

BUDGET 2014-2015

Maintaining Support for the Municipalities and the Regions

Québec, June 4, 2014 – In tabling Budget 2014-2015, the Minister of Finance, Carlos Leitão, announced measures concerning the municipalities and the regions of Québec.

Toward a new Québec-municipalities agreement

The Minister indicated that the government and its municipal partners will undertake talks aimed at reaching a new Québec-municipalities agreement.

“The government’s objective is to provide municipalities with predictable financial levers that complement their own-source revenue, giving them the financial means to provide quality services to their citizens. With this new agreement, the government intends to pave the way for sharing mining, oil and gas royalties with municipalities and local communities. However, this new agreement must be reached in keeping with the government’s financial framework and its objectives for returning to a balanced budget,” the Minister of Finance explained.

Sustainability of municipal sector retirement plans

The Minister noted that the government is concerned about the situation of municipal retirement plans. “Adjustments must be made to meet the challenges the retirement plans must meet. It has become necessary to put the financial situation of these retirement plans back on track in order to bolster their long-term stability as soon as possible. The government is thus committed to intervening with regard to the municipal sector retirement plans to improve their financial situation, in particular through deficit sharing, while taking into account taxpayers’ ability to pay,” he said.

Infrastructure investment

The Minister indicated that all regions will benefit from the \$11.5 billion in infrastructure investment. He emphasized that the government has made special efforts in the area of culture, health, road infrastructure, public transit and the development of sports and physical activity.

Initiatives for culture

The Minister announced an investment of \$110 million for Québec’s digital cultural strategy. “The aim of this strategy is to help the artistic and cultural communities to take advantage of the possibilities offered by digital technologies. These technologies can improve the position of cultural works and products in all regions of Québec and internationally,” he declared.

Budget 2014-2015 also confirms the creation of the Fonds Avenir Mécénat Culture to provide sustainable funding for the Mécénat Placements Culture program. The fund

will receive, beginning in 2014-2015, \$5 million annually from the revenues from the specific tax on tobacco products. In addition, the budgetary appropriations allocated to the Ministère de la Culture et des Communications to fund the Mécénat Placements Culture program will be dedicated to the Fonds Avenir Mécénat Culture

Montréal, the national metropolis

The Minister pointed out that since Montréal plays an essential role in Québec's development, the government wants to acknowledge the special role it plays as the national metropolis. An envelope of \$25 million has been confirmed to assist it in delivering the specific services commensurate with this role.

In addition, studies will be undertaken as of this year on the projects of Hôpital de Verdun, Hôpital du Sacré-Cœur; the Quartier de la santé and the cover on Autoroute Ville-Marie, as well as public transit between the West Island and downtown Montréal," the Minister noted. Lastly he announced that the government will contribute up to \$60 million over the next four years to funding the celebrations marking the 375th anniversary of the founding of Montréal. It will also invest \$26.4 million in the tourism development project at Saint Joseph's Oratory.

Québec, the national capital

The Minister announced that the government will recognize the special status of the Ville de Québec as the national capital of Québec. A bill will be tabled to that effect. The government is also committing itself to reviewing the role of Québec's municipal administration for a more effective sharing of the responsibilities assumed by the Ville de Québec and the government.

"A study will be conducted on the project to widen Autoroute Henri-IV, in order to adapt one of the region's main road infrastructures to population growth and travel. We will also contribute to the construction of an indoor ice skating oval in the city of Québec. The government will invest in this infrastructure, funding one third of the total cost. The remaining two thirds will come from the federal government and the Ville de Québec. Lastly, the Dalhousie site will be redeveloped as part of the maritime strategy. This project will enable the Ville de Québec to offer a distinctive image to tourists who put in at Québec City and to provide residents with renewed access to the river," the Minister explained.

Support for Lac-Mégantic

The Minister stressed that the government will continue to support the community of Lac-Mégantic, as the first anniversary of the tragic events of 2013 approaches. He announced that the government will invest \$2.5 million in a feasibility study on the construction of a railway track bypassing downtown Lac-Mégantic. The government expects a financial contribution from the federal government and the companies concerned.

Funding for the training of volunteer firefighters

The disasters of Lac-Mégantic and L'Isle-Verte shone the spotlight on the responsibilities and role of volunteer and part-time firefighters in small municipalities. To support their training, the minister announced the introduction of a program with an envelope of \$3.5 million in 2014-2015 and \$4 million for each of the subsequent four years.

“Through these measures, the government acknowledges the important contribution of municipalities and local communities in the economic, social and cultural development of every region of Québec,” the Minister concluded.

- 30 -

Source: Andrée-Lyne Hallé
Press Relations Officer
Office of the Minister of Finance
418 643-5270
514 873-5363