

An illustration of several stylized figures walking away from the viewer on a light blue background with a faint grid pattern. The figures are in various colors (green, blue, purple, orange, pink) and are casting long, dark shadows. The overall style is modern and minimalist.

BUDGET 2023-2024

A COMMITTED QUÉBEC

BUDGET SPEECH

March 2023

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Delivered before the National Assembly by Eric Girard, Minister of Finance and Responsible for Relations with English-Speaking Quebecers, on March 21, 2023.

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Budget Speech

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A COMMITTED QUÉBEC

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INTRODUCTION

Madam President,

It is my honour to table Québec's 2023-2024 budget—the first of this new term and the fifth of our government.

☐ **Renewed trust**

During the last election campaign, we presented our priorities for the coming years to Quebecers. We promised to lower their taxes, step up our efforts to protect the French language, improve education and health services and protect our environment. Quebecers then placed their trust in us a second time. We are now committed to getting the work done for them.

The government is continuing the efforts of the past four years. Budget 2023-2024 prioritizes the economy, education, health and the environment, while maintaining a prudent and responsible financial framework.

Today, I am proud to announce one of the largest tax cuts in the history of Québec.

The two bottom tax rates will be reduced by 1 percentage point starting this year. This tax cut will total \$9.2 billion by 2027-2028 and will benefit 4.6 million Quebecers.

☐ **The year 2023, a period of transition**

We ended our last term with a promise to Quebecers: we promised to help them cope with the rising cost of living. And that's what we did. Using the Anti-Inflation Shield, we have helped all Quebecers affected by the rising cost of living.

Madam President, of all the governments in Canada, ours has done the most to protect its people from inflation.

The year 2023 will be a period of transition for the global economy, marking a shift from a period of turbulence to a more stable economic context.

- In early 2020, the COVID-19 pandemic caused a shock of unprecedented magnitude, sending the economy into a short but deep recession.
- The economic recovery and Russia's invasion of Ukraine then created an environment that is conducive to accelerating inflationary pressures.
- The rising cost of living and deteriorating credit conditions will weigh on global economic expansion in the coming quarters. Most regions will experience a significant slowdown in economic activity in 2023.

Controlling inflation should help restore an environment that is conducive to sustainable growth as of 2024.

This budget has been prepared with all these things in mind.

Madam President, it is undeniable that Québec will see an economic slowdown in 2023. The risks of a recession are still present, but Québec's resilience means that we can be optimistic about our chances of escaping one.

The economy is projected to grow by 0.6% in 2023 and 1.4% in 2024.

It is also important to remember that employment growth in Québec was strong, exceeding expectations.

In addition, we have continued to make progress toward closing the wealth gap with Ontario. Although growth in living standards was similar in Québec and Ontario in the years before our government came to power, we have managed to reduce the wealth gap by nearly 3 percentage points since we took office. Our government is maintaining its goal of reducing this gap to less than 10% by the end of 2026 and will intensify its efforts to achieve this.

Of course, improving the standard of living is important, but it is not an end in itself. The premier as often said so. The goal is to collectively give ourselves the means to achieve our ambitions.

❑ Québec is committed to delivering services to the population

Madam President, this budget reflects the government's determination to fulfill its main commitments to the benefit of the entire population. To achieve this, we intend to focus on:

- increasing Québec's economic potential;
- developing the potential of youth to ensure the future of Québec society;
- continuing to roll out the health plan;
- diversifying and consolidating environmental measures;
- maintaining sound public finances over time.

In total, this budget provides for \$24.5 billion in investments by 2027-2028.

Major steps have been taken since fall 2018 to improve business productivity, support innovation and promote workers' integration and job retention.

Initiatives of more than \$12 billion by 2027-2028 are planned to grow Québec's wealth.

Moreover, investing in the future of Québec means investing in its young people. Education is our top priority. To make sure that young people enjoy school and to foster student retention and graduation rates, we plan to invest \$2.3 billion.

When it comes to health care, everyone agrees that changes are needed. That's why we have invested so much in recent years.

In keeping with the health plan, our government is continuing to transform the network. As a result, nearly \$5.6 billion is being provided to make the health care system more humane and more effective.

The government is investing nearly \$3.6 billion to support Quebecers. This amount means that they will be able to count on more affordable housing units and better access to childcare services and the justice system, for example. They will also benefit from safer and more inclusive living environments.

In addition, the budget provides nearly \$650 million to promote the French language and Québec's culture.

❑ Diversifying and consolidating environmental measures

Madam President, our government is the one that has done the most for the environment in recent years.

