

*PROSPECTUS SUPPLEMENT

(to prospectus dated September 15, 1999)

U.S.\$1,500,000,000



Province de Québec

(Canada)

7½% Global Debentures Series PD due September 15, 2029

We will pay interest on the Debentures semi-annually in arrears on March 15 and September 15 of each year, commencing March 15, 2000. We may not redeem the Debentures prior to maturity unless certain events occur involving Canadian taxation.

We will make all payments of principal and interest on the Debentures in U.S. dollars. We will make all such payments without deduction for, or on account of, taxes imposed or levied by or within Canada, subject to the exceptions described in this prospectus supplement.

We are offering to sell the Debentures in North America, Europe and Asia in places where sales are permitted.

We have applied to list the Debentures on the Luxembourg Stock Exchange in accordance with its rules.

	<u>Per Debenture</u>	<u>Total</u>
Price to Public (1).....	99.547%	U.S.\$1,493,205,000
Underwriting Discounts and Commissions875%	U.S.\$13,125,000
Proceeds to Québec (1).....	98.672%	U.S.\$1,480,080,000

⁽¹⁾ Plus accrued interest from September 15, 1999.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

Delivery of the Debentures, in book-entry form, will be made through The Depository Trust Company, Cedelbank and Euroclear on or about September 24, 1999.

Merrill Lynch & Co.

Credit Suisse First Boston

Goldman, Sachs & Co.

CIBC World Markets
Deutsche Bank

Salomon Smith Barney
Warburg Dillon Read LLC

Lehman Brothers
Morgan Stanley Dean Witter

National Bank Financial Inc.
RBC DS Global Markets

ABN AMRO
Banc of America Securities LLC

SG
TD Securities
Tradenname of The Toronto-Dominion Bank

The date of this Prospectus Supplement is September 16, 1999.

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You should rely on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

Please note that in this prospectus supplement, references to “Québec”, “we”, “our” and “us” refer to Province de Québec.

ABOUT THIS PROSPECTUS SUPPLEMENT

You should read this prospectus supplement along with the prospectus. Both documents contain information you should consider when making your investment decision. You should rely only on the information provided or incorporated by reference in this prospectus supplement and the prospectus. Québec has not authorized anyone else to provide you with different information. Québec is not offering to sell or soliciting offers to buy any securities other than the Debentures offered under this prospectus supplement, nor is Québec offering to sell or soliciting offers to buy the Debentures in places where such offers are not permitted by applicable law. You should not assume that the information in this prospectus supplement or the prospectus is accurate as of any date other than the date of this prospectus supplement.

Québec is furnishing this prospectus supplement and the prospectus solely for use by prospective investors in connection with their consideration of a purchase of Debentures. Québec confirms that:

- the information contained in this prospectus supplement is true and correct in all material respects and is not misleading;
- it has not omitted other facts the omission of which makes this prospectus supplement as a whole misleading; and
- it accepts responsibility for the information it has provided in this prospectus supplement.

In this prospectus supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars. On September 16, 1999, the noon spot exchange rate for U.S. dollars as reported by the Bank of Canada, expressed in Canadian dollars, was 1.4760.

FORWARD-LOOKING STATEMENTS

This prospectus supplement contains forward-looking statements. Statements that are not historical facts, including statements about Québec's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and Québec undertakes no obligation to update publicly any of them in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties. Québec cautions you that actual results may differ materially from those contained in any forward-looking statements.

SUMMARY OF THE OFFERING

This summary highlights information contained elsewhere in this prospectus supplement and the prospectus. It is not complete and may not contain all the information that you should consider before investing in the Debentures. You should read the entire prospectus supplement and the prospectus carefully.

Issuer	Province de Québec.
Securities Offered	U.S.\$1,500,000,000 aggregate principal amount of 7½% Global Debentures Series PD due September 15, 2029 (“Debentures”).
Maturity Date	September 15, 2029.
Interest Payment Dates	We will pay you interest in two equal semi-annual installments on March 15 and September 15 of each year, commencing March 15, 2000.
Interest Rate	7½ % per year. Whenever it is necessary to compute any amount of interest in respect of the Debentures other than with respect to regular semi-annual payments, we will calculate such interest on the basis of a 360-day year of twelve 30-day months.
Redemption	We may not redeem the Debentures prior to maturity, unless certain events occur involving Canadian taxation. See “Description of Debentures – Maturity, Redemption and Purchases”.
Markets	We are offering to sell the Debentures in North America, Europe and Asia in places where sales are permitted. See “Underwriting”.
Listing	We have applied to list the Debentures on the Luxembourg Stock Exchange in accordance with its rules.
Form and Settlement	We will issue the Debentures in the form of one or more fully registered global debentures registered in the name of the nominee of The Depository Trust Company (“DTC”). The Debentures will be recorded in a Register held by The Chase Manhattan Bank, as Registrar. Beneficial interests in the Debentures will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Cedelbank and the Euroclear System (“Euroclear”) will hold interests on behalf of their participants through their respective U.S. depositories, which in turn will hold such interests in accounts as participants of DTC. Except in the limited circumstances described in this prospectus supplement, owners of beneficial interests in the Debentures will not be entitled to have Debentures registered in their names, will not receive or be entitled to receive Debentures in definitive form and will not be considered holders of Debentures under the Fiscal Agency Agreement. Debentures will only be sold in denominations of U.S.\$1,000 and integral multiples of U.S.\$1,000. See “Description of Debentures – Form, Denomination and Registration”.
Governing Law	Québec law and Canadian law applicable in Province de Québec.
CUSIP	748148QR7
Common Code	10228255
ISIN Code	US748148QR73

PROVINCE DE QUÉBEC

The information set forth below does not purport to be complete and is qualified in its entirety by the more detailed information contained in Province de Québec's Annual Report on Form 18-K for the fiscal year ended March 31, 1999 and the other documents incorporated by reference in the prospectus. See "General Information - Documents" in this prospectus supplement and "Available Information" and "Incorporation of Documents by Reference" in the prospectus.

SUMMARY

Economy	1994	1995	1996	1997	1998
	(dollar amounts in millions)				
GDP at current market prices.....	\$171,049	\$178,025	\$181,487	\$187,773	\$192,677
% change - GDP at market prices (1992 prices) (1)...	3.6%	1.8%	1.5%	2.8%	2.9%
Personal income.....	\$147,932	\$152,507	\$155,433	\$159,765	\$165,344
Capital expenditures.....	\$ 27,461	\$ 25,784	\$ 26,829	\$ 29,569	\$ 31,267
International exports of goods.....	\$ 41,103	\$ 48,478	\$ 49,408	\$ 52,629	\$ 57,280
Population at July 1 (in thousands).....	7,207	7,241	7,274	7,308	7,335
Unemployment rate.....	12.2%	11.3%	11.8%	11.4%	10.4%
Consumer Price Index - % change (2).....	(1.4)%	1.8%	1.6%	1.5%	1.4%
Average exchange rate (U.S.\$ per C\$).....	0.73	0.73	0.73	0.72	0.67

Government Finances

Fiscal year ending March 31

	Unadjusted 1996(3)	Unadjusted 1997(3)	1998(4)	Preliminary Results 1999	Revised Forecast 2000
	(in millions of dollars)				
Own-Source Revenue.....	\$30,641	\$31,170	\$35,815	\$38,485	\$38,284
Government of Canada Transfers.....	8,142	6,719	5,990	8,089	6,908
Total Budgetary Revenue.....	38,783	37,889	41,805	46,574	45,192
Operating Expenditure.....	(36,696)	(35,246)	(36,637)	(39,377)	(37,593)
Debt Service.....	(6,038)	(5,860)	(7,360)	(7,172)	(7,599)
Total Budgetary Expenditure.....	(42,734)	(41,106)	(43,997)	(46,549)	(45,192)
Surplus (Deficit).....	(3,951)	(3,217)	(2,192)	25	-
Non-Budgetary Transactions.....	1,003	1,081	817	477	240
Net Financial Requirements.....	\$ (2,948)	\$ (2,136)	\$ (1,375)	\$ 502	\$ 240

Public Sector Funded Debt

As of March 31

	Unadjusted 1995(3)	Unadjusted 1996(3)	Unadjusted 1997(3)	1998(4)	Preliminary Results 1999
	(dollar amounts in millions)				
Borrowings - Government.....	\$ 47,320	\$ 47,811	\$ 49,799	\$51,187	\$56,792
Government Guaranteed Debt (5).....	39,505	38,558	38,828	38,879	38,257
Municipal Sector Debt.....	13,323	13,555	13,617	13,799	13,948
Borrowings - Financing Fund.....	4,588	5,832	7,149	7,254	7,934
Other Debt.....	8,511	8,339	9,257	9,116	9,304
Public Sector Funded Debt (6).....	\$113,247	\$114,095	\$118,650	\$120,235	\$126,235
As a percentage of (7):					
GDP.....	66.2%	64.1%	65.4%	64.0%	65.5%
Personal income.....	76.6%	74.8%	76.3%	75.3%	76.4%

(1) Percentage change for Gross Domestic Product ("GDP") adjusted for inflation; referred to herein as "real GDP".

