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United Jewish Appeal, United Palestine Appeal, Allotment
Committee, 1941-1942.

C
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Dr. Selvin

SAMUEL MARKELL
80 Federal Street
Boston, Mass.

July 8, 1941

Dear Mr. Hyman:

This will acknowledge receipt of letter of July 3, 1941
addressed to me by Mr. Montor and yourself.

I am extremely grateful for this expression of confidence
and deeply moved.

Before sending a formal reply, however, I felt compelled
to address a personal word, which I am sure you will
understand. I am, as you know, still a working attorney,
and I am concerned about the matter of expenses involved
in travelling between New York and Boston in connection
with the work of this Committee. I am wondering, therefore,
whether any provision is made to take care of actual cash
disbursements. May I trouble you to let me know.

Thanking you, and with kindest personal regards, I am

Very cordially yours,

(Signed) Samuel Markell

Mr. Joseph C. Hyman
100 East 42nd Street
New York City

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July 10, 1941

Mr. Samuel Markell
80 Federal Street
Boston, Massachusetts

Dear Mr. Markell:

I have your note of July 8th and I take for granted that you are ready to accept the invitation of the Joint Distribution Committee and the United Palestine Appeal to serve as one of the three men representative of the community at large.

I am quite certain that there will not be the slightest difficulty, nor should it be a cause of any embarrassment whatsoever to you to have such expenses to which you may be put in connection with the Allocations Committee and the Inquiry, charged to the United Jewish Appeal. You may therefore assume that any expenses involved in travel between New York and Boston in connection with your work on the Allotment Committee will be reimbursed as a matter of course, whenever you say so. That is a matter that can be very simply handled. I do hope you will let Mr. Montor and myself hear from you promptly at the office of the United Jewish Appeal, so that the Committee can plan immediately to reorganize itself.

With kindest personal regards, believe me

Cordially yours,

JCH: mh

J. C. Hyman

SAMUEL MARKELL
80 FEDERAL STREET
BOSTON, MASS.

DR. ABBA HILLEL SILVER

July 11, 1941

United Jewish Appeal
342 Madison Avenue
New York, N. Y.

Attention Mr. Henry Montor
Mr. Joseph C. Hyma

Gentlemen:

This will acknowledge receipt of your
letter of July 3, 1941.

I shall be happy to serve, and trust I
may measure up to your every expectation.

Sincerely yours,

(Signed)

SAMUEL MARKELL

SM:IC

CC: DR. SILVER

20 Pine Street

July 11, 1941

C
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United Jewish Appeal
342 Madison Avenue
New York, N. Y.

Dear Sirs: Attention of Messrs. Mentor and Hyman

I have your letter of July 3, and as I told Dr. Lowenstein, who spoke to me about it, it would give me a great deal of pleasure to be of service to you by acting as a member of the Allotment Committee.

However, as I pointed out to Dr. Lowenstein, I am planning to take a vacation in August and another in September, and I would not want to have these vacations which I find necessary to the continuance of an efficient life, interfered with. You will understand, therefore, that my acceptance of the appointment is based upon the assumption that it will not interfere with my vacations.

With best wishes to all of you in your united efforts, I am

Sincerely yours,

(Signed)

F. F. GREENMAN

FFG:H

July 15, 1941

**Mr. Samuel Markell
80 Federal Street
Boston, Massachusetts**

Dear Mr. Markell:

**We are glad to have your letter of July 11th
advising us of your acceptance of membership on the
Allotment Committee of the 1941 United Jewish Appeal.**

**We are confident that the service to be
rendered will be appreciated not only by the agencies
composing the United Jewish Appeal, but by the
American Jewish community as a whole.**

Sincerely yours,

**Henry Montor
Executive Director
United Palestine Appeal**

**Joseph C. Hyman
Executive Vice-Chairman
Joint Distribution Committee**

July 15, 1941

Mr. Frederick F. Greenman
20 Pine Street
New York, New York

Dear Mr. Greenman:

We are glad to acknowledge your letter of July 11th advising us of your acceptance of membership on the Allotment Committee of the 1941 United Jewish Appeal.

We are confident that the service to be rendered will be appreciated not only by the agencies composing the United Jewish Appeal, but by the American community as a whole.

The Allotment Committee will undoubtedly so arrange its activity as to make it possible for its members to have full opportunity to enjoy their vacations.

Sincerely yours,

Henry Montor
Executive Director
United Palestine Appeal

Joseph C. Hyman
Executive Vice-Chairman
Joint Distribution Committee

Law Offices
LEONARD, STREET AND DEINARD
1036 Andrus Building
Minneapolis, Minn.

CC: DR. SILVER

July 15, 1941

Mr. Henry Montor, and
Mr. Joseph C. Hyman,
United Jewish Appeal
342 Madison Avenue
New York City

Dear Messrs. Montor and Hyman:

Thank you for your favor of July 11. I do not like to be a nuisance, but I would like some further information so as to be able to plan my own schedule. As you will realize, this is the vacation season, when every organization has complications of personnel. Because of the comings and goings of my associates, my own time is not wholly free. Therefore, I should like to know the following:

- 1) Is the meeting referred to by you as the "initial organization meeting" of the Allotment Committee merely a formal gathering for the purpose of establishing a schedule of future conferences and, if so, is it expected that the members outside of New York should attend; or, is the initial organization meeting to be, rather, a staff event?
- 2) If the full committee is expected to attend the initial organization meeting, can you tell me, if not the exact date, then the week in which it will occur, so that I can attempt to work out my own schedule?
- 3) After the initial organization meeting, is it likely that any other meeting of the committee will be held before the middle of September, and if so, approximately when?

I hope that you will not think that I am laboring the point.

Messrs. Montor and Hyman

July 15, 1941

but I do not like to be a lame-duck committee member, nor
am I as favorably situated as "the more affluent folk" who
can always come and go as they please.

Kindest personal regards.

Sincerely yours,

(Signed)

Amos S. Deinard

Amos S. Deinard

and el
Air Mail

July 16, 1941

Mr. Amos S. Deinard
Leonard, Street and Deinard
1036 Andrus Building
Minneapolis, Minnesota

Dear Mr. Deinard:

This will acknowledge your letter of July 15th asking certain pertinent questions which we are very glad to answer.

Although we cannot define the nature of the proceedings of the Allotment Committee, which is supposed to be an autonomous body, we would say, on the basis of experience of other years, that the first meeting of the Allotment Committee would be devoted to an examination of the problem facing the Allotment Committee, an assignment of duties to the Director of the Inquiry for the Allotment Committee and a discussion of any other business that would seem pertinent. Also, the Allotment Committee, with all members expected to be present, would determine on a schedule of its meetings that would be convenient to its membership.

Very clearly, the initial meeting must be one of the members themselves and not of the staff, for the work of the staff is determined by the instructions of the Allotment Committee.

We are, at the present time, endeavoring to arrange for a date or dates mutually convenient to most of the members. It is hoped that such a meeting will take place no later than July 31st. An effort is being made to telegraph to all the members of the Allotment Committee one or two alternative dates, perhaps July 29th or 31st, for the selection of a date convenient to most of them. How does one or the other of these dates fit into your own schedule?

Again without being able to pre-judge the decisions of the Allotment Committee, over which you would have control rather than we, it is quite likely that the Allotment Committee will give its Director of Inquiry ample time for preliminary work before reporting back to the members, so that it might be fair in planning your own schedule to think in terms of

Mr. Amos S. Deinard

July 16, 1941

another meeting in September around the time you suggest.

It would probably be considered a legitimate charge to have members of the Allotment Committee put in a bill for reimbursement of any expenses incurred in visits connected with the Allotment Committee meeting.

With kindest regards, we are

Cordially yours,

Henry Montor
Executive Director
United Palestine Appeal

Joseph C. Hyman
Executive Vice-Chairman
Joint Distribution Committee

Summary of the verbatim minutes of a meeting of the Allotment Committee of the United Jewish Appeal for 1941 held at the office of Dr. Solomon Lowenstein, 41 West 47th Street, New York City, on Thursday, July 31, 1941, at 3:00 P.M.

Present: Messrs. Eli Ginzberg
Frederick Greenman
Harold Linder
Solomon Lowenstein
Samuel Markell
Charles J. Rosenbloom
Morris Rothenberg

Dr. Lowenstein, self-appointed, temporary Chairman, said that he would like to call attention to the fact that the first item of business was the organization of the Committee. He said he felt this year, as he did last, that the Chairman should be one of the neutral members of the Committee, and therefore suggested Mr. Greenman as Chairman, pointing out that he had not discussed the chairmanship with Mr. Greenman.

Judge Rothenberg said that he would like to have it put on record, before he said anything in connection with the meeting, that he was not a member of the Committee, but was attending as a representative of Dr. Silver, who could not be present.

Dr. Lowenstein pointed out that the two regular alternates of the U.P.A. were not able to be present and that the J.D.C. had been pleased to accept Judge Rothenberg. Judge Rothenberg then seconded the nomination of Mr. Greenman, who was unanimously elected Chairman of the Committee.

Dr. Lowenstein then turned the meeting over to the newly elected Chairman and suggested that the Committee continue the process of organization and recommended that Dr. Ginzberg be elected Secretary of the Committee. He added, however, that before Dr. Ginzberg's election as Secretary, he felt that the Committee should confirm the action of Rabbi Silver and himself in offering the position of Director of Research to Dr. Ginzberg. He pointed out that Dr. Silver and himself had been authorized at a preliminary meeting of the Allotment Committee to choose a Director of Research and that the J.D.C. and the U.P.A. had been happy to agree on Dr. Ginzberg, who is a member of the faculty at Columbia University and has had considerable experience in social and economic research, both in Europe and in the United States. Dr. Lowenstein stated that in his discussions with Dr. Ginzberg it was agreed that the overall expense for the research staff should not exceed \$10,000. The \$10,000 figure was to include the compensation for Dr. Ginzberg's own services; the amount of the compensation had not yet been decided upon.

Dr. Lowenstein then made two motions - one to approve the action of the Sub-Committee in engaging Dr. Ginzberg as Director of Research and second that a Sub-Committee, either the same or a new one, be appointed to fix the amount of Dr. Ginzberg's salary in consultation with him. Dr. Ginzberg's appointment as Director of Research was then unanimously confirmed by the Committee and the

second motion of Dr. Lowenstein, to appoint a Sub-Committee to discuss Dr. Ginzberg's salary, was likewise passed unanimously. Mr. Greenman appointed the same Sub-Committee as had negotiated with Dr. Ginzberg - namely, Dr. Lowenstein and Dr. Silver.

Dr. Lowenstein then made a motion that Dr. Ginzberg be elected Secretary of the Committee. The motion was unanimously carried.

Dr. Lowenstein then suggested that the bank resolution be attended to. Dr. Lowenstein suggested that before the new bank resolution was passed, the Committee should vote back into the U.J.A. all funds remaining from last year's Allotment Committee. This was unanimously agreed to, as was the resolution that the Treasurer for the U.J.A. be authorized to put at the disposal of this year's Allotment Committee an initial sum of \$8,000 and a further sum of \$8,000 at some later date, which sums could be drawn upon by checks signed by Dr. Ginzberg and countersigned by any of the New York members or alternates on the Allotment Committee - namely, Dr. Lowenstein, Mr. Goldwasser, Rabbi Israel Goldstein, or Mr. Linder. This motion was unanimously approved.

Dr. Lowenstein called attention to the need of arranging for the presence at future meetings of the Allotment Committee, except at executive sessions, of the representative of the N.R.S.

Judge Rothenberg pointed out that he understood the agreement governing this year's Allotment Committee to state that a representative of the N.R.S. should be invited to attend the meetings of the Allotment Committee, but he did not think that the Allotment Committee should go on record as offering a blanket invitation to a representative of the N.R.S. to attend all meetings, except executive sessions of the Allotment Committee.

X Mr. Linder pointed out that this could scarcely be the meaning of the agreement, since the Allotment Committee has always had the right to request representatives of any of the potential beneficiaries to attend meetings of the Allotment Committee and that clearly the agreement specified the point about the representative of the N.R.S. in order to insure that he could attend regularly all sessions except executive ones. After some further discussion, it was unanimously approved that the Secretary inform the N.R.S. that they may send a representative to all meetings of the Allotment Committee except when the Allotment Committee officially informed them that their representative was not to appear.

Dr. Lowenstein then pointed out that the next question that had to be attended to was the question of the files and the documents accumulated by last year's Allotment Committee. He said that at the end of the Allotment Committee's work last year the papers were deposited in the office of Mr. Lurie, of the Council of Jewish Federation and Welfare Funds, where they now are.

There was some discussion of whether the Allotment Committee of 1940 had been formally liquidated and it was finally resolved that Dr. Ginzberg be requested to gather up all properties belonging to the Allotment Committee of 1940 and to take possession of them. This was unanimously adopted.

Dr. Lowenstein pointed out that the next organizational matter was the question of possible alternates for the neutral members of the Committee. He said this was particularly important in light of last year's experience when one of the neutral members took ill and there was considerable confusion about the status of the alternate.

Dr. Lowenstein suggested that the fourth and fifth names agreed upon by the J.D.C. and the U.P.A. for neutral members for this year's Committee be selected as alternates to the neutral members.

Judge Rothenberg pointed out that he did not think that the Allotment Committee had the power to make this suggestion.

Mr. Greenman agreed with Judge Rothenberg and it was decided that the J.D.C. and the U.P.A. be requested to agree upon alternates for the neutral members.

Dr. Lowenstein said that the final piece of business relating to the organization of the Committee was the establishment of an Interim Committee, a suggestion which he said resulted from certain preliminary meetings that Dr. Ginsberg had been holding with the three executive directors of the possible beneficiaries of the Allotment Committee - namely, Messrs. Abrahamson, Rymon, and Montor.

Dr. Ginsberg interpolated by stating that these meetings with the directors which he now desired to call officially to the attention of the Allotment Committee had proved exceedingly helpful to him.

Messrs. Greenman, Linder, and Markell suggested that it would be very difficult to clearly define the powers of an Interim or Sub-Committee and Judge Rothenberg took the same position.

Dr. Lowenstein pointed out that last year the Director of Research was constantly after him to O.K. minor procedural points and in light of this experience, which he hoped would not be repeated this year, he made the suggestion of the appointment of an Interim Committee. It was finally decided that if the Director of Research needed to consult with a member of the Committee on issues that would not warrant the calling together of the full Committee, he could do so by contacting the Chairman, Mr. Greenman. This was officially moved, seconded, and carried.

Dr. Lowenstein pointed out that this ended the organizational problems of the Committee and then suggested that the Committee listen to a statement from Dr. Ginsberg.

Dr. Ginsberg stated that he had been on the job approximately three weeks and that before accepting the post of Director of Research he had definitely delimited his sphere of activity by emphasizing that he would not study the internal operations of the three potential beneficiaries; nor would he attempt any estimate of their administrative efficiency. He conceived his job as that of assembling the most correct figures about the current spendings of the three organizations and their budgetary

allocations for the last months of the year; in addition he would try to illuminate, by as straightforward accounts as possible, the principle spheres of activity that underlay these expenditures.

Dr. Ginzberg said that in talking with Drs. Lowenstein and Silver he had agreed that the job could probably be done within a \$10,000 budget. He stated that he had had several meetings with Messrs. Abrahamson, Hyman, and Montor and at the last of these meetings, held on Wednesday, July 30th, he had agreed in consultation with them upon the following tentative schedule. That Dr. Ginzberg would request by August 10th of the potential beneficiaries all data which he needed; that the three organizations bound themselves to present all figures requested by Dr. Ginzberg not later than September 10th to 15th. Dr. Ginzberg thought that he could mail his basic report on October 1st and that the Committee could be called into session on October 15th. Dr. Ginzberg pointed out that this was an optimum schedule and that there might be minor delays. But he thought that if the data were submitted by the several organizations, according to the above-mentioned time-schedule, he could hold himself to it. He requested that the Allotment Committee officially go on record in support of this time-schedule by stating that the Allotment Committee would not consider any figures submitted after September 10th-15th unless "due cause" could be shown for delay in submission.

Dr. Lowenstein and Mr. Linder pointed out that there were obvious difficulties, especially for the U.F.A. and the J.D.C. in obtaining certain data from Europe and Palestine and they both thought it safer to reserve for the Allotment Committee the right to request and to consider data presented after the closing date provided for in the above-mentioned time-schedule, namely September 10th-15th. With this one reservation, it was then moved, seconded, and carried that the constituent organizations are hereby requested by the Allotment Committee to agree to the temporary time-schedule worked out in agreement by Messrs. Abrahamson, Hyman, and Montor, in consultation with Dr. Ginzberg.

Dr. Ginzberg pointed out that the optimum time-schedule did not include the completion and submission to the Allotment Committee of certain special memoranda which he was having prepared and which dealt with some of the more fundamental operations of the three organizations. He reserved the right to submit these special memoranda to the Committee after October 1st.

Judge Rothenberg then raised the point that Mr. Friedman had made the mistake last year of considering matters of policy which were not really within the scope of the Director of Research. Judge Rothenberg specifically objected to Mr. Friedman's discussion whether the Jewish National Fund had the right to buy land or not. He suggested that all the Committee desires from its Director of Research are the budgets, the nature of the expenditures, and all other figures connected with the operations of the three potential beneficiaries. But it was not within the province of the Director to determine matters of policy or even to comment upon them.

Dr. Lowenstein took issue at this point and said he did not see how one could judge the relevance of the facts that the Director might submit unless the Director were permitted at least to discuss their background.

Mr. Linder pointed out that the Director of Research was an agent of the Allotment Committee and that there were obvious advantages to the Allotment Committee if the Director were to do more than present the bare facts although the Allotment Committee could obviously disregard any and all qualitative judgments of the Director.

Dr. Ginzberg pointed out that in his conversations with Drs. Lowenstein and Silver, prior to his acceptance of the post of Director of Research, he had clearly emphasized that he was not an accountant, nor would he accept the post of Director of Research if his duties were strictly limited to assembling the current financial data relating to the three potential beneficiaries. On the other hand, Dr. Ginzberg said, he had neither the competency nor the time to study and evaluate all important problems affecting world Jewry. He then offered the following outline as the scope of his work. Part I would consist of assembling in the best comparable form the basic current financial data as they reflected the activities of the three potential beneficiaries. These tables would include expenditures during the past months, commitments and potential allocations for the last months of the year. He would further present certain maximum and minimum ranges for the fluctuations of these expenses and appropriations. Finally, that he would prepare certain special memoranda which would throw additional light upon the principal activities for which the funds were being expended. It was his impression that the basic financial data could be in hand and interpreted and submitted to the Committee by October 1st so that the Committee would be able to act by October 15th and that the additional memoranda would be submitted shortly thereafter.

Mr. Linder then raised the question whether it was possible for the Allotment Committee to make partial Allotments rather than to distribute the entire amount on October 15th or some other agreed upon date.

Dr. Lowenstein pointed out that no interim allotments had been made last year and that it was his belief that except in the case of dire emergency, no interim allotments should be made, because once made, the remaining sum available for distribution would be reduced and since all three organizations are suffering from acute emergencies, he thought it would be unwise except for most unusual reasons, to consider interim allotments.

Mr. Linder said that this seemed to be an opportune moment to call attention to the particular plight of the N.R.S. which, he had hoped, would be called to the attention of the Committee by a regular representative of the N.R.S., but in the absence of such a representative, he felt called upon to do so. Mr. Linder said that the N.R.S. would soon be in a serious plight, for it is spending at a rate very much greater than that provided for by an allotment of \$2,000,000 which it received early in the year. He pointed out that the N.R.S. is spending at the rate of \$270,000

a month, clearly a rate very much more than one covered by the \$2,000,000 initial allotment. Mr. Linder said that he thought it was quite clear that the N.R.S. would inevitably be a very substantial beneficiary of the monies that the Allotment Committee would dispose of. Since the N.R.S. had exhausted its borrowing powers at the bank and since it had exhausted its assets, he thought that an early allocation to it of a substantial amount of money would be absolutely essential.

Mr. Greenman asked about the nature of bank borrowings and Mr. Linder explained how the several organizations are able to borrow against allotments made to them by the U.J.A.

Dr. Ginzberg then summarized the current position of the N.R.S. He stated that of the \$2,000,000 allotment from the 1941 campaign, the N.R.S. had received to date \$920,000 and that it was estimated that the N.R.S. would receive an additional \$780,000 before December 31, 1941. Approximately \$300,000 of the 1941 allotment of \$2,000,000 would not be received by it until 1942. At the present moment the N.R.S. has a bank loan due in September, for \$200,000 and has borrowed \$425,000 from the J.D.C. Its total indebtedness, therefore, is \$625,000. It is operating, at the present moment, on a budget of \$260,000 a month. If the present budget of \$260,000 a month were not reduced in the coming months, the N.R.S. would need, by December 31st \$1,300,000 for operating expenses. In addition it has outstanding against it loans for \$625,000, making a total of potential expenses and loans of \$1,925,000. Its assets and receivables consist at the present moment of an opening balance of approximately \$50,000, potential receivables from the U.J.A. before December 31st of \$780,000, and receivables in 1942 from the U.J.A. campaign of 1941 of an additional \$300,000, from Foundations \$60,000 and \$40,000 in refunds making a grand total of cash in hand and potential cash of \$1,330,000. There will be a discrepancy therefore in the N.R.S. budget after December 31st of approximately \$695,000 of which amount \$625,000 represents two loans, one of \$200,000 to the bank and \$425,000 to the J.D.C. There is, of course, considerable doubt whether the bank, in light of the potentially bad position of the N.R.S., would be willing to renew the \$200,000 loan that is due in September.

Mr. Linder pointed out that the J.D.C. is at the present moment financing the N.R.S. but only by severely handicapping its own work, for there may be an emergency in Europe that would make it highly advisable for the J.D.C. to be able to immediately turn some of its assets into cash. For instance, the opportunity of moving several thousand families out of a Nazi-controlled country or having suddenly to assume a larger part of the relief burden of Jews in war-stricken Europe. Mr. Linder said that he could summarize the position of the N.R.S. very simply by stating that they are spending approximately at the rate of \$3,120,000 a year and the initial allotment has been only \$2,000,000.

Dr. Lowenstein said he felt this was the heart of the distribution problem for this year, although doubtless the U.P.A. and the J.D.C. would also have their claims to present. He said that he had foreseen this severe pressure on the N.R.S. in the beginning of the

year and had therefore objected to the initial contract for it placed the N.R.S. in such a bad position.

✓ Mr. Greenman inquired whether the Allotment Committee had the authority to grant priorities to one of these organizations of the monies coming into the U.J.A.

✓ Dr. Lowenstein remarked that the Allotment Committee had the authority to do anything it chose to do and that last year it had granted accelerated payments to the N.R.S. out of the funds of the 1940 campaign - namely the N.R.S. had been given cash priorities.

Mr. Rosenbloom pointed out that this cash priority to the N.R.S. from the 1940 campaign had worked to the disadvantage of both the J.D.C. and the U.P.A.

Mr. Linder pointed out that this year's problem was not one of cash priority nor even of bank credit, but simply of a vast discrepancy between the rate of spending of the N.R.S. and the income allotted to it by the initial contract of the U.J.A. for 1941.

Mr. Greenman asked additional questions about the nature of borrowing against allotments, which questions Mr. Linder answered.

✓ Judge Rothenberg said that it was unfair to discuss the N.R.S. independent of a discussion of the needs of the J.D.C. and the U.P.A., for after all the Allotment Committee was concerned with evaluating the urgency affecting all three organizations.

Dr. Lowenstein remarked that everybody, irrespective of the organization that he represents, would have to be sensible and understand the difficulties of the N.R.S.

Mr. Linder said that although the committee might not care to make any final allotments until Dr. Ginsberg's report was in hand, he felt that a delay would be most serious from point of view of the N.R.S.

Mr. Greenman inquired as to the principles upon which allotments were based. He wanted to know whether they were based on spending.

Mr. Linder said of course not.

Mr. Rosenbloom remarked that as president of the Federation in Pittsburgh and doubtless Dr. Lowenstein as head of the Federation in New York, would not agree, after budgeting one of their agencies for a specific amount at the beginning of the year, to permit it to spend twice the amount and then agree to bail it out.

Dr. Lowenstein said that this was not an exact parallel to the situation in the N.R.S.

Mr. Rosenbloom said that he could make it more exact by supposing that the J.D.C. or the U.P.A. had spent twice as much as had been allotted to them at the beginning of the year.

Dr. Lowenstein then remarked that they had no business to spend that much if they could avoid it and that the Allotment Committee had been appointed to take up the slack as accurately as possible in any real urgent need of these three organizations.

Mr. Rosenbloom said that after all there had been no certainty as to whether the amount of money available to the Allotment Committee would be \$100,000 or \$1,000,000.

Mr. Linder stated that there were two angles that needed discussion. Because a group of men sat around and divided the first \$8,800,000 in such a way as to give the N.R.S. \$1,000,000 less than in 1941 did not mean that the N.R.S. could reduce its spending by that amount. Secondly, he said the N.R.S. was a national organization.

Judge Rothenberg said that he didn't like to object to this discussion but he thought it was distinctly out of place to go into such detail about the N.R.S. at a time when neither the U.P.A. nor the J.D.C. were saying anything about their needs or the urgency of their needs.

Mr. Greenman said that this discussion was helping to educate some of the members.

Dr. Ginzberg inquired whether it would be of use to the Allotment Committee if he presented, at the earliest possible time, statements about the cash position and potential spending of the three potential beneficiaries.

Mr. Greenman returned to the discussion of the difficulties he had in understanding the bases upon which the allotments were to be made.

Dr. Lowenstein said that he thought that both organizations who were parties to the agreement had specifically allowed maximum latitude to the Allotment Committee.

Mr. Greenman wanted to know whether any bases for the allotments had ever been worked out.

Dr. Lowenstein said that considerable data had been assembled last year and in previous years. Dr. Lowenstein pointed out that Judge Rothenberg had already mentioned the question of land purchase that Mr. Friedman had discussed in last year's report and added that in his opinion the U.P.A. had a right to determine whether they were to purchase land or not, but the members of the Allotment Committee, in determining the size of their allotment would have to consider this question.

