

# Quebec's ruling elite salivates over huge increase in Canada's military budget

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The avowedly right-wing “Quebec First” Coalition Avenir Québec (CAQ) government has proclaimed rapid expansion of the province’s military-industrial base as central to its economic and political agenda.

With enthusiastic support from Quebec’s business and political elite, both federalist and pro-Quebec independence, the CAQ government is working hand in glove with the province’s arms manufacturers to win contracts and secure bumper profits from the vast military spending increases that have been announced by Canada’s federal Liberal government and Europe’s NATO powers.

Quebec is home to more than a hundred major military-security companies, including CAE, Bombardier Defense, Pratt & Whitney Canada and Thales Canada. It also produces much of the aluminum used in US armaments, and the CAQ government has ambitions for the province to become a major global supplier of “dual-use” critical minerals.

On June 9, Canada’s newly minted Liberal prime minister, the former central banker Mark Carney, announced a massive increase in military spending. By the end of the 2025-26 fiscal year, the government will raise military spending by 17 percent, or \$9.3 billion, to \$62.5 billion, more than double what it was a decade ago.

Carney has also committed to fully implementing the sharp increase in military spending all NATO member countries agreed to at the June 24-25 leaders’ summit. By no later than 2035, Canada’s military spending is to rise from 2 percent to 5 percent of GDP. This will mean a defence budget of \$150 billion per year in today’s dollars, more than double what the federal government transfers to the provinces for healthcare.

The dramatic increases in military spending will be accompanied by a frontal assault on the working class and social spending cuts of unprecedented intensity. Carney has obliquely admitted this, declaring that “sacrifices” will be required to secure Canada’s “place” in the world.

In April, Quebec Premier François Legault, an ex-corporate CEO, visited the Hannover Messe industrial fair in

Germany. There he touted the €800 billion “ReArm Europe” plan, which was adopted by the European Union to vastly expand its member states’ military capabilities, as an opportunity to make Quebec exports less dependent on the US market in response to President Donald Trump’s tariffs.

With the immediate increase in Canadian military spending, Legault has redoubled his efforts. On June 9, he described Carney’s pledge to massively increase spending over the next decade as “an exceptional opportunity for Quebec’s economy.”

To underline the point, Quebec’s premier retweeted a headline from the right-wing chauvinist daily *Journal de Montréal*, highlighting these words: “Quebec is ready for the war effort if Ottawa wakes up.”

Within days, Legault organized a meeting between top executives of Quebec aerospace companies and Major-General Jeff Smyth, chief of the Canada military’s air and space force development; visited several military equipment suppliers; and announced the injection of millions of dollars of public funds into night-vision goggle manufacturer Thales Canada and rocket propulsion specialist Reaction Dynamics.

Legault’s actions and statements were warmly welcomed by the entire political establishment, including the Parti Québécois and its sister party at the federal level, the Bloc Québécois, which speak on behalf of the “sovereignist,” i.e., Quebec separatist, sections of the ruling class. The Bloc, which has long favored increased Canadian military spending, described Prime Minister Carney’s pledges to increase funding for the Canadian Armed Forces as “very positive,” while demanding that the money will be “well spent,” meaning that Quebec big business will receive its “fair share” of the contracts and profits.

Business leaders and organizations similarly reacted with enthusiasm to the CAQ government’s push to rapidly expand the province’s military-industrial base.

Charles Émond, CEO of the Caisse de dépôt et placement du Québec (CDPQ), a public agency that manages and invests the funds of the Quebec Pension Plan, announced that it was time for the organization to set aside “ethical

considerations” and invest in the defense sector. The reference to ethics was utterly hypocritical. The CDPQ has extensive investments in arms manufacturers and security firms. It was recently singled out in a UN report, “From economy of occupation to economy of genocide,” for investing \$9.6 billion in companies directly involved in Israel’s genocidal war against the Palestinians in Gaza.

After the debacle of its attempt to make Canada a world player in the “battery industry” through massive subsidies, the CAQ government’s promotion of Quebec’s military-industrial sector is a new way to channel billions of dollars of public funds into the coffers of big business and the pockets of their wealthy shareholders.

In recent years, the CAQ government has invested billions of dollars in a series of “green economy” enterprises that have gone bankrupt or required public bailouts, such as Northvolt and Lion Electric. According to the latest analyses, the Legault government’s investments just in the “battery sector” will result in losses of at least \$2 billion in public funds.

While the Quebec ruling class is certainly eager to cash in on the opportunity to make guaranteed bumper profits from war contracts, that is not the only factor motivating its enthusiastic support for massive military spending increases and state support in expanding Quebec’s military-industrial base. It is eager to dramatically augment the striking power of Canada’s military and its capacity to pump out weapons and weapons systems, because it fully supports Canadian imperialism’s role as a protagonist in the imperialist drive to repartition the world through what is a developing global war.

For decades, the pseudo-left and other Quebec nationalists promoted the lie that the Quebec bourgeoisie is “oppressed” and Québécois capitalist society is progressive, even pacifist. While it is undoubtedly true that the vast majority of workers and youth in Quebec oppose war, the Quebec ruling class and its political servants have, on the contrary, a long tradition of supporting Canadian imperialism and its depredations.

Under the hypocritical guise of defending “human rights,” the Quebec ruling class has staunchly supported Canada’s participation in US imperialist wars in the Balkans, Iraq, Afghanistan, Libya and Syria. More recently, it has fully supported NATO’s war on Russia; Israel’s genocidal assault on Gaza and the support given it by Ottawa and Washington; and the drive of US imperialism, with Canada’s assistance, to strategically encircle and prepare for war with China.

Like the Carney Liberal government, Quebec’s political establishment maintained a complicit silence about Trump’s illegal bombardment of Iran on June 22 while demanding

that Iran not retaliate in the name of “reducing tensions.”

Visiting France in late June for the Paris Air Show, where the push for rearmament took center stage, Legault demanded Quebec workers submit to the ruling class’s war frenzy and accept that “we must invest heavily in defense.” “A year ago,” he continued, “this would not have been well received, but now, with what is happening in Ukraine, everyone understands.”

Standing alongside Legault, Quebec’s delegate-general in Paris, Henri-Paul Rousseau, said that the shift toward building Quebec’s defence industries was necessary not only “on an economic level, but also to defend our values and our civilization.” In other words, Quebec’s ruling class is positioning itself to lay claim to its share of the spoils of imperialist aggression.

The CAQ government’s plan to develop Quebec’s armaments industries will be implemented at the expense of the working class in the form of billions of dollars in subsidies and non-repayable loans, tax breaks and cheap hydroelectricity for the weapons merchants.

Under conditions where the government is committed to balancing the budget without tax increases and under pressure from the credit rating agencies that speak for domestic and international finance capital to do so expeditiously, this will all add up to an even more intense state assault on public services and worker protections.

In June, just before the summer school break, the CAQ government announced cuts of \$570 million to the public education system. Santé Québec, meanwhile, is pressing for cuts of over \$1 billion.

Aware that its frontal attacks on workers’ living conditions will provoke strong opposition, the Quebec ruling class is putting in place anti-democratic measures to impose its policies of war and capitalist austerity. At the end of May, the Legault government adopted Bill 89, which virtually abolishes the right to strike in Quebec. With the full support of the Parti Québécois and the complicity of all the opposition parties, the CAQ government has also intensified its virulent Quebec chauvinist agitation targeting immigrants and religious minorities with the aim of stoking reaction and splitting the working class.



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