



## Highlights

- National business confidence improved in April
- B.C. home sales fell by 0.4 per cent in March; prices down by 0.2 per cent
- B.C. housing starts declined by 33.5 per cent in March
- Higher value of building permits issued by province in February

### Small business confidence strengthens modestly in April

*Bryan Yu, Chief Economist*

Canadian small business confidence showed mild improvement in April after a sharp retrenchment in March as businesses absorbed the news and impact of the now seven-week war in the Middle East. The CFIB's latest Business Barometer readings showed a rebound in business expectations over the coming twelve months (long-term) to 58.5 points from 55.7 points in March, with the short-term three-month outlook rising by a point to an index value of 55.4. Confidence levels are still well off the January reading but are in line with levels seen in late 2025. While an index value above 50 suggests businesses are on net more confident of the year ahead, a value near 65 points is considered aligned with a moderate growth economy. Current trends remain consistent with subdued economic growth expectations, with challenges around future trade risks and oil price concerns.

Among industries, there was notable weakness in sectors like agriculture and transportation/warehousing, and manufacturing which were closer to the 50-point threshold, given greater exposure to both trade and energy price risks. Short-term hospitality confidence also declined.

CFIB survey results from businesses were also unsurprising. Fuel costs were cited by 74 per cent of respondents as causing difficulties for businesses, up from 52 per cent in March and 36 per cent in February. Other factors were consistent with prior months. There were more signs of impending layoffs with 16 per cent of respondents looking to reduce their full-time workforce in coming months, although more were also hiring. It is possible that businesses are looking to pass on costs as average pricing plans rose during the month from 2.6 per cent to 3.2 per cent.

### B.C. SME confidence steadies but still low



Source: CFIB, Central 1

latest: Apr/2026

Based on 3-month average data, B.C. confidence was roughly unchanged. The 12-month outlook index fell 1.2 point to 56.5 points, and levels were roughly unchanged on a 3-month outlook basis. Like the country, confidence is subdued. Net hiring plans rose slightly, but remained tepid, aligning with provincial labour market trends, while demand and taxes remain top-of-mind challenges for businesses.

### Home sales continued to decline in B.C. in March

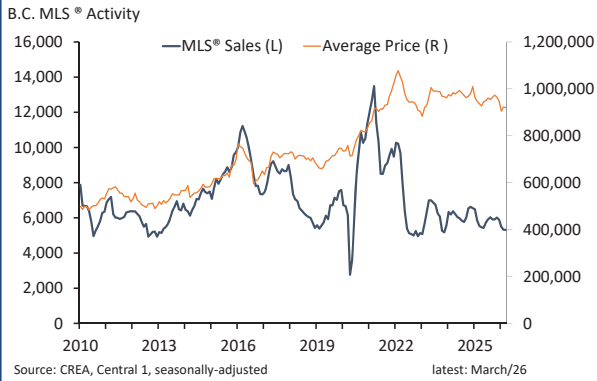
*Eloho Ennah, Economic Analyst*

B.C.'s housing market downturn extended into March with home sales continuing to ease. Seasonally-adjusted home sales fell by 0.4 per cent in March to 5,309 units after a 2.9 per cent decrease in February. This was also the lowest monthly figure in over two years. Compared to the same month in 2025, sales were down 4.2 per cent. Persistent economic uncertainty, subdued growth and a soft labour market continue to weigh on housing demand.