Judge Rothenberg pointed out that the J.D.C. itself was in conflict whether to spend money feeding refugees or in helping them emigrate and he thought that the Allotment Committee should not go into such internal questions.

Dr. Lowenstein pointed out that the J.D.C. would have to consider entering the South American field very much more actively next

year and it would also have to be very much more concerned with the problem of Shanghai if relations between the United States and Japan deteriorated further, for there are a large number of refugees in Japan at this moment who would doubtless be shipped to Shanghai.

Mr. Rosenbloom said that the question of facts relative to interpretation could be illustrated thus: in the Friedman report last year the error had been made by Friedman of discussing not whether the J.N.F., a beneficiary of the U.S.A., should or should not buy land, but whether it had the moral right to buy land.

Dr. Lowenstein said that the Allotment Committee could not determine such a point but it would have to determine the size of the funds that it made available to these several organizations by considering the type of functions that the organizations were likely to engage in.

Mr. Linder suggested that a distinction could be made along the following lines - although the several organizations would present requests to the Allotment Committee for the purpose of spending money in certain ways, namely for relief, emigration and so on, there would be no way for the Allotment Committee actually to control the expenditure of funds in these channels since the constituent organizations that derive money from the Allotment Committee had a right to change the flow of funds once they received them.

Dr. Ginzberg said that in his discussions with Messrs. Abrahamson, Ryman, and Montor, the question had been raised as to whether this year's Allotment Committee should encourage the several organizations to submit formal requests for funds to the Allotment Committee as had been the case last year. He said that it was the unanimous opinion of the three administrative officials as well as of himself that the submission of formal requests is more confusing than helpful. It would take considerable time from the other pressing activities of the executives and it would also take time from his own work, for such requests would be greatly inflated and most of his time would be spent in trying to understand the differences between the most urgent and the less urgent requests.

Mr. Linder remarked that there was some value in these requests, largely for propaganda purposes in connection with future campaigns. He felt that these requests really showed the possible types of work that these several agencies would like to engage in and that such information is helpful for fund raising.

Dr. Lowenstein said that he agreed with this point of Mr. Linder's but on the other hand he thought that without taking any final action today it would be reasonable for the Committee to follow the suggestion of the three executives and Dr. Ginzberg, not to request the several organizations to submit formal applications for funds. Dr. Lowenstein thought that all the members of the Committee who were not acquainted with last year's procedure would profit by studying the minutes of last year's meetings, the inquiry report, and especially this year's agreement, which was

really the charter of the Allotment Committee. It was agreed that Dr. Ginzberg should send a package to each member which would include these several documents.

Mr. Markell was interested in knowing about the flow of funds to the U.J.A. and about the amount of money that the Allotment Committee would have at its disposal for distribution.

Dr. Ginzberg pointed out that the high estimate for this year's Allotment Committee would be \$2,800,000 and that the low estimate was \$2,000,000 and that \$2,200,000 seemed at this time to be a reasonable figure.

Dr. Lowenstein suggested that further elucidation of the fund-raising activities of the U.J.A. would be of interest and especially an analysis of the total amounts raised in local communities in relation to the amount turned over to the U.J.A. Of particular importance in this connection was the amount of money reserved by the local communities for the care of refugees.

Dr. Ginzberg pointed out that these figures were not easy to secure for he had already made an effort to get them, both from the N.R.S. and from Mr. Lurie.

Mr. Rosenblom suggested that Dr. Ginzberg should go to the local communities for such information, for he knew that Pittsburgh had spent \$110,000 in 1940 for refugees and was planning to spend \$80,000 in 1941.

Dr. Ginzberg pointed out that these figures in many communities could not be taken at their face value, for although the monies might be allocated to local agencies for refugees, it would be very difficult to distinguish the services rendered by these agencies and to allocate the share really going to refugees.

Dr. Lowenstein agreed with Dr. Ginzberg that these figures would be difficult to get, but he thought that by contacting several of the larger communities an approximation could be obtained.

Mr. Greenman then recommended that the meeting be adjourned subject to call and this was done at 4:40 P.M.

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

ALLOTMENT COMMITTEE

VANDERBILT 6-2080

JAMES H. BECKER
AMOS E. DEINARD
FREDERICK F. GREENMAN
DR. SOLOMON LOWENSTEIN
SAMUEL MARKELL
CHARLES J. ROSENBLOOM
DR. ABBA HILLEL SILVER

August 6, 1941

DIRECTOR OF RESEARCH
ELI GINZBERG

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

At a meeting of the Allotment Committee of the United Palestine Appeal held on Thursday, July 31, 1941, I was authorized as Secretary to the Committee to send to each member a parcel consisting of the following items:

1. Inquiry of the United Jewish Appeal (1940-by Elisha M. Friedman)
2. Agreement between Joint Distribution Committee and United Palestine Appeal

I am enclosing in this letter a summary of the verbatim minutes of the meeting of the Allotment Committee that was held on that day.

Sincerely yours,


Eli Ginzberg

EG:FE

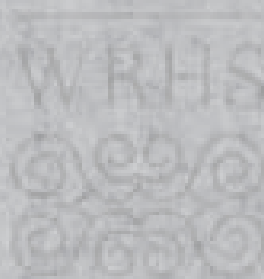
September 10th, 1941

Mr. Henry Montor

Ester Trebach

At a meeting held on Tuesday, September 9th, at 3 o'clock between Professor Ginzberg, the Research Director of the Allotment Committee of the UJA, Mr. Frank his Assistant, Bernard J. Reis and me, Professor Ginzberg made the following comment on the material which has thus far been transmitted to him by the UPA. He said that "the material which has come into us here is really swell. On the basis of what I have seen, I do not see how it is possible for any one to say that there is no material coming from Palestine".

ET:LR



ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941

342 MADISON AVENUE

NEW YORK, N. Y.

ALLOTMENT COMMITTEE

VANDERBILT 6-2080

JAMES H. BECKER
AMOS S. DEINARD
FREDERICK F. GREENMAN
DR. SOLOMON LOWENSTEIN
SAMUEL MARKELL
CHARLES J. ROSENBLOOM
DR. ABBA HILLEL SILVER

DIRECTOR OF RESEARCH

ELI GINZBERG

September 12, 1941.

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

At an informal meeting yesterday with Messrs. Abrahamson, Hyman and Montor, the date for the Allotment Committee meeting was discussed. Thursday, October 16th, and Friday, October 17th, suggested themselves as reasonable dates for the holidays would be out of the way and my basic report would have been completed a week or ten days previously. I called Mr. Greenman this morning and he authorized me to get in touch with Dr. Lowenstein and yourself and, subject to learning of your wishes in the matter, to contact the other members of the Committee. These dates are satisfactory to Dr. Lowenstein and I am therefore writing to inquire whether they are satisfactory to you. Would you please drop me a line at your earliest convenience.

The statistical and interviewing parts of my research job are now nearing completion. I have talked with a large number of the more active people in the three potential beneficiary organizations, but I have deliberately restrained myself from contacts with the members of the Allotment Committee. However, I do think that it would be quite proper for me to see you in your capacity of Co-Chairman of the United Jewish Appeal and I would welcome the opportunity to talk with you.

Would you let me know when next you plan to be in New York so that we can arrange to get together?

Sincerely yours,

Elf Ginzberg

EG:RJM

September 17, 1941

Dr. Eli Ginzberg
342 Madison Ave.
New York, N.Y.

My dear Dr. Ginzberg:

Let me thank you for your letter of September 12. I can arrange to attend a meeting of the Allotment Committee on October 16 and 17.

I shall of course be very happy to meet with you and to talk over with you any matter which you would like to discuss. I shall be in New York next Thursday, September 25 when I shall be very happy to see you at the Commodore Hotel, say, at ten o'clock, if the hour is convenient for you.

With all good wishes, I remain

Most cordially yours,

AHS:BX

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

ALLOTMENT COMMITTEE

VANDERBILT 6-2080

JAMES H. BECKER
AMOS S. DEINARD
FREDERICK F. GREENMAN
DR. SOLOMON LOWENSTEIN
SAMUEL MARKELL
CHARLES J. ROSENBLOOM
DR. ABBA HILLEL SILVER

September 19, 1941

DIRECTOR OF RESEARCH

ELI GINZBERG

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

Thank you for your letter of the seventeenth in which you inform me that you will be able to attend a meeting of the Allotment Committee that has been tentatively scheduled for October 16 and 17. Just as soon as I hear from the other members about their ability to attend on these dates I shall let you know that the meeting has been definitely scheduled for that time.

I am glad to learn that you will be in New York next Thursday, October 25 but I am sorry to say that I will be unable to see you at ten o'clock for that is the first day of school and I will be at the University until noon; but I will be able to see you in the afternoon or evening. Will you please inform me of an hour that will be convenient to you?

With kind regards,

Sincerely yours,


Eli Ginzberg

EG:FR

September 23, 1941

Dr. Eli Ginzberg
Allotment Committee of the United Jewish Appeal
342 Madison Avenue
New York, N.Y.

My dear Dr. Ginzberg:

Thank you for your kind letter of
September 19. I shall be very happy to see
you at 3:30 Thursday afternoon, September 25
at the Commodore Hotel.

With all good wishes, I remain

Very cordially yours,

ANS:BX

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

DIRECTOR OF RESEARCH
ELI GINZBERG

VANDERBILT 6-2080

September 24, 1941

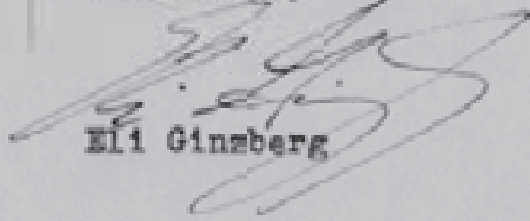
Dr. Abba Hillel Silver
Hotel Commodore
Lexington Ave. & 42 Street
New York City

Dear Dr. Silver:

I have your note of September 23 and I am
looking forward to seeing you at 3.30 Thursday
afternoon, September 25 at the Hotel Commodore.

With kind regards,

Sincerely yours,



Eli Ginzberg

EG:FE

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

ALLOTMENT COMMITTEE

VANDERBILT 6-2080

JAMES H. BECKER
AMOS S. DEINARD
FREDERICK F. GREENMAN
DR. SOLOMON LOWENSTEIN
SAMUEL MARKELL
CHARLES J. ROSENBLOOM
DR. ABBA HILLEL SILVER

September 26, 1941

DIRECTOR OF RESEARCH

ELI GINZBERG

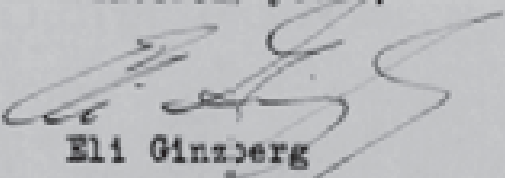
Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

I am writing to let you know that the meeting of the Allotment Committee of the United Jewish Appeal for 1941 has definitely been set for Thursday, October 16th, at 1 P.M. at the Harmonie Club, 4 East 60th Street, New York City. Luncheson will be served at the club.

I hope to have my report in the mails about October 6th.

Sincerely yours,


Eli Ginzberg

P.S. Please reserve Friday, the 17th, for the meeting may carry over.

EG:FR

[September 1941?]

For allotment Committee

Henry Wieman - Detroit.

Joseph Goldstein, Rochester

Edwin Schanfarber Columbus

Henry Monsky, Omaha

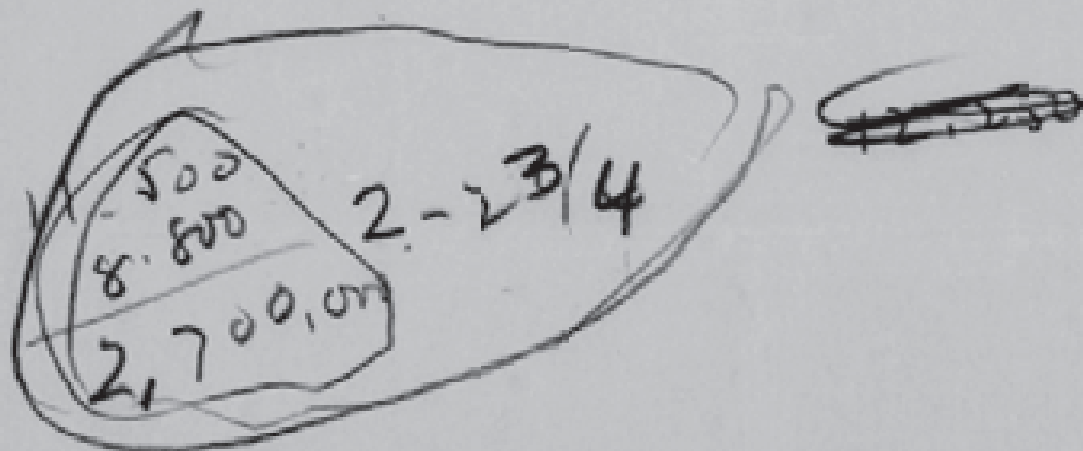
Lydia Kierstein - Berlin

Lucia Caplan - Pgh -

Fred. Newman, - N. Y.

Samuel Markel - Boston -

Amos Deissard - Minneapolis



2,500,000

750

3,250,000

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

DIRECTOR OF RESEARCH
ELI GINZBERG

VANDERBILT 6-2080

October 7, 1941.

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

Because of a series of unforeseen developments, I was unable to put my report in the mails last evening, but I believe that you will receive it not later than Friday, October 10th.

I greatly regret this delay.

Sincerely yours,


Eli Ginzberg

EG:RJM

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

ALLOTMENT COMMITTEE

VANDERBILT 6-2080

JAMES H. BECKER
AMOS S. DEINARD
FREDERICK F. GREENMAN
DR. SOLOMON LOWENSTEIN
SAMUEL MARKELL
CHARLES J. ROSENBLOOM
DR. ABBA HILLEL SILVER

October 10, 1941

DIRECTOR OF RESEARCH

ELI GINZBERG

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

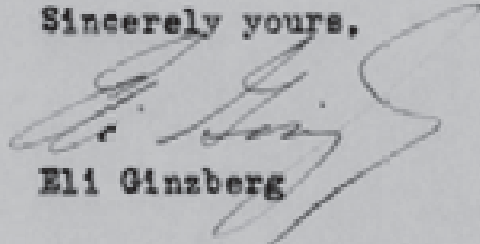
I take pleasure in sending you herewith my report as Director of Research for the Allotment Committee of the United Jewish Appeal for 1941.

The report is complete except in one regard. Because I have not received a basic memorandum from a member of my staff, I have failed to submit my concluding observations at this time. These observations, however, will deal more with general than specific problems and their submission, therefore, after the meeting of the Allotment Committee will prove no hindrance to the work of the Committee.

The first meeting of the Allotment Committee will start at luncheon at the Harmonie Club, 4 East 80th Street, on Thursday, October 16th, at 1:00 P.M.

I hope that the slight delay in the submission of my report is no serious inconvenience to you.

Sincerely yours,


Eli Ginzberg

EG:FR

ALLOTMENT COMMITTEE VOTES DISTRIBUTION OF 1941 UNITED JEWISH APPEAL FUNDS

The Allotment Committee, appointed to distribute all funds in excess of \$8,800,000 raised by the 1941 United Jewish Appeal for Refugees, Overseas Needs and Palestine, announced the allocation of an initial sum of \$2,800,000 assigned to it for distribution among the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service.

The sum of \$2,800,000 added to the \$8,800,000 previously set aside for division on the basis of the original agreement constituting the 1941 United Jewish Appeal, represents a minimum estimate of the net total of \$11,600,000 available for distribution in 1941 on the basis of the results achieved thus far. Fall campaigns which will be carried on in various parts of the country during the next two months are expected to yield additional funds for distribution to the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service.

The \$2,800,000 divided by the Allotment Committee was distributed as follows:

\$1,275,000	-	Joint Distribution Committee
800,000	-	United Palestine Appeal
725,000	-	National Refugee Service*

*Included in this figure is a Contingent Fund of \$50,000

The Allotment Committee, which reached this decision, consisted of two representatives each of the Joint Distribution Committee and United Palestine Appeal and three representatives of Welfare Fund communities approved by both the J.D.C. and the U.P.A. Harold F. Linder and Dr. Solomon Lovenstein of New York represented the J.D.C; Charles J. Rosenbloom of Pittsburgh and Dr. Abba Hillel Silver of Cleveland represented the U.P.A; and Amos S. Deinaud of Minneapolis, Frederick F. Greenman of New York and Samuel Markell of Boston represented the Welfare Fund

communities. Dr. Eli Ginzberg of Columbia University, served as Director of Research of the Allotment Committee which was headed by Mr. Greenman as chairman. All funds raised above the sum of \$11,600,000 will go to the Allotment Committee for distribution.

The agreement for the 1941 United Jewish Appeal provided for the distribution of the first \$8,800,000 as follows:

\$4,275,000	-	Joint Distribution Committee
2,525,000	-	United Palestine Appeal
2,000,000	-	National Refugee Service

The Allotment Committee concerned itself exclusively with funds available for distribution over and above the \$8,800,000 provided for in the national agreement.

SPANISH SHIPPING LINE REFUSING TO TAKE JEWISH PASSENGERS

LISBON, Oct. 24. (JTA)-- Jewish refugees seeking passage from Spain or Portugal to American ports will no longer be accepted as passengers on board the Spanish government-owned steamers the Magellanes and the Marques de Comillas, it was disclosed here today.

The "Compania Transatlantica" which operates the ships for the Spanish Government has informed all travel agencies that they have received "instructions from above" not to accept any more Jewish passengers. This order does not apply to other Spanish ships.

Relief agencies here are attempting to have the ban revoked since it further curtails the already inadequate shipping facilities. Meanwhile, it was announced here today that the sailing of the Serpa Pinto, which was to have left Lisbon on October 27 with hundreds of refugees, has been postponed until November 15 because the steamer was requisitioned by the Spanish government to transport troops to the North African colonies.

GESTAPO AUCTIONS OFF PROPERTY OF DEPORTED GERMAN JEWS

STOCKHOLM, Oct. 24. (JTA)-- Gestapo authorities in Berlin today started public auction sales of furniture, linen, silverware and wearing apparel left by Jewish families deported last week from Germany to the Pinsk swamps in Poland.

Correspondents of Swedish newspapers in Berlin reported today that the sales, which opened in the hitherto sealed Jewish dwellings, are crowded with German civilians who make high bids in order to secure the articles and household goods which the deported Jews were compelled to leave behind. No buying permits are required from the bidders who are especially anxious to acquire clothes, linen, shoes and other articles left by the Jews.

MORDECHAI DUBIN, LATVIAN JEWISH LEADER, TO BE RELEASED BY SOVIET

LONDON, Oct. 24. (JTA)-- Mordechai Dubin, former president of the Jewish community in Riga, ex-deputy in the Latvian parliament and member of the world executive of the Agudas Israel is expected to be released from Soviet imprisonment at Saratov, on the Volga, according to information reaching here today.

The release will come as a result of direct intervention by the Agudas Israel with the Soviet ambassador in London. Dubin was arrested in Riga last year when the Soviet armies occupied the Baltic states. He was then transferred into Soviet interior and held in exile as a person opposed to the Soviet regime.

COMMITTEE DISTRIBUTES \$2,800,000 AMONG JDC, UPA AND NRS

NEW YORK, Oct. 24. (JTA)-- The Allotment Committee, appointed to distribute all funds in excess of \$8,800,000 raised by the 1941 United Jewish Appeal, today announced the allocation of an initial sum of \$2,800,000 assigned to it for distribution among the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service. The sum was distributed as follows: \$1,275,000 to the Joint Distribution Committee, \$800,000 to the United Palestine Appeal, and \$725,000 to the National Refugee Service.

The sum of \$2,800,000, added to the \$8,800,000 previously set aside for division on the basis of the original agreement constituting the 1941 United Jewish Appeal, represents a minimum estimate of the net total of \$11,600,000 available for distribution in 1941 on the basis of the results achieved thus far. Fall campaigns which will be carried on in various parts of the country during the next two months are expected to yield additional funds for distribution to the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service.

The agreement for the 1941 United Jewish Appeal provided for the distribution of the first \$8,800,000 as follows: \$4,275,000 to the Joint Distribution Committee, \$2,525,000 to the United Palestine Appeal, and \$2,000,000 to the National Refugee Service. The Allotment Committee concerned itself exclusively with funds available for distribution over and above the \$8,800,000 provided for in the national agreement. The Committee consisted of two representatives each of the JDC and the UPA and three representatives of Welfare Fund communities approved by both the JDC and the UPA. Harold F. Linder and Dr. Solomon Lowenstein of New York represented the JDC; Charles J. Rosenbloom of Pittsburgh and Dr. Abba Hillel Silver of Cleveland represented the UPA; and Amos S. Debnard of Minneapolis, Frederick F. Greenman of New York, and Samuel Markell of Boston represented the Welfare Fund communities. Dr. Eli Ginzberg of Columbia University served as Director of Research of the Allotment Committee which was headed by Dr. Greenman as chairman. All funds raised above the sum of \$11,600,000 will go to the Allotment Committee for distribution.

ERNST FRISCHER TO BE APPOINTED CZECH COUNCIL MEMBER

LONDON, Oct. 24. (JTA)-- Ernst Frischer, former President of the Jewish Party in Czechoslovakia and now living in Palestine, will probably be appointed as the first Jewish member of the Czech State Council, it was learned today by the Jewish Telegraphic Agency.

It is understood that Czech President Benes is only waiting for all the Jewish organizations concerned to accept Frischer as their official representative before announcing the appointment. Although, it is reported that the Agudas Israel is reluctant to accept the Czech engineer, it is hoped that these difficulties will be surmounted in the near future.

GUY DE ROTHSCHILD REACHES LISBON ON WAY TO U.S. FROM FRANCE

LISBON, Oct. 24. (JTA)-- Captain Guy de Rothschild, prominent member of the Rothschild family in France, arrived here today with his wife. They intend to leave for America aboard a Trans-Atlantic Clipper next week.

Captain Rothschild's wife was in America until October, 1940 when she left to join him in France, where he was serving as an officer in a mechanized division of the French Army.

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

ALLOTMENT COMMITTEE

VANDERBILT 4-2080

JAMES H. BECKER
AMOS S. DEINARD
FREDERICK F. GREENMAN
DR. SOLOMON LOWENSTEIN
SAMUEL MARKELL
CHARLES J. ROSENBLOOM
DR. ABBA HILLEL SILVER

DIRECTOR OF RESEARCH

ELI GINZBERG

October 28, 1941

Dr. Abba Hillel Silver
Hotel Commodore
Lexington Avenue & 42nd Street
New York City

Dear Dr. Silver:

In my letter of October 10th, which accompanied the submission of my Report, I called attention to the fact that the Report was complete except in one regard and I stated, at that time, that I would submit my concluding observations after the meeting of the Allotment Committee. These I now have the pleasure to present to the members of the Allotment Committee and this completes my Report as Director of Research to the Allotment Committee of the United Jewish Appeal for 1941.

Sincerely yours,

Eli Ginzberg
Eli Ginzberg

EG:RJM
Enclosure

C O P Y

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL
FOR 1941
342 Madison Avenue
New York, N. Y.

October 20, 1941

STATEMENT OF EXPENDITURES OF THE ALLOTMENT COMMITTEE FOR 1941

Balance at the beginning

\$10,000.00

Expenditures to 10-29-41

\$2,917.79

Outstanding Bills

300.00

Prospective Expenditures:

Secretarial \$250.00

Printing 500.00

Consultants' Fees 250.00

1,000.00

\$4,217.79

4,217.79

\$ 5,782.21

M/

Rabbi Abba Hillel Silver
Rabbi Jonah B. Wise
Chairmen of the United Jewish Appeal for 1941

Dear Sirs:

The agreement which established the United Jewish Appeal for 1941 for Refugees, Overseas Needs, and Palestine, and which provided for an original division of the funds up to \$8,800,000 in the following proportion:

J.D.C. -----	\$4,275,000
U.P.A. -----	2,525,000
N.R.S. -----	2,000,000

also provided for the establishment of an Allotment Committee to divide all net sums in excess of the original \$8,800,000. The Allotment Committee, as finally constituted, consisted of Mr. Frederick F. Greenman, Chairman, who, together with Messrs. Amos Deinard and Samuel Markell, represented Welfare Fund communities; the representatives of the J.D.C. were Mr. James H. Becker and Dr. Solomon Lowenstein; the representatives of the U.P.A. were Mr. Charles Rosenbloom and Dr. Abba Hillel Silver; Mr. David Sulzberger was the representative of the N.R.S. who attended the final meeting of the Allotment Committee, but who, in accordance with the agreement, was not entitled to vote.

At the organizational meeting of the Allotment Committee, Judge Morris Rothenberg represented Dr. Abba Hillel Silver, who was unable to be present; at this meeting, as well as at the final meeting, Mr. Harold Linder, one of the alternates of the J.D.C., took the place of Mr. James H. Becker.

The Allotment Committee held an organizational meeting on July 31st and a final meeting on October 16th and 17th. Mr. Amos Deinard did not attend the organizational meeting.

The agreement provided that the Allotment Committee shall divide the funds available to it "upon the basis of its own independent study", and "shall have for consideration at its various meetings all material which may be pertinent to a thorough analysis of all matters before it". Drs. Solomon Lowenstein and Abba Hillel Silver had been constituted a sub-committee to engage a Director of Research and secured the services of Dr. Eli Ginzberg of Columbia University.

Dr. Ginzberg's staff was limited to one full-time assistant, Mr. Isaiah Frank, of Amherst College and Carnegie Fellow at the National Bureau of Economic Research; the following, however, acted as consultants:

Mrs. Ethel L. Ginsburg, of the Columbia University Council
for Research in the Social Sciences.

Dr. Moses Abramovitz, of the National Bureau of Economic
Research.

Dr. Carrie Glasser, of the Institute of Public Administration.

Dr. Sol W. Ginsburg, of Mt. Sinai Hospital, New York.

Professor Patrick M. Malin, of the International Migration
Service.

Professor Louis Ginzberg, of the Jewish Theological Seminary.

Dr. Milton Friedman, of the United States Treasury.

