

# PROVINCE OF BRITISH COLUMBIA

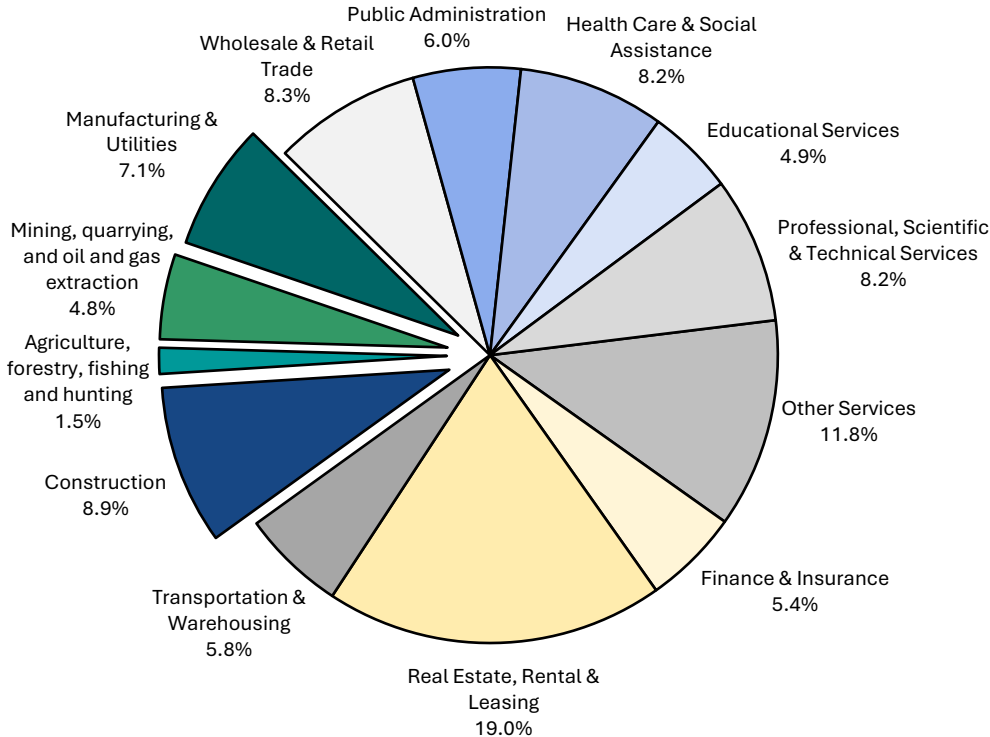


Ministry of  
Finance

May 2026

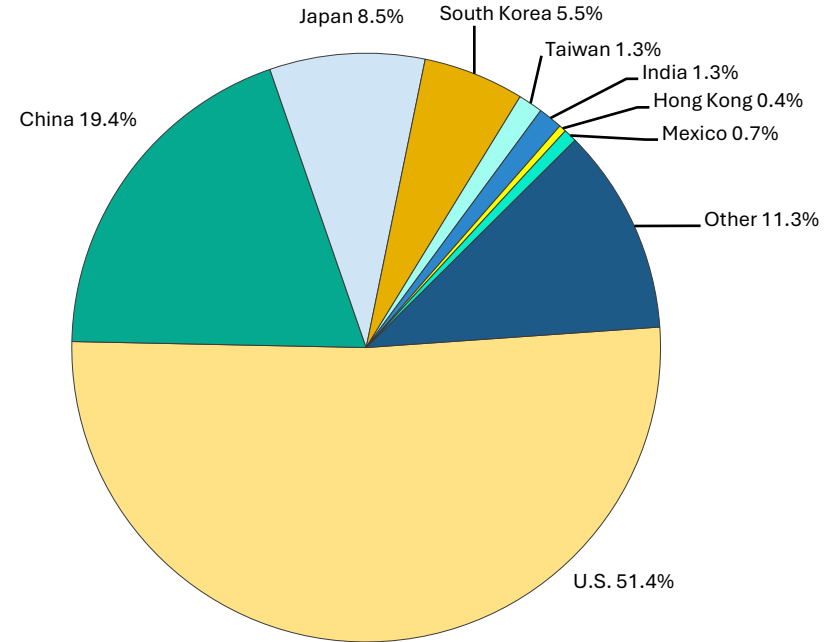
# B.C.'s Diversified Economy & Trade

**B.C. share of GDP by major industry, 2024**



