March 2018

THE ECONOMIC PLAN
In Brief

Quality of Life and Mobility

TOGETHER
let's move Québec **forward**

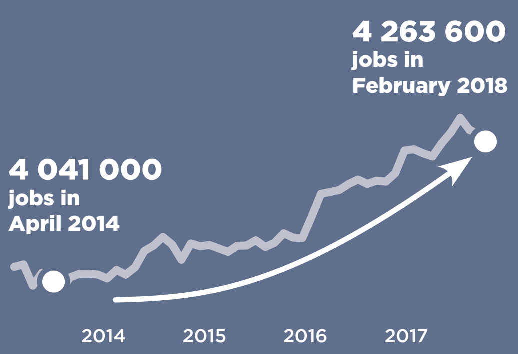
Québec

A STRONG ECONOMY

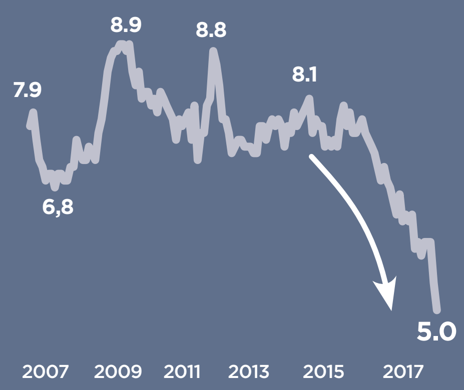
The strongest economic growth in nearly 20 years

222 600 jobs created since May 2014

On track to achieve the objective of creating 250 000 jobs in 5 years



A record-low unemployment rate

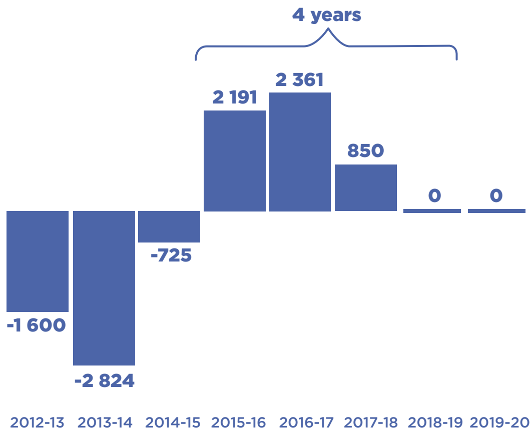


The good financial shape of families and business confidence will drive growth

SOUND PUBLIC FINANCES

The fourth balanced budget in a row

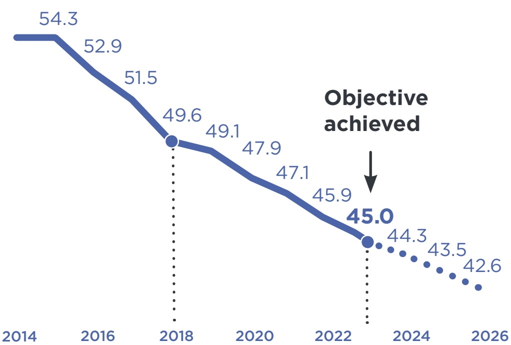
The Québec Economic Plan provides for continued fiscal balance in 2018-2019 and an $ 850-million surplus for 2017-2018.



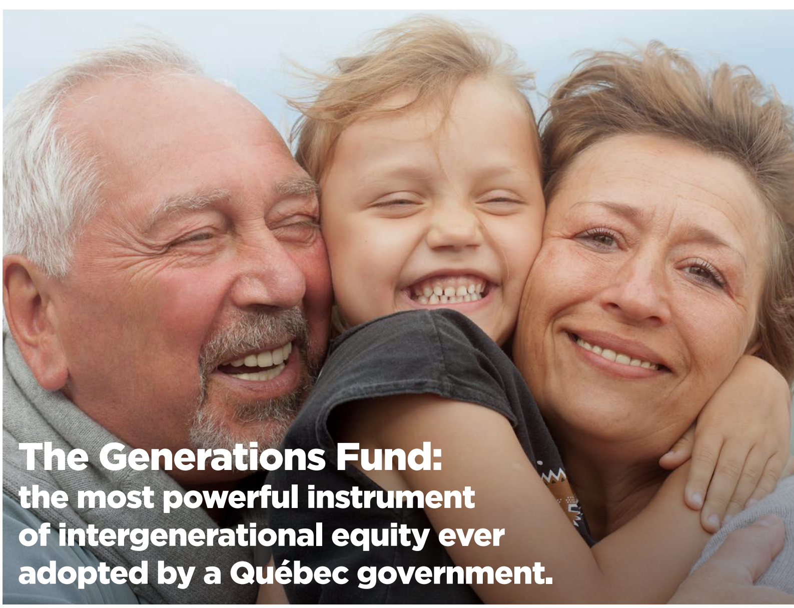
Note: Budgetary balance (millions of dollars).

Québec is reducing its debt through the Generations Fund

The Québec Economic Plan is providing $10 billion for debt repayment, that is, $2 billion a year for 5 years.



