

THE QUÉBEC
**ECONOMIC
PLAN**

YOUNG PEOPLE



**Supporting
Québec
Young People
on Their Path
to Success**





Budget 2017-2018
Young People – Supporting Québec Young People on Their Path to Success

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INTRODUCTION

Youth marks the transition from childhood to adulthood, usually between 15 and 29 years of age. It is thus a period in life when various transitions can occur, such as career choices, the completion of studies, entry into the labour market, starting a family, and the first citizen involvement.

It is desirable for such transitions to occur as harmoniously as possible and for young people to fully develop their potential and contribute to Québec's development.

To this end, on March 30, 2016 the government announced a new policy specifically devoted to them, *The 2030 Québec Youth Policy – Working Together for Present and Future Generations*.

To act upon the policy, the government announced in December 2016 the implementation of the *Stratégie d'action jeunesse 2016-2021*.

To further enhance the initiatives aimed at young people, *The Québec Economic Plan* calls for additional investments of nearly \$1.7 billion over six years.

TABLE 1

Financial impact of measures in *The Québec Economic Plan* to support Québec young people
(millions of dollars)

	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	Total
Education of young people	-12.0	-150.6	-271.0	-350.4	-414.9	-415.4	-1 614.3
Employment, training for young people, entrepreneurship and the new generation of workers	—	-5.5	-6.0	-7.0	-7.5	-7.5	-33.5
Health and citizen involvement among young people	-7.5	-1.9	-2.7	-5.5	-6.6	-6.4	-30.6
Develop expertise concerning young people	—	—	—	-0.6	-0.6	-0.6	-1.8
TOTAL	-19.5	-158.0	-279.7	-363.5	-429.6	-429.9	-1 680.2

1. COUNT ON THE POTENTIAL OF QUÉBEC YOUNG PEOPLE

Young people 15 to 29 years of age wish to successfully make the transition to adulthood. Indeed, they want to fully achieve professional fulfilment, succeed in their personal lives, and be involved in and contribute to the development of their communities. Young people have many aspirations. Some of them want to pursue their studies while others want to find employment or start a business.

However, their realities differ appreciably from those of preceding generations. From a demographic standpoint, the ageing of the population, already well under way, is leading not only to a reduction in the demographic weight of young people but also the acceleration of the process of replacing retiring workers with young people.

The government wishes to guide young people in their life trajectories. The trajectories must enable them to participate fully in Québec's development and to take over from preceding generations, while contributing their perspective, skills and projects. Indeed, each generation contributes new ways of seeing, doing and being that enable societies to innovate, grow and prosper.

In this way, the government intends to pursue its efforts to promote educational success, facilitate the integration of young people into the labour market, and help them start a business. Furthermore, it is encouraging them to participate in collective decision-making and to commit themselves to Québec society's future.

1.1 ***The 2030 Québec Youth Policy***

In March 2016, the government unveiled *The 2030 Québec Youth Policy: Working Together for Present and Future Generations*, which indicates the policy directions that will be emphasized over the next 15 years as regards to government initiatives aimed at young people, in keeping with current and future realities.

Through the policy, the government intends to support young people in their life trajectories to enable them to assume their rightful place, achieve their full potential and shape the Québec of tomorrow according to their realities, values, aspirations and priorities.

□ The strategic priorities of the policy

The new policy guides government action aimed at young people according to five strategic priorities linked to health, education, citizenship, employment and entrepreneurship.

- Health: the adoption of healthy lifestyles in a safe environment.
- Education: the development of a school environment that promotes student retention and educational success.
- Citizenship: the citizen engagement of young people with respect to culture, the community and society.
- Employment: the preparation of young people for the labour market in an economy willing to welcome them.
- Entrepreneurship: support for young entrepreneurs in carrying out their business projects.

By acting in respect of these five levers, the government hopes to better prepare and equip Québec young people so that they achieve fulfilment and contribute to Québec's future development.

To act upon the policy, the government announced in December 2016 the implementation of the *Stratégie d'action jeunesse 2016-2021*.

- The planned investments under the initial action strategy of the policy stand at more than \$200 million over five years.¹

¹ See page 25 for additional details on the *Stratégie d'action jeunesse 2016-2021*.

1.2 The importance of young people in Québec

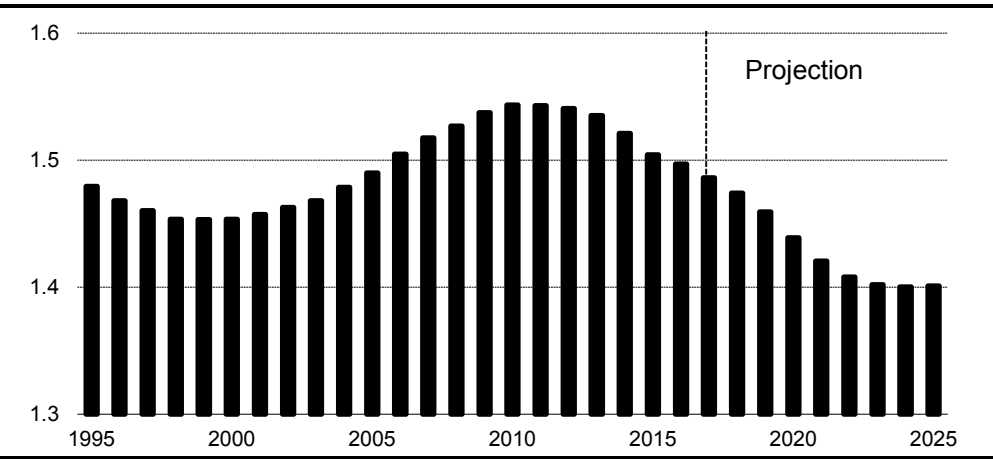
Québec’s population is ageing, reflected by a drop in the population 15 to 64 years of age that constitutes the main potential labour pool. In 2016, there were roughly 1.5 million 15-29 year-olds in Québec, equivalent to 18% of the total population.