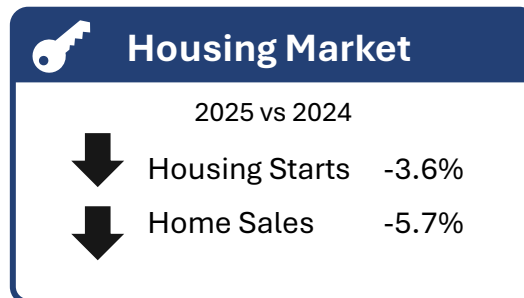
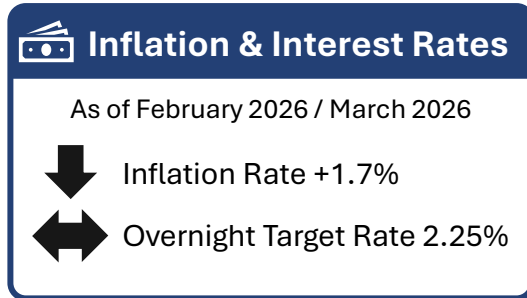
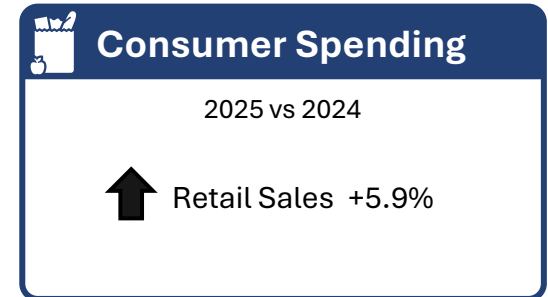
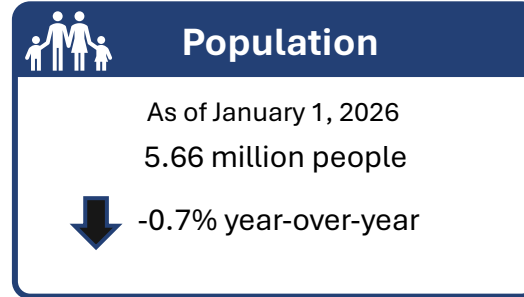
Source: Statistics Canada (may not add to 100 per cent due to rounding)

