

AAA Unconstitutional

Roosevelt Promises Billion Dollar Deficit In 1937

DEFICIT AND DEBT TO ADVANCE WITH NEXT FISCAL YEAR

Public Debt Will Hit \$31,351,638,737 For New All-Time High For United States.

NO INDICATION OF BALANCED BUDGET

Emergency Activities Made Permanent Burdens Of Government by President's Decision; Business Improvement Expected To Lift Federal Revenues.

By FRANCIS M. STEPHENSON, Associated Press Staff Writer. Washington, Jan. 6 (AP)—A Treasury deficit exceeding one billion dollars—without counting unestimated new relief costs—was forecast to Congress by President Roosevelt today for the next fiscal year.

Unprecedentedly, he withheld a complete budget estimate on how much the government would spend in the 12 months beginning July 1. For the present he listed \$6,752,606,370, and said later requests for work-relief money would be forthcoming.

South Carolina's Electricity Taxes Upheld by Court

Charlotte, Jan. 6.—(AP)—The United States Circuit Court of Appeals today upheld the 1931 South Carolina law levying a tax of one half mill per kilowatt hour on electricity produced within the State.

Believe Nine Perished In Hotel Blaze

Westfield, Mass., Structure Burns Like Tinder in Tragic Sunday Night Blaze.

Westfield, Mass., Jan. 16 (AP)—Firemen recovered four bodies and searched for five others to-day in the smouldering ruins of the Van Dusen Hotel, transformed three weeks ago from an old residence.

Uncle Sam Spends \$21,339,900 Daily

Washington, Jan. 6.—(AP)—Uncle Sam's spending program during the next six months involves an outlay of \$21,339,900 each and every day.

1936 RELIEF LOAD ESTIMATED BY FDR AT \$2,136,000,000

Will Be Shaped Along Lines Of This Year's Works Progress Program of Action.

EXACT NEW NEEDS WILL COME LATER

Will Depend Largely On How Much Unemployment Industry Takes Up, And President Hurls Challenge At Private Employers; May Act Two Months Hence.

Washington, Jan. 6 (AP)—President Roosevelt announced today the shaping of next year's relief program along lines of this year's works progress plan, but made no attempt to estimate its cost.

CONGRESS LIKELY TO LIBERALIZE WPA

May Permit Giving Work To Any Unemployed, Regardless of Status.

Daily Dispatch Bureau, In The Sir Walter Hotel, By J. C. BASKERVILLE. Raleigh, Jan. 6.—This session of Congress will undoubtedly change the regulations governing employment for WPA projects so that whenever the relief rolls are exhausted in any community, work can be given to any who are unemployed, regardless of whether they were formerly on relief or not.

Doughton Says Ways And Means Committee Likely Take Action by Night.

Washington, Jan. 6 (AP)—Chairman Doughton, Democrat, North Carolina, said today the House Ways and Means Committee might approve this afternoon the bonus bill behind which House factions and major veterans organizations have united.

Big Political Guns to Explode This Month



Barrage of political oratory is ready to be exploded upon the citizens of the United States during the month of January. Observers declare that when the smoke has cleared away, the political issues of the coming presidential campaign will have been definitely drawn.

Billion Dollars Asked For Defense During Next Year

Washington, Jan. 6.—(AP)—A national defense budget of nearly a billion dollars—the largest peacetime sum ever asked for strictly military and naval purposes—went to Congress today from President Roosevelt.

House Body May Approve Bonus Today

Washington, Jan. 6 (AP)—Chairman Doughton, Democrat, North Carolina, said today the House Ways and Means Committee might approve this afternoon the bonus bill behind which House factions and major veterans organizations have united.

Young Democrats Stronger For FDR More for Him Than Ever, Tyre Taylor, Founder of Movement, Says.

884 More Planes Will Be Provided

Washington, Jan. 6.—(AP)—Bolstering of the nation's air defenses by 884 new fighting planes at an approximate cost of \$58,000,000 was recommended to Congress today by President Roosevelt.

ROOSEVELT CHIEFS ABANDON HOPE FOR WINNING BUSINESS

Business Better But Doesn't Thank Administration For Improvement Received.

HOWE, BACK ON JOB, WARNS OF BUNGLES

Stray Votes May not Mean Much, But Are Bad Democratic Propaganda; Some World Trade Garner For John L. Lewis on the Ticket With Roosevelt.

By CHARLES P. STEWART, Central Press Staff Writer. Washington, Jan. 6.—Rooseveltian leadership, it is rumored practically has abandoned hope of winning business' support of its presidential candidate at the coming election, but is concentrating upon the task of capturing almost the solid vote of the commonest of the common people.

Call Is Made For Condition of All Banks on Dec. 31

Washington, Jan. 6 (AP)—The comptroller of the currency issued a call today for the condition of all national banks at the close of business December 31.

Rumor Italy Is Receiving French Guns

Meantime, Italian Air Bombings Are Pressed On All Fronts in Ethiopia.

By The Associated Press. France dug diligently into a suspected plot to divert 3,000 army rifles and machine guns to Italy today while Italian war planes kept up a persistent and widespread bombing campaign in Ethiopia.

GOVERNMENT CROP PROGRAM NULLIFIED BY SUPREME COURT

Act Declared by Roberts, Who Reads Ruling, To be Invasion of State's Rights.

OFFICIALS SILENT ON HEARING NEWS

Neither Roosevelt Nor Wallace Will Comment, But Speculation Begins As To Effect on Coming Campaign; Government May Seek to Find Way of Paying Off.

Washington, Jan. 6 (AP)—In a sweeping decision, the Supreme Court today ruled the entire AAA program was unconstitutional.

In an opinion read by Justice Roberts, the original adjustment act was declared to be "an invasion of states' rights", and beyond Federal power under the "general welfare clause."

Speculation how the presidential campaign would be affected stirred instantly when the news reached the Capitol. Legislators turned in private from the business of the moment's examination of the 1936-37 New Deal budget to mull over the possibilities.

Markets Surge Up On Supreme Court Decision on AAA

New York, Jan. 6 (AP)—Nullification of the agricultural adjustment act by the Supreme Court today brought a surge of buying in food shares on the New York Stock Exchange, which lifted many \$1 to \$3 higher within a few minutes after the decision was handed down.

Conferences Are Started By President

Wallace and Cummings Summoned To White House Following Decision.

Washington, Jan. 6.—(AP)—President Roosevelt called Attorney General Cummings and Secretary Wallace to the White House this afternoon to study the Supreme Court's decision against the AAA.