Dr. C. Lowell Harriss, of Columbia University.

It was agreed, at the organizational meeting of the Allotment Committee, that the Director of Research should describe the nature and scope of the three potential beneficiaries and should present background material for an intelligent appraisal of their operations, but that he need not concern himself with

the detailed investigation of the accounting systems and the internal efficiency of these three organizations.

The basic Report of the Director of Research was available to the members of the Allotment Committee about a week before its final meeting on October 16th and 17th, and this Report formed the basis for the discussions. The Executive Directors and the technical staffs of the three organizations cooperated wholeheartedly with the Director of Research in making materials available to him, but only a small part of these materials was incorporated in the final Report, for it was believed that a plethora of data would prove confusing.

The Allotment Committee met at lunch on Thursday, October 16th, and devoted the afternoon session to a consideration of the needs of the three potential beneficiaries. The session on Friday morning, October 17th, was attended by technical experts from each of the three potential beneficiaries, who were afforded the opportunity of explaining certain detailed aspects of the activities of their organizations. The afternoon session on Friday was devoted to reaching a decision on the division of the sum of \$2,800,000, which was the amount that the Allotment Committee considered available for distribution. After the discussion, a resolution was adopted, making the following allotments:

J.D.C. -----	\$1,275,000
U.P.A. -----	800,000
N.R.S. -----	725,000*

* \$50,000 of this amount was earmarked for the specific purpose of permitting refugees with temporary visas to leave the country and return on permanent visas. If the State Department failed to issue new regulations in this regard before December 31st, the \$50,000 reverts to the Allotment Committee for distribution.

It was also provided that the Allotment Committee would agree on the distribution of all funds in excess of the \$2,800,000 prior to the annual meeting of the Council of Jewish Federations and Welfare Funds, to be held in Chicago early in 1942.

The Committee expressed its thanks to the Chairman, to the other representatives of Welfare Fund communities, and to the Director of Research. It was the sentiment of the three representatives of Welfare Fund communities that every effort should be made by the principals to reach an agreement about the U.J.A. for 1942 as quickly as possible; and that if an Allotment Committee is provided for by the 1942 agreement, it should organize and make its allotments earlier in the year.

Respectfully submitted,

Frederick F. Greenman, Chairman

Amos S. Deinard
Harold F. Linder
Solomon Lowenstein
Samuel Markell
Charles J. Rosenbloom
Abba Hillel Silver

Eli Ginzberg, Secretary

October 23, 1941.

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

ALLOTMENT COMMITTEE

JAMES H. BECKER
AMOS S. DEINARD
FREDERICK F. GREENMAN
DR. SOLOMON LOWENSTEIN
SAMUEL MARKELL
CHARLES J. ROSENBLOOM
DR. ABBA HILLEL SILVER

DIRECTOR OF RESEARCH

ELI GINZBERG

VANDERBILT 6-2080

October 30, 1941

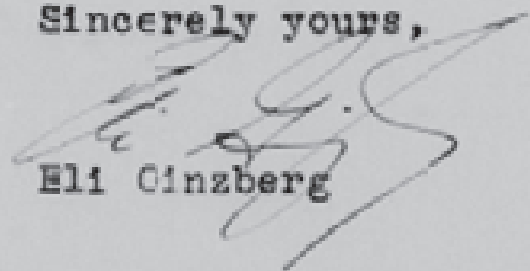
Rabbi Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

At the request of Mr. Greenman, the Chairman of the Allotment Committee, I am sending you a draft of the Committee's report about its activities and decisions, which is to be transmitted to the Chairmen of the United Jewish Appeal. Mr. Greenman's corrections have already been added to this draft and I would request that you make any notations you think wise and return the corrected draft to me at your earliest convenience.

If the present formulation is satisfactory, would you please drop me a line authorizing me to add your name to the report.

Sincerely yours,


Eli Ginzberg

EG:RJM
Enclosure

November 3, 1941

Dr. Eli Ginsberg
Allotment Committee of the UJA
342 Madison Avenue
New York, N.Y.

My dear Dr. Ginsberg:

The Report of the Allotment Committee which you sent me is entirely satisfactory. I would make but one suggestion. In the closing paragraph you say that "it was the sentiment of the three representatives of Welfare Fund communities that every effort should be made by the principals to reach an agreement about the U.J.A. for 1942 as quickly as possible;" etc. I am not so sure that it is necessary to include that in the Report. The representatives of the J.D.C. and the U.P.A. also entertained the same sentiment. I do not believe that the Report of the Allotment Committee should include any suggestions beyond the 1941 campaign.

With all good wishes, I remain

Very cordially yours,

AHS:BK

THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, Inc.

100 EAST 42nd STREET, NEW YORK CITY

PAUL BAERWALD, *Honorary Chairman*
 MRS. FELIX M. WARBURG, *Honorary Chairman*
 JAMES N. ROSENBERG, *Honorary Chairman, Executive Committee*
 EDWARD M. M. WARBURG, *Chairman*
 JAMES H. BECKER, *Chairman, National Council*
 ALBERT H. LIEBERMAN, *Vice-Chairman, National Council*
 JOSEPH C. HYMAN, *Executive Vice-Chairman*

Vice-Chairmen
 HERBERT W. LEHMAN
 GEORGE BACKER
 DAVID M. BRESSLER
 ALFRED JARETZKI, JR.
 ALEXANDER KAHN
 HAROLD F. LINDER
 SOLOMON LOWENSTEIN
 WILLIAM ROSENWALD
 WILLIAM J. SHRODER
 M. C. SLOSS
 JONAH B. WISE
European Executive Council
 DR. BERNHARD KAHN
 MORRIS C. TROPER
 JOSEPH J. SCHWARTZ
Honorary Chairman Chairman Vice-Chairman

I. EDWIN GODSWASSER, *Treasurer*
 MARCO P. HELLMAN, *Treasurer*
 ABNER BREGMAN, *Associate Treasurer*
 EVELYN M. MORRISSEY, *Assistant Treasurer*
 MRS. H. B. L. WOLDSTEIN, *Comptroller*
 ISIDOR COONS, *Director of Fund Raising*
 MOSES A. LEAVITT, *Secretary*

November 24th, 1941

TO THE MEMBERSHIP OF THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, INC.

You are hereby notified that, pursuant to the By-Laws, the corporate Annual Meeting of the members of The American Jewish Joint Distribution Committee, Inc. will be held at the office of the Committee, 100 East 42nd Street, New York, N. Y., at 10:30 A.M., Friday, December 19th, 1941.

1. To elect successors to Class "C" of the Board of Directors whose terms of office expire and to fill vacancies that exist in the membership of the Board of Directors;
2. For the rendering of the annual financial report and the report of the activities of the corporation;
3. For the transaction of such other business as may properly come before the meeting, including the consideration of and action upon any amendments of the Certificate of Incorporation and of the By-Laws which may be proposed.

If you cannot attend in person, please fill out the enclosed proxy, and return it promptly to the undersigned, at 100 East 42nd Street, New York City.

Very truly yours,

Moses A. Leavitt

MOSES A. LEAVITT
Secretary

MAL:df

20 PINE STREET

November 28, 1941.

Dr. Abba Hillel Silver,
East 105th Street and Ansel Road,
Cleveland, Ohio.

Dear Dr. Silver:

There is a situation which falls outside of the function of the Allotment Committee but which, nevertheless, I desire to take up with you in the interest of the maintenance of unity and harmony.

You may recall that in arriving at the allotment for N. R. S., we took into consideration the entire amount of cash which they had at the commencement of the year, and our computation involved the exhaustion of this entire fund. We realized at the time that some provision for acceleration covering the latter few months of the year would be necessary, and I had hoped that an agreement could be reached between the interested parties which would make my intervention unnecessary. However, I did state while we were breaking up that I would take the matter up if it became necessary, and I am therefore doing it now.

As I see it, the amount of acceleration required during November and December for N. R. S. is \$300,000, and it could be repaid out of the distribution for the months of June, July and August. This will not involve U. P. A. in any possible risk of loss, because all estimates indicate that final distribution will not be made until long after August, 1942. The acceleration is only temporary and for a period not in excess of six months, and of this amount J. D. C. must carry its proportionate share. I do not know how they feel about this, but I am sending a copy of this letter to Dr. Lowenstein.

If you want to discuss this matter with me further,

20 PINE STREET

-2-

I shall be very glad to do so either by telephone or,
if you should be here in New York, at a conference be-
tween us.

With best wishes to you as always,

Sincerely yours,

F. F. Greenman.



FFG:H

ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

ALLOTMENT COMMITTEE

VANDERBILT 6-2080

JAMES H. BECKER
AMOS S. DEINARD
FREDERICK F. GREENMAN
DR. SOLOMON LOWENSTEIN
SAMUEL MARKELL
CHARLES J. ROSENBLUM
DR. ABBA HILLEL SILVER

December 4, 1941

DIRECTOR OF RESEARCH

ELI GINZBERG

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

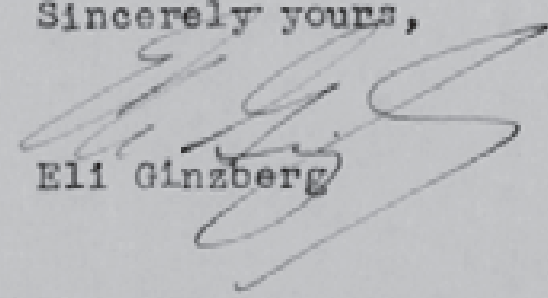
This is to state that in light of the comments received from the members of the Allotment Committee about the draft Report sent you on October 28, Mr. Greenman revised the last paragraph to read as follows:

"The Committee expressed its thanks to the Chairman, to the other representatives of Welfare Fund communities, and to the Director of Research. It was the sentiment of the Allotment Committee that every effort should be made by the principals to reach an agreement about the U.J.A. for 1942 as quickly as possible; and it was the sentiment of the representatives of Welfare Fund communities that if an Allotment Committee is provided for by the 1942 agreement, it should organize and make its allotments earlier in the year."

and with this correction, the Report was sent today to the Chairmen of the United Jewish Appeal for 1941.

With kind regards,

Sincerely yours,


Eli Ginzberg

EG:RJM

6742

THE FINANCIAL STATUS OF THE JOINT DISTRIBUTION COMMITTEE
AND THE NATIONAL REFUGEE SERVICE, AT DECEMBER 31, 1941.

THE JOINT DISTRIBUTION COMMITTEE			THE NATIONAL REFUGEE SERVICE		
	As per Ginzberg Report	Corrected Statement		As per Ginzberg Report	Corrected Statement
Total resources December 31, '41	\$ 4,265,343	\$ 4,265,343	Total Assets (December 31, 1941)	\$ 1,009,420	\$ 1,009,420
Liabilities:			Loans	795,000	795,000
Unpaid balances on Commitments */ (subject to call)	2,444,138	1,814,138 1/	Working Reserve with which to operate during first weeks of ensuing year	300,000 2/	--
Payable to overseas committees for funds borrowed and relief disbursed (through clearance arrangements)**/	1,095,749	1,095,749	Total Liabilities	\$ 1,095,003	\$ 795,000
Working Fund Reserves	620,000	-- 2/		\$ 85,580 (DEFICIT)	\$ 214,420 (SURPLUS)
Other Liabilities (not shown)	674,598	674,598			
Total Liabilities	\$ 4,834,485	\$ 3,584,485			
Excess of Resources over Liabilities	\$ 569,142 (DEFICIT)	\$ 680,858 (SURPLUS)	1/ Under the 1942 agreement for the UJA, the NRS required no working reserve fund because (a) it received an advance of \$300,000 and (b) it was guaranteed \$200,000 a month.		
*/ Assuming that all commitments are eventually met.			2/ This was rejected as a liability at the last meeting of the Allotment Committee, and was discarded by the JDC itself in its tentative financial statement as of December 31, 1941.		
**/ Assuming that the balance unpaid on clearance arrange- ments are eventually completed.			1/ Included in JDC unpaid bal- ances on commitments are the following items which do not represent definite liabilities as was demonstrated by the Al- lotment Committee in discarding the SS St. Louis liability from consideration at its last meet- ing. Expenditure of these sums completely problematical.		

A SUMMARY OF THE FINANCIAL STATUS OF
UNITED PALESTINE APPEAL, INC.
JEWISH AGENCY FOR PALESTINE
PALESTINE FOUNDATION FUND
JEWISH NATIONAL FUND,
As of December 31, 1941.

UNITED PALESTINE APPEAL, INC.		THE JEWISH AGENCY	PALESTINE FOUNDATION FUND	JEWISH NATIONAL FUND
1941 Receipts	\$3,844,862.80	Deficit at October 1, 1940 \$ 267,652	Resources on January 1, '41 \$ 32,457	Resources on January 1, '41 \$ 121,302
1941 Disbursements	<u>\$3,903,136.49</u>	Excess of expenditure over income, October-December, 1940 184,826	Excess of income over expenditure in 1941 <u>33,237</u>	Excess of income over expenditure, 1941 \$ 426,391
	58,273.69 (DEFICIT)	DEFICIT JANUARY 1, 1941 \$ <u>452,478</u>	\$ 65,694	Special accounts (earmarked funds) <u>78,655</u>
		Excess of expenditure over income, January-December, 1941 \$ 70,567	<u>\$ 65,694</u>	\$ 626,348
		Reconciliation of final accounts, end 5701 \$55,562	SURPLUS	Total resources December 31, 1941 <u>626,348*</u>
		Payments on previous years' commitments <u>19,310</u> <u>74,872</u>		
		TOTAL DEFICIT, DECEMBER 31, 1941 \$ <u>597,917</u>		
		Commitments 445,897		
		Guarantees 438,368		
		TOTAL LIABILITIES <u>\$1,482,182</u>		
				* / Needed on hand for urgent payments on account of land purchases as legally registered
				* Paid out of above sum for land transfers:
				January, 1942 \$207,967
				February, 1942 208,482
				March, 1942 <u>258,900</u>
				<u>\$675,349</u>
				DEFICIT \$ <u>49,001</u>

January 22nd, 1942

Mr. Amos S. Deinaud
1036 Andrus Building
Minneapolis, Minn.

Dear Mr. Deinaud:

Mr. Greenman's secretary has just told me of your inquiry as to whether there would be a meeting of the Allotment Committee of the United Jewish Appeal for 1941 to consider the allocation of monies in excess of the \$2,800,000 which was distributed on October 16, 1941.

Mr. Greenman discussed this problem with me a few days ago and at that time I undertook to discover whether there was a real possibility of collections exceeding the \$2,800,000 that was originally allocated. Although the uncertainties are still great and all estimates are subject to considerable revision, it now appears as if there is at least reasonable prospect of the \$2,800,000 figure being exceeded. Hence the Allotment Committee will have to make some provision for the distribution of this possible excess.

I learned further from Mr. Greenman's secretary that Mr. Greenman is not planning to be in Chicago for the meeting of the Council of Federations and Jewish Welfare Funds. I have also learned that Mr. Linder will not be there, nor will Mr. Becker; you have doubtless heard the sad news of the sudden death of Dr. Lowenstein. Hence it appears that despite the original intentions of Mr. Greenman to take this matter up in Chicago immediately following the meeting of the Council of Federations and Jewish Welfare Funds, some change in plans must now be contemplated, for such a meeting can

clearly not be held because of the foregoing circumstances.

As soon as Mr. Greenman returns to New York early in February I shall take the matter up with him and you will doubtless hear from him shortly thereafter about his new proposals.

With kind regards,

Sincerely yours,

Eli Ginzberg

EO:RJM



ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N. Y.

ALLOTMENT COMMITTEE

VANDERBILT 6-2080

JAMES H. BECKER
AMOS S. DEINARD
FREDERICK F. GREENMAN
DR. SOLOMON LOWENSTEIN
SAMUEL MARKELL
CHARLES J. ROSENBLOOM
DR. ABBA HILLEL SILVER

DIRECTOR OF RESEARCH

ELI GINZBERG

February 20, 1942

Dr. Abba Hillel Silver
Dr. Jonah B. Wise
Chairmen of the United Jewish Appeal for 1941

Dear Doctors Silver and Wise:

I assume that you have seen the enclosed carbon, but on the chance that you did not, I am enclosing it for your perusal.

I am asking Harpers to give me two extra galleys so that I can send them on to you. Unfortunately, I do not have corrected typewritten copies at the present moment. I would guess that galleys will be available in about ten days.

Sincerely yours,


Eli Ginzberg

EG:RCM
Enclosure

C O P Y

February 6, 1942

Messrs. Isidor Coons
Henry Montor
Executive Vice-Chairmen
United Jewish Appeal
342 Madison Avenue
New York City

Gentlemen:

With reference to our conversation of Wednesday, I am pleased to inform you that I had occasion to see Mr. Greenman yesterday and to discuss with him the forthcoming publication of my report. Mr. Greenman told me to proceed with plans to have Harper and Brothers publish the report; to have 4,000 copies made available to the United Jewish Appeal for distribution to selected leaders in the several communities of the country; and to distribute at the same time the report of the Allotment Committee which I forwarded to Doctors Silver and Wise on December 4th.

I shall inform you as soon as I have some further details concerning the probable date of publication.

May I take this occasion to thank you for your interest and assistance in this matter.

Sincerely yours,

Eli Ginzberg

EG:RJM

C
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ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL FOR 1941
342 MADISON AVENUE
NEW YORK, N.Y.

February 6, 1942

Messrs. Isidor Coons
Henry Montor
Executive Vice-Chairman
United Jewish Appeal
342 Madison Avenue
New York City

Gentlemen:

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I shall inform you as soon as I have some further details concerning the probable date of publication.

May I take this occasion to thank you for your interest and assistance in this matter.

Sincerely yours,

(sgd) Eli Ginzberg

C O P Y

CHARLES J. ROSENBLOOM

521 Union Trust Building

Pittsburgh, Pennsylvania

May 21st, 1942.

Mr. Frederick F. Greenman,
20 Pine Street,
New York, N.Y.

Dear Mr. Greenman:

Inasmuch as the Allotment Committee of the United Jewish Appeal for 1941 will meet early next month to make a further distribution of funds from the 1941 Campaign, may I suggest that there be made available to the members of the Allotment Committee certain financial data on the operations of the agencies of the United Jewish Appeal.

I believe it would be most helpful to the members of the Allotment Committee if they could have before them financial reports showing the expenditures in actual cash disbursements of the three agencies during the period January 1 through December 31, 1941. Moreover, the record of cash disbursements ought to be traced to their source as on the case of the non-American agencies. This would enable us to have a broader picture of the actual expenditures in 1941 than was available to us when we last met. At that time we could only estimate what the expenditures might be for the balance of the year 1941. It is important that these expenditures be listed not in broad form but in specific categories as to functions and activities or, as in the case of two agencies, countries of operation.

Such financial reports should, of course, make a clear distinction between sums spent in cash on account of 1941 operations and functions and such sums as may have been expended in cash in 1941 on account of commitments incurred in previous years for which allotments might have been made to the agencies by other Campaigns of the United Jewish Appeal or from other sources. It should follow, of course, that there would be included in the 1941 report a statement of the disbursements, if any, that might have been made by any of the agencies in 1942 on account of commitments incurred or functions executed in 1941.

I hope that this information can be given to us as soon as possible as it would be a tremendous assistance to us all.

With kindest regards.

Sincerely yours,

Charles J. Rosenbloom.

May 22, 1942.

Charles J. Rosenbloom, Esq.,
521 Union Trust Building,
Pittsburgh, Pa.

Dear Mr. Rosenbloom:

This will acknowledge receipt of your letter of May 21.

It so happens that I have been conferring with the Director of Research, Dr. Eli Ginsberg, and he advises me that he is prepared to submit certain information to the three organizations interested in the allotment, and that such information will go forward in the next few days. I am sending him a copy of your letter, asking him if he can obtain the information which you seek without any great amount of work. If it can be done without any substantial expense or effort, then I see no reason why you should not have it. If it should involve any difficulty, I should want to take the matter up with the other members of the Allotment Committee.

My recollection is that the data required by the third paragraph of your letter did not, in respect of any of the three organizations considered in the allotment, play any part in the final determination. I am sending a copy of my reply to you, as well as of your letter, to the other members of the Allotment Committee for their information.

I am looking forward to seeing you on June 9 and hope that we shall be able to dispose of the Allotment matters in one day.

Sincerely yours,

(SD) F.F. Greenman.

FFG:H
M

UNITED PALESTINE APPEAL
41 East 42 Street
New York City

May 21, 1942.

M E M O R A N D U M

TO Dr. Abba Hillel Silver

FROM Mr. Henry Montor

Attached herewith for your information are copies of data that this office has compiled in connection with its preparation of material for the Allotment Committee of the United Jewish Appeal.

The data includes,

(a) a description of the income and expenditures of the Keren Kayemeth in Jerusalem for the months of November and December, 1941;

(b) a copy of the communication addressed by the Jewish Agency on November 26, 1941 to the Commissioner for Migration & Statistics in Jerusalem; and

(c) reports prepared by the Keren Hayesod on the following corporations in which it has a majority or partial fiscal interest:

American Zion Commonwealth, Inc.
Meshek Palestine Building Co. Ltd.
Haifa Bay Development Co., Ltd.
Izreel Water Co. Ltd.
Tel Aviv Development Co., Ltd.
Marine Trust, Ltd. (Tel Aviv Harbor)
Urim Palestine Film Co., Ltd.
Palestine Drainage & Amelioration Co., Ltd.

HM:ET

UNITED PALESTINE APPEAL
41 East 42nd Street
New York City

KEREN KAYEMETH LEISRAEL LIMITED, JERUSALEM

INCOME AND EXPENDITURE ACCOUNT FOR NOVEMBER, 1941

A. INCOME

1. Contributions from:

U.S.A.	L.P. 37,014.405	
Eretz Israel	5,086.773	
South Africa	3,993.-	
Chile, Santiago	1,069.634	
Various Countries	<u>410.628</u>	L.P. 47,574.440

2. Service Charges, Participation in Land Purchases, Collections, etc.

(a). Rents from land:

From 9 Cooperative Settlements (kibutzim)	L.P. 315.824	
From 8 Smallholders Settlements (moshavim)	31.205	
From 4 factories	1,536.795	
From urban lands	<u>310.798</u>	2,194.622

(b). Participation in Land Purchase (remitted by cable)		21,145.-
--	--	----------

(c). Collection of Debts and Grants

Smallholders Settlements	441.531	
Individuals	263.995	
Companies	206.587	
Individuals and others, Interest	<u>39,950</u>	952.063

3. Loans Received

From Individuals at 6% at various maturity dates	18,320.388	
From Individuals at 5% at various dates	4,140.-	
From individuals at 4% on demand	25.-	
From Institutions at 6% and at various maturity dates	<u>1,500.-</u>	33,985.388

4. Suspense Account

Remittances held in suspense		<u>2,044.399</u>
------------------------------	--	------------------

Total of Income	<u>77,895.912</u>
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B. EXPENDITURE

1a. Land Purchase

Purchase of 1,497 dunams completed during the month under review (payment in full)	L.P. 9,800.765
Completion of previous purchases	9,503.444
Advances on account of land purchases	<u>14,609.188</u>
	L.P. 33,912.997

1b. Buildings 3,748.350 L.P. 37,661.347

2. Development

Amelioration and Cultivation:

Beisan District	L.P. 207.975	
Jordan Valley	100.-	
Valley of Jezreel	95.620	
Samaria District	325.-	
Hills of Galilee	<u>234.-</u>	962.595

Loans to settlements for seeds and tools 339.- 1,301.595

3. Maintenance of Land

Jordan Valley - Construction of Jetty		70.-
Beisan District - ploughing	251.035	
guarding	59.-	
salaries	<u>15.-</u>	325.035
Samaria District - survey		22.500
Nazareth District - survey and registration fees		229.610
Emek Zevulun - ploughing	87.641	
Guarding	137.455	
legal expenses, salaries and Insurance	<u>143.971</u>	369.067
Jezreel Valley - Survey	63.258	
Guarding	23.995	
Salaries	<u>8.500</u>	95.753
Judea District - Survey	42.496	
Guarding	64.498	
Ploughing	<u>382.907</u>	489.901
Upper Galilee - Boring	87.500	
Guarding	<u>54.010</u>	141.510
Sharon Plain - Guarding		65.250
Jerusalem - Repairs New Bezalel Building		30.400
On Various Lands		<u>140.913</u> <u>1,979.939</u>

4. Drainage

Beisan District	38.591	
Emek Zevulun	4.171	
" Hephher	33.252	
Northern Hule	85.804	
Various Districts	<u>81.955</u>	243.773

5. <u>Occupation and Roads</u>			
Road Constructed in the Forest of Mount Carmel		L.P.	370.-
6. <u>Afforestation</u>			1,933.053
7. <u>Taxes</u>			
On Account of Urban Taxes	L.P.	300.-	
" " " Rural Taxes		<u>258.474</u>	558.474
8. <u>Investments</u>			nil
9. <u>Payments on Account of Funds</u>			
Interest due on funds paid to "Yeshivoth"			18.750
10. <u>Payment to the Jewish Agency on account of "Bitzaron"</u>			18,000.-
11. <u>Meeting of Commitments and Payment of Debts</u>			
To Banks	L.P.	3,554.-	
To Institutions		5,287.250	
To Individuals		<u>10,218.307</u>	20,059.557
12. <u>Redemption of Debentures:</u>			
On account of Series I	L.P.	240.-	
" " " 2 1/2%		<u>6.-</u>	246.-
13. <u>Interest Paid:</u>			
On Debentures	L.P.	89,550	
" Loans Received		2,567.800	
" Funds and Legacies		<u>362.919</u>	3,020.269
14. <u>Organization, Propaganda and Administration</u>			
(a) Salaries and Pension Fund (Insurance)	L.P.	1,361.395	
Travelling Expenses		82.164	
Furniture, etc.		36.485	
Other Office Expenses		<u>528.031</u>	
		2,008.575	
(b) Propaganda Expenses			
Press Propaganda, Pamphlets, etc.		<u>1,096.967</u>	3,105.542
			<u>L.P. 85,392.757</u>
(c) Travelling Organisers			
Salary to Delegates		168.127	
(d) Sundry Expenses and contributions		<u>555.389</u>	3,829.058
15. Sundries			<u>619.586</u>
	Total Expenditure		<u>L.P. 89,841.401</u>
Excess of Income over Expenditure			<u>8,054.511</u>
			<u>L.P. 97,895.912</u>

