



Media Release

Manitoba's financial co-operatives growing, serving the needs of consumers, businesses and producers despite current climate

The Manitoba credit union system continued its decade-long strong performance in spite of the turmoil that swept much of the global banking world in 2008.

“In a year that tested the mettle of financial institutions, Manitoba credit unions remained healthy and liquid, and continued to lend at highly competitive rates to serve the needs of consumers, businesses and producers throughout the province,” said Garth Manness, CEO of Credit Union Central of Manitoba (CUCM), which is holding its annual general meeting in Brandon this Friday.

The combined loan portfolio of Manitoba credit unions increased by 14.7% in 2008, to \$12.1 billion. By offering highly attractive savings and investment rates, total deposits grew to \$13.4 billion, an 11.5% increase over 2007. Total assets increased by 11.9% to end the year at \$14.4 billion.

This, the credit union system's ninth straight year of double-digit growth, brings average 10-year growth up to 11.8%, and credit union market share as a percentage of total bank and credit union assets, at 40.7%, has never been higher. Market share mirrors credit unions' physical presence in the province: 46% of all retail banking branches in the province are credit unions. Also, 51% of small and medium-sized business owners belong to a credit union, with a credit union being the primary financial institution of 94% of those business members.

“These levels of market penetration, on both the consumer and commercial sides, have been growing steadily for many years, as has the physical expansion of branches” Manness says. With two new branches opening in 2008, including one in Birch River that had recently lost its only bank, there are 19 more credit union branches in Manitoba (182) than there were a decade ago. Credit unions now have a physical presence in 118 Manitoba cities, towns and villages, and in 67 of those communities a credit union is the only financial institution in place to serve consumers, businesses and producers.

Members are not the only ones to benefit from credit unions' continued growth. So, too, do the communities in which they operate, as well as the wider provincial economy.

- Credit unions contributed over \$3-million to a wide variety of community based groups, initiatives and charitable organizations in 2008, and awarded \$125,000 in scholarships to Manitoba students.
- The credit union system employs 3,300 Manitobans, 85% in full-time jobs.
- Physical improvements and new branches, which includes more and more green buildings every year, added \$7-million to local economies in 2008.



Consistent with the results of previous market studies, research undertaken by CUCM in January 2009¹ indicates that more credit union members than bank customers are “very satisfied” with their financial institution, and more likely than bank customers to recommend their credit union to friends and colleagues. In addition to satisfaction, levels of trust in credit unions remain high: by a significant margin, more members than bank customers are “very confident” that their financial institution will make the right business decisions in the current economic climate.

“No-one can predict what the economy has in store for 2009 and 2010,” Manness says, “but credit unions remain very optimistic, and their members are confident in their ability to meet whatever challenges lie ahead.”

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¹ CUCM Market Research, January 2009. Figures are accurate to within 3.78% 19 times out of twenty.

Manitoba Credit Union numbers at a glance — Year-end, 2008

Credit unions.....	48	-6 from Dec 31, 2007
Locations	182	+2 (Winnipeg, Birch River)
Share of major bank and CU assets in Manitoba ...	40.7%	
Assets	\$14.43 billion	+\$1.53 billion or 11.9%
System Equity	\$993.9 million	+\$115 million (6.89 as a % of assets)
Loans.....	\$12.13 billion	+\$1.55 billion or 14.7%
Deposits	\$13.37 billion	+\$1.37 billion or 11.5%
ATMs.....	209	+7

Credit Union Central of Manitoba (CUCM) is the trade association for Manitoba’s 48 credit unions, providing services in areas of capital and financial management, banking services, product and service research and development, consulting and representation and advocacy.

For more on Manitoba credit unions and CUCM, visit www.creditunion.mb.ca.

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