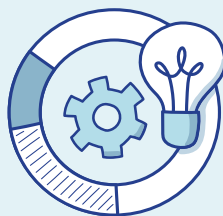


The background of the entire page is a dark blue gradient with a network of light blue, stylized lines representing a map or transit system. Scattered across this background are various stylized illustrations of people walking. Some are carrying bags, some are holding umbrellas, and they are all casting long, dark shadows. The overall theme is movement and urban life.

Update in Brief

FALL 2023



Targeted actions to meet the priorities of Quebecers

This budget update focuses our efforts on the priorities of Quebecers. We are taking targeted action to improve access to housing, combat homelessness and improve food aid.

We are also taking action on key issues, such as climate change adaptation, public transit and workforce training. We are accomplishing all of this while sticking to our fiscal balance and debt reduction targets, as we pledged to do in the last budget.

I am persuaded that our responsible and prudent action is the best path to maximizing Québec's economic potential. It is also the key to offering high-quality, accessible services that are properly funded. This update represents our commitment to continue working to support Quebecers and achieve Québec's ambitions.

Eric Girard

Minister of Finance and Minister Responsible for Relations with English-Speaking Quebecers

An additional sum of nearly \$4.3B over five years for the purpose of:

Providing better access to housing
\$1.8B

Combatting homelessness and
enhancing food aid
\$145M

Supporting training in specific fields
\$329M

Sustaining the climate transition and communities
\$961M

Fostering business investment
\$995M



Indexation of the tax system to benefit Quebecers **\$2B per year**

More than \$1.8B for the personal income tax system

Nearly \$146M to increase social assistance benefits



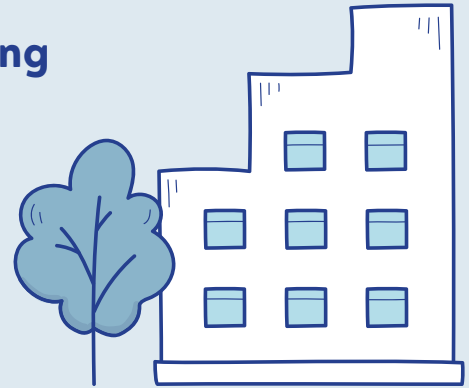
**5.08% as of
January 1, 2024**

Targeted actions for Quebecers

\$1.8B to provide better access to housing

Building 8 000 new affordable housing units

- 7 500 new housing units as part of the Québec affordable housing program and the partnership with tax-advantaged funds
- 500 housing units reserved for homeless people



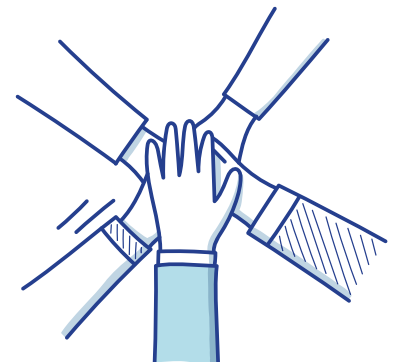
Helping lower-income households with housing

- Granting 4 000 new units under the Rent Supplement Program
- Enhancing the Shelter Allowance Program



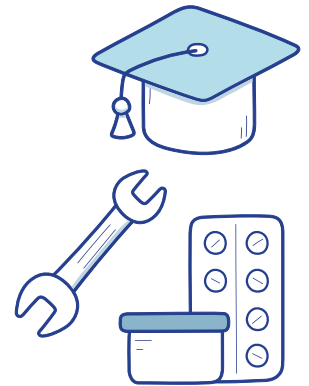
\$145M to combat homelessness and enhance food aid

- Increasing emergency assistance for homelessness
- Enhancing support for culturally safe services for Indigenous people experiencing homelessness
- Promoting food security for individuals and families



\$329M to support training in specific fields

- **Increasing the labour supply in the construction sector**
 - Launching the Offensive formation en construction
- **Supporting the attractiveness of the public health and social services network**
 - Relaunching accelerated training for patient-care attendants



\$961M to sustain the climate transition and communities

- **Adapting to climate change**
- **Supporting communities and the forestry sector in response to forest fires**
 - Accelerating reforestation and enabling the Société de protection des forêts contre le feu to support communities
- **Continuing support for public transit**
 - Providing emergency assistance to fund public transit



\$995M to foster business investment

- **Fostering investment and innovation through an enhanced tax credit**
- **Simplifying the investment tax assistance plan**



