

# Province of British Columbia

## European Investor Relations Tour



Ministry of  
Finance

June 2026

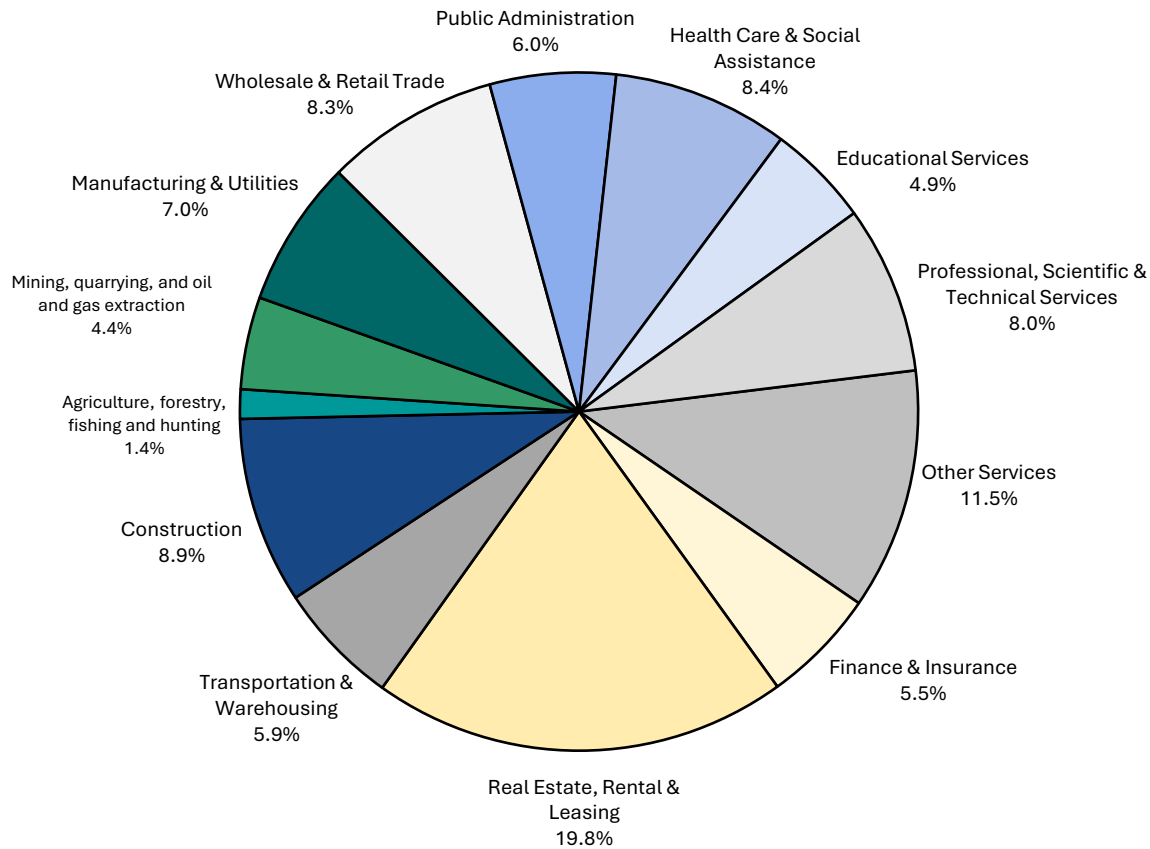
# Quick Facts about British Columbia

- Population of 5.659 million (January 1, 2026)
- 944,735 square km on west coast Canada; third-largest province; size of France and UK combined
- Largest city is Vancouver
- Borders the Pacific Rim
- Strategic ports for North America trade
- Parliamentary system of government
- 2024 nominal gross domestic product: C\$429 billion (14% of Canadian economy)



