

BUDGET 2012-2013
PRESS RELEASE No. 6

BUDGET 2012-2013

A \$2.7-Billion, Self-Financing Action Plan to Continue Fighting Climate Change

Québec, March 20, 2012 – “We want a greener Québec. Government efforts have enabled Québec to become a true leader in the fight against climate change. Once again, we are demonstrating our long-term commitment to this cause through the soon-to-be tabled 2013-2020 Climate Change Action Plan, which calls for investments of \$2.7 billion,” the Minister of Finance, Raymond Bachand, said today in tabling the Québec government’s Budget 2012-2013.

A carbon market to reduce greenhouse gases (GHG)

The Minister said that the action plan will be financed by a GHG emissions cap-and-trade system.

“With the establishment of this system, businesses will have to possess GHG emission allowances that will be distributed in the form of free allotments, through auctions, or a combination of both. The most efficient businesses that reduce their emissions below their allowances may sell the surplus on the carbon market. Conversely, businesses whose GHG emissions exceed the allowances allocated to them must invest to reduce their emissions. Otherwise, they will have to purchase rights at government auctions or on the carbon market. Revenue from this market will finance various initiatives aimed at developing public transit and encouraging industry and Quebecers to adopt greener behaviour,” the Minister explained.

In addition, he specified that the duty on fuel and fossil fuels will be extended until December 31, 2014. The \$220 million in revenue generated by the duty which will be allocated to the action plan.

“Two-thirds of the \$2.7 billion in planned investments will go to funding measures that reduce GHG emissions in the transportation sector, including \$1.5 billion for mass transit and alternative transportation. The remaining one-third will be used to fund other projects, in particular for the emergence of green buildings and the development of bioenergy,” he said.

Enhancement of the Rénoclimat program

In addition, the Minister announced that the Rénoclimat program, which provides financial assistance to homeowners who want to renovate their homes to make them more energy-efficient, is being enhanced. “Energy-efficient renovations are an effective way to boost economic growth and job creation while achieving the government’s environmental protection objectives. Through this measure, we are supporting people who want to reduce their energy consumption as well as the residential construction sector,” he stressed.

The best results among the Canadian provinces

Minister Bachand pointed out that Québec displays the best results among the Canadian provinces and is a North America leader in the area of greenhouse gas emissions. “This excellent outcome, due by and large to substantial investments in renewable energy sources such as hydroelectricity and wind energy, is also attributable to the implementation of concrete initiatives such as the 2006-2012 Climate Change Action Plan.”

He reaffirmed that the GHG emissions reduction target of 20% below 1990 levels that Québec adopted in November 2009 is one of the most ambitious targets in North America. “Attaining it will depend on the mobilization of all Quebecers. Our new action plan will help us attain our target,” the Minister concluded.

- 30 -

Source: Office of the Minister of Finance, Minister of Revenue
and Minister responsible for the Montréal region
Catherine Poulin
Communications Director
418 643-5270
514 873-5363