Land Registered in the Name of the Keren Kayemeth during November, 1941

Rural Land

Judea	-	Southern Judea, Irak-Manshieh land	263	dunams
Sharon Plain	-	For Kfar Hess	32	"
		Neighbourhood of Herzlia	359	"
		" of Eben Yehuda	357	"
Emek Zevulun	-	Hartie Land	1,140	"
Emek Jezreel	-	Yokneam land	2	"
Jordan Valley	-	Beisan region	57	"
Upper Galilee	-	Jilly region North of the Hule Lake -		
		Kadesh Neftali land	675	"

2,885 dunams



KEREN KAYEMETH LEISRAEL LIMITED, JERUSALEM

INCOME AND EXPENDITURE ACCOUNT FOR DECEMBER, 1941

A. INCOME

1. Contributions from:

South Africa	L.P. 15,031.888	
Great Britain and Ireland	7,500.-	
Eretz Israel	2,795.517	
Argentina	1,000.-	
Various Countries	<u>2,280.579</u>	L.P. 28,607.984

2. Service charges, Participation in Land Purchase, Collections, etc.:

(a). Rents from Lands:

From 10 Cooperative Settlements (kibutzim)	L.P. 209.097	
From 8 smallholders Settlements (moshavim)	186.200	
From 15 factories	152.414	
From urban lands	766.240	
Sale of Sand in Emek Zevulun	<u>42,236</u>	1,356.187

(b) Participation in Land Purchases:
(remitted by cable)

54,416.375

(c) Collection of Debts and Grants:

From Individuals	L.P. 3,102.321	
" Institutions	227.503	
" Cooperative and smallholders Settlements	<u>390.800</u>	3,720.624

3. Loans Received:

From individuals at 6% due on demand	L.P. 250.-	
" " " 6% at various dates	2,607.672	
" " " 4% for an indefinite period	5,000.000	7,857.672
		<u>L.P. 95,958.842</u>

B. EXPENDITURE

1a. Land Purchase

Purchase of 947 dunams 910 sq. metres completed during the month under review	L.P. 12,358.398
Completion of previous purchases	8,583.214
Advances on account of land purchases	<u>8,533.606</u>
	L.P. 29,475.218

1b. Buildings 47,600 L.P. 29,522.818

2. Development

Amelioration and Cultivation:

Emek Zevulun	L.P. 52,668	
Forests (Mount Carmel)	34.-	
Emek Jezreel	367.280	
Hills of Galilee	249.669	
Samaritan District	375.732	
Emek Hasharon	60.-	
Gaza District	121.344	
Various Districts	<u>74.270</u>	L.P. 1,334.963

Loans to Settlements for Seeds and Tools:	<u>1,953.639</u>	3,289.602
--	------------------	-----------

3. Maintenance of Land

Emek Jezreel - Settlement Survey	L.P. 527.-	
Emek Zevulun - salaries	L.P. 106.650	
Guarding	<u>24.-</u>	130.650
Northern Hule - survey		144.865
Beisan District - salaries, etc.		121.918
Samaritan District - survey		178.-
In Various Districts	<u>3.849</u>	1,106.282

4. Drainage

Beisan District	L.P. 104.960	
Northern Hule	52.980	
Water Investigation and Cost of Pipes in various districts	203.170	
Sundries	<u>91.009</u>	452.119

5. Occupation and Roads

Occupation	325.-	
Roads	<u>75.722</u>	400.722

6. Afforestation 2,425.169

7. Taxes

On account of Rural lands	L.P. 1,904.354	
" " " Urban lands	706.140	2,610.494

8. Investments and Securities

Debenture of Bank Hapoalim	L.P. 2.-	
" " Palestine Agricultural Association (proceeds of donations)	<u>5.-</u>	7.-

9. Payment on Account of Funds nil

10. Payment to the Jewish Agency on Account of Bitzaron 5,842.876

11. Meeting of Commitments and Payment of Debts

To Banks	L.P. 4,500.-	
" Institutions	21,023.113	
" Individuals	<u>15,689.774</u>	41,212.887

12.	<u>Redemption of Debentures on account of Series I</u>		L.P. 220.-
13.	<u>Interest Paid</u>		
	On Debentures	L.P. 396.694	
	" Loans Received	719.774	
	" Funds and Legacies	<u>539.-</u>	1,655.468
14.	<u>Organisation, Propaganda and Administration</u>		
a.	Salaries and Pension (Insurance)	L.P. 1,391.075	
	Travelling Expenses	78,891	
	Furniture, etc.	44,477	
	Other Office Expenses	<u>124.993</u>	L.P. 1,639.436
b.	Propaganda Expenses		
	Press propaganda, Pamphlets, etc.		1,090.236
c.	Travelling Organisers		
	Salaries to Delegates		139.130
d.	Sundry expenses and contributions	<u>686.095</u>	3,554.897
15.	<u>Sundries</u>		<u>1,012.878</u>
	Total Expenditure		L.P. 93,312.212
	Excess of Income over Expenditure		" 2,646.630
			<u>L.P. 95,958.842</u>

Land Registered in the Name of the Keren Kayemeth during December

<u>Rural Land: Judea</u>	- Huj land in southern Judea	822 dunams
	For Ataroth	83 "
	For Kfar Menahem	13 "
	Yavne land	13 "
	Pending	4 "
Sharon Plain	- Vicinity of Ebon Yehuda	32 "
	For Kfar Hess	23 "
	For Heruth, moshav	122 "
	Near Shefayim	20 "
Emek Zevalun	- Ganei Hahol, - Acze	141 "
Emek Jezreel	- Afule lands	738 "
	Kumie land in the Harod Block ...	810 "
Lower Galilee	- For Bnei Brith settlement ..	859 "
		<u>3,680 dunams</u>

The Commissioner for
Migration & Statistics,
Acting Director, Dept. of Immigration
Jerusalem.

Sir:

On behalf of the Executive of the Jewish Agency, we have the honour to submit hereunder a memorandum of Jewish labour requirements for the period October 1941 to March 1942, and to apply on the basis thereof for labour immigration certificates as follows:

Men	4,800
Women	<u>1,200</u>
Total	6,000

2. The country is now experiencing a marked shortage of labour both in agriculture and in industry. We have on previous occasions drawn attention to the fact that in all countries there is inevitably a group of unemployed amounting to some 5-6% of the total number of workers, this group comprising unemployables and persons unemployed between jobs. SO acute has the labour shortage become that the number of workers in this category has dropped sharply. In March 1941, the total number of unemployed, viz., persons registered as unemployed for more than 20 days in the month (excluding members of the National Labour Organisation in rural areas) was 7,547. In September of this year the number had fallen to 3,045. The relevant figures are contained in the following table:

TABLE I.

Unemployed registered as out of work for more than 20 days

Month	In towns (all organisations)	In rural areas (all organisations excluding National Labour Organisation)		Total
March 1941	6,161		1,486	7,647
April "	6,220		867	4,087
May "	4,877		792	5,669
June "	4,039		540	4,579
July "	4,054		550	4,604
August "	3,470		500	3,970
Sept.* "	2,613		432	3,045

3. So far as concerns the 3,045 unemployed in September 1941, there can be little doubt that these are almost entirely persons unfit to work, in effect social service cases. Indeed, it would appear that employers have been obliged, because of the dearth of suitable workers, to employ a substantial number of persons who would ordinarily remain unemployed because of their inability to do the work on which they are now engaged. An investigation by the Jewish Agency into the unemployment problem in Tel Aviv established that out of 3,664 persons unemployed on April 3rd, 1941, 1,620 were chronically unemployed, viz., persons registered as unemployed for upwards of three years and for not less than 100 days per annum. Of these 1,620 persons, 482 were over 40 years of age. To a lesser extent the "frictional unemployed" are persons who might possibly find employment if they were prepared to leave the settlements where they have established themselves. It is often the case, however, that persons who have succeeded after years of struggle in making themselves some kind of a home are unwilling to leave it and prefer to suffer unemployment in the hope that eventually there will be work for them in their colony and that they will not be obliged to break up their homes.

4. There continues to be a constant demand for an increasing number of workers in Army works in various parts of the country. It has been estimated that the number of Jewish workers engaged by the Army directly or by contractors working for the Army was 11,000 in August of this year. There have been numerous cases, particularly in the Haifa district, of a greater demand for Army workers than was available. There also is a regular falling off of persons engaged in industry who volunteer for service in the Army.

5. Industry continues to expand and the number of persons employed and the number of working days are steadily rising in practically all branches of industry, particularly in those of foodstuffs, textiles and metal-ware. The position is apparent from the following table:

* Provisional estimate.

Industrial Employment: Index Numbers of Workers and Man-Days
(Jewish Agency Figures)

Basis: Average October 1938 - September 1939 = 100

Branch of Industry	April b		May		June		July *		August*	
	Work-Man	ers days	Work-Man	ers days	Work-Man	ers days	Work-Man	ers days	Work-Man	ers days
Foodstuffs	144	138	139	139	131	135	143	144	143	150
Textiles	174	177	177	192	171	186	175	161	178	191
Clothing	106	119	108	122	108	119	108	112	123	122
Metalware	122	120	128	132	140	149	145	146	177	177
Machinery	146	159	149	163	154	171	158	180	173	195
Chemicals	115	103	117	101	113	109	116	101	128	115
Leather	108	117	108	110	97	77	101	97	120	123
Electric										
Appliances	174	180	182	191	177	174	158	168	156	151
Miscellaneous	102	118	106	129	122	138	128	152	129	153

6. Mention may be made of several factors which are responsible for the increase in industrial output. First, Army orders. During the first nine months of 1941 these orders were in respect of approximately LP.2,250,000 worth of goods as compared with LP.1,000,000 worth of orders from the commencement of the war up to the end of 1940. It is estimated that the orders for the whole of the year 1941 will amount to about LP.3,000,000. Secondly, there is an increased demand due to the large number of soldiers in the country and to the greater purchasing power of the population. The third factor is the substantial reduction in the import of manufactured goods. During the first seven months of 1941, the import of manufactured goods, comprising articles most of which are manufactured in Palestine, dropped to LP.3,385,000 as compared with LP.4,589,000 during the same period of the previous year, namely, a decrease of 26%. The reduction in the actual quantity of goods imported must have been substantially greater than 26% as prices for 1941 had risen very considerably. In view of increased restrictions it is reasonable to assume that the import of goods from abroad will decrease still further. This will create a still greater demand for goods manufactured locally.

7. Industrial progress is also furthered by the continued initiative of Jewish manufacturers in the development of their enterprises. This has resulted in the expansion of a number of industrial plants and the appearance on the market of numerous articles not previously made in Palestine. A few examples are the factories of wooden shoe-lasts (Bergman Bros.), weaving looms (Levontin), cardboard (Leon), the textile factory of Edmund Pollack and the Alka factory for the manufacture of tin boxes and kitchen utensils. Particular mention should be made of the expansion of plants for the manufacture of machinery and machine parts such as those of Messrs. Sedan, Esheth, Shneirson, Vulcan, Clauson, and others.

8. Another industry which has made rapid strides forward and is engaging an increasingly large number of workers is the diamond industry. Work in this industry was first commenced in 1938. In March of this year the industry employed some 400 workers. In our application for a labour schedule in March of this year, we estimated that it would absorb another 400 workers. In fact there are now 10 diamond cutting and polishing factories which employ over 1,200 workers. We understand that four additional factories are about to be opened in Jerusalem and Tel Aviv which will employ at least 300 more workers. Most of the machinery used in this industry is manufactured in Palestine.

9. The general progress achieved in the development of industry in Palestine was demonstrated in the Palestine Exhibition in Egypt. There are some 2,000 industrial exhibits manufactured by 300 different firms, of which 260 are Jewish. This Exhibition serves to illustrate the extent to which industry in Palestine can be adapted to meet war requirements. It is our conviction that a good deal more can yet be done to increase Palestine's industrial contribution to the war effort.

10. During the last six months a considerable number of unemployed were absorbed in industry. Nevertheless, there is now a shortage of labour for industrial requirements. This is particularly so with regard to skilled workers, especially in the branches of metal-ware, textiles and shoes. It may be said that practically every worker who is at all suitable for employment in industry has been absorbed and that industry is actually suffering from a shortage of

skilled labour. We have on previous occasions endeavoured to explain the advantages accruing to industry in general by the immigration into Palestine of skilled industrial workers. There can be no doubt that Palestine would have been unable to make such contribution as it has made to the industrial war effort were it not for the presence in the country of numerous experts in various spheres of industrial activity. The situation today is that there is need for many more skilled workers and the reserve of unemployed on which industry drew from time to time for unskilled labour has for practical purposes now been exhausted. It is, accordingly, essential to make provision for further requirement of both skilled and unskilled labour.

11. In agriculture the employment situation is even worse than in industry. There has not been so severe a shortage of workers in agriculture, particularly for mixed farming, since 1934. The setback suffered by the citrus industry during the last two years resulted in a large exodus of workers from rural areas. Thus on September 1st, 1940, according to our statistics, there were 10,603 Jewish workers in 22 selected agriculture centres, of whom 9,498 were agricultural workers. By September 1st, 1941, the number of workers in the same colonies had dropped to 6,525, of whom 5,247 were agricultural workers. These figures include both employed and unemployed. If these figures may serve as a basis to indicate the trend of the exodus of labour from the citrus zone, it would appear that during the last year the number of workers available for work in that zone has been reduced by about 45%. These workers are now engaged either in work for the Army or in work in towns, whilst a certain number have enlisted.

12. This exodus of labour from agricultural areas constitutes a real danger to the citrus industry of the country. Whilst it is true that this industry is experiencing a serious setback, nevertheless citrus grove owners are endeavouring, with Government and other assistance, to keep alive their groves, in which they have invested years of work and some LP.25,000,000. To do this growers must continue to carry out a minimum of essential work in their groves. The shortage of agricultural labour is liable to result in many groves being neglected because of growers being unable to find men to carry out these minimum essential works. The total number of unemployed in the orange areas in September of this year was 432. While no request is made in this memorandum for certificates for workers in the orange industry, it is clear that rock-bottom has been reached and that neither mixed farming nor industry can any longer expect to find reserves of labour in the citrus zone as was the case heretofore.

13. Despite the drawbacks due to the war, such as the shortage of fertilisers and of certain feed imported from abroad, particularly for poultry, the difficulty of obtaining pipes for irrigation purposes, etc., mixed farming has continued to develop rapidly. There has been a constant increase in the number of milk cows and in the quantity of milk produced, as is shown by the following figures:

TABLE III.						
	1937	1938	1939	1940	1941	(to end of Sept.)
Milk cows	8,792	8,401	8,810	9,247	10,178	
Milk in millions of litres for the nine months Jan.-Sept.	22.9	22.4	24.1	25.2	31.3	

The financial position of farmers engaged in this branch of agriculture has improved considerably owing to the increase price of milk and milk products and the greater demand for milk for drinking purposes. This has encouraged farmers to increase their herds and their output of milk. They are, nevertheless, still unable to supply the needs of the country in view of the reduction of the import of milk products and the additional demand created by the presence of troops in the country.

14. Substantial progress has been made recently in sheep-raising. In labour settlements alone there are today over 16,000 head of sheep. During the first five months of 1941, these settlements sold 250,000 litres of sheep's milk as compared with 160,000 litres during the same period last year, an increase of 56%. Similarly, the quantity of sheep's cheese during that period rose from 3,500 pkgs. in 1940 to 4,560 pkgs. in 1941. The expansion of sheep-breeding has also resulted in the increase of homespun and factory-made wool yarn.

15. The increase in the output of vegetables continues, as appears from the following table:

TABLE IV.			
Vegetables	January-June 1940	January-June 1941	Percentage of Increase
	Tons	Tons	
Potatoes	3,395	4,916	45.
Tomatoes	2,856	3,195	10.8
Carrots	1,212	1,458	20.
Cabbage	995	1,490	50
Beets	547	703	28.5

The country is in need of a still greater supply of vegetables. There is land available for the growing of considerable additional quantities, but the agricultural settlements are so short-handed that they are unable to embark on any expansion of their efforts in this direction.

16. There has also been an increase in the quantity of fish caught in Palestine and adjoining waters as appears from the following table:

TABLE V.
FISHING

Type of Fishing	Oct. '39 Catch in tons	Sept. '40 Value in LP.	Oct. '40 Catch in tons	Sept. '41 Value in LP.
In lakes	73.6	3,786	71.8	4,140
In coastal waters	18.4	679	6.9	589
In deep waters	25.7	1,087	116.7	5,901
In artificial pools	14.4	2,048	38.8	5,837
Total	132.1	7,600	234.2	16,467

It will be observed that the increase in the quantity of fish caught was 77%. The area covered by artificial pools used for fish-breeding is now about 1,000 dunams. It is proposed to double this area during the coming year as the need for fish has become greater in view of the difficulties attached to the

import of meat from abroad during the war. A number of additional fishing boats are now in the course of construction. The number of workers engaged in fishing has risen from 63 in 1939 to 200 in 1941. It is desired to increase this number still further.

17. There has been a continuous development of industry in agricultural settlements. This subject was dealt with at some length in our schedule memorandum of April 24th, 1941. It is estimated that the value of articles manufactured in agricultural settlements will rise from LP.316,000 during last year to over LP.400,000 in the current year.

18. The agricultural settlements find themselves particularly hard hit by the recent decline in labour immigration. In consequence the settlements have not enough workers to do their agricultural work even without taking into account the need for expanding production for the reasons indicated above. Unless the settlements can be provided with additional labour, mixed farming is bound to deteriorate and production fall off.

19. In many of these settlements the practice of sending some members to work outside in order to increase their cash income had to be given up. Some settlements have given up places of employment which had furnished them with a cash income for many years, e.g. Givat Hashlosha, which gave up its quarrying work at Migdal Zedek, despite the great sacrifices made in working the quarries during the 1936-39 disturbances. The principal subject of discussion at every recent conference of agricultural workers was the serious situation in agriculture created by the shortage of labour. From every settlement comes the same complaint that they had to forego various agricultural projects because of their inability to cope with the work and that a stage is now being reached where, without additional help, they will not be able properly to cultivate even those areas which are at present under cultivation. All efforts made to meet the emergency by enlisting the assistance of school pupils during their vacations and by looking for additional workers among the urban unemployed have been of little avail. The problem is not merely one of finding additional help for seasonal work, but the increase of permanent membership in settlements.

20. We attach a list showing the number of workers required, according to our information, by 97 settlements, totalling 5,130. We submit that on a conservative estimate the minimum number of additional workers necessary to enable our agricultural work to continue unimpaired is 4,000. We also consider that the number of workers engaged in fishing and sea-works should be increased by 150. We submit that the industrial requirements of the country make it essential for the reserve of skilled and unskilled workers in industry to be increased by 1,000. In this estimate no account has been taken of the likelihood that the Army may require a still greater number of men for their works. We further submit that provision should be made for the immigration of 200 relatives of persons residing in Palestine who can profitably be employed in family undertakings. We again refer to the urgent need of enabling Zionist veterans to come to Palestine and ask for 250 certificates under this head. We also suggest that 400 certificates be issued for persons in domestic service, the shortage of whom is now particularly felt.

21. In applying for the number of certificates mentioned above, the Jewish Agency is not oblivious of the serious difficulties in obtaining transit visas and transportation facilities for immigrants coming to Palestine. At the same time we believe that opportunities still exist for bringing over immigrants from Syria, Turkey, Iran, Iraq, the Yemen, Japan, Shanghai, Australia and other countries. We also hope that it will still be possible to arrange for some of the large numbers of suitable immigrants who are now to be found in Soviet Russia, to migrate to Palestine. We therefore feel entitled to ask Government to approve a quota in the above number in the expectation that means will be found to bring these immigrants to Palestine.

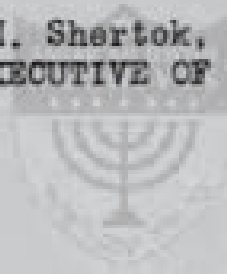
22. On behalf of the Jewish Agency we hereby guarantee the maintenance for a period of one year of the immigrants who will be nominated by the Executive, in case of their being unemployed.

We have the honour to be,

Sir,

Your obedient servants,

M. Shertok, I. Gruenbaum
EXECUTIVE OF THE JEWISH AGENCY



Labour Schedule applied for by the Jewish Agency for
the period October 1941 - March 1942.

1. <u>Agriculture:</u>		
Vacancies in existing settlements	4,000	
Fisheries	<u>150</u>	4,150
2. <u>Industry:</u>		1,000
3. <u>Domestic Service:</u>		400
4. <u>Miscellaneous:</u>		
Relatives of working age	200	
Veteran Zionists	<u>250</u>	<u>450</u>
Total.....		<u>6,000</u>

List of Settlements Requiring Additional Workers

A. <u>Upper Galilee:</u>		
Kfar Giladi	80	
Ayelet Hashahar	80	
Dan	50	
Daphne	80	
Shear Yashuv	20	
Beit Hillel	30	
Huliot	30	
Amir	20	
Mahanayim	<u>20</u>	
		410 workers
B. <u>Jordan Valley & Lower Galilee</u>		
Genossar	40	
Kfar Hittin	20	
Kinneret	70	
Ein Gev	70	
Degania A.	50	
Degania B.	60	
Beit Zera	45	
Shaar Hagolan	50	
Masada	60	
Afikim	100	
Ashdot Yaaqov	120	
Gesher	40	
Sherashim, Labiya	20	
She'ara	20	
Hazorim, Sarjuniya	20	
Sarona	<u>20</u>	
		795 workers
C. <u>Beisan Valley & Harod Block:</u>		
Kfar Ruppim	40	
Maoz Hayim	80	
Neve Eitan	50	
Tirat Zvi	45	
Sde Eliyahu	45	
Mesillot	50	
Nir David	50	
Sde Nahum	80	
Beit Hashitta	80	
Beit Alfa	40	
Hefzibah	25	
Tel Josef	90	
Ein Harod	90	
Geva	50	
Kfar Yehezkel	40	
Moledet	<u>40</u>	
		690 workers

D. Afula Valley & Nahalal Block:

Merhavia	50	
Mizra	40	
Sarid	55	
Gevat	80	
Ginegar	40	
Hasharon	40	
Ayanot	40	
Nahalal	70	
Beit Shearim	55	
Sde Yaaqov	45	
Kfar Yehoshua	80	
Alonim	75	
Meshek Zaid	40	
Shaar Haamukim	40	
Hazorea	50	
Meshek Haemek	50	
Ein Hashofet	50	
Dalya	<u>40</u>	940 workers

E. Haifa & Zetulun Valley:

Yagur	120	
Ein Hamifratz	50	
Kfar Masaryk	50	
Mishmar Hayan	80	
Usha	40	
Kfar Maccabi	40	
Kfar Hasidim	40	
Beit Oren	50	
Ramat Yohanan	50	
Maayan	40	
Hanita	40	
Matsuba	40	
Eilon	<u>50</u>	690 workers

F. Emek Hefer and Sharon Plain:

Mishmarot	50	
Ein Shemer	50	
Gan Shmuel	50	
Ein Hahoresh	50	
Givat Hayim	80	
Maabarot	50	
Mishmar Hasharon	50	
Ramat Hakcvesh	80	
Shefayim	80	
Kfar Vitkin	80	
Beit Yehoshua	30	
Tel Yizhaq	30	
Yavne	40	
Kfar Pines	25	
Kfar Yavetz	<u>30</u>	775 workers

G. Judea and the South:

Givat Hashosha	85	
Kvutzat Shiller	40	
Givat Brenner	120	
Naan	60	
Kfar Warburg	40	
Beer Tuvis	80	
Negba	40	
Kfar Menahem	40	
Kiryat Anavim	35	
Ramat Rachel	50	
Maale Hahamisha	<u>40</u>	625 workers

Grand total: 97 Settlements 5,130 workers

AMERICAN ZION COMMONWEALTH INC.

Report for the Year 1940.
(Translated from Hebrew)

Our activities during the year 1940 were very limited on account of the war. Contact with our purchasers in European countries was broken off entirely, and only a few of the American purchasers addressed themselves to us.

One-hundred-fifty-one transfers of land took place in 1940 (see following table) of which only 10 were in favour of purchasers from abroad.

Transfers of Land during 1940.

<u>Locality</u>	<u>No. of Transactions</u>	<u>No. of Plots</u>	<u>Area in sq. mts.</u>
Al-Haram	18	31	127,633
Hersliah	4	8	52,625
Kfar Shmaryahu	74	114	455,590
Afulah	3	3	7,898
Balfuriah - Ramat Izreel	2	6	11,079
Jeda	33	50	226,938
Kfar Atta	15	25	34,532
Neveh Shaanan near Haifa	1	2	1,986
Carmeliah near Haifa	<u>1</u>	<u>1</u>	<u>957</u>
Total	151	240	919,238

This area covers 1181 old dunams (gross) under agreements.

There were also 22 land registry transactions concerning discharges of mortgages.

Title deeds were issued during the year mainly in respect of the lands of Jeda and Kfar Shmaryahu. At Jeda land settlement operations were begun in 1939 and completed in 1940, so that in the latter year we were able to arrange for title deeds to be issued to the members of the two associations "Hanul" and "Yefe Izreel" residing in Palestine. At Kfar Shmaryahu the partition scheme was indeed ready in 1939, but the issue of title deeds was delayed by the Rassco (Rural and Suburban Settlement Company) which had not finished its arrangements with the settlers and other parties until 1940. The title deeds were therefore issued only in 1940, when also the mortgages in favour of the settling institutions (Keren Hayesod and the Central Bank of Cooperative Institutions) were registered.

At the end of 1940 the District Town Planning Commission approved the development scheme prepared by the architect Kaufman in respect of our land in Blocks 6668/9 of Al-Haram, on the sea-shore, covering an area of 886 dunams. A detailed partition scheme for 353 dunams out of this area was submitted to the Land Registry Office for registration.

