and two others may die as the result of a gasoline explosion and fire that destroyed a trailer house here tonight.

Dead are Donald, 3, and Lois, 5, children of Bert Cumpston, a widower, and Victor, 4, son of Mr. and Mrs. Victor L. Jaeger, also residents of the trailer camp. Barbara Cumpston, 9, and Shirley Jaeger, 6, were critically burned.

Two other Cumpston children, Eugene, 11, and Charles, 7, escaped. Fire investigators said Eugene attempted to start a fire in a wood heater by pouring gasoline from a can. Flames caught on the can and he dropped it.

The court ordered him held for trial on arson charges.

## 80,000 German Troops Sealed Off in Holland

### Hanover Entered; British at Gates of Bremen; Krupp Works Seized; Mysterious Fires Rage

PARIS, Tuesday, April 10. (AP)—Allied armies struck yesterday for the Elbe river—last big stream before Berlin—fought into the outskirts of Hanover and to the gates of flaming Bremen, and cut off 80,000 enemy troops in Holland with a push within 20 miles of the north German coast. Mysterious fires raged in Hamburg, Hanover and Brunswick, indicating that the German armies, stricken by the loss of a half million men in 10 terrible days of combat, were putting the torch to the cities which they seem unable to save from the allied onslaught.

American troops fought into virtually encircled Essen, Europe's greatest armaments city, and captured the ruins of the famed Krupp munitions works, idle since an RAF obliteration bombing in March. The nearby Ruhr city of Gelsenkirchen fell without a shot.

The British Second army and the US Ninth, First and Third armies were hammering toward the Elbe, which runs within 50 miles of Berlin, shoulder-to-shoulder along an arching front of 200 miles.

While the British joined lines with the Ninth army for the assault on Hanover, the main weight appeared to be swinging northeastward where vanguards on the Weser river were 50 miles from the Elbe at Hamburg, Germany's second city. They were battling a marine division hustled down from Hamburg and German troops from Denmark.

Reports Differ. The Paris radio said the British also had entered Bremen, but the last reports from the fronts said they were locked in hand fighting five miles from the city.

The US Ninth army threw five divisions into its eastern push, led by the motorized 83rd infantry division, which broke into the province of Brunswick at a point less than 70 miles from the Elbe and 137 miles southwest of Berlin.

The Ninth army's Fifth armored division also broke loose north of the Second armored division, which was erroneously reported to be 20 miles from Brunswick Sunday. It was the 83rd which was 20 miles from Brunswick.

Plunge 20 Miles. The US First army plunged nearly 20 miles eastward on the south flank of the Ninth army to within 135 miles of the reich's capital. On its south flank, the US Third army moved its lines up 128 miles from Berlin.

A field dispatch said the First and Third armies now were 150 miles from the Russians and close enough to cooperate tactically in cutting the reich in half. There was no official hint, however, that such tactical teamwork had actually begun, although it was possible.

Vaughn L. Olson Dies of Wounds. Pvt. Vaughn (Ole) L. Olson, son of Mr. and Mrs. Lincoln E. Olson of 861 South 13th st., Salem, died March 16 of wounds received while fighting with the First army in Germany, his parents have been informed.

Private Olson also is survived by three brothers, Leo Olson of North Hollywood, Calif., and Thaine L. and O. Dale Olson, both in the navy, and a sister, Patricia Olson.