According to the population forecasts of the Institut de la statistique du Québec, the population between 15 and 29 years of age in Québec should decline slightly until 2025.

— In 2025, there should be 1.4 million young people, equivalent to 15.8% of the total population.

CHART 1

Change in the population between 15 and 29 years of age in Québec
(in millions of persons)



Sources: Institut de la statistique du Québec and Statistics Canada.

❑ Rely on the involvement of young people to sustain economic growth

The decrease in the population between 15 and 64 years of age will exert pressure on Québec's economic growth by reducing the labour pool.

Indeed, economic growth, measured by real gross domestic product (GDP) growth, mainly depends on changes in the labour pool, the employment rate and productivity.

The reduction of the labour pool is a factor that will affect growth in GDP in the coming years. In this context, participation by the total population in the labour market, including young people, will be essential to spur productivity and sustain Québec's medium-term economic growth.

TABLE 2

Economic factors of growth in Québec (contribution in percentage points)

	Historical background		Outlook			
	1982-2010	2011-2015	2016	2017	2018	2019-2021
Real GDP (%)	2.0	1.4	1.7	1.7	1.6	1.4
Growth factors:						
– Labour pool ⁽¹⁾	0.6	0.2	–0.1	–0.1	–0.1	–0.2
– Employment rate ⁽²⁾	0.6	0.6	1.0	1.1	0.9	0.8
– Productivity ⁽³⁾	0.8	0.6	0.9	0.8	0.9	0.8

Note: Since the figures are rounded, they may not add up to the total shown.

(1) Population between 15 and 64 years of age.

(2) Total number of workers in relation to the population between 15 and 64 years of age.

(3) Real GDP per job.

Sources: Institut de la statistique du Québec, Statistics Canada and Ministère des Finances du Québec.

Youth marks a transition period between school attendance and working life. Young people want to achieve self-fulfilment from an occupational and personal standpoint and contribute to the development of their community. In this respect, a profile of young people in 2016 showed that:

- 48% were engaged in secondary, vocational, college or university studies;
- 41% were active on the labour market;
- 11% were either unemployed or inactive.

Young people that have completed their studies usually find it easier to integrate the employment market. Labour productivity also rises with level of education. Educated young workers earn higher wages, which reflects their significant contribution to Québec's prosperity and the sharing of collective wealth.

What is more, in 2015-2016, more than 159 000 young people were neither studying nor employed, equivalent to 11% of the population 15 to 29 years of age. Such young people represent potential that could be harnessed to support the development of Québec's economy.

TABLE 3

Transition between school attendance and working life for young people between 15 and 29 years of age in Québec for the 2015-2016 school year⁽¹⁾
(in thousands of individuals)

	15-19 years old	20-24 years old	25-29 years old	Total	
In school	221.3	105.7	41.4	368.4	25%
In school and employed	134.2	155.0	52.9	342.1	23%
Employed	41.7	208.1	355.0	604.7	41%
Neither in school nor employed	23.7	57.9	77.5	159.1	11%
TOTAL	420.8	526.8	526.8	1 474.4	100%

Note: Since the figures are rounded, they may not add up to the total shown.

(1) Average over eight months according to the 2015-2016 school year (September 2015 to April 2016).

Source: Statistics Canada.

2. THE QUÉBEC ECONOMIC PLAN: \$1.7 BILLION IN ADDITIONAL MEASURES FOR QUÉBEC YOUNG PEOPLE

By announcing *The 2030 Québec Youth Policy*, the government acknowledges the crucial challenge of focusing on several facets of the lives of young people to help them integrate working life, to ensure a smooth transition between their studies and their attainment of autonomy.

Developmental measures geared to the future of young people have already been made in this respect in the context of the *Stratégie d'action jeunesse 2016-2021*. The measures round out numerous projects that will have a decisive impact on the life trajectories of young people.

The government is reiterating its determination to support young people to enable them to integrate harmoniously into active life and thus shape the Québec of tomorrow.

To this end, *The Québec Economic Plan* makes provision for measures aimed at young people tied to the strategic priorities adopted in the youth policy.

The government is pursuing its efforts and is going further by announcing measures that represent an additional investment over six years of:

- more than \$1.6 billion for the education of young people;
- nearly \$34 million to support employment, attracting young people, entrepreneurship, and the new generation of workers;
- more than \$30 million for health and citizen involvement among young people;
- \$1.8 million to develop expertise concerning young people.

Overall, an additional investment of nearly \$1.7 billion over six years will be earmarked to develop Québec youth.

