

UNITED STATES DEPARTMENT OF LABOR

L. B. Schwellenbach, *Secretary*

BUREAU OF LABOR STATISTICS

Isador Lubin, *Commissioner (on leave)*

A. F. Hinrichs, *Acting Commissioner*



Activities of Credit Unions in 1944



Bulletin No. 850

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UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, October 18, 1945.

The SECRETARY OF LABOR:

I have the honor to transmit herewith the Bureau's annual report on activities of credit unions in the United States, covering the year 1944. For the sake of comparison, data on earlier years, since 1929, are also given. The report was prepared in the Bureau's Editorial and Research Division, by Florence E. Parker, with the assistance of Elizabeth L. Black.

A. F. Hinrichs, *Acting Commissioner.*

Hon. L. B. SCHWELLENBACH,
Secretary of Labor.

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*Bulletin No. 850 of the
United States Bureau of Labor Statistics*

[Reprinted from the MONTHLY LABOR REVIEW, October 1945, with additional data]

Activities of Credit Unions in 1944

Summary

Reversing a trend that has been sharply downward since the beginning of the war, both the membership and business of credit unions showed an increase in 1944, although the number of associations was smaller than in 1943. At the end of 1944 the number of associations on the register totaled 9,099, as compared with 10,373 in 1943. The 8,702 associations active and reporting for 1944 had 3,027,694 members and made loans aggregating \$212,305,479. These represented increases, as compared with 1943, of 0.1 percent in members and 1.7 percent in loans. Total assets which have continued to increase all through the war years, even while number of associations, membership, and business were declining, mounted to \$397,929,814, or 12.0 percent above 1943.

Net earnings on the year's business totaled \$5,716,736—a decrease of 14.0 percent from 1943. Dividends paid on share capital, from these earnings, also declined by 3.9 percent, to \$5,122,454.

Reserves at the end of 1944 amounted to \$25,081,703, or 20.7 percent of the \$121,005,395 outstanding in loans.

For the State-chartered associations the statistical data on which the present report is based were in most cases furnished to the Bureau of Labor Statistics by the State official—usually the Superintendent of Banks—charged with supervision of these associations. Reports were received from every State in the Union in which State-chartered credit unions were in operation, this being the first such record in the 20 years during which the Bureau has been collecting information on cooperative credit associations. For Alabama both the State Department of Insurance and the State Credit Union League furnished information. However, there are certain items concerning which some States do not require the associations to report; for these items in such States estimates were made, based on the trend in other States and on the trend of the other items in the same State. All of the information for the Federal credit unions was supplied by the Credit Union Division of the Federal Deposit Insurance Corporation.

The figures shown for individual States include both the Federal and State credit unions, except in Connecticut, Delaware, Hawaii, Nevada, New Mexico, South Dakota, and Wyoming. In Connecticut a credit union law was passed in 1939, but no associations had

been organized under it at the end of 1944. In the other six States there was no credit union law on the books.¹ For all of these States, therefore, the figures shown cover Federal associations only.

Trend of Credit Union Development in the United States

The first attempt to obtain State legislation authorizing credit unions was made in 1870, but not until 1909 was the first law passed—in Massachusetts. Nevertheless five associations had been formed in the meantime in that State, one of them as early as 1892. In New Hampshire an association formed in 1908 was given a special State charter in 1909. From that time onward some progress was made each year, but the passage of enabling legislation was won very slowly. In 1921 the Credit Union National Extension Bureau was formed, and endowed by the late Edward A. Filene, for the purpose of furthering the expansion of the credit union movement, especially by obtaining the enactment of adequate credit union laws. A standard bill was drawn up, and in one State after another its passage was promoted. By 1929 credit union acts were on the statute books in 32 States. Of these, 22 had been enacted since 1920; in addition, in 1926 Massachusetts passed an act amending its old law throughout and in 1929 Oregon repealed its former law and passed a new one.

Formation of new associations followed the passage of the State laws and by 1929 there were nearly a thousand associations, with 265,000 members. As the number of associations became large enough, State credit union leagues were formed and these in turn, in September 1935, formed the Credit Union National Association, superseding the old Bureau which then went out of existence according to plan.

Up to 1934 all of the credit unions that had been chartered had been incorporated under State laws. However, some of these laws were still unsatisfactory from the cooperative standpoint and some imposed what seemed to be undue obstacles to the formation of new associations and undue burdens on those already in operation. In 1934, therefore, a credit union act was passed by the Congress of the United States and the Credit Union Division was created in the Farm Credit Administration² to oversee the carrying out of the law and render various services to the associations formed under it.

From that time onward, until checked by wartime conditions, the credit union movement expanded at an accelerated pace. Not only did the associations with Federal charters spring up and grow, but the older State-chartered movement also seemed to be stimulated to growth considerably faster than its previous pace. The rate of growth of the Federal credit unions, however, was consistently higher than that of the State-chartered associations, and by the end of 1944 the Federal credit unions accounted for 43.1 percent of the members, 36.9 percent of the loans made, and 36.3 percent of the total assets of the credit union movement.