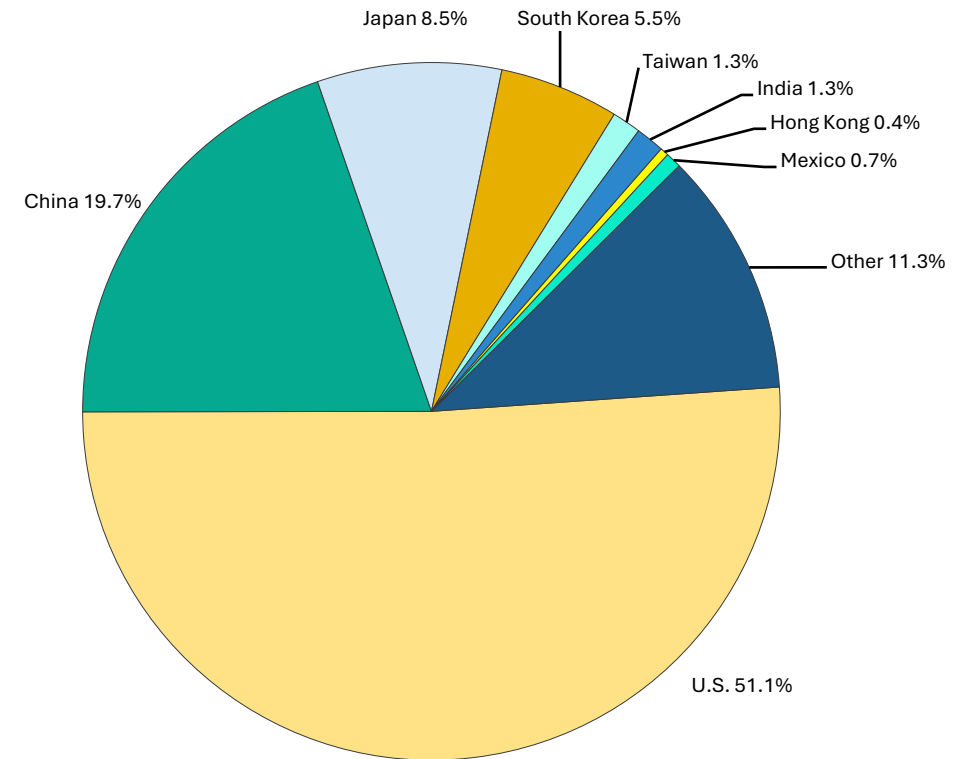
# B.C.'s Diversified Economy & Trade

**B.C. share of GDP by major industry, 2025**



Source: Statistics Canada (may not add to 100 per cent due to rounding)

**B.C. share of international goods exports by destination, 2025**



Source: BC Stats (may not add to 100 per cent due to rounding)


# Summary of Current Economic Situation

 **Labour Market**


Year-to-date to May

↓ Employment -24,700 jobs

↑ Unemployment Rate 6.5%  
(0.2 points below Canadian average)


 **Population**

5.66 million people

 **Consumer Spending**

Year-to-date to March

↑ Retail Sales +1.6%

 **Inflation & Interest Rates**

As of April 2026 / June 2026

↑ Inflation Rate +2.5%  
(lower than Canadian average)

↔ Overnight Target Rate 2.25%

**Housing Market**

Year-to-date to April

↑ Housing Starts +20.1%  
(starts growth higher than Canadian average)

↓ Home Sales -9.6%  
(sales declines observed in all provinces)