At the United Nations Conference on Biodiversity, COP15, our government made strong commitments concerning the implementation of the Plan nature 2030 and pledged to protect Québec's water reserves.

As a result, \$1 billion is being provided to diversify and consolidate environmental measures, including the creation of the Fonds bleu and the implementation of the Plan nature.

We are also continuing with our 2030 Plan for a Green Economy.

Today, I am announcing a \$1.4 billion enhancement to the new 2023-2028 implementation plan. In total, this plan will receive an envelope of \$9 billion.

❑ **Ambitious targets for sound management of public finances**

We are committed, Madam President, to accomplishing all of this and much more. Moreover, we must also manage Québec's public finances in a prudent and responsible manner. That has been a priority for us since 2018, as we are the trustees of Québec's public finances.

Today, I am announcing the lifting of the suspension and the modernization of the *Balanced Budget Act*.

The financial framework of Budget 2023-2024 is prudent and provides for declining deficits that will enable us to return to a balanced budget by 2027-2028 while:

- reducing personal income tax;
- fostering economic growth;
- adequately funding the government's missions.

It bears repeating, Madam President, that our financial framework includes significant, stable and predictable funding for the government's main missions. That has also been the case in each of our previous budgets.

Since we took office in 2018, annual growth in education spending has averaged 6%. We are maintaining that level this year. It is a priority for us.

Spending on higher education and health and social services will grow by 5% and 7.7%, respectively, this year.

Québec's public infrastructure needs are significant, and we are choosing to meet them, Madam President.

That's why I am announcing that the 2023-2033 Québec Infrastructure Plan, the QIP, has been increased to \$150 billion. That is an increase of \$7.5 billion compared to the previous QIP.

These record investments will significantly improve the quality of our infrastructure and will meet transportation, health and education needs throughout Québec.

Québec has made remarkable progress in reducing its debt in recent decades, but it remains one of the most indebted provinces.

To ensure that there is long-term funding for the government's main missions and a prosperous future for the next generations, we will continue to make reducing the debt burden one of our priorities.

Today, I am announcing a new objective: net debt will be reduced to 30% of GDP by 2037-2038. Québec's net debt burden will therefore gradually move toward the current average of the provinces.

I am also announcing that deposits in the Generations Fund will reach \$2.4 billion in 2023-2024 and will then continue to increase gradually.

Madam President, we are firmly committed to achieving our objectives for the benefit of all Quebecers.

I would now like to go into more detail about the various measures that our government will roll out using this budget.

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I am therefore asking for the National Assembly's consent to table the following documents:

- the tables presenting the preliminary results of the consolidated budgetary transactions for 2022-2023;
- the forecasts for the 2023-2024 financial framework.

I am also tabling the March 2023 Budget Plan and the companion documents, which are an integral part of the budget.

☪ • ☪

1. GROWING QUÉBEC'S WEALTH

Madam President, the government has set ambitious objectives for creating wealth and increasing Québec's economic potential.

To achieve them, the government is planning more than \$12 billion in initiatives as part of this budget between now and 2027-2028.

* * *

LOWERING TAXES

Québec has the highest tax burden in Canada. The personal income tax to GDP ratio was 14.7% in 2021.

By reducing the amount taken from personal income, we are improving people's ability to consume and save.

Furthermore, personal income tax has a negative impact on labour supply. We are using all the tools at our disposal to combat the labour shortage.

To increase Quebecers' disposable income, the government has committed to reducing their tax burden and we are following through on that commitment. As a result, 75% of the \$9.2-billion tax cut will go to Quebecers who earn less than \$100 000.

Let me be very clear, Madam President: the reduction in the tax burden of Quebecers will not occur at the expense of public services in Québec at any time or in any way. We are also not questioning the objective of reducing the debt burden or the importance of the Generations Fund.

This tax cut will be funded by more moderate growth in deposits in the Generations Fund. As a note, when the fund was established, it received deposits in the hundreds of millions of dollars. We now expect to deposit \$2.8 billion in the fund in 2027-2028 and nearly \$5 billion in 2037-2038.

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INCREASING THE PRODUCTIVITY OF QUÉBEC'S ECONOMY

In addition to these efforts to increase Quebecers' disposable income, we will make sure to increase the productivity of Québec's economy. Therefore, \$888 million over five years has been provided for this purpose.

In the context of the labour shortage, we must focus on productivity gains. Therefore, we intend to focus on:

- stimulating private investment to accelerate economic growth;
- stepping up efforts in innovation;
- promoting business growth, digitization and exports.