A plot of $19\frac{1}{2}$ dunams situated on the top of a hill within this area was set aside for the planting of a garden in memory of the late Dr. S. A. Van Vriesland, who was Manager of the Company in Palestine. This plot has been registered partly in the name of the Keren Hayesod and partly in the name of the Keren Kayemeth.

Among our operations during the year 1940 we should mention the liquidation of the associations "Avodath Israel" of Kfar Atta and "Manor-Hanul" of Jeda in which we take part by means of special boards of trustees.

UNITED PALESTINE APPEAL
41 EAST 42ND STREET
NEW YORK CITY

I. BRAUDE
Certified Accountant

Princess Mary Avenue

Jerusalem, 26th September, 1941

THE AMERICAN ZION COMMONWEALTH, INC.
PALESTINE OFFICE

I have examined the attached Balance Sheet with the books at the Palestine Office of the AMERICAN ZION COMMONWEALTH, INC. I have obtained the information and explanations I have required and in the attached memorandum I have set out the comments and explanations regarding the items of the attached Balance Sheet.

The Balance Sheet, subject to the comments and explanations attached herewith, exhibits, in my opinion, a true and correct view of the state of the Company's affairs in Palestine, as at December 31st, 1940, according to the best of my information and the explanations given to me and as shown by the books of the Company.

I. B R A U D E.
Certified Accountant,
Auditor.

EXPLANATIONS AND COMMENTS.

LIABILITIES

Accounts Payable

(a) Bills Payable -

The bills are overdue.

(b) Palestine Government -

Taxes due to District Offices of -

Nazareth	593.341
Haifa	260.910
Ramlah	<u>86.908</u>
LP	<u>941.159</u>

These debts are in respect of the following:-

1. Balance of the claims in respect of the old Company taxes	350.532
2. Claim for tithe for Balfuria lands	250.-
3. Survey taxes for Jaida lands	28.270
4. Land taxes for the fiscal year ending 31st March, 1941, calculated on the basis of the previous payments	<u>312.357</u>
	<u>LP 941.159</u>

I have seen no accounts or demand notes from the District Offices to prove the correctness of these balances.

(c) Land Purchasers -

The advances received on account of expenses include payments for taxes in respect of which the purchasers will be charged on final registration of these lands in their names.

(d) Sundry Creditors -

Payment to the creditors of Avodath Israel and Hanul Co. Ltd. amounting to LP. 2,561.526 is subject to collections from Kufretta and Jaida Settlers. These creditors will be entitled to receive a certain fixed proportion of such collections.

Institutions

Keren Hayesod Ltd. -

The amount due on Loan Account is partly secured by Al-Haram Lands which are registered in the name of the Keren Hayesod Ltd. The Al-Haram Lands were sold and do not figure in the Balance Sheet, but no title deeds were yet been issued to the purchasers.

No interest is credited on the balances due.

Certificate Holders

In connection with the determination of ownership of lands in Balfuria it has been ascertained that on the 31st December, 1940, only 614 certificate holders have not surrendered these certificates of £ 250.- each, against land. According to the Schedules of Rights of the Land Settlement Officer, Palestine Government,

the following areas of Balfuria land registered partly in the name of the Company and partly in the name of the Keren Hayesod Ltd. were at the disposal of the Company at that date, and were not included in the Balance Sheet:-

Agricultural Section	897,710 square meters
Ir Ganim	486,175 " "
Ranath Israel	46,738 " "
In other blocks	232 plots

According to my information these lands will be sufficient to satisfy only 517 Certificate Holders. A sum of LP. 4,850.- was therefore set aside to meet the obligations towards the remaining 97 Certificate Holders on the basis of LP. 50.- per \$ 250.-.

Purchasers of land oversold at Herzeliyah

138,11 dunams were oversold. This area could, in the opinion of the management, be purchased, in order to satisfy the purchasers, at LP. 15.- per dunam.

ASSETS

Lands

(1) Afuleh Residential Quarter -

According to the Schedules of Rights of the Land Settlement Office, Palestine Government, these lands are registered in the following names:-

(a) of the Company	318.762 m ²
(b) of the Palestine Land Development Co. Ltd.	301.105 2
(c) of the Keren Hayesod Ltd.	1.911 "
(d) areas disputed	<u>8.732 "</u>
	630.510 "

According to the confirmation of the manager of the Company, the dispute on the areas per item (d) was settled in favour of the Company, in which name these areas have since been registered. According to the practice adopted by the Company the claims of purchasers are satisfied by transfer of 616 m² per each dunam sold. The balance is deducted for Parks, open Gardens and other public spaces. Thus instead of 630,510 m² the constructed area available for sale is 1023,5 dunams (see page 8).

(2) Afuleh Commercial Quarter -

According to the Schedule of Rights of the Land Settlement Office, Palestine Government, these lands are registered:-

(a) in the name of the Company	104.272 m ²
(b) in the name of the Palestine Land Development Co. Ltd.	<u>34.785</u>
	139.057

The area of 225,7 dunams shown on page 8 has been arrived at on the same basis adopted with regard to the lands at the Residential Quarter of Afuleh (see above).

(3) Afuleh Agricultural Area:-

According to the Schedules of Rights of the Land Settlement Office, Palestine Government, these lands are registered -

(a) in the name of the Company	98,262 m ²
(b) in the name of the Palestine Land Development Co. Ltd.	<u>606,289</u>
	<u>704,551</u>

Three plots totalling 34,351 m² included in the lands registered in the name of the Palestine Land Development Co. Ltd. are mortgaged, together with other plots, belonging to the Company, to the Keren Hayesod Ltd. to secure the sum of LP. 2,535,475. The area available for sale was calculated on the basis of 873 m² for each dunam.

(4) Balfuria -

The area of 5971 m² represents the total balances of lands undistributable among Certificate Holders, namely:-

(a) At Ir Ganim	1,475 m ²
(b) At Ramath Israel	738 "
(c) At Agricultural Section	3,758 "

(5) Jaida -

According to the Schedules of Rights of the Land Settlement Office these plots are registered in the name of the Company.

The building plots at Givat Eliahu, at Talpioth, at Carmelia and at Central Carmel are registered in the name of the Palestine Land Development Co. Ltd.

The 8 plots at Carmelia include 7 plots with a total area of 8405 m² purchased jointly with the Palestine Land Development Co. Ltd.

The Carmelia slope and the two plots at Achuzath Sir Herbert Samuel are registered in the name of the Keren Hayesod Ltd. According to the confirmation from the manager of the Company the slope at Achuzath Sir Herbert Samuel is registered in the name of the Achuzath Sir Herbert Samuel Cooperative Society Ltd. (in liquidation) and is not included in the sum of LP.300.- which represents only the value of the two plots.

I have not seen title deeds for the following lands transferred from the Meshek Building Co. Ltd.:

Muchlas Land, Haifa;
Harcavi and Har Land, Haifa
Isaac Bek Land, Haifa
Nevé Shaanan Land, Haifa
Suleman Nisim Bey Land, Haifa

The German Community Land and the Vardia Land are registered in the name of the Meshek Building Co. Ltd.

I have seen a confirmation from the Keren Hayesod Ltd. that all the above mentioned lands registered in its name are held at the disposal of the Company. No such confirmation could be obtained from the Palestine Land Development Co. Ltd. in respect of the Zion Commonwealth's lands registered in its name.

Balfuria Lands leased to Settlers

The sum of LP.17,215,575 represents the amount transferred to the credit of the settlers in consideration of 2740,99 dunams (gross) at the sale price of LP.6,281 per dunam, in cancellation of their purchases contracts. According to the Schedule of Rights of the Land Settlement Office, Palestine Government, the area occupied by these settlers amounts to 2,545,337 dunams. The land is registered in the name of the Keren Hayesod Ltd., which according to the information given to me, intends to acquire this land from the Company at a price to be fixed.

Shares

Most of these shares are of a doubtful value.

Land Purchasers and Settlers

The mortgages of Herzeliyah Settlers are registered in favour of the Anglo-Palestine Bank Ltd. The balances of LP.10,624.509 include overdue instalments, with interest, totalling LP. 8,519.830. Of the mortgages totalling LP.14,210.878 on property of Balfuria Settlers LP. 14,144.753 are registered in the name of Keren Hayesod and LP. 66.125 in the name of the Anglo-Palestine Bank Nominees Ltd.

The mortgages of Afuleh Settlers are registered -

in the name of A.P.B. Nominees Ltd. 308.276

in the name of the Keren Hayesod Ltd. 102.430

in the name of the Company 7.675

These mortgages include overdue instalments of LP.198.375.

The mortgages of Kufretta Settlers are registered in the name of the Company and include overdue instalments of LP. 990.814.

The mortgages of Jaida Settlers are registered in the name of the Company and include overdue instalments of LP. 15.403.-.

The mortgage of the settler at Talpioth is registered in the name of Keren Hayesod Ltd. and is overdue.

The mortgage of the settler at Hedera includes overdue instalments with interest thereon of LP.292.790.

The mortgages of Haifa Settlers are registered -

1. A second mortgage of LP.1,308.- in the name of the Keren Hayesod.Ltd., and

2. A first mortgage of LP. 145.360 in the name of A.P.B. Nominees Ltd.

The mortgages are overdue

The bills of the settlers and purchasers include LP.95.909 overdue.

I have seen no confirmation from the Palestine Land Development Co. Ltd. of the debit balance of LP. 208.586 for Carmelia Land, included in the sum of LP. 233.586.

The book balances include charges for taxes and interest not yet confirmed by the purchasers and settlers and the sum of LP. 5,237.674 is set aside for covering various claims and as a reserve for adjustments of accounts.

GENERAL

The American Zion Commonwealth is incorporated in America and is acting in Palestine as a Foreign Company. The attached Balance Sheet shows the affairs and the position of the Company as seen from the books and records of the Palestine Office in Tel-Aviv.

I have not seen a balance sheet of the affairs of the Company in America as at the 31st December, 1940

The Company sold certain areas of land to numerous purchasers for which no title deeds have yet been issued. The land so sold is registered partly in the name of the Palestine Development Co. Ltd. and others, and does not figure among the Assets of the Company. In addition, the Company holds lands destined to be Parks, Open Gardens and other public spaces. These are not recorded in the books of the Company.

[illegible]

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1940

DR.	LP	mls	LP	mls	CR.	LP	mls
To GENERAL EXPENSES					By INTEREST ON MORTGAGES ETC.	966.712	
Salaries	806.400				" FEES		
Payment to an employee still working, on account of compensation	70.-				For transfer of contracts	92.865	
Lawyer's fees 60.-					" registration of title deeds	<u>85.924</u>	178.789
Legal expenses <u>18.745</u>	78.745				" DECREASE OF RESERVE FOR SURVEY OF AL-HARAM LAND		83.580
Rent 60.-					" SURVEY OF LANDS		9.209
Travelling expenses 31.931					" MISCELLANEOUS INCOME		- .730
Telephone and Postage 23.746					" BALANCE - being deficit		458.991
Cleaning and extra work 29.605							
Audit fees for 1939 and miscellaneous expenses <u>76.726</u>	1,177.153						
Less Participation of -							
Moshok Building Co. Ltd.	50.-						
Yezreel Water Co. Ltd.	31.250						
Yefei Israel Co. -							
1/2 share of revenue from Jaida Lands administered by the Commonwealth	<u>21.347</u>	<u>102.597</u>	1,074.556				
" LAND TAXES		336.232					
Less Charged to settlers		<u>167.039</u>	169.193				
" GUARD OF LANDS			199.737				
" SHARES IN GEULATH HAMAYIM CO. LTD. previously accepted by the Keren Hayesod Ltd. as part payment, now returned to the Company, and written off as of no value			220.-				
" ADJUSTMENT OF PROFIT ON LANDS IN PREVIOUS YEAR			21.045				
" COMMISSION ETC.			13.480				
	LP	<u>1,698.011</u>					<u>1,698.011</u>

- 7 -
SUNDRY CREDITORS

Haifa Bay Development Co. Ltd.		2,156.691
Creditors re Avedath Israel Co. -		
Solomon I., Advocate	764.709	
Tereck & Reznik	510.769	
Kushnir, advocate	115.275	
I. Braude, Auditor	<u>20.773</u>	1,411.526
Creditors re Hanul Co. Ltd. -		
Horowitz & Co., advocates	901.-	
Tereck & Reznik, Surveyors	214.-	
Ben-Dor	<u>35.-</u>	1,150.-
Bitzur Ltd., payable in quarterly instalments of LP.36.694 from 1.2.1941		440.328
Palestine Land Development Co. Ltd. -		
Expenses on Carmelia Land,- amount disputed	345.151	
Current Account	<u>4.975</u>	350.126
Collections from Herzeliyah Settlers for guard on behalf of the Palestine Government		241.750
Tereck & Reznik, Surveyors -		
For Association of Surveyors	155.863	
Amount disputed	<u>33,655</u>	189.518
Creditors of Meshek Building Co. Ltd -		
Bank Hapoalim Ltd.	65.115	
Kiselhoff	28.210	
D. Rabinovitz	25.640	
Jewish Labour Association	19.155	
Various for bills handed over to creditors	<u>31.014</u>	169.134
Palestine Agricultural Settlement Association Ltd., for pipes		128.-
Herzeliyah Development Co. Ltd.		102.726
Jewish Agency for Palestine		100.-
S. Horowitz & Co., advocates		65.-
N. Epstein, Surveyor		41.800
Contributions earmarked for -		
Public Hall at Afuleh	43.500	
Synagogue at Herzeliyah	<u>8.818</u>	52.318
I. Solomon, advocate		33.073
M.D. Finkelstein		20.617
I. Braude, Auditor		20.500
Sundry		<u>127.408</u>
	LP	<u>6,800.515</u>

- 8 -
L A N D S

Afulah Residential Quarter - 1023,5 dunams at LP. 22.500		23,029.750
Afulah Commercial Quarter - 225,7 dunams at LP. 35.-	7,899.500	
3 plots, 25,759 m ² at cost	<u>1,391.685</u>	9,291.185
Afulah Agricultural Area - 807,04 dunams at LP. 8.500		6,859.840
Balfuria - 5971 m ² at LP. 6.850		40.901
Jaïda - 20 plots totalling 20,345 sq. Metres at LP. 19.- per valuation		386.555
Givath Eliyahu - 5 plots 7902.40 pics netto at 75 mils		592.680
Talpioth - 2 plots 3581.89 pics brutto at 90 mils		322.370
Shechunat Sheinkin - 1 plot at cost	120.-	
" per valuation	120.-	240.-
Carmeliah - 1 plot, 1114,77 m ² at 205 mils	228.528	
8 plots 11631,75 m ² at 135 mils	1,570.288	
Slope, 94,303 dunams at LP.20.- per valuation	<u>1,986.060</u>	3,684.876
Central Carmel - 2 plots, 3793,50 m ² at 120 mils		455.220
Muchlas Land, Haifa - 1 plot, 998 pics at 400 mils	399.200	
Slope 191/4 dunams at LP. 95.-	<u>1,828.750</u>	2,227.950
Harcavi & Har Land, Haifa - 1 plot, 1111 m ² at 400 mils	444.400	
Slope, 3054 m ² at 100 mils	<u>305.400</u>	749.800
German Community Land, Haifa - Slope, 6240 m ² at 81 mils		505.500
Isaac Ber Land, Haifa - Slope, 5999 m ² at 80 mils		479.920
Achuzath Sir Herbert Samuel, Haifa - 2 plots, 2134 m ² & Slope 899 m ²	300.-	
Plan for plantation of slope	<u>3.-</u>	303.-
Nevei-Shaanan Haifa - Part of plot No. 90,679 m ² per valuation		50.-
Vardia, Haifa - 3 dunams & 451 pics		308.750
Suleman Nisim Bey Land, Haifa - 1 plot 834 m ² at cost		295.436
Har Canaan, Nominal value		1.-
	LP	<u>49,823.733</u>

LAND PURCHASERS AND SETTLERS

	Amounts due		Book Balances			Less	
	Mortgages	Bills	In	In	Total	Reserve	Balance
			Palestine	America		for	
						interest	
						included	
At Herzeliyah	10,624.509	10.813	336.865	189.982	11,162.169	62.047	11,100.122
" Balfuria	14,210.878	26.949	4,971.539	-	19,209.366	2,814.735	16,394.631
" Afulch	418.381	133.200	2,159.982	2,343.535	5,055.098	758.488	4,296.610
" Kufretta	7,554.327	-	2,406.496	-	9,960.823	-	9,960.823
" Jaida	141.474	-	2,990.497	-	3,131.971	-	3,131.971
" Shechunath Sheinkin	-	180.-	-	51.880	231.880	48.580	183.300
" Talpioth	91.210	-	-	-	91.210	-	91.210
" Carmelia	-	-	233.586	126.-	359.586	40.-	319.586
" Givath Eliahu	-	-	259.980	409.314	669.294	110.278	559.016
" Central Carmel	-	-	119.110	646.522	765.632	231.814	533.818
" Red Carmel	-	-	-	147.102	147.102	47.034	100.068
" Hedera	531.228	-	-	-	531.228	-	531.228
" Haifa	1,453.360	1,686.440	1,052.462	-	4,192.262	479.125	3,713.137
Certificate Holders	-	-	-	2,032.879	2,032.879	645.573	1,387.306
LP	35,025.367	2,037.402	14,530.517	5,947.214	57,540.500	5,237.674	52,302.826

(1) Including LP. 1,400. - for Doubtful Debts.

SUNDRY DEBTORS.

Shechunath Borckhov -		
Bills	644.359	
Legal Expenses	<u>19.975</u>	654.334
Jewish National Fund -		
For taxes on Jaida Land	81.657	
Amounts disputed	<u>228.-</u>	309.657
Afulah Local Council		247.845
Balfuria Committee		222.179
Palestine Land Development Co. Ltd.		
for shortage in Al-Haran Land		135.900
Tereck & Reznik, Surveyors		90.292
M. Rubinstein, Manager		90.-
I. Zucker, employee		41.-
A. Geiger, watchman		98.053
D. Freiburger, New York		45.352
Special guard at Herzeliyah and		
Al-Haran, to be collected from settlers		75.316
I. Solomon, Advocate		50.890
Land Purchasers, for expenses re title deeds		190.689
Gan Tapukhin, Afulah		40.-
J. Lubman-Khaviv		29.-
I. Rivlin		15.-
Khana Mandelman		12.500
Sundry		<u>136.284</u>
	LP	<u>2,534.291</u>

UNITED PALESTINE APPEAL
41 East 42nd Street
New York City

DIRECTORS' REPORT FOR 1940
"Meshek" Palestine Building Co. Ltd.
(Translated from Hebrew)

The Directors present herewith the Company's Balance Sheet as at the 31st December 1940.

After the transfer to the American Zion Commonwealth of the majority of the Company's lands and claims against debtors, in part settlement of the Company's debt to the American Zion Commonwealth, the only asset left in the Company's possession was the land of Kuskus Tabun, which was still subject to various pending claims on the part of neighbors.

During the year under review the Company continued to take part in the legal proceedings relating to those claims, and at the same time tried to negotiate an amicable settlement.

Meanwhile the Company continued the cultivation of the flat land which was begun in 1939 upon the grant of the order of possession by the Court. Also, certain quantities of timber from the forest were sold during the year, so that the item "Kuskus Tabun", for so many years a constant item of expenditure, showed this year a small income.

With the assistance of the Keren Hayesod the Company continued to make payments on account of the Kuskus Tabun mortgage. Since the end of 1940 the mortgage has been fully discharged.

During the year under review an action was brought against the Company by a former employee, who claimed a sum of over LP.6,000 on account of alleged joint business with the Company. The claimant had tried to exert pressure on the Company to concede his claim or a part thereof but failed, and the action was dismissed at the outset, as he did not appear in Court even for the first hearing.

Board of Directors

"MESHEK" PALESTINE BUILDING CO. LTD.

BALANCE SHEET

AS AT 31ST DECEMBER, 1940

(Translated from the Hebrew)

ASSETS:

	<u>LP.</u>	<u>LF.</u>
Land at cost		14,753.736
Registered jointly with land of other Companies		
<u>Debtors</u>	681.412	
Less Reserve for Bad Debts	<u>484.000</u>	197.412
Securities, at cost less depreciation		2.000
Profit and Loss a/c		
Loss at 1.1.1940	33,156.382	
Loss for year 1940	<u>510.029</u>	<u>33,666.411</u>
		<u>48,601.559</u>

LIABILITIES:

Share Capital, registered and paid up:		
50 Founder Shares, £.100 each	£.5,000.000	
500 Ordinary ' , 10 "	5,000.000	
600 " ' , 20 "	<u>12,000.000</u>	
	£22,000.000	LP.22,564.106
Mortgage on Kuskus Tabun land		2,262.555
Creditors*		23,577.108*
Interest received in advance		<u>197.790</u>
		<u>48,601.559</u>

There is a contingent liability in respect of discounted promissory notes for

LP.2,753.300

FOR BOARD OF DIRECTORS

Sgd. A. Ulitzur, Director
Sgd. M. Rubinstein, Director

We have audited the accounts and the above Balance Sheet of "Meshek" Palestine Building Co. Ltd. and have obtained all the information and explanations we required, and we hereby certify that in our opinion the above Balance Sheet is properly drawn up and gives a correct view of the affairs of the Company as at the 31st December, 1940, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Sgd. Bawly & Milner
Certified Public Auditors

Tel-Aviv, May 30, 1941

* This consists of: American Zion Commonwealth LP.19,527.201
Other creditors 4,049.907
LP.23,577.108

PROFIT AND LOSS ACCOUNT
FOR THE YEAR 1940

DEBIT:

Land Settlement Costs at Kuskus	LP.11.245	
Land Taxes	21.200	
General Expenses	240.790	
" " at Neve Shaanan	131.000	
Interest Paid LP.203.249		
Less Interest Re-		
ceived <u>183.978</u>	19.271	
Legal Expenses	40.002	
General Expenses	56.728	
Bad Debts written off	<u>45.393</u>	LP.565.629

CREDIT:

Leasing of Kuskus Land	34.650	
Sale of Timber from Kuskus	15.000	
Reduction of Bad Debts Reserve	<u>6.000</u>	<u>55.600</u>
	<u>Loss</u>	LP.510.029

UNITED PALESTINE APPEAL
41 East 42nd Street
New York City

REPORT ON THE BUSINESS YEAR 1940-1941
HAIFA BAY DEVELOPMENT CO. LTD.
H A I F A

A. Maintenance of Lands and Public Works

Although our Company has transferred in Land Registry the majority of the lands to the purchasers, our Management has up to now felt morally bound to, as far as lies in her power, guarding the lands and retaining the public property, namely roads and the two water-plants. The reason for this is the fact that the vast majority of the owners of the respective parcels is living abroad, either in Europe or in Egypt.

After the balance-year 1940-1941 we have been obliged to defend various lands of our customers against actions brought to the Settlement Officer by Arabs of Shefram. Within the months of June, July and August of this year, fifty lawsuits were heard, of which the respective land-owners never knew. We were bound to appear in Court on behalf of our purchasers and sentences were passed to our favor.

B. Collection

There were no new sales of land within the reported period, but we collected debts originating from former sales, since a great many purchasers thought that in wartime, payment of debts might be avoided. We have chiefly dealt with one purchaser, the "Agudah Hadadit le-Binjan Batim Ltd.", or its successor, "Hevrat Pituah Ubinjan Ltd." According to balance, this Cooperative Society owes us the amount of LP.9,469 against lands not yet transferred, and a further sum of about LP.17,300 secured by mortgages of members of the above Cooperative.

The unsecured debt arose from the fact that the Aguda Hadadit had not succeeded in making about 200 of her members accept the land transfer at the Land Registry and fulfill the obligations in accordance with the bills of sale. We have, therefore, been compelled to take over the affairs of the above Cooperative, in order to stimulate the payments (we are in possession of about 6,000 bills of exchange, for the amount of about LP.3 each). And we are also obliged to treat those 200 cases of breach of contract with the Cooperative each one individually.

We are now in the midst of negotiations with the Cooperative; it is our intention to break off also legal relations with her and to make over to us the contracts signed with the purchasers. Our efforts have, at any rate, effected some revival of the debt, both the one for which we have no securities and the guaranteed one. And we believe that this great business, which has involved about LP.70,000, will cause us no damage.

C. Land Settlement

Within the year reported, all lands, both our own and those belonging to our customers, were settled by the Government (Land Settlement), whereby we had acted on behalf of the purchasers too. There are now new Kouchans (Deeds of Title) issued by the Land Settlement for all private lands in the Haifa Bay.

D. Letting on Lease of Lands

In the above year we have also acted on behalf of the private lands, the owners whereof are absent. We have endeavored to avoid those lands lying waste, while there was such a demand for arable lands, especially on the part of the cooperative settlements in Emeq Zevulun. The management of our Company has come to the resolution to let on lease lands for certain periods to settlements. We have thus

succeeded in turning uncultivated lands into vegetable gardens, which now help to the existence of hundreds of families. In a more detailed report we have indicated the lands on lease and the respective lessees. It can be said, that among the ten thousand dunams of private land in the Haifa Bay, which are under our control and worth being cultivated, no lands have been left uncultivated. We have certainly paid attention to the owners' rights, and the leases have been signed on consulting the Company's lawyer. According to the lease, the land owner is entitled to reclaim and get back the land from the lessee, when the owner himself intends to maintain it.

E. Unsold Lands

The lands still at our disposal are divided into two blocks: Industrial Area (Zone H) and Residential Area (Kiryath Benjamin). In the balance sheet these lands have been entered at their cost-price, but their real value may be assessed at a much higher rate. We do not act towards selling plots, but we are waiting until land will be in demand. Since the Zone H is at a distance of $2\frac{1}{2}$ km. from the Harbor Area, it may give much hope for the future. As soon as the war is over, we shall be confronted with the task of an industrial development of this area.

