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Appendix IV

The Assets of Labor Unions

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1. SOURCES AND METHODS

The sources of the statistics on union assets and liabilities are the financial reports of unions, filed annually with the U.S. Department of Labor under provisions of the Labor-Management Reporting and Disclosure Act of 1959, and reports published by individual organizations in journals, newspapers and convention proceedings. The latter source was used to add the financial reports of organizations not subject to the LMRDA of 1959 (primarily unions of government employees) and to fill certain gaps in reports filed with the USDL.

Data are available for 1962-66 and for 1968; 1967 is the average of 1966 and 1968. The figures were adjusted to compensate for variations in the number of unions on the tapes of the Department of Labor.

All figures on total assets, total liabilities and net assets are the sum figure for local unions, intermediate union groups, and regional, national, and international unions.

2. NOTES ON INDIVIDUAL ITEMS IN COMBINED BALANCE SHEET OF LABOR UNIONS

The items shown in Table IV-1, which should be regarded as preliminary, are dated as of the end of the year and are defined as follows:

Cash: Includes cash on hand and in banks and other financial institutions, such as building and loan associations, savings and loan associations, and credit unions, as well as in escrow accounts. Certificates of deposit are also included.

U.S. Treasury Securities: The value reported is original cost.

Mortgage Investments: The total value shown by the union is unrecovered cost. The mortgages were purchased on a block basis from banks or similar institutions. Mortgage-secured loans made by a union are reported under loans receivable.

Other Investments: This item may be regarded as consisting primarily of equity holdings. However, it may also include U.S. government obligations other than Treasury securities, as well as state, municipal, and foreign government securities. The value reported by the union is at cost.

Fixed Assets: Includes land, buildings, automotive equipment, and office furniture and equipment at fair market value or net value, as shown on the unions' books.

Unclassified Assets: This is a residual item devised for this tabulation because of errors on the original USDL tapes.

Total Assets: This is the sum of reported totals.

Total Liabilities: This is the sum of the reported totals.

Net Worth: This is the arithmetic difference between total assets and total liabilities.

TABLE IV-1
Combined Balance Sheet of Labor Unions, 1962-68

(*\$million*)

	1962	1963	1964	1965	1966	1967	1968
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Cash	534	615	629	677	755	823	894
U.S. Treasury securities	406	407	379	392	423	444	465
Mortgages	134	147	143	138	144	149	153
Other investments	275	287	324	335	403	450	497
Fixed assets	267	281	302	348	344	377	410
Unclassified assets	155	139	134	135	137	143	151
Total assets	1,772	1,876	1,901	2,025	2,206	2,388	2,570
Liabilities	212	228	241	244	258	287	317
Net worth	1,559	1,648	1,660	1,781	1,948	2,101	2,253

SOURCE: See text.