

## ❑ Surpluses and net financial requirements

Net financial surpluses or requirements represent the difference between the government's cash inflow and disbursements. These net financial surpluses or requirements take into account:

- changes in the budgetary balance on an accrual basis;
- resources or requirements arising from the acquisition or disposal of fixed assets, investments, loans and advances and from other activities such as paying accounts payable and collecting accounts receivable.

TABLE 1

### Net financial requirements (millions of dollars)

	2018-2019	2019-2020	2020-2021
<b>SURPLUS</b>	<b>5 606</b>	<b>2 504</b>	<b>2 684</b>
<b>Non-budgetary transactions</b>			
Investments, loans and advances <sup>(1)</sup>	-2 538	-3 212	-2 368
Capital investments <sup>(2)</sup>	-3 013	-2 997	-3 150
Retirement plans and other employee future benefits <sup>(3)</sup>	2 767	3 227	3 289
Other accounts <sup>(4)</sup>	1 069	410	-293
<b>Total non-budgetary transactions</b>	<b>-1 715</b>	<b>-2 572</b>	<b>-2 522</b>
<b>NET FINANCIAL SURPLUSES (REQUIREMENTS)</b>	<b>3 891</b>	<b>-68</b>	<b>162</b>

Note: A negative entry indicates a financial requirement and a positive entry, a source of financing.

(1) Investments, loans and advances include mainly investments made by the government in its enterprises and loans and advances granted to entities not included in the government reporting entity.

(2) Forecast net financial requirements associated with net capital investments stem mainly from requirements arising from the Québec Infrastructure Plan.

(3) The net financial surpluses associated with the retirement plans and other employee future benefits stem from gross employer contributions, employee contributions, benefits and administration costs, as well as employee future benefits.

(4) Net financial surpluses or requirements for other accounts consist of a series of changes in assets and liabilities such as accounts receivable and accounts payable.

TABLE 2

**Net capital investments**

(millions of dollars)

	2018-2019	2019-2020	2020-2021
Investments	-7 295	-7 411	-7 691
Depreciation	4 137	4 303	4 430
<b>Net investments</b>	<b>-3 158</b>	<b>-3 108</b>	<b>-3 261</b>
Less: PPP investments <sup>(1)</sup>	145	111	111
<b>NET CAPITAL INVESTMENTS</b>	<b>-3 013</b>	<b>-2 997</b>	<b>-3 150</b>

Note: A negative entry indicates a financial requirement and a positive entry, a source of financing.

(1) Investments made under public-private partnership (PPP) agreements correspond to new commitments that are taken into account in the government's gross debt. In accordance with the government's accounting policies, PPP investments are recognized in the government's assets as well as in its debt.

TABLE 3

**Net financial surpluses or requirements by sector**

(millions of dollars)

	2018-2019	2019-2020	2020-2021
General Fund	3 795	3 720	3 104
Consolidated entities <sup>(1)</sup>	-3 010	-6 292	-5 626
Generations Fund	3 106	2 504	2 684
<b>NET FINANCIAL SURPLUSES (REQUIREMENTS)</b>	<b>3 891</b>	<b>-68</b>	<b>162</b>

Note: A negative entry indicates a financial requirement and a positive entry, a source of financing.

(1) Consolidated entities exclude the Generations Fund.