

BUDGET 2014-2015
PRESS RELEASE No. 1
#budgetQc

BUDGET 2014-2015

Successful Control of Spending and Sound Management of Public Finances

Québec, February 20, 2014 – The Minister of Finance and the Economy, Nicolas Marceau, tabled the government's 2014-2015 budget today. "The spending objective we have set for ourselves is a demanding one. It reflects a conviction. We are convinced that job creation and the prosperity it enables are sustainable only if underpinned by a sound financial situation. The challenge is to close the gap that emerged between expenditure and revenue during the 2008-2009 recession. Contrary to the former Liberal government, we have made the choice not to further increase Quebecers' taxes," the Minister declared.

The Minister confirmed the government's responsible approach to balancing the books in 2015-2016. Budget 2014-2015 maintains the anticipated deficits of \$2.5 billion in 2013-2014 and \$1.75 billion in 2014-2015. "The impact of these deficits on the debt will be fully offset by supplementary deposits in the Generations Fund as of 2016-2017," the Minister noted.

Successful control of spending

"Thanks to the effort shared by all my colleagues, I am proud to say today that, for the first time in ten years, the government has attained its spending targets," the Minister said.

Our efforts have been rewarded. The Public Accounts 2012-2013 show that the government stayed within its spending targets, by introducing rigorous control while protecting public services. "In 2012-2013, program spending growth was held to 1.2%, the best performance in the last 10 years," the Minister noted.

Furthermore, for 2014-2015 and the following two years, program spending growth is set at 2.0% a year, whereas the increase in program spending under the former government was more than twice as high, at an average of 4.4% a year," the Minister added.

Responsible remuneration

To achieve these spending objectives, the Minister announced that the government intends to enter into an agreement with its employees, taking into account taxpayers'

ability to pay. "The government wants a negotiated agreement that is just and fair for all parties," the Minister added. The government also wants to reach a new agreement with physicians that takes into account, in particular, maintenance of the significant remuneration gains and changes in remuneration compared with the rest of Canada.

Quality and efficiency of public services

The government wants to improve the quality and efficiency of public services by implementing patient-based funding in Québec's health network. In addition, efforts are being requested of public bodies in regard to spending management. The Minister also said that the government wants to assess the efficiency of the organization and delivery of public services.

Ensuring funding for public services

To ensure the quality and continuity of childcare services and to continue developing the network, the Minister announced that, as of September 1, 2014, the rate for childcare services will be raised to \$8 a day, then to \$9 the following year, and will be indexed in subsequent years.

In addition, while recognizing the undeniable contribution by foreign students to Québec society, the government plans to review all of the exemptions and tuition fees that apply to them. The amounts freed up will go toward university funding.

Fighting tax evasion

The fight against tax evasion, unreported work and crime is a priority for the government. The Minister announced that sales recording modules will be installed in bars and resto-bars, starting in fall 2014. Additional measures will also be implemented in the construction industry.

Responsible management of public finances

The government is determined to improve the efficiency of public services, optimize the services provided per dollar spent by the government and take into account the population's ability to pay. The government has made the choice not to further increase Quebecers' taxes. "By managing public finances in an efficient and responsible manner, we will ensure that every taxpayer gets value for his or her money and that we will be masters and prosperous in our own house," the Minister concluded.

- 30 -

Source: Mélanie Malenfant
Assistant Chief of Staff and Press Relations Officer
Office of the Minister of Finance and the Economy
418 643-5270 or 514 873-5363