(2) The 1994 percentage decrease reflects the reduction of tobacco taxes in February 1994. Statistics Canada estimates that, excluding tobacco products, the Consumer Price Index ("CPI") would have increased by 0.6% in Québec.

(3) The figures for fiscal 1995 through 1997 have not been restated in accordance with the new accounting policies implemented on April 1, 1997 (see "Financial Administration").

(4) The financial statements of the Government are presented on a consolidated basis beginning with fiscal 1998.

(5) Represents mainly debt of Hydro-Québec.

(6) Net of sinking funds.

(7) Percentages are based upon the prior calendar year's GDP and Personal income.

USE OF PROCEEDS

The net proceeds of the issue will be added to the Consolidated Revenue Fund of Québec and will be applied to the general expenses of Québec or advanced to the Financing Fund of Québec as permitted by law.

DESCRIPTION OF DEBENTURES

This prospectus supplement describes the terms of the Debentures in greater detail than the prospectus and may provide information that differs from the prospectus. If the information in this prospectus supplement differs from the prospectus, you should rely on the information in this prospectus supplement.

Québec will issue the Debentures under the Fiscal Agency Agreement (as defined below). The information contained in this section and in the prospectus summarizes some of the terms of the Debentures. Because this is a summary, it does not contain all of the information that may be important to you as a potential investor in the Debentures. Therefore, you should read the Fiscal Agency Agreement and the form of Debenture in making your investment decision. Québec will file copies of these documents with the Securities and Exchange Commission and will also file copies of these documents at the offices of the fiscal agent and the paying agents.

The Debentures constitute a separate series of debt securities of Québec being offered by Québec from time to time. The portion of the Debentures being offered by this prospectus supplement and the accompanying prospectus dated September 15, 1999 to be sold in the United States was registered under Registration Statement Nos. 33-80506, 333-7108 and 333-10828 which Québec has filed with the U.S. Securities and Exchange Commission (the "Commission") under the United States Securities Act of 1933, as amended (the "Securities Act").

The Debentures in the aggregate principal amount of U.S.\$1,500,000,000 will be issued subject to a fiscal agency agreement to be dated as of September 24, 1999 (the "Fiscal Agency Agreement") between Québec and The Chase Manhattan Bank, as fiscal agent, transfer agent, registrar and principal paying agent (in all such capacities, the "Registrar"). Such terms and conditions will be available to beneficial owners of Debentures from Québec or the Registrar upon request. Holders of Debentures will be bound by, and deemed to have notice of, the provisions contained in the Fiscal Agency Agreement. References to principal and interest in respect of the Debentures shall be deemed also to refer to any Additional Amounts which may be payable as described below. See "Payment of Additional Amounts".

Status of the Debentures

The Debentures will be direct and unconditional obligations of Québec for the payment and performance of which the full faith and credit of Québec will be pledged and will not be secured. The Debentures will rank equally among themselves and with all debentures, notes or other similar securities issued by Québec and outstanding at the date hereof or in the future.

Form, Denomination and Registration

The Debentures will be issued in the form of one or more fully registered global debentures (the "Global Debentures") registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), and held by The Chase Manhattan Bank, as custodian for DTC. Beneficial interests in the Debentures will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants of DTC, Euroclear or Cedelbank (collectively, the "clearing systems"). The clearing systems will be responsible for establishing and maintaining book-entry accounts for their participants having interests in the Debentures. Beneficial owners of Debentures will not, except in limited circumstances described herein, be entitled to receive Debentures represented by fully registered physical certificates or to have Debentures registered in their names, and will not be considered holders thereof under the Fiscal Agency Agreement. See "Physical Certificates". Subject to applicable law and the terms of the Fiscal Agency Agreement, Québec and the Registrar shall deem and treat registered holders of the Debentures as the absolute owners thereof for all purposes whatsoever notwithstanding any notice to the contrary; and all payments to, or on the order of, the registered holders shall be valid and effectual to discharge the liability of Québec and the Registrar on the Debentures to the extent of the sum or sums so paid.

The Debentures will only be sold in denominations of U.S.\$1,000 or integral multiples thereof.

The Registrar will be responsible for (i) maintaining a record of the aggregate holdings of Debentures; (ii) ensuring that payments of principal and interest in respect of the Debentures received by the Registrar from Québec are duly credited to DTC; and (iii) transmitting to Québec any notices from beneficial owners of Debentures. The Registrar will not impose any

fees in respect of the Debentures, other than reasonable fees for the replacement of lost, stolen, mutilated or destroyed Debentures. However, beneficial owners of Debentures may incur fees payable in respect of the maintenance and operation of the book-entry accounts in which such Debentures are held with the clearing systems.

Interest

The Debentures will bear interest from September 15, 1999 at a rate of 7½ % per annum, payable in two equal semi-annual installments, in arrears on March 15 and September 15. Interest on the Debentures will cease to accrue on the date fixed for redemption or repayment unless, upon due presentation of the Debentures, payment of principal is improperly withheld or refused.

Whenever it is necessary to compute any amount of interest in respect of the Debentures, other than with respect to regular semi-annual payments, such interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The rate of interest specified in the Debentures is a nominal rate and all interest payments and computations are to be made without allowances or deductions for deemed reinvestment.

Payments

Principal of, and interest and Additional Amounts (as defined below under "Payment of Additional Amounts"), if any, on, the Debentures are payable by Québec in U.S. dollars to the person registered at the close of business on the relevant record date in the register held by the Registrar. With respect to Debentures held by Cede & Co. for DTC participants, Euroclear and Cedelbank, payment will be made to beneficial owners in accordance with customary procedures established from time to time by DTC, Euroclear and Cedelbank. The Registrar will act as Québec's principal paying agent for the Debentures pursuant to the Fiscal Agency Agreement.

If any date for payment in respect of any Debenture is not a Business Day in the applicable place of payment, the holder thereof shall not be entitled to payment until the next following Business Day, and no further interest shall be paid in respect of the delay in such payment. In this paragraph, "Business Day" means a day on which banking institutions in The City of New York and in any other applicable place of payment are not authorized or obligated by law or executive order to be closed.

Record Date

The record date for purposes of payments of principal and interest and Additional Amounts, if any, on the Debentures will be as of 5:00 p.m., New York City time, on the fourteenth calendar day preceding the maturity date or any interest payment date, as applicable. Ownership positions within each clearing system will be determined in accordance with the normal conventions observed by such system.

Payment of Additional Amounts

The principal of, and interest on, the Debentures will be paid to any holder, who as to Canada or any province, political subdivision or taxing authority therein or thereof, is a non-resident, without deduction for or on account of any present taxes or duties of whatsoever nature, imposed or levied by or within Canada, or any province, political subdivision or taxing authority therein or thereof. If as a result of any change in, or amendment to, or in the official application of, the laws of Canada or the regulations of any taxing authority therein or thereof or any change in, or in the official application of, or execution of, or amendment to, any treaty or treaties affecting taxation to which Canada is a party, Québec shall be required to withhold any taxes or duties from any payments due respectively under the Debentures, Québec will pay such additional amounts (the "Additional Amounts") as may be necessary in order that every net payment of the principal of and interest on the Debentures to any such holder will be not less than the amount provided for in the Debentures. Québec shall not, however, be obliged to pay such Additional Amounts on account of any such taxes or duties to which any holder is subject otherwise than by reason of his ownership of Debentures or the receipt of income therefrom or which become payable as a result of any Debenture being presented for payment on a date more than ten days after the date on which the same becomes due and payable, or the date on which payment thereof is duly provided for, whichever is later.

