Forestry Innovation Investment®

MARKET DEVELOPMENT SUMMARY

*Construction of The Hive, Vancouver, B.C. | Photo: KK Law, courtesy naturallywood.com*

*Lead facilitator Dean Heron demonstrates technique during a Good Talk in The Forest Workshop | Photo: Construction Foundation of BC*

# BRITISH COLUMBIA

***Advancing wood use in B.C. supports housing options, and showcases B.C. products and expertise to global markets***

The British Columbia (B.C.) forest economy involves everything from harvesting and product manufacturing to building construction and design. It has over a century of success at adapting and responding to changing science, technology and economic, environmental and social needs.

B.C. is one of the world's largest producers and exporters of wood products. With a small population relative to its forest resources, the province relies on export markets to prosper. Today, the need for innovation is greater than ever to support B.C. in strengthening demand for its wood products at home and to competitively diversify opportunities for wood in the global marketplace.

FII is B.C.'s market development agency for forest products. As a Crown corporation of the B.C. government, FII helps to develop and diversify markets for B.C. forest products to ensure the forest sector continues to be a key contributor to the provincial economy.

FII works with the forest industry, research institutions, government, First Nations organizations and other stakeholders to deliver innovative, forward-looking programming that responds to today's market dynamics as well as tomorrow's challenges and opportunities. This is done through delivering and co-funding a mix of research and capacity building, as well as market development and promotional activities.

## B.C. forests

Canada ranks as the third most forested country globally, with roughly 15% of its forests located in the province of B.C. Compared to seven other countries in a peer-reviewed study, "B.C. and Canada's forest management and conservation approaches, including legal frameworks, management plans, forest inventories and community involvement are some of the most advanced in the world".

Forests cover over 60% of B.C.'s land base of 95 million hectares and contain the most ecological diversity of any region in Canada, providing habitat for thousands of species. By law, B.C.'s forests are managed for the trees, plants and wildlife indigenous to the region to protect the province's vital ecosystems and biodiversity.  B.C. recognizes the ecological importance of old growth forests. Of B.C.'s 11.1 million hectares of old growth, 78% are protected by law or are uneconomic for logging.

**Total area of B.C.**
95 million hectares

**Forest land**
58 million hectares
(95% publicly owned)

**Public forest land available for harvesting**
23 million hectares

**0.29% of public forest land area harvested annually**

**B.C. has one of the largest park systems in the world—its 1,035 provincial parks, recreation areas, conservancies, ecological reserves and protected areas cover over 14 million hectares.**

**73%**

**of B.C. forests are third party certified—one of the highest rates of forest certification in the world**

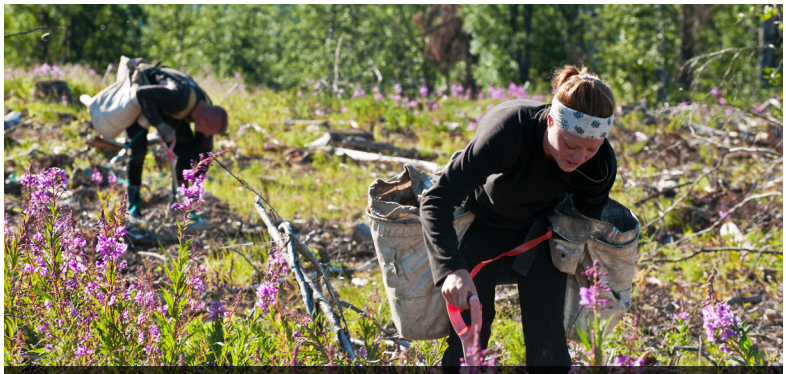


*Photo: Michael Bednar, courtesy naturallywood.com*

In B.C., it's the law to regenerate the forest after logging. to ensure harvested areas grow back healthy. Alongside natural regeneration, more than 250 million seedlings are planted every year, using native species carefully selected to match the conditions of each ecosystem. Managing our forests by removing select trees and burned, diseased or decaying residuals also supports new growth for healthy forest regeneration.

## B.C. forest economy and jobs

B.C.'s forest sector plays a critical role in providing jobs and economic opportunities for communities across the province. Its forest products supply chain encompasses a series of diverse and interconnected activities, ranging from forest management, wood manufacturing and pulp and paper production to the creation of next-generation wood building systems and bioproducts.

Forests are located across the traditional territories of 204 First Nations. With new tenures, investment in ownership of sawmills and logging companies, joint ventures and business agreements, Indigenous participation in the B.C. forestry industry is increasing.

**335**

**municipalities and Indigenous communities**

are impacted by B.C.'s forest sector

**4,800**

**Indigenous people**

directly employed

**$9.1**

**billion in wages**

+ salaries and benefits paid

**350+**

**suppliers**

of a diverse range of sustainably-sourced forest products operate across the province

*Photo: Moresby Creative, courtesy naturallywood.com*

Indigenous Peoples are critical equity business owners, partners and employees in the forest industry.

*Photo: Ema Peter Photography, courtesy Hemsworth Architecture*

The Upper Skeena Recreation Centre in Hazelton, B.C. features heavy timber and wood-frame construction. Local residents, including surrounding First Nations communities, were employed to build the walls, roofs and panels and help erect the frames.

## B.C. value through innovation

B.C. is North America's largest producer of softwood lumber and Canada's second-largest producer of pulp and paper products. Beyond these primary industries, the province has a large value-added wood manufacturing sector. B.C. manufacturers produce mass timber and next-generation engineered wood products, alongside traditional goods like cabinets, furniture, millwork and prefabricated building components. In 2024, value-added product exports topped $1 billion.

The B.C. forest sector tries to use all parts of a harvested tree. Tree type, size and quality drive where and how the material is manufactured into products. Waste and residuals from various stages of manufacturing are forwarded for use elsewhere in the value chain. This includes pulp, paper, pellets and innovative bio-based materials used in diverse applications, ranging from healthcare PPE to clothing and high-tech applications.

With more than 40 species of native coniferous and deciduous trees and over 100 years of forest management and manufacturing experience, B.C.'s diverse forests and forest product suppliers are equipped to respond to today's market demand.

The Confluence is a multi-purpose civic space, designed by a local team using local materials, housing the Chamber of Commerce, Destination Castlegar, Economic Development, and community spaces.