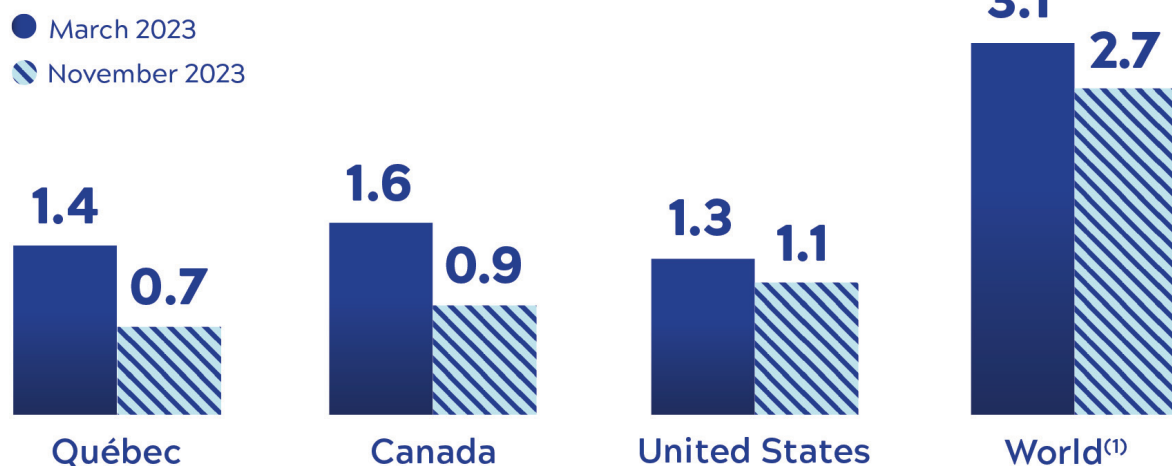
Québec's economic situation

Economic activity moderates in Québec in 2023, in line with March 2023 budget forecasts

Growth forecasts for 2024 are down due to persistent inflation and a prolonged rise in interest rates

Change in economic outlook for 2024

(real GDP, percentage change)

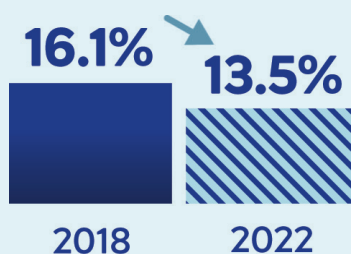


(1) Global real GDP is expressed in purchasing power parity.

Sources: Institut de la statistique du Québec, Statistics Canada, International Monetary Fund, S&P Global, Refinitiv Datastream, Bloomberg, Eurostat and Ministère des Finances du Québec.

A significant reduction in the wealth gap with Ontario in recent years

- Objective to reduce it to 10% by 2026 and close it by 2036



Increasing Québec's economic potential



In order to provide Quebecers with quality public services and fulfill our collective ambitions, the government is continuing its work to increase Québec's economic potential. After consulting with experts from the private sector and universities, we present their recommendations in this update.

Québec's financial situation

The commitment to restoring fiscal balance in 2027-2028 is maintained

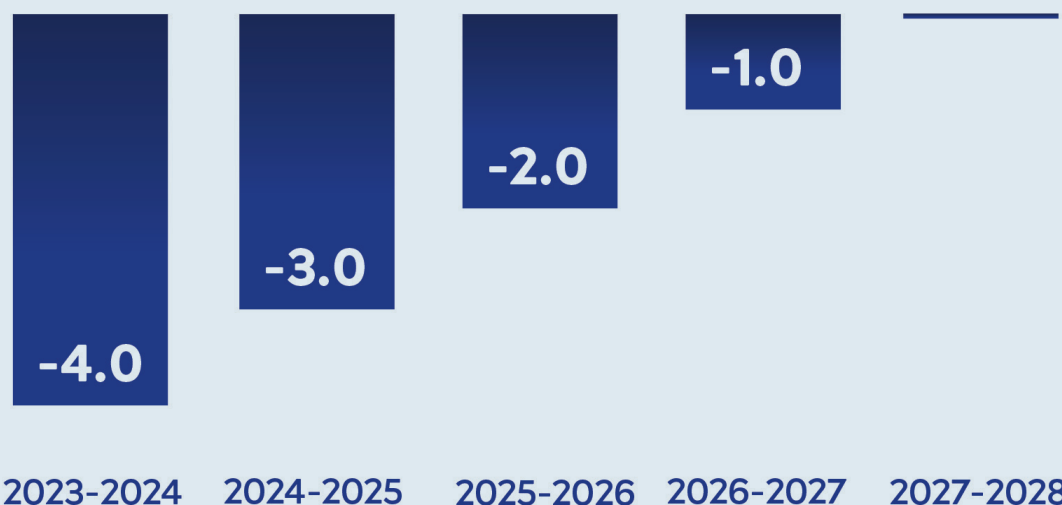
- The deficit will be limited to \$4.0B in 2023-2024, after deposits of dedicated revenues in the Generations Fund, then gradually eliminated at a rate of \$1.0B per year, as announced in the March 2023 budget

Budget targets are maintained through the use of part of the contingency reserve

- The adjustments related to the budgetary situation and those resulting from the implementation of targeted actions have a negative impact of about \$1.0B per year over the period covered by the financial framework

Path for restoring fiscal balance

(billions of dollars)



Reducing the debt burden remains a priority

- Promotes greater intergenerational equity
- Contributes positively to Québec's economic growth and reputation

As at March 31, 2024, the net debt will stand at 37.9% of GDP

- This represents a lower level than before the pandemic
- The objective of reducing the debt burden to 30% by 2037-2038 is maintained





Québec.ca/update