 **Trade**

Year-to-date to March

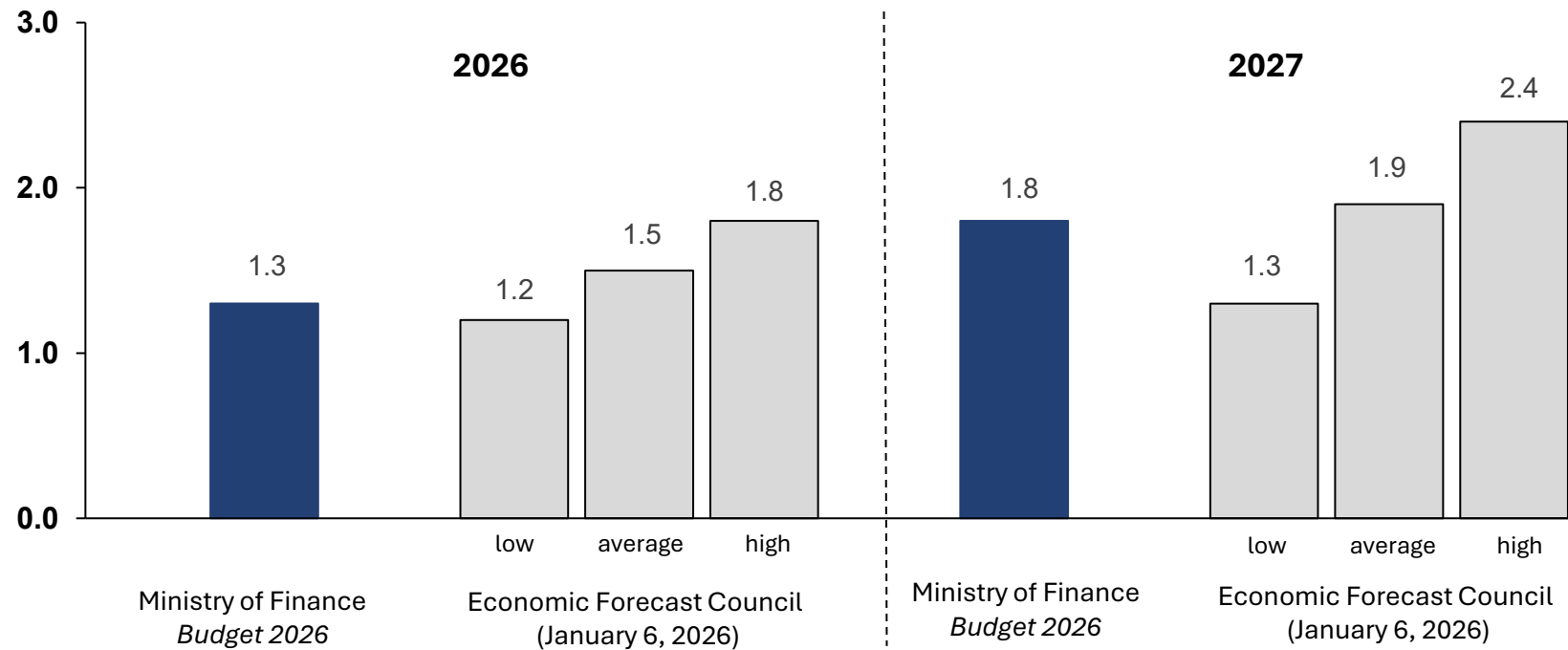
↓ Total Exports -5.3%  
(better than Canadian average)

↑ Exports to non-U.S. +7.4%

Data as of June 5, 2026

# B.C.'s Economic Forecast

B.C. real GDP (annual per cent change)



# Budget 2026: Securing BC's Future

## Protect core services

Protecting health care, education, and other core services

## Invest where it secures B.C.'s future

Prioritizing economic growth, major projects and skills training

## Structural changes and discipline to strengthen B.C.'s finances

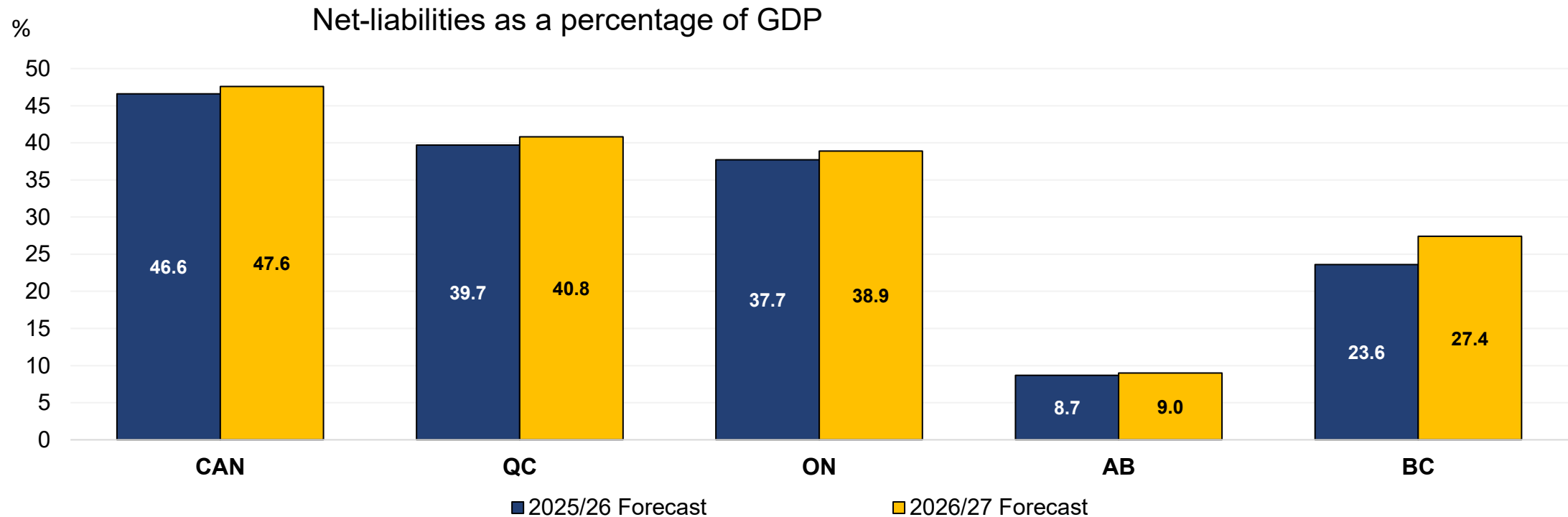
- Expenditure Management – FTE reductions and program reviews
- Updating tax system – broaden PST, and PIT rate and de-indexing
- Re-pacing capital spending – strategic re-sequencing



