

2003-2004 EXPENDITURE BUDGET IN BRIEF

THE BUDGET OF A LESS PRODIGAL GOVERNMENT THAT HAS REGAINED ITS SENSE OF PRIORITIES

The 2003-2004 Expenditure Budget pursues three objectives:

- Stabilize spending
- Give priority to healthcare and education
- Reengineer the Government of Québec.

1ST OBJECTIVE: **AN EXPENDITURE BUDGET THAT STABILIZES SPENDING**

- Total expenditure of \$52.7 billion, including \$45.8 billion for program spending and \$6.9 billion for debt service.
- Growth of program spending reduced from 5.6% to 3.8%, compared to other Canadian provinces where the average is 3.9 %.
- Expenditures growth rate lower than that of the Québec economy: economic weight of program spending reduced to 17.9%, compared to 18.2% in 2002-2003.
- Significant correction to resolve part of the budget impasse:
 - Cancellation of all measures announced on March 11
 - Reduction of nearly \$800 million of program spending objective
 - Strict determination and funding of expenditure budgets, without taking into account anticipated savings at the beginning of the year

- Reallocations to act on the new government's priorities and eliminate risks identified in the Breton Report

2ND OBJECTIVE: GIVE PRIORITY TO HEALTHCARE AND EDUCATION

- Budget growth totally allocated to the Government's two priorities: Health and Social services, up 7.2%, and Education, up 3.6%.
- Expenditure freeze of all other portfolios.

HEALTH AND SOCIAL SERVICES

- Increase of \$1.3 billion for Health and Social services – more than three quarters of the total growth of program spending (\$1.7 billion).

EDUCATION

- Growth of around \$400 million for education to fund the cost of services and current initiatives to improve academic success.

OTHER DEPARTMENTS

- Maintenance of expenditures at their 2002-2003 level:
 - Reduction for most Departments
 - End of abusive interventionism in assistance to businesses
 - Targeted additions for childcare services and culture
 - Protection of the underprivileged.

3RD OBJECTIVE: REENGINEER THE QUÉBEC GOVERNMENT TO FOCUS ON ITS ESSENTIAL MISSIONS AND PRESERVE A SUSTAINABLE BALANCED BUDGET

- Major reengineering of government to clear budget room that will allow the Government to fulfill its commitments as of fiscal 2004-2005.
- Openness to different ways of doing things, including public-private partnership and E-Government.
- Success factors for the renewal of government:

- the know-how of its employees and their ability to design changes in our common interest
- the current major renewal context generated by retirements
- the public's desire for change.

***“A BUDGET THAT LAYS THE FOUNDATIONS OF
A NEW MODEL OF GOVERNMENT FOR QUÉBEC”***

– MONIQUE JÉRÔME-FORGET