

the same rate as total assets in more recent years. Multiemployer and union funds were net sellers of U.S. governments in 1960 and 1961, and have added rather small amounts of these securities to portfolios since. Thus, assuming no change in the distribution of additions to portfolios in the future, the aggregate holdings of multiemployer and union pension funds will continue to shift toward a larger proportion of common stock and mortgages for several years to come.

TABLE I-8.—MULTIEMPLOYER AND UNION PENSION FUNDS—SOURCES AND USES OF FUNDS, 1960-64

	1960	1961	1962	1963	1964
Millions of dollars					
Sources: Net asset growth.....	278	308	353	392	439
Uses:					
Net acquisition of financial assets.....	278	303	349	386	431
Cash.....	-2	23	32	33	22
U.S. Government securities.....	-27	-16	21	7	32
Corporate and other bonds.....	131	109	104	129	137
Preferred stock.....	5	3	2	-1	(1)
Common stock.....	93	108	111	94	130
Mortgages.....	78	71	70	91	117
Other investments.....	(1)	5	9	33	-7
Other assets.....	(1)	5	4	6	8
Percent distribution of uses					
U.S. Government securities.....	-9.7	-5.2	5.9	1.8	7.3
Corporate and other bonds.....	47.1	35.4	29.5	32.9	31.2
Common stock.....	33.5	35.1	31.4	24.0	29.6
Mortgages.....	28.1	23.1	19.8	23.2	25.7
All other uses.....	1.0	11.6	13.4	18.1	5.2

¹ Less than \$500,000.

ATYPICAL FUNDS

Several of the very large multiemployer and union pension funds show portfolio distributions quite dissimilar to the overwhelming number of smaller funds. Because these larger atypical funds represent a significant proportion of all multiemployer and union fund assets, they tend to distort the weighted average portfolios shown in table I-7. In order to approximate the asset distribution of the typical or modal fund, the typical and atypical funds have been segregated; the resulting portfolios are shown in table I-9.

TABLE I-9.—PORTFOLIO COMPOSITION OF ATYPICAL, SELECTED, AND ALL MULTIEMPLOYER AND UNION PENSION FUNDS, 1964

	All funds	Atypical funds	Selected funds
Total assets (millions).....	\$3,040	\$799	\$2,241
Percent of book value:			
Cash.....	6.2	10.0	4.9
Other assets.....	1.6	1.5	1.6
Invested assets.....	92.2	88.6	93.5
U.S. Government securities.....	14.8	19.1	13.3
Corporate and other bonds.....	31.8	10.7	39.2
Preferred stock.....	1.0	.4	1.2
Common stock.....	23.5	8.0	29.0
Mortgages.....	19.2	46.9	9.3
Other investments.....	1.9	3.5	1.4

Source: NBER survey.