

OVER 130 DEAD IN NEW STORM IN SOUTH

Securities Commission Loses Ruling

CONSTITUTIONALITY OF ACT OF 1933 IS NOT DECIDED UPON

Commission Ruled Against
in Effort To Require
Witness To Testify
at Inquiry

RULING GIVEN 6-3
BY HIGH TRIBUNAL

Three Dissenters Hold,
However, Witness Was
Under Duty To Respond;
Court Defers for at Least
One Week Final Decision
on Status of Guffey Coal
Act

Washington, April 6. (AP)—In a six to three decision, which did not pass on the constitutionality of the 1933 securities act, the Supreme Court ruled against the Securities Commission today in its effort to compel J. Edward Jones, of New York, to testify concerning a proposed issue of oil securities.

The promoter was within his rights, the court held, in contending that withdrawal of the registration statement for the stocks made it no longer incumbent upon him to respond to the demand to testify. He also had attacked the legislation itself as unconstitutional.

"We are unable," said the majority in a decision by Justice Sutherland, "to see how any right of the general public can be affected by the withdrawal of such an application before it has gone into effect."

Justices Cardozo, Stone and Brandeis, in the dissenting opinion, maintained that the regulation prohibiting a registrant from withdrawing a statement once placed before the SEC was valid.

"The rule now assailed was wisely

SCHOOL SANITATION IS STILL VERY BAD

State Board of Health Official Sees Effort to
Arouse Public

Daily Dispatch Bureau,
In The Star-Walter Hotel,
By J. C. BASKERVILLE
Raleigh, April 6.—The general sanitary conditions of the public schools of North Carolina still are very bad, according to Warren H. Booker, director of the division of sanitary engineering of the State Board of Health.

Approximately 30 per cent of the public schools of the State have absolutely no water or sewerage supply, Booker asserted, declaring at the same time that persons confined in the prisons and prison camps of the State are enjoying far better sanitary facilities than are the school children of North Carolina.

Making Survey.
"The Department of Education," Booker said, "now is working on a

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Taxation Now Big Issue In State Gubernatorial Race

Outcome May Depend on Ability or Inclination of
Voters to Analyze Claims and Promises Being Made
to Voters by Candidates in Their Speeches

Daily Dispatch Bureau,
In The Star-Walter Hotel,
By J. C. BASKERVILLE
Raleigh, April 6.—Taxation is the big issue in the campaign for the Democratic nomination for governor, with the outcome depending upon the balance which exists between the intelligence and cupidity of the public, now that Dr. Ralph W. McDonald has had his say and definitely made taxes and revenue the dominant questions in the campaign, many who listened to Dr. McDonald's opening radio campaign speech agreed.

If a majority of the Democratic voters are inclined to believe all that Dr. McDonald said, without any in-

"There's Millions in It!"



The sensational disclosures in the House investigation into the Townsend Plan Movement are attracting older people. Above are three interested witnesses at the hearing. Below is James R. Sullivan, counsel to the House Committee, reading from the official Townsend paper. In the testimony a letter from Dr. Townsend was read in which the sponsor of the movement urged an intensive organization drive because "there's millions in it." (Central Press)

Court Holds Gold Clause Issue Valid

Equivalent Value of
Foreign Currency
Holds if Stipulated
In Bonds

Washington, April 6.—(AP)—The Supreme Court refused today to interfere with a lower court decision that the congressional resolution barring payment of obligations in gold does not prohibit collection of the equivalent value of foreign currency, if that alternative method of payment is specified.

This left in effect a ruling by the second circuit court of appeals that the St. Louis Southwestern Railway Company had to pay \$42 on a \$25 coupon payable in gold, or the equivalent value of Dutch guilders.

The Federal district court for southern New York had ruled likewise. Approximately \$780,000,000 of bonds were said to have been issued by American debtors with this alternative provision.

