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Pre-budget consultations, 2010-2011

The Minister of Finance welcomes the second document of the advisory committee on the economy and public finances

Québec, January 27, 2010 – The Minister of Finance, Raymond Bachand, welcomes the possible solutions put forward in the second document of the advisory committee on the economy and public finances. “Today, the experts are sending a clear message. It is possible to meet the challenges facing us without calling the basket of public services into question,” Minister Bachand said.

The Minister pointed out that the potential solutions advanced by the committee are consistent with his own thinking because they are all directed towards Québec’s long-term prosperity. For instance, in terms of revenues, measures must target revenues that are least damaging to economic growth. While on the spending side, ways must be found to further measure and compare program performance and increase it. He also noted the importance he places on the public debate initiated for almost three months now, as part of the preparation of the 2010-2011 budget: “This second document makes a solid contribution to the ongoing discussions. It opens perspectives and proposes possible solutions that Quebecers as a whole must study.”

The advisory committee

The Minister of Finance set up the advisory committee on the economy and public finances last October 26 as part of the 2010-2011 pre-budget consultations. It consists of independent and acknowledged experts, Pierre Fortin, Robert Gagné, Luc Godbout and Claude Montmarquette. The Minister of Finance is co-chairing the committee along with Robert Gagné.

An independent committee

When the advisory committee released its first document, the Minister noted the role he is playing as co-chair of the committee. He wanted to be closely involved with the analyses and studies that will develop over the coming weeks.

However, his co-chairing the committee leaves it completely free to pursue its work: it has the leeway it needs to formulate the analyses and proposals it considers relevant. The Minister specified: “The analyses and proposals the committee will produce will be those of an advisory committee, which I will examine and discuss with my government colleagues to determine the appropriate follow-up.”

A third document to come

The Minister pointed out that over the coming weeks, the committee will release a third document presenting a variety of options concerning spending, revenue and the debt, in a context of wealth creation.

The Minister concluded: “I am expecting the committee on the economy and public finances to propose possible solutions that will garner broad support from Quebecers as a whole. The analyses that have been made public so far have contributed directly to the work associated with the pre-budget consultations and the process I wanted to initiate from now to the next budget.”

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Source: Catherine Poulin
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MEMBERS OF THE ADVISORY COMMITTEE ON THE ECONOMY AND PUBLIC FINANCES

Robert Gagné (co-chairman)

With a doctorate in economics from the Université de Montréal, Robert Gagné is a professor emeritus at HEC Montréal and the director of the Centre sur la productivité et la prospérité. He specializes in applied econometrics, industrial organization and public policy. In recent years, Mr. Gagné chaired the Task Force on Tax Assistance for the Resource Regions and the New Economy and co-chaired the Advisory Committee on the Fiscal Imbalance of the Council of the Federation. In 2002, he was appointed a regular member of the Centre interuniversitaire sur le risque, les politiques économiques et l'emploi (CIRPÉE) and, since 1999, has been a fellow of the Centre interuniversitaire de recherche en analyse des organisations (CIRANO). He has focused on researching issues relating to business productivity, resource optimization and issues relating to the transportation sector.

Pierre Fortin (member)

Pierre Fortin holds a doctorate in economics from the University of California, Berkeley, and a master's in mathematics from the Université de Montréal. He is professor emeritus in the economics department of the Université du Québec à Montréal (UQAM). His research focuses chiefly on economic growth, monetary and budgetary policy, social policy and the economy of Canada and Québec. He is a member of the Royal Society of Canada and of the science council of the Canadian Institute for Advanced Research. He has been President of the Canadian Economics Association, a member of the panel of economic advisors of the Minister of Finance of Canada and senior economic advisor to the Premier of Québec.

Luc Godbout (member)

Luc Godbout holds a doctorate from the Université Paul-Cézanne-Aix-Marseille III. He is an associate professor at the Université de Sherbrooke. He specializes in taxation and public finance. In recent years, he has, in particular, been a member of the Task Force on Tax Assistance for the Resource Regions and the New Economy, in addition to contributing to the Commission on the Fiscal Imbalance. He is also a researcher with the Research Chair in Taxation and Public Finance of the Université de Sherbrooke. His research has focused in particular on the consequences of the aging of Québec's population on public finances. Since 2006, he has co-directed four books published by the Presses de l'Université Laval. Lastly, M. Godbout is the author of a monthly column entitled "Les public finances sous la loupe" in *La Tribune* newspaper.

Claude Montmarquette (member)

Claude Montmarquette holds a doctorate in economics from the University of Chicago. He is currently professor emeritus and holds the the Bell - Caisse de dépôt et placement du Québec chair in experimental economics at the Université de Montréal. He is President and CEO of the Centre interuniversitaire de recherche en analyse des organisations (CIRANO) where he heads the public policy research group. Claude Montmarquette has been a visiting professor at many foreign universities and is a regular participant at a large number of conferences and seminars around the world.