F. Profit and Loss Account

As is to be seen from Exhibit "B" of our Balance Sheet, our expenses for land maintenance, development works and administration altogether amount to LP.1,984. On the other hand, our income from interest and Service Fees in connection with the Land Settlement amounts to LP.509. The sum of LP.1,542 appears in the Profit and Loss Account as a profit from our case with Arabs concerning the 196 dunams of sand-gardens near Acre. Our investment in this land has up to now appeared in the balance under "Reserve for doubtful Assets". But after having won the case and changed the 196 dunams of sand-gardens into 54 dunams of Keren Kayemeth land bordering upon our Zone B, we have found it necessary and correct to assess those 54 dunams at the average costs of our other lands, approximately LP.30 per dunam. As is set out in the previous chapter (E), this land is worth more than this.

Haifa, October 24, 1941

(Signature illegible)

HAIFA BAY DEVELOPMENT COMP. LTD.

HAIFA

General Balance Sheet as at March 31, 1941

LIABILITIES

ASSETS

Share Capital - Authorized and Paid 30,000 Shares at El.0.0	LP. 30,000.000
Bills Payable	1,004.451
Accounts Payable	958.937
Land Purchasers - Credit Balances	222.596
Payments Received from Land Purchasers whose Contracts were cancelled	1,449.281
Kiryath Bialik Water Supply "B" - Balance due to Consumers	69.770
Proceeds from Lease of Land - to be applied towards Development of Zone "B"	407.365
 Total Liabilities and Share Capital	 34,112.400

Cash on Hand and in Banks	LP. 605.693
Mortgage Loans receivable	1,684.069
Bills Receivable:	
On Hand	1,575.552
In Kupath Milve Haoleh Coop. Society Ltd. Haifa	5.023
Accounts Receivable	1,580.575
Land - Uncompleted Purchases	12,366.450
Jewish National Fund Ltd.:	5,747.407
New Purchase Account -	
26,000 dunams and drainage account	1,424.687
Current Account	4,069.210
Land Purchasers	5,493.897
Kiryath Bialik Water Supply - "B"	30,827.417
Debts due from Consumers	113.948
Land Unsold - At Cost of Acquisition, Maintenance, Development Works and Expenses - Partly Mortgaged	15,471.972
Furniture, Tools, Shares, etc. - Nominal Value	1,000
Total Assets	73,892.428
Less: Reserves	41,359.971
Balance	32,532.457
Profit and Loss Account:	
Loss for the period from 1.1.25 (Inciency) to 31.3.40	1,950.320
Profit for the Year ended March 31, 1941	68.038
Balance - Loss for the Period from 1.1.25 (Inciency) to 31.3.41	1,882.282
Loss: Profit(Estimated) of Devel- opment Department	302.339
	1,579.943

Contra Item:

Cost of Water Installation to be introduced
on Plots of Purchasers who undertook to pay
for it when it will be completed LP.1,605.614

34,112.400

Contra Items:

L and Purchasers - for their Under-
takings to pay towards Cost of Water
Installation when completed 1,505.614

34,112.400

- a. There is a Contingent Liability of LP.100.000 in connection with shares of the Credit Anami Bank Ltd. held by the Company.
- b. In addition to the above, there is a claim in course of arbitration of the Jewish National Fund, Ltd., against the Company.

WE HAVE AUDITED the Balance Sheet of the Haifa Bay Development Co. Ltd. Haifa, as at March 31, 1941, at their office in Haifa; we have examined the vouchers; we have obtained the information and explanations required, and

WE HEREBY CERTIFY that the above GENERAL BALANCE SHEET as at March 31, 1941 is, in our opinion, properly drawn up, so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and explanations given to us, and as shown by the books of account of the Company.

Jerusalem, July 16, 1941

(Signed) R. D. Kesselman
KESSELMAN & KESSELMAN
CERTIFIED PUBLIC ACCOUNTANTS
AUDITORS

UNITED PALESTINE APPEAL
41 East 42nd Street
New York City

ANNUAL REPORT OF THE "IZREEL" WATER CO. LTD.
(Translation from Hebrew)

Dear Member.

We have pleasure in submitting herewith the Balance Sheet for the year ending March 31, 1941.

The importance of the Water Well as a factor in the development of certain intensive agricultural branches (such as orchards, vegetables, etc.) in "Ir Izreel" (Afula), is shown by the following table comparing the quantity of water consumed last year (April 1940 - March 1941) with that consumed during the first year (April 1936 - March 1937):

Use.	Cubic Meters		Increase	
	during 1940-41	1936-37	Cubic Meters	%
Irrigation	150,537	70,233	80,304	114.3
Domestic needs	35,210	29,382	5,828	19.8
Total	185,747	99,615	86,132	86.5

Thus, during the fifth year of the well's operation the water supply for agricultural purposes was 80,304 cu.m. more than during the first year, whereas before the well was bored, the "Ir Izreel" water supply was inadequate even for household purposes. Now the quantity of water needed by "Ir Izreel" is increasing year by year and we regret that our well cannot supply the demand. The question of operating an additional well has arisen.

The well is leased to the "Ir Izreel" Local Council, under Lease Agreement, which is renewable annually, the Council distributed the water to local consumers at prices fixed by agreement with our Company.

The Board of Directors

THE "IZREEL" WATER CO. LTD.

BALANCE SHEET AS AT MARCH 31, 1941

ASSETS:

<u>Cash at Banks:</u>	<u>LP. Mils</u>	<u>LP. Mils</u>
At the Tel Aviv branch of the Anglo-Palestine Bank Ltd. - Current Account		73.668
<u>Property (at cost):</u>		
The Afula Well plus internal installation, and the machine-house	2,457.570	
Machinery	782.935	
Lands at Herzlia, 6,188 dunams	<u>497.682*</u>	3,738.187
<u>Inventory:</u>		
Pipes (at cost)		<u>29.325</u>
		<u>3,841.180</u>

*The land is still registered in the name of the American Zion Commonwealth

LIABILITIES:

<u>Authorized Share Capital:</u>		
400 ordinary LP.1 shares	400.000	
3600 Redeemable Preference Shares of LP.1 each	<u>3,600.000</u>	
	<u>4,000.000</u>	
<u>Paid up share Capital:</u>		
345 ordinary LP.1 shares	345.000	
2151 Redeemable Preference Shares of LP.1 each	<u>2,151.000</u>	2,496.000
<u>Payments o/a of Shares not yet Allotted:</u>		245.600
<u>Reserve Fund:</u>		179.366
<u>Depreciation Reserve:</u>		883.531
<u>Creditors:</u>		
American Zion Commonwealth		<u>36.683</u>
		<u>3,841.180</u>

We have audited the above Balance Sheet of the "Izreel" Water Co. Ltd. to the 31st March, 1941 according to the books, accounts and documents appertaining thereto, and having received all the explanations and information required.

We herewith certify that this Balance Sheet is properly drawn up, agreeing with the explanations and information we have received, and that it exhibits a true and correct picture of the Company's State of Affairs at the 31st March 1941.

8.7.41

(Signed) Haft and Haft
Certified Public Accountants

Directors: _____

THE "IZREEL" WATER CO. LTD.

PROFIT AND LOSS ACCOUNT FOR YEAR ENDING MARCH 31, 1941

LIST I

	<u>LP. Mil</u>
<u>Income:</u>	
Payment for Lease of the Afula Well	<u>240.000</u>
<u>Expenditure:</u>	
Participation in the expenses of the American Zion Commonwealth for services (office, offi- cials, postage, writing material)	36.000
Gifts to Social and Public undertakings in Afula	33.000
Examination of Accounts	5.000
Repairs to Well	8.000
Travelling Expenses	1.223
Appropriation to Depreciation Reserve	135.987
Sundries (taxes, commissions, checkbooks, etc.)	<u>2.790</u>
Total expenditure	<u>240.000</u>

Short Report

ON THE STATE OF THE TEL AVIV DEVELOPMENT CO. LTD. PRESENTED TO
THE FIRST MEETING OF THE NEW BOARD OF DIRECTORS
(Translated from the Hebrew)

I. The Company's New Character

The importance of the property of our Company is evident to all, as is also the necessity that the ownership of this property should be in the hands of a company of marked national and public character; because of this we have attained the present composition of our board, for whose first meeting we are convened today.

As the Company's Business Manager I wish to bring to your notice mainly the business side of this matter, and that is, that this reconstitution lead in the first place to the reduction of debts by LP.20,000, and incidentally also to the reduction of the yearly interest on this sum: - and the main point - we are now assured that our Company will, with such important institutions as the Tel Aviv Municipality, the Keren Hayesod, and the Keren Kayemeth Leisrael backing it, by the end of 1942 find the way to redeem its mortgages, or to renew them for a certain period, and will thus be able to preserve the property in its hands.

II. The Property, Capital and Income of the Company

For the sake of order I find it necessary to sum up the Company's assets in a short and general manner, at this first meeting.

1. The Company's Share Capital is LP.30,005, which is distributed as follows:
 - a. 10,000 Ordinary "A" Shares of LP.1 each; of these 8,475 shares have been sold to 318 different shareholders, 5,000 shares of which, now held by Mr. Shapira, Mr. Salzman and Mr. Farbstein, also go over to the National Institutions. Each of these shares has one vote.
 - b. 2 Ordinary "B" Shares of LP.2,500 each. Both are owned by the Tel Aviv Municipality and have 2,500 votes each.
 - c. 5,000 Ordinary "C" Shares of LP.4 each, having one vote each. 2,500 of these are held by the Keren Hayesod, the other 2,500 by the Keren Kayemeth.
2. The Company's Land Property is 47,120 dunams gross, for which we hold title deeds.
3. Besides that, we have the use of another 15,753 dunams of state land within the City's boundaries.
4. On our land we have 51 exhibition buildings, 14,590 square metres in area, most of which stand on our land, but a few on land leased to us by the Tel Aviv Municipality. (The list of buildings is attached to this report)
5. I see also as an asset the fact that we have finally and definitely disposed of the rights of the Mischar Wetaasiah Co. in connection with this enterprise of ours and the property appertaining thereto. All the rights of the Mischar Wetaasiah Co. in the exhibition buildings owned by members of the public were transferred to us in accordance with an agreement signed between us and a notarial power of attorney in our favor.
6. Notwithstanding the difficult situation resulting from the war and the closing of Tel Aviv Port, we succeeded last year in letting most of our buildings and our gross income in 1940 was over LP.8,000; while for 1941 the income is till now for certain at least LP.4,000; and perhaps we shall be able to raise this sum to LP.7,000 if we are able to let the larger buildings to the Army; negotiations are going on about this.

III. The Company's Mortgages

Most of our expenses go, of course, towards payment of the interest on the following mortgages on our land, which are held by the A.P.B. Trust Co. Ltd.:

1. Two first mortgages, to the amounts of LP.80,000 (in the name of the A.P.B. Trust Co.) and LP.5,000 (in the name of the Keren Kayemeth Leisrael) respectively.
2. A second mortgage to the amount of LP.5,000 (in the name of the Keren Kayemeth Leisrael).
3. A third mortgage, to the amount of LP.5,000 (in the name of I. Teiber).

All these mortgages bear interest at 6% per annum. If we redeem the mortgages by the end of 1941 the interest account will be made at 5% per annum.

IV. Management of the Company and Administration of the Assets

I wish to emphasize here that the management of our Company's affairs falls into two parts: 1) the management of the Company in general, the pointing out of lines of policy to follow, and its functions - these are in the hands of the Board which is now composed of 8 Directors, and whose mode of work we shall fix today. 2) By the agreement with Mr. I. Teiber, dated 24.3.40, the administration of the assets is in the hands of three persons, one representing our Company, namely Mr. S. Salzman, or his deputy, Mr. I. S. Shapira; the second - Mr. I. Teiber, or his deputy, Mr. I. Shrier; the third - a representative of the "Ashrai" Bank and of its depositors. This business management fixes and sanctions our essential expenses.

It should be specially emphasized that our Company is under the constant supervision of the Public Auditors Messrs. Felman, Livay & Co. and also of the A.P.B. Trust Co. (in whose hands are the various mortgages), which examines our accounts and the mode of business management, sends various controllers, receives reports from us, and scrupulously guards the interests of the property owners and the creditors.

All operations and instructions of these two managements are carried out by a very small staff (the list of employees and their salaries is attached herewith). I am sure that the Board will take this opportunity to express its gratitude to the members of the Business Management for devoting much of their time to the Company's business without pay.

For the completeness of the picture I shall mention that the general expenses of our Company for a whole year amount to some LP.2,600. (detailed specification attached).

V. Agenda

The following matters now claim the Company's attention:

1. Signing an agreement of lease with the Tel Aviv Municipality with regard to the state land.
2. Paying off the debts of the "Mischar Wetaasia" Co. to diverse creditors, including compensation to employees, according to the last agreement between us.
3. Letting as much space as possible in the Exhibition Area, so as to raise the Company's income.
4. Negotiating with the owners of Exhibition Buildings not belonging to us, in order to acquire and register them in our name.
5. Searching for means to redeem the mortgages at the end of 1942.

REPORT PRESENTED AND READ BY THE CHAIRMAN
TO THE ANNUAL GENERAL MEETING OF THE TEL AVIV DEVELOPMENT CO. LTD.
(Translated from Hebrew)

Balance sheet ending a period

The Board of Directors submitting to you this Balance Sheet for approval is of a new composition, having been elected this February by the holders of the three classes of shares into which the company's capital is now divided: i.e., representatives of the old shareholders, representatives of the Tel Aviv Municipality (which holds the two ordinary B shares) and representatives of the Keren Kayemeth and Keren Hayesod (holding the ordinary C shares). But the Balance Sheet herewith submitted is for the year 1940, that is, for a period preceding the election of the present Board and the General Meeting which increased the company's capital, so that the Balance Sheet shows the sum of LP.20,000 as a payment in advance on account of new shares. Therefore this Balance Sheet must be looked upon as rounding off a period in the company's existence, and only the next balance sheet will open the new period entered upon by the company, for which it has constituted this new Board as I have mentioned above.

Cancellation of the Agreement with the "Mischar Wetaasiah" Co.

You will see in this balance sheet that we have struck out a debt owed us by the "Mischar Wetaasiah" Co. This is, of course, a distinct loss on the balance sheet of the company, but I must add that on the other hand, an asset has thus been added to the company which cannot be expressed in figures and included in the balance sheet. It is as follows: last year we conducted negotiations with the "Mischar Wetaasiah" Co. about the annulment of the lease of our lands and buildings, which would have held good for about another fifteen years, and although the "Mischar Wetaasiah" Co. was then no longer really entitled to the lease, for it had by a former agreement rejected all its rights till the end of 1942, yet did we regard this lease as an obstacle to the business development and to the chances of expansion of our company. Therefore, we have annulled the above agreement, have done away with all the rights the "Mischar Wetaasiah" Co. had by this agreement, and also with the mutual demands, and from this originates the loss recorded in our balance sheet - which is, however, in reality a profit too, because our company is now independent and is no more bound to lessees.

Reduction of Debt

By the issue of ordinary C shares to the Keren Kayemeth and the Keren Hayesod, our debt to the mortgagees was reduced by LP.20,000 and thus also the interest which would have been payable on this sum, and of course this will appear to the good on our next balance sheet.

Assistance rendered by the Tel Aviv Municipality

The Tel Aviv Municipality, in whose name were registered the two ordinary B shares, is making an agreement with us under which it leases to us an area of about 15 dunams out of the state land which lies near the exhibition grounds. On this land were erected, and perhaps will be further erected, buildings increasing the Company's income.

The Present Situation

All the efforts of the new Board are concentrated on balancing the Company's income and expenditure. Now that all the exhibition buildings have been let to various factory owners, warehouses and the Army, there is hope of such a balancing within a

short time, and the Board has started discussions and plans which will enable the full or partial redemption of the mortgage when its turn comes at the end of 1942. We have the will and also the hope that our next Balance Sheet will already show the efforts I have talked about.

Our official Auditors will now read to you the Balance Sheet for 1940.



THE TEL AVIV DEVELOPMENT CO. LTD.
BALANCE SHEET AS AT THE 31ST DECEMBER, 1940
(Translated from Hebrew)

<u>ASSETS</u>	<u>LP. Mils</u>	<u>LP. Mils</u>
1. <u>Cash in Hand and at Banks:</u>		
In Hand	45.038	
Anglo-Palestine Bank Ltd.	12.686	
A.P.B. Nominees Ltd.	<u>428.309</u>	486.033
2. <u>Various Debtors:</u>		
Exhibition Building Owners and Lessees	2,632.035	
Bills Receivable	52.000	
Sundries	<u>642.869</u>	
	3,326.904	
<u>Less:</u>		
Bad Debts Reserve	1,264.704	
Reserve for the participation of Exhibition Building owners in administrative expenses	<u>700.000</u>	
	<u>1,964.704</u>	1,362.200
3. <u>Shares in Other Companies:</u>		
At cost		7.000
4. <u>Inventory:</u>		
Movable goods for sale valued by a licensed valuer		1,500.000
5. <u>Grounds and Buildings:</u>		
Exhibition Grounds and Buildings:		
At cost plus improvements	111,470.407	
Additions during the year	<u>1,752.000</u>	
		113,222.407
6. <u>Advance Expenses</u> (Taxes and Insurance)		180.930
7. <u>Profit and Loss Account:</u>		
Loss during past years (including cancellation of rest of debt of Mischar Wetaasiah Co., less profit on new valuation of inventory	15,337.811	
<u>Less:</u>		
Net Profit for 1940	<u>1,082.402</u>	<u>14,255.409</u>
		131,013.979
8. <u>Per Contra Accounts:</u>		
Payments on account of Rishon Le-Zion lands		<u>100.000</u>
		<u>131,113.979</u>

LIABILITIES

1. <u>Authorized Share Capital:</u>		
2,000 ordinary shares of LP.5 each	<u>10,000.000</u>	
2. <u>Issued and Paid-up Share Capital:</u>		
1,695 ordinary shares of LP.5 each	8,475.000	
Less: Debtors on account of shares	<u>339.500</u>	3,135.500
3. <u>Shares Applied For on Account of the New Issue:</u>		<u>22,000.000</u>
		23,135.500
4. <u>Reserves:</u>		
Reserve for pending claims	556.000	
Reserve for depreciation of huts on state land	<u>150.000</u>	706.000
5. <u>Mortgages:</u>		
Mortgage debt on Company's property, including interest for 1940		94,960.000
6. <u>Creditors:</u>		4,427.341
7. <u>Income in Advance:</u> (leasing of Exhibition Buildings)		2,785.138
<u>Note:</u>		
On the 12.12.40 a special resolution was passed to increase the authorized share capital by LP.20,005, and to divide the existing ordinary shares of LP.5 each into 10,000 ordinary LP.1 shares, and on the 6.2.41 the whole new issue of shares was allotted to the applicants.		
		<u>131,013.979</u>
8. <u>Per Contra Accounts:</u>		
Payments on account of Rishon Le-Zion lands		<u>100.000</u>
		<u>131,113.979</u>

Director _____

Director _____

Auditors' Report

We have audited the Balance Sheet of the Tel Aviv Development Co. Ltd. set forth above, as at the 31st December, 1940. We have obtained all the information and explanations we asked for.

We should point out that the lessees of the Exhibition Buildings were charged for arrangements and improvements with LP.1,635.102, and the Exhibition Building owners were charged for their participation in the administrative expenses with LP.1491.138, making a total of LP.3,126.240. As against these charges the Company has formed a reserve fund of LP.1,500. The inventory, as far as it can be sold, was estimated anew according to present day prices by a licensed valuer at LP.1,500.

Subject to the above remarks, we are of the opinion that the Balance Sheet set out above is properly drawn up so as to exhibit a true and correct view of the Company's state of affairs at the date of this Balance Sheet, to the best of our knowledge and the explanations given to us and as shown by the books of the Company.

(Signed) Felman, Livay & Co.
Public Accountants
Certified by the Government of Palestine

Tel Aviv
52 Nahalat Benyamin Street

July 9, 1941



TEL AVIV DEVELOPMENT COMPANY LIMITED

CURRENT PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST DECEMBER 1941

(Condensed by Translator)

DEBIT

General Expenses

A. Administration		LP. 895.342	
B. Maintenance of Assets		685.724	
C. Sundries: Legal and Audit Expenses	184.504		
Insurance	214.385		
Municipal Rates	438.011		
Property Taxes	<u>496.927</u>	<u>1,333.827</u>	LP. 2,914.893

Mortgage Expenses

Interest for 1940	5,860.000	
Commission to A.P.B. Nominees Ltd.	<u>175.000</u>	6,035.000

Reserves

Reserve for depreciation of huts on state land	<u>150.000</u>
	9,099.893

Net Current Profit

Net profit for 1940 carried forward to Balance Sheet	<u>1,082.402</u>
	<u>10,182.295</u>

CREDIT

<u>Rent from Exhibition Buildings</u>	8,038.492
---------------------------------------	-----------

<u>Participation of Exhibition Building Owners in Maintenance Expenses</u>	1,021.760
--	-----------

<u>Sale of Movables</u>	792.157
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<u>Sale of Land in Rishon Le-Zion</u>	149.357
---------------------------------------	---------

<u>Miscellaneous</u>	<u>180.529</u>
	<u>10,182.295</u>

GENERAL PROFIT AND LOSS ACCOUNT

TEL AVIV DEVELOPMENT COMPANY LIMITED

DEBIT

Net Loss

Balance at 1.1.39 LP.1,952.206

Extra Interest to Mortgagees

Per agreement with Mr. Teiber 3,395.695

Expenses on Transfer of Mortgage and Plots
of Land, and Sundries

1,100.900

Writing off Balance of Debt of Mischar
Wetaasiah Co.

In consideration of termination of lease
for 18 years

11,356.489

17,805.290

CREDIT

Interest Received from Mischar Wetaasiah Co. LP.1,635.479

Re-valuation of Inventory 832.000

By licensed valuer

LP.2,467.479

Net Loss

Transferred to Balance Sheet

15,337.811

17,805.290

United Palestine Appeal
41 East 42nd Street
New York, N.Y.

Marine Trust Ltd.
Annual Report for the Year 1940.

(translated from Hebrew)

The Board of Directors hereby report on the Company's activities for its fourth year of operation, 1940.

The last general meeting took place on the 18th September, 1940, when Messrs. Elieser S. Hoofien and Isaac Rokach were reelected Directors.

In the first half of the year under review traffic in the harbour was considerably less than in peace time, but still some hope was left that regular work might be continued. On the other hand, it is no secret that after the outbreak of hostilities in the Mediterranean, traffic shifted almost completely from the two ports of Tel Aviv and Jaffa to Haifa. In the present circumstances we cannot enter into details, but the general facts are well known.

In July, therefore, the Board was confronted by the grave question whether it was possible to continue with the enterprise at all. To run the harbour with insufficient revenue was hard enough; to run it with no revenue at all seemed quite impossible. In these circumstances the Board approached Government with the enquiry whether Government was prepared to undertake the maintenance expenses of the harbour, so that the enterprise might tide over this difficult period. The reply was negative.

Various institutions that had in the past taken interest in the harbour declared their readiness to take up further shares and paid in certain amounts on account. The Army authorities took certain assets on lease and also purchased some assets, paying the rent or the purchase price. From these sources the Board succeeded in raising means not only sufficient for keeping the harbour in working condition, but also facilitating the discharge of some of the small but most urgent debts and the payment of all wages and current operating expenses.

Early in the year, there were prolonged negotiations with the representatives of the labourers with a view to arriving at a new mode of calculating wages. In the first, experimental years, no way was found other than paying daily wages, and gradually a whole system was evolved of extra pay for overtime, a fixed minimum, etc. As a result of long negotiations both parties realized that it was to their mutual advantage to determine wages on the basis of production, i.e. to pay a certain amount per ton of lightage or portage. This new system was to come into operation in the middle of July, but from about that date work in the harbor practically ceased.

Some of the winter storms were particularly heavy but they caused no appreciable damage to the Trust's property.

The jetty with which the whole enterprise began, and which had not been used since the opening of the lighter-basin, was sold to be dismantled, as it was not economical to spend considerable amounts on its maintenance.

The greater part of our warehouses has been leased to Government agents dealing with the importation of wheat and other goods.

About 190 of our labourers joined the military Port Operating Companies. They served in Lybia and Greece and most of them were taken prisoner in Greece.

The financial position will be made clear by the following remarks on the various items of the Balance Sheet.

<u>Lighter-basin and Jetty</u>	LP.160,091.095
To the credit of this amount has been placed the consideration received for the jetty and the rail track pertaining to it.	
- This investment will remain on the Balance Sheet without any deduction, because its value is intact as long as the property is maintained in good condition. It is true that the jetty was sold for less than its cost, but its construction was part of the initial cost of the whole enterprise.	
<u>Buildings</u>	LP37,359,944
No change.	
Machines and Port Equipment (after partial depreciation)	LP.16,542,509
Almost no change.	
Lighters (after partial depreciation)	LP.27,047,714
Almost no change.	
Office Inventory	LP. 90,880
Materials in Store	LP. 3,275,286
The above items call for no special remarks.	
Subsidiary Company - Shares of Prika Company Ltd., below cost	LP.19,064.489
The trust holds all the shares of the company except a few shares held by nominees.	
Sundry Debtors	LP. 1,446,107
Advance expenses:	LP. 828,161
Anglo Palestine Bank - on a/c of debt to shareholders of Prika Co.	Co. 1,150,685
Barclays Bank - Current Account	LP. 206,643
Cash	LP. 32,709
The above items calls for no special remarks.	
Profit and Loss Account.	LP. 4,556,527
Initial Expenses	
This was carried forward from the previous Balance Sheet without a change. It constitutes the amounts spent by the Marine Trust in its first year through various bodies for the promotion of traffic through the Tel Aviv Port, the formation of the Trust, etc.	
Plans and Expertises up to end of 1939	LP. 3,970,525
This is self explanatory. We have transferred these amounts to the Loss Account because we want our shareholders to find in the Balance Sheet only tangible assets. Of course these plans have a certain value.	
Lost Equipment and Depreciation of Shares in Subsidiary Company	3,307,652
This is self explanatory.	
Balance of Income and Expenditure Account to end of 1939	LP 53,134,176
This consists of - Balance in 1938 33,917,106	
Balance in 1939 19,217,070	
Balance of Income and Expenditure Account for 1940	LP 21,571,334
Details of this item are given in the Profit and Loss Account.	
Share Capital: 186,141 ordinary shares of LP. 1 each	
2 founders' shares of LP. 50 each	
Payments on account of shares not yet allotted	
This includes LP.225,765 on account of the second increase of the share capital in 1937 and LP 7,800.- in connection with the operations mentioned in the above report.	
Banks.	LP.47,664,743
The debt to Barclays Bank which in the last Balance Sheet was shown under Sundry Creditors now appears as a separate item.	
Subsidiary Company - Debt to Prika Company Ltd.	LP.19,064.489
As mentioned above the Marine Trust took over all the assets of Prika Co. and therefore owes the latter a consideration.	