# Budget 2026 Fiscal Plan

(\$ millions)	Updated Forecast 2025/26	Budget Estimate 2026/27	Plan 2027/28	Plan 2028/29
Revenue .....	85,082	85,523	88,578	91,754
Expense .....	(94,696)	(98,832)	(100,743)	(103,191)
<b>Deficit .....</b>	<b>(9,614)</b>	<b>(13,309)</b>	<b>(12,165)</b>	<b>(11,437)</b>
<b>Capital Spending:</b>				
Taxpayer-supported capital spending .....	12,467	13,664	13,117	10,885
Self-supported capital spending .....	4,606	5,013	5,048	5,194
<b>Total capital spending .....</b>	<b>17,073</b>	<b>18,677</b>	<b>18,165</b>	<b>16,079</b>
<b>Provincial Debt:</b>				
Taxpayer-supported debt .....	116,540	142,897	166,906	189,019
Self-supported debt .....	37,519	40,477	42,949	45,540
<b>Total debt .....</b>	<b>154,059</b>	<b>183,374</b>	<b>209,855</b>	<b>234,559</b>
<b>Taxpayer-supported Debt Metrics:</b>				
Debt-to-GDP ratio .....	26.1%	30.6%	34.4%	37.4%
Deficit-to-GDP ratio .....	2.2%	2.9%	2.5%	2.3%
Interest bite (cents per dollar of revenue) ....	4.9	6.2	7.3	8.2

# Debt Remains Affordable Compared to Peers



\* Net-liabilities to GDP is used for inter-provincial comparison due to the availability of public information. Figures were sourced from each jurisdiction's latest fiscal or economic update published from February 2025 through November 2025. B.C. figures are based on the *Budget 2026* forecast.

# Expenditure Management and Efficiency Review

- \$3.5 billion in estimated savings over the next three years through management of administrative and discretionary spending
- \$2.8 billion in additional savings related to streamlining government operations and public sector FTE reductions (15,000 FTEs by 2028/29)

(CAD \$millions)	2026/27	2027/28	2028/29	Total
Expenditure management savings	950	1,240	1,320	<b>3,510</b>
Workforce reduction targets	200	800	1,850	<b>2,850</b>
<b>Total estimated savings</b>	<b>1,150</b>	<b>2,040</b>	<b>3,170</b>	<b>6,360</b>
Funding reinvested in core services	(525)	(663)	(736)	<b>(1,924)</b>
<b>Total savings, net of reinvestments</b>	<b>625</b>	<b>1,377</b>	<b>2,434</b>	<b>4,436</b>

# Significant New Revenue Measures

- Budget 2026 includes significant tax changes to **increase revenue**
- No changes to **corporate rate (12%)**
- B.C.'s tax rates remain **competitive** relative to peers
- New **investment tax credits** for large industrials and medium-sized manufacturing