Note: Forecasts for the gross debt until 2023 and projections thereafter (% of GDP).



The Generations Fund: the most powerful instrument of intergenerational equity ever adopted by a Québec government.

Section 2:

"A Generations Fund is established at the Ministère des Finances. The Fund is dedicated exclusively to repaying the gross debt."

– Act to reduce the debt and establish the Generations Fund

IMPROVING QUALITY OF LIFE

Investing in educational success: $1.2 billion

More support to guide young people toward success

- An additional 10 200 professional staff in elementary, secondary and higher education
- Rollout of the digital action plan to make better technologies available to students
- Increased based funding for CEGEPs and universities
- Financial support for practicums for future teachers

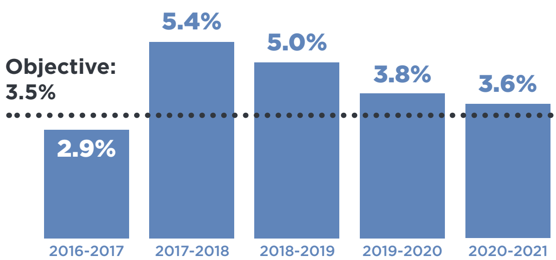
Investments of $16.2 billion to provide healthy, safe, accessible environments that are conducive to students' learning and success

- Modernization of infrastructure
- Addition of classrooms to meet existing needs
- Addition of gymnasiums and sports facilities

Program spending –
Education and higher education

Objective achieved:

- Growth of 5% in 2018-2019;
- Objective of 3.5% to be met in the coming years.



Acquisition and implementation of digital technology teaching tools in every school

THANKS TO BETTER SERVICES

Improving access to health care and services: $3.6 billion

The additional investments will make it possible to, among other things:

- improve access to home care and intermediate care;
- enhance assistance for seniors;
- add specialized nurse practitioners to, in particular, improve access to frontline health care;
- provide the population of each region with a comparable level of access to frontline and specialized services;
- improve health prevention.

The 2018-2028 Québec Infrastructure Plan: investments of $18.7 billion to modernize and develop the health and social services network

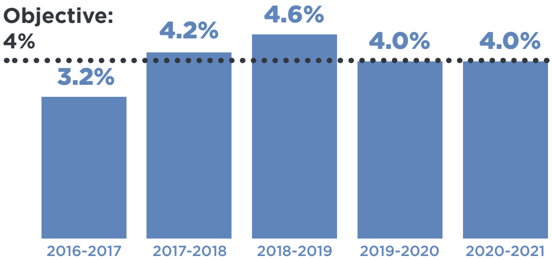
Since 2014, more services for patients

- Nearly 1.1 million more people now have access to a family physician
- To date, 325 family medicine groups (FMGs) have been set up
- A total of 1 300 nurses and patient-care attendants have been hired in residential and long-term care centres (CHLDs)
- A total of 31 super clinics open 7 days a week, 12 hours a day have been created to reduce emergency room overcrowding and simplify the lives of patients and families

Program spending – Health and social services

Objective achieved:

- **Growth of 4.6% in 2018-2019;**
- **Objective of 4% to be met in the coming years.**



Spending growth of 5.3% in hospitals for direct services in 2018-2019.

IMPROVING QUALITY OF LIFE

$800 million to support families and seniors

Nearly $300 million to support families

- Nearly $160 million to enhance the tax credit for childcare expenses
- $140 million to facilitate access to property and reduce the debt load for people buying their first home

Over $100 million for informal caregivers and seniors

- More than $50 million to provide greater support for informal caregivers and volunteer respite services
- Nearly $40 million to help seniors live independently longer and make it easier for them to stay in their home
- $10 million to encourage intergenerational cohabitation

The government is increasing assistance for work incentives by enhancing the increase in work income eligible for the tax shield from $3 000 to $4 000.

A better standard of living: reduction of $3 billion per year in the tax burden on individuals

- Elimination of the health contribution
- Tax cuts
- Supplement of $100 per child for the purchase of school supplies
- School tax reform

Nearly $1 000 per family and $500 for person living alone

Extension of RénoVert to March 31, 2019

THANKS TO BETTER SUPPORT FOR FAMILIES

Investments to improve the quality of life of individuals and communities

More than $80 million to support families with children

- Improving the offering of childcare services in order to foster family-work-study balance
- Providing the Fondation du Dr Julien with stronger support for social pediatrics
- Supporting regional and local mobilization for early childhood development

Close to $50 million granted to Aboriginal communities to ensure better living conditions

- Supporting Aboriginal participation and input in wildlife and forestry issues
- Reducing the cost of living in Nunavik
- Building a new regional rehabilitation centre in Nunavik

Over $50 million to improve seniors' quality of life

- Funding additional measures for active aging
- Increasing the number of workers for reaching out to socially isolated seniors
- Improving support for the Aide Abus Aînés helpline