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



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

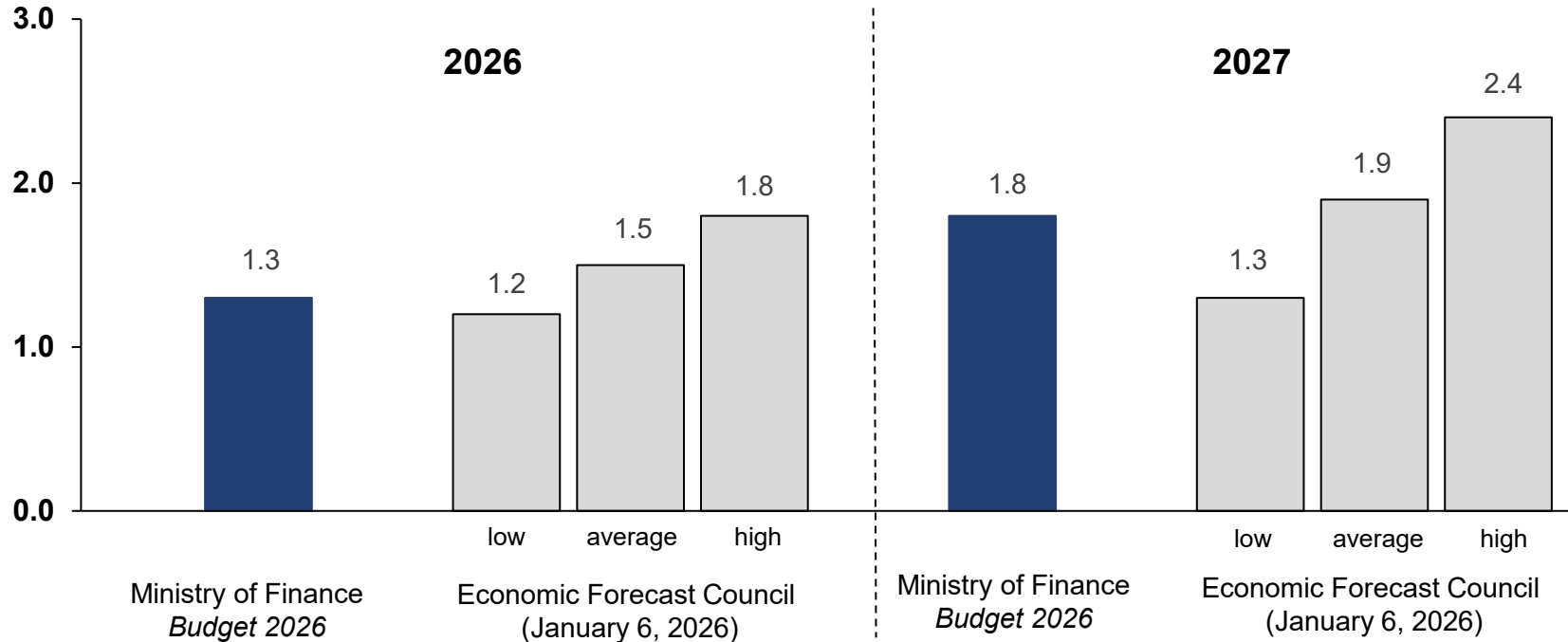
# Summary of Current Economic Situation



Data as of March 18, 2026

# B.C. Economic Outlook

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



Sources: B.C. Ministry of Finance; Economic Forecast Council

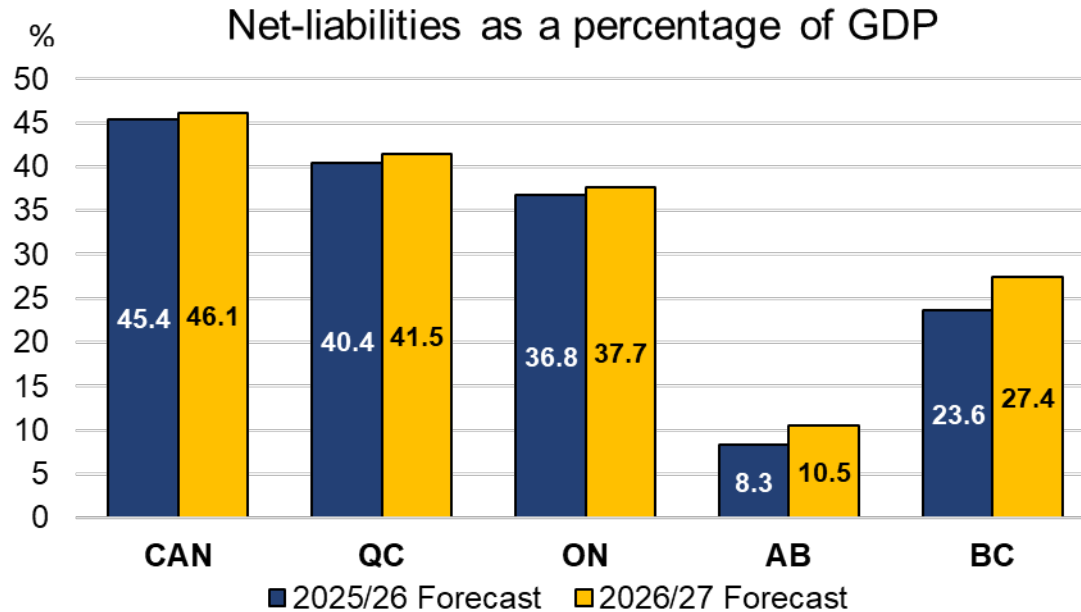
# ***Budget 2026: Securing BC's Future***