□ Implementing the new tax holiday for large investment projects

One of the main tools Québec has to stimulate business growth is the tax holiday for large investment projects, a measure that will expire on December 31, 2024.

To stimulate productivity gains, I am announcing the introduction of a new tax holiday for large investment projects of over \$100 million.

Compared to the current measure, the new tax holiday will:

- reach a greater number of activity sectors;
- provide an enhanced incentive that could now represent up to 25% of investments, depending on the location of the project in Québec.

The new tax holiday will provide \$373 million in financial support to businesses over the next five years. It will support the implementation of nearly 100 new projects in Québec by the end of 2029, ultimately generating investments totalling more than \$24 billion.

□ Continuing to develop innovation zones

Innovation zones are central to the economic vision of the premier and our government. They foster real collaboration between university researchers and large businesses in the aim of promoting innovation marketing, export growth, investment and business productivity.

In February 2022, our government unveiled the first two innovation zones, in Sherbrooke and Bromont.

To accelerate the creation of innovation zones, the government is providing \$100 million over five years. These investments will position Québec as an international player in innovation and will facilitate talent attraction and retention.

* * *

CONTRIBUTING TO THE PROSPERITY OF THE REGIONS

Our regions are crucial when it comes to increasing collective wealth in Québec.

Our government will support prosperity in the regions with investments totalling \$1.4 billion. We intend to focus on:

- supporting the growth of the bio-food sector;
- stimulating regional economic vitality;
- ensuring the development and promotion of our tourist attractions;
- fostering the development of the forestry sector;
- continuing the actions for better connectivity;
- harnessing the value of Québec's subsurface minerals.

☐ **Increasing Québec's food autonomy**

The goal of greater food autonomy requires, notably, a greater capacity to offer Quebecers fresh, healthy and diversified food.

To increase Québec's food autonomy, this budget provides \$175 million to enhance the programs of the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation.

☐ **Supporting an innovative, evolving and sustainable tourism offering**

Our government is supporting tourism industry investment with an amount of \$75 million, including \$45 million to extend the Program Supporting the Development of Tourist Attractions.

☐ **Rolling out cellular technology initiatives**

Since 2021, Operation High Speed has reached a very high number of Québec households, providing them with access to a reliable and secure high-speed Internet connection.

The government is now setting new objectives to provide all regions of Québec with access to a fibre-optic network and to extend the 5G cellular network across all inhabited areas of Québec.

As a result, the government plans to invest \$109 million to reach the next milestones to better connectivity for Quebecers and businesses.

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ADDRESSING THE LABOUR SHORTAGE

Madam President, our government is particularly sensitive to the situation of the Québec workforce. It is the powerhouse of our economic vitality. We are aware that the current shortage combined with an aging population will present challenges for years to come. It is therefore our responsibility to better integrate immigrants into the labour market.

Opération main-d'œuvre was launched in fall 2021 in order to match workers' skills with the needs of Québec employers. We are continuing our efforts to combat the labour shortage with additional initiatives totalling \$615 million.

☐ Supporting the socioeconomic integration of immigrants

Integrating immigrants into Québec society and the labour market helps mitigate the impact of the labour shortage and the effects of demographic changes in all our regions.

Proficiency in French greatly facilitates immigrants' economic and cultural integration.

To ease their socioeconomic integration and bolster economic vitality in Québec's regions, we are investing \$510 million over five years, including \$214 million to increase support for learning French through the rollout of Francisation Québec.

☐ Supporting in-company training

The short-term training program (COUD) offers internships prioritized by the Commission des partenaires du marché du travail. As a result, businesses experiencing difficulties with recruitment can receive support through its work-study formula.

An amount of \$100 million will be invested to renew the COUD's component concerning requalification and skills upgrading.

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ADAPTING THE QUÉBEC PENSION PLAN TO THE NEW REALITIES OF QUEBECERS

Madam President, our government also conducted a public consultation on the Québec Pension Plan. These discussions provided an opportunity to reflect in detail on ways to increase the financial security of Quebecers.

At the end of these consultations, one finding emerged: we have a responsibility to ensure that workers are better informed of their rights and opportunities in relation to their benefits.

To encourage job retention among workers aged 65 or over, I am announcing amendments to the Québec Pension Plan that will apply as of January 1, 2024, namely:

- the option to discontinue contributions to the plan for people aged 65 or over who are receiving a retirement pension;
- the introduction of pension protection for people aged 65 or over who work part-time.

