

Canada Corporations Act

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, I should like to begin by attempting to respond to some of the questions asked by the previous speaker. He tossed into the air the consideration of what useful purpose would be served by disclosure, what meaningful purpose would there be. He argued that the minister had not offered one single, substantial reason why it would be in the interests of Canada to have this kind of disclosure.

I disagree with him. I think this disclosure would be extremely desirable and useful. I will agree with him to the extent that it is not obvious that this disclosure would be useful. It takes some thought to appreciate why it would. In the first place, we have the consideration of privacy. This is important and I think in other areas this government has indicated its respect for privacy in what it proposes to do with respect to computer technology and bugging devices. These considerations indicate that privacy is a value which this government respects. One might ask, why should privacy not apply to business. I think it should and I think there is a value in privacy there.

The hon. member mentioned that we ought not to pander to mere nosiness to accommodate people's interest. Even if someone would like to know how much profit is made by the T. Eaton Company, the A & P, Texaco or General Motors, this is nobody's business. The hon. member points out that these are private companies and they should be allowed to carry on privately, that no public interest would be served by knowing their profits and that we ought not to accommodate mere nosiness. He also pointed out that some businessmen can achieve a certain benefit in secrecy. That is undeniably true, because in many cases there are competitive advantages in keeping information to themselves. I have to agree that this is a point deserving of strong consideration and appreciation.

But even considering those factors, Mr. Speaker, I have come to the conclusion that public disclosure is a good practice within a certain limit. It is not just a case of shareholders having information; I agree entirely with the hon. member that the interests of shareholders are already accommodated by existing laws. The interest that has to be accommodated by increased disclosure is the public interest.

We sit in this House day after day, Mr. Speaker, and many of us concern ourselves with economic questions. It is remarkable

that, although we propose public policy, although we make far-reaching decisions which must be considered fundamental to our free enterprise system and the preservation of our market economy, although we do the best we can, we make these decisions largely on the basis of guesswork. We do not know as much about our economy as other countries know about theirs, and we do not know as much as we should in order to do a good job.

I was astonished to hear the hon. member refer to economic studies with a measure of contempt. I have a great deal of respect for that kind of research and I think we need more of it in Canada if we are to have an effective economic policy. Let me give some examples of questions where increased disclosure would help us. Every day we answer questions on our policies without the benefit of any good, hard knowledge about the underlying facts. We have decisions to make about the appropriate interest rate from time to time. We have to decide upon appropriate monetary policies. We have to decide how much liquidity there should be in our economy at any time. We have to look at competition and try to decide whether our system is functioning properly as a free enterprise system we have to analyse combines policy. We have to know something about our foreign exchange balances. We have the whole area of labour about which we are badly informed because we do not know how our economy is functioning. We have to make fundamental decisions about the allocation of resources in our society and we are not in as good a position to do that as we would be if we knew more about the operation of companies in Canada. We need more information in order to establish a good tariff policy.

One of the answers that might be tendered to this list of questions, Mr. Speaker, is that we have all this information but we have it in statistical form. We would have to agree that although we could have better statistics we do have very good ones. But the fact is, Mr. Speaker, we need to know more about the operations of certain companies in Canada. I do not agree with the position stated by the New Democratic Party. We do not have to invade privacy to the extent of knowing everything about every company in Canada. But companies reach a certain size where the economic decisions which they make are important and where a knowledge of their internal affairs would clearly assist us in establishing better public policies. Disclosure is the way to achieve this.