Maturity, Redemption and Purchases

Unless previously redeemed for tax reasons as provided below, or purchased, the principal amount of the Debentures shall be due and payable on September 15, 2029.

If as a result of any change in, or amendment to, or in the official application of, the laws of Canada or the regulations of any taxing authority therein or thereof (other than Province de Québec) or any change in, or in the official application of, or

execution of, or amendment to, any treaty or treaties affecting taxation to which Canada is a party, which change or amendment shall have become effective after the date of this prospectus supplement, it is determined by Québec that it would be required at, or at any time prior to, maturity of the Debentures to pay Additional Amounts as described under “Payment of Additional Amounts”, the Debentures may be redeemed in whole but not in part at the option of Québec on not less than 30 nor more than 45 days’ published notice in accordance with “Notices” below, at the principal amount thereof together with accrued interest.

Québec may, if not in default under the Debentures, purchase Debentures at any time, in any manner and at any price. If purchases are made by tender, tenders must be available to all holders of Debentures alike.

Transfers

Transfers between participants within Euroclear and Cedelbank, and between Euroclear and Cedelbank participants, will be effected in accordance with procedures established for this purpose from time to time by Euroclear and Cedelbank. Debentures may be transferred between DTC participants in accordance with procedures established for this purpose from time to time by DTC.

Physical Certificates

If DTC notifies Québec that it is unwilling or unable to continue as depository in connection with the Global Debentures or ceases to be a clearing agency registered under the United States Securities Exchange Act of 1934 (the “Exchange Act”) at a time when it is required to be and a successor depository is not appointed by Québec within 90 days after receiving such notice or becoming aware that DTC is no longer so registered, Québec will issue or cause to be issued Debentures represented by physical certificates upon registration of, transfer of, or in exchange for, the Global Debentures. Québec may also at any time and in its sole discretion determine not to have any of the Debentures represented by the Global Debentures and, in such event, will issue or cause to be issued Debentures represented by physical certificates upon registration of, transfer of, or in exchange for, the Global Debentures. In the event Debentures represented by physical certificates are issued and for so long as the Debentures are listed on the Luxembourg Stock Exchange, and the rules of the Luxembourg Stock Exchange so require, Québec will appoint and maintain a transfer agent in Luxembourg.

Modification

The Fiscal Agency Agreement and the Debentures may be amended by Québec and the Registrar without notice to, or the consent of, the holder of any Debenture, for the purpose of (i) curing any ambiguity; (ii) curing, correcting or supplementing any defective provisions contained therein; (iii) effecting the issue of further debentures as described below under “Further Issue”; or in any other manner which Québec and the Registrar acting on the advice of counsel may deem necessary or desirable and which will not be inconsistent with the Debentures and which, in the reasonable opinion of Québec and the Registrar, will not adversely affect the interests of the holders of Debentures.

The Fiscal Agency Agreement will contain provisions for convening meetings of registered holders of Debentures to modify or amend by Extraordinary Resolution (as defined below) the Fiscal Agency Agreement (except as provided in the immediately preceding paragraph) and the Debentures (including the terms and conditions thereof) or waive future compliance therewith or past default thereon by Québec. An Extraordinary Resolution duly passed at any such meeting shall be binding on all holders of Debentures, whether present or not; provided, however, that no such modification or amendment to the Fiscal Agency Agreement or to the terms and conditions of the Debentures may, without the consent of the holder of each such Debenture affected thereby: (a) change the stated maturity of any such Debenture; (b) reduce the principal amount of any such Debenture; (c) change the currency of payment of any such Debenture; (d) impair the right to institute suit for the enforcement of any payment on or with respect to such Debenture; (e) reduce the percentage of the holders of Debentures necessary to modify or amend the Fiscal Agency Agreement or the terms and conditions of the Debentures or reduce the percentage of votes required for the taking of action or the quorum required at any meeting of holders of Debentures; or (f) reduce the percentage of outstanding Debentures necessary to waive any future compliance or past default.

The term “Extraordinary Resolution” will be defined in the Fiscal Agency Agreement as a resolution passed at a meeting of holders of Debentures by the affirmative vote of the holders of not less than 66²/₃% of the principal amount of Debentures represented at the meeting in person or by proxy or as an instrument in writing signed by the holders of not less than 66²/₃% in principal amount of the outstanding Debentures. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing at least a majority in principal amount of the Debentures at the time outstanding, or at any adjourned meeting called by Québec or the Registrar, two or more persons being or representing holders of Debentures whatever the principal amount of the Debentures so held or represented.

Governing Law

The Fiscal Agency Agreement and the Debentures shall be construed in accordance with, and governed by, the laws of Province de Québec and the laws of Canada applicable therein.

Québec will irrevocably consent to the fullest extent permitted by law to the giving of any relief (including, without limitation, the making, enforcement or execution against any property of any order or judgment) made or given in connection with any proceedings arising out of or in connection with the Fiscal Agency Agreement and the Debentures.

Events of Default

In the event that (a) Québec shall default in the payment of the principal amount of, interest or Additional Amounts, if any, on the Debentures, as the same shall become due and payable, and such default shall continue for a period of 45 days or (b) default shall be made in the due performance or observance by Québec of any covenant or agreement contained in the Debentures, other than the payment of principal, interest or Additional Amounts, or the Fiscal Agency Agreement, and such default shall continue for a period of 60 days or (c) Québec shall default in the payment of any principal of, interest or additional amounts, if any, on any indebtedness (direct or under a guarantee) for borrowed money, other than the Debentures, as the same shall become due and payable, and such default shall continue for a period of 45 days, provided that the foregoing shall not be taken into account so long as the aggregate principal amount of all such indebtedness (direct or under a guarantee) for borrowed money with respect to which the foregoing has occurred does not exceed U.S.\$50,000,000 (or its equivalent in other currencies), then at any time thereafter and during continuance of such default, the registered holder of any Debenture (or its proxy) may deliver or cause to be delivered to Québec at Ministère des Finances, c/o Direction de la gestion de la dette publique, 8, rue Cook, Québec, Québec, Canada G1R 5P4, a written notice that such registered holder elects to declare the principal amount of the Debentures held by him (the serial number or numbers of the Global Debentures which represent such Debentures and the principal amount of the Debentures owned by him and the subject of such declaration being set forth in such notice) to be due and payable and, in the cases falling within either (a) or (c) above, on the fifteenth day after delivery of such notice, or, in the cases falling within (b) above, on the thirtieth day after delivery of such notice, the principal of the Debentures referred to in such notice plus accrued interest thereon shall become due and payable, unless prior to that time all such defaults theretofore existing shall have been cured.

Notices

All notices to the holders of Debentures will be published in English in London, England in the *Financial Times*, in Luxembourg in the *Luxemburger Wort* (as long as the Debentures are listed on the Luxembourg Stock Exchange), in New York, New York, in *The Wall Street Journal*, in Toronto, Ontario, in *The Globe & Mail* and in French in Montréal, Québec, in *La Presse*. If at any time publication in any such newspaper is not practicable, notices will be valid if published in an English language newspaper or, if in Québec, a French language newspaper, with general circulation in the respective market regions as Québec, with the approval of the Registrar, shall determine. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

Further Issue

Québec shall be at liberty from time to time without the consent of the holders of the Debentures to create and issue further debentures ranking equally in all respects (or in all respects save for the first payment of interest thereon), and such further debentures shall be consolidated and form a single series with the outstanding Debentures. Any further debentures forming a single series with the outstanding Debentures shall be issued with the benefit of, and subject to an agreement supplemental to, the Fiscal Agency Agreement.

Prescription

Under current Québec law, each Debenture will become void unless presented for payment within three years of the due date for payment.