Madam President, Québec is changing, the labour market is evolving, and we have a responsibility to adapt.



2. DEVELOPING THE POTENTIAL OF YOUTH

As I mentioned earlier, Madam President, investing in Québec's future also means investing in its young people.

Education and developing the potential of young people continue to be the government's top priority. We wish to provide all young people in Québec with the tools to achieve their ambitions and choose plans for their future that suit them. They will be better equipped to do so with training that reflects their aspirations.

Therefore, an amount of \$2.3 billion is being invested in education and higher education. We intend to focus on:

- helping youth succeed;
- fostering student access, retention and graduation rates in higher education.

* * *

HELPING YOUTH SUCCEED

Since fall 2018, a number of initiatives, totalling nearly \$7.2 billion, have been put in place to support student success and retention.

The government is now aiming to achieve the highest international standards in education. We want at least 90% of students to earn a first diploma or qualification.

As a result, we are planning additional initiatives totalling nearly \$1.5 billion with a view to:

- encouraging student retention and success;
- improving the performance of the network;
- making vocational training more attractive;
- accelerating maintenance of the building inventory.

❑ **Improving student retention and success**

Students' literacy and numeracy skills are fundamental.

The government's goal is to provide all students with the tools required to support their learning, development and growth.

The new investments planned to promote educational success and equal opportunity will make it possible to implement all the means necessary to support students with special needs or in vulnerable situations.

They will also enable more youth to enroll in sports, arts and science programs to strengthen their motivation and help them succeed in school.

I am announcing investments of \$789 million for:

- improving youth literacy and numeracy;
- supporting students with special needs;
- supporting student success and well-being;
- fostering access to special educational projects and promoting culture and citizenship in Québec.

■ **Promoting access to special educational projects**

The government wants all students who attend public secondary schools to have access to special educational projects. To achieve this, we are investing \$168 million.

❑ **Modernizing vocational training to make it more attractive and encourage success**

For many young people, a vocational training diploma is what best matches their interests and aspirations. From now on:

- vocational training centres will have access to modern technological equipment;
- part-time vocational training will be expanded and free of charge;
- accelerated training opportunities will be enhanced and bursaries will be offered in the coveted programs.

We want to overhaul vocational training to make it more attractive. An amount of \$200 million will be earmarked for this purpose.

❑ Enhancing the school building inventory

Many schools are aging. There is a need to increase the amount of money spent on maintaining the school building inventory by continuing the efforts in this regard.

Thus, the government will provide additional financial support to school service centres to improve the overall condition of their buildings.

School maintenance will receive an additional amount of \$208 million over and above the \$22 billion allocated to the QIP.

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GETTING QUEBECERS MOVING

We also want to encourage Quebecers to play sports and engage in physical activity.

We are investing \$88 million to improve access to and increase participation in recreational, sports and physical activities in a safe and healthy environment for everyone.

To keep providing the public with infrastructure in good condition, the government wishes to continue the development of attractive sports, recreational and outdoor infrastructure in all Québec regions.

To this end, investments of \$300 million are provided in the QIP.

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INCREASING HIGHER EDUCATION GRADUATION RATES

Madam President, let's talk about higher education.

Since 2018, the government has made significant investments in higher education to promote access and success. The acquisition of knowledge and skills by the population remains a top priority. We also believe that all young Quebecers who wish to do so should be able to fulfill their potential by accessing higher education.

I am announcing additional investments of \$717 million over five years with a view to:

- financially supporting students;
- improving higher education graduation rates;
- enhancing the culture of innovation and supporting the adoption of technological advances.

❑ Financially supporting students

Due to the rising cost of living, particularly in relation to housing, the government is making the increase in living expenses considered in the calculation of student loans and bursaries permanent.

This renewal represents an additional \$351 million in financial support for approximately 80 000 students.

In addition, the merit scholarships administered by the Fonds de recherche du Québec are a powerful tool for promoting research and attracting and retaining talent. The government is providing \$50 million to enhance these scholarships for the scientific community.

❑ Welcoming more French-speaking international students

The granting of additional tuition exemptions allows select international students to pay the same fees as Québec students. These exemptions are an excellent tool for higher education institutions and allow Québec to attract more French-speaking students from international pools.

This budget provides \$70 million to attract more international students.

❑ Improving training and services in the regions

The regionalization of higher education promotes accessibility to studies and helps combat the labour shortage in areas far from major centres.

It makes it possible to support new projects that rely on the mobilization of local and regional players and to improve college and university educational services, particularly in the Côte-Nord region.

