

64 for the funds with less than \$5 million in total assets will give an estimate of the aggregate assets in these funds, with a maximum error of 2.5 percent. Since each of the funds with assets over \$5 million was surveyed, the resulting estimate for all multiemployer and union funds for years subsequent to 1959 would be in error by substantially less than plus or minus 2.5 percent.

The portfolio composition of multiemployer and union funds was determined by weighting the sample portfolio distribution for each stratum by the amount of assets in that stratum in 1959. The results of this calculation are shown in table I-7.

Since the sample used to estimate aggregate assets and portfolio distribution was drawn from the universe existing in 1959, funds formed since that year are not included. No attempt was made to derive an independent estimate of the assets added by newly formed funds in the years 1960-64. This means that the aggregate assets figures may be too low, and the size of the error may tend to increase as the sample year moves farther from 1959.

However, there are two factors that may keep the error within reasonable bounds. First, the growth of funds in the sample is sometimes augmented by the merger of an existing fund not in the sample. This lends an offsetting upward bias, but probably not a very large one, to the estimate of aggregate assets. Second, new funds are likely to be relatively small in terms of assets for several years after their inception, even if they cover sizable numbers of persons, because past service liabilities are funded slowly.

On balance, it appears that the sample estimates are better for the earlier years. However, the figures for later years are not likely to be greatly in error.