CLEARING AND SETTLEMENT

Although DTC, Euroclear and Cedelbank have agreed to the procedures provided below in order to facilitate transfers of Debentures among participants of DTC, Euroclear and Cedelbank, they are under no obligation to perform or continue to perform such procedures and such procedures may be modified or discontinued at any time. Neither Québec nor the Registrar will have any responsibility for the performance by DTC, Euroclear or Cedelbank or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Certification and Custody

Links have been established among DTC, Cedelbank and Euroclear to facilitate the initial issuance of the Debentures and cross-market transfers of the Debentures associated with secondary market trading. DTC will be linked indirectly to Cedelbank and Euroclear through the DTC accounts of their respective U.S. depositories. At the time of the initial settlement, the Debentures will be represented by one or more fully registered Global Debentures without interest coupons which will not be exchangeable for fully registered physical certificates representing individual Debentures. The Global Debentures will be held by The Chase Manhattan Bank, as custodian for DTC, will be issued in registered form in the name of DTC's nominee, Cede & Co., and beneficial interests in the Global Debentures will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC.

The Clearing Systems

Cedelbank, Euroclear and DTC have advised Québec as follows:

Cedelbank. Cedelbank is incorporated under the laws of Luxembourg as a professional depository. Cedelbank holds securities for its participating organizations ("Cedelbank Participants") and facilitates the clearance and settlement of securities transactions between Cedelbank Participants through electronic book-entry changes in accounts of Cedelbank Participants, thereby eliminating the need for physical movement of certificates. Cedelbank provides Cedelbank Participants with, among other things, services for safekeeping, administration, clearance and establishment of internationally traded securities and securities lending and borrowing. Cedelbank interfaces with domestic markets in several countries. As a professional depository, Cedelbank is subject to regulation by the Luxembourg Monetary Institute. Cedelbank Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, and may include the underwriters. Indirect access to Cedelbank is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Cedelbank Participant either directly or indirectly.

Distributions with respect to Debentures held beneficially through Cedelbank will be credited to cash accounts of Cedelbank Participants in accordance with its rules and procedures to the extent received by the U.S. Depository for Cedelbank.

Euroclear. Euroclear was created in 1968 to hold securities for participants of Euroclear ("Euroclear Participants") and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several markets in several countries. Euroclear is operated by the Brussels, Belgium office of Morgan Guaranty Trust Company of New York (the "Euroclear Operator"), under contract with Euro-clear Clearance Systems S.C., a Belgian cooperative corporation (the "Cooperative"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator is the Belgian branch of a New York banking corporation which is a member of the Federal Reserve System. As such, it is regulated and examined by the Board of Governors of the Federal Reserve System and the New York State Banking Department, as well by the Belgian Banking Commission.

Distributions of principal and interest with respect to Debentures held through Euroclear or Cedelbank will be credited to the cash accounts of Euroclear or Cedelbank participants in accordance with the relevant system's rules and procedures, to the extent received by such system's depository.

DTC. Information regarding DTC is set forth under "Description of the Securities — Book-Entry System" in the Prospectus.

DTC management is aware that some computer applications, systems, and the like for processing data ("Systems") that are dependent upon calendar dates, including dates before, on, and after January 1, 2000, may encounter "Year 2000 problems." DTC has informed its Participants and other members of the financial community (the "Industry") that it has developed and is implementing a program so that its Systems, as the same relate to the timely payment of distributions (including principal and income payments) to securityholders, book-entry deliveries, and settlement of trades within DTC ("DTC Services"), continue to function appropriately. This program includes a technical assessment and a remediation plan, each of which is complete. Additionally, DTC's plan includes a testing phase, which is expected to be completed within appropriate time frames.

However, DTC's ability to perform properly its services is also dependant upon other parties, including but not limited to issuers and their agents, as well as third party vendors on whom DTC relies for information of the provision of services, including telecommunication and electrical utility service providers, among others. DTC has informed the Industry that it is contacting (and will continue to contact) third party vendors from whom DTC acquires services to: (i) impress upon them the importance of such services being year 2000 compliant; and (ii) determine the extent of their efforts for Year 2000 remediation (and, as appropriate, testing) of their services. In addition, DTC is in the process of developing such contingency plans as it deems appropriate.

According to DTC, the foregoing information with respect to DTC has been provided to the Industry for informational purposes only and is not intended to serve as a representation, warranty, or contract modification of any kind.

Initial Settlement

Customary settlement procedures will be followed for participants of each system at initial settlement. Settlement procedures applicable to the domestic United States dollar market will be followed for primary market purchasers which are participants in DTC, and Debentures will be credited to their securities accounts on the settlement date against payment in U.S. dollars in same-day funds. Settlement procedures applicable to conventional eurobonds in registered form will be followed for primary market purchasers which are Euroclear or Cedelbank participants, and Debentures will be credited to their securities accounts on the business day following the settlement date against payment for value on the settlement date.

Secondary Market

Secondary market trading between DTC Participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Cedelbank Participants and/or Euroclear Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Cedelbank and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Cedelbank or Euroclear Participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by its U.S. Depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if a transaction meets its settlement requirements, deliver instructions to its U.S. Depository to take action to effect final settlement on its behalf by delivering or receiving Debentures in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Cedelbank Participants and Euroclear Participants may not deliver instructions directly to the U.S. Depositories.

Because of time-zone differences, credits of Debentures received in Cedelbank or Euroclear as a result of a transaction with a DTC Participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such Debentures settled during such processing will be reported to the relevant Cedelbank or Euroclear Participants on such business day. Cash received in Cedelbank or Euroclear as a result

of sales of Debentures by or through a Cedelbank Participant or a Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Cedelbank or Euroclear cash account only as of the business day following settlement in DTC.

TAX MATTERS

This summary is of a general nature only and is not intended to be, nor should it be considered to be, legal or tax advice to any particular holder and no representation with respect to the consequences to any particular holder is made. Therefore, you should consult your own tax advisors for advice regarding your individual circumstances.

Canadian Federal Income Taxation

In the respective opinions of Desjardins Ducharme Stein Monast, Canadian counsel for Québec, and Ogilvy Renault, Canadian counsel for the underwriters, the following summary fairly describes the main Canadian federal income tax consequences applicable to you if you invest, as initial purchaser, in the Debentures and, for purposes of the Income Tax Act (Canada) (the "Act"), you hold them as capital property. This summary is based on the relevant provisions of the Act and the Regulations thereunder and counsel's understanding of the administrative practices of Revenue Canada, Customs, Excise and Taxation. It assumes that the specific proposals to amend the Act and the Regulations publicly announced prior to the date of this prospectus supplement are enacted in their present form, but the Act or the Regulations may not be amended as proposed or at all. This summary does not address provincial, territorial or foreign income tax considerations. Changes in the law or administrative practices or future court decisions may affect your tax treatment.

Canadian Residents

The following discussion is applicable to a holder who, for purposes of the Act, is a resident of Canada and is not a financial institution as defined in Section 142.2 of the Act.

Interest Payments. A holder that is a corporation, partnership, unit trust or trust of which a corporation or partnership is a beneficiary will be required to include in computing its income for a taxation year all interest that accrues to it on a Debenture to the end of the year or became receivable or was received by it before the end of the year, to the extent that it was not included in computing its income for a preceding year.

A holder (other than a holder referred to in the previous paragraph) will be required to include in computing its income for a taxation year all interest on a Debenture that is received or receivable by the holder in a year (depending upon the method regularly followed by the holder in computing profit) to the extent that such interest was not included in computing its income for a preceding year. Notwithstanding the preceding rule, a holder (other than a holder referred to in the previous paragraph) who, in a taxation year, holds an interest in a Debenture on any anniversary day of its issue (as defined in the Act), shall include the interest that accrued to the holder to the end of that day with respect to the Debenture to the extent that such interest was not otherwise included in computing its income for the year or a preceding year.

Dispositions. On a disposition or deemed disposition of a Debenture, including a redemption or purchase by Québec or a repayment by Québec upon maturity, a holder will generally be required to include in computing its income for the taxation year in which the disposition occurred all interest on the Debenture that has accrued to the holder from the last interest payment date to the extent that such interest has not otherwise been included in its income for the year or a preceding year.