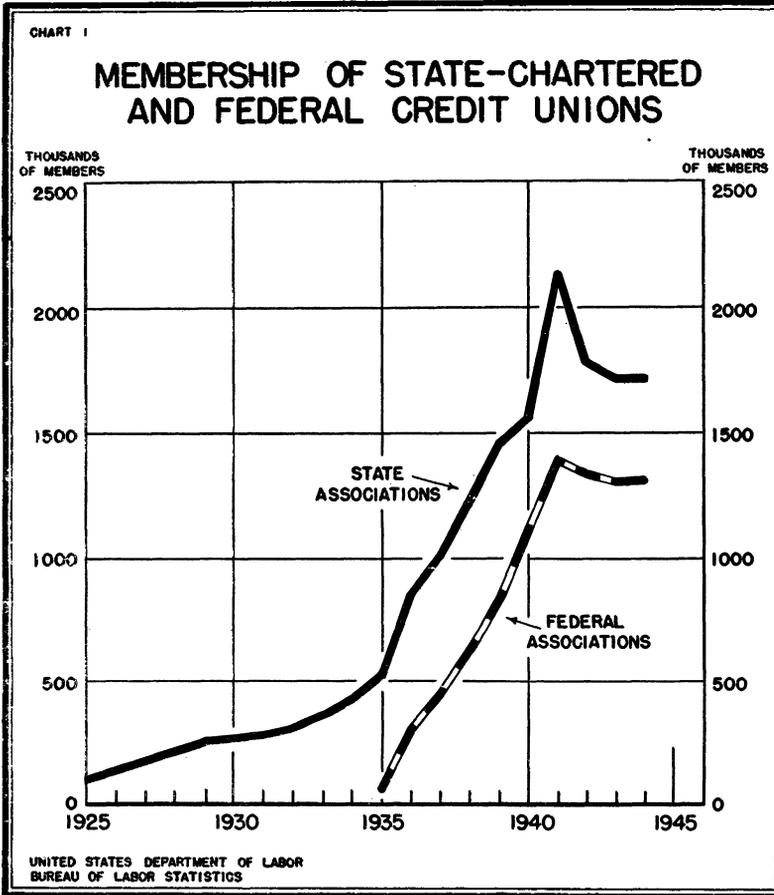
In addition to the three major items—membership, business, and assets—presented in table 1 and charts 1 and 2, a steady increase

¹ A new law was passed in 1945, however, in New Mexico.

² The Division was transferred to the Federal Deposit Insurance Corporation in 1942.

also took place in share capital, net earnings, and dividends paid, through 1941.

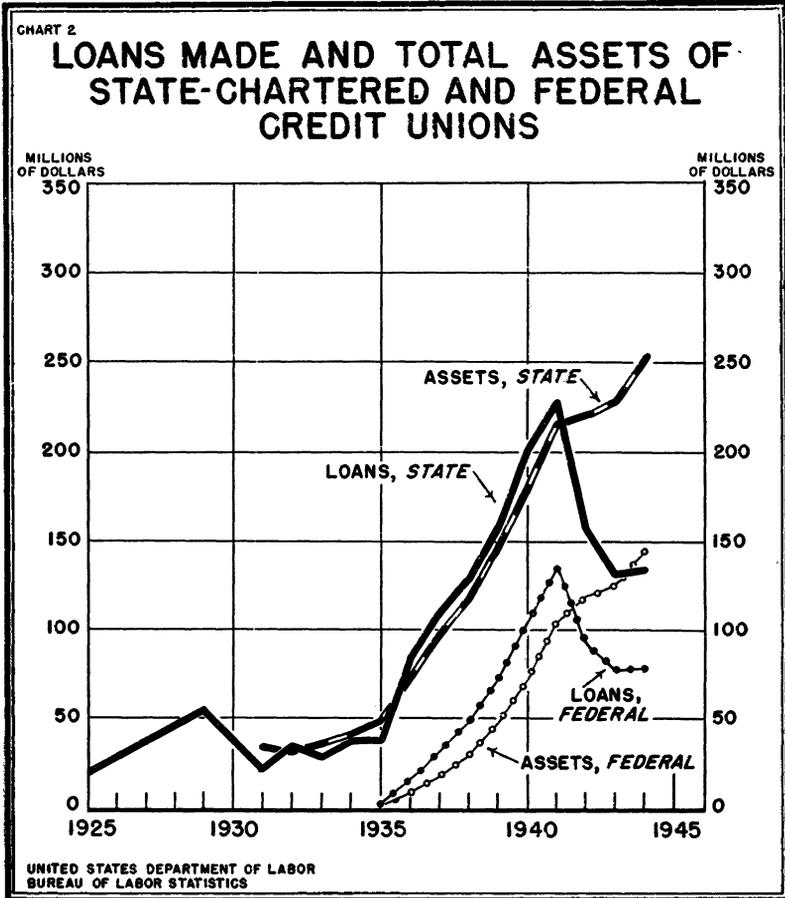
The entry of the United States into the war was followed by a sharp decline in the credit union movement. Many associations were liquidated, membership fell off, and credit union loans showed a precipitous drop. This was caused by a number of factors. Among



them were the issuance by the Federal Reserve Board of Regulation W (limiting to 18 months—later to 12 months—the period of repayment of installment purchases or loans made for that purpose), the disappearance from the market of higher-priced consumer goods (automobiles, refrigerators, etc.) for which many credit union loans had previously been made, the restrictions on the use of building materials, the emphasis on repayment of debts and the inadvisability of incurring

new obligations of that nature, and the increased wartime earnings of wage earners which resulted in a lessened need for credit.

