

CONFEREES PROPOSE 3 PERCENT GENERAL SALES TAX

House Drives Toward Last Measures Of The Roosevelt Program

SENATE DECLINES TO LIFT LIMIT ON 8 MONTHS SCHOOL

Bill, With All Its Restrictions Included, Sent To House for Consideration There

FIRST READING ON REVENUE TONIGHT

Most of Senate Amendments Kept by Conferees, But Three Percent Tax Restored on Theatres; Non-Residents Will Be Permitted To Sell Beer

Raleigh, May 5.—(AP)—Conferees on the biennial revenue bill today recommended that the legislature enact a three percent modified sales tax for North Carolina, as the Senate refused to re-consider its action limiting operation of public schools to the eight months State-supported term.

The compromise revenue act suggested that the Senate's sales tax provision be accepted in preference to the House rate of two percent without exemptions.

The House immediately started consideration of the report, with indications of a vote on first reading late today.

Most of the Senate's amendments to the revenue bill were approved by the conferee group, but it was recommended that the House tax of three percent of gross admissions of motion picture theatres be adopted instead of the Senate's plan to tax them as a flat graduated scale.

As increases were suggested in tax rates voted by both the House and Senate, it will take six days to pass

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FIRE DESTROYS WAKE FOREST'S MAIN BUILDING

Fog Delays Italy



Guido Jung

Signor Guido Jung, Italian minister of finance, invited to Washington to discuss international affairs, with President Roosevelt, usually is a very punctual person, yet he kept a reception committee waiting for several hours in New York. His ship was fog-bound in the harbor and Signor Jung could not land until the murky haze parted. Photo shows him on arrival.

\$200,000 Loss Estimated In Burning of 98-Year-Old Administration Building Structure

100 STUDENTS ALL ESCAPE IN SAFETY

Loss Is Partially Covered by Insurance; Classes Being Held in Other Structures on Campus; Important Records Stored in Vault and Are Saved

Wake Forest, May 5 (AP)—Historic Wait hall, 98 year-old administration building of Wake Forest College, was completely destroyed by fire early today, with a loss estimated by college authorities at \$200,000.

The structure, the oldest on the campus, contained the business offices of the college a majority of the regular class rooms and dormitory for 100 students.

Though the flames were discovered about 2:30 a. m., all of the students living in the building escaped without injury.

The cause of the blaze was not immediately determined, but college officials said it appeared to have started in the center of the building in the class room section.

Wait, an ivy-covered four-story building, had been the center of activity at the college since it was constructed with contributions from Baptists of the State in 1835.

In a small tower of the building was the old college bell, which for nearly 100 years pealed out the warning of class time to students, sounding the cry of victory when athletic teams won, and tolled on joyful and sorrowful occasions through the years. It was destroyed.

Local firemen vainly fought the destructive blaze, and Raleigh's fire department was called, but the fire had gained too much headway.

College officials said the heavy loss was partially covered by insurance.

Today classes were being conducted in other college buildings.

The business offices were temporarily established in the library. The most important records of the registrar and bursar were saved, as they were in fireproof vaults but many other records of the business office were destroyed.

MRS. R. H. LATHAM IS WOMEN'S CLUB HEAD

Raleigh, May 5 (AP)—Mrs. R. H. Latham, of Winston-Salem, today was elected president of the North Carolina Federation of Women's Clubs for next year as the organization closed its annual meeting here.



WILL ROGERS says:

Washington, May 5—Foreign delegations coming here to join Mr. Roosevelt's bread line. Italy's and Oklahoma's got in the same day. Man named Jung sent by Dictator Mussolini to see what "Lady Bountiful" held in store for Italy. Man named Rogers sent by Dictator Alfalfa Bill Murray sent to pick up any loose crumbs that might fall locally.

Congress disgraced themselves something terrible today. There was three solid hours they didn't pass a single bill, not even an appropriation bill. Then they realized how slow they were going and woke up and practically passed a little dinky thing only appropriating one hundred million of the insurance companies hardly worth monkeying with.

