

Budget 2026-2027

A responsible budget with targeted measures for Quebecers

Québec City, March 18, 2026 – Québec is facing an economic and geopolitical context marked by persistent uncertainty. It is against this backdrop that the Minister of Finance, Eric Girard, today presented a responsible budget with targeted measures for Quebecers.

The *Québec Budget Plan – March 2026* outlines additional measures totalling nearly \$9.6 billion over the next five years to strengthen public services, stimulate the economy, protect Quebecers' purchasing power, and ensure the well-being of the most vulnerable populations, while maintaining the sound management of public finances. The government is also increasing investment in infrastructure by more than \$5 billion over six years.

\$4.3 billion over the next five years to prioritize the government's main missions to guarantee Quebecers accessible, high-quality services

Investments of nearly \$4.3 billion over five years are planned to support the government's main missions, including nearly \$2.2 billion to facilitate access to health services and social services. In particular, these amounts will consolidate the provision of care and services within the public network, as well as strengthen front-line access.

The government is also taking action to support caregivers and seniors in private seniors' residences by providing additional funding for the government action plan for caregivers 2026-2031 and by extending the assistance program for private seniors' residences and other related private entities in order to limit the impact of insurance premium increases.

In Budget 2026-2027, the government is continuing its efforts to support educational success. In this regard, an amount of \$639 million over five years is provided for initiatives aimed at promoting students' educational success, meeting urgent and temporary school space needs, and attracting workers to the education network.

Budget 2026-2027 also includes initiatives totalling nearly \$392 million over five years to support higher education training, labour market integration and research, including \$150 million to continue promoting and raising the profile of the disciplines of engineering and information technology, and \$132 million to extend employment assistance allowances.

Measures are also planned to support the training and qualification of childcare educators, accommodate the increase in medical school cohorts, maintain efforts to integrate immigrants into the workforce, and support the development of the Indigenous workforce. An additional \$45 million is also provided to support university research.

The government is also taking action to strengthen Quebecers' safety and legal services. As such, investments of nearly \$1.1 billion over five years will help consolidate prevention and intervention activities in the area of public safety, continue efforts to combat gun violence, ensure cybersecurity operations, and strengthen access to legal services.

\$3.6 billion to support Quebecers and strengthen the vitality of communities with targeted action

In Budget 2026-2027, the government is investing more than \$3.6 billion to ensure the well-being of Quebecers and strengthen the vitality of communities across Québec. Of this amount, nearly \$2.4 billion will be used to support Quebecers, particularly in helping them cope with the rising cost of living. This amount will serve to convert 5 000 non-subsidized childcare spaces, cap the school tax increase at 3%, support access to housing, address issues such as homelessness, mental health challenges, and domestic and sexual violence, as well as reinforce services for the most vulnerable populations.

In addition, an investment of more than \$1 billion is planned to ensure community resilience, particularly with regard to local infrastructure, as well as adapting to and fighting against climate change.

The government is also providing nearly \$220 million over five years to promote Québec culture and cultural heritage, in particular by maintaining funding for cultural activities in schools, supporting cultural bodies and preserving our cultural heritage.

An increase of more than \$5 billion over six years in infrastructure investments

The government is increasing infrastructure investments by more than \$5 billion over six years in order to invest in maintaining assets across the province in good condition and to provide Québec with modern infrastructure. The Québec Infrastructure Plan (QIP) will total \$167 billion.

These new amounts will be distributed among priority sectors: health and social services, education and higher education, public transit, and the road network, as well as in the continued digital transformation of public bodies. A significant portion, that is, 71%, of the amounts invested will be allocated to maintaining existing infrastructure in good condition.

Québec is well positioned to deal with the new economic climate

After several decades of growth fuelled by globalization and free trade, a new context characterized by the rise of economic protectionism and heightened geopolitical tensions is emerging. Québec is nevertheless well positioned to deal with this new order. Supported by a solid economic foundation, it has the necessary assets to overcome challenges and take advantage of new opportunities that arise.

As such, following a 0.8% increase in 2025, real GDP growth is expected to reach 1.1% in 2026 and 1.4% in 2027.

Québec's strong economic performance since 2018 is continuing, thus narrowing the gap in living standards with Ontario and the rest of Canada. From 15.9% in 2018, the real GDP per capita gap with Ontario declined to 10.2% in 2024. Such small gaps have never been observed since statistics were first compiled in 1981.

Also, between 2018 and 2024, household purchasing power, as measured by disposable income in real terms per capita (+9.2%), has improved faster than in Ontario (+5.1%).

The government is reaffirming its commitment to return to a balanced budget

In Budget 2025-2026, the government presented its plan to return to a balanced budget by 2029-2030. This budget confirms compliance with the budgetary trajectory established in this credible plan, which is based on actions affecting both revenue and expenditure.

Thanks to responsible expenditure management and stronger-than-expected nominal GDP growth in 2025, this budget presents a budgetary situation that is proving to be better than that forecast in March 2025.

The government is reaffirming its commitment to maintain sound management of public finances and to return to a balanced budget by 2029-2030 at the latest. The government is taking another step toward achieving this target by reducing the deficits projected for 2025-2026 and 2026-2027. On a comparable basis to the budgetary balances of other Canadian provinces and the federal government, the accounting deficit has been adjusted downward by nearly \$3.8 billion in 2025-2026 compared to the forecasts of March 2025, to stand at \$7.7 billion, or 1.2% of GDP.

For 2026-2027, the accounting deficit has been adjusted downward by \$861 million and will stand at \$6.3 billion, or 0.9% of GDP.

The financial framework includes a contingency reserve totalling \$8.0 billion over five years, which could be used, in particular, to cover unforeseen expenditures or mitigate the effects of more moderate-than-expected economic growth.

The government remains committed to reducing the debt burden in the long term

The net debt burden will stand at 38.8% of GDP as at March 31, 2026, a significant decrease of 4.1 percentage points from the level of March 2019. This reduction in indebtedness was achieved against the backdrop of a pandemic, heightened geopolitical tensions caused, among other things, by Russia's invasion of Ukraine, and a trade dispute with the United States.

Québec is one of the only provinces to have reduced its indebtedness in recent years.

For each year of the financial framework, the projected net debt is lower than it was in March 2025. The government aims to reduce net debt to GDP to 35.5% by 2032-2033 and to 32.5% by 2037-2038.

Quotation:

“Amid the current climate of economic and geopolitical uncertainty, Quebecers remain, and will always remain, our priority. Today, I am presenting a sensible budget with targeted measures for Quebecers, and that supports a responsible approach to public finances.

With this budget, our government has chosen to support businesses operating in a shifting economic landscape, invest in infrastructure, prioritize the government's main missions, and support Quebecers and communities with targeted action.

Despite all the turbulence we are currently facing, our economy is growing, our public finances are improving, and Québec has every reason to be optimistic about the future. And today, with this budget, we are giving ourselves the means to go further in a changing world.”

Eric Girard, Minister of Finance

Related link:

All the details on Budget 2026-2027: <https://www.quebec.ca/en-budget>.

– 30 –

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