

March 2021

BUDGET

2021  
2022

# QUÉBEC IS RESILIENT AND CONFIDENT

BUDGET IN BRIEF

# Québec is Resilient and Confident

“For a year now, Québec has been facing unprecedented health and economic challenges that have severely impacted its economic and financial situation.

Since the start of this battle, the Québec government has mobilized considerable resources to care for those affected by the pandemic and to support health care workers, who are on the front lines fighting this disease.

With this budget, the government continues to support workers who have lost their jobs and entrepreneurs hit hard by restriction measures.

With the arrival of vaccines, we can now look to the future with cautious optimism.

We are able to return to the challenging and stimulating path that will take Québec to the next step.

This budget is for a resilient Québec that is confident in its future!”

Eric Girard  
Minister of Finance



# ADDITIONAL EFFORTS TO PREPARE FOR THE FUTURE

The Budget 2021-2022 provides for nearly \$15 billion in additional initiatives by 2025-2026, including \$5.2 billion starting this year to:

- Strengthen our health care system
- Support educational success and young people
- Accelerate growth and the transition to the new economy
- Support Quebecers

## STRENGTHENING OUR HEALTH CARE SYSTEM

An additional **\$7 billion**  
to overcome the public health crisis

**\$10.3**  
billion

- To acknowledge the extra efforts of health workers
- To provide supplies and personal protective equipment
- To enhance the services offered to the population and health workers
- To improve health care in a long-lasting manner



**\$400 million**  
for vaccination



# Strengthening services for seniors

**\$2 billion**

**\$750 million** to increase public home support services

- More resources to provide services tailored to needs

**\$388 million** to ensure the sustainability of services offered in private seniors' residences

- An assistance program to bring some residences up to standard

**\$334 million** to strengthen health care and services in senior housing

**\$394 million** to enhance the refundable tax credit for home-support services for seniors



# Enhancing health care and services for Quebecers

**\$1.3 billion**

**\$526 million** to improve access to frontline services

- Improving access to certain specialized medical services
- Accelerating the digital shift in health and social services
- Enhancing the support program for community organizations

**\$255 million** to meet the needs of vulnerable persons

**\$288 million** to increase mental health services



**\$252 million** to strengthen services for youth in difficulty



# SUPPORTING EDUCATIONAL SUCCESS AND YOUNG PEOPLE

**\$1.5**  
billion

## Supporting educational success

**\$574**  
million

**\$170 million** for tutoring and student support

**\$70 million** to value, attract and mobilize school network staff

**\$93 million** to add special education classes for students with special needs

**\$80 million** to improve the state of schools

**\$125 million**  
to increase  
accessibility to sports  
and recreational  
facilities throughout  
Québec



## Supporting higher education retention and graduation

**\$669 million**

- One-time amount of \$100 for each of the fall 2020 and winter 2021 semesters for college and university students
- Eliminating interest on student loans for one year

**\$75 million** to promote recruitment and graduation in information technology

## Facilitating the social and professional integration of young people

**\$107 million**

**\$31 million** to support young people who are not in education, employment or training

**\$14 million** to enhance the tax credit for on-the-job training periods



# ACCELERATING GROWTH AND THE TRANSITION TO THE NEW ECONOMY

**\$4**  
billion

**\$1.3 billion** to connect  
all Quebecers to high-speed  
Internet

**Increasing productivity and stimulating  
business investment**

**\$753 million** to encourage businesses to adopt  
new technologies to increase their  
productivity

- Enhancing the investment and innovation tax credit (C3i)
- Reducing the tax rate for SMBs

**Creating wealth through innovation**

**\$133 million** to invest in infrastructure and  
research centres

**\$56 million** to support innovation  
in strategic sectors



## Promoting economic development in all regions of Québec

**\$523 million**

**\$205 million** to support and relaunch the tourism sector

**\$92 million** to upgrade strategic regional infrastructure

**\$40 million** to implement the local and regional economic development strategy

**\$38 million** to support airports and regional carriers as well as intercity bus carriers



## Supporting the requalification of workers and getting them back into the labour market

**\$404 million**

**\$246 million** to facilitate the integration of immigrants into the labour market

**\$53 million** to meet IT workforce needs

**\$46 million** to increase labour market participation through graduation



## Continuing to support businesses affected by the pandemic

**\$193**  
million



- Maintaining the Concerted Temporary Action Program for Businesses (PACTE) and the Emergency Assistance Program for Small and Medium-Sized Businesses (PAUPME)
- Extending the tax credit in respect of employer contributions to the Health Services Fund for employees on paid leave

