

Canada to hold discussions with his Canadian counterpart, the Honourable John Wise. After the disastrous earthquake, the Honourable Monique Vézina, Minister for External Relations, approved \$1.25 million in emergency assistance and subsequently announced an additional \$3.75 million contribution toward the reconstruction of schools, housing and other infrastructure.

Mexico remained our eighth-ranked global trading partner with two-way trade in 1985 totalling \$1.7 billion. While both countries are important tourist destinations, the earthquake reduced the usual number of annual visitors to Mexico somewhat, estimated at 400 000 Canadians (40 000 Mexicans visited Canada). Momentum was maintained in a number of ongoing activities, including the Mexican Seasonal Workers and Technician Exchange programs.

Central America

In Central America, Canada continued its efforts to help find solutions to some of the critical problems in the region. Canada remained committed to a sustained flow of official development assistance to Central American countries, and to the view that socio-economic difficulties are the root cause of political tensions in the region. Support for the efforts of the members of the Contadora Group — Mexico, Venezuela, Colombia and Panama — and the five Central American countries to reach a comprehensive and workable regional peace agreement remained a cornerstone of Canada's foreign policy in Central America. While recognizing that the Contadora initiative has faced periodic difficulties, Canada maintained its strong support for the process and for the need to end third-party intervention in Central America. Canada has provided much more than rhetorical support for the Contadora, a process which helps to lower tensions and provides a framework for an eventual peace agreement. At the initiative of the Contadora Group, Canada continued to provide comments on the design of the security and control aspects of the process, on the basis of its expertise in peacekeeping operations.

The Secretary of State for External Affairs, the Right Honourable Joe Clark, discussed these matters with the Mexican Secretary of Foreign Relations Bernardo Sepulveda Amor, during the Mexico-Canada Ministerial Commission held in Mexico City on March 3 and 4, 1986. The Contadora process was also discussed with Prime Minister Luis Alva Castro and

Foreign Minister Allan Wagner Tizon of Peru — a member of the Lima support group for the Contadora initiative — during their visit to Ottawa in February 1986.

The Honourable Monique Vézina, Minister for External Relations, visited the region in June 1985. In El Salvador, discussions were held with President Duarte concerning human rights issues and the Contadora process. Meetings also took place with independent observers of the human rights scene. In Nicaragua, Mme. Vézina met with President Daniel Ortega and Foreign Minister Miguel D'Escoto, and in Costa Rica with President Luis Monge and Foreign Minister Carlos Gutierrez. In both countries human rights, Canadian development assistance, and the prospects of reducing regional tensions were the principal topics of discussion.

In El Salvador, a line of credit for development purposes was agreed upon, and in both Costa Rica and Nicaragua new aid agreements were signed.

Elections held in a number of Central American countries helped to encourage and strengthen democracy in the region. In Guatemala, the election of President Marco Vinicio Cerezo Arevalo and his inauguration in January of 1986 marked a return to civilian government. In Honduras, José Azcona Hoyo was elected President and inaugurated in January 1986. Official Canadian observers remarked very favourably on the free and open manner in which the vote took place in both countries. In Costa Rica, Oscar Arias Sanchez became President in an election which demonstrated Costa Rica's continued commitment to a sound and robust democratic process. Taken together, these elections marked a hopeful sign for prospects of increased democratization of political life in Central America.

Two-way trade with Central America — excluding Mexico — amounted to approximately \$260 million in 1985, down slightly from the year before.

Human rights issues in Central America remain an area of priority for Canada. Canada supported or co-sponsored resolutions in the UN General Assembly concerning human rights in Guatemala and El Salvador. Canada has been in the forefront of nations attempting to relieve some of the acute problems in Central America. The number of refugees from the region accepted for immigration to Canada continued to increase, reaching 3 200 in 1985-86.