Ethiopian Troops Are In Retreat

Eritrea, April 6.—(AP)—Native Askari of Italy's northern army, after capturing the important town of Uoram, pressed on in pursuit of Emperor Haile Selassie's fleeing army today, traveling rapidly down the road to Dessye. An official communi-

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Hoffman Will Push Own Lindbergh Case Inquiry

Senate Backs Up
On Its AAA Probe

Washington, April 6.—(AP)—The Senate Agriculture Committee back-tracked partially today on its resolution asking the names of all AAA beneficiaries of \$1,000 or over, and voted to ask only for data on those receiving \$10,000 or more in any contract year.

The action was taken after the committee had received from Secretary Wallace a report showing payments under the AAA had ranged up to \$1,679,665, the sum paid one Florida sugar corporation.

STATE LEADING IN RURAL ELECTRICITY

Movement Got Under Way
Here Long Before New
Deal Began It

Daily Dispatch Bureau,
In The Star-Walter Hotel,
By J. C. BASKERVILLE
Raleigh, April 6.—North Carolina is now leading every State in the United States in rural electrification and started the movement before the Federal Rural Electrification Administration was even thought of in Washington, it was pointed out today by Chairman Dudley Bagley, of the Electrification Authority, in reply to the intimation by Dr. Ralph W. McDonald that North Carolina was not cooperating with the "New Deal" in its program.

At the present time more than 1,200 miles of rural electric lines have either been built, are now under construction or under contract in North Carolina since the North Carolina Rural Electrification Authority was created by the 1935 General Assembly at the specific request of Governor J. C. B. Ehringhaus, and without a single penny of aid from the Federal government, Bagley said. The cost of these 1,200 miles of rural electric lines

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OUR WEATHER MAN



SHOWERS and thunderstorms this afternoon and in east and central portions tonight; colder tonight; frost in mountains; Tuesday partly cloudy, possibly showers on coast; colder in east and central portions.

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APPALLING SCENES AT TUPELO AND AT GAINESVILLE ALSO

Tornadoes Virtually Lay
Waste Both Cities and
Fires Add Later to
the Horror

TUPELO CITY HALL
MADE INTO MORGUE

Fire Department at Gainesville Helpless To Combat
Flames as Headquarters Is
Blocked by Debris;
Churches and Hotels Are
Turned Into Hospitals

Atlanta, Ga., April 6 (AP)—Tornadoes claimed nearly 100 lives—perhaps 200—and heavy property damage in the South today, levying the greatest toll at the cities of Tupelo, Miss., and Gainesville, Ga.

Seventy-one bodies were recovered at Tupelo and a score were killed in half a dozen other towns of Mississippi, Alabama, Arkansas, South Carolina and Tennessee.

How many died at Gainesville was a subject of frantic speculation as repair crews labored to restore communication lines.

Fire Adds to Horror.
Fire added to the horror of the twister in Tupelo and Gainesville.

With water pressure gone, power lines and gas connections twisted awry, firemen struggled against heavy odds to hold the flames of shattered dwellings in check while rescue workers toiled through the ruins seeking the dead and injured.

The dead in other communities: Booneville, Miss., four. LaCrosse, Ark., one. Red Bay, Ala., five. Columbia, Tenn., area, six. Elkwood, Ala., three. Anderson, S. C., one.

The storm first struck LaCrosse, Ark., killing one person, then roared east into Tupelo in northeast Mississippi.

Booneville, Miss., was next to be struck.

To Northeast.
From there the storm rushed northeastward into Red Bay, Ala., then veered into the Armour Mines, Harlan mines and Cross Bridge villages in the Tennessee hills, near Columbia. J. P. Nanny, mayor of Tupelo, said the dead and injured were pulled from the wreckage of their homes for hours and it was feared many yet un-reached were trapped and injured or killed.

Thirty-three bodies lay in the city hall, turned into a morgue.

Churches, hotels and other places were converted into hospitals.

One-third of the city's houses were piled up in the streets. Most of the business district escaped.

Heavy Toll at Gainesville.
G. C. Reed, manager of the Gainesville telephone company, drove to the nearby town of Buford and reported to Atlanta that "there is no way of telling how many persons may have lost their lives. There will be a death toll and it may be heavy."

