

PROVINCE OF BRITISH COLUMBIA



Ministry of
Finance

September 2026

Summary - First Quarterly Update

- B.C.'s economy continues to be resilient, with stable growth in the outlook.
- Update reflects higher expenses for wildfire response and refundable tax credits as well as various changes in revenue for the next three years.
- The Province maintains affordable debt metrics.
- Fiscal plan maintains \$5.0 billion in Contingencies for 2026/27.

Summary of Current Economic Situation



Labour Market

Year-to-date to August 2026



Employment -16,400 jobs



Unemployment Rate 6.5%
(+0.4 points from 2025)



Population

As of April 1, 2026

5.65 million people



-0.9% year-over-year



Consumer Spending

Year-to-date to June 2026



Retail Sales +1.9%



Inflation & Interest Rates

As of July 2026 / September 2026



Inflation Rate +2.9%



Overnight Target Rate 2.25%



Housing Market

Year-to-date to July 2026



Housing Starts -9.3%



Home Sales -6.0%



Trade

Year-to-date to July 2026



Total Exports +4.2%



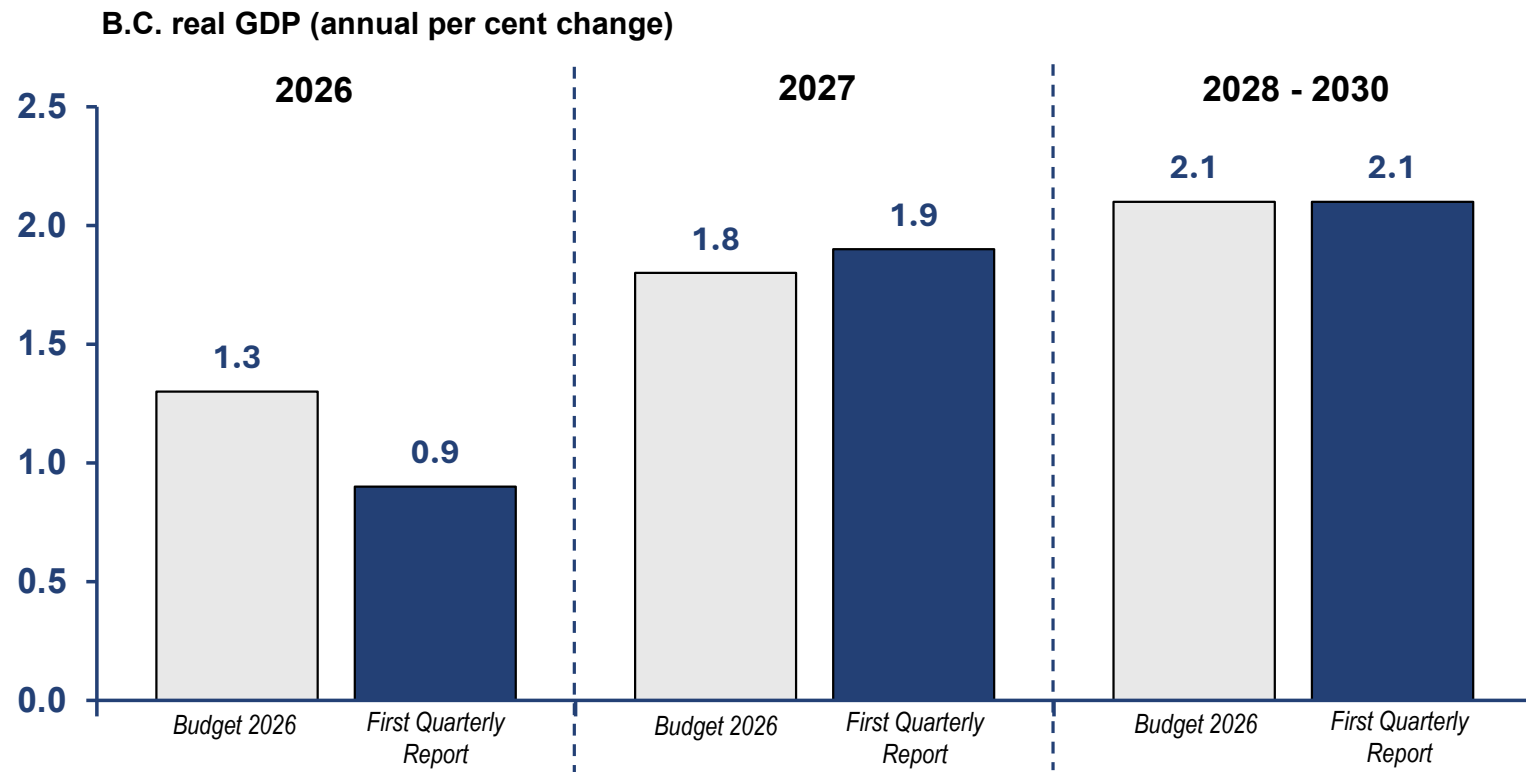
Exports to U.S. -6.2%



Exports to non-U.S. +16.0%

Data as of September 4, 2026

Real GDP Outlook



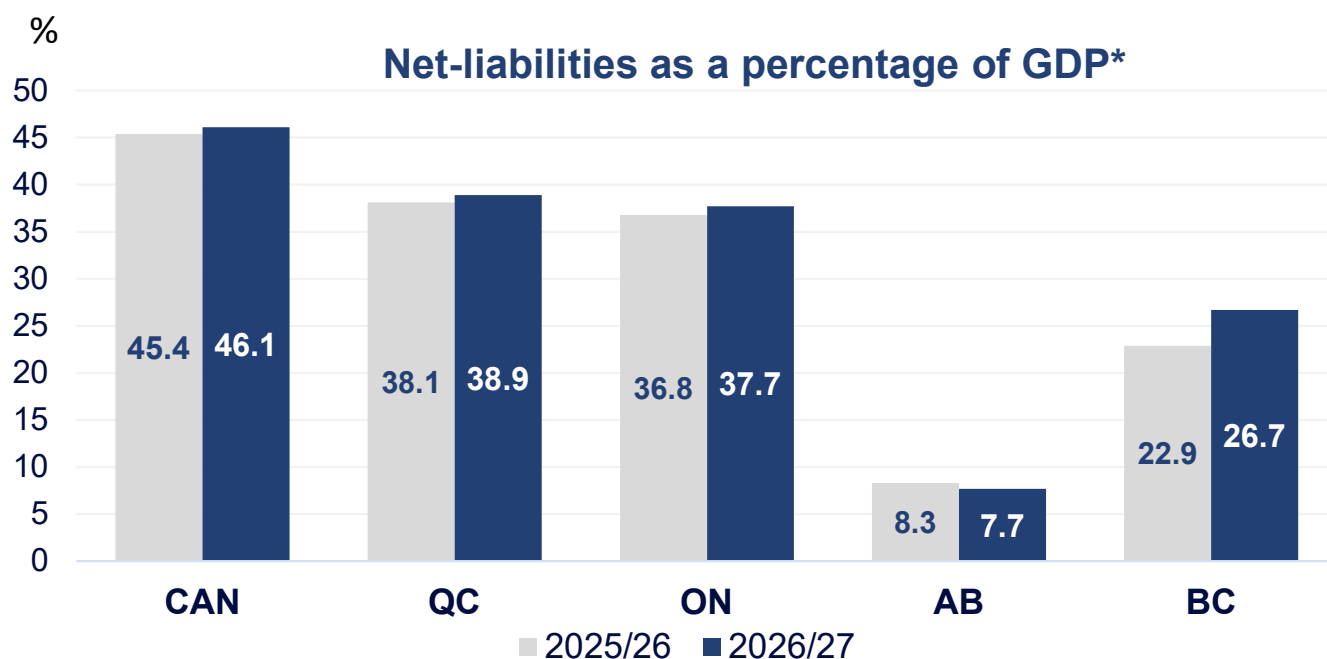
Updated Three-Year Plan

(\$ millions)	2026/27	2027/28	2028/29
Deficit - Budget 2026	(13,309)	(12,165)	(11,437)