In addition, the government is pursuing the development of higher education hubs.

An investment of \$20 million will make it possible to enhance higher education services in the regions.



3. MAKING THE HEALTH CARE SYSTEM MORE EFFECTIVE AND MORE HUMANE

Madam President, our health and social services system was put under great strain during the pandemic. The government learned from this experience and launched the plan to reform health care in March 2022. It thereby initiated a major shift in order to meet the many challenges still present in this sector.

In this budget, we are investing nearly \$5.6 billion in the aim of:

- making the health care system more efficient and more flexible for the public;
- caring for seniors and informal and family caregivers;
- supporting the most vulnerable.

* * *

MAKING THE HEALTH CARE SYSTEM MORE EFFICIENT AND FLEXIBLE FOR THE PUBLIC

With its health care plan, the government has been reshaping the organization of health care to improve network performance for close to a year now.

Today, the government is planning new initiatives totalling more than \$3 billion in order to make the health care system more efficient and flexible with a view to:

- adapting the health sector to post-pandemic realities;
- improving care and services through lasting structural changes;
- supporting the creation of Santé Québec.

□ Adapting the health sector to post-pandemic realities

The pandemic required rapid adaptation of the health care system. Maintaining many of the innovative solutions implemented during the emergency will have a positive and lasting impact on Quebecers' health. We also know that one of the keys to improving access to health care lies in prevention.

In addition, offloading caused by the various waves of the pandemic has resulted in longer wait times for surgeries and clinical activities. This is why the strategy put in place to increase surgical activity in 2021 will be maintained and extended.

The government is providing more than \$2.2 billion to adapt the health care system to post-pandemic realities. This will make it possible to focus on:

- sustaining the new approach developed for vaccination and testing, expanding its reach to other front-line services;
- updating the emergency preparedness plan and personal protective equipment procurement;
- reducing the waiting list for surgeries.

■ **Improving health care and services through lasting structural changes**

An additional \$710 million will make it possible to focus on:

- opening new front-line-access clinics and adding specialized nurse practitioners and other front-line professionals;
- developing the “Votre Santé” platform;
- establishing a helicopter medical transportation service;
- improving the management of patients suffering from rare or chronic diseases.

■ **Opening new front-line-access clinics and adding specialized nurse practitioners and other front-line professionals**

Since 2021, specialized nurse practitioners, or SNPs, have been given more responsibilities and greater autonomy. They can make more diagnoses, prescribe examinations, medication and treatment plans, and monitor pregnancies.

Continuing this initiative, we plan to invest \$395 million to open 23 new SNP clinics in Québec.

■ **Developing the “Votre Santé” platform to facilitate appointment booking**

Since June 2022, the government has made it possible to roll out an appointment-management platform. The “Votre Santé” platform will build on the success of the vaccination campaign with “Clic Santé” and will also facilitate the adoption of telemedicine.

As a result, we are earmarking \$146 million to develop this platform.

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CARING FOR SENIORS AND INFORMAL AND FAMILY CAREGIVERS

In this budget, we have also committed to continuing efforts to take better care of seniors and informal and family caregivers.

In Québec, the proportion of people aged 65 and over is continually increasing. It will increase from 21% in 2022 to 26% in 2041.

Therefore, the government is earmarking nearly \$2 billion for seniors and informal and family caregivers.

☐ Increasing the supply of home-support services

Madam President, in our last term, we made a commitment to make it easier for seniors to stay in their homes. We want to enable them to live and grow old in their own homes for as long as they can.

I am announcing an investment of \$964 million in the aim of:

- providing services to an additional 34 000 people;
- increasing the provision of home-support services by more than 13.5 million hours annually.

This means that, since 2018-2019, the additional amounts announced for home support have totalled nearly \$6.5 billion.

☐ Ensuring the sustainability of services in private seniors' residences

Private seniors' residences, or PSRs, are an essential partner of the public health care system when it comes to home-support services for seniors.

The government has taken steps to ensure the sustainability of the services offered. However, residences continue to close down because of significant increases in operational costs, such as those associated with labour, insurance and certification.

We are continuing our efforts to ensure the sustainability of services in PSRs. In this budget, \$405 million is being invested in the aim of:

- maintaining services to seniors;
- extending the financial assistance program for installing sprinklers.

In addition, the program to reduce the impact of insurance premium increases on PSRs will be extended by one year.