$500 million to make the justice system more accessible and more efficient

- Introducing innovative practices
- Bringing the justice system in line with the latest technology
- Enabling the justice system's principal stakeholders to communicate effectively and efficiently

$500 million to further promote Québec's cultural sector by, among other things, bringing culture closer to young people and to the community

$431 million to build 3 000 social housing units and facilitate access to affordable, quality housing

IMPROVING QUALITY OF LIFE
BY MAKING TRAVEL EASIER

An additional $1.8 billion for the sustainable mobility policy, bringing investments to $3.5 billion for the next five years

Nearly $850 million in additional funding for public transit throughout Québec

- Close to $200 million for modern and efficient public transit
- Close to $40 million for improving regional public transit
- Over $100 million for supporting the transportation of persons with a disability or reduced mobility

Nearly $175 million in support for regional air transportation to help citizens who live in outlying regions to travel at affordable prices

- Investing in regional airport infrastructure
- Implementing an assistance program for regional air services
- Increasing air travel in Québec and reducing airfares

Nearly $430 million for cleaner and higher-performance land transportation

- $92 million to promote the acquisition of electric vehicles
- $250 million to support municipalities in maintaining and rehabilitating their local road networks
- Over $30 million for strengthening the railway sectors' contribution to the transportation of goods
- Over $50 million to support the land transportation and sustainable mobility industry

A new era of major sustainable mobility projects

Photo: Ville de Québec

Three strategic public electric transit projects totalling $13.5 billion

- **The Réseau express métropolitain**
- **The extension of the Montréal metro blue line**
- **The city of Québec's strategic transportation network**

A STRONG ECONOMY
FOR INCREASING QUEBECERS' STANDARD OF LIVING

WORKFORCE STRATEGY

$810 million to ensure a sufficient and qualified labour force to meet the needs of the labour market

- Acquiring a better understanding of current and future labour needs, particularly in the regions
- Having access to a sufficient workforce by, among other things, improving the integration of immigrants into the labour market and retaining experienced workers
- Ensuring a skilled workforce with flexible training adapted to the needs of the labour market

More than $2 billion to ease the tax burden on SMBs

- Reduction of payroll taxes
- Gradual reduction from 8% to 4%, by 2022-2023, in the tax rate of SMBs in the service and construction sectors, as in other sectors

Over $270 million to accelerate business investment

- Increase in and extension of the additional capital cost allowance to support the acquisition of cutting-edge technologies
- Broadening of the tax holiday for large investment projects to include development of digital platforms
- Better electricity discounts for major projects
- Additional investments for the implementation of major tourism projects

$63 million for adapting the workplace to promote physical activity

SUPPORTING INNOVATION AND THE CHANGING ECONOMY

$1 billion more to accelerate the digital transition in our economy

- Tax credit to support digital transformation in print media companies
- Broadening of the tax credit for film production to numerical platforms
- Support for the digital transition in the tourism industry and the construction sector

$120 million for the implementation of mobilizing projects that are strategic for Québec's economy

- Development of projects for supply chains optimized by artificial intelligence in Québec piloted by the SCALE.AI supercluster

Nearly $380 million to promote the energy transition and to protect the environment

- Supporting innovation in the energy sector
- Deriving value from residual forest biomass
- Promoting the development of biofuels in Québec
- Developing the clean technologies sector

An additional $36.5 million to encourage access to natural gas for the greatest possible number of regions within Québec

$226 million to improve water management and mitigate risks related to flooding

- Implementation of the next Québec Water Strategy
- Support for local partners in the protection and sustainable use of resources
- Strengthening of the safety of public and municipal dams
- Implementation of tools to support decision making during disasters
- Improvement of Québec's flood preparedness

Promoting the creation in Montréal of the World Artificial Intelligence Organization.

IN ALL REGIONS OF QUÉBEC

Nearly $350 million for a new biofood policy, including:

- $180 million to spur investment in biofood production and processing;
- Nearly $65 million to stimulate the development of biofood in Québec;
- Close to $30 million to step up efforts in innovation and training.

Nearly $55 million to promote healthier, local food in Québec

Over $80 million to promote economic diversification in the regions

- Renewal of the Fonds d'aide aux initiatives régionales for the Gaspésie–Îles-de-la-Madeleine region
- Establishment of the Fonds de diversification économique pour le territoire de la MRC des Appalaches
- Support for territories facing economic difficulties

Over $300 million in initiatives for continuing the Québec Maritime Strategy

- Creating the Fonds Bleu to improve water management
- Supporting Québec's shipyards
- Funding the Réseau Québec maritime
- Funding studies aimed at developing industrial port zones and logistics hubs

Developing Northern Québec

- Construction of two new sections of Route 138
- Development of the Société ferroviaire et portuaire de Pointe-Noire, in Sept-Îles
- Repair of multi-resource access roads
- Clean-up of hazardous waste storage sites in the 14 northern villages of Nunavik

Nearly $475 million for projects generating jobs and prosperity in the Plan Nord territory

Quality of Life and Mobility

www.budget.finances.gouv.qc.ca/2018-2019

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