With the decline in business, earnings naturally fell off and dividends also. However, throughout the period 1941-44, all State totals have shown earnings (even though small) with one exception. The excep-



tion was Minnesota which, in 1944, showed a net loss of \$7,663 for the State-chartered associations. (The Federal associations had net earnings amounting to \$2,918.) Dividends of \$167,573 were nevertheless paid by the State-chartered associations in that State, from earnings in 1944 by associations that had earnings and from the accumulations from earlier years in other cases.³

This practice is permitted by the State law.

TABLE I.—Relative Development of State and Federal Credit Unions, 1925-44

Item and year	Total associations	State-chartered associations	Federal-chartered associations	Item and year	Total associations	State-chartered associations	Federal-chartered associations
Number of credit unions:				Membership—Con.			
1925.....	419	419	-----	1935.....	597,609	523,132	74,477
1929.....	974	974	-----	1936.....	1,170,445	854,475	315,970
1931 ¹	1,500	1,500	-----	1937.....	1,503,826	1,055,736	448,090
1932.....	1,612	1,612	-----	1938.....	1,863,353	1,236,826	626,527
1933.....	2,016	2,016	-----	1939.....	2,305,364	1,459,377	845,987
1934 ¹	2,450	2,450	-----	1940.....	2,815,590	1,685,358	1,120,232
1935 ¹	2,600	2,600	-----	1941.....	3,529,097	2,132,401	1,396,696
1936.....	5,355	3,490	1,865	1942.....	3,144,603	1,797,084	1,347,519
1937.....	6,292	3,792	2,500	1943.....	² 3,023,603	² 1,721,240	1,302,363
1938.....	7,314	4,299	3,015	1944.....	3,027,694	1,723,893	1,303,801
1939.....	8,326	4,782	3,544	Amount of loans:			
1940.....	9,479	5,269	4,210	1925.....	\$20,100,000	\$20,100,000	-----
1941.....	10,456	5,663	4,793	1929.....	54,048,000	54,048,000	-----
1942.....	10,602	5,622	4,980	1931 ¹	² 21,214,500	² 21,214,500	-----
1943.....	² 10,373	² 5,285	5,088	1932.....	² 32,065,000	² 32,065,000	-----
1944.....	9,099	5,051	4,048	1933.....	28,217,457	28,217,457	-----
Active, reporting credit unions:				1934.....	² 36,200,000	² 36,200,000	-----
1925.....	176	176	-----	1935.....	² 39,172,308	² 36,850,000	\$2,322,308
1929.....	838	838	-----	1936.....	100,199,695	84,541,635	15,658,060
1931 ¹	1,244	1,244	-----	1937.....	141,399,790	110,625,321	30,774,469
1932.....	1,472	1,472	-----	1938.....	175,952,433	129,058,548	46,893,885
1933.....	1,772	1,772	-----	1939.....	230,429,517	159,463,457	71,026,060
1934.....	2,028	2,028	-----	1940.....	306,092,416	201,105,625	104,986,791
1935.....	2,589	2,122	467	1941.....	362,291,005	227,959,046	134,331,959
1936.....	4,408	2,734	1,674	1942.....	250,000,284	158,463,317	91,536,967
1937.....	5,231	3,128	2,103	1943.....	² 208,807,888	² 131,542,506	77,265,382
1938.....	6,707	3,977	2,730	1944.....	212,305,479	133,971,582	78,333,897
1939.....	7,841	4,677	3,164	Total assets:			
1940.....	8,890	5,175	3,715	1925.....	(⁴)	(⁴)	-----
1941.....	9,650	5,506	4,144	1929.....	(⁴)	(⁴)	-----
1942.....	9,470	5,400	4,070	1931 ¹	\$33,645,343	\$33,645,343	-----
1943.....	² 8,983	² 5,124	3,859	1932.....	31,416,072	31,416,072	-----
1944.....	8,702	4,907	3,795	1933.....	35,496,668	35,496,668	-----
Membership:				1934.....	40,212,112	40,212,112	-----
1925.....	108,000	108,000	-----	1935.....	49,505,970	47,964,068	\$1,541,902
1929.....	264,908	264,908	-----	1936.....	83,070,952	73,659,146	9,411,806
1931 ¹	286,143	286,143	-----	1937.....	115,399,287	97,087,995	18,311,292
1932.....	301,119	301,119	-----	1938.....	147,156,416	117,672,392	29,484,024
1933.....	359,646	359,646	-----	1939.....	192,723,812	145,226,718	47,497,094
1934.....	427,097	427,097	-----	1940.....	252,293,141	180,198,260	72,094,881
				1941.....	322,214,816	216,557,977	105,656,839
				1942.....	340,347,742	221,114,849	119,232,893
				1943.....	² 355,262,808	² 228,314,723	126,948,085
				1944.....	397,929,814	253,663,658	144,266,156

¹ Partly estimated.² Revised.³ Revised to eliminate residential credit associations in Nebraska.⁴ No data.

Notwithstanding higher living costs, greater taxes, etc., it appears that some, at least, of the increased earnings of the members have been deposited with the credit unions in the form of either deposits (where these are allowed by law) or share capital. Assets continued to climb without a break, throughout the period, even while membership and loans were falling.