TABLE 4

Financial impact of the measures in *The Québec Economic Plan* to support Québec young people (millions of dollars)

	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	Total
Education of young people	-12.0	-150.6	-271.0	-350.4	-414.9	-415.4	-1 614.3
Employment, attracting young people, entrepreneurship, and the new generation of workers	—	-5.5	-6.0	-7.0	-7.5	-7.5	-33.5
Health and citizen involvement among young people	-7.5	-1.9	-2.7	-5.5	-6.6	-6.4	-30.6
Develop expertise concerning young people	—	—	—	-0.6	-0.6	-0.6	-1.8
TOTAL	-19.5	-158.0	-279.7	-363.5	-429.6	-429.9	-1 680.2

2.1 Measures related to the education of young people

Education is the best investment to foster Quebecers' prosperity and well-being, both from an individual standpoint but also from a social and collective perspective. It offers individuals not only the possibility of more readily integrating the labour market and enjoying a certain standard of living but also of acquiring knowledge to better grasp the challenges that society poses and facilitating enlightened citizen involvement.

❑ The importance of perseverance and educational success

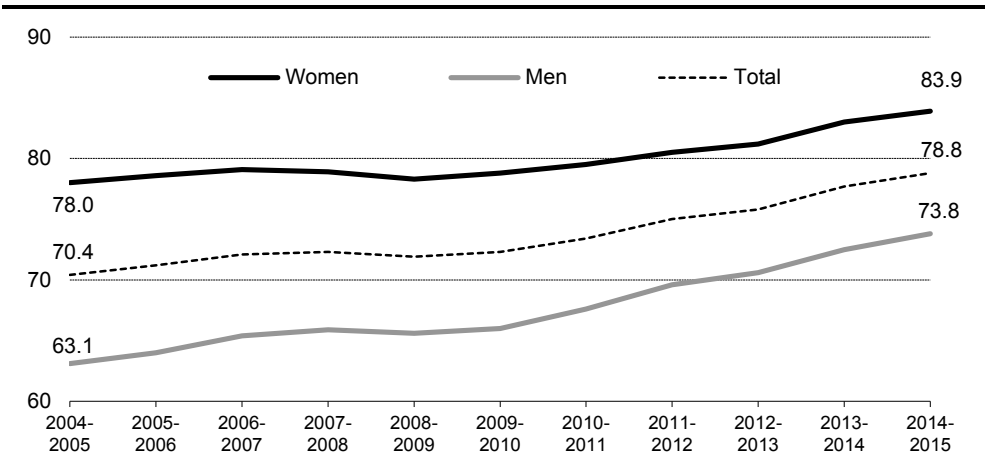
Education is a key determinant of employment and productivity. It enhances employability, ensures broader labour market participation and enables access to better quality jobs.

Better secondary school graduation rates increase the pool of young people who engage in higher education to obtain a Diploma of Collegial Studies or a university degree. Over the past 10 years, Québec has made significant gains from the standpoint of school success.

- The educational attainment rate among those under-20 years of age stood at 78.8% in 2014-2015, compared with 70.4% 10 years earlier.
- However, more needs to be done, especially for boys, to attain by 2020 the government target of an 80% graduation and qualification rate among those under-20 years of age.

CHART 2

Secondary school graduation and qualification rate⁽¹⁾ (per cent)



(1) Corresponds to the proportion of students who, before the age of 20, obtained an initial diploma seven years after entering secondary school.

Source: Ministère de l'Éducation et de l'Enseignement supérieur.

❑ Support education to encourage labour market participation

The education system’s ability to enhance schooling is contributing to Québec’s development through economic, social and cultural enrichment.

Significant gains have been achieved in Québec over the past 20 years as regards the university graduation rate. However, Québec’s graduation rate is lower than the rate in Canada overall.

- Between 1996 and 2016, the proportion of Quebecers 25 to 44 years of age with a university degree increased from 18.1% to 33.7%.
- During the same period, the proportion in Canada rose from 18.8% to 35.7%.

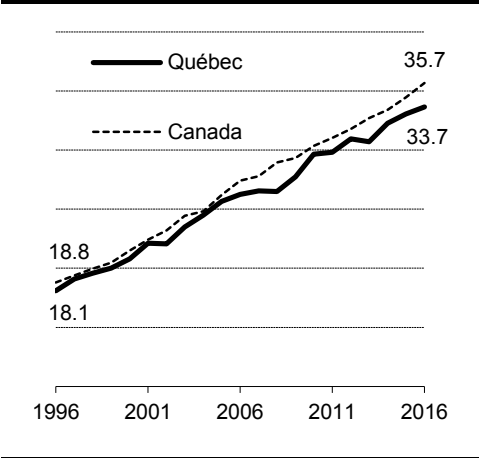
Despite the progress achieved, Québec must maintain its efforts to raise the graduation rate by pursuing, in particular, investments in higher education in order to better prepare the new generation of workers to face the challenges of an economy centred on knowledge and productivity.

Furthermore, the data reveal that better educated individuals participate more extensively on the labour market.

- The employment rate of degree holders exceeded 76% in 2016 while that of individuals without degrees stood at 57%.

CHART 3

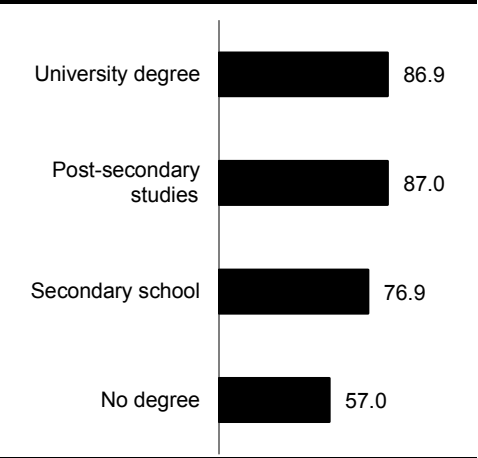
Proportion of the population between 25 and 44 years of age that possesses a university degree in Québec and in Canada (per cent)



Source: Statistics Canada.