Sundry Creditors LP. 92,533.469
 This includes a debt to the shareholders of Prika Co. of LP. 6,915.000 payable by annual instalments up to 1.7.1943, and a debt of LP.31,880.760 to Bitzur Company. Of the latter debt, LP.7,017.925 is payable by half yearly instalments and the balance will be paid by the institutions that are taking up shares of the Trust. We owe about LP.45,000.- to contractors.
 Income received in advance LP. 142.970
 This calls for no remarks.

Mr. Herzl Zuckermann, Secretary of the Company, and Mr. Naftali Grunbaum, Chief Accountant, act as assistant directors.

It is the turn of Messrs. David Remez and Zvi Isaacson to retire from the Board of Directors and they are both ready to be reelected.

The auditors Messrs. Bawly and Milner are ready to be re-appointed.

Marine Trust Ltd.

Balance Sheet as at 31st December 1940.

<u>A S S E T S.</u>	LP.	LP
Lighter Basin - at cost	150,091.095	
Buildings - at cost	37,359.944	
Machines and Port Equipment - at cost (after partial depreciation)	16,542.509	
Lighters - (after partial depreciation) at cost	27,047.714	
Office Inventory (after partial depreciation in previous years)	<u>90.880</u>	241,132.142
Materials in Store - at cost and as certified by Officers of the Company)		3,275.286
Subsidiary Company-Shares in Prika Company Ltd., below cost		19,064.489
Sundry Debtors, less reserve for Bad Debts		1,446.107
Advance Expenses		828.161
Banks - On account of debt to shareholders of Prika Ltd.	1,150.685	
On current account	<u>206.643</u>	1,357.328
Cash		32.709
Profit and Loss Account:		
Initial Expenses	4,556.527	
Plans and Expertises	3,970.525	
Lost Equipment and Depreciation of shares in Subsidiary Company	3,307.652	
Balance of Income and Expenditure Account to end of 1939	53,134.176	
Balance of Income and Expenditure Account for 1940	<u>21,571.334</u>	<u>86,540.214</u>
	Total	<u>353,676.436</u>

<u>L I A B I L I T I E S</u> - Authorized share capital:		LP.	LP.
249,900 ordinary shares LP.1 each		249,900.-	
2 founders' shares of LP. 50 each		<u>100</u>	
		250,000	
Share capital subscribed and fully paid up:			
186,141 ordinary shares LP. 1 each		186,141	
2 founders' shares of LP. 50 each		<u>100</u>	186,241.-
Payments on account of shares not yet allotted:			
Amounts paid for which applications for allotment have not yet been received		7,800.-	
Amounts paid for which applications for allotment have been received		<u>225,765</u>	8,025.765
Banks:			
Secured by Floating Charge on all assets of the Company and Specific Charge on lighters, equipment, materials in store, shares of subsidiary company and income		18,899.-	
On current account		<u>28,769,743</u>	47,668.743
Subsidiary Company - Debt to Prika Co.			19,064.489
Sundry Creditors (of this LP.7,017.925 is secured by a charge on income from warehouses)			92,533.469
Income received in advance			<u>142.970</u>
		Total	<u>352,676.436</u>

Statement with regard to a Subsidiary Company:
In accordance with s.107 of the Companies Ordinance, 1929, the loss of the subsidiary company has been included in the above accounts.

Sgd. E.S. Hoofien)
Isaac Rokach) Directors.

We have audited the books and Balance Sheet of the Marine Trust Ltd. and have obtained all the information and explanations which we required. The Company has not provided for depreciation in respect of the lighter basin, of the jetty which was dismantled, of the rail tracks which were sold at a loss, and of the buildings, machines and part of the equipment since their construction and acquisition. In respect of the lighters no allowance for depreciation was made since the 1st May, 1938. Subject to these remarks we hereby certify that in our opinion the above Balance Sheet has been properly drawn up and gives a true view of the affairs of the Company as at the 31st December, 1940, according to the best of the information and explanations given us and as shown by the books of the Company.

Tel Aviv, 24th June, 1941

Sgd. Bawly and Millner
Certified Public Auditors.

PROFIT AND LOSS ACCOUNT
AS AT THE 31st DECEMBER 1940.

General Expenses	LP.	7,733.511	Loss	LP. 21,571.334
Interest		8,798.957		
Insurance		366.712		
Harbour Working Exps.	42,325.037			
Harbour Income	<u>37,652.883</u>	<u>4,672.154</u>		
		21,571.334		<u>LP. 21,571.334</u>

(Translated from the Hebrew)

"URIM" PALESTINE FILM COMPANY LTD.

BALANCE SHEET AS AT 31ST DECEMBER, 1940.

A S S E T S

Cash - Anglo-Palestine Bank Ltd.
Profit & Loss A/c

LP. 65,190

Loss as at 31st Dec. 1939
Less Interest on Bank a/c to
30th June 1940

LP.43,350

.540

42,810

LP.108,000

LIABILITIES

Share Capital

Registered -
Divided into 2,000 shares of
LP.1 each.

LP 2,000

Subscribed & paid up

LP.108,000

LP.108,000

Signed: A. Hantke)
A. Ulitzur) Directors

I have audited the above Balance Sheet with the relevant books and vouchers and hereby certify that it is in accordance with those books and vouchers. I have received all the information which I required. In my opinion the above Balance Sheet gives a true picture of the state of the Company's affairs as at the 31st December 1940, both according to the best of the information I have received and the explanations given to me and as shown by the books of the Company.

Sgd. J. Braudo

Auditor

Jerusalem, 3rd July, 1941.

UNITED PALESTINE APPEAL
41 East 42nd Street
New York City

PALESTINE DRAINAGE AND AMELIORATION CO., LTD.

BALANCE SHEET AS AT 31ST DECEMBER 1940

LIABILITIES

Share Capital:

LP.

LP.

Authorized:

20 Founder Shares of LP. 100 each	2,000.000	
9600 Ordinary Shares 5 "	<u>48,000.000</u>	
	50,000.000	

Issued:

7 Ordinary Shares, on which 250 mils per share has been called up		1.750
5 Ordinary Shares on which no call has yet been made		

Palestine Land Development Co., Ltd.:

Note: This account is secured by the
Concession which is still registered
in the name of the PLDC, who, however,
have agreed to accept in part-payment
founder and ordinary shares of the
Company at par to the amount of LP. 33,400.

Various Creditors:

Keren Kayemeth Leisrael	33,300.000	
Jewish Agency for Palestine	<u>33,300.000</u>	<u>66,600.000</u>
Total		<u>273,061.093</u>

ASSETS

Concession Account:

Cost of Huleh Concession plus interest, research and preliminary drainage expenses	272,603.193
---	-------------

Profit and Loss Account:

Expenses to date of Balance Sheet	457.900
-----------------------------------	---------

Note: There is a contingent liability in respect
of guarantees totalling LP.130,161.666 which
are secured by a charge on the Concession.

273,061.093

Total

FOR BOARD OF DIRECTORS:

Signed: Dr. A. Granovsky
A. Hantke
J. Thon

We have audited the Balance Sheet of the Palestine Drainage and
Amelioration Company Ltd. as at the 31st December 1940 as set out above and
have obtained all the information and explanations we have required. In our
opinion the above Balance Sheet is properly drawn up so as to give a correct and
accurate view of the Company's affairs, to the best of our information and the

explanations given to us and as shown by the books of the Company.

Sgd. Russell & Co.
Chartered Accountants,
Jerusalem.

Jerusalem, 19th March 1941.

PALESTINE DRAINAGE AND AMELIORATION CO. LTD.

Explanatory Notes to Balance Sheet as at 31.12.40.

Liabilities:

Debt to PLDC

Per last Balance Sheet (as at 30.11.39)

LP. 183,433.315

Add: Expenses:

1,562.271

Interest:

11,457.657

Audit and taxes

6.100

LP. 206,459.343

Assets:

Concession Account

Per last Balance Sheet

LP. 259,583.265

Add: Expenses

1,562.271

Interest

11,457.657

LP. 272,603.193

Profit & Loss Account

Per last Balance Sheet

LP. 451.800

Add: Audit expenses

6.-

Registrar's fees

100

LP. 457.900

Specification of Concession Account:

90% of cost per agreement of 4/12/35

LP. 230,527.409

Less reduction of area

2,449.791

228,077.618

90% of Maintenance and Research Expenses up to
31/12/40

11,684.220

Interest on debt (less LP.100,000 invested by the
National Institutions)

32,841.355

LP. 272,603.193

Specification of Debt to P.L.D.C.:

Cost of Concession plus interest & expenses as above

272,603.193

Advance for this year's expenses, as shown by Profit
& Loss a/c above

457.900

LP. 273,061.093

Less: Payments by K.K.L. & Jewish Agency LP.66,600.-

" shareholders

1.750

66,601.750

LP. 206,459.343

M i n u t e s

(Translated from Hebrew)

of the Sixth Annual General Meeting of the Palestine Drainage and Amelioration Co. Ltd. Held at the Company's Registered Office in Jerusalem, on the 21st March 1941, at 10 a.m.

- - - - -

Present: Dr. J. Thon, Managing Director
Mr. A. Ulitzur) Shareholders
Mr. E. Ashbel)
Dr. S. Hirsch
Mr. Y. Hai, Secretary

Dr. J. Thon was elected chairman.

The Report of the Auditors, Messrs. Russell & Co., on the Company's Balance Sheet as at the 31st December 1940 was read.

1. Adoption of Balance Sheet and Directors' Report:

Dr. Thon gave supplementary explanations to the Balance Sheet as at the 31st December 1940 and intimated that, in accordance with a resolution of the Board of Directors, an agreement was signed on the 18th April 1941 between the Company and the Palestine Land Development Co. Ltd., by which the agreement of the 4th December 1935 concerning the acquisition of the Huleh Concession was extended to the 1st July 1942 and the payment of the balance of the debt on account of the Concession was postponed to that date.

Resolved that the Balance Sheet and Profit and Loss Account as certified by the Auditors, and the above Directors' Report be and the same are hereby adopted and confirmed.

2. Election of Board of Directors:

Resolved that all previous members of the Board, namely Mr. M. Ussishkin, Dr. A. Granovsky, Dr. A. Hantke, Mr. J. Hankin, Dr. J. Thon, Mr. E. Kaplan, Dr. A. Ruppin, Mr. S.Z. Shoken, and Mr. M. Shertok, be and they are hereby reelected.

3. Appointment of Auditors:

Resolved that Messrs. Russell & Co. of Jerusalem be reappointed Auditors of the Company until the next annual meeting and that their fee be LP.5.

4. Next Annual Meeting:

Resolved to empower Dr. A. Granovsky, Dr. J. Thon and Mr. E. Kaplan, or any two of them jointly, to determine the time and place for the next annual meeting as they shall think fit.

(signed) J. Thon
Chairman

COPY

SUPPLEMENTARY STATISTICS

on

UNITED PALESTINE APPEAL

for the

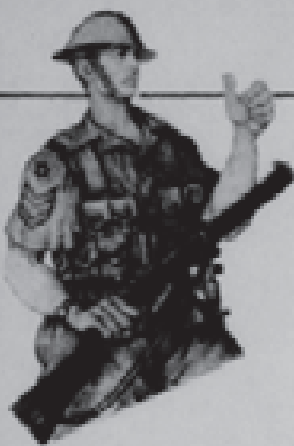
1941 ALLOTMENT COMMITTEE

of the

UNITED JEWISH APPEAL FOR REFUGEES, OVERSEAS NEEDS AND PALESTINE

United Palestine Appeal
41 East 42nd Street
New York City

June 4, 1942



UNITED PALESTINE APPEAL

PALESTINE FOUNDATION FUND (KEREM HAYESOD)
JEWISH NATIONAL FUND (KEREM KAYEMETH)
For the Defense and Upbuilding of the Jewish National Home in Palestine

41 EAST 42nd STREET

NEW YORK CITY

Telephone: MUrray Hill 2-3320

Cable Address—Palefund

June 4, 1942

COPY

NATIONAL OFFICERS

Honorary Chairmen

Albert Einstein
Herbert H. Lehman
Julian W. Mack
Henry Monsky
Nathan Straus
Henrietta Szold

National Chairman

Abba Hillel Silver

National Co-Chairmen

Stephen S. Wise
*Chairman,
Administrative Committee*
Louis Lipsky
*Chairman,
Executive Committee*
Solomon Goldman
Israel Goldstein
Louis E. Levinthal
Morris Rothenberg

Treasurer

Charles J. Rosenbloom

Associate Treasurers

Abraham L. Liebovitz
Jacob Sincoff

Vice-Chairmen

Barnett R. Brickner
Leon Gellman
James G. Heller
Edmund L. Kaufmann
Charles Ress
Elihu D. Stone
Robert Szold
Joe Weingarten
David Wertheim

Executive Director

Henry Montor

Professor Eli Ginzberg
Director of Research
1941 Allotment Committee of United Jewish Appeal
342 Madison Avenue
New York City

Dear Professor Ginzberg:

In order to place at the disposal of the members of the Allotment Committee of the United Jewish Appeal for 1941 the most authoritative and recent data on the financial experience of the agencies which receive American support through the United Palestine Appeal, I cabled to Jerusalem. We received a most comprehensive cable, describing the financial position of these agencies for the calendar year 1941. These agencies do not operate on our calendar year, but on a fiscal period of their own, but in order to accommodate our requirements they prepared what I regard as the most thoroughgoing survey that could possibly be required.

There is being submitted to you herewith not only the exact verbatim text of the cable received from Mr. Eliezer Kaplan, Treasurer of the Jewish Agency for Palestine, but a series of summary sheets which would enable you and other members of the Allotment Committee to see at a glance more readily the nature of this financial experience.

To an economist and statistician like yourself, these figures will of course speak their own language. I would, however, like to call to your attention several outstanding items for the consideration of the Allotment Committee, as it prepares to dispose of additional funds that will accrue to the 1941 United Jewish Appeal.

(1) The Jewish Agency has been accumulating a steadily growing deficit. It has been unable to reduce that deficit, first because of inadequate resources coming from the United Palestine Appeal, secondly because of the broader responsibilities which have fallen upon it in wartime; and thirdly because it has been required to make commitments and to give guarantees in order to sustain some of the more important aspects of the economic life of the country.

"We in the United States must help strengthen Palestine"

—HON. FRANK KNOX, Secretary of the Navy

HONORARY VICE-CHAIRMEN

Louis Altschul, <i>Mount Vernon</i>	Prof. Mordecai M. Kaplan, <i>New York</i>
Day J. Apté, <i>Miami</i>	Louis E. Kiratcin, <i>Boston</i>
George Backer, <i>New York</i>	Prof. Gustave Klausner, <i>St. Louis</i>
Dr. Joseph Bank, <i>Phoenix</i>	Sidney G. Kuzworm, <i>Dayton</i>
Rabbi Solomon N. Barrell, <i>Louisville</i>	Hilton Kutz, <i>Wilmington</i>
Rabbi Morton M. Berman, <i>Chicago</i>	Monte M. Lemann, <i>New Orleans</i>
Oscar Berman, <i>Cincinnati</i>	Judge Benjamin Lencer, <i>Pittsburgh</i>
Joseph M. Berne, <i>Cleveland</i>	Joseph Leonard, <i>Allentown</i>
Rabbi Philip S. Bernstein, <i>Rochester</i>	Maurice Levin, <i>New York</i>
Robert M. Bernstein, <i>Philadelphia</i>	Louis Levine, <i>New York</i>
Dr. Jacob Billikopf, <i>Philadelphia</i>	Rabbi B. L. Levinthal, <i>Philadelphia</i>
Jacob Blaustein, <i>Baltimore</i>	Rabbi Israel H. Levinthal, <i>Brooklyn</i>
Samuel J. Bloomingdale, <i>New York</i>	Rabbi Felix A. Levy, <i>Chicago</i>
Louis J. Borinstein, <i>Indianapolis</i>	Rabbi Joshua L. Liebman, <i>Brooklyn</i>
Charles Brown, <i>Los Angeles</i>	Julius Livingston, <i>Tulsa</i>
Gedalia Bublick, <i>Brooklyn</i>	Alex Lowenthal, <i>Pittsburgh</i>
Fred M. Butzel, <i>Detroit</i>	Rabbi Max Maccoby, <i>Mount Vernon</i>
Jeane B. Calmenson, <i>St. Paul</i>	Rabbi Edgar F. Magnin, <i>Los Angeles</i>
Hon. Alfred M. Cohen, <i>Cincinnati</i>	Rabbi Julius Mark, <i>Nashville</i>
Rabbi Henry Cohen, <i>Galveston</i>	Samuel Markell, <i>Boston</i>
Isadore Cohen, <i>Elizabethtown</i>	Israel Matz, <i>Brooklyn</i>
Sol Cohen, <i>New York</i>	Mortimer May, <i>Nashville</i>
Amos S. Deitard, <i>Minneapolis</i>	Millard Mayer, <i>Kansas City</i>
David Diamond, <i>Buffalo</i>	Rabbi Irving Miller, <i>Far Rockaway</i>
Dr. Clarence W. Elfrugimson, <i>Indianapolis</i>	Charles W. Morris, <i>Louisville</i>
S. Mason Ehrman, <i>Portland</i>	Max Moss, <i>Jacksonville</i>
Benjamin Eisenstein, <i>Schenectady</i>	Stanley C. Myers, <i>Miami</i>
Mark Eimer, <i>New York</i>	Morris Neander, <i>Pittsburgh</i>
Sol Eisfeld, <i>Seattle</i>	Max Oger, <i>New York</i>
Mose M. Feld, <i>Houston</i>	Kurt Prime, <i>Philadelphia</i>
Rabbi Leon I. Fein, <i>Tulsa</i>	Harling Perry, <i>Memphis</i>
Rabbi Louis Finkelstein, <i>New York</i>	Abel Plouck, <i>Memphis</i>
Judge Phillip Fortson, <i>Trenton</i>	Arthur Ravet, <i>Albuquerque</i>
Rabbi Solomon B. Freshel, <i>Pittsburgh</i>	Col. Albert H. Rosenberg, <i>Chicago</i>
Dr. Harry Friedenstein, <i>Baltimore</i>	Michael Schaap, <i>New York</i>
Daniel Frisch, <i>Indianapolis</i>	Edwin J. Schanfarber, <i>Columbus</i>
Herman Geisner, <i>Escanaba</i>	Albert Schiff, <i>Columbia</i>
Leonard Ginsberg, <i>New York</i>	Max J. Schneider, <i>New York</i>
Prof. Louis Ginsberg, <i>New York</i>	Baruch H. Schur, <i>New York</i>
Abraham Goldberg, <i>New York</i>	William H. Schwarzschild, <i>Richmond</i>
Mrs. Maurice L. Goldman, <i>San Francisco</i>	Simon Shetser, <i>Washington</i>
Abraham Goldstein, <i>Hartford</i>	Mrs. Archibald Silverman, <i>Providence</i>
Jack A. Goodman, <i>Indianapolis</i>	Eugene M. Solow, <i>Dallas</i>
Joseph Goodman, <i>Troy</i>	Dr. Ferdinand Somborn, <i>New York</i>
Rabbi Julius Gordon, <i>St. Louis</i>	Michael A. Stavitsky, <i>Newark</i>
Hayim Greenberg, <i>New York</i>	Judge Horace Stern, <i>Philadelphia</i>
Rabbi Simon Greenberg, <i>Philadelphia</i>	Leon C. Sussman, <i>Philadelphia</i>
Joseph E. Grossberg, <i>Schenectady</i>	Morris D. Waldman, <i>New York</i>
Dave Grundfest, <i>Little Rock</i>	Eugene Warner, <i>Buffalo</i>
Benjamin R. Harris, <i>Chicago</i>	Lionel Weil, <i>Goldboro</i>
Isaac S. Heller, <i>New Orleans</i>	I. M. Weinstein, <i>Atlanta</i>
L. Manuel Hender, <i>Baltimore</i>	Rabbi Saul E. White, <i>San Francisco</i>
Sidney L. Herold, <i>Shreveport</i>	Hon. David T. Wilentz, <i>Perth Amboy</i>
Isidore Hershfield, <i>Washington</i>	Henry Wineman, <i>Detroit</i>
Herman Hoffman, <i>New York</i>	Mrs. Stephen S. Wise, <i>New York</i>
Rabbi Jacob Hoffman, <i>New York</i>	Rabbi Samuel Wohl, <i>Cincinnati</i>
Judge Harry A. Hollist, <i>Los Angeles</i>	Dr. Alex S. Wolf, <i>St. Louis</i>
Judge Jacob J. Kaplan, <i>Boston</i>	

June 4, 1942

(2) It has been increasingly emphasized in the past year that the land areas that are available for acquisition by the Jewish National Fund cannot be obtained because of the inadequacy of funds. The necessity for more land, both for immediate food and settlement purposes as well as for future needs has been too frequently stressed to need reiteration here.

In connection with the statistics on the Jewish National Fund, it will be noted that one phase of its operations requires the availability at certain periods of large sums of cash which are not actually at the disposal of the Jewish National Fund, but must be on hand in order to make urgent payments as they are required during the course of a land transaction, so that when the legal transfer is completed the cash can be immediately paid out.

(3) You realize, of course, that the statistics included in Mr. Kaplan's cable are for current operations, for the 1941 period, and do not take into account the standing obligations of such bodies as the Keren Hayesod and the Keren Kayemeth.

Debt service as well as amortization of principal are involved as a continuing responsibility of the United Palestine Appeal as the American source of support for these agencies. Thus, any failure by reason of inadequate resources to reduce in any current year the standing obligations merely accumulates a larger amount of total obligations for which the United Palestine Appeal has a responsibility.

(4) For a quick bird's eye view of the status of the agencies which require the support of the United Palestine Appeal, the following figures are pertinent:

1. <u>Jewish Agency for Palestine</u>	
Deficit at the end of 1941	\$ 597,917
Commitments and guarantees	884,265
Total liabilities	\$1,482,182
2. <u>Jewish National Fund</u>	
Deficit at end of 1941	49,001
3. <u>Palestine Foundation Fund</u>	
Resources at end of 1941	<u>65,694</u>

I herewith summarize the list of items contained in the "SUPPLEMENTARY STATISTICS FOR THE 1941 ALLOTMENT COMMITTEE OF THE UNITED JEWISH APPEAL":

- I. A summary of the income and expenditures as at the end of 1941 by categories of agencies receiving support from the United Palestine Appeal.
- II. A summary of the financial condition of the Jewish Agency for Palestine at the end of 1941.
- III. A summary of the financial condition of the Palestine Foundation Fund at the end of 1941.
- IV. A summary of the financial condition of the Jewish National Fund at the end of 1941.

June 4, 1942

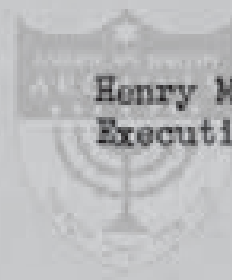
- V. A verbatim reproduction of a cable from Eliezer Kaplan, Treasurer of the Jewish Agency for Palestine, dated May 29, 1942, from which the foregoing and subsequent documents are derived.
- VI. A summary of the income and expenditures by months from January through December, 1941, of agencies receiving support from the United Palestine Appeal.
- VII. A summary of the income to the United Palestine Appeal in 1941 from the United Jewish Appeal of 1941 and previous years, together with a summary of the administrative, functional and allotment disbursements of the United Palestine Appeal in the calendar year 1941.

I shall be glad to place at your disposal additional copies of this material for the use of the Allotment Committee of the 1941 United Jewish Appeal.

With kindest regards, I am

Cordially yours,

HM:ET
encl.



Henry Montor
Executive Director

I

A SUMMARY OF 1941 INCOME* AND EXPENDITURE BY CATEGORIES
of
AGENCIES RECEIVING AMERICAN SUPPORT FROM UNITED PALESTINE APPEAL

<u>I N C O M E</u>	<u>Jewish Agency for Palestine</u>	<u>Palestine Foundation Fund</u>	<u>Jewish Nat- ional Fund</u>	<u>Central Bureau for Settlement of German Jews</u>
Contributions	\$ -	\$2,404,300	\$2,196,732	\$ 627,790
Service Charges	391,752	1,200	651,649	63,589
Loans	-	-	1,701,547	-
Special Funds	115,802	-	148,449	-
<u>TOTAL INCOME</u>	<u>\$ 507,554</u>	<u>\$2,405,500</u>	<u>\$4,698,377</u>	<u>\$ 691,379</u>
Transfers from Keren Hayesod	1,824,250	\$ -	\$ -	\$ 36,341
Transfers from Keren Kayemeth	286,023	-	-	-
Transfers from Jewish Agency	-	-	-	5,354
<u>Total Receipts</u>	<u>\$2,617,827</u>	<u>\$2,405,500</u>	<u>\$4,698,377</u>	<u>\$ 733,074</u>
<u>E X P E N D I T U R E</u>				
Immigration	\$ 187,402	\$ -	\$ -	\$ 9,777
Colonization and Land Purchase	831,631	31,591	2,012,222	111,189
Labor and Housing	301,482	-	-	1,442
Trade, Industry, Investments	338,701	-	30,598	17,010
Social Service, Relief	152,211	1,898	-	9,785
Education, Youth Aliyah	195,992	6,732	-	698,730
National Organization, Political Activities	587,635	14,174	-	-
Administration, Propaganda	87,986	115,992	193,695	14,336
Meeting Previous Commitments	-	341,286	1,749,450	-
<u>TOTAL EXPENDITURE</u>	<u>\$2,683,040</u>	<u>\$ 511,673</u>	<u>\$3,985,965</u>	<u>\$ 862,269</u>
Transfers to Jewish Agency	\$ -	\$1,824,250	\$ 286,023	\$ -
Transfers to German Bureau	5,354	36,341	-	-
<u>Total Payments</u>	<u>\$2,688,394</u>	<u>\$2,372,264</u>	<u>\$1,271,988</u>	<u>\$ 862,269</u>

*This does not include the Central Bureau for the Settlement of German Jews

II

A SUMMARY OF THE FINANCIAL CONDITION OF THE JEWISH AGENCY FOR PALESTINE AT THE END OF 1941.