■ **Maintaining services offered in private seniors' residences**

To ensure that seniors living in PSRs continue to obtain the services they need, \$316 million is being set aside in the aim of:

- improving the direct allocation mechanism for clients with diminishing autonomy;
- updating the intervention framework for small residences;
- expanding the salary transition program for caregiving staff.

* * *

SUPPORTING THE MOST VULNERABLE

In recent years, significant investments have been made to enhance mental health and social services. The government is continuing its efforts to strengthen support for the most vulnerable Quebecers.

To this end, \$565 million is being provided for:

- strengthening support to community organizations in the health and social services sector;
- increasing mental health, homelessness and addiction services;
- creating new places for respite care for parents of children with disabilities;
- strengthening care and services for youth in difficulty, in line with the recommendations of the Special Commission on the Rights of the Child and Youth Protection.

Madam President, when it comes to health and social services, we have a clear direction. The federal government obviously missed an opportunity to join forces with Québec to improve health care.

We are fulfilling our responsibilities and will continue to do so. Our government is delivering on its plan and we are committed to keeping the money flowing.



4. SUPPORTING QUEBECERS

Madam President, I would now like to talk about what we propose to support Quebecers in their daily lives. I'm talking about their lives as families and in their communities and environments.

In this regard, the government is pursuing its commitments to support families, community organizations and people in vulnerable situations. In addition, significant investments have been made to improve our living environments and enhance access to transportation.

We will invest \$3.6 billion to better meet the needs of Quebecers.

We will promote access to affordable housing and support families, vulnerable individuals and First Nations and Inuit people.

* * *

PROMOTING CULTURE AND THE FRENCH LANGUAGE

Culture contributes to promoting and shaping Québec's identity. In addition to representing a major sector of our economy, cultural industries promote Québec here and abroad.

Intimately linked to Québec culture, the French language is the cornerstone of Québec's identity. It is alive and rich. The government is therefore committed to protecting, preserving and advancing our common language in Québec.

Accordingly, I am announcing nearly \$650 million to promote Québec culture and the French language.

☐ Promoting Québec culture

Initiatives totalling \$561 million will be aimed at:

- giving new impetus to cultural development;
- deploying Québec's creativity in the digital realm;
- promoting Québec culture and increasing its dissemination and accessibility.

To achieve these goals, I am announcing:

- \$300 million to continue the government culture action plan for the next five years;
- \$200 million to be made available to the Société de développement des entreprises culturelles, SODEC, to increase the industry's outreach.

■ Reaffirming the role of Télé-Québec in youth programming

For more than 50 years, Télé-Québec has been providing Quebecers with quality French-language content.

The government is providing \$101 million for Télé-Québec to reaffirm its role in youth programming and enhance its service offering on its different platforms. The channel will thus be able to propose an original and renewed service offering.

□ Advancing the French language

The defence, promotion and advancement of the French language are priorities for the government. In May 2022, we adopted the *Act respecting French, the official and common language of Québec*.

Today, the government continues to take action. The budget provides \$88 million to ensure the implementation of the legislative changes related to this Act by supporting the Ministère de la Langue française and the Office québécois de la langue française.

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FACILITATING ACCESS TO AFFORDABLE HOUSING

The Québec government recognizes how important it is for households to live in quality housing that suits their financial capacity. However, recent years have seen a sharp rise in rental costs, making it hard for certain households to meet this need.

To facilitate access to affordable housing, I am announcing a \$1-billion investment with a view to:

- increasing and maintaining the social and affordable housing stock, in particular by allowing for the construction of more than 5 250 housing units;
- enhancing the housing component of the refundable solidarity tax credit;
- allocating an additional 2 000 units under the Rent Supplement Program.

* * *

SUPPORTING FAMILIES

The government wishes to support Québec families in a practical way. For most, this means quality educational childcare services. Services that will enhance family-work-school balance and foster child development.

Furthermore, our government wishes to pay special attention to families in vulnerable situations and ensure that they receive the help they need.

❑ Converting 5 000 non-subsidized childcare spaces

We are committed to gradually converting non-subsidized childcare spaces in the network into subsidized spaces.

To ensure greater financial equity, I am announcing today the conversion of 5 000 childcare spaces in 2023-2024.

This measure will allow more families to benefit from the reduced contribution, which is currently \$8.85 per day.

❑ Supporting vulnerable children

Certain children from vulnerable or disadvantaged environments need special support in order to flourish and achieve their full potential. We are therefore providing \$64 million to support these children.

As outreach organizations, community social pediatrics centres play a very important role in reaching families in vulnerable situations.

