

BUDGET 2022-2023

YOUR GOVERNMENT

BUDGET IN BRIEF

March 2022

Quebec

Your government

Over the past two years, Quebecers have shown remarkable perseverance and adaptability that have helped our economy to return to its pre-pandemic level more quickly than elsewhere in Canada.

The strong global economic recovery and the invasion of Ukraine by Russia have sparked a substantial increase in the cost of living. This is why your government is acting now by providing direct assistance to more than 6.4 million Quebecers.

In addition, thanks to the sound management of public finances, which it has made a priority, the government can now invest in restoring the health care system and adapting it to the new post-pandemic reality.

Budget 2022-2023 also meets the challenges awaiting Québec over the next few years by investing in the government's other missions such as education, the economy, the environment, culture and support for communities.

Budget 2022-2023 provides additional investments totalling more than \$22B over the next five years for:



Coping with the rising cost of living

\$3.8B



Restoring the health care system

\$8.9B



Stimulating economic growth

\$4.2B



Investing in education and higher education

\$2.8B



Continuing efforts relating to the environment

\$357M

+

\$1B more for the implementation plan for the 2030 Plan for a Green Economy



Strengthening community action and supporting communities

\$2.2B

COPING WITH THE RISING COST OF LIVING (\$3.8B)

\$3.2B

to grant a one-time cost of
living support payment



500\$ per adult with
an income of \$100K
or less

Paid automatically to
6.4 million Quebecers

- Comes on top of the extraordinary allowance paid at the start of the year

Thanks to the many actions
taken by the government
since 2018, close to \$3B per
year is now being returned
to Quebecers



\$634M to facilitate access to affordable, quality housing

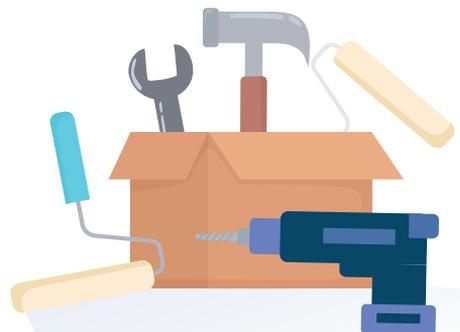
Increasing the supply of social and affordable housing (\$416M)

- Accelerating the delivery of 3 500 AccèsLogis units
- Building 1 000 additional units under the Québec affordable housing program
- Granting rent supplements and helping municipalities



Improving the quality of housing in Québec (\$218M)

- **Renovating the low-rental housing stock**
- **\$165M to improve housing for Quebecers**
 - Rénovation Québec program (\$33M)
 - RénoRégion Program (\$62M)
 - Residential Adaptation Assistance Program (\$64M)



RESTORING THE HEALTH CARE SYSTEM (\$8.9B)

\$5.2B

to restore the health and social services system

- Making substantial changes within health care facilities (\$1B)
- Improving work management and delivery (\$3.4B)
- Modernizing the health care system (\$789M)



\$3.7B

for enhancing health care and services for the public

Continuing to strengthen care and services for seniors and informal and family caregivers (\$2.6B)

- Reinforcing home-support services
- Opening the first seniors' homes and alternative homes



Improving the accessibility and quality of health and social services (\$546M)

- Facilitating access to frontline medical services
- Increasing fluidity in emergency departments and hospitals
- Enhancing preventive health interventions and health promotion
- Deploying clinics for complex diseases, including long COVID-19



Improving services for vulnerable persons (\$508M)

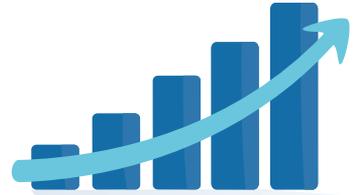
- Enhancing local services for youth in difficulty
- Strengthening mental health initiatives



STIMULATING ECONOMIC GROWTH (\$4.2B)

\$2.2B

to increase the Québec economy's productivity



- **Supporting innovation and research (\$1.5B)**
 - Deploying the Québec Research and Innovation Strategy 2022-2027
- **Continuing the digital shift (\$451M)**
- **Stimulating investment in new technologies, entrepreneurship and exports (\$224M)**

\$290M

to strengthen job integration for immigrants



- **Increasing support for immigrants to learn French (\$198M)**
- **Fostering the attraction of immigrants to the regions (\$80M)**
- **Expediting the processing of immigration applications (\$12M)**