In general, a disposition or deemed disposition of a Debenture will give rise to a capital gain (capital loss) equal to the amount by which the proceeds of disposition net of accrued interest and any costs of disposition exceed (are exceeded by) the adjusted cost basis of the Debenture to the holder. The amount of any capital loss otherwise determined may be limited in certain circumstances. Generally, three-quarters of a capital gain must be included in income as a taxable capital gain and three-quarters of a capital loss is an allowable capital loss. An allowable capital loss for a year normally may be deducted by the holder in computing income to the extent of any taxable capital gains for the year. Any allowable capital loss not deductible in the year may be deducted against taxable capital gains in computing taxable income for any of the three preceding years or any subsequent year (in accordance with the rules contained in the Act). Capital gains realized by an individual will be relevant in computing possible liability under the alternative minimum tax.

Eligibility for Investment/Foreign Property. The Debentures are qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds and deferred profit sharing plans although the constituting documents of a deferred profit-sharing plan of an employer not dealing at arm's length with Québec may preclude such plan from acquiring Debentures. The Debentures do not constitute "foreign property" for purposes of the Act.

Non-Residents

The following commentary is generally applicable to a holder that, for purposes of the Act, is not and is not deemed to be a resident of Canada during any taxation year in which it owned the Debentures and that does not use or hold, and is not deemed to use or hold the Debentures in the course of carrying on a business in Canada and in the case of a person who carries on an insurance business in Canada and elsewhere, establishes that the Debentures are not a "designated insurance property" and are not effectively connected with such insurance business carried on in Canada (a "Non-Resident Holder").

Interest Payments. A Non-Resident Holder will not be subject to tax (including withholding tax) under the Act on interest on the Debentures.

Dispositions. Gains realized on the disposition or deemed disposition of a Debenture by a Non-Resident Holder will not be subject to tax under the Act.

United States Taxation

The following discussion summarizes the principal United States federal income tax consequences of the ownership of Debentures and is the opinion of Sullivan & Cromwell, special tax counsel to Québec. It deals only with Debentures held as capital assets by investors who purchase the Debentures in the offering at the offering price. It does not address special classes of holders including: dealers in securities or currencies, traders in securities that elect to mark to market, banks, tax-exempt organizations, life insurance companies, persons that hold Debentures as a hedge, or hedged against, currency or interest rate risks or that are part of a straddle or conversion transaction, or persons whose functional currency is not the U.S. dollar.

If you purchase the Debentures at a price other than the offering price, amortizable bond premium or market discount rules may also apply. You should consult your tax advisor regarding this possibility. This discussion is based on the tax laws of the United States (including the Internal Revenue Code of 1986, as amended, existing and proposed regulations thereunder, and administrative and judicial interpretations thereof) as currently in effect. These laws are subject to change, possibly on a retroactive basis.

Before purchasing these debentures please consult your own tax advisor concerning the consequences of owning these debentures in your particular circumstances under the code and the laws of any other taxing jurisdiction.

Payments of Interest

If you are a United States Holder, interest on your Debenture is ordinary income that you will recognize when you receive the interest or when the interest accrues, depending on your method of accounting for tax purposes. A "United States Holder" is a beneficial owner of a Debenture that is: a citizen or resident of the United States, a domestic corporation, an estate whose income is subject to United States federal income tax regardless of its source, or a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

Interest paid by Québec on the Debentures constitutes income from sources outside the United States, but, with certain exceptions, will be "passive" or "financial services" income, which is treated separately from other types of income for purposes of computing the foreign tax credit allowable to a United States Holder.

Purchase, Sale, Retirement and Other Disposition of the Debentures.

If you are a United States Holder, your tax basis in your Debenture generally will be its cost. If you sell or exchange your Debenture (or it is retired by Québec), you will generally recognize capital gain or loss equal to the difference between the amount realized (not including any amounts attributable to accrued and unpaid interest) and your tax basis in the Debenture. Your capital gain will be long-term capital gain that is taxed at a maximum rate of 20% if you are a non-corporate holder and you have held the Debenture for longer than one year.

Backup Withholding and Information Reporting

Payments of Principal and Interest.

If you are a non-corporate United States Holder, information reporting requirements (on Internal Revenue Service Form 1099) generally will apply to payments of principal and interest on a Debenture within the United States (including payments made by wire transfer from outside the United States to an account you maintain with a fiscal or paying agent in the United States).

Additionally, “backup withholding” at a rate of 31% will apply to such payments: if you fail to provide an accurate taxpayer identification number or; if you are notified by the Internal Revenue Service that you have failed to report all interest and dividends required to be shown on your federal income tax returns.

Proceeds from the Sale of a Debenture.

Payment of the proceeds from the sale of a Debenture to or through the United States office of a broker may be subject to information reporting and backup withholding. Payment of the proceeds from the sale of a Debenture made to or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. Information reporting (but not backup withholding) may apply to such payments, however, if the broker is: a United States person, a controlled foreign corporation for United States tax purposes, a foreign person 50% or more of whose gross income is effectively connected with a United States trade or business for a specified three-year period, or with respect to payments made after December 31, 2000, a foreign partnership, if at any time during its tax year; one or more of its partners are U.S. persons (as defined in U.S. Treasury regulations) who in the aggregate hold more than 50% of the income or capital interest in the partnership or; such foreign partnership is engaged in a United States trade or business.

UNDERWRITING

Subject to the terms and conditions set forth in the underwriting agreement dated September 16, 1999, Québec has agreed to sell to the underwriters named below, for whom Merrill Lynch, Pierce, Fenner & Smith Incorporated, Credit Suisse First Boston Corporation and Goldman, Sachs & Co. are acting as representatives, the respective principal amounts of Debentures set forth below.

<u>Underwriter</u>	<u>Principal Amount</u>
Merrill Lynch, Pierce, Fenner & Smith Incorporated	U.S.\$390,000,000
Credit Suisse First Boston Corporation	390,000,000
Goldman, Sachs & Co.	390,000,000
Salomon Smith Barney Inc.	52,500,000
CIBC World Markets plc	37,500,000
Deutsche Bank AG London.	37,500,000
National Bank Financial Inc.	37,500,000
RBC Dominion Securities Corporation	37,500,000
Warburg Dillon Read LLC	37,500,000
ABN AMRO Bank N.V.	15,000,000
Banc of America Securities	15,000,000
Lehman Brothers Inc	15,000,000
Morgan Stanley & Co. Incorporated	15,000,000
Société Générale	15,000,000
The Toronto-Dominion Bank	15,000,000
Total	<u>U.S.\$1,500,000,000</u>

The underwriting agreement provides that the underwriters are obligated to purchase all of the Debentures if any are purchased. The underwriting agreement provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering of Debentures may be terminated.

The underwriters propose initially to offer the Debentures at the public offering price on the cover page of this prospectus supplement, and to selling group members at that price less a concession of .5 % of the principal amount per Debenture. After the initial public offering, the public offering price and concession may be changed by the representatives.

We estimate that we will spend approximately U.S.\$450,000 for registration fees, printing, rating agency and other expenses related to the offering. The underwriters have agreed to reimburse us for such expenses incurred in connection with this offering as well as certain other significant costs.

The Debentures are offered for sale in North America, Europe and Asia in places where it is legal to make such offers.

Each of the underwriters has agreed that it will not offer, sell or deliver any of the Debentures, directly or indirectly, or distribute this prospectus supplement or prospectus or any other offering material relating to the Debentures, in or from any jurisdiction except under circumstances that, to the best knowledge and belief of such underwriter, will result in compliance with the applicable laws and regulations thereof and which will not impose any obligations on Québec except as set forth in the underwriting agreement.

Each of the underwriters severally represents and agrees that it has complied and will comply with all applicable provisions of the Financial Services Act 1986 with respect to anything done by it in relation to the Debentures in, from or otherwise involving the United Kingdom.

Each of the underwriters has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly offer or sell in the Netherlands any of the offered debentures to any persons other than persons who trade or invest in securities in the conduct of a profession or business (which includes banks, stockholders, insurance companies, pension funds, other institutional investors and finance companies and treasury departments of large enterprises).

The Debentures have not been and will not be registered under the Securities and Exchange Law of Japan and offers and sales, direct or indirect, of Debentures may not be made in or to residents of Japan or to any persons for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan except pursuant to an exemption from the registration requirements of the Securities and Exchange Law of Japan available thereunder and in compliance with other relevant laws of Japan.

The Debentures are a new issue of securities with no established trading market. Québec has been advised by the representatives that one or more of the underwriters intend to make a market in the Debentures, but are not obligated to do so and may discontinue any market making at any time without notice. No assurance can be given as to the liquidity of, or the trading market for, the Debentures.

