

# Provincial Economic Outlook for May 22, 2026

A Publication of BMO Capital Markets Economic Research • Douglas Porter, CFA, Chief Economist, BMO Financial Group

	Canada	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	P.E.I.	Nfld & Labrador
<b>Real GDP Growth</b> (y/y % chng)											
2024	2.0	1.1	3.0	3.0	1.7	1.6	1.7	2.7	3.1	3.8	2.7
2025	1.7	<b>2.0</b>	<b>2.7</b>	<b>2.2</b>	<b>1.3</b>	<b>1.3</b>	<b>0.6</b>	<b>2.0</b>	<b>2.3</b>	<b>2.8</b>	<b>3.5</b>
2026	<b>1.0</b>	<b>1.0</b>	<b>2.4</b>	<b>2.0</b>	<b>1.2</b>	<b>0.8</b>	<b>0.5</b>	<b>1.2</b>	<b>1.4</b>	<b>1.3</b>	<b>3.5</b>
2027	<b>2.1</b>	<b>2.4</b>	<b>2.6</b>	<b>2.3</b>	<b>1.7</b>	<b>2.2</b>	<b>1.6</b>	<b>1.5</b>	<b>1.8</b>	<b>1.5</b>	<b>2.0</b>
<b>Employment Growth</b> (y/y % chng)											
2024	1.9	2.4	2.9	2.6	2.6	1.7	0.9	2.8	3.2	3.6	2.7
2025	1.4	1.1	2.8	2.5	1.7	1.0	1.7	1.3	0.3	1.0	-0.2
2026	<b>0.3</b>	<b>-0.7</b>	<b>2.9</b>	<b>1.0</b>	<b>1.3</b>	<b>-0.1</b>	<b>-0.3</b>	<b>1.4</b>	<b>0.5</b>	<b>2.8</b>	<b>1.8</b>
2027	<b>0.6</b>	<b>0.6</b>	<b>1.4</b>	<b>1.0</b>	<b>0.8</b>	<b>0.7</b>	<b>0.4</b>	<b>0.4</b>	<b>0.6</b>	<b>0.5</b>	<b>0.0</b>
<b>Unemployment Rate</b> (percent)											
2024	6.4	5.6	7.1	5.5	5.5	7.0	5.4	7.1	6.5	7.8	10.1
2025	6.8	6.2	7.2	5.2	5.9	7.7	5.6	7.1	6.6	8.0	10.2
2026	<b>6.8</b>	<b>6.5</b>	<b>6.4</b>	<b>5.4</b>	<b>5.9</b>	<b>7.6</b>	<b>5.8</b>	<b>6.8</b>	<b>6.9</b>	<b>7.4</b>	<b>9.5</b>
2027	<b>6.4</b>	<b>6.3</b>	<b>5.7</b>	<b>5.2</b>	<b>5.7</b>	<b>7.2</b>	<b>5.6</b>	<b>6.7</b>	<b>6.7</b>	<b>7.2</b>	<b>9.5</b>
<b>Housing Starts</b> (thousands)											
2024	245	45.8	47.7	4.3	7.2	74.5	48.8	6.2	7.4	1.2	1.7
2025	258	44.1	55.0	6.1	7.9	65.2	59.4	7.6	9.7	1.7	1.6
2026	<b>245</b>	<b>43.5</b>	<b>50.0</b>	<b>5.0</b>	<b>8.5</b>	<b>64.0</b>	<b>57.5</b>	<b>6.3</b>	<b>7.9</b>	<b>1.4</b>	<b>1.3</b>
2027	<b>230</b>	<b>38.0</b>	<b>53.0</b>	<b>4.8</b>	<b>7.5</b>	<b>59.0</b>	<b>52.0</b>	<b>5.8</b>	<b>8.0</b>	<b>1.1</b>	<b>1.0</b>
<b>Consumer Price Index</b> (y/y % chng)											
2024	2.4	2.6	2.9	1.5	1.1	2.4	2.4	2.3	2.4	2.0	1.9
2025	2.1	2.1	1.9	2.1	2.7	1.9	2.5	1.7	2.0	1.4	1.4
2026	<b>2.7</b>	<b>2.5</b>	<b>3.0</b>	<b>3.5</b>	<b>3.7</b>	<b>2.4</b>	<b>2.9</b>	<b>3.6</b>	<b>3.8</b>	<b>3.2</b>	<b>3.2</b>
2027	<b>2.2</b>	<b>2.1</b>	<b>2.4</b>	<b>2.3</b>	<b>1.9</b>	<b>2.2</b>	<b>2.1</b>	<b>2.0</b>	<b>2.1</b>	<b>1.9</b>	<b>2.0</b>
<b>Budget Balance</b> (\$ mlns)											
FY24/25	<b>-66,900</b>	<b>-9,614</b>	<b>-4,134</b>	<b>-1,211</b>	<b>-1,666</b>	<b>-12,326</b>	<b>-7,655</b>	<b>-1,378</b>	<b>-1,249</b>	<b>-450</b>	<b>-729</b>
% of GDP	<b>-1.2</b>	<b>-1.7</b>	<b>1.8</b>	<b>-0.2</b>	<b>-1.2</b>	<b>-0.1</b>	<b>-0.8</b>	<b>-0.2</b>	<b>0.4</b>	<b>-1.5</b>	<b>-0.7</b>
FY25/26	<b>-65,300</b>	<b>-13,309</b>	<b>-9,373</b>	<b>-819</b>	<b>-498</b>	<b>-13,844</b>	<b>-6,265</b>	<b>-1,394</b>	<b>-1,191</b>	<b>-410</b>	<b>-688</b>
% of GDP	<b>-2.1</b>	<b>-2.2</b>	<b>-0.9</b>	<b>-1.0</b>	<b>-1.7</b>	<b>-1.0</b>	<b>-1.2</b>	<b>-2.8</b>	<b>-1.8</b>	<b>-4.0</b>	<b>-1.7</b>
<b>Net Debt<sup>1</sup></b> (\$ mlns)											
FY25/26	<b>1,399,300</b>	<b>127,969</b>	<b>51,400</b>	<b>19,723</b>	<b>39,714</b>	<b>485,120</b>	<b>259,500</b>	<b>15,902</b>	<b>27,995</b>	<b>4,505</b>	<b>20,800</b>
% of GDP	<b>41.5</b>	<b>27.4</b>	<b>10.5</b>	<b>16.2</b>	<b>38.2</b>	<b>38.1</b>	<b>38.9</b>	<b>30.8</b>	<b>39.5</b>	<b>38.1</b>	<b>43.4</b>

Bolded values represent forecasts; <sup>1</sup> federal = accumulated deficit

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