	Measure	2026/27	2027/28	2028/29	3-year total
	Lowest personal income tax rate increase + temporary bracket freeze	\$536M	\$802M	\$1,103M	\$2,441M
	Provincial sales tax changes	\$449M	\$789M	\$829M	\$2,067M
	Property tax changes	\$236M	\$519M	\$635M	\$1,390M
	Total	\$1,221M	\$2,110M	\$2,567M	\$5,898M

# Capital Plan - Addressing Infrastructure Deficit



**\$4.4B** for post-secondary education projects

**\$3.9B** for K-12 school projects



**\$11.1B** for acute care facilities, long-term care homes and cancer care centres



**\$13.8B** towards crucial highway and transit expansion projects



**\$2.7B** in housing investments (provincially owned)



**\$1.4B** towards government owned infrastructure projects



**\$0.4B** in other investments and contingencies

# Look West: Jobs and Prosperity for a Stronger BC



1

Strengthening Our Workforce

2



Delivering Major Projects Faster

3



Diversifying Markets  
and Growing  
Targeted Sectors



SKILLED WORKERS



ENERGY



CRITICAL  
MINERALS



MARITIME



LIFE  
SCIENCES



AI & QUANTUM  
COMPUTING



AEROSPACE



CONSTRUCTION  
INNOVATION



TRADE & LOGISTICS  
INFRASTRUCTURE



AGRICULTURE &  
FOOD PROCESSING

# Major Project Update



# Energy Projects in B.C. with Investment over \$1 Billion

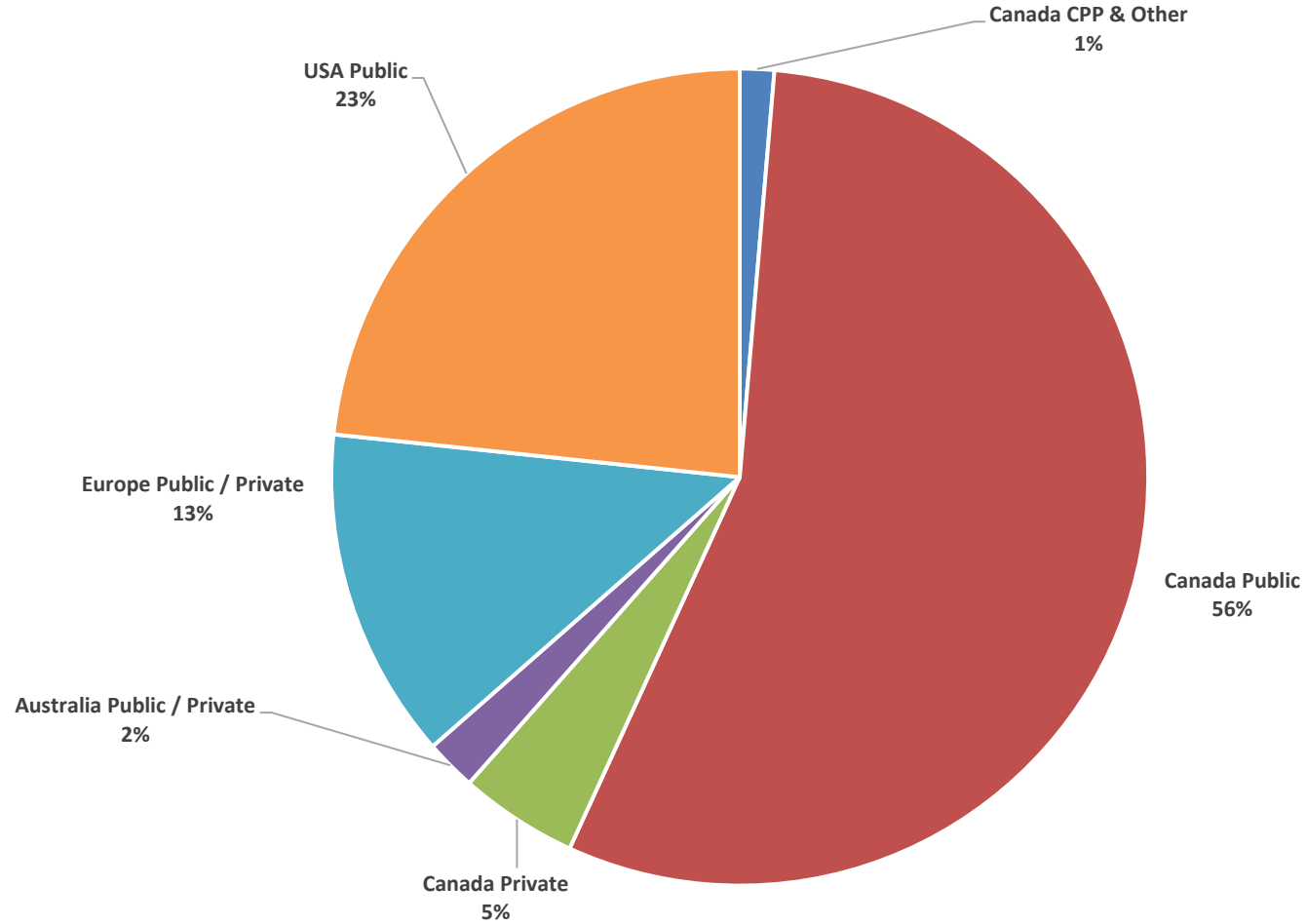
Project	Type	Status	Investment (Billions CAD)
LNG Canada Phase 2	LNG	Pending FID	TBD
Woodfibre LNG	LNG	Under Construction	\$11.0
Cedar LNG	LNG	Under Construction	\$4.6
Ksi Lisims LNG	LNG	Pending FID	\$10.0
Tilbury Phase 2	LNG	Permitting	\$3.25
Prince Rupert Gas Transmission	NG Pipeline	Approved	\$6.0
Enbridge T - South Expansion	NG Pipeline	Under Construction	\$4.0
Enbridge T-North Expansion	NG Pipeline	Under Construction	\$1.2
Ridely Island Energy Export Facility	LPG	Under Construction	\$1.4
North Coast Transmission Line	Power Line	Permitting	\$11.0