Québec has agreed to indemnify the underwriters against certain liabilities under the Securities Act, or contribute to payments which the underwriters may be required to make in respect thereof.

In connection with the sale of the Debentures, certain of the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the Debentures. Specifically, the underwriters may over allot the offering, creating a short position. In addition, the underwriters may bid for, and purchase, the Debentures in the open market to cover short positions or to stabilize the price of the Debentures, and in connection therewith may impose a penalty bid on certain underwriters. This means that if the underwriters purchase Debentures in the open market to reduce any short position or to stabilize the price of the Debentures, they may reclaim the amount of the selling concession from the underwriter or underwriters who sold those Debentures as part of the offering. Any of these activities may stabilize or maintain the market price of the Debentures above independent market levels. The underwriters will not be required to engage in these activities, and may end any of these activities at any time.

In the ordinary course of their respective businesses, certain of the underwriters and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with Québec.

VALIDITY OF THE DEBENTURES

The validity of the Debentures will be passed upon for Québec by Desjardins Ducharme Stein Monast and for the underwriters by Ogilvy Renault. Certain matters of United States law are being passed upon by Sullivan & Cromwell. Sullivan & Cromwell will rely as to all matters of Canadian and Québec law on the opinions of Ogilvy Renault and

Desjardins Ducharme Stein Monast. Ogilvy Renault and Desjardins Ducharme Stein Monast will rely as to all matters of New York law on the opinion of Sullivan & Cromwell. Desjardins Ducharme Stein Monast, Ogilvy Renault and Sullivan & Cromwell have, from time to time, rendered legal services to Québec not connected with the offering of the Debentures.

OFFICIAL STATEMENTS

The information set forth or incorporated by reference herein, except the information appearing under "Underwriting" in this prospectus supplement and under "Plan of Distribution" in the prospectus, was supplied by the Ministère des Finances of the Gouvernement du Québec, in its official capacity, duly authorized therefor.

GENERAL INFORMATION

Listing of the Debentures

We have applied to list the Debentures on the Luxembourg Stock Exchange in accordance with its rules.

Authorizations

The issue and terms of the Debentures were authorized under a borrowing plan created by an Order in Council adopted by the Gouvernement du Québec.

Litigation and Arbitration Proceedings

Save as disclosed in the prospectus (including the documents incorporated by reference therein), Québec is not involved in any legal or arbitration proceedings which may have or have had during the past 12 months a significant effect on Québec's financial position, nor is Québec aware of any such proceedings pending or threatened.

No Material Adverse Change

Save as disclosed in the prospectus (including the documents incorporated by reference therein), there has been no material adverse change in the financial position or the prospects of Québec since March 31, 1999.

Documents

Copies of the Fiscal Agency Agreement will be available for inspection at, and copies of the annual and quarterly reports incorporated by reference as well as all future annual and quarterly reports of Québec may be obtained, free of charge, from the offices of the Listing Agent in Luxembourg during the Listing Agent's normal business hours on any weekday.

Paying Agent

The Chase Manhattan Bank Luxembourg, S.A. has been appointed as the Luxembourg paying agent. For so long as the Debentures are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, Québec will maintain a paying agent in Luxembourg.

Clearance

The Debentures have been accepted for clearance through DTC, Euroclear and Cedelbank (Common Code 10228255; ISIN US748148QR73; CUSIP 748148QR7).

PROVINCE DE QUÉBEC

Ministère des Finances

12, rue Saint-Louis
Québec, Québec
Canada G1R 5L3

LEGAL ADVISORS

To Province de Québec

Desjardins Ducharme Stein Monast

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Québec, Québec
Canada G1R 5G4

To the underwriters

Sullivan & Cromwell

125 Broad Street
New York, N.Y. 10004
United States of America

Ogilvy Renault

1981, avenue McGill College
Bureau 1100
Montréal, Québec
Canada H3A 3C1

LUXEMBOURG LISTING AGENT

Banque Internationale à Luxembourg S.A.

69, route d'Esch
L-1470 Luxembourg

REGISTRAR, FISCAL, TRANSFER AND PRINCIPAL PAYING AGENT

The Chase Manhattan Bank

450 West 33rd Street
15 Floor
New York, NY 10001

LUXEMBOURG PAYING AGENT

The Chase Manhattan Bank Luxembourg, S.A.

5 Rue Plaetis
L-2338 Luxembourg

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PROSPECTUS



PROVINCE DE QUÉBEC
(Canada)

U.S. \$3,500,000,000

**Debt Securities
Warrants**

This prospectus contains summaries of the general terms of these securities. We will provide specific terms of these securities in supplements to this prospectus. You should read this prospectus and any supplement carefully before you invest. This prospectus may not be used to make offers or sales of securities or warrants unless accompanied by a supplement.

Neither the securities and exchange commission nor any state securities commission has approved or disapproved of the securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is September 15, 1999.

Please note that in this prospectus, references to "Québec", "we", "our" and "us" refer to the Province de Québec.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual reports, amendments to annual reports and other information with the SEC. These reports include certain financial information about us, and may be accompanied with exhibits.

You may read and copy any document we file with the SEC at the SEC's public reference rooms at:

- Judiciary Plaza, Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549;
- Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511; and

- Seven World Trade Center, Suite 1300, New York, New York 10048.

You may also obtain copies of these documents at prescribed rates from the Public Reference Section of the SEC at its Washington address or, without charge, from Province de Québec, Ministère des Finances, Direction de l'émission des emprunts 12, rue Saint-Louis, Québec (Québec) GIR 5L3, Canada.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring to those documents. We incorporate by reference the documents listed below:

- Our Annual Report on Form 18-K for the year ended March 31, 1999; and
- All amendments to our Annual Report on Form 18-K/A for the year ended March 31, 1999 filed prior to the date of this prospectus.

We also incorporate by reference all future annual reports and amendments to annual reports, and any other information we file with the SEC pursuant to Sections 13(a) and 13 (c) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") until we sell all of the Securities. Each time we file a document with the SEC that is incorporated by reference, the information in that document automatically updates the information contained in previously filed

documents.

You may request a free copy of the annual reports, amendments to annual reports and other information mentioned above by writing to the following addresses:

- Province de Québec, Ministère des Finances
Direction de l'émission des emprunts
12, rue Saint-Louis, Québec
(Québec)
G 1R 5L3, Canada;
- Credit Suisse First Boston Corporation
Investment Banking Group
Eleven Madison Avenue
New York, New York 10011-3629;
and
- Merrill Lynch & Co.
Corporate Syndicate Department
Merrill Lynch World Headquarters
North Tower, Fifth Floor
World Financial Center, New York,
New York 10281-1305.

Telephone requests may be directed to:

- Québec at (418) 643-8141;
- Credit Suisse First Boston Corporation at (212) 909-4811; and
- Merrill Lynch & Co. at (212) 449-6500.

You should rely only on the information incorporated by reference or contained in this prospectus or any prospectus supplement. We have not authorized anyone to provide you with different or additional

information. We are not making an offer of these Securities in any state where the offer is not permitted by the law. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents.

PROVINCE DE QUÉBEC

Québec is the largest of the ten provinces in Canada by area (1,541,000 square kilometers or 594,860 square miles representing 15.4% of the geographical area of Canada) and the second largest by population (7.4 million, representing 24.2% of the population of Canada, as of January 1999). Québec has a modern, developed economy in which the manufacturing industries contributed 21% and the services industries contributed 71%, of real GDP at factor cost in 1998. The leading manufacturing industries in Québec are transportation equipment (including aircraft and motor vehicles and associated parts), paper and allied products, primary metals (including aluminum smelting and copper refining industries), electrical and electronic products, and chemical products (namely pharmaceuticals). Québec also has significant hydroelectric resources, generating approximately one-third of the electricity produced in Canada.

Montréal and Ville de Québec, the capital of Québec, are the centers of economic activity. Montréal is one of the main industrial, commercial and financial centers of North America and is Canada's second largest urban area as measured by population. Montréal is also Canada's largest port, situated on the St. Lawrence River, which provides access to both the Atlantic Ocean

and the inland navigation system of the Great Lakes. French is the official language of Québec and is spoken by approximately 95% of its population.

