



Renewal of the partnership agreement between Quebec and municipalities

**Presentation to the Union of Municipalities of New Brunswick
March 21, 2024**



A review of the negotiations

Political background

- In the months leading up to the signing of the agreement, the UMQ consulted its members and represented their interests to the government and in the public arena;
- The government wished to begin discussions before the end of the 2020-2024 partnership;
- Momentum to seek gains.

Ambitious goals to guide us

- Consolidate current transfers;
- Obtain additional transfers, among other things, to take into account new municipal responsibilities in areas such as climate change adaptation, housing and homelessness;
- Reduce Quebec government requirements (accountability, administrative burden, new regulations, etc.).

The UMQ has represented the interests of all Quebec municipalities, regardless of size or region.



New responsibilities, New partnership

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A new form of Partnership

- Joint statement;
- Roadmap: government commitments implemented over the next 12 months;
- Scope that goes beyond fiscal and financial issues;
- Quebec-municipalities relationship predictable and sustainable;
- Annual meetings of partnership signatories with the Minister of Municipal Affairs and all ministries concerned;
- Consultation tables on priority issues for Québec municipalities: climate change, housing, homelessness;
- Close, ongoing relations with the various ministries.

A roadmap that, from 2024, will enable...

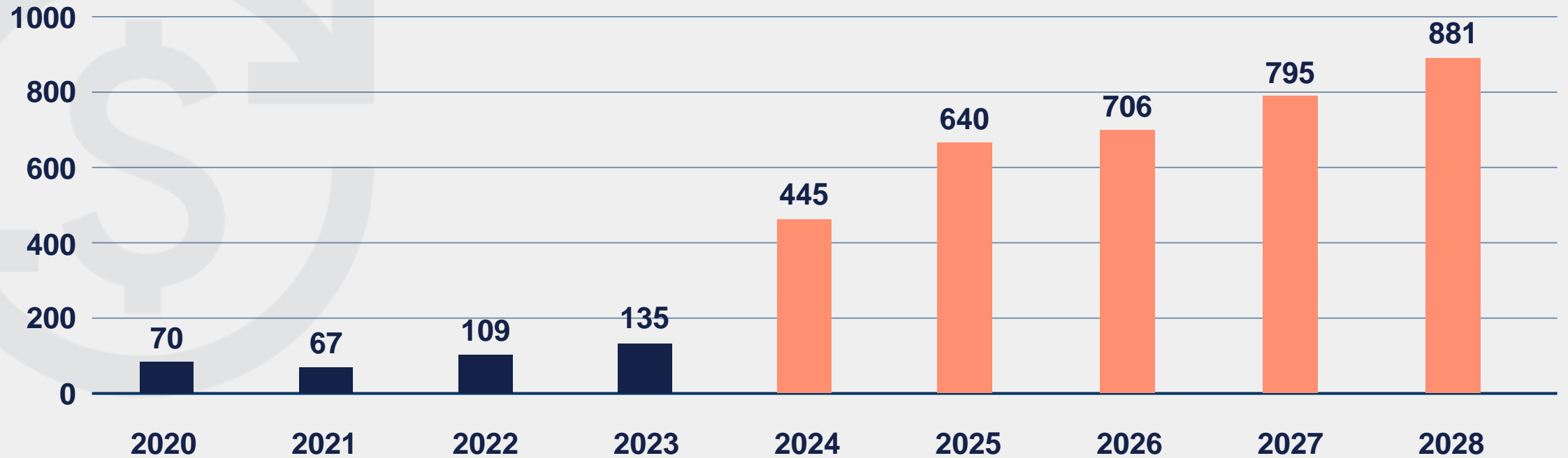
- Carry out infrastructure projects for climate adaptation and transition;
- Provide solutions to the housing crisis;
- Support vulnerable people;
- Support sustainable regional development for the benefit of the population;
- Maintain and plan for the renewal of essential infrastructure, particularly water infrastructures.



A proposed agreement that resonates with UMQ objectives

Share of QST point growth

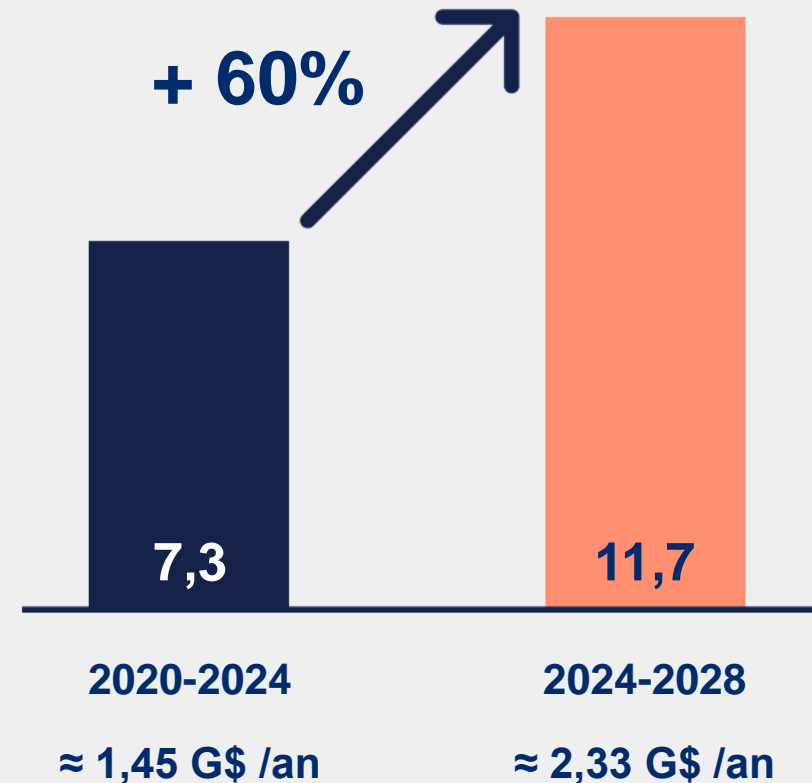
(in millions of dollars)



Consolidated transfers

- 11.7 billion over the next five years;
- New sums available as early as 2024;
- Renewal of all transfers from the previous pact;
- New financial measures valued at nearly \$1.4 billion;
- Legislative entrenchment of the one-point growth in the QST;
- Amounts dedicated to municipalities in various government funds to which municipalities did not previously have access.

Comparison with the 2020-2024 partnership (in billions of dollars)



Beyond the figures

- Measures aimed at increasing municipal independence;
- Significant progress for municipalities in the school land transfer issue;
- New powers and greater latitude in the housing sector;
- Ongoing dialogue with the government on current municipal priorities, thanks to the creation of round tables on homelessness, housing and climate change;
- A project to implement concrete solutions to red tape.

Municipal tax bill

- Bill passed on December 8, 2023;
- Enshrinement in the law of the growth of the equivalent of one point of the QST;
- Legislative vehicle to concretize the content of the partnership;
- Greater autonomy for municipalities, particularly with regard to property taxes:
 - Taxation by sector;
 - Various tax rates for the residential sector;
 - Property tax on vacant units.
- Possibility of adding a tax on the registration of passenger vehicles to fund public transit.
- Expansion and extension until 2032 of the authority to provide financial assistance to encourage the construction, renovation and annual rental of rental housing used for residential purposes.



THANK YOU

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