Operations in 1943 and 1944

Substantial reductions in total number of credit unions occurred in 1944. Nearly every State showed losses of at least a few associations as compared with 1943, but in some States this was due to the final

winding up of the affairs of those that were previously in process of dissolution. The greatest reductions in total number of associations occurred in New York (with a net reduction of 169), Pennsylvania (115), Texas (93), Ohio (91), and California (72). In all of the other States having decreases the reductions totaled less than 50. The data shown in table 2 for Nebraska cover only the credit unions chartered under the new law and the occupational associations (which operate like credit unions) formed under the old cooperative credit associations law. The "residential" associations under the old law have been dropped from the Bureau's credit union statistics because they are now in reality community commercial banks.⁴

Illinois, with 766 associations at the end of 1944, had taken a slight lead over New York (764), but Massachusetts, Ohio, Pennsylvania, and Wisconsin still had over 500 associations each (table 2).

All but 19 States had fewer members at the end of 1944 than at the end of the previous year. In all of the States in which larger memberships were shown these increases occurred in spite of reductions in number of associations. For the United States as a whole the increases in membership slightly outweighed the decreases and the total number of members at the end of 1944 exceeded that for the previous year by 4,091, or 0.1 percent.

No State showed a total membership of over 300,000; in 1941 (the peak year) Illinois, New York, and Wisconsin were all in this class. Five States (Illinois, Massachusetts, New York, Ohio, and Pennsylvania) had over 200,000 members each at the end of 1944, but the credit union membership in Wisconsin had fallen from 396,159 at the end of 1941⁵ to 151,509 at the end of 1944.

Altogether, the credit unions in 27 States showed a greater amount of business (loans granted) in 1944 than in 1943, more than offsetting the lesser business in the other States and causing the total credit union loans to show an increase of 1.7 percent over the previous year.

Illinois was still the leading State as regards loans made, but these totaled only \$25,698,370 as compared with \$43,495,547 for that State in 1941. Other States with combined loans exceeding 20 million dollars in 1945 were New York and Massachusetts.

⁴ For data on the various types of associations in Nebraska in 1943, see Bureau of Labor Statistics Bulletin No. 797.

⁵ See Bureau's Serial No. R. 1482.

TABLE 2.—Operations of Credit Unions in 1943 and 1944, by States

[Some revisions in 1943 figures, on basis of later reports]

State, and type of association	Year	Number of associations ¹		Number of members	Number of loans made during year	Amount of loans—	
		Total	Reporting			Made during year	Outstanding end of year
All States.....	1944	9,099	8,702	3,027,694	1,613,632	\$212,305,479	\$121,005,395
State associations.	² 1943	10,373	8,983	3,023,603	1,646,367	208,807,888	122,468,130
	1944	5,051	4,807	1,723,893	949,018	133,971,582	86,601,928
Federal associations.....	² 1943	5,285	5,124	1,721,240	958,225	131,642,506	87,239,977
	1944	4,048	3,795	1,303,801	664,614	78,333,897	34,403,467
	1943	5,088	3,859	1,302,363	688,142	77,265,382	35,228,153
Alabama.....	1944	80	77	26,806	³ 22,948	3,155,213	1,534,975
	1943	83	77	25,967	³ 20,425	2,681,446	1,251,656
Arizona.....	1944	24	24	3,419	³ 1,350	547,043	117,812
	1943	26	24	³ 3,504	³ 1,454	³ 200,728	112,421
Arkansas.....	1944	28	26	2,862	1,685	163,980	86,860
	1943	35	28	3,282	2,034	197,956	103,315
California.....	1944	451	442	³ 184,969	³ 89,047	³ 13,481,423	7,761,778
	1943	523	453	191,773	³ 97,665	³ 13,044,088	7,818,505
Colorado.....	1944	108	100	25,645	³ 18,259	³ 2,105,359	1,151,187
	1943	119	102	23,852	³ 13,385	³ 1,939,659	933,037
Connecticut ⁴	1944	185	179	89,517	47,962	5,742,389	1,963,648
	1943	215	170	92,775	47,812	5,760,962	2,198,752
Delaware ⁴	1944	10	9	2,114	1,148	139,085	67,574
	1943	13	10	2,291	1,252	143,923	62,775
District of Columbia.	1944	113	106	66,099	³ 38,052	3,881,868	2,065,336
	1943	130	104	67,148	³ 36,200	3,861,540	2,166,807
Florida.....	1944	170	162	34,991	25,251	3,248,585	1,774,033
	1943	192	163	34,431	23,687	2,960,969	1,559,768
Georgia.....	1944	138	131	34,117	³ 22,744	³ 2,886,066	1,896,131
	1943	155	140	34,164	³ 25,108	³ 2,620,957	1,800,283
Hawaii ⁴	1944	97	96	37,753	10,076	1,941,163	1,001,467
	1943	102	94	38,291	14,393	2,419,304	1,295,258
Idaho.....	1944	33	31	3,895	1,329	173,653	87,049
	1943	44	34	4,199	1,655	210,154	98,672
Illinois.....	1944	766	756	290,032	³ 226,575	25,698,370	13,135,592
	1943	811	782	334,346	³ 223,257	24,978,297	13,209,074
Indiana.....	1944	297	294	³ 111,967	³ 62,326	³ 6,278,072	3,378,962
	1943	343	302	³ 107,336	³ 63,814	³ 6,111,586	3,234,452
Iowa.....	1944	201	196	41,395	18,921	2,420,443	1,825,666
	1943	240	212	41,690	22,112	2,626,549	2,005,400
Kansas.....	1944	118	111	27,914	³ 18,423	³ 2,202,696	1,071,793
	1943	133	121	38,162	³ 21,665	³ 2,291,252	1,092,536
Kentucky.....	1944	108	107	³ 26,649	³ 15,214	³ 1,752,616	1,366,019
	1943	117	112	³ 27,498	³ 16,524	³ 2,247,978	1,405,106
Louisiana.....	1944	145	132	³ 35,241	³ 18,770	³ 2,243,350	³ 1,087,703
	1943	175	134	³ 31,603	³ 18,220	³ 1,936,933	952,416
Maine.....	1944	44	35	9,080	3,987	441,178	237,840
	1943	54	39	9,726	4,061	434,584	261,046
Maryland.....	1944	66	60	26,748	³ 17,458	³ 1,883,517	784,897
	1943	75	67	27,984	³ 15,924	³ 1,343,063	804,408
Massachusetts.....	1944	537	532	257,260	³ 122,591	22,654,669	15,466,050
	1943	563	532	256,302	³ 120,978	22,168,017	15,211,316
Michigan.....	1944	253	241	114,320	³ 51,950	³ 10,437,474	5,981,086
	1943	278	243	106,136	49,636	7,722,250	5,497,141
Minnesota.....	1944	365	329	66,696	³ 43,339	³ 3,662,418	5,451,077
	1943	381	343	68,487	³ 41,535	³ 3,625,376	5,420,834
Mississippi.....	1944	27	24	6,640	³ 5,784	³ 530,087	226,352
	³ 1943	30	26	8,450	4,700	551,057	229,542
Missouri.....	1944	378	359	168,021	³ 44,328	³ 5,432,884	3,185,792
	1943	391	381	96,623	³ 50,342	³ 5,740,274	3,520,331
Montana.....	1944	42	37	6,382	³ 2,284	³ 373,912	201,346
	³ 1943	46	37	5,868	2,176	277,280	142,740
Nebraska.....	1944	91	88	20,595	9,882	1,320,588	717,155
	³ 1943	109	96	20,033	10,243	1,310,066	723,573
Nevada ⁴	1944	4	4	562	104	13,004	7,169
	1943	6	4	635	137	17,644	7,242
New Hampshire.....	1944	15	14	6,151	³ 3,557	³ 788,041	653,906
	1943	16	15	5,948	³ 3,135	³ 656,434	606,649
New Jersey.....	1944	241	233	114,225	63,925	6,382,951	2,632,417
	1943	282	232	104,500	62,353	6,417,190	2,666,516

