

NEW YORK ASSOCIATION FOR NEW AMERICANS

Estimated Budgetary Requirements

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Review of operations, July 1949 - December 1950

NYANA began its operations on July 5, 1949 with a load of 5,200 cases (12,480 persons) of whom 4,000 cases (9,600 persons) received financial assistance. It will end the year 1950 with 2,800 cases (7,000 persons) of whom 2,100 cases (5,250 persons) will receive financial assistance. During the intervening year and a half, a total of 22,000 Jewish immigrants came to New York City. During this same period, a total of 34,000 immigrants will have been helped by NYANA either with financial aid or other services; of this number, only 5,250 will still require financial assistance at the end of 1950. Thus, approximately 28,750 people will have been integrated into the community during the first year and a half of NYANA's existence.

On January 1, 1950, NYANA had a caseload of 7,951 cases (19,100 persons) of whom 5,779 cases (13,870 persons) received financial assistance. This large caseload reflected the absorption of the extraordinarily heavy immigration in 1949, particularly during the last six months of that year, when 11,800 Jewish immigrants came to New York City, as well as the continuation of relief to immigrants who had come to New York before then. The caseload continued to rise through the first two months of 1950 and the peak caseload was reached in February 1950 when we had over 8,000 cases (19,200 persons) of whom 6,150 cases (14,760 persons) obtained financial assistance. Since then the caseload has declined, at first fairly slowly, but in the last few months, with increasing rapidity.

Table I, attached hereto, contains a statistical summary of NYANA's caseload from July 1949 through December 1950 and clearly reflects the increase in caseload from July 1949 through February 1950, and the subsequent decline. During this period of a year and a half 11,158 cases (26,779 persons) will have been added to the relief rolls, including 9,143 new cases (21,943 persons) and 2,015 cases of reapplicants (6,836 persons). The same period will see a total of 13,699 cases (32,877 persons) closed. The closing rate rose from 4.8 percent in July, 1949 to 9.1 percent by December of that year and to 14.8 percent by June, 1950. Since June, 1950, the closing rate has ranged between 15 and 20 percent with the months of August and October representing peak closing rates. It should be noted that these increased rates of closings relate to a declining caseload.

The increase in the closing rate and the subsequent decline in total caseload beginning with March, 1950, reflect a number of policies and activities instituted by NYANA plus a decided change in the economic situation. Of major importance in this respect has been NYANA's redefining of its function as that of helping immigrants during their first year of residence in the United States to move toward at least a minimal adjustment, and of expecting immigrants to use other community resources in those instances where need for financial assistance arose subsequently and involved no jeopardy to the immigrant. Through December, 1950, almost

1,800 cases will have been closed in relation to this policy. This is substantially below the original estimate of approximately 3,000 cases which it was anticipated would be closed in relation to this policy. The reason for this substantial difference is that far more cases were closed for other reasons; mainly because these clients obtained further employment and were no longer in need of financial assistance. Accordingly, there was a smaller total number of cases remaining on our rolls to be closed in connection with the policy of use of other community resources.

Among the approximately 1,400 cases with residence of one year or more who came on permanent visas and individual affidavits or community assurances which were retained by NYANA because of the existence of some factors of jeopardy, 700 have since been closed because either the head of the family or some member of the family obtained employment. Pursuant to Board decisions, we are now planning a further extension of the policy of use of other community resources and within the next month or two we expect to close approximately 200 - 250 of the 700 cases left. In addition to the approximately 450 to 500 cases on permanent visas with individual affidavits or community assurances which we shall retain because of the presence of some degree of jeopardy we are retaining also approximately 200 corporate affidavit cases and 70 temporary visa cases in the country one year or more. The corporate affidavit cases can be closed only as they are released from reporting to the government and the temporary visa cases only as they obtain employment. The above policy was put into effect in February, 1950, and its full impact was felt in March, April and May of this year when the bulk of cases which at that time had been in the country one year or more, were closed. It is for this reason mainly that the closing rate rose from 8 - 9 percent to approximately 13 percent per month.

