

\$1.5 BILLION FOR THE MARITIME STRATEGY



\$200 MILLION TO ACCELERATE INVESTMENT IN QUÉBEC'S COMMERCIAL PORT INFRASTRUCTURE

\$400 MILLION TO FOSTER THE ESTABLISHMENT OF LOGISTICS HUBS

\$450 MILLION TO SUPPORT PRIVATE MANUFACTURING INVESTMENT IN INDUSTRIAL PORT AREAS

\$77 MILLION TO EXPAND MARINE TOURISM, IN PARTICULAR BY DEVELOPING CRUISE SHIP INFRASTRUCTURE IN MONTRÉAL AND THE CITY OF QUÉBEC

TAX CREDIT FOR THE GASPÉSIE, ÎLES-DE-LA-MADELEINE AND CERTAIN MARITIME REGIONS UNTIL 2020

- TOURISM SECTOR OF ÎLES-DE-LA-MADELEINE NOW ELIGIBLE

INVESTMENT TAX CREDIT FOR THE REGIONS UNTIL 2022

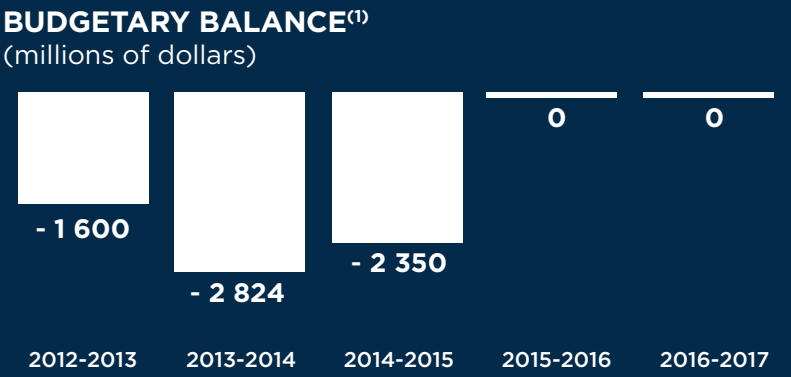
NATURAL GAS DISTRIBUTION IN THE REGIONS



DEVELOPMENT OF OUR NATURAL RESOURCES

- RELAUNCHING OF THE PLAN NORD
- ENHANCEMENT OF SUPPORT FOR MINING ACTIVITY
- PROMOTING THE FOREST AND WILDLIFE SECTOR

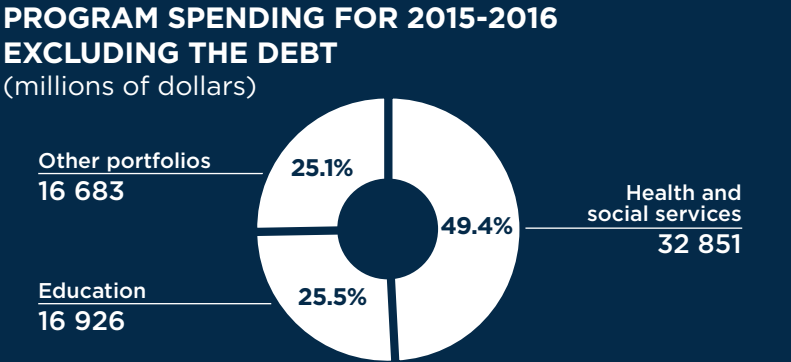
THE RETURN TO A BALANCED BUDGET:  
AN ESSENTIAL CONDITION FOR  
BUILDING A STRONG ECONOMY



(1) Budgetary balance within the meaning of the *Balanced Budget Act*.

- ENSURING DISCIPLINED MANAGEMENT OF PUBLIC FINANCES**
- Program review
  - Introduction of an offsetting mechanism on public spending
  - Controlling the size of government
  - Three-year spending plan
  - Simplification of administrative structures

GIVING PRIORITY TO HEALTH AND EDUCATION



www.budget.finances.gouv.qc.ca/2015-2016

March 2015

**ECONOMIC PLAN IN BRIEF**



Legal deposit – Bibliothèque et Archives nationales du Québec March 2015

# A BALANCED BUDGET IN 2015-2016 FOR BUILDING OUR ECONOMY

## ACHIEVEMENT OF BUDGETARY TARGETS

- For 2014-2015, the deficit will stand at \$2.35 billion, the target set in the June 2014 budget
- In 2015-2016, Québec is returning to a balanced budget, after six years of running deficits