See footnotes at end of table

TABLE 2.—Operations of Credit Unions in 1943 and 1944, by States—Continued

[Some revisions in 1943 figures, on basis of later reports]

State, and type of association ¹	Year	Number of associations ¹		Number of members	Number of loans made during year	Amount of loans—	
		Total	Reporting			Made during year	Outstanding end of year
New Mexico ⁴	1944	14	14	1,324	589	\$63,358	\$28,217
	1943	19	15	1,476	542	54,043	28,538
New York.....	1944	764	729	279,116	² 144,310	² 23,601,108	12,898,928
	1943	933	737	286,851	² 153,746	² 25,246,435	14,056,090
North Carolina.....	1944	173	151	29,387	17,822	2,088,966	1,256,073
	1943	188	154	28,581	19,950	2,231,635	1,215,305
North Dakota.....	1944	95	80	10,589	3,241	738,280	486,812
	² 1943	115	87	9,887	3,569	558,339	335,791
Ohio.....	1944	589	575	214,099	97,508	12,317,470	6,311,501
	1943	680	597	216,627	103,264	13,258,049	6,665,583
Oklahoma.....	1944	75	72	16,513	² 7,737	² 1,238,328	² 710,019
	1943	89	75	² 18,873	² 8,764	² 1,174,373	677,717
Oregon.....	1944	75	71	13,053	5,135	811,167	544,424
	1943	92	77	14,025	5,850	879,082	569,731
Pennsylvania.....	1944	587	560	224,151	111,023	13,406,338	6,296,028
	1943	702	573	219,647	113,012	13,120,655	6,667,170
Rhode Island.....	1944	37	34	25,792	7,062	2,023,922	3,781,404
	1943	40	33	24,553	7,232	1,674,520	3,331,938
South Carolina.....	1944	39	31	7,688	5,346	427,749	190,507
	1943	62	32	8,168	² 5,547	² 448,872	² 199,940
South Dakota ⁴	1944	32	32	5,176	2,547	273,901	119,880
	1943	37	32	5,165	3,050	296,487	126,812
Tennessee.....	1944	127	124	34,567	² 27,298	² 3,581,047	1,428,126
	1943	165	126	35,216	² 30,037	² 3,579,940	1,413,518
Texas.....	1944	354	328	77,952	² 45,870	² 5,763,109	3,063,612
	1913	447	352	80,773	² 50,934	² 5,805,904	3,314,809
Utah.....	1944	66	65	11,577	² 7,625	² 1,204,492	567,092
	1943	73	67	11,327	² 5,566	² 763,993	515,792
Vermont.....	1944	9	9	1,562	1,265	74,947	27,554
	1943	11	9	1,390	² 1,117	² 76,456	24,971
Virginia.....	1944	91	86	25,396	14,366	1,462,221	901,198
	1943	126	86	26,243	17,201	1,862,480	1,020,981
Washington.....	1944	200	180	37,739	² 18,999	2,428,191	² 1,280,285
	1943	229	200	39,852	17,276	2,328,995	1,298,075
West Virginia.....	1944	67	60	15,857	² 7,983	² 764,907	452,887
	1943	82	64	16,269	² 8,639	² 806,435	485,753
Wisconsin.....	1944	551	548	151,509	77,940	7,885,115	3,655,518
	1943	572	571	162,615	² 74,023	8,081,679	4,050,187
Wyoming ⁴	1944	19	18	2,582	947	168,766	86,660
	1943	25	19	2,661	1,166	162,000	78,057