# ■ Key Risks to the Fiscal Plan

- Continued uncertainty surrounding restrictive global trade policies, immigration levels and population growth
- Weaker global economic activity and ongoing geopolitical conflicts that contribute to potential volatility in the economic and fiscal outlooks
- Increased costs and demands for government services, such as health care, social programs and disaster recovery
- Mitigated through prudence in the fiscal plan, including Contingencies of \$5 billion in each year of the fiscal plan

# Gross Debt Outstanding by Source

at June 9, 2026



**\$161.1B Gross Debt Outstanding**

# Debt Management

Fiscal Plan Gross Borrowing Requirement:

- Budget 2026/27: \$34.9 billion
  - \$13.9 billion raised as of June 9, 2026
- 2027/28: \$35.0 billion
- 2028/29: \$30.3 billion

Manageable borrowing program

Rely on province's significant access to domestic and international capital markets



# B.C.'s Credit Rating

Agency	Rating	Outlook
Moody's	Aa2	Negative
Fitch	AA-	Negative
Morningstar DBRS	AA	Stable
Standard and Poor's	A	Negative

# B.C.'s ESG Profile

ENVIRONMENTAL
Clean BC Climate Plan
Large Industrial Emitters Carbon Tax
Climate Change Accountability Act and Report
2024 BC Hydro call for Clean Power/Wind Power
Carbon Neutral government operations – including schools, hospitals, universities and core government
Great Bear Rainforest Funding
Increased wildfire and emergency management capacity support communities

SOCIAL
Reconciliation with Indigenous Peoples
Budget 2025 includes \$45.9 billion commitment to capital investments like hospitals, schools, housing and transportation (over 3-years)
Pandemic Action Plan
Affordable Housing Plan
Robust & Diversified Economy
Poverty Reduction
Child Care
BC Public Service - Employer of Choice
Earthquake/Fire Prevention, Preparedness & Response

GOVERNANCE
<i>Declaration on the Rights of Indigenous Peoples Act</i>
Gender Equality / Pay Transparency Reporting
ESG Centre of Excellence
Budget Transparency & Accountability Act
<i>Balanced Budget &amp; Ministerial Accountability Act</i>
<i>Freedom of Information and Privacy Act</i>
Ethics Advisor for each Ministry
<i>Public Interest Disclosure Act</i>
Information Security

# Contact

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**Debt Management Branch**

<https://gov.bc.ca/provincialdebt>

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