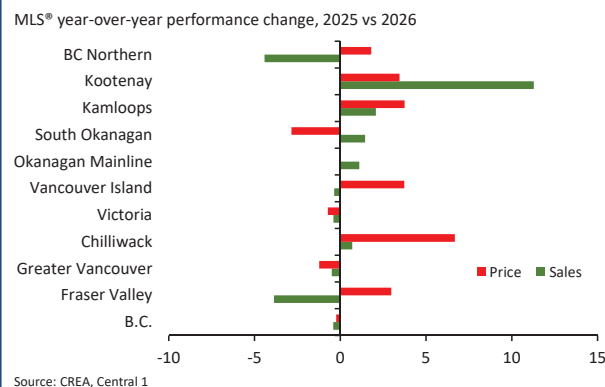
At the regional level, sales fell modestly in Greater Vancouver (0.5 per cent) and more notably in the Fraser Valley (-3.9 per cent). Sales also fell on Vancouver Island (excl. Victoria, -0.4 per cent), Victoria (-0.4 per cent), and Northern B.C. (-4.4 per cent). That said, increases in other regions partially countered these declines. Sales rose in the South Okanagan by 1.4 per cent and in the Okanagan Mainline by 1.1 per cent. Kamloops also noted an increase of 2.1 per cent, while sales grew in Chilliwack by 0.7 per cent.

That said, year-over-year sales were lower across most regions except for Interior markets of Okanagan

## Home sales decline in B.C. in March



## B.C. housing markets see low sales in March



Mainline (2.1 per cent), South Okanagan (2.2 per cent), and Kamloops (11.3 per cent). The Lower Mainland remains notably weak despite improving affordability. Greater Vancouver home sales were 2.2 per cent down year-over-year, also falling in Fraser Valley by 1.4 per cent.

Home prices, though elevated, continued trending down in March. The provincial average price decreased by 0.2 per cent to \$920.3k, and down from peak in February 2022 by 14.6 per cent. Price declines were reported in Greater Vancouver (-1.2 per cent), Victoria (-0.7 per cent), and South Okanagan (-2.8 per cent).

Quality-adjusted benchmark prices, which give a clearer picture of the underlying trend, also declined in March by 0.7 per cent, continuing a steady decline since early 2025. New listings pulled back by 2.9 per cent after growing for several months while the sales-to-new listings ratio in the province moved up to 40.6 per cent from 39.6 per cent, bringing the market closer to balanced conditions.

Looking ahead, housing market activity is expected to remain subdued amid the current unsteady geopolitical climate and weak economic prospects. Higher living costs brought on by the war continue to strain

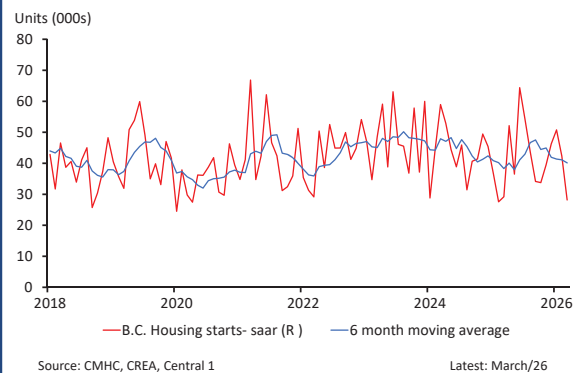
household finances and weigh on prospective buyers, while trade uncertainty persists with CUSMA renegotiations still ongoing. A minor rebound later in the year is possible if conditions improve alongside ameliorating affordability.

## Home starts continued to fall in B.C. in March

*Eloho Ennah, Economic Analyst*

The latest housing starts figures for B.C. published by the Canada Mortgage and Housing Corporation (CMHC) showed a second consecutive monthly drop in home starts in March. Urban area housing starts in B.C. decreased by 33.5 per cent to a tepid 28,179 units (seasonally-adjusted annualized rate), following the 16.6 per cent decline in February. This was due to lower multi-family home starts (-37.7 per cent). That said, a rise in single-family home starts (+6.3 per cent) muted some of these losses. Year-over-year, home starts were down by 6.2 per cent in the province driven by lower multi-family starts.

## Housing starts in B.C. decline in March



While monthly data can be volatile, the underlying trend in construction activity is still relatively soft. The six-month moving average continued to decline, pointing to subdued building momentum amid a soft economic backdrop, weak presales, and slowing population growth. The weakness is also evident in weak building permit values issued in the province. New residential building construction will likely be suppressed in the near term.

