



Highlights

- B.C. housing market continued to see growing sales in July
- Home sales increased in July by 3.9 per cent and prices were up by 1.1 per cent
- Durable goods manufacturing sales increased by 0.3 per cent while non-durable goods manufacturing sales increased by 3.4 per cent
- Canadian permits declined in June
- B.C. reported lower residential and non-residential building permits

B.C. non-farm payrolls edged up in May

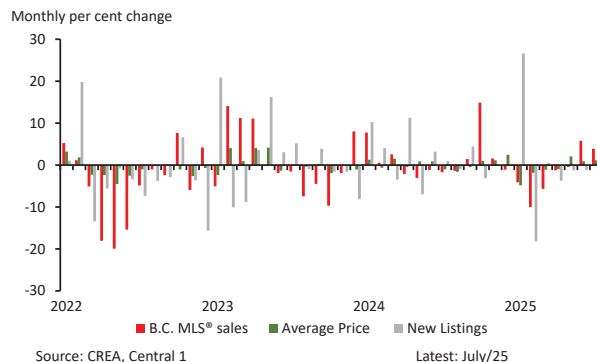
Eloho Ennah, Economic Analyst

B.C. housing market activity saw sustained momentum through July. On a seasonally adjusted basis, home sales increased by 3.9 per cent to 5,924 units after the 5.8 per cent increase in June. Compared to the same month in 2024, sales increased by 1.6 per cent. Consumer confidence has remained steady, prompting the long-awaited sales recovery that materialized in recent months from pent-up demand.

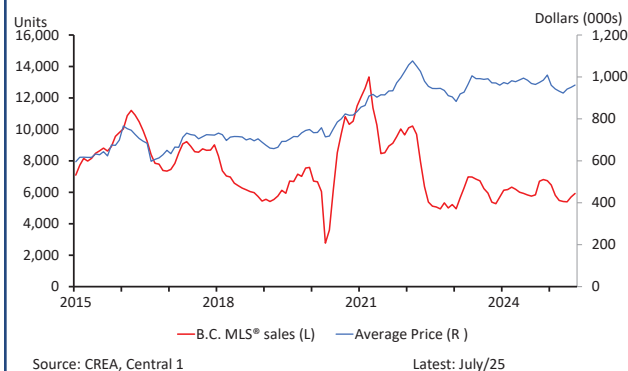
Home sales increased in the majority of the province's regions. In the Greater Vancouver Area, home sales rose by 8.6 per cent, accelerating from the 2.8 per cent increase in June. Similarly, home sales grew in the Okanagan-Mainline and in South Okanagan by 9.2 per cent and 5.1 per cent, respectively. Kootenay noted a 5.6 per cent gain in sales while sales also increased slightly on Vancouver Island (excluding Victoria) by 0.3 per cent. Home sales figures were unchanged in Kamloops. In contrast, sales pulled back in Chilliwack (-11.8 per cent), Victoria (-4.8 per cent) and in Northern B.C. (-2.2 per cent).

Year-over-year, sales were still lower in Greater Vancouver by 2.4 per cent while other areas began to see higher year-over-year sales. For example, sales rose on Vancouver Island (13.1 per cent) and the Okanagan Mainline (9.2 per cent) year-over-year. Looking at the long-term trend, the more expensive Lower Mainland area has seen comparatively weaker sales versus other areas in the province.

Home sales and prices grow, new listings fall



B.C. home sales and prices up in July



The average home price in B.C. increased by 1.1 per cent in July to \$961,305. Prices now sit 10.7 per cent below the historical peak in February 2022. Housing supply from new listings fell by 0.8 per cent, a fourth monthly decrease. Market conditions moved closer to a balanced state as the sales-to-new listings ratio increased from 42.7 per cent to 44.7 per cent.

Regionally, higher prices were recorded on Vancouver Island (2.8 per cent) and in Northern B.C. (1.4 per cent). Other regions reported lower prices. Home values declined in regions like Kamloops (-4.7 per cent), South Okanagan (-3.1 per cent), and Okanagan Mainline (-2.1 per cent). Greater Vancouver prices were unchanged from June to July.

Benchmark constant-quality measures continued declining in most areas, suggesting the composition of sales contributed to the monthly increase in average value. In the Lower Mainland, the index decreased by 0.1 per cent, and was down in Victoria and Chilliwack by 0.2 per cent and 0.1 per cent, respectively. Benchmark prices also decreased in the Okanagan by 1.1 per cent but increased on Vancouver Island by 0.5 per cent.

The B.C. housing market has shown resilience in recent months. This momentum may be sustained in the coming months given trade uncertainty, soft economic conditions, and affordability challenges do not suppress buyer confidence. Bank of Canada rate cuts would also support increased activity in the market.

