

VI PRIVATE INVESTMENT

1. *General*

Canadian private investment forms one of the oldest links with the Caribbean area. The flow of capital has been very considerable and has undoubtedly contributed a great deal to the aggregate output of the local economies. It continues to be encouraged by the governments of the area and welcomed by the vast majority of their people.

The operation of international companies in the Caribbean has probably also served, through movements of personnel and general corporate transactions, as a beneficial force for the further economic integration of the area.

The role of foreign investment in developing countries is now a subject of heated world-wide debate. The debate in the Caribbean has been intense and has sometimes focussed on the role of firms based in Canada. It has become clear that the performance of Canadian-owned or Canadian-domiciled companies in the Caribbean area has an important bearing on the public image of the country, and on Canada-Caribbean relations in general. It is therefore vital that the subject be discussed here with realism and candour.

2. *Information on Private Capital*

Because of the intrinsic involvement of Canada's interests and reputation, the Committee believes that the Canadian government has a need and a right to know the location and extent of investment by Canadian-owned or Canadian-domiciled corporations in this region.

Detailed and current information of this kind is, in the Committee's view, an absolute pre-requisite for effective planning of official development assistance and representational services in the area. It is also vital to enable the Government to evaluate the effect of private activity on overall relations.

The Committee was surprised to be informed, during its hearings, that the departments concerned were not aware of any source for this information. In subsequent research, the Committee has ascertained that extensive data on Canadian private investment abroad is collected and collated by the Dominion Bureau of Statistics, although it is not made public. The Committee recommends that personnel in the policy-making departments be made aware of this information and have access to it when required.