USE OF PROCEEDS

Unless otherwise specified in any prospectus supplement attached to this prospectus (the “**Prospectus Supplement**”), we will:

- add the net proceeds we receive from the sale of the Securities to the Consolidated Revenue Fund of Québec to be used for general purposes, or
- partially or entirely credit such proceeds to the Financing Fund of Québec to be used for loans to public institutions or governmental enterprises and agencies.

DESCRIPTION OF THE SECURITIES

We may at various times offer Debt Securities and, jointly or separately, Warrants to purchase such Debt Securities (collectively, the “**Securities**” or the “**Debt Securities**”) in distinct series. This section and the Prospectus Supplement summarize the material terms of the Securities which are common to all series. They do not, however, describe every aspect of the Securities. If the terms described in this section or in the Prospectus Supplement differ from the terms described in the Securities (the form of which will be filed with the SEC), you should rely on the terms

described in the Securities.

Debt Securities

The Debt Securities, when issued, will be direct and unconditional general obligations of Québec. We pledge our full faith and credit for the payment and performance of the Debt Securities. The Debt Securities will rank equally among themselves and with all debentures, notes or other similar securities issued by us and outstanding at the date of the issue of the Debt Securities or thereafter. They will be payable as to principal, premium, if any, and any interest in lawful money of the United States of America or in such other currency or currencies (or composite currencies) specified in the Prospectus Supplement. Debt Securities will be payable in The City of New York at the offices of Harris Trust Company of New York, or in such other place specified in the Prospectus Supplement.

Information Specified in the Prospectus Supplement

The Prospectus Supplement will specify the following terms:

- the terms of the Securities, including, where applicable, the designation, any aggregate principal amount, maturity, currency or currencies (which may include composite currencies) of denomination and payment, rate or rates of any interest, any index, price or formula to be used for determining the amount of any payment of principal, premium or interest, any interest payment dates, purchase price and any public offering price, denominations, any

terms relating to the holding and transfer of Securities, and any terms for redemption, exchange, repurchase or sinking funds;

- the names of and principal amounts to be purchased by any underwriters, any underwriting discounts and commissions and other terms of the plan of distribution; and
- if appropriate, information relating to developments subsequent to the date of this Prospectus.

Original Issue Discount Securities

Debt Securities may be issued as Original Issue Discount Securities to be sold at a substantial discount below their principal amount. Special U.S. Federal income tax and other considerations applicable to Original Issue Discount Securities will be described in the Prospectus Supplement or Prospectus Supplements relating to such Original Issue Discount Securities.

Form, Exchange and Transfer

Unless otherwise specified in the Prospectus Supplement, the Debt Securities will be in fully registered form only in specified denominations.

You may exchange your Debt Securities for other authorized denominations of the same series of equal aggregate amount. You may transfer and exchange your Debt Securities, free of charge, subject to any restrictions set forth in the Prospectus Supplement. Unless otherwise specified in the Prospectus

Supplement, Harris Trust Company of New York, which acts as paying agent, will keep a register for the registration and transfer of Debt Securities (the "Security Register").

Sinking Funds

If the Prospectus Supplement so indicates, Québec will agree, so long as any Debt Securities of a particular series are outstanding, to set aside from its Consolidated Revenue Fund as a sinking fund for such Debt Securities on the dates set forth in the Prospectus Supplement, the Canadian dollar equivalent of the percentage of the principal amount of such Debt Securities indicated in the Prospectus Supplement. The funds so set aside will be invested in such Debt Securities, in direct or other guaranteed obligations of Québec or in direct obligations of the Government of Canada, bonds of any municipality or school corporation in Québec, bonds issued by institutions which are fully subsidized by the gouvernement du Québec or in such other securities as may be determined by the Ministre des Finances of Québec.

The Debt Securities may be certain outstanding Debt Securities which are held in the sinking fund of Québec and are being resold by Québec or held by government enterprises and agencies of Québec and sold by them.

The Debt Securities may be debentures denominated and payable in Canadian dollars which are offered and sold in Canada. The Prospectus Supplement relating to Domestic Debentures will contain a description of the terms of such Domestic Debentures, which will be governed by, and

construed in accordance with, the laws of Province de Québec and the laws of Canada applicable therein.

Redemption

If the Prospectus Supplement so indicates, the Debt Securities may be redeemable prior to maturity.

Governing Law

Unless otherwise indicated in the Prospectus Supplement, the Debt Securities will not specify a governing law but will be authorized under the laws of Province de Québec. Unless otherwise indicated in the Prospectus Supplement, the Debt Securities will be delivered in The City of New York.

Book-Entry System

The Prospectus Supplement indicates whether any of the Securities you purchase will be issued in the form of one or more fully registered global securities (each, a “**Global Security**”). Global Securities will be deposited with, or on behalf of, The Depository Trust Company, New York, New York (“**DTC**”) or its nominee, or any other depository or depositories identified in the Prospectus Supplement. These depositories may include The Canadian Depository for Securities Limited, the Euroclear System or Cedelbank. A Global Security will be registered in the name of the relevant depository or its nominee.

Subject to certain restrictions, a Global Security may be transferred, in whole or in part, only to the relevant depository or its nominee. These restrictions are described

below.

Upon the issuance of a Global Security, Québec expects that the relevant depository or its nominee will credit, on its book-entry registration and transfer system, the respective principal amounts of the Debt Securities represented by such Global Security to the accounts of institutions that have accounts with the depository or its nominee (“**Participants**”). The accounts to be credited will be designated by the underwriters, dealers or agents, or by Québec, in the case of Debt Securities sold directly by Québec. Ownership of beneficial interests in such Global Security will be limited to Participants or persons that may hold interests through Participants. Ownership of beneficial interests in such Global Security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the relevant depository or its nominee (with respect to interests of Participants) and on the records of Participants (with respect to interests of persons other than Participants). The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in a Global Security.

Any payment of principal or interest due on the Debt Securities on any interest payment date or at maturity will be made available by Québec to Harris Trust Company of New York, as paying agent, or any other paying agent identified in a Prospectus Supplement or Prospectus Supplements (the “**Paying Agent**”), on such date. As soon as possible thereafter, the Paying Agent will make such

payments to the depository or its nominee, as the case may be, which is the registered owner of the Global Security representing such Debt Securities in accordance with existing arrangements between the Paying Agent and such depository. Québec expects that the depository or its nominee, upon receipt of any payment of principal or interest, will credit Participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Security as shown on the records of the depository or its nominee. Québec also expects that payments by Participants to owners of beneficial interests in the Global Security held through such Participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants. Neither Québec nor the Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

So long as a depository, or its nominee, is the registered owner of a Global Security, such depository or such nominee, as the case may be, will be considered the sole owner and holder of the Debt Securities represented by such Global Security for all purposes of the Debt Securities. Except as provided below, or as may be specified in a Prospectus Supplement or Prospectus Supplements, owners of beneficial interests in a Global Security will not be entitled to have the Debt Securities represented by such

Global Security registered in their names, will not receive or be entitled to receive physical delivery of certificated Debt Securities in definitive form ("**Certificated Debt Securities**") upon exchange or otherwise and will not be considered the owners or holders of any Debt Securities represented by such Global Security. Accordingly, each person owning a beneficial interest in a Global Security must rely on the procedures of the relevant depository and, if such person is not a Participant, on the procedures of the Participant through which such person owns its interest, to exercise any rights of a holder of Debt Securities. Québec understands that, under existing industry practice, in the event that an owner of a beneficial interest in a Global Security desires to take any action the relevant depository, or its nominee, as the holder of such Global Security, is entitled to take, such depository would authorize the Participants to take such action, and that the Participants would authorize beneficial owners owning through such Participants to take such action or would otherwise act upon the instructions of beneficial owners owning through them.