CHART 4

Employment rate of the population between 25 and 44 years of age in Québec by level of education in 2016 (per cent)



Source: Statistics Canada.

❑ Promote the educational success of young people

The government intends to pursue its efforts to enhance the educational success of young people to facilitate their social integration and employability.

To this end, *The Québec Economic Plan* calls for the implementation of several measures to promote success among young people in general and occupational training and in higher education. The measures represent investments of more than \$1.6 billion over six years aimed specifically at young people.

- Several of the measures fall within the scope of a coordination approach regarding government action for young people.
- Details of the measures are presented in the document entitled *Education and Higher Education – A plan for Success: A Lifelong Process from Early Childhood*.

TABLE 5

Financial impact of the measures in *The Québec Economic Plan* related to the education of young people (millions of dollars)

	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	Total
Offer more extensive means to higher education	-12.0	-87.1	-156.5	-219.9	-284.4	-284.4	-1 044.3
Enhance student aid	—	-43.0	-80.0	-80.0	-80.0	-80.0	-363.0
Support secondary school and vocational training and general adult education students	—	-20.0	-34.0	-50.0	-50.0	-50.5	-204.5
Offer monitoring services for 12-21 year-old handicapped students	—	-0.5	-0.5	-0.5	-0.5	-0.5	-2.5
TOTAL	-12.0	-150.6	-271.0	-350.4	-414.9	-415.4	-1 614.3

■ Offer more extensive means to higher education

The government will invest an additional \$1.0 billion to increase higher education funding.

The investments are intended, in particular, to:

- increase general funding for higher education institutions to improve the graduation rate and enhance the staff-student ratio, for example by hiring lecturers in the universities;
- enhance the success and integration of all students who have completed their secondary studies;
- promote partnerships and collaboration between establishments and the regional presence in order to promote the rollout of the concerted measures.

■ Enhance student aid

Last fall, the government announced an \$80-million annual increase in student aid, in addition to introducing significant new measures, in particular for students who are the heads of single-parent families.

- More than 146 000 beneficiaries of the Loans and Bursaries Program will benefit from enhanced living expenses and will receive, on average, \$462 more in grants per year.

Some 11 000 students who are the heads of single-parent families, more than 90% of whom are women, will receive, on average, \$994 more in grants per year.

■ Support secondary school, occupational training and general adult training students

A number of young people and adults attending secondary school and vocational training and adult education centres are contending with an array of difficulties. A presence in the field can be effective to forge links and compensate for a need for ancillary services. To prevent difficulties from becoming overly important in the learning paths of such students, support measures are planned to convince them of their ability to succeed.

- \$205 million will be invested to better support students and staff in secondary schools, vocational training centres, and adult education centres.

■ Offer monitoring services for 12-21 year-old handicapped students

The Québec Economic Plan calls for a \$2.5-million investment over the next five years in the Programme de soutien financier aux services de surveillance d'élèves handicapés âgés de 12 à 21 ans.

The program offers monitoring services outside school hours to young people who are not sufficiently autonomous to stay at home alone.

Additional funding will be allocated to 30 non-profit organizations or schools to enable them to offer monitoring services during the summer. It is estimated that nearly 575 students will benefit from such services during the summer.

2.2 Measures to support employment and entrepreneurship

Young people are central to the transformation of the Québec economy. Their limited demographic weight means that they will be in high demand in the coming years to satisfy future manpower needs.

— According to Emploi-Québec projections, 1.36 million positions will need to be filled by 2022. Of this number, 1.1 million jobs will be available in the wake of retirements, and some 260 000 new jobs will be created. Emploi-Québec forecasts that young people will fill more than half (58%) of the positions.²

The government wants to help young people prepare for and enter the labour market.

Moreover, young entrepreneurs are revitalizing and diversifying the economy in their communities. They are creating jobs and wealth. They are innovating and even engendering new areas of activity. They thus have a significant impact on Québec's economic development and on Quebecers' standard of living.

Young people also have an opportunity to take their place on the employment market and ensure the replacement of older workers who wish to retire.

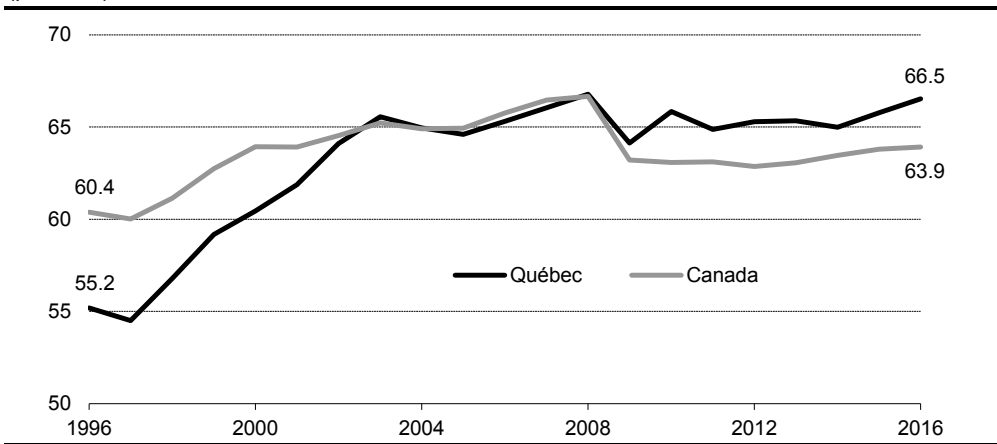
❑ Young people are active on the labour market

Young people are more active on the labour market than they were 20 years ago. Indeed, since 1996, participation in the labour market by young people has risen markedly.