Going to hear the President lecture the U. S. Chamber of Commerce. Was to broadcast it but that was called off. Looks like one of those affairs for men only.

Yours, WILL.

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SEARCH WIDE AREA FOR KIDNAPED CHILD HEIRESS



Mrs. Neil McMath



Neil McMath



PEGGY McMATH

From Canada to New York and far out to sea the search for 10-year-old Peggy McMath, daughter of Mr. and Mrs. Neil McMath of Harwichport, Mass., formerly of Detroit, has been extended. Attempts to make contact with the kidnapers who abducted the child from her school, at

Harwich Center, Mass., have been made in the vicinity of Cape Cod where Colonel Lindbergh futilely attempted to meet the persons who stole his son more than a year ago. Peggy is the granddaughter of Francis C. McMath, millionaire industrialist of Detroit. Photos are of Peggy and her parents.

The child was kidnaped from her school at Harwichport, Mass., by a negro and two white accomplices and is believed to be held on a seagoing craft somewhere off the Massachusetts coast. Both her maternal and paternal grandfathers are industrial millionaires.

First Relief Funds For May Are Being Mailed

American Dollar Hits New Low on World Exchanges

(By the Associated Press.) The American dollar decreased in value today in foreign exchange markets hitting its lowest quotations in relation to the British pound since Britain left the gold standard in September 1931. New York—Sterling opened at \$4, an overnight gain over the dollar of eight cents. The quotation subsequently dipped.

London—After dropping to \$4.01 to the pound, the dollar closed stronger at \$3.97 3/4, a falling off of more than six cents from yesterday's close.

Paris—The dollar hit a new low, closing at 21.20 francs.

Berlin—The dollar reached an all-time low of 3.54 marks.

KIDNAPED CHILD TO BE RETURNED

Boston Paper Says Peggy McMath Will Be Back Inside 24 Hours

Boston, Mass., May 5 (AP)—The Boston American says in a copyrighted story that Margaret "Peggy" McMath, who was kidnaped from her school in Harwichport Tuesday, will be returned to her parents within 24 hours. The American says a person well known to the McMath family was the "brains" of the plot.

"No gangster or racketeer had any part in it," the American says. State police and investigators, the paper adds, are "deliberately laying low" until the child is returned, and Daniel Needham, Massachusetts commissioner of public safety, in

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WEATHER

FOR NORTH CAROLINA. Showers tonight, probably ending Saturday morning; slightly warmer tonight in north portion.

CABINET LEADERS DESCRIBE RELIEF

Wallace and Roper Tell C. of C. Group of Plans for Recovery

Washington, May 5.—(AP)—Two cabinet officers described to the Chamber of Commerce of the United States today their plan for assisting agriculture and commerce.

Henry A. Wallace, secretary of agriculture, and Daniel C. Roper, secretary of commerce, asked the cooperation of the business leaders in working out schemes they believe will aid in the country's recovery from the depression.

Roper proposed a "president's council on business" to advise with the government on economic conditions.

Wallace asked that "agriculture

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KILLED BY A TRUCK NEAR FAYETTEVILLE

Fayetteville, May 5 (AP)—John W. Swindell, 15 of Norfolk, Va., was fatally injured ten miles south of here yesterday when run over by the rear wheels of a truck on which he was riding. The truck, driven by J. E. Poole, of Norfolk, had been to Florida, and the two were returning with a load of oranges. Poole said the truck gave out of gas and that Swindell jumped off before the machine stopped moving.

EARLY ACCORD ON REVENUE EXPECTED

Senate Bill in the Main Probably Will Be Approved by Conferees

Daily Dispatch Bureau, In the Sir Walter Hotel, BY HENRY LESSENIE. Raleigh, May 5.—The opinion prevails here that the House and Senate conferees on the revenue bill will not be long in reaching a compromise and that their recommendations will be accepted without much delay by both houses of the assembly.