Other policies adopted by NYANA effected a reduction in the relief load. These included: (1) an extensive review of the program respecting students; (2) the summer work program respecting employable single persons and couples aged 20 to 40 years with no health or other handicaps who had six months or more residence in the country, a program adopted in the light of employment opportunities available during the summer months (relatively few of these former clients returned to request agency assistance in the Fall); (3) a continuing in-service professional staff training program designed to help staff exercise a closer scrutiny of cases for continued eligibility for relief, as a result of which average duration of relief has been noticeably reduced; (4) closer supervision and improved administrative controls.

No analysis of the reasons for the high closing rate, particularly after June, 1950, would be complete without reference to the United Job Finding Campaign and the improvement in the economic situation following the outbreak of hostilities in Korea. The United Job Finding Campaign was originally designed to obtain thousands of jobs for immigrants then obtaining financial assistance from NYANA and those expected to arrive during 1950. It was the hope of its sponsors and Honorary Chairmen, Mr. Monroe Goldwater, Mrs. Adele Levy, Mr. Ralph Samuel and Mr. Rudolf G. Sonneborn that Jewish employers could be organized so as to provide job opportunities, particularly in the semi-skilled and skilled fields to newly-arrived Jewish immigrants. The response to the United Job Finding Campaign in conjunction with the improvement in the labor market was so favorable that within a short time,

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the majority of clients who could fill either semi-skilled or skilled jobs had been placed. The program was then changed so as to concentrate more on obtaining unskilled job opportunities, with equal success. More recently, in view of the improvement in the labor market which has made it relatively easier for the normally healthy adult to find a job on his own, the United Job Finding Campaign has concentrated on finding jobs for the physically handicapped, the aged, and for the extremely orthodox groups. What success the campaign will have with regard to this extremely difficult problem presented by the latter three groups remains to be seen, but we have reason to believe that we will succeed in placing some number of the physically handicapped, the aged and the extremely orthodox groups which still remain on relief.

Concomitant with the reduction in caseload we have reduced not only relief expenditures but also expenditures for personnel. Table II attached hereto, shows the percentage change in caseload from August, 1949 through December, 1950 using the caseload in July, 1949 as a base and the percentage change in personnel during the same period. It may be noted that from July, 1949 to February, 1950 (when we reached our peak), the caseload increased 51.6 percent; during this same period, personnel increased approximately 18 percent. In July, 1950, the caseload was approximately 3.2 percent above the caseload in July, 1949, while personnel was 6.2 percent below July, 1949; by December, 1950, when the caseload will be approximately 43 percent less than in July, 1949, personnel will have been reduced over 35 percent below the July, 1949 level. Thus, while personnel increased by only one-third as much as did caseload in the period when caseloads were rising month after month, staff reduction has about kept pace with reductions in caseload over the past year and a half. Further reductions in staff are planned for January, 1951.

Budget Allocation, 1950

Upon the completion of its deliberations in March, 1950, the UJA Committee of Five made an allocation to NYANA of \$10,987,621 for 1950; this figure included \$510,000 for the operation of the local Shelter. This allocation was based on the assumption that total Jewish immigration to the United States would equal 18,500 of which 50 percent, or 9,250, would remain in New York City. Actually, total Jewish immigration to the United States during 1950 will not exceed 14,400, but the proportion remaining in New York will be about 61 percent, so that even with the lower volume of total immigration, New York will receive approximately 8,800 immigrants, or only 450 less persons than the UJA Committee estimated in fixing the allocation to NYANA. Despite the fact that NYANA absorbed almost as many immigrants as foreseen in the budget allocation, it has, as a result of the various policies noted above and the improvement in the economic situation, been able to reduce expenditures substantially below the amount allocated.