— Since 2008, the employment rate of 15-29 year-olds in Québec has even exceeded the Canadian rate.

CHART 5

Employment rate of 15-29 year-olds in Québec and in Canada
(per cent)



Source: Statistics Canada.

² EMPLOI-QUÉBEC, *Le marché du travail et l'emploi par industrie au Québec – Perspectives à moyen (2013-2017) et à long terme (2013-2022)*, 2014, page 21.

Despite the significant rise in the employment rate since 1996, nearly 160 000 15-29 year-old Quebecers are neither attending school nor being active in the labour market.

— They represent 11% of the population 15 to 29 years of age.

Such young people have potential for Québec. It is, therefore, crucial to broaden efforts to promote their school success or to integrate them into the employment market to harness their potential for Québec's future development. Furthermore, the employment market is willing to accept them because of the reduction in the potential labour pool stemming from the ageing of the population. However, participation in the labour market by young people must not occur to the detriment of their school success.

❑ Young people imbued with entrepreneurial spirit

Numerous Québec young people want to start their own business or take over an existing one. Recent trends reveal that growth in the intention among 18-34 year-olds to start a business has continued.

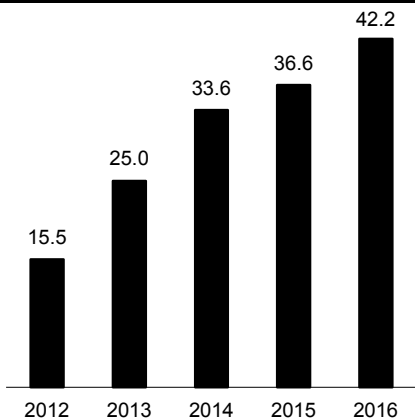
— In 2016, 42.2% of 18-34 year-olds intended to establish their own business or take over an existing business, compared with 15.5% in 2012.

To successfully carry out their projects, young entrepreneurs need support in the process. Indeed, such support enables entrepreneurs to take advantage of strategic advice and increase their chances of success.

— In 2016, between 60% and 70% of 18-29 year-olds expressed the desire to obtain support to develop their businesses.

CHART 6

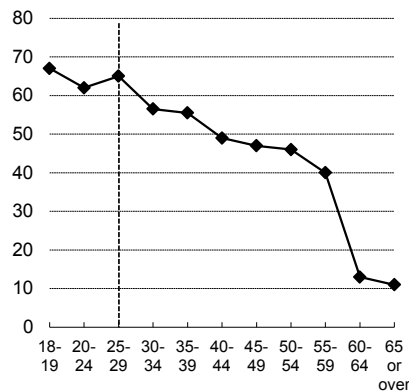
18-34 year-old Quebecers who intend to establish a business or take over an existing business (per cent)



Source: Réseau M de la Fondation de l'entrepreneuriat.

CHART 7

Rate of individuals wishing to obtain support in Québec in 2016, by age group (per cent)



Source: Réseau M de la Fondation de l'entrepreneuriat in partnership with the Institute for Entrepreneurship National Bank-HEC Montréal and Léger.

❑ **Measures in *The Québec Economic Plan* to promote employment, attracting young people, entrepreneurship and the new generation of workers**

The Québec Economic Plan puts forward several initiatives aimed at better matching employers' manpower needs and the talent available so that sectors experiencing shortages can find workers.

Several sectors that offer sound employment prospects are experiencing staff shortages because they are little known or are subject to prejudice.

In this context, it is essential to make young people more aware of those jobs and to support them when they make career choices. To this end, *The Québec Economic Plan* makes provision for initiatives to:

- actively promote trades and occupations seeking workers;
- bolster educational and vocational guidance for young people.

Striking a better balance between young people and employers' manpower needs must also be achieved bearing in mind young immigrants. Accordingly, *The Québec Economic Plan* calls for a measure to attract and retain foreign students so that they contribute their talents and knowledge to Québec's development.

What is more, given the key role that entrepreneurship plays in the economy, it is important to pursue efforts to develop entrepreneurship among young people. To this end, *the Québec Economic Plan* makes provision for:

- a new program to foster entrepreneurship among Québec young people.

The initiatives announced in *The Québec Economic Plan* represent nearly \$34 million in investments over five years for Québec young people.

TABLE 6

Financial impact of the measures in *The Québec Economic Plan* related to employment, attracting young people, entrepreneurship and the new generation of workers
(millions of dollars)

	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	Total
Measures related to employment and attracting young people							
Actively promote trades and occupations seeking workers on the labour market	—	-1.2	-1.2	-1.2	-1.2	-1.2	-6.0
Bolster educational and vocational guidance for young people	—	-0.8	-0.8	-0.8	-0.8	-0.8	-4.0
Implement a strategy to attract international students	—	-1.5	-2.0	-3.0	-3.5	-3.5	-13.5
Subtotal	—	-3.5	-4.0	-5.0	-5.5	-5.5	-23.5
Measures related to entrepreneurship and the new generation of workers							
School entrepreneurship experimentation program	—	-2.0	-2.0	-2.0	-2.0	-2.0	-10.0
TOTAL	—	-5.5	-6.0	-7.0	-7.5	-7.5	-33.5

■ **Actively promote trades and occupations seeking workers on the labour market**

Numerous trades and occupations offer worthwhile employment prospects but potential workers are largely unaware of them. Accurate labour market information would better publicize such employment prospects.