## Willamette Basin Group Can Promote Irrigation

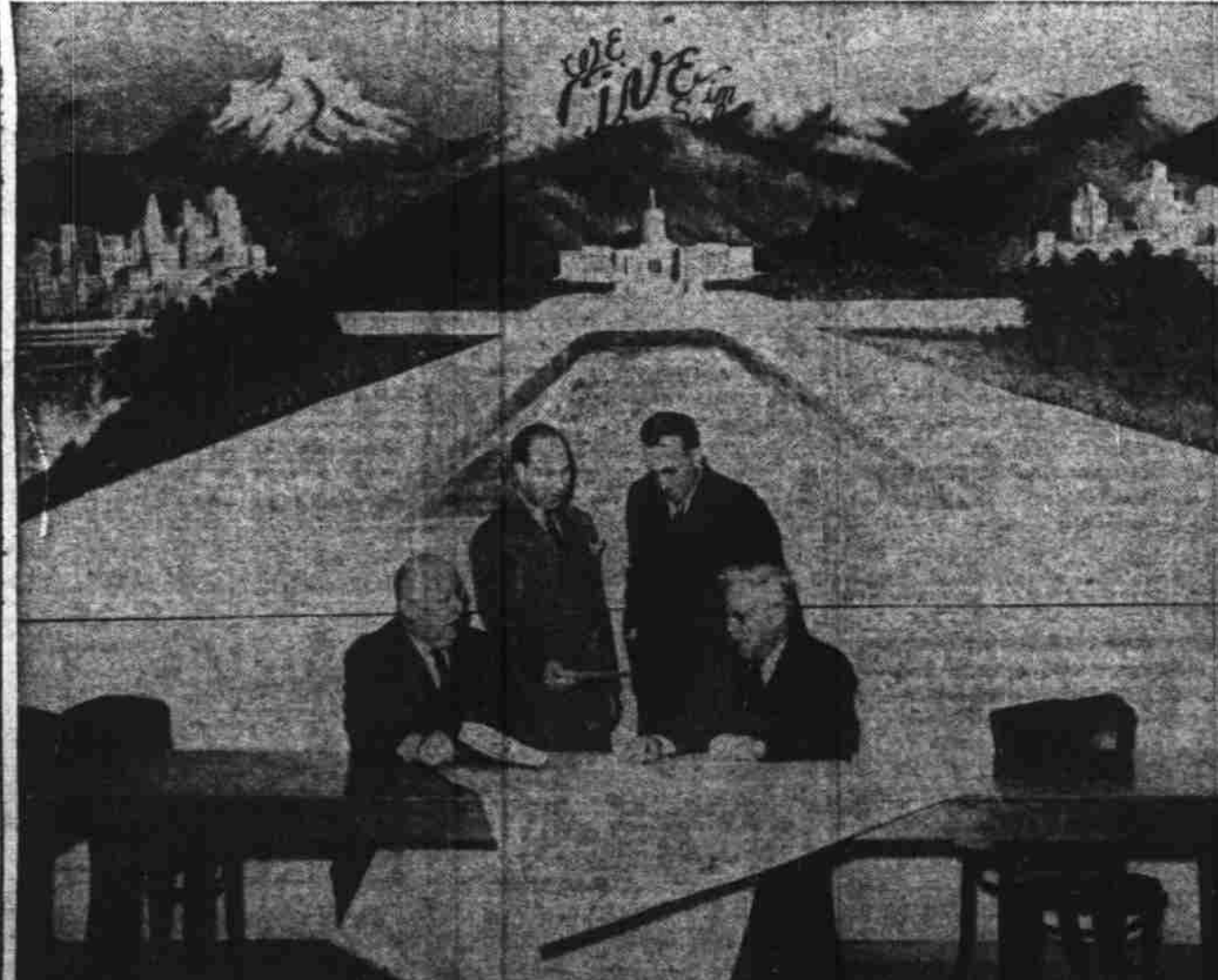
The Willamette river basin commission has authority to expend its funds for the promotion of irrigation and drainage districts within the Willamette valley, along with an educational program, Attorney General George Neuner held here Monday.

The opinion was requested by George Aiken, state budget director. The commission received an appropriation of \$10,000 from the recent legislature covering the next biennium.

## Germans Sent Home

STOCKHOLM, April 9. (AP)—All German civilians who have fled to Sweden in recent days will be sent back to their own country immediately, the Swedish minister of justice announced today.

## 'I Will Lift Mine Eyes Unto the Hills'



Portraying the Salem chamber of commerce theme of long-range planning is this artistic backdrop planned and executed by Russell Frost, Salem designer and artist, which formed the setting for the annual chamber dinner last night. Studying charts, maps and specifications at the table in the foreground are (left to right) Clay Cochran, chamber manager; Loyal Warner, chamber president; Carl Hogg, immediate past president and chairman of the chamber's planning commission; and C. E. McCullough, assistant state highway engineer and chairman of the planning commission. (McEwan photo)

Weather table with columns for location, Max, Min, Rain. Locations include San Francisco, Eugene, Salem, Portland, Seattle, Willamette river 5.6 ft.

FORECAST: (from U. S. weather bureau, McNary field, Salem) Partly cloudy with widely scattered light showers. Warmer daytime temperature.