¹ Most of the difference between the total number of associations and the number reporting is accounted for by associations chartered but not in operation by the end of the year and associations in liquidation which had not relinquished their charters.

² Revised.

³ Partly estimated.

⁴ Federal Associations only; no State-chartered associations in this State.

The data shown in the foregoing table cover the calendar year 1944 except for the State-chartered associations in Arizona, Kentucky, New Hampshire, and Vermont where they are for the year ending June 30, and Georgia where they are for the year ending November 30.

As regards total assets, Illinois continued to be the leading State, but was closely followed by Massachusetts. At the end of 1944 six States (California, Illinois, Massachusetts, New York, Ohio, and Pennsylvania) each had aggregate credit union assets exceeding 20 million dollars. In Georgia and Massachusetts an increase in assets was achieved in spite of a decline in share capital.

TABLE 3.—Assets and Earnings of Credit Unions, 1943 and 1944, by States

(Some revisions in 1943 data, on basis of later reports)

State and type of charter	Year	Number of associations reporting	Paid-in share capital	Total assets	Net earnings	Dividends
All States.....	1944	8,702	\$338,713,383	\$397,929,814	\$5,716,736	\$5,122,454
	1943	8,983	308,076,082	355,262,808	6,649,327	5,332,566
State associations.....	1944	4,907	205,127,236	253,663,658	3,507,152	3,368,794
	1943	5,124	191,087,108	228,314,723	4,596,010	3,613,666
Federal associations.....	1944	3,795	133,586,147	144,266,156	2,209,584	1,753,660
	1943	3,859	116,988,974	126,948,085	2,053,317	1,718,900
Alabama.....	1944	77	2,753,163	3,081,166	82,859	62,830
	1943	77	2,227,345	2,643,057	73,975	67,975
Arizona.....	1944	24	318,418	349,497	24,908	24,455
	1943	24	315,230	346,669	4,539	4,966
Arkansas.....	1944	26	219,261	232,625	4,932	3,896
	1943	28	228,509	265,661	6,267	5,228
California.....	1944	442	22,313,274	25,010,483	2,407,721	2,250,641
	1943	453	20,418,860	23,769,529	401,137	2,265,577
Colorado.....	1944	100	2,898,805	3,354,663	272,654	251,351
	1943	102	2,437,851	2,859,206	288,401	48,799
Connecticut ³	1944	179	12,849,767	13,575,000	207,095	158,189
	1943	170	12,066,230	12,814,434	196,884	161,787
Delaware ³	1944	9	161,965	176,276	3,391	3,208
	1943	10	174,942	189,575	3,836	3,692
District of Columbia.....	1944	106	5,472,271	6,203,746	170,029	111,651
	1943	104	5,578,453	6,208,343	208,317	137,529
Florida.....	1944	162	4,629,791	5,014,622	104,471	73,180
	1943	163	3,846,725	4,288,275	101,022	65,138
Georgia.....	1944	131	1,425,875	4,778,774	100,237	63,359
	1943	140	1,513,058	4,274,015	95,347	56,071
Hawaii ³	1944	96	8,785,479	9,253,563	158,711	112,905
	1943	94	7,249,305	7,722,958	140,234	118,399
Idaho.....	1944	31	292,498	312,947	3,709	3,824
	1943	34	265,087	282,502	3,832	4,187
Illinois.....	1944	756	42,522,556	46,666,917	322,849	645,723
	1943	782	37,459,420	40,530,988	870,016	708,796
Indiana.....	1944	294	12,106,052	13,217,602	161,751	114,888
	1943	302	10,063,904	11,240,183	155,398	106,923
Iowa.....	1944	196	5,172,242	6,037,066	88,595	93,051
	1943	212	4,580,440	5,399,954	105,871	87,384
Kansas.....	1944	111	2,805,222	3,059,167	48,959	31,585
	1943	121	2,533,557	2,774,196	41,855	32,470
Kentucky.....	1944	107	2,865,077	3,304,051	42,401	28,474
	1943	112	2,717,304	3,142,293	64,187	28,358
Louisiana.....	1944	132	2,775,840	3,081,504	60,209	40,808
	1943	134	2,528,651	2,854,399	51,129	40,024
Maine.....	1944	35	735,914	889,104	8,287	10,526
	1943	39	707,177	837,191	7,769	9,636
Maryland.....	1944	60	2,029,995	2,370,134	56,182	40,431
	1943	67	2,003,147	2,308,565	57,055	38,713
Massachusetts.....	1944	532	30,893,107	42,322,457	379,626	609,262
	1943	532	33,669,668	37,708,886	404,781	563,698
Michigan.....	1944	241	17,420,056	19,622,464	320,972	246,189
	1943	243	15,138,030	17,119,270	299,676	285,012
Minnesota.....	1944	329	8,995,484	12,231,282	4,745	170,283
	1943	343	7,948,880	10,854,485	191,824	188,878
Mississippi.....	1944	24	508,580	589,365	14,262	6,356
	1943	26	481,619	573,433	36,135	20,241
Missouri.....	1944	359	10,490,289	11,592,194	160,978	95,154
	1943	381	9,562,869	10,754,830	211,052	198,183
Montana.....	1944	37	460,586	495,219	8,565	6,486
	1943	37	319,116	342,968	7,235	5,061
Nebraska.....	1944	88	2,042,738	2,567,729	44,475	24,207
	1943	96	1,828,732	2,337,200	27,302	30,646
Nevada ³	1944	4	25,011	26,764	119	287
	1943	4	25,967	27,731	162	-----
New Hampshire.....	1944	14	490,954	1,114,147	28,528	9,966
	1943	15	456,783	961,923	27,009	10,065
New Jersey.....	1944	233	12,027,205	13,166,766	202,493	171,265
	1943	232	9,608,620	10,427,122	167,724	146,539
New Mexico ³	1944	14	80,794	87,586	872	862
	1943	15	81,277	88,406	1,073	1,063
New York.....	1944	729	31,673,401	36,573,853	682,279	542,878
	1943	737	29,891,204	34,571,925	750,686	590,935
North Carolina.....	1944	151	2,796,132	3,571,806	82,861	37,909
	1943	154	2,157,698	2,654,012	38,576	19,801
North Dakota.....	1944	80	1,560,501	1,617,913	17,366	10,325
	1943	87	1,026,949	1,070,403	13,128	10,172
Ohio.....	1944	575	22,554,131	24,336,012	288,882	242,121
	1943	597	20,088,728	21,667,171	279,800	213,506