To this end, the government is undertaking to implement a strategy to promote trades and occupations experiencing labour shortages, based on accurate, comprehensive information on the labour market, especially to attract the new generation of workers.

The Commission des partenaires du marché du travail will be asked to pinpoint more accurately the sectors in which manpower needs are a priority. Such sectors will be promoted and the relevant information will be disseminated, in particular among young people who are making career choices.

To this end, *The Québec Economic Plan* makes provision for \$6 million in investments over five years to carry out the strategy to promote trades and occupations seeking workers.

■ **Bolster educational and vocational guidance for young people**

To ensure that guidance services have the requisite information available to support young people in their career choices, it is essential that the services providers be equipped and can transmit the information properly.

In this context, *The Québec Economic Plan* calls for investments of \$4 million over five years to bolster educational guidance services offered to young people.

This measure will facilitate broader use of information on the labour market by broadening knowledge of employment and, ultimately, more widespread dissemination of such knowledge.

■ **Implement a strategy to attract international students**

When Québec seeks to attract an organization or a business, the question of the availability of qualified workers is crucial. In this context, the presence of international students is a significant response to labour market needs.

To this end, \$13.5 million will be invested over the next five years to promote the attraction and retention of international students.

■ **School entrepreneurship experimentation program**

To foster entrepreneurship among Québec young people, *The Québec Economic Plan* makes provision for the establishment of a school entrepreneurship experimentation program with a budget allowance of \$10 million over five years.

In cooperation with the school boards and outside partners, the new program will seek to heighten entrepreneurship awareness among elementary, secondary and occupational training students, support entrepreneurial experimentation projects in the schools, and offer young people practical experience in starting up and managing micro-enterprises.

By encouraging an entrepreneurship culture among young people, the program will help ensure the future vitality of the Québec economy, in particular by fostering the emergence of new businesses and preparing the next generation of entrepreneurs to replace the many entrepreneurs who will retire in the coming years.

The Ministère de l'Éducation et de l'Enseignement supérieur and the Secrétariat à la jeunesse will jointly announce the program's parameters.

2.3 Measures related to young people's health and their citizen involvement

To participate in the vitality of our economy and community life, young people must be healthy. They must, therefore, develop healthy lifestyles and adopt safe behaviour that contributes to the maintenance of good physical and mental health. To this end, the government must create an environment that is conducive to physical activity.

- Young people are faced with several negative factors that affect their state of health. Early intervention in respect of such factors is essential to enable them to enjoy better quality of life in adulthood.

It is also essential to ensure that young people participate in community life through volunteer work and that their commitment to the community is acknowledged.

- The commitment of young people to culture, the community and society has spinoff for everyone and facilitates, in particular, intergenerational reconciliation.
- Moreover, the acquisition of life values in society and learning how society functions begin during youth. It is, therefore, important to develop as soon as possible the citizen involvement of young people.

To pursue these objectives, *The Québec Economic Plan* calls for initiatives for Québec young people representing additional investments of more than \$30 million over six years.

TABLE 7

Financial impact of the measures in *The Québec Economic Plan* related to the health and citizen involvement of young people (millions of dollars)

	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	Total
Support an environment that fosters young people's health							
Quality educational and sports infrastructure	—	-1.0	-1.8	-4.6	-5.7	-5.5	-18.6
Measures related to the citizen involvement of young people							
Encourage the social involvement of vulnerable 16-29 year-olds	—	-0.9	-0.9	-0.9	-0.9	-0.9	-4.5
Forces AVENIR: Acknowledge and promote student engagement	-7.5	—	—	—	—	—	-7.5
Subtotal	-7.5	-0.9	-0.9	-0.9	-0.9	-0.9	-12.0
TOTAL	-7.5	-1.9	-2.7	-5.5	-6.6	-6.4	-30.6

❑ **Support an environment that promotes young people's health**

The Québec Economic Plan contains measures to promote young people's health. To this end, additional investments will be made in the realms of mental health and suicide prevention.

Furthermore, *The Québec Economic Plan* calls for additional investments for new educational and sports infrastructure to promote physical activity among young people.

■ **Quality educational and sports infrastructure**

Funding for the Sports and Physical Activity Development Fund is derived from revenue from the specific tax on tobacco products. The Fund's revenue is earmarked for the construction, renovation, outfitting and upgrading of sports and recreational facilities and the organization of international or Canada-wide sporting events.

The government is announcing an additional budget allowance of \$50 million to fund additional projects and sports and recreational facilities, especially in Québec municipalities.

The new facilities will satisfy the existing and future needs of Québec young people and thus contribute to creating an environment conducive to physical activity.

❑ **Measures related to the citizen involvement of young people**

■ **Encourage the social involvement of vulnerable 16-29 year-olds**

In 2015-2016, some 159 000 young people were neither employed nor attending school. They are more likely to experience poverty and social exclusion. They can nonetheless play a role in our society.

However, certain initiatives launched by the Secrétariat à la jeunesse have shown the benefits of the social involvement of young people on their motivation and persistence in school.

To this end, *The Québec Economic Plan* calls for the enhancement of the service offer under the Créneau carrefour jeunesse program to implement projects that promote the social involvement of vulnerable young people 16 to 29 years of age. Investments of \$4.5 million over five years will broaden the service offer.

The Carrefours jeunesse-emploi will implement this initiative.