- **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**
  - (1) Expenditure management – FTE reductions and program reviews
  - (2) Updating tax systems – broadening PST, and PIT rate and de-indexing
  - (3) 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 .....	<u>(94,696)</u>	<u>(98,832)</u>	<u>(100,743)</u>	<u>(103,191)</u>
<b>Deficit .....</b>	<b><u>(9,614)</u></b>	<b><u>(13,309)</u></b>	<b><u>(12,165)</u></b>	<b><u>(11,437)</u></b>
<b>Capital Spending:</b>				
Taxpayer-supported capital spending .....	12,467	13,664	13,117	10,885
Self-supported capital spending .....	<u>4,606</u>	<u>5,013</u>	<u>5,048</u>	<u>5,194</u>
<b>Total capital spending .....</b>	<b><u>17,073</u></b>	<b><u>18,677</u></b>	<b><u>18,165</u></b>	<b><u>16,079</u></b>
<b>Provincial Debt:</b>				
Taxpayer-supported debt .....	116,540	142,897	166,906	189,019
Self-supported debt .....	<u>37,519</u>	<u>40,477</u>	<u>42,949</u>	<u>45,540</u>
<b>Total debt .....</b>	<b><u>154,059</u></b>	<b><u>183,374</u></b>	<b><u>209,855</u></b>	<b><u>234,559</u></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 the availability of public information. Figures were sourced from each jurisdiction's latest fiscal or economic update published from February 2026 through April 2026. B.C. figures are based on the *Budget 2026* forecast.

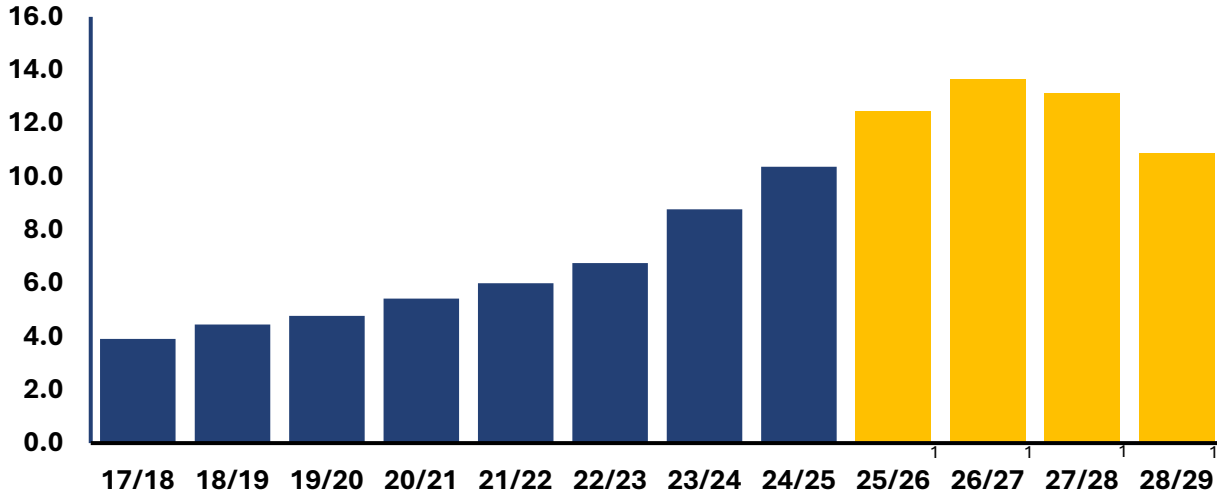
# Expenditure Management and Efficiency Review

- \$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)

\$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>

# Sustainable Capital Plan

Taxpayer-Supported Capital Investments (\$ billions)



<sup>1</sup> Projected spending for 2025/26 to 2028/29

- Record investments in key infrastructure since 2017:
  - \$14B - hospitals
  - \$13B - transportation
  - \$15B – schools
- \$50B investment ambition over the 4 year fiscal plan
- \$8.2B lower than previous budget through re-pacing and re-sequencing

