



Gouvernement du Québec

**PRESS RELEASE**  
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## **Economic Policy – Putting Jobs First**

### **Key Measures to Create Jobs and Wealth in the Short Term**

**Montréal, October 7, 2013** – The Premier of Québec, Pauline Marois, with the Minister of Finance and the Economy, Nicolas Marceau, today released four key measures designed to create jobs in every region of Québec, in the short and medium term, as part of the unveiling of the Economic Policy – Putting Jobs First.

#### **Using surplus electricity to attract investment**

The Premier announced implementation of the investment-job pricing offer, an ambitious measure to capitalize on Québec's surplus electricity. A reduced rate will be offered to energy-consuming businesses that carry out make investments. This initiative should attract investments of \$1.6 billion and create 10 300 jobs in the short term.

"Hydro-Québec will have substantial electricity surpluses until 2027. We will make use of these surpluses to create wealth and jobs. The investment-job pricing offer will apply to new loads of 15MW or more. We are targeting the natural resource processing, manufacturing of components associated with renewable energy, green technologies and transportation electrification, and the information technology sectors. This offer will not result in higher electricity rates for citizens," the Premier explained.

The rate will be allowed for the period of electricity surplus. It will rise over time, to ultimately return to the regular rate.

#### **Renovate schools and modernize sports and recreation infrastructures**

"Many schools are in need of substantial renovation. In many regions, investment is needed to improve the condition of school buildings, in particular because of air quality problems. Many facilities are also obsolete. To respond to these needs, the government is accelerating public investments by some \$565 million. These investments, included in the Québec Infrastructures Plan for 2014-2015 to 2017-2018, will begin in the fall of 2013," Minister Marceau announced.

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Accordingly, the government is bringing investments of \$430.4 million forward to implement the Réno-Écoles plan. These investments will help improve air quality in schools and renovate infrastructures that are outdated or in poor condition. Funds will also be allocated to mixed expansion and renovation projects and to improve vocational training institutions.

The government is also announcing \$80 million in investments to build or renovate sports and recreation facilities. Lastly, \$55 million will be invested immediately in building and infrastructure maintenance as well as in improvements in road access and footpaths in facilities managed by the Société des établissements de plein air du Québec.

“These accelerated investments will result in the creation of 3 500 jobs in every region of Québec in the very short term,” the Minister indicated.

### **Fiscal measures to stimulate investments by individuals and businesses**

Minister Marceau also announced the immediate implementation of major fiscal measures to stimulate investments by individuals and businesses. These measures will lead to investments of more than \$1 billion and the creation of 6 200 jobs by 2017.

The first measure is a refundable tax credit for green renovation, EcoRenov. It will be offered to individuals who have green renovation work done on their residence by October 31, 2014. The refundable tax credit will correspond to 20% of eligible expenditures in excess of \$2 500 for recognized work. The maximum value of the tax credit will be \$10 000.

In addition, funding for the Rénoclimat program will be increased by \$37 million to add a component for the replacement of fossil fuel-burning heating systems.

The Minister also announced that the investment threshold required to be entitled to the tax holiday for large investment projects will be reduced from \$300 million to \$200 million to support large modernization projects by our businesses.

In addition, he announced an improvement to the tax credit for investments for manufacturing SMEs in every region of Québec. The rate of this tax credit will be raised by 10 percentage points and it will be broadened to certain expenditures relating to buildings. In addition, for all businesses, it may also apply to investments in production computer hardware. These improvements will help manufacturing SMEs become more productive.

Lastly, a new refundable tax credit of 25% on expenses relating to an information technology integration contract for manufacturing SMEs will be introduced to support businesses seeking to modernize their business processes by integrating high value-added software packages. This will help improve their productivity.

#### **Investment in the North to prepare for the future**

The Premier said that the development of Northern Québec is a strategic element of the Economic Policy – Putting Jobs First. Public infrastructures are essential to this development.

Accordingly, the Québec government will carry out major repair work on the James Bay Road. The work on this road will represent investments of \$100 million. In addition, the government will fund a pre-feasibility study on the construction of an additional railway link to transport ore from the Labrador Trough in particular. The desired characteristics of the line need to be specified to be able to invite private investors to finance the project. The government will also support development of an airfield in the Otish Mountains sector.

Lastly, the Premier noted that the development of the North must better respond to the social needs of the people who live there. “The government has already announced the creation of new daycare spaces, invested in new housing and services for seniors and in sports and recreation facilities among the First Nations and the Inuit nation. Our economic policy contains other measures that will meet acknowledged needs, in particular regarding training and development of the tourism industry in the North,” Pauline Marois concluded.

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