1950 expenditures by quarters are as follows:

	<u>1st quarter</u>	<u>2nd quarter</u>	<u>3rd quarter</u>	<u>4th quarter</u> (Estimated)	<u>Total</u>
Relief	\$2,403,532	\$2,127,446	\$1,449,745	\$1,122,500	\$7,103,223
Subventions	124,007	110,388	103,821	97,499	435,715
<u>Personnel</u>	<u>454,456</u>	<u>518,345</u> ^{/a}	<u>408,256</u>	<u>383,785</u>	<u>1,764,842</u>
Service	376,817	440,971	338,852	318,542	1,475,182
Administrative	77,639	77,374	69,404	65,243	289,660
Administrative, office and other	89,939	66,922	65,335	60,150	282,346
Severance Pay Commitment	-	-	-	69,800	69,800
Total	\$3,071,934	\$2,823,101	\$2,027,157	\$1,733,734	\$9,655,926

/a Seven pay periods.

Total expenditures for 1950 will be \$9,655,926, or \$1,331,695 less than the UJA Allocation. Part of this saving; that is, \$435,000, results from the fact that NYANA completed arrangements with HIAS whereby the latter organization assumed complete responsibility for operation and financing of the local Shelter, beginning May 15, 1950. The remainder, approximately \$897,000, is the result of the various factors noted above. Monthly expenditures have been reduced from an average of approximately \$1,025,000 in the first quarter of the year to \$555,000 (excluding the severance pay commitment) in the fourth quarter of the year, or by \$470,000 per month.

Budgetary Requirements, 1951

It is estimated that approximately 20,000 Jewish immigrants will come into the United States in 1951, including Displaced Persons under the amended D.P. Act and under regular quota immigration. Since Jewish immigration in 1949 equalled 37,700 and is estimated at 14,400 for 1950, total Jewish immigration for the three year period 1949 - 51 will be 72,100. Strict adherence to the principle which had been agreed upon by USNA and NYANA to the effect that New York will receive no more than 50 percent of all Jewish immigrants in the period 1949-51 would mean that New York should not receive more than 6,700 Jewish immigrants in 1951. As a result however of NYANA's issuance of 4,000 emergency accommodation assurances in August 1949, with the knowledge and approval of the UJA and its agencies, most of which are now in the "pipeline", it may be difficult to maintain exactly the 50 percent formula. In order to do so, it would be necessary to cancel approximately 2,000 of these 4,000 emergency assurances and to transfer refugees now assigned to NYANA assurances to other community assurances. This may be an impossibility because it might jeopardize immigration chances of those who are well advanced in the "pipeline!"

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It has been agreed between NYANA and USNA however, that JDC will be asked to redesignate immigrants now assigned to New York to other communities, unless they have first degree relatives in New York, if they are at an early enough stage in the process so that this can be done. Furthermore, it has been agreed that NYANA assurances (out of the 4,000 issued in August 1949) not now assigned, or which will become free either as a result of people dropping out or by redesignation to other communities can be used only for new applicants who have first degree relatives in New York. It is expected that the 1949 NYANA assurances which will become available from these sources will be more than enough to take care of the volume of new applicants with first degree relatives in New York; to the extent that they are in excess of the number of new applicants with first degree relatives in New York, they will not be used.

Since it is likely that most of the August 1949 NYANA assurances will be used, immigration to New York City in 1951 is estimated at 9,300 persons. This figure is arrived at as follows:

	<u>Total</u>	<u>New York City</u>	<u>Outside N.Y. City</u>
1. D.P. Countries			
HIAS	2,500	2,100	400
USNA	12,500	4,200	8,300
Total D.P. Countries	15,000	6,300	8,700
2. Non-D.P. Countries (regular quota and out- of zone DP's)			
HIAS	2,000	1,500	500
USNA	3,000	1,500	1,500
Total non-D.P. Countries	5,000	3,000	2,000
GRAND TOTAL	20,000	9,300	10,700

Thus, if the volume of Jewish immigration in 1951 equals 20,000, New York will receive 46.5 percent of 1951 immigration; for the three year period 1949-51, it will receive 38,670 immigrants, or 53.6 percent, out of the total of 72,100 which has been estimated for the three year period. If immigration in 1951 reaches only 15,000, immigration to New York City will equal 7,900 or 52.7 percent and for the three year period, New York will have received 55.6 percent of all Jewish immigrants. New York will receive a higher proportion of immigrants in the event that only the lower volume of immigration is realized because the majority of those now in the pipeline are designated for New York. It is among new applicants for immigration to the United States that the majority would be designated for communities outside New York City.