Deficit at October 1, 1940.....	\$	267,652	
Excess of expenditure over income, October - December, 1940.....		<u>184,826</u>	
DEFICIT JANUARY 1, 1941.....	\$		452,478
Excess of expenditure over income, January - December, 1941.....			70,567
Reconciliation of final accounts, end 5701:			
Additional expenditure.....	\$	55,562	
Payments on previous years' commitments.....		<u>19,310</u>	<u>74,872</u>
TOTAL DEFICIT, DECEMBER 31, 1941.....	\$		597,917
Commitments.....			445,897
Guarantees.....			<u>438,368</u>
TOTAL LIABILITIES.....			<u>\$1,482,182</u>

III

A SUMMARY OF THE FINANCIAL CONDITION OF THE
PALESTINE FOUNDATION FUND
AT THE END OF 1941

Resources on January 1, 1941	\$ 33,457
Excess of income over expenditure in 1941	<u>33,237</u>
Resources of Keren Hayesod on December 31, 1941 ..	<u>\$ 65,694</u>



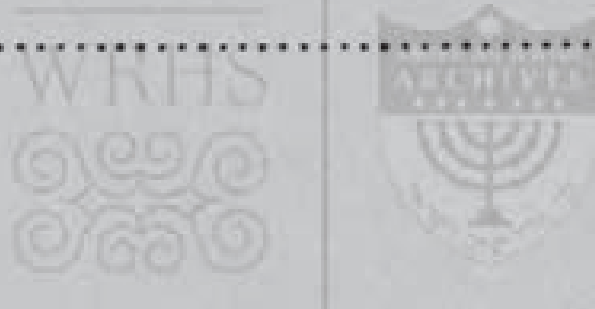
IV

A SUMMARY OF THE FINANCIAL CONDITION OF
THE JEWISH NATIONAL FUND
AT THE END OF 1941

Resources on January 1, 1941	\$121,302
Excess of income over expenditure in 1941	426,391
Special accounts (earmarked funds)	<u>78,655</u>
Total resources, December 31, 1941* / ‡	\$626,348

* / Needed on hand for urgent payments on account of land purchases as legally registered.

‡ Paid out of above sum for land transfers:		
January, 1942	\$ 207,967	
February, 1942	208,482	
March, 1942	<u>258,900</u>	<u>\$675,349</u>
<u>DEFICIT</u>		<u>\$ 49,001</u>



JERUSALEM
MAY 29 1942

SCHWARTZ
527 SHERBROOKE
MONTREAL

AIRMAIL MONTOR FOLLOWING NINETEEN FORTY ONE SUMMARY BY MONTHS AGENCY CENTRAL
BUREAU KERYESOD KAYEMETH RESPECTIVELY INCOME COLON JANUARY 6221 4685 40157
102919 FEBRUARY 11275 13665 33541 107762 MARCH 12360 MINUS 131 31169 98471 APRIL
2830 75690 57874 57301 MAY 3297 5574 30661 73220 JUNE 16647 11894 40547 132639
JULY 26740 5689 85850 84494 AUGUST 10835 419 76437 90781 SEPTEMBER 7236 1269
65335 197101 OCTOBER 11285 22387 36817 23594 NOVEMBER 9013 16148 59396 55852
DECEMBER 7583 13423 36377 95959 TOTAL ONE HUNDRED TWENTY FIVE THOUSAND THREE
HUNDRED TWENTY TWO ONE HUNDRED SEVENTY THOUSAND SEVEN HUNDRED TWELVE FIVE HUNDRED
NINETY THREE THOUSAND NINE HUNDRED FIFTY ONE ONE MILLION ONE HUNDRED SIXTY
THOUSAND NINETY THREE TOTAL INCOME TWO MILLION FIFTY THOUSAND SEVENTY EIGHT
EXPENDITURE COLON JANUARY 59942 8568 9286 72344 FEBRUARY 39441 8066 6725 115870
MARCH 62888 18521 7846 73611 APRIL 55735 25472 9943 63079 MAY 49304 24065 6768
71289 JUNE 41836 23864 9966 117174 JULY 67231 22841 8244 74116 AUGUST 70392 18007
31315 74357 SEPTEMBER 49741 16260 7683 85783 OCTOBER 46057 18471 10852 63938
NOVEMBER 66967 16258 8058 71222 DECEMBER 52446 12513 9552 66406 TOTAL SIX HUNDRED
SIXTY TWO THOUSAND FOUR HUNDRED EIGHTY TWO HUNDRED TWELVE THOUSAND NINE HUNDRED
SIX ONE HUNDRED TWENTY SIX THOUSAND THREE HUNDRED THIRTY EIGHT NINE HUNDRED
EIGHTY FOUR THOUSAND ONE HUNDRED EIGHTY NINE TOTAL EXPENDITURE ONE MILLION NINE
HUNDRED EIGHTY FIVE THOUSAND NINE HUNDRED THIRTEEN stop NINETEEN FORTY ONE
ITEMIZED ACCOUNTS AGENCY CENTRAL BUREAU KERYESOD KAYEMETH RESPECTIVELY INCOME
COLON CONTRIBUTION: NIL 155010 593655 542403 SERVICE CHARGES ETC 96729 15701 297
160901
/LOANS NIL NIL NIL 420135 SPECIAL FUNDS 28593 NIL NIL 34654 TOTAL INCOME ONE HUND-
RED TWENTY FIVE THOUSAND THREE HUNDRED TWENTY TWO ONE HUNDRED SEVENTY THOUSAND
SEVEN HUNDRED ELEVEN FIVE HUNDRED NINETY THREE THOUSAND NINE HUNDRED FIFTY TWO
ONE MILLION ONE HUNDRED SIXTY THOUSAND NINETY THREE TRANSFERS FROM KERYESOD

450432 8973 NIL NIL FROM KAYEMETH 70623 NIL NIL NIL FROM AGENCY NIL 1322 NIL NIL
TOTAL RECEIPTS SIX HUNDRED FORTY SIX THOUSAND THREE HUNDRED SEVENTY SEVEN ONE
HUNDRED EIGHTY ONE THOUSAND SIX FIVE HUNDRED NINETY THREE THOUSAND NINE HUNDRED
FIFTY TWO ONE MILLION ONE HUNDRED SIXTY THOUSAND NINETY THREE EXPENDITURE COLON
IMMIGRATION 46272 2414 NIL NIL COLONIZATION LAND PURCHASE 205341 27454 7800
496845 LABOR 74440 356 NIL NIL TRADE INDUSTRY INVESTMENTS 83630 4200 NIL 7555
SOCIAL SERVICE RELIEF 37583 2416 469 NIL EDUCATION YOUTH ALIYAH 48393 172526 1662
NIL NATIONAL ORGANIZATION SECURITY 145095 NIL 3500 NIL ADMINISTRATION PROPAGANDA
47826
21725 3540 28640/MEETING PREVIOUS COMMITMENTS NIL NIL 84268 431963 TOTAL EXPENDI-
TURE SIX HUNDRED SIXTY TWO THOUSAND FOUR HUNDRED SEVENTY NINE TWO HUNDRED TWELVE
THOUSAND NINE HUNDRED SIX ONE HUNDRED TWENTY SIX THOUSAND THREE HUNDRED THIRTY
NINE NINE HUNDRED EIGHTY FOUR THOUSAND ONE HUNDRED EIGHTY NINE TRANSFERS TO
AGENCY NIL NIL 450432 70623 TO CENTRAL BUREAU 1322 NIL 8973 NIL TOTAL PAYMENTS
SIX HUNDRED SIXTY THREE THOUSAND EIGHT HUNDRED ONE TWO HUNDRED TWELVE THOUSAND
NINE HUNDRED SIX FIVE HUNDRED EIGHTY FIVE THOUSAND SEVEN HUNDRED FORTY FOUR ONE
MILLION FIFTY FOUR THOUSAND EIGHT HUNDRED TWELVE FINANCIAL POSITION COLON AGENCYS
DEFICIT END FIVE THOUSAND SEVEN HUNDRED 66087 EXCESS EXPENDITURE OCTOBER DECEMBER
NINETEEN FORTY 45636 DEFICIT BEGINNING NINETEEN FORTY ONE 111723 BESIDES COMMIT-
MENTS AND GUARANTEES 147226 EXCESS EXPENDITURE NINETEEN FORTY ONE 17425 DEFICIT
END NINETEEN FORTYONE 129148 BESIDES COMMITMENTS 110098 GUARANTEES 108239 FOR
CONCILIATION ADD ADDITIONAL EXCESS EXPENDITURE FIVE THOUSAND SEVEN HUNDRED ONE
FINAL ACCOUNTS 13719 PAYMENTS ACCOUNT PREVIOUS COMMITMENTS 4768 EXCESSES EXPENDI-
TURE FEBRUARY NINETEEN FORTY TWO 21176 MARCH 24761 DEDUCT EXCESS INCOME JANUARY
5982 DEFICIT END MARCH 187590 BESIDES COMMITMENT AND GUARANTEES THIS DEFICIT MAKES
OUR WORK MOST DIFFICULT AS UNABLE COMPLY WITH URGENT DEMANDS stop KAYEMETH BANKS
BEGINNING NINETEEN FORTYONE TWENTY NINE THOUSAND NINE HUNDRED FIFTY ONE EXCESS
INCOME NINETEEN FORTY ONE ONE HUNDRED FIVE THOUSAND TWO HUNDRED EIGHTY TWO SPECIAL

ACCOUNTS NINETEEN THOUSAND FOUR HUNDRED TWENTY ONE BANKS END NINETEEN FORTY ONE
ONE HUNDRED FIFTY FOUR THOUSAND SIX HUNDRED FIFTY FOUR NEEDED ON HAND FOR URGENT
PAYMENTS ACCOUNT LAND WHEN LEGALLY TRANSFERRED ETC WHICH OF ACTUALLY PAID JANUARY
NINETEEN FORTY TWO FIFTY ONE THOUSAND THREE HUNDRED FIFTY FEBRUARY FIFTY ONE
THOUSAND FOUR HUNDRED SEVENTY SEVEN MARCH SIXTY THREE THOUSAND NINE HUNDRED TWENTY
SIX APART ACCOUNT PREVIOUS COMMITMENTS PAID JANUARY NINETEEN FORTY TWO THIRTY
TWO THOUSAND THREE HUNDRED THIRTY NINE FEBRUARY TWENTY FOUR THOUSAND TWO HUNDRED
EIGHTY TWO MARCH THIRTY SIX THOUSAND THREE HUNDRED FORTY NINE REGARDS

KAPLAN



VI

A SUMMARY OF 1941 INCOME* AND EXPENDITURE BY MONTHS
of
AGENCIES RECEIVING AMERICAN SUPPORT FROM UNITED PALESTINE APPEAL

<u>I N C O M E</u>	<u>Jewish Agency for Palestine</u>	<u>Palestine Foundation Fund</u>	<u>Jewish Nat- ional Fund</u>	<u>Central Bureau for Settlement of German Jews</u>
January	\$ 25,195	\$ 162,636	\$ 416,822	\$ 18,974
February	45,664	135,841	436,436	55,343
March	50,058	126,234	398,808	531**
April	11,461	333,579	232,069	306,544
May	13,353	124,177	296,540	22,575
June	67,420	164,215	537,188	48,170
July	108,297	347,692	342,201	23,040
August	43,882	309,529	367,663	1,697
September	29,306	364,607	798,259	5,139
October	45,704	149,109	95,556	90,666
November	36,503	340,554	388,201	65,399
December	30,711	147,327	388,634	54,363
<u>TOTAL</u>	<u>\$ 507,554</u>	<u>\$2,405,500</u>	<u>\$4,698,377</u>	<u>\$ 691,379</u>

**Debit

E X P E N D I T U R E

January	\$ 242,765	\$ 37,608	\$ 292,993	\$ 34,700
February	159,736	27,236	469,273	32,667
March	254,696	31,776	298,125	75,010
April	225,727	40,269	255,470	103,162
May	199,681	27,410	288,720	97,463
June	169,436	40,362	474,555	96,649
July	272,286	33,388	300,170	92,506
August	287,113	126,826	341,146	72,928
September	201,451	31,116	347,921	65,853
October	186,531	43,951	279,199	74,808
November	271,216	32,635	288,449	65,845
December	212,406	39,096	349,944	50,678
<u>TOTAL</u>	<u>\$2,683,044</u>	<u>\$ 511,673</u>	<u>\$3,985,965</u>	<u>\$ 862,269</u>

*This does not include the Central Bureau for the Settlement of German Jews

VII

1 9 4 1

RECEIPTS AND DISBURSEMENTS OF
UNITED PALESTINE APPEAL, INC.

Receipts

United Jewish Appeal on account of 1939 campaign	\$ 63,649.10
United Jewish Appeal on account of 1940 campaign	1,005,000.00
United Jewish Appeal on account of 1941 campaign	2,272,500.00
Jewish National Fund	502,280.33
Bequests	<u>1,233.37</u>
	\$3,844,862.80

Disbursements

Allocations:

Jewish National Fund on account of 1939 campaign	\$ 45,668.47
Jewish National Fund on account of 1940 campaign	588,240.45
Jewish National Fund on account of 1941 campaign	1,083,871.34
Palestine Foundation Fund on account of 1939 campaign ..	45,668.47
Palestine Foundation Fund on account of 1940 campaign ..	588,240.45
Palestine Foundation Fund on account of 1941 campaign ..	1,083,871.34
American Friends of the Hebrew University	15,000.00
Mizrachi Palestine Fund	125,000.00
Emergency Committee for Zionist Affairs	25,000.00
Transportation of Jews from Lithuania	35,870.00
Chief Rabbi Herzog on account of \$25,000 grant	12,500.00
Council of Jewish Federations and Welfare Funds	<u>2,500.00</u>
	\$3,651,430.52

Service Payments:

Zionist Organization of America	\$ 54,000.00
Mizrachi Organization of America	9,300.00
Peale Zion - Zeira Zion	9,300.00
Hashomer Hatzair	<u>1,300.00</u>
	\$ 74,800.00

Total Allocations and Service Payments	\$3,726,230.52
Campaign, administrative and functional expenses	<u>176,905.97</u>

<u>TOTAL DISBURSEMENTS</u>	<u>\$3,903,136.49</u>
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June 8, 1942.

JOINT DISTRIBUTION COMMITTEE OPERATIONS TODAY

A STATEMENT BY J. C. HYMAN,
EXECUTIVE VICE-CHAIRMAN, J.D.C.

The most outstanding conclusion which emerges from an analysis of the operations of the Joint Distribution Committee during the six months that America has been at war is the fact that the J.D.C. is not armed with nearly enough money to meet all of the tragic needs which confront it.

During the calendar year 1941 the J.D.C. appropriated and spent \$5,693,900 in 52 countries on five continents. It is estimated, on the basis of a careful survey of reports sent by the various local committees throughout the world through which the J.D.C. deals, that that sum brought direct assistance to no fewer than 950,000 people. The major categories of aid were as follows:

- 400,000 were given cash relief
- 500,000 were fed and lodged
- 34,000 were emigrated and resettled
- 27,000 in internment camps were helped
- 151,000 children were cared for
- 201,000 were given medical aid
- 56,000 were given vocational training
- 196,000 were given educational and cultural help

Naturally in many instances the same individual benefited from more than one type of program. That is why the total number of beneficiaries of all programs is larger than the total number of individuals involved.

An examination of the major appropriations made in 1941 (list attached) will show where the bulk of J.D.C. funds went.

Much more impressive, however, in terms of the war picture, are the sums which have been appropriated and disbursed during the first five months of 1942. The Joint Distribution Committee has appropriated \$3,320,500 during this period. Up to June 3rd it spent \$3,130,000 in cash, or at the rate of \$136,000 a week.

With these funds the following tasks have been accomplished:

Emigration

By the end of this month nearly 6,000 people will have been evacuated from Europe in the six months since Pearl Harbor, a rate of 1,000 a month. With America at war, this form of human rescue has been a dramatic and difficult task. To make possible the evacuation of Jewish victims of Hitlerism, we are forced to buy up all or most of the passenger space on a number of Portuguese vessels and to keep these boats shuttling back and forth across the Atlantic. We have had to pay in advance as high as \$480,000 for a single boat. In so doing we have taken large financial risks. Since Pearl Harbor we have paid out \$2,581,000 for transportation fares under U. S. Treasury licenses.

Russia

At the beginning of this year the J.D.C. got under way a far-reaching program to send medical supplies and concentrated food products to 2,000,000 Polish nationals, of whom 600,000 are Jewish, who are refugees in Asiatic Russia. Shipments are sent on Russian bottoms, freight- and duty-free, consigned to the Polish Embassy in Kuibyshev, in accordance with the arrangement the J.D.C. has with the Polish Government-in-Exile, with which it is cooperating in this program.

Four J.D.C. shipments have already arrived in Kuibyshev and have been distributed. Lightweight anti-tetanus, anti-typhoid and anti-cholera vaccines went by air, others by ship. More consignments are on their way.

Although the rarer and more complex drugs, such as sulfanilamide, insulin and vitamin tablets are included, emphasis has been laid on

ordinary household items, without which no health measures can be undertaken: boric acid, turpentine, aspirin, castor oil, yellow soap, etc. Scalpels, catgut, syringe needles and other surgical paraphernalia, cod liver oil, yeast, liver extract and other concentrated foods make up the remainder of the shipments.

For this work we have thus far appropriated \$100,000 and are considering a new appropriation within a short time. Only a week or so ago, large consignments of soap were shipped in our behalf from Canada.

Unoccupied France

For the first five months of 1942 the J.D.C. spent \$330,000 under U. S. Treasury license in unoccupied France. Up until April the monthly allotment was \$60,000, but a Vichy regulation decreeing that all refugees who entered France after 1936 be confined to restricted areas necessitated an increase to \$75,000. The 4,000 - 5,000 persons affected by the decree are segregated in small towns, where the cost of living is higher than in urban centers. The J.D.C. not only supplies maintenance funds but also retraining facilities, which have the double purpose of maintaining morale and preparing the segregated refugees for the time when they may again work.

At the moment, the J.D.C. is concentrating its efforts on behalf of the 50,000 refugees in the unoccupied zone, for it is they who must bear the brunt of present conditions. Through one committee alone, the Comité d'Assistance aux Réfugiés, the J.D.C. is making possible daily maintenance for some 13,000 refugees who are not interned. Through the Federation of Jewish Societies, the J.D.C. routes its activities on behalf of thousands of East European Jews, most of whom have been living in France since the first World War. With J.D.C. support, the Federation provides cash, medical help, clothing, etc.

A special program for children is conducted through the Ose, a medical and child care agency. The Ose maintains 12 children's homes which look after 1,500 youngsters. Through the efforts of the J.D.C., over 750 children have been taken out of internment camps and placed in Ose homes. For infants too young to be separated from their parents, as well as for thousands of adults, the Ose sends in food and medical supplies. The Ose also exercises medical supervision among non-interned refugees in ten French departments and among 25,000 Jews who were expelled or evacuated from Alsace-Lorraine into the unoccupied zone after the Armistice.

For the 16,000 refugees who are interned, help is channelized through the Camp Commission of the C.A.R. Last year, the Camp Commission, over 90% of whose funds come from the J.D.C., sent over 330 tons of food, and 6,000 articles of clothing and other items into the camps. It collaborated with other French and American agencies working in behalf of the internees.

Switzerland

For Switzerland, too, the J.D.C. has had to increase its grant from \$10,000 to \$42,500 monthly, making a total of \$210,000 for January through May. The J.D.C. now supplies 100% of the funds needed to assist 2,500 of the 5,800 refugees in the country. In addition to direct relief, the J.D.C. is providing training and retraining courses, mainly agricultural, for 530 persons. The Swiss Jewish community, which formerly supplied part of the funds needed for refugee maintenance, is now constrained to use its funds for other purposes.

The Iberian Peninsula

The chief task of the J.D.C. in Portugal and Spain, where it has spent \$160,000 from January through May, has been to expedite the departure of refugees and to take care of those who are forced to remain. A year ago there were 6,000 refugees in Portugal; today there are fewer than 1,000, most of them maintained by the J.D.C.

The refugee situation in Spain presents an especially difficult problem. Over 1,000 emigrants there are in prisons or internment camps because they did not have adequate papers. The J.D.C. is supplying aid to many of these internees. The chief financial burden, however, is in the upkeep of transmigrants. This is an extremely expensive task, since no community facilities are possible for group shelter or feeding. Each refugee must be maintained individually at tourist

prices. Should the J.D.C. fail to give its support, the transmigrants, who have ranged in recent years from 100 to over 1,000 in number, would face internment or deportation, and total loss of their chances for emigration.

The particular importance of J.D.C. work in Portugal and Spain is that it keeps refugees from becoming public charges. Otherwise, these countries would bar the way to other transit-seeking emigrants.

Sweden

Half of the 2,000 refugees in Sweden are being assisted with funds supplied by the J.D.C. and the local Jewish community. The program embraces cash relief, feeding, child care and medical aid.

Special grants have been made for the Hachsharah program in Sweden, which the J.D.C. has been supporting for many years. At present, 250 chalutzim are enrolled in the course.

North Africa

In Tangiers, Algiers and French Morocco the J.D.C. is shouldering the entire burden of refugee aid as well as, in the case of Algiers, the task of helping many among the 125,000 native Jews who have lost their jobs as a result of Vichy anti-Jewish decrees.

Other Areas

In Turkey, in Persia, in India, in Burma, in Australia, in New Zealand and in many other remote spots the J.D.C. is called upon to meet emergency after emergency, whether it is a question of supplying \$10,000 to enable 200 refugees with Palestine certificates to reach that country from Turkey or of providing relief supplies to hundreds of Polish refugees who have reached Persia from Siberia.

Central and South America

There are today 115,000 refugees in Latin America.

The J.D.C., keeping its eye on the future as well as the present, is conducting simultaneous programs of relief and rehabilitation in 18 Central and South American countries; feeding, clothing and medical aid; maintaining nurseries for children and old-age homes; resettling immigrants from urban to provincial centers, where earning possibilities are higher; establishing loan banks and credit co-operatives to supply capital for small enterprises; providing language courses and retraining facilities; adjusting the legal status of newcomers, etc. The J.D.C. spent \$225,000 for its Latin American program from January - May.

Enemy-Occupied Countries

In enemy and enemy-occupied lands, local committees are continuing programs of aid as best they can on the basis of the J.D.C.'s promise to repay, when possible without aiding the enemy, the debts they incur by local borrowing of money, food, clothing, medicines, etc.

Before America became a belligerent, the J.D.C. set aside \$1,500,000 for repayment of debts incurred in occupied countries, authorizing the Jewish committees to borrow up to that amount. In so doing, the J.D.C. followed a similar pattern laid down during World War I, which resulted in the saving of hundreds of thousands who might otherwise have perished. When the war ended, the J.D.C. made substantial reimbursement of the money thus spent.

Today, too, thousands of Jews are being saved from death and for a brighter future in those countries from which America is cut off because the personnel of the local committees have the courage and resourcefulness to go on working. So, too, will the J.D.C. repay this debt of honor when this war is over, and once more assume its historic role as an agency of reconstruction.

JOINT DISTRIBUTION COMMITTEE APPROPRIATIONS, 1941

I. <u>GREATER GERMANY</u> (through clearances whereby no dollars accrued to the German economy)		
Austria	\$168,750.	
Bohemia and Moravia	60,000.	
Germany	198,750.	
Luxembourg	26,000.	
Slovakia	50,000.	
Hachscharah	<u>25,000.</u>	
		\$ 528,500.*
II. <u>OCCUPIED AND AXIS-DOMINATED COUNTRIES</u> (through clearances whereby no dollars accrued to the German economy)		
Poland	\$972,000.*	
Holland	48,700.*	
Hungary	141,000.	
Italy (incl. Rhodes & Slovenia after occupation)	77,000.	
Zagreb and Belgrade (after occupation)	51,000.	
Roumania	<u>60,000.</u>	
		\$1,349,700.
III. <u>OTHER EUROPEAN COUNTRIES</u>		
Algeria	\$ 8,000.	
Casablanca	14,500.	
England - Ose	2,400.	
Finland	6,000.	
France	567,500.	
Greece	7,500.	
Portugal	123,500.	
Spain	8,500.	
Sweden	12,000.	
Switzerland	111,100.	
Tangiers	9,500.	
Turkey	10,000.	
Yugoslavia (prior to invasion)	<u>42,500.</u>	
		\$ 923,000.
IV. <u>EMIGRATION</u>		
Through Hicem and other Organizations; and for Emigration Service		\$1,216,000.
V. <u>COUNTRIES OUTSIDE EUROPE</u>		
Central and South America	\$451,000.	
Australia, Burma and New Zealand	22,000.	
China - Shanghai	237,200.	
Iran	500.	
Japan	125,000.	
Mauritius	4,000.	
South Africa	<u>5,000.</u>	
		\$ 894,700.
VI. <u>OTHER PROGRAMS</u>		
Religious - Cultural Work	\$ 95,500.	
Grants to other Organizations	18,700.	
Transmigration Bureau Losses	120,000.	
Transportation and Resettlement of European Personnel: Special Administration Fund and Chairman's Discretionary Fund	<u>39,800.</u>	
		\$ 324,000.
VII. <u>ADMINISTRATION EXPENSES</u>		
Operating Expenses - Overseas	\$113,000.	
Operating Expenses - New York	235,000.	
Budget for Community Information and Service	<u>110,000.</u>	
		\$ 458,000.
GRAND TOTAL		\$8,693,200.

* - Through the clearance arrangement, these sums were simultaneously used to defray emigration costs outside the country and to provide welfare assistance internally.