See footnotes at end of table.

TABLE 3.—*Assets and Earnings of Credit Unions, 1943 and 1944, by States—Continued*

[Some revisions in 1943 data, on basis of later reports]

State and type of charter	Year	Number of associations reporting	Paid-in share capital	Total assets	Net earnings	Dividends
Oklahoma.....	1944	72	\$764,011	\$1,812,545	\$26,130	\$19,521
	1943	75	629,381	1,550,882	22,398	6 12,789
Oregon.....	1944	71	1,585,523	1,749,892	26,027	21,137
	1943	77	1,529,369	1,706,777	27,993	24,514
Pennsylvania.....	1944	560	19,976,363	22,065,186	380,534	331,854
	1943	573	17,882,515	19,908,133	374,554	328,208
Rhode Island.....	1944	34	3,713,056	9,134,996	129,433	75,431
	1943	33	3,285,301	7,336,394	127,834	71,012
South Carolina.....	1944	31	492,980	561,540	8,053	6,947
	1943	32	496,615	569,395	11,232	7,316
South Dakota ¹	1944	32	432,363	467,914	7,420	7,302
	1943	32	377,361	411,333	6,889	6,853
Tennessee.....	1944	124	3,013,033	4,253,506	57,534	76,779
	1943	126	3,251,685	3,888,705	153,332	29,123
Texas.....	1944	328	9,565,633	10,634,090	221,783	160,116
	1943	352	8,515,702	10,175,024	232,708	186,142
Utah.....	1944	65	1,291,712	1,444,259	32,706	21,081
	1943	67	1,121,876	1,266,393	20,373	13,580
Vermont.....	1944	9	72,201	75,826	735	338
	1943	9	65,313	67,835	1,705	1,148
Virginia.....	1944	86	1,629,188	2,169,086	41,094	31,496
	1943	86	1,538,842	2,001,184	42,510	37,056
Washington.....	1944	180	4,074,313	4,467,146	56,318	44,981
	1943	200	3,943,244	4,376,328	98,325	78,695
West Virginia.....	1944	60	1,069,311	1,201,774	24,446	22,913
	1943	64	931,295	1,131,652	18,631	21,225
Wisconsin.....	1944	548	15,110,319	16,871,283	331,551	210,135
	1943	571	13,141,188	14,782,317	373,076	235,871
Wyoming ³	1944	18	230,943	246,337	5,489	4,806
	1943	19	165,060	178,638	4,338	3,882

¹ Revised.² Partly estimated.³ Federal associations only; no State-chartered associations in this State.⁴ Net loss; State associations showed loss of \$7,663, while the Federal associations had a gain of \$2,918.⁵ Minnesota State law permits payment of dividends from accumulated undivided earnings over a period of years.⁶ Federal associations only.⁷ State associations only.

Experience of Federal Credit Unions

The Federal Credit Union Division of the Federal Deposit Insurance Corporation has made available to the Bureau of Labor Statistics certain information on Negro credit unions and on all liquidations of associations organized under the Federal Credit Union Act. Unfortunately similar data are not available for the State associations.

Negro credit unions.—By the end of 1944 a total of 91 credit unions had been organized, under the Federal Act, among Negroes. Of these, 74, or 81 percent, were in active operation at the end of the year, and the remainder were inoperative or had had their charters canceled. For the entire group of Federal credit unions 74 percent were active.