On the basis of an estimate made some months ago that total Jewish immigration for the period 1949-51 would reach 88,440, NYANA issued an additional 3,000 assurances in July 1950 to bring New York's share of total Jewish immigration to 50 percent. In view of the revised estimates, it is now clear that none of the 3,000 assurances issued in July 1950 should be used and it has been agreed between NYANA and USNA that none of them will be used and USNA has already so advised JDC.

We will start the year 1951 with 2,800 cases of which 2,100 will receive financial assistance. In the light of the anticipated 1951 immigration to New York, approximately 3,750 cases (9,000 persons) will be added to NYANA's caseload during the course of the coming year. In addition to new cases, approximately 1,000 cases will reapply for assistance. On the assumption of a continuation of the improved economic situation, with a continuing high level of employment, we shall be able to maintain a high closing rate through most of 1950. Thus, even though immigration to New York City in 1951 will be greater than in 1950, we foresee a steadily decreasing caseload; this decline will be relatively small during most of the year and fairly rapid during the last quarter when immigration under the amended D.P. Act will be practically completed. We have estimated relief requirements in the framework of these assumptions and have planned for a reduction in personnel and administrative costs in relation to this reduction in caseload.

Budgetary requirements for 1951 by quarters are as follows:

	<u>1st</u> <u>quarter</u>	<u>2nd</u> <u>quarter</u>	<u>3rd</u> <u>quarter</u>	<u>4th</u> <u>quarter</u>	<u>Total</u>
Relief	\$1,169,737	\$1,105,407	\$1,083,393	\$866,140	\$4,224,677
Subventions	93,400	84,400	56,500	46,000	280,300
<u>Personnel</u>	<u>243,900</u>	<u>300,300</u> ^{/a}	<u>240,300</u>	<u>241,200</u> ^{/a}	<u>1,025,700</u>
Service	201,700	248,500	199,400	196,000	845,600
Administrative	42,200	51,800	40,900	45,200	180,100
Administrative, office & other	<u>45,900</u>	<u>43,400</u>	<u>43,100</u>	<u>37,700</u>	<u>170,100</u>
Total	\$1,552,937	\$1,533,507	\$1,423,293	\$1,191,040	\$5,700,777

/a Seven pay periods.

Total needs are estimated at \$5,700,777, or \$3,955,000 less than 1950 expenditures. 1951 requirements are substantially lower than 1950 expenditures because in view of the extremely high closing rate, particularly during the second half of 1950, we will begin 1951 operations with a carry-over relief load which will be substantially less than half as large as the caseload carried over from 1949 into 1950. Average monthly expenditures will decline from approximately \$518,000 in the first quarter of 1951 to slightly less than \$400,000 in the last quarter of 1951. Personnel, which equalled 594 at the peak of NYANA's operation in February, 1950, will be reduced to approximately 285 as of the beginning of 1951 and to about 220 by the end of 1951. The bulk of our personnel are service personnel; that is, they deal directly with clients. Costs of administrative personnel and of administrative, office and other expenses constitute only six percent of total requirements for 1951, the same proportion as in 1950.

The major items of administrative, office and other expenses are rent, \$96,000, and telephone and telegraph, \$30,000; the remaining \$55,000 covers expenses in connection with the United Job Finding Campaign, rental of equipment, stationery and supplies, insurance, auditing and bank charges, postage, etc.

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Grants to the subventioned agencies will be substantially reduced in 1951 as compared to 1950. As of June 1, 1950, the Westchester Committee for Refugees will be disbanded and the small remaining caseload will be absorbed by NYANA. NYANA's subvention to the Westchester Committee for 1951 will approximate \$24,000 including severance pay to the remaining employees as compared to approximately \$65,000 in 1950. The Committee for Refugee Education will terminate its program on September 15, 1951. At our request, it is continuing its program of English classes through next summer, when the Board of Education classes are closed, in order to serve immigrants arriving at that time. The grant to the Committee for Refugee Education in 1951 will be approximately \$10,500 compared to \$21,000 in 1950. Grants to the New York and Brooklyn Sections of the National Council of Jewish Women will be 22 to 30 percent below the 1950 subventions.