Except as otherwise set forth in a Prospectus Supplement, a Global Security may not be transferred except as a whole by the relevant depository to a nominee of such depository or by a nominee of such depository to such depository or any other nominee of such depository, or by such depository or any such nominee to another depository or its nominee or to a successor of such depository or a nominee of such successor. Debt Securities represented by a Global Security are exchangeable for Certificated Debt Securities of like tenor and of an equal

aggregate principal amount as such Debt Securities in denominations of U.S. \$1,000 and integral multiples thereof only if:

- the relevant depository notifies Québec that it is unwilling or unable to continue as depository for such Global Security or if at any time such depository ceases to be a clearing agency registered under the Exchange Act at a time when it is required to be so registered and a successor depository is not appointed by Québec within 90 days after receiving such notice or becoming aware that such depository is no longer so registered,
- Québec in its discretion at any time determines not to have all of the related Debt Securities represented by such Global Security,
- an event of default entitling the holders of the related Debt Securities to accelerate the maturity thereof has occurred and is continuing or
- in such other events as may be specified in a Prospectus Supplement.

Any Debt Security that is exchangeable pursuant to the preceding sentence is exchangeable for Certificated Debt Securities registered in such names as the relevant depository shall direct. Certificated Debt Securities may be presented for registration of transfer or exchange at the office of the Paying Agent in The City of New York or such other place specified in a Prospectus Supplement, and principal thereof and interest thereon will be payable

at such office of the Paying Agent, provided that interest thereon may be paid by check mailed to the registered holders of the Debt Securities to the address of the person entitled thereto at such address as it appears in the Security Register. Subject to the foregoing, a Global Security is not exchangeable, except for a Global Security or Global Securities of the same principal amount to be registered in the name of the depository or its nominee.

DTC has advised Québec as follows: DTC is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities of its Participants and to facilitate the clearance and settlement of securities transactions among its Participants in such securities through electronic book-entry changes in accounts of the Participants, thereby eliminating the need for physical movement of securities certificates. DTC’s Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of whom (and/or their representatives) own DTC. Access to the DTC book-entry system is also available to others that clear through or maintain a custodial relationship with a participant, either directly or indirectly. DTC agrees with and represents to its Participants that it will administer its book-entry system in accordance with its rules and by-laws and requirements of law. The rules applicable to DTC and its Participants are on file with the Commission.

If depositories other than DTC are appointed, additional information with respect to such depositories will be set forth in a Prospectus Supplement or Prospectus Supplements.

Canadian Taxes on Debt Securities

In the opinion of Desjardins Ducharme Stein Monast or the sous-ministre de la Justice and the sous-ministre associé de la Justice du Québec, counsel to Québec, and of Ogilvy Renault, Canadian counsel for the underwriters or agents, if any, there are no withholding taxes payable under the laws of Canada or of Province de Québec in respect of the Debt Securities or premium, if any, or any interest thereon; there are no taxes on income or capital gains payable under the laws of Canada or of Québec in respect of the Debt Securities or premium, if any, or any interest thereon by an owner who is not, nor is deemed to be, a resident of Canada and who does not use or hold the Debt Securities in carrying on a business in Canada, except in certain situations where the owner is a non-resident insurer carrying on business in Canada and elsewhere; there are no estate taxes or succession duties imposed by Canada or by Québec in respect of the Debt Securities or premium, if any, or any interest thereon.

Warrants

We may issue, together with any Debt Securities offered by any Prospectus Supplement or separately, Warrants for the purchase of other Debt Securities. The Warrants are to be issued under warrant agreements to be entered into between us and a bank or trust company, as warrant agent, all as set forth in the Prospectus

Supplement relating to a particular issue of Warrants. The Prospectus Supplement relating to the particular series of Warrants offered thereby will set forth:

- the terms referred to on the cover page hereof of the Debt Securities purchasable upon exercise of such Warrants;
- the principal amount of Debt Securities purchasable upon exercise of one Warrant, the exercise price and the procedures of, and conditions to, exercise for purchasing such Debt Securities;
- the dates on which the right to exercise the Warrants shall commence and expire;
- the date, if any, on and after which such Warrants and the related Debt Securities will be separately transferable; and
- whether the Warrants represented by the Warrant Certificates will be issued in registered or bearer form, and if registered, where they may be transferred and registered.

The Warrants will not specify a governing law but will be authorized under the laws of Province de Québec.

Jurisdiction

We have not agreed to waive any immunity from jurisdiction. In addition, we have not appointed an agent in the United States upon which process may be served for any purpose. In the absence of such waiver of

immunity in any proceeding leading to a judgment by a court of another jurisdiction, it may not be possible to obtain in Québec a judgment based solely on the judgment of the court of such other jurisdiction. Québec may be sued in the courts of Québec, and no applicable law requires the consent of any public official or authority for proceedings to be brought or judgment to be obtained against Québec arising out of or relating to obligations under the Securities. In addition, no immunity from suit is available to Québec in any action in such courts, irrespective of whether a party to the action or the holder of Securities is or is not resident within Québec or is or is not a citizen of Canada. There are no requirements under the laws of Province de Québec that prior written notice be served on Québec before the commencement of an action. Although any judgment obtained in an action brought in the courts of Québec against Québec may not be enforced by execution, applicable statutes provide that whenever Québec is condemned by a judgment that has become definitive to pay a sum of money, the ministre des Finances, after having received a certified copy of such judgment, shall pay the amount due out of the money at his disposal for such purpose or, failing such, out of the Consolidated Revenue Fund.

PLAN OF DISTRIBUTION

We may sell Securities to or through underwriters, and also may sell Securities directly to other purchasers or through agents.

The distribution of the Securities may be effected from time to time in one or more

transactions at:

- a fixed price or prices, which may be changed;
- prices related to prevailing market prices; or
- negotiated prices.

Such distribution may be effected in the United States and/or in any one or more other jurisdictions where permitted by law, as specified in a Prospectus Supplement.

In connection with the sale of Securities, underwriters or agents may receive compensation from us or from purchasers of Securities for whom they may act as agents, in the form of discounts, concessions or commissions. Underwriters, dealers and agents who participate in the distribution of Securities may be deemed to be underwriters, and any discounts or commissions received by them from Québec and any profit on the resale of Securities by them may be deemed to be underwriting discounts and commissions under the Securities Act of 1933, as amended (the “**Securities Act**”). Any such underwriter or agent will be identified, and such compensation received from Québec will be described, in the relevant Prospectus Supplement or Prospectus Supplements.

Under agreements which may be entered into by Québec, dealers and agents who participate in the distribution of Securities may be entitled, and Québec has agreed that underwriters, if any, will be entitled to indemnification by Québec against certain liabilities, including liabilities under the

Securities Act.

The Prospectus Supplement relating to Domestic Debentures will contain a description of the plan of distribution of such Domestic Debentures.

DEBT RECORD

Québec has paid the full face amount of the principal of and premium, if any, and interest on: (a) every obligation issued or assumed by it, and (b) every indirect obligation on which it has been required to implement its guarantees, all promptly when due in the currency and in the country where payable, subject to any applicable laws and regulations forbidding trading with the enemy during wartime.

AUTHORIZED AGENTS

The authorized agents of Québec in the United States are Diane Wilhelmy and Michel Brisson, at Québec Government House, One Rockefeller Plaza, 26th Floor, New York, New York 10020-2102.

VALIDITY OF THE SECURITIES

Desjardins Ducharme Stein Monast, Québec, Québec or the sous-ministre de la Justice or the sous-ministre associé de la Justice du Québec will pass upon the validity of the Securities and all other matters of Canadian and Québec law and procedure on behalf of Québec. The validity of the Securities and all other matters of Canadian and Québec law and procedure will be passed upon for the underwriters or agents, if any, by Ogilvy Renault, Montréal, Québec. The validity of the Securities will be passed upon as to matters of New York

law for the underwriters or agents, if any, by Sullivan & Cromwell, New York, New York, who will rely as to all matters of Canadian and Québec law on the opinions of the aforementioned two firms. Desjardins Ducharme Stein Monast, Ogilvy Renault and Sullivan & Cromwell have, from time to time, rendered legal services to Québec not connected with the offering of the Securities.

OFFICIAL STATEMENTS

The information set forth or incorporated by reference herein, except the information appearing under "Plan of Distribution", was supplied by the ministre des Finances of Québec, in his official capacity, duly authorized thereto.

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U.S. \$1,500,000,000



Province de Québec
(Canada)

7½% Global Debentures Series PD

due September 15, 2029

PROSPECTUS SUPPLEMENT

Merrill Lynch & Co.
Credit Suisse First Boston
Goldman, Sachs & Co.

September 16, 1999
