granted by Congress until the money previously sent was accounted for. This move was defeated by the US Senate on 18 March 1987. US Congressional hearings on the linkage between arms sales to Iran and covert support for the Nicaraguan contras began in the early summer of 1987.

The Special Joint Committee on Canada's International Relations noted in its report in June 1986 that it had "received more submissions on Central America than on any other single subject". The Committee concluded that although "Canadian influence over the security policies of other countries is limited, Canada has a special opportunity to offer direct, practical and desperately needed help to the hundreds of thousands of refugees in the region."

The Canadian Government has supported the Contadora initiative and Canada agrees with the Contadora countries that the conflicts in Central America stem mainly from local conditions.

After the 1984 Contadora treaty failed to obtain unanimous support in Central America, Canada presented the Contadora Group with its views on ways to improve the agreement. Canadian officials suggested that the framework for financing verification operations be clarified and that Central American states be included in the Control and Verification Commission which would oversee the implementation of the agreement.

Officials also recommended that the Commission's freedom of movement and access to communications media be guaranteed, that a sponsoring political authority be designated and that a time limit be established for the Commission's mandate.

In February 1987 Nicaragua voted to extend its five-year old state of emergency for another year. The Contadora group met in April and endorsed the idea of the June summit of Central American leaders. The group offered its good offices to help refine the Costa Rican proposals.