Reed said two buildings in the business district were centers of fires, and that the local fire department in the city hall was helpless, because it was blocked in by wreckage of the city hall and other buildings.

Congress To Stay On Job Until June

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Flames Break Out To Add To Horror From Wind Storm

82 Dead in Tupelo, Miss., 42 in Gainesville, Ga.; Six States Struck by Morning Twister in the South

Atlanta, Ga., April 6.—(AP)—Tornadoes whipped across the South from Arkansas to South Carolina today, leaving more than 130 dead, 1,000 injured and property damage estimated

Gainesville Laid Waste By Tornado

Fire Sweeps Business District After Wind Storm; Colleges Are Safe

Gainesville, Ga., April 6.—(AP)—Devastated by a tornado which took at least 42 lives and then seared by flames the business district, Gainesville, prosperous northeast Georgia textile mill center, was in ruins today.

Scattered fires raged in various parts of the wrecked business section as workers dug in the ruins seeking additional bodies.

Five of those who lost their lives were trapped in a tornado and fire-swept hardware store.

Much of the business section and some residential areas in an area two and one-half miles long and half a mile long were ravaged by the storm.

The area of the city in which are located Brenau College and Riverside Military Academy were not struck by the tornado.

France Asks For Peace To Include All

(By The Associated Press)
France has begun a campaign for an all-inclusive agreement against war, in answer to Reichfuhrer Hitler's proposals that a separate peace pact be negotiated bi-laterally among the nations of Europe.

French officials indicated they wanted any new security system constructed on the framework of the League of Nations, while the German idea is that such a method is too unwieldy to insure peace.

In consequence, the world is likely to see the diplomats of Germany and France conducting international campaigns in favor of their own particular plans for peace.

The first demonstrations of this conflict are likely to take place this

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Congress To Stay On Job Until June

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5 Soldiers Killed With Plane Crash

Fredericksburg, Pa., April 6 (AP)—In a tangled mass of wreckage, the remains of a once trim bombing plane, the army today found the charred bodies of five flying soldiers, missing for hours on their return from a week-end hop to Cleveland.

A storm caught the big twin-motored ship as it took off from Pottstown on the last leg of its trip back to Langley Field, Va., last night, buffeted it far off its course, and

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PROSPERITY RISING WITH JOBS SCARCE

Claim Machine Age Boosts Unemployment Does Not Hold Water Always

By CHARLES F. STEWART
Central Press Staff Writer
Washington, April 6.—With business rapidly getting back to a highly satisfactory prosperity level, why is unemployment lagging?

Economists do not answer this question at all convincingly.

That business is much better there is no doubt. Income tax collections are up about 35 per cent. The government's industrial figures are rosy. Financial publications all speak of greatly advanced earnings by the

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Textile Measure Will Be Revised Further In House

Washington, April 6 (AP)—The controversial and much-revised Elmhaven textile control bill appeared due for further revision today as its author and members of a special House sub-committee sought new changes that might appease both labor and management.

The bill, on which hearings were held more than a month ago, was drastically modified later and a favorable sub-committee report had been expected. Chairman Keller, of the sub-committee, said today, however, that efforts still were being made to make the bill acceptable to mill owners.

"What we are trying to do," Keller said, "is get a bill that will help industry as a whole, both labor and management. It ought to be done and it can be done, if both sides will come clean."

Keller indicated he would attempt to obtain agreement from both groups on "three or four basic things" and forget everything else.

Meanwhile, an intensive drive by the United Textile Workers for passage of the bill was reflected in the deluge of mail received by House members from textile centers.

Representative Martin, Republican, Massachusetts, said he had received several hundred cards from textile workers in the Fall River area urging support of the measure.

A decision was expected soon from Secretary Roper on the proposal of Representative McCormack, of Boston, for creation of a special commission to visit South American countries in an attempt to expand the foreign markets for American textiles.