\$1.5B

to support regional economic development



- Contributing to prosperity in the regions (\$435M)
 - Promoting economic vitality in the regions
- Continuing to grow the bio-food sector (\$627M)
- Fostering the development of forestry and the protection of wildlife capital (\$163M)
- Preparing the tourism sector for recovery (\$250M)

Supporting regional air transportation (\$255M)

\$258M

to support the recovery and promote Québec's culture and the cultural sector

- Supporting the cultural sector to offset the effects of COVID-19 (\$72M)
- Preserving and promoting our cultural heritage (\$28M)



Making the cultural sector shine (\$157M)

INVESTING IN EDUCATION AND HIGHER EDUCATION (\$2.8B)

\$1.6B to support educational success and school perseverance

- Giving every student the means to reach their potential (\$829M)
- Ensuring the attraction and retention of school staff (\$204M)
- Improving the school building inventory (\$267M)
- Getting Quebecers moving (\$250M)



\$1.2B to improve access to and graduation from higher education

- Making higher education more accessible (\$342M)
- Supporting students throughout their school path (\$278M)
- Increasing the number of higher education graduates (\$634M)

CONTINUING EFFORTS RELATING TO THE ENVIRONMENT (\$1.3B¹)

Updating the 2030 Plan for a Green Economy

**\$1B more for the
2022-2027
implementation plan**

**\$7.6 billion
over the next
five years to
fight climate
change**

**Supporting reclamation of
contaminated areas and land
rehabilitation (\$61M)**

**Stimulating the energy
transition (\$152M)**

- Deploying the first green hydrogen and bioenergy strategy

**Supporting sustainable
practices (\$143M)**



1 This amount includes the \$1B enhancement for the implementation plan for the 2030 Plan for a Green Economy

STRENGTHENING COMMUNITY ACTION AND SUPPORTING COMMUNITIES (\$2.2B)

\$1.1B

to strengthen community action

- Enhancing and expanding support for the overall mission of community organizations (\$888M)
 - A new government action plan in the community action field
- Strengthening community assistance through specific measures (\$187M)

The community sector will benefit from government funding of close to \$1.8B in 2022-2023



\$1.1B

to support communities

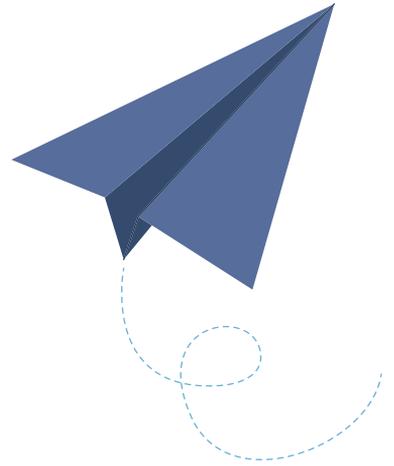
- **Promoting gender equality and countering sexual and domestic violence (\$170M)**
 - Integrated government strategy to prevent and counter sexual and domestic violence and rebuild trust
 - Since 2019, the government has invested \$951M to counter sexual and domestic violence
- **Continuing to support Indigenous communities (\$285M)**
- **Enhancing support for various communities (\$561M)**

Improving assistance and services for families and youth (\$109M)

- **Improving the quality of the educational childcare services network**
- **Helping families with special needs**



THE QUÉBEC ECONOMY IS SHOWING EXTRAORDINARY PERFORMANCE



Real GDP grew by 6.3% in 2021

- Return to a pre-pandemic level quicker than in Ontario and Canada
- The recovery is more robust than elsewhere in Canada

Québec is back to full employment with an unemployment rate of 4.5% in February 2022

ECONOMIC GROWTH IN QUÉBEC (real GDP, percentage change)



Growth will continue over the coming years

Sources: Institut de la statistique du Québec, Statistics Canada and Ministère des Finances du Québec.

Inflation will remain high in 2022 before moderating

The evolution of the pandemic and the effects of the Russian invasion of Ukraine are sources of uncertainty for economic and financial forecasts

QUÉBEC'S FINANCIAL SITUATION HAS GREATLY IMPROVED

Sound management of public finances is a priority for the government

The structural deficit forecast for 2026-2027 has fallen by more than \$3B in a year and now stands at \$2.8B

The return to a balanced budget is still forecast for 2027-2028, and will continue to be based on:

- the government's commitment not to increase the tax burden
- the acceleration of economic growth
- adequate funding of the government's chief missions
- growth in expenditure linked to growth in revenue
- an increase in federal contributions for health care spending

There are significant benefits to reducing the debt burden and the government intends to set new reduction targets in the 2023-2024 budget

www.budget.finances.gouv.qc.ca/2022-2023