The estimate given above is based on a total Jewish immigration to the United States of 20,000 of whom 9,300 persons will come to New York City. Should immigration not exceed 15,000 of whom 7,900 persons would come to New York, NYANA budgetary requirements for 1951 would be \$5,184,600 or \$516,100 less than the \$5,700,777 needed to care for the larger volume of Jewish immigrants.

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APPENDIX

Table I

Statistical Summary of NYANA caseload July 1949 - December 1950

	Cases open during month		Cases added			Cases closed	Rate of clos- ing
	Total Cases	Financial assistance cases	Total	New	Reaps		
<u>1949</u>							
July	5,853	4,686	827	745	82	281	4.8
August	6,850	5,147	1,035	926	109	359	5.2
September	7,614	5,697	1,108	987	121	519	6.8
October	7,909	5,963	839	771	68	540	6.8
November	8,293	6,227	934	815	119	671	8.1
December	8,567	6,564	636	487	149	765	9.1
Total July - December 1949			5,379	4,731	648	3,135	
Average July - Dec. 1949	7,514	5,714					
<u>1950</u>							
January	8,654	6,622	874	681	193	726	8.4
February	8,871	6,855	940	803	137	1,030	11.6
March	8,497	6,776	643	521	122	1,102	12.9
April	7,859	6,331	636	473	163	1,026	13.1
May	7,167	5,773	417	287	130	882	12.3
June	6,727	5,438	445	317	128	998	14.8
Total January - June 1950			3,955	3,082	873	5,764	
Average January-June 1950	7,963	6,299					
Grand total July 1949 - June 1950			9,334	7,813	1,521	8,899	
July	6,043	4,725	325	233	92	1,054	17.4
August	5,399	4,248	378	291	87	1,065	19.7
September	4,565	3,522	253	176	77	695	15.2
October	4,127	3,122	255	190	65	816	20.0
November	3,600	2,750	263	190	73	600	17.0
December	3,350	2,550	350	250	100	570	17.0
Total July - December 1950			1,824	1,330	494	4,800	
Average July-December 1950	4,514	3,486					
Grand total July 1949 - December 1950			11,158	9,143	2,015	13,699	

APPENDIX

Table II

NYANA caseload and number of Personnel July 1949 - December 1950

	Total cases open	Percent change from July 1949	Finan- cial assist- ance cases	Percent change from July 1949	Total person- nel /a	Percent change from July 1949
<u>1949</u>						
July	5,853		4,686		503	
August	6,850	+17.0	5,147	+ 9.8	517	+ 2.8
September	7,614	+30.1	5,697	+21.6	530	+ 5.4
October	7,909	+35.1	5,963	+27.3	566	+12.5
November	8,293	+41.7	6,227	+32.9	578	+14.9
December	8,567	+46.4	6,564	+40.1	586	+16.5
<u>1950</u>						
January	8,654	+47.9	6,622	+41.3	594	+18.1
February	8,871	+51.6	6,855	+46.3	591	+17.5
March	8,497	+45.2	6,776	+44.6	568	+12.9
April	7,859	+34.3	6,331	+35.1	549 $\frac{1}{2}$	+ 9.3
May	7,167	+22.5	5,773	+23.2	539 $\frac{1}{2}$	+ 7.4
June	6,727	+14.9	5,438	+16.0	505 $\frac{1}{2}$	+ 0.6
July	6,043	+ 3.2	4,725	+ 8.3	473 $\frac{1}{2}$	- 6.2
August	5,399	- 7.8	4,248	- 9.3	467 $\frac{1}{2}$	- 7.4
September	4,565	-22.0	3,522	-24.8	450 $\frac{1}{2}$	-10.7
October	4,127	-29.5	3,122	-33.4	391	-22.3
November	3,600	-38.5	2,750	-41.3	365	-27.4
December	3,350	-42.8	2,550	-45.6	325	-35.4

/a Excludes summer substitutes for months June through September