



CREDIT UNION CENTRAL OF ONTARIO

Credit Union Central of Ontario Limited
2810 Matheson Blvd. East, Mississauga, Ontario L4W 4X7
www.ontariocreditunions.com

September 20, 2007

Ontario credit unions help small businesses grow

31,000 businesses have \$4.8 billion in loans, new study shows

MISSISSAUGA – Ontario credit unions are playing a growing role in helping small businesses around the province, a new study shows.

The independent study by A. Michael Andrews and Associates Ltd. shows that credit unions and caisses populaires provide a large percentage of the commercial credit loans for less than \$1 million.

“The report shows that Ontario credit unions play an important role in their communities,” said Howard Bogach, president and chief executive officer of Credit Union Central of Ontario. “Our local focus and emphasis on helping our members is demonstrated by where we invest their money.”

Credit unions invest more than 20 per cent of the deposits they collect in local businesses and agriculture. Their importance in this sector has been increasing in recent years, the Andrews report says.

Credit unions have about 5 per cent of the retail deposits in Ontario, but account for 25 per cent of the loans to small and medium-sized businesses and 16 per cent of the agricultural credit, the report says. These percentages have grown rapidly in recent years as credit unions have focused on the small business market. Ontario credit unions are supporting a national advertising and awareness campaign designed to increase recognition of their importance in this sector.

About 80 per cent of the commercial lending done by credit unions is for amounts of less than \$1 million, while this segment accounts for only 23 per cent of the commercial lending done by banks.

Other highlights from the report:

- In 43 communities in Ontario credit unions or caisses populaires are the only deposit-taking institution
- 80 per cent of the 7,000 employees in the credit union system work outside the Greater Toronto Area
- 219 credit unions and caisses populaires have 1.7 million members
- In Northern Ontario more than one in three people are credit union members
- Credit unions are especially important providers of agricultural credit in Southwestern Ontario, with about \$615 million in loans in that area at the end of 2006.
- There are 687 credit union and caisses populaires branches in Ontario.

-30-

For further information:
Art Chamberlain
Manager, Media and Public Relations
Credit Union Central of Ontario
905 629-5534