It is conceded here that the House will accept the revenue bill in about the same shape that it was passed

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SECURITY CONTROL BILL TO BE VOTED CERTAIN PASSAGE

Action To Follow Five Hours of Debate Late In Day, With Success Now Assured

COSTS GUARANTEE HALTS FARM BILL

House To Lay Electricity Tax on Power Companies Rather Than Consumers; Gas Tax and Two Cents Postage Also Near to Passage in House

Washington, May 5.—(AP)—In a drive to clear up the remaining items on the Roosevelt program, the House today went to work on the securities control bill, agreeing to vote at the end of five hours debate.

Passage was certain, and all but committee amendments were barred.

Delay met the farm bill as House leaders decided to have a vote Monday on whether to insist that the Simpson plan for guaranteeing the farmers their cost of production be taken out of the measure.

That point alone remained at issue today between House and Senate on the important measure, but the issue was a sharp one, with Secretary Wallace strongly opposed to inclusion of the plan and the Senate equally determined to keep it in.

The Senate today was in recess until Monday.

Success was indicated for the House proposal that the three percent electricity tax be transferred from consumer to the power companies. A Senate finance sub-committee ap-

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German Is In U. S. For Conference

Dr. Schacht, Head of Reichsbank, Says America Must Lead the World Back

Washington, May 5 (AP)—Dr. Hjalmar Schacht as spokesman for Chancellor Adolf Hitler, of Germany, reached Washington early this afternoon to begin economic discussions at the White House with President Roosevelt.

New York, May 5.—(AP)—Dr. Hjalmar Schacht, head of the German Reichsbank, arrived for economic discussions with President Roosevelt today and expressed the belief that this country is the only one able to save the world's problems.

"It is fine that America has taken the initiative," he said aboard the liner Deutschland before being transferred at quarantine to the city tug Macon "because we think you are the only people who can solve the world's problems."

"I am instructed by my chancellor to express his warm regards for your courageous president."

19 Dead, 200 Hurt Alabama Tornado

Birmingham, Ala., May 4.—(AP)—Nineteen persons were killed and more than 200 injured by a tornado that swept three west Alabama communities shortly before dawn today.

Helena, a mountain village of 700 population, bore the brunt of the storm, with 12 dead and nearly 100 injured.

The other communities struck were: Demopolis, two killed; Centerville, two killed; Brent, three dead and Adamsville, Union Grove, Coalmont and smaller communities, where a number were injured.

The storms added to the toll of

May storms in the South, which swept Louisiana, Arkansas and Mississippi. Two were killed in storm in the lower Mississippi valley yesterday.

Alabama's death toll was expected to increase during the day as several of the injured were in such critical condition that physicians said they had only a slender chance to recover.

Relief facilities of Birmingham are nearby cities which last year were taxed to capacity as disastrous tornadoes killed 300 were functioning within an hour after the word of the storms had been brought here.

House Bill Would Cut Economies

School Expenditures Permitted Would Discount Savings Under Law

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE. Raleigh, May 5.—The Aycock school machinery bill, reported to the House yesterday by its education committee as a substitute for the original Aycock school bill introduced early in the session, should really be entitled, "A bill to nullify the intent of the State-supported eight-month school law by permitting the levying of unlimited additional taxes on property for supplementing the funds

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Senate Bill Will Hold All Terms To 8 Months

No Schools Allowed Extended Term That Provision; House in no Mood To Compromise With School Politicians and May Adopt Senate Plan

Daily Dispatch Bureau, In the Sir Walter Hotel, BY J. C. BASKERVILLE. Raleigh, May 5.—Deciding that the Griffin school machinery bill was still not tight enough and did not contain enough limitation, the Senate adopted an amendment by Senator Clement, of Rowan, limiting the school term over the entire State to eight months and no more, then passed the bill on second reading by a vote of 3 to 7 late yesterday afternoon. The bill is expected to pass third reading today with little or no opposition. Five of the seven votes cast against it on second reading were by senators who thought the bill still was not strict enough.

If the House now passes the bill in its present form, as many think likely, none of the larger cities in the