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STRENGTHENING THE ACCESSIBILITY AND EFFICIENCY OF TRANSPORTATION NETWORKS

Madam President, quality of life for our citizens means accessible and efficient transportation networks.

Furthermore, remote communities also depend on the availability of these services for their supplies of basic necessities, to ensure the mobility of essential workers and to transport patients to health care facilities in major centres.

We are therefore investing to ensure the maintenance of these services, some of which have been hit hard by the pandemic.

In this budget, I am announcing \$722 million with a view to:

- supporting the recovery of public transit;
- diversifying the transportation offering for people with reduced mobility;
- maintaining essential regional air services;
- investing in high-performance and safe land transportation infrastructure.

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SUPPORTING QUEBECERS' QUALITY OF LIFE

Our government has made significant efforts in recent years to strengthen support for Quebecers, and these efforts have resulted in considerable investments in the community sector.

Furthermore, we want to ensure that everyone can enjoy a safe environment, free from discrimination.

To this end, \$533 million is provided with a view to:

- improving inclusion and equality;
- supporting the vitality of English-speaking communities;
- ensuring public safety;
- facilitating access to justice.

☐ Strengthening assistance in the communities

Our government will continue to help Quebecers whose socioeconomic conditions are more precarious. Actions will therefore be taken to increase the resources provided to assist them.

To strengthen assistance in communities, this budget provides \$125 million with a view to:

- continuing to support community organizations, particularly the Food Banks of Québec network;
- strengthening the socioeconomic security of the most vulnerable people.

Taking into account prior investments and those in this budget, the government's support for the community sector will exceed \$2 billion this year, an increase of 58.6% compared with four years ago.

☐ Improving inclusion and equality

It is essential that our government continue to take action to reduce domestic violence, inequalities and discrimination that may occur in relation to gender, sexual orientation or visible minority status. We are providing an additional \$57 million for combatting:

- sexual and domestic violence;
- homophobia and transphobia;
- racism.

❑ Improving the safety of our living environments

Madam President, Québec is known as one of the safest places in the world. We are committed to investing to keep it that way. This budget provides \$220 million to ensure public safety. Of this amount, \$50 million will be invested to continue the fight against gun violence. We are also investing \$69 million to modernize the École nationale de police du Québec.

❑ Facilitating access to justice

We are investing nearly \$100 million to facilitate Quebecers' access to justice. This will allow us to continue the reform aimed at making justice more accessible and more efficient for all.

❑ Continuing to support First Nations and Inuit people

Madam President, we are committed to strengthening our government's support for First Nations and Inuit people. Our goal is to better tailor our support to the realities of Indigenous people.

To achieve this, \$70 million is provided to improve the service offering, and nearly \$50 million is earmarked to facilitate access to housing, both in communities and in urban areas.



5. DIVERSIFYING AND CONSOLIDATING ENVIRONMENTAL MEASURES

Ensuring a healthy and sustainable environment for people and future generations is a government priority. That is why we are continuing to take action by supporting measures to preserve the climate, water quality, biodiversity and natural heritage.

At the United Nations Conference on Biodiversity, COP15, our government made strong commitments.

To achieve these commitments, we are investing \$500 million in the creation of the Fonds bleu and confirming the implementation of the Plan nature 2030 through an investment of \$443 million. In total, more than \$1 billion will be invested in the environment.

Our new 2023-2028 implementation plan to fight climate change will benefit from a \$9-billion envelope.

Therefore, since the first implementation plan just two years ago, the government will have increased its investment by more than \$2.3 billion, or 35%.

Madam President, we are continuing to invest in the environment like no government has before us.



CONCLUSION

Madam President, with Budget 2023-2024, the government is building on the efforts of the first mandate and laying the foundation for the next four years. This budget supports Québec's commitment to the economy, education, health and the environment.

We are committed to building a greener, more prosperous Québec, with an effective health care system and a school network that will provide our young people with all the tools they need to succeed.

It is a privilege, Madam President, to be the trustee of Quebecers' public finances. Today, I am presenting a prudent and responsible financial framework. The return to a balanced budget and the continued reduction of the debt burden are essential to achieving our ambitions for Québec.

Building on Quebecers' renewed trust in us, we have presented today a plan committed to supporting the population and developing Québec to its highest potential. Combining the tax cuts with the many achievements of the first mandate, never before has a government taken such good care of Quebecers' wallets.

What makes me most proud, Madam President, is that we have been able to do this while ensuring stable, predictable and adequate funding for the government's main missions.