■ **Acknowledge and promote student engagement**

Forces AVENIR is a non-profit organization dedicated to recognizing, honouring and promoting student engagement.

The government intends to support the organization in the fulfilment and implementation of its mission, especially for the benefit of secondary school and higher education students.

Accordingly, \$7.5 million has been allocated to the Fondation Forces AVENIR to ensure the long-term survival of the recognition and engagement of Québec young people through the awarding of grants.

— The government's financial assistance, in the form of matching funds, will be combined with the private sector's contributions until 2022.

2.4 Develop expertise concerning young people

❑ Establishment of the Québec research chair on youth

The 2030 Québec Youth Policy revealed several challenges related to young people from the standpoint of their health and well-being, perseverance and school success, social involvement, integration into the labour market and the development of an entrepreneurship culture among young people.

To more thoroughly examine such challenges in a multidisciplinary perspective, the government is confirming the establishment and funding of the Québec research chair on youth, with a mandate to:

- ensure the pooling and transfer of knowledge to bolster the initiatives for young people by the government's partners;
- promote the synergy and complementarity of scientific studies concerning young people targeted by the new policy;
- enhance the knowledge of problems and challenges affecting young people in general and certain sub-groups, such as young people in the Aboriginal communities, immigrants or vulnerable individuals.

The studies conducted by the research chair will focus on topics of interest linked to the strategic priorities in *The 2030 Québec Youth Policy*.

The research chair will receive \$600 000 in annual funding for the period 2016-2017 to 2021-2022 to fulfil its mandate.

3. THE STRATÉGIE D'ACTION JEUNESSE 2016-2021: AN ACTION PLAN FOR YOUNG PEOPLE

The 2030 Québec Youth Policy: Working Together for Present and Future Generations, unveiled on March 30, 2016, lays out the policy directions that will be emphasized over the next 15 years as regards government initiatives devoted to young people.

Last December, the government announced an initial action strategy that sets out the array of measures that will be implemented during the first five years of the youth policy and will give concrete expression to the government's intentions.

The *Stratégie d'action jeunesse 2016-2021* stipulates the measures that will be devoted to the development of young people. They are divided into five strategic priorities related to health, education, citizenship, employment and training, and entrepreneurship and the new generation of entrepreneurs.

More than \$200 million in funding will be earmarked for the strategy over five years, in addition to the existing contributions from government departments and bodies drawn from their budget allowances.

TABLE 8

The *Stratégie d'action jeunesse 2016-2021* – Forecast investments by the Secrétariat à la jeunesse, by strategic priority
(millions of dollars)

	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	Total
First strategic priority: Health						
Healthy lifestyles in a safe environment	3.2	6.4	6.1	6.2	6.2	28.1
Second strategic priority: Education						
A school environment that promotes perseverance and educational success	7.3	8.0	7.9	7.6	7.6	38.5
Third strategic priority: Citizenship						
Young people committed to culture, the community and society	9.9	10.4	10.4	10.2	10.2	51.1
Fourth strategic priority: Employment and training						
Young people prepared to work and an economy ready to welcome them	13.1	10.5	10.5	10.3	10.3	54.7
Fifth strategic priority: Entrepreneurship and the new generation of entrepreneurs						
Support for entrepreneurship and the new generation of entrepreneurs	6.6	7.0	6.8	6.5	6.5	33.4
TOTAL	40.1	42.3	41.7	40.8	40.8	205.8

Note: Since figures are rounded, they may not add up to the total shown.

Source: *Stratégie d'action jeunesse 2016-2021 : des projets pour la jeunesse*, page 57.

❑ Nearly \$1.9 billion in investments for Québec young people

The investments for young people in *The Québec Economic Plan* are in keeping with the *Stratégie d'action jeunesse 2016-2021* unveiled last December.

The combined investments of *The Québec Economic Plan* and those stipulated in the strategy total nearly \$1.9 billion from which Québec young people can benefit for the period 2016-2017 to 2021-2022.

TABLE 9

Financial impact of the entire array of measures for young people (millions of dollars)

	2016- 2017	2017- 2018	2018- 2019	2019- 2020	2020- 2021	2021- 2022	Total
<i>Stratégie d'action jeunesse 2016-2021</i>	-40.1	-42.3	-41.7	-40.8	-40.8	—	-205.8
<i>The Québec Economic Plan</i>	-19.5	-158.0	-279.7	-363.5	-429.6	-429.9	-1 680.2
TOTAL	-59.6	-200.3	-321.4	-404.3	-470.4	-429.9	-1 886.0

Note: Since figures are rounded, they may not add up to the total shown.

4. FOSTER INTERGENERATIONAL FAIRNESS

In 2006, the government established the Generations Fund to promote intergenerational fairness and Québec's prosperity. The Generations Fund is a powerful intergenerational fairness tool. The government makes each payment to the Fund first and foremost with the next generation of Quebecers in mind who constitute the next generation of workers.

❑ The maintenance of sound management of public finances

Québec was grappling with high debt in 2006, due in part to decades of budgetary deficits. This observation and the impending demographic challenge encouraged the government to act with the establishment and inclusion in legislation of debt-reduction targets and the establishment of the Generations Fund.

A return to a balanced budget and payments to the Generations Fund mean that the debt burden is starting to diminish.

The debt-reduction target as a proportion of GDP for the 2025-2026 fiscal cannot exceed:

- 45% for gross debt;
- 17% for debt representing accumulated deficits.

The recovery of control over public finances and further payments to the Generations Fund will enable the government to achieve by 2025-2026 its debt burden reduction objectives.