FOR THE FIRST TIME SINCE 2009, THE DEBT BURDEN WILL DECREASE

## AN ECONOMIC PLAN BASED ON TWO OBJECTIVES

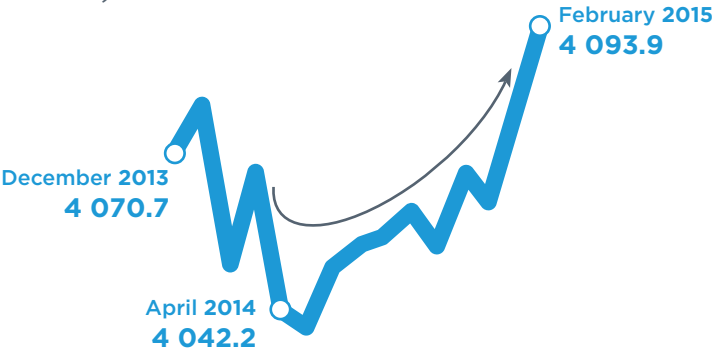
- Strengthening the conditions for economic growth by easing the tax load and stimulating investment and employment
- Taking the measures necessary to ensure that public finances remain sound

## ECONOMIC GROWTH IS GAINING MOMENTUM

- The economic growth rate reached 1.5% in 2014, compared to 1.0% in 2013
- It should accelerate to 2.0% in 2015 and 2016

THE ECONOMY WILL BE SUPPORTED BY EXPORTS AND HOUSEHOLD CONSUMPTION, THE PRIMARY DRIVERS OF GROWTH

## NEARLY 52 000 JOBS CREATED SINCE MAY 2014 (thousands)



Source: Statistics Canada.

# THE QUÉBEC ECONOMIC PLAN

## THE LEVERS OF GROWTH

- » EASING THE TAX BURDEN
- » FOSTERING INVESTMENT
- » SUPPORTING EMPLOYMENT

### SUPPORTING INDIVIDUALS

GRADUAL ELIMINATION OF THE HEALTH CONTRIBUTION AS OF JANUARY 2017: A \$744-MILLION REDUCTION IN THE TAX BURDEN FOR 4.5 MILLION TAXPAYERS

#### FOSTERING LABOUR MARKET PARTICIPATION

- Introduction of a tax shield starting on January 1, 2016 to encourage additional effort at work
- Enhancement of the tax credit for experienced workers as of 2016
- A better match between training and jobs
  - Reduction in the administrative burden of businesses
  - Implementation of the Objectif emploi program
  - Enhancement of the workplace apprenticeship program

#### NEW INITIATIVES FOR COMMUNITIES

- \$3 million for a program to assist seniors in paying municipal taxes
- \$4.4 million over three years for the action plan to fight bullying
- \$284 million to improve the housing conditions of the disadvantaged
- Strengthening the contribution of immigrants to the labour market

\$27 MILLION OVER FIVE YEARS FOR IMPLEMENTING A NEW ACTION PLAN FOR THE SOCIAL ECONOMY

SUPPORT FOR THE FONDATION DU DR JULIEN TO EXPAND THE NETWORK TO 42 SOCIAL PEDIATRICS CENTRES

### ENSURING THAT BUSINESSES REMAIN COMPETITIVE

GRADUAL REDUCTION IN CORPORATE TAXES AS OF JANUARY 2017: A REDUCTION OF UP TO \$215 MILLION PER YEAR IN THE TAX BURDEN BY 2020

#### MAKING THE TAX SYSTEM MORE FAVOURABLE TO INVESTMENT

- Gradual reduction of the general corporate tax rate from 11.9% to 11.5%

#### REDUCTION OF THE TAX BURDEN OF SMBS

- Reduction of the Health Services Fund contribution rate from 2.7% to 2.25% in the service sector
- Reduction, from 8% to 4%, of the tax rate for SMBs in the primary sector, including forestry, fishing and agriculture



#### FOSTERING THE TRANSFER OF FAMILY BUSINESSES

#### IMPROVEMENT OF CERTAIN SECTORAL TAX ASSISTANCE MEASURES

- Tax credits for the new economy, i.e. for the production of multimedia titles and the development of e-business
- An increase in the rates of the tax credits for Québec's cultural sector to promote original Québec production

#### RENEWED SUPPORT FOR LABOUR-SPONSORED FUNDS

\$32.5 MILLION FOR INTRODUCING THE QUÉBEC ALUMINUM DEVELOPMENT STRATEGY

INVESTMENTS OF \$2 MILLION PER YEAR TO SUPPORT BUSINESS SUCCESSION AND MENTORING