Thank you, Madam President!

* * *

I propose that the National Assembly approve the government's budgetary policy.

Thank you.

☞ • ☞

TABLE 1

Québec government
Summary of budgetary transactions
Preliminary results for 2022-2023
(millions of dollars)

	2022-2023
REVENUE	
Own-source revenue	115 873
Federal transfers	29 226
Total	145 099
EXPENDITURE	
Portfolio expenditures	-136 716
Debt service	-10 053
Total	-146 769
SURPLUS (DEFICIT)	-1 670
BALANCED BUDGET ACT	
Deposits of dedicated revenues in the Generations Fund	-3 351
BUDGETARY BALANCE BEFORE USE OF THE STABILIZATION RESERVE	-5 021
Use of the stabilization reserve	449
BUDGETARY BALANCE⁽¹⁾	-4 572

(1) Budgetary balance within the meaning of the *Balanced Budget Act*, after use of the stabilization reserve.

TABLE 2

Québec government
Summary of budgetary transactions
Forecasts for 2023-2024
(millions of dollars)

	2023-2024
REVENUE	
Own-source revenue	117 989
Federal transfers	29 742
Total	147 731
EXPENDITURE	
Portfolio expenditures	-138 392
Debt service	-9 464
Total	-147 856
Contingency reserve	-1 500
SURPLUS (DEFICIT)	-1 625
BALANCED BUDGET ACT	
Deposits of dedicated revenues in the Generations Fund	-2 373
BUDGETARY BALANCE⁽¹⁾	-3 998

(1) Budgetary balance within the meaning of the *Balanced Budget Act*.

TABLE 3

**Québec government
Revenue
Forecasts for 2023-2024**
(millions of dollars)

	2023-2024
OWN-SOURCE REVENUE	
Income and property taxes	
Personal income tax	43 126
Contributions for health services	7 944
Corporate taxes	13 192
School property tax	1 184
	65 446
Consumption taxes	
Sales taxes ⁽¹⁾	23 505
Fuel	2 081
Tobacco products	982
Alcoholic beverages	635
Cannabis ⁽²⁾	87
	27 290
Revenue from government enterprises	
Hydro-Québec	3 525
Loto-Québec	1 498
Société des alcools du Québec	1 459
Investissement Québec	216
Société québécoise du cannabis	92
Other	17
	6 807
Duties and permits	5 739
Miscellaneous revenue	12 707
TOTAL OWN-SOURCE REVENUE	117 989
FEDERAL TRANSFERS	
Equalization	14 037
Health transfers	8 660
Transfers for post-secondary education and other social programs	1 366
Other programs	5 679
TOTAL FEDERAL TRANSFERS	29 742
TOTAL REVENUE	147 731

(1) Sales taxes, within the meaning of the Public Accounts, include, in particular, the QST, the tax on insurance premiums, the tax on lodging and the specific duty on new tires. They also include, for presentation purposes, revenue from pari-mutuel.

(2) This is Québec's component of the excise duty on cannabis sales.

TABLE 4

**Québec government
Expenditure
Forecasts for 2023-2024**
(millions of dollars)

	2023-2024
Portfolio expenditures	-138 392
Debt service	-9 464
TOTAL EXPENDITURE	-147 856

TABLE 5

Québec government
Portfolio expenditures
Forecasts for 2023-2024
(millions of dollars)

	2023-2024
PORTFOLIO EXPENDITURES	
Affaires municipales et Habitation	4 546
Agriculture, Pêcheries et Alimentation	1 504
Conseil du trésor et Administration gouvernementale	2 797
Conseil exécutif	862
Culture et Communications	1 904
Cybersécurité et Numérique	173
Économie, Innovation et Énergie	3 680
Éducation	20 203
Emploi et Solidarité sociale	5 250
Enseignement supérieur	10 480
Environnement, Lutte contre les changements climatiques, Faune et Parcs	2 283
Famille	8 210
Finances	3 242
Immigration, Francisation et Intégration	727
Justice	1 481
Langue française	63
National Assembly	173
Officers of the National Assembly	139
Relations internationales et Francophonie	170
Ressources naturelles et Forêts	1 474
Santé et Services sociaux	59 015
Sécurité publique	2 336
Tourisme	503
Transports et Mobilité durable	6 957
Travail	220
TOTAL	138 392
DEBT SERVICE	9 464
TOTAL EXPENDITURE	147 856

Note: Totals may not add due to rounding.

[Québec.ca/en-budget](http://Quebec.ca/en-budget)