The following tabulation compares the 72 Negro associations for which data were available with the whole group of 3,795 reporting Federal credit unions. As it indicates, the Negro associations, although smaller than the average for all Federal credit unions and less well financed, were holding their own very well and even excelled the showing of the whole group as regards bad loans that had to be written off.

	Reporting Negro associations	Reporting Federal associations
Total number of associations.....	72	3,795
Actual membership as percent of total potential membership.....	34	33
Average members per association.....	174	343
Total share capital.....	\$642,716	\$133,586,147
Average per association.....	\$8,926	\$35,200
Average per member.....	\$51	\$102
Total assets.....	\$683,100	\$144,266,156
Total loans outstanding.....	\$230,756	\$34,403,467
Percent current.....	87	85
Percent military loans.....	2	5
Percent delinquent 2 months or more.....	11	10
Reserves for bad loans as percent of loans outstanding.....	9	13
Total loans since organization.....	\$1,723,451	\$657,786,637
Bad loans as percent of total loans.....	0.09	0.13

Liquidated Federal credit unions.—Information for 1,109 Federal credit unions that were discontinued during the period from June 26, 1934, through 1944 indicates that the liquidated associations were in the main small. Over a third had share capital amounting to less than \$500, and 68 percent less than \$2,000. Only 18 (1.6 percent) had capital amounting to \$20,000 or more.

Of the 1,109 credit unions, 785 (71 percent) returned to the members all of the share capital they had invested and some paid back even more; altogether the members of this group of associations received back \$164,955 (or an average of about \$2.60 per member) more than they had put into the organization. The members of the 234 associations that paid less than 100 cents per dollar of share capital sustained an aggregate loss of \$20,889 (about \$2 per member). Some 65 percent of this loss was accounted for by the associations with capital of \$2,000 or less, and 97 percent by those with capital of \$5,000 or less.

Sixty-three percent of all cancellations, mergers, and revocations of charter made in the 9½-year period took place during the war years of 1942–44.

Some Developments in the Credit Union Movement in 1944

The credit union movement and the distributive cooperative movement, which until a decade or so ago went their separate ways, have each in recent years begun to recognize the value of the other and the advantages of collaboration. The Credit Union National Association is a fraternal member of the Cooperative League and the Cuna Supply Cooperative is a full member of it. Increasingly, the members of cooperative store associations are organizing credit unions through which to finance their personal credit needs. The store is thus not only relieved of the need for extending credit (which is a violation of recognized Rochdale procedure), but benefits by the increased prosperity of the members.

Roy Bergengren, executive director first of the Credit Union National Extension Bureau and then (until early in 1945) of the Credit Union National Association, has been urging cooperatives to realize that credit unions are the "other end" of the cooperative picture and can be a very helpful source of funds. Undoubtedly the early postwar years will see the further marshalling of credit union funds for cooperative purposes. The establishment of a national credit union bank was authorized by the 1943 convention of CUNA.

Already in North Dakota (and, probably elsewhere) idle funds of credit unions are being used to finance cooperative activities of various kinds. The State credit union law authorizes local cooperatives and credit unions to make deposits in "central credit unions." Cooperative associations and other organizations composed of substantially the same group as forms the credit union membership may be admitted as members of credit unions and are eligible for loans. It is reported that several farmers' cooperatives have obtained loans in this way from the North Dakota Central Credit Union.

Federated activities in the credit union movement.—The local credit unions are federated into State leagues and the leagues in turn are members of the Credit Union National Association (CUNA), with headquarters at Madison, Wis. It was reported⁶ that at the end of 1944 the local credit unions in the United States which were affiliated with the national organization through the State leagues numbered 6,376. In addition 798 Canadian associations were members through leagues in 9 Provinces.

The 1944 annual convention of the national association was attended by delegates from the credit union leagues of 42 States and 7 Canadian Provinces.⁷

The national association has two auxiliary organizations which serve the local credit unions in the fields of insurance and supplies. These are the Cuna Mutual Insurance Society and the Cuna Supply Cooperative. The annual meeting of the insurance association, which was held at the same time as that of the parent association, was notable as being the first held under the amended insurance laws of Wisconsin, permitting area meetings of policyholders throughout the United States, at which delegates to a national meeting are elected. This amended procedure is regarded by credit union leaders as an important step toward solving the problem common to all insurance organizations doing business over a wide area—that of democratic control by the members.

The insurance association, which has been in existence since 1935, had 6,955 policies in force at the end of 1944, totaling \$79,272,283, and its assets amounted to \$834,744. In its 10-year period of operation it had paid to policyholders a total of \$3,239,848. It writes insurance on the loans of credit unions, payable to the credit union in the event of the death or permanent disability of borrowers.

The Cuna Supply Cooperative is a distributive association supplying the local credit unions with forms, bookkeeping record books, and other office supplies. In addition it issues posters for bulletin-board use and educational pamphlets.

Legislative action.—Rhode Island was the only State which enacted any credit union legislation in 1944. Only a few State legislatures met in regular sessions; the few that called special sessions did not consider credit unions.

The Rhode Island 1944 amendment to the credit union act prohibited (ch. 1494) the pledging by credit union members of any deposits or shares in the association as security, except to the credit union itself, unless specifically permitted by the credit union's bylaws.

⁶ The Bridge (official organization of CUNA), April 1945.

⁷ The credit union league of an eighth Province—Manitoba—was admitted at the 1944 meeting.