Four out of the seven largest urban centres in B.C. saw lower housing starts on a monthly basis. Housing starts fell in Kelowna (-94.3 per cent), Vancouver (-23.2 per cent), Victoria (-17.0 per cent), and Kamloops (-43.9 per cent). On the other hand, home starts grew in Abbotsford-Mission (+43.8 per cent), Chilliwack (+6.1 per cent), and a surge in Nanaimo to eight times the previous month's value.

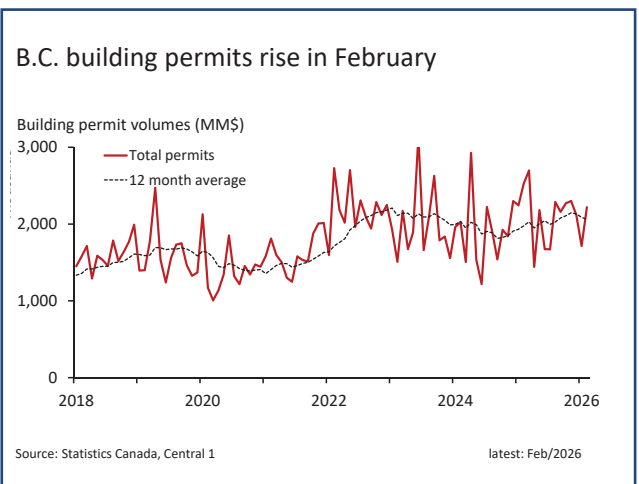
## Large wastewater treatment plant in Vancouver leads to higher industrial building permits

Alan Chow, Business Economist

In February, Canada saw the total value of building permits decline by 8.4 per cent, or \$1.1 billion, month-over-month, partially reversing the growth from the previous two months to a seasonally-adjusted \$12.1 billion. The decline was led by a 24.0 per cent, or \$1.2 billion, month-over-month drop in non-residential building permits to just over \$3.9 billion, the lowest monthly dollar value for this category since June 2024. In contrast, residential building permit volumes rose for the third consecutive month, increasing by 1.7 per cent, or \$135 million month-over-month to \$8.1 billion. This marked the third-highest monthly volume over the past 12 months. On a constant-dollar basis, total building permits declined by 8.6 per cent month-over-month and were down 11.5 per cent year-over-year.

B.C. diverged from the national trend, with total building permit volumes rising by 29.3 per cent, or \$503 million, month-over-month to \$2.2 billion, reversing the 19.0 per cent decline recorded in the previous month. Non-residential permits increased by 63.8 per cent, or \$338 million, following a 37.8 per cent drop in January. Residential building permits also rose by 13.9 per cent, or \$164 million, month-over-month to just over \$1.3 billion. This was the second-highest monthly volume over the past six months, although monthly patterns remain volatile.

Non-residential building permit volumes were driven primarily by a 317.9 per cent, or \$283 million, month-over-month surge in industrial permits to \$372 million. This increase reflects the approval of a large wastewater treatment plant in the Vancouver CMA. Commercial permit volumes rose by 12.0 per cent, or \$37 million, to \$352 million, while institutional and governmental permits increased by 13.6 per cent, or \$17.3 million, to \$144 million.



Multiple-dwelling building permits climbed by 23.7 per cent, or \$217 million, month-over-month to \$1.1 billion, the second-highest monthly total in the past six months. In contrast, single-dwelling permits fell by 19.8 per cent, or \$52 million, to \$213 million, the lowest monthly value for this category in the past five years.

Across B.C.'s metropolitan areas, five of the seven regions recorded higher permit volumes in February compared with January 2026. Kamloops and Abbotsford–Mission were the only areas to experience declines.

For more information, contact [economics@central1.com](mailto:economics@central1.com).