B.C. manufacturing sales increased in June

Ivy Ruan, Senior Analyst

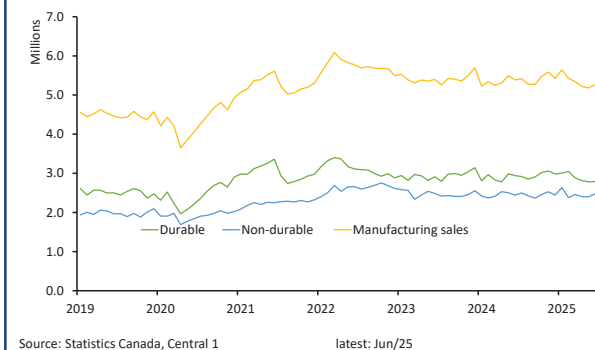
Manufacturing sales in B.C. increased in June after following a downward revised decline in May. On a seasonally adjusted basis, manufacturing sales in the province increased by 1.7 per cent to \$5.3 billion. The monthly increase was largely due to growing non-durable goods sales, which increased by 3.4 per cent to \$2.5 billion, while durable good sales rose slightly at 0.3 per cent to \$2.8 billion. The manufacturing sales figures in the province have been rangebound since mid-2023. Unadjusted sales are down year-to-date by 0.3 per cent.

Within the durable goods sector, notable lower sales were reported in the non-metallic mineral product manufacturing subsector (-18.5 per cent or \$44.0 million) and transportation equipment manufacturing subsector (-9.2 per cent or \$26.7 million). On the other hand, modest growth was seen in other subsectors offsetting the declines. Machinery manufacturing sales grew by 8.6 per cent (\$25.7 million) while primary metal manufacturing sales grew 4.2 per cent (\$14.3 million).

Data for most subsectors in the non-durable goods category is suppressed for confidentiality reasons, but food manufacturing sales increased in June by 0.5 per cent (\$5.4 million). Year-over-year, unadjusted non-

B.C. Manufacturing sales rose in June

B.C. manufacturing sales, \$ billions



durable goods sales have grown by 3.3 per cent.

In the Vancouver metro area, seasonally adjusted manufacturing sales increased by 1.4 per cent following a growth of 0.6 per cent in May. Durable goods industries sales increased by 1.1 per cent while non-durable goods sales rose by 1.6 per cent in the region.

Responses from manufacturers surveyed by Statistics Canada continued to highlight the impact from the U.S. tariffs on Canada's manufacturing sector. Approximately 40 per cent of manufacturers reported being impacted by tariff-related changes included price increases, higher expenses for raw materials, shipping or labour, and changes in demand for products. The Canadian softwood lumber and sectoral tariffs on aluminum and steel should further impact B.C. trade with the U.S. According to the most recent international trade data, B.C. exports to the U.S. have continued to shrink in 2025, with exports down by another 2.7 per cent in June compared to May.

B.C. construction sector permits fall in June

Eloho Ennah, Economic Analyst

The total value of building permits issued in Canada declined in June following a significant gain in the prior month. On a seasonally adjusted basis, permits fell by 9.0 per cent to \$12.0 billion, with the monthly decline prompted by lower industrial permits issued in Ontario. Year-to-date, unadjusted permits are up by 6.7 per cent.

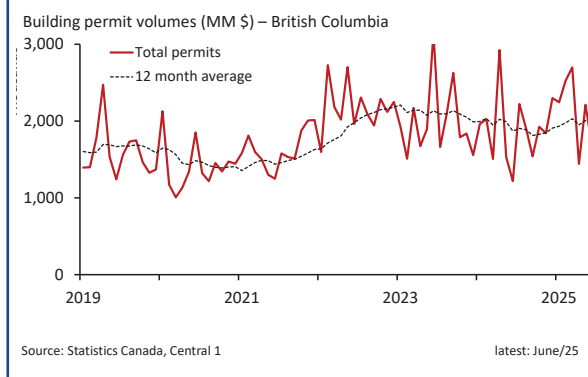
It is worth noting that building permits tend to fluctuate monthly, but the 12-month moving average has continued to trend higher. That said, builders in the construction sector are noting rising costs as per the most recent results in Statistics Canada's Building Construction Price Index. This can be partly attributed to ongoing US-Canada trade dispute, while labour shortages are a strong contributing factor as well. Uncertainty and cost pressures may be more prominent in the sector in the coming months.

All categories in B.C. reported lower permits during the month. Total permits in the province decreased by 24.9 per cent to \$1.7 billion after a 53.4 per cent increase in May. However, year-to-date, unadjusted permits have increased by 13.6 per cent due to significant gains in the residential sector (15.9 per cent).

Declines in the non-residential sector (10.3 per cent to \$496.3 million) were a result of lower industrial and commercial building permits which fell by 26.8 per cent and 12.8 per cent, respectively. Institutional and governmental permits also decreased by 3.3 per cent.

Residential sector permits declined by 29.8 per cent to \$1.2 billion. Within the sector, single dwelling building permits decreased by 3.3 per cent while multiple dwelling building permits decreased by 34.5 per cent.

B.C. building permits fall in June



In B.C.'s metro areas, Vancouver permits declined by 39.4 per cent and were down in Victoria by 27.8 per cent. They also decreased in Nanaimo by 7.3 per cent. Beyond the urban coastal areas, permits almost tripled in Kamloops and were 76.1 per cent higher in Chilliwack. Permits in Abbotsford-mission increased by 27.6 per cent.

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