Fiscal Plan Updates:			
Personal income tax revenue	471	250	274
Corporate income tax revenue	416	(290)	(284)
Sales tax revenue	169	174	170
Property transfer tax revenue	(305)	(343)	(375)
Natural gas royalties revenue	(531)	(161)	(165)
Contributions from the federal government	284	186	145
Other revenue	285	143	164
Fire management costs	(614)	-	-
Refundable tax credits	(458)	(231)	(234)
Other spending changes	(167)	(234)	(246)
Deficit - First Quarterly Report	(13,759)	(12,671)	(11,988)
Contingencies Vote	5,000	5,000	5,000
Capital Spending Levels:			
Taxpayer-supported capital spending	12,948	12,804	10,663
Self-supported capital spending	5,004	6,892	7,358
	17,952	19,696	18,021
Provincial Debt:			
Taxpayer-supported debt	141,139	165,615	187,272
Self-supported debt	39,747	44,068	48,575
	180,886	209,683	235,847
Taxpayer-supported Debt Metrics:			
Debt-to-GDP ratio	30.1%	33.9%	37.3%
Interest bite (cents per dollar of revenue)	6.1	7.3	8.2

Capital Spending Update

- **Taxpayer-supported capital spending continues to be projected at or near historic levels.**
- **Projects recently completed or completing soon:**
 - Quw'utsun Valley Hospital (formerly Cowichan District Hospital Replacement)
 - New St Paul's Hospital
 - New schools in Maple Ridge, Kamloops and Quesnel
 - Highway 1 - Colquitz River Bridges Widening