CHART 8

Gross debt at March 31

(per cent of GDP)

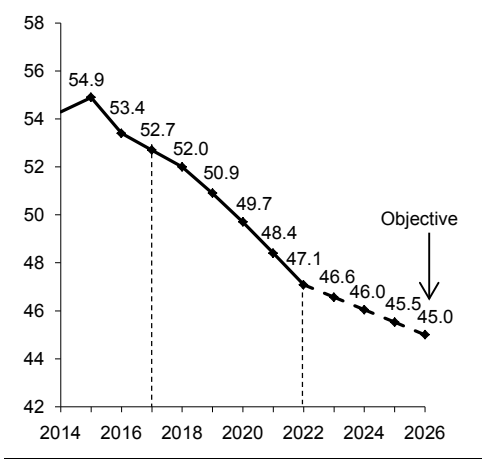
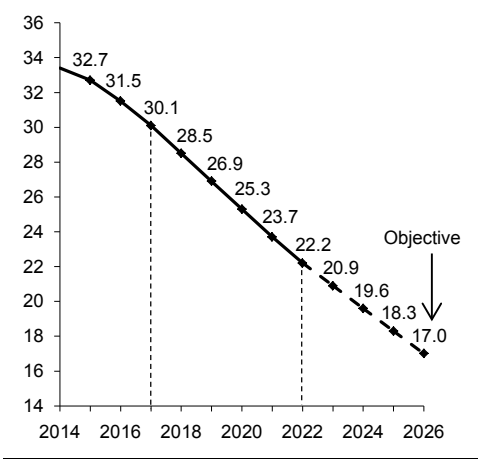


CHART 9

Debt representing accumulated deficits at March 31

(per cent of GDP)



❑ **The Generations Fund: a significant gesture for Québec young people**

High debt service is limiting Québec's ability to offer broader public services. In 2017-2018, \$9.9 billion, equivalent to 9.3% of Québec government revenues, will pay interest on the debt.

The government established the Generations Fund to promote intergenerational fairness and Québec's prosperity. The Caisse de dépôt et placement administers the funds paid into the Generations Fund. The yield on the funds deposited is accelerating the repayment of the debt.

— As the value of the Generations Fund increases, revenues from the amounts invested in the Fund increase, creating an additional lever for repayment of the debt.

Recent years have revealed the effectiveness of the Generations Fund. Payments to the Fund have curtailed increases in the debt burden. In 2015-2016, Québec recorded for the first time in nearly 60 years a reduction of its gross debt in absolute terms.

— Accordingly, the gross debt stood at \$203.3 billion at March 31, 2016, \$610 million less than at March 31, 2015.

This result was achieved through the combined effect of the return to fiscal balance and payments to the Generations Fund.

The reduction of the debt burden is curbing an increase in the debt, a burden that all Quebecers bear. The use of revenue dedicated to the Generations Fund for purposes other than debt reduction would jeopardize the attainment of this objective.

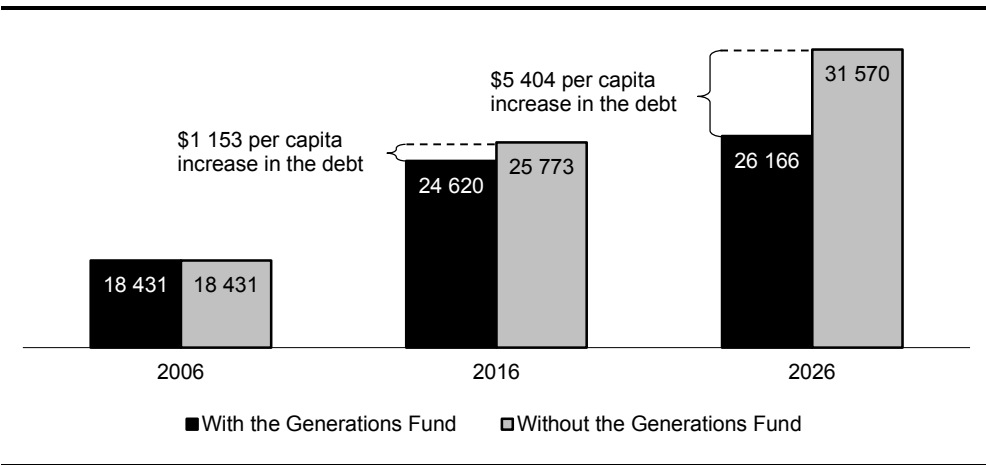
Since the establishment of the Generations Fund, Quebecers have avoided a \$1 153 per capita increase in the debt.

— By pursuing payments to the Generations Fund until 2025-2026, Quebecers will avoid a \$5 404 per capita increase in the debt.

For these reasons, the government is reiterating its commitment today to reduce the debt burden. The same goes for the capacity of future generations to make collective choices based on their cherished values.

CHART 10

Change in and forecast of the gross debt
(in dollars per capita)



CONCLUSION

The Québec Economic Plan affords the government an opportunity to reiterate the importance that it attaches to Québec young people and to express its confidence in young Quebecers' ability to build the Québec of tomorrow according to their priorities and values.

It contains several measures in addition to those stipulated in the *Stratégie d'action jeunesse 2016-2021* published last December. Their implementation represents an investment of nearly \$1.9 billion over six years for Québec young people.

The investments affect different facets of young people's lives such as health, education, training, employment, entrepreneurship and the new generation of entrepreneurs. They will contribute to supporting Québec young people on their path to success.

