APPENDIX A: The Universal Form for Canada

Table 3 illustrates how we map the Canadian blank disclosure forms into our “universal” form. The first column of Table 3 lists the seven areas, as divided into the 28 categories, which we use to organize the disclosures through the universal form.

The second and third columns in Table 3 match the items that need to be disclosed in the Canadian blank form to the “universal” form. The second column groups the individual items that MPs must disclose into the 28 categories of the universal form. The third column summarizes the specific information that MPs must disclose regarding each of these items. Columns 4 through 7 show our coding of MPs’ disclosure for Canada. For each category, the scores for values and sources available to congress are shown in columns 4 and 5, respectively. Columns 6 and 7 show analogous data for disclosures available to the public. Canada has different disclosure standards to congress and to the public.

We begin by describing the blank form available to congress. Begin with the area of assets (I). Canadian MPs must fill out all the details (i.e., address, estimated value, purpose, percentage ownership, names and relationships of all co-owners) about their personal residence, second homes, vacant land, buildings, farms, etc. The Canadian form splits real property disclosures into five items (i.e., principal residence, secondary residence, investments in real property, farms, and vacant land). The first category of the Canadian form maps directly into the “personal residence” category (1) in our universal form, and we group the other four items of the Canadian form into the “second homes, vacant land, buildings and farms” category (2) in our universal form. Since MPs are required to report the value and location of each real estate property they own, we give a score of 1 for values and sources for the categories of “personal residence” and “second homes, vacant land, buildings and farms.” The third category in the area of assets is “financial investments and business assets” (3). The Canadian blank form asks MPs to submit recent statements for a long list of investments (e.g., mutual funds, stocks, corporate bonds, corporate debentures, trust units, stock options, warrants, rights and similar instruments, deferred share units, stock market indices, closed-end

1 Canadian MPs are required to fill out three different disclosure forms: (1) a Disclosure statement, containing most of the disclosure items; (2) at least one public statement of gifts and other benefits received; and (3) at least one public statement of sponsored travel.
2 Blank entries in the second and third columns of the table correspond to items in our “universal form” that are absent from the Canadian blank form (e.g., vehicles).
mutual funds, commodities, futures and foreign currencies held for speculative purposes, and various savings plans and retirement accounts), as well as the details and values of business assets, insurance policies, and loans directly made by the MP. The information provided about each of these assets gives Canada a score of 1 for both the values and sources in this category. For “bank accounts, interest generating instruments, and cash” (4), Canada only requires MPs to disclose an aggregate value for term deposits and other interest-bearing financial instruments, which would not allow the reader to know their individual values or their location. For this reason, Canada only obtains a score of 0.5 (0.0) for values (sources) in this category. Unlike many countries, Canada does not require the disclosure of “vehicles” (5) and “other movable assets” (6), and thus scores 0.0 for both values and sources in these two categories. To compute the average for the area of assets, we take the simple average of the scores in the six categories in this area. This calculation gives Canada a values (sources) disclosure to congress score of 0.58 (0.50) in the area of assets.

For liabilities (II), the Canadian blank form requires all the information to identify individual mortgages, guarantees, credit cards, support obligations, and liabilities exceeding C$10,000. The form requests the amount of each obligation and the name of the creditor or lending institution. Thus, Canada gets a score of 1.0 for the disclosure of both values and sources of in the category (7) and the area (III) of “liabilities” of our universal form.

