I KNOW THAT EXPORTERS HAVE BEEN SUCCESSFUL IN WINNING PROJECTS IN DEVELOPING MARKETS ON THE BASIS THAT WE CAN PROVIDE FINANCING EQUIVALENT WITH THAT OFFERED BY OUR COMPETITORS. LAST YEAR AT YOUR ANNUAL CONVENTION, WE INDICATED THAT WE HAD REACHED THE POINT WHERE WE NEEDED TO ADDRESS THE DEMAND FOR SECTION 31 CONCESSIONAL AND NON-CONCESSIONAL FINANCING IN THE CONTEXT OF THE FISCAL ENVIRONMENT.

THE GOVERNMENT RECOGNIZED THAT THE AVAILABILITY OF CONCESSIONAL FUNDS HAS BEEN INSTRUMENTAL IN PROVIDING EQUAL FOOTING FOR OUR EXPORTERS, AND CONSEQUENTLY WE INCREASED THE AVAILABILITY OF CONCESSIONAL EXPORT CREDITS IN THE LAST BUDGET. HOWEVER, DUE TO A STEADILY INCREASING DEMAND FOR SUCH FUNDS, THEY REMAIN IN TIGHT SUPPLY. CONSEQUENTLY, EDC AND MY DEPARTMENT ARE NOT ABLE TO MEET ALL THE EXPORT COMMUNITY'S REQUESTS FOR NEW INITIATIVES.

I AM COGNIZANT OF THE PRESSING NEEDS OF EXPORTERS. WE ARE DOING EVERYTHING POSSIBLE, DOMESTICALLY AND MULTILATERALLY, TO FIND MEANS TO MAXIMIZE THE USE OF OUR SCARCE RESOURCES. BUT A SUBSIDIZED