## Developing our economy in a sustainable way

**\$137**  
million



- Protecting the environment by improving our water management
- Implementing supporting measures for a sustainable economic recovery

# Promoting Québec culture and heritage

**\$392**  
million

**\$147 million** to enhance and extend the economic recovery plan for the cultural sector, including

- **\$60 million** to improve the specific measure for the dissemination of performances
- **\$28.9 million** to continue the temporary assistance program in the audiovisual sector

**\$74 million**  
to enhance  
cultural  
heritage



# SUPPORTING QUEBECERS

**\$977  
million**

**\$408 million** for the development of affordable housing

- Supporting the construction of 5 500 social housing units
- Enhancing funding for the home adaptation and renovation programs of the Société d'habitation du Québec

**\$116 million** to support families



# Protecting victims and improving the justice system

**\$150 million** to address the recommendations of the Select Committee on the Sexual Exploitation of Minors

**\$108 million** to reform compensation for crime victims



**\$83 million**  
to facilitate access  
to the justice system



# THE ECONOMY RESTART HAS BEGUN

## A strong economic recovery is expected in the coming years

- A return to pre-pandemic levels of economic activity is anticipated by the end of 2021

### ECONOMIC GROWTH IN QUÉBEC

(real GDP, percentage change)



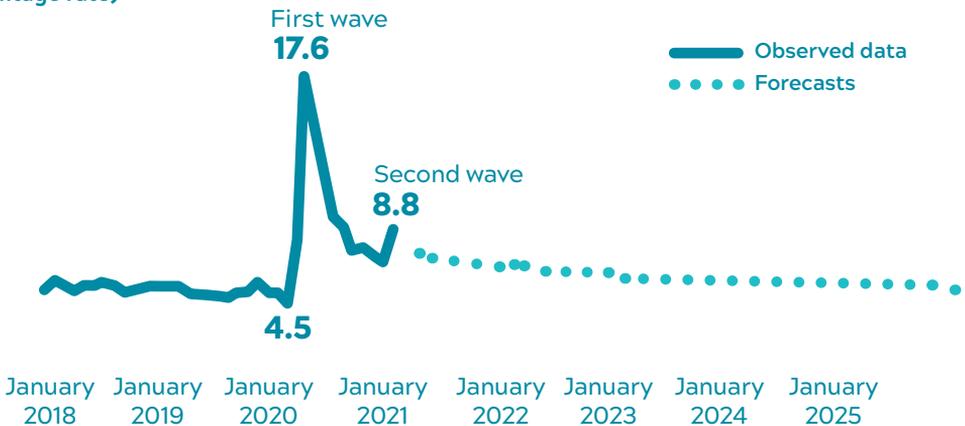
Note: Data available as of March 12, 2021.

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

## 2022 will mark the return to full employment in the labour market

### CHANGE IN UNEMPLOYMENT RATE IN QUÉBEC

(percentage rate)



Sources: Statistics Canada and Ministère des Finances du Québec.

# A RETURN TO FISCAL BALANCE WITHIN 7 YEARS

The support measures implemented by the government and the resilience of the Québec economy have limited the deterioration of public finances.

The deficit will reach \$12.3 billion in 2021-2022 and drop to \$8.5 billion in 2022-2023.

No budgetary deficit offsetting measures will be implemented until Québec's rate of employment returns to its pre-pandemic level.

Fiscal balance is expected to be restored in 2027-2028.

The plan to return to fiscal balance will be based on the following principles:

- The government's commitment not to increase the tax burden
- Expenditure growth in line with revenue growth
- The acceleration of economic growth
- An increased federal contribution to health costs

## Debt under control

Its weight remains lower than it was in March 2017 and will decrease from 2024-2025.



The government  
will maintain its  
deposits in the  
Generations Fund

[www.budget.finances.gouv.qc.ca/2021-2022](http://www.budget.finances.gouv.qc.ca/2021-2022)