For income (III), the Canadian blank form asks MPs to report 17 possible sources of income and benefits (i.e., employment, annuities, pensions, rental, trust, offices and directorships, disability benefits, business, profession, interest, dividends, royalties, contacts, grants or contributions from government, farming, partnerships, and other income or benefits). We allocate each of these types of income into our 7 income categories (financial investments (8), businesses assets, rental properties and patents (9), private sector employment (10), professional services (11), boards and directorships (12), other public sector employment (13), and lotteries, gambling and other one-time payments (14)). For example, the requirement to disclose income from employment in the blank form gets credit under both the “private employment” and “other public sector employment” categories in the universal form. For each of these 17 possible sources of income, the MP needs to identify the exact source and nature as well as the amount received in the past and the coming year. Canada gets a score of 1.0 for the disclosure of both values and sources of income to congress, as we are able to identify the value and source of each item in the income category.
The fourth area of disclosure in our universal form is expenditures (IV). This area only includes values items, as no country requires MPs to provide further information regarding their expenditures. In Canada, as in the majority of countries in our sample, MPs are not required to report their personal expenditures. Accordingly, Canada gets a score of 0 for values in all the seven expenditure categories (i.e., food and shelter (15), business expenses (16), entertainment (17), transportation (18), medical and insurance (19), education (20), and taxes (21)), and an overall 0 in the expenditure area (IV).

In the area of “travel” (V), the universal form has two categories: domestic (22) and international (23), according to the destination of the trip. As the second column of the table shows, Canadian MPs must file a form for each sponsored domestic or international trip that they make. The third column of the table shows that MPs need to provide the destination, dates, purpose, sponsors, accompanying passengers, and the description and value of gifts received, with supporting documents. As a result, Canada gets a score of 1.0 for values and sources of “travel” for the categories of domestic and international travel, and consequently also for the area of travel.

For the “gifts” area (VI), Canadian MPs have to file an additional form for each individual gift or benefit received, stating the nature, the source, and the circumstances. Although we would know the aggregate value of all gifts received while travelling from the MP’s travel form, there is no general requirement to provide the individual value of each gift received or the total value of all gifts received. However, the Canadian gift policy illustrates the importance of binding restrictions. The disclosure of gifts described above refers only to gifts which are considered to be an expression of courtesy or protocol. Canadian MPs are prohibited from taking any other gifts. Because we code restrictions as the highest disclosure standard, Canada gets a full score of 1 in both values and sources of “gifts”.

Finally, we turn to other conflicts of interest not covered elsewhere in the universal form (VII). Other conflicts of interest arising from unpaid activities are addressed in the Canadian blank form, as it requests that MPs disclose all (both paid and unpaid) professional and business activities, as well as all directorships and management positions in associations, trade unions, and non-profit organizations. The MP’s position and the name of the organization must be provided in each case. If the organization lobbies or has dealings with parliament or the Government of Canada, the MP must also provide the details. Canada gets full credit for sources in the three universal form
categories of unpaid employment and professional activities (25), unpaid boards and directorships (26), and participation in professional associations, non-profits and trade unions (27).

In Canada, we would also be able to know the MPs’ post-tenure positions and employment in the year after leaving Congress, as MPs report all positions and employment for the following 12 months of the filing. The requested information gives Canada the score of 1 for sources in the category of “post-tenure positions and employment” (28) of the universal form. Finally, with a score of 1 in all four categories in this area, Canada gets a score of 1.0 for sources in the area of “other conflicts of interest.”

The simple average of the six area averages for values gives Canada a score of values available to Congress of 0.76. Similarly, the simple average of the six area averages for sources gives Canada a score for sources available to Congress of 0.92. These two indices are shown in columns 4 and 5 at the bottom of Table 3.

In Canada, as in 25 other countries, the public only has access to a "summary disclosure form" containing a subset of the disclosures available to congress. These “summary” forms allow us to code sources and values for disclosures available to the public in columns 6 and 7 of Table 3. We follow the same methodology outlined above for the calculation of values and sources available to Congress, using information that is publicly available. The Canadian scores for values and sources publicly-available fall to 0.33 and 0.87, respectively. The main reasons behind the reduction in the scores are the suppression of the addresses of properties, and of the individual values of assets, liabilities and incomes. Public disclosure in Canada still contains information that allows identification of accounts, assets, sources of income, and business connections. The individual forms for gifts and travel are also publicly available in full. Canada ranks among the top ten countries in the content (both values and sources) of disclosures that is publicly available.