# 3 Year Capital Plan Remains Ambitious



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

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



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



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



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



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



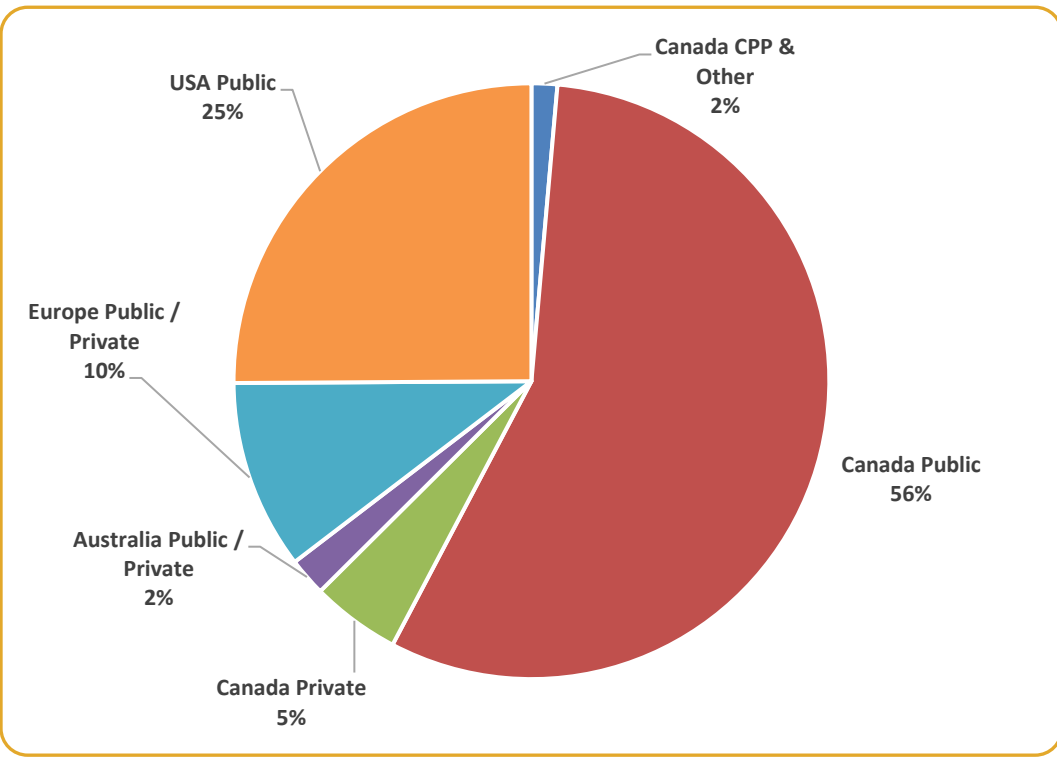
**\$0.4B** in other investments and contingencies

# 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 May 5, 2026

\$157.2B Gross Debt Outstanding



# Debt Management



## Fiscal Plan Gross Borrowing Requirement:

- **Budget 2026/27: \$34.9 billion**
  - \$7.6 billion raised as of May 5, 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

# Appendix



# Look West: Major Projects Map



# B.C.'s ESG Profile

ENVIRONMENTAL	SOCIAL	GOVERNANCE
Clean BC Climate Plan	Reconciliation with Indigenous Peoples	<i>Declaration on the Rights of Indigenous Peoples Act</i>
Large Industrial Emitters Carbon Tax	Budget 2025 includes \$45.9 billion commitment to capital investments like hospitals, schools, housing and transportation (over 3-years)	Gender Equality / Pay Transparency Reporting
Climate Change Accountability Act and Report	Pandemic Action Plan	ESG Centre of Excellence
2024 BC Hydro call for Clean Power/Wind Power	Affordable Housing Plan	Budget Transparency & Accountability Act
Carbon Neutral government operations – including schools, hospitals, universities and core government	Robust & Diversified Economy	<i>Balanced Budget &amp; Ministerial Accountability Act</i>
	Poverty Reduction	<i>Freedom of Information and Privacy Act</i>
	Child Care	Ethics Advisor for each Ministry
Great Bear Rainforest Funding	BC Public Service - Employer of Choice	<i>Public Interest Disclosure Act</i>
Increased wildfire and emergency management capacity support communities	Earthquake/Fire Prevention, Preparedness & Response	Information Security



# Contact

## Websites:

Debt Management Branch

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

## Contact:

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