

FOR IMMEDIATE RELEASE
CNW CODE 01

2006-2007 Budget

The Minister of Finance Puts the Debt at the Centre of the Pre-budget Consultations

Québec, January 27, 2006 – The Minister of Finance, Mr. Michel Audet, is undertaking a series of pre-budget consultations during which he will discuss the outlook for Québec's economy and public finances. As Minister Audet had previously announced, the issue of the debt and its impact on future generations will be at the centre of the discussions.

A first for citizens

Since this is an issue that concerns all Quebecers, it will be possible for all citizens, for the first time, to participate directly in the pre-budget consultations, until February 25, by responding to a short questionnaire on the ministère des Finances website. To help people to think about the issue, a discussion paper and a summary of the latest fiscal and budgetary measures will also be available on the site, at: www.finances.gouv.qc.ca.

“With online government, it is now possible to enhance our reflection on such crucial issues as the debt, thanks to the suggestions and recommendations that people can now provide from their home. That is a remarkable innovation that makes us very happy,” Minister Audet pointed out.

Public meetings

In addition to the traditional private consultations, the Minister of Finance plans to hold public meetings next February 2 and 3 at the Parliament Building. Participants at the consultations will be representatives from economic, cultural, labour, student and youth circles as well as socio-community and social economic groups.

Because the consultations will bear mainly on the debt, the first group to take part in the consultations will be the coalition consisting of many youth organizations that, last November, had openly requested the Québec government to hold public hearings on debt repayment.

These discussions will add to the reflection of the Minister of Finance in preparing the next budget and help in considering possible solutions regarding the debt.

The debt situation

In the fall of 2004, the Forum des générations underscored Québec's demographic decline and highlighted Québec's debt problem. Québec's debt is the largest in the country. It stands at \$116.6 billion and, as a proportion of GDP, is almost double the Canadian average. Its financing costs total \$7.5 billion for this year, i.e. the third largest spending item after health and education.

"These consultations will be held keeping in mind the societal issues we must face. Together we must find a balance between our financial means and the public services that the government must deliver. That will be a demanding but very stimulating exercise," the Minister of Finance explained.

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