Net-Liabilities to GDP

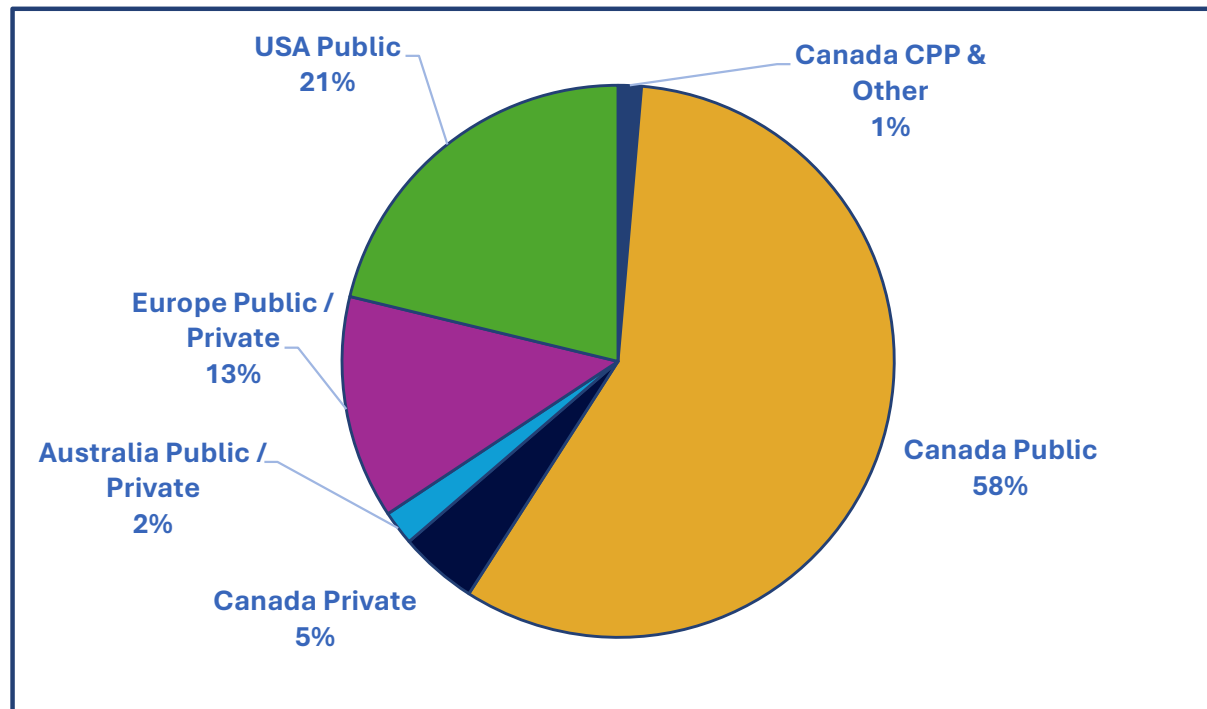


* Figures for 2025/26 were sourced from each jurisdiction's Public Accounts or Budget document (if Public Accounts is not available). 2026/27 forecast figures were sourced from each jurisdiction's Budget or Quarterly update published from February 2026 through September 2026.

- B.C maintains low debt metrics relative to other provinces, including low net-liabilities to GDP.
- Government continues to borrow at relatively low interest rates.

Gross Debt Outstanding by Source

at Sept 23, 2026



\$161.6 Bn Gross Debt Outstanding

Debt Management

Fiscal Plan Gross Borrowing Requirement:

- First Quarterly 2026/27: \$31.99 billion
 - \$18.7 billion raised as of Sept 23, 2026
- 2027/28: \$37.6 billion
- 2028/29: \$31.7 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	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 2026 includes \$52.9 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 & Ministerial Accountability Act</i>
Great Bear Rainforest Funding	Poverty Reduction	<i>Freedom of Information and Privacy Act</i>
Increased wildfire and emergency management capacity support communities	Child Care	Ethics Advisor for each Ministry
	BC Public Service - Employer of Choice	<i>Public Interest Disclosure Act</i>
	Earthquake/Fire Prevention, Preparedness & Response	Information Security

LOOK WEST: ECONOMIC STRATEGY



- Double the investment in skilled trades (\$214M annually by 2028/29)
- Reduce permitting times
- Enabling investments and initiatives across multiple strategic sectors
- Alignment to federal priorities increases opportunities for non dilutive capital

MAJOR PROJECT UPDATE



- **\$88B in proposed major projects over next three years**
- **Five major mines permitted:**
 - **Quintette coal mine \$500M**
 - **Highland Valley Copper extension \$2.25B**
 - **Mount Milligan mine extension \$400M**
 - **Eskay Creek mine \$713M**
 - **Copper Mountain mine expansion \$290M**

Conclusion

- B.C.'s economy is going through a period of external economic volatility due to uncertainty from U.S. tariffs, the conflict in the Middle East, and tighter immigration policy.
- B.C.'s economy is expected to recover to stable growth, with average annual real GDP growth of 2.1 per cent over the medium-term.
- Government continues to take careful steps to protect our services and economic prospects in a time of ongoing global trade and geopolitical uncertainty.
- The Province continues to work with the federal government on shared priorities, including implementation of federal-provincial agreements and anticipated federal support measures for families, child care, and tariff-impacted sectors.

Contact

Websites:

Debt Management Branch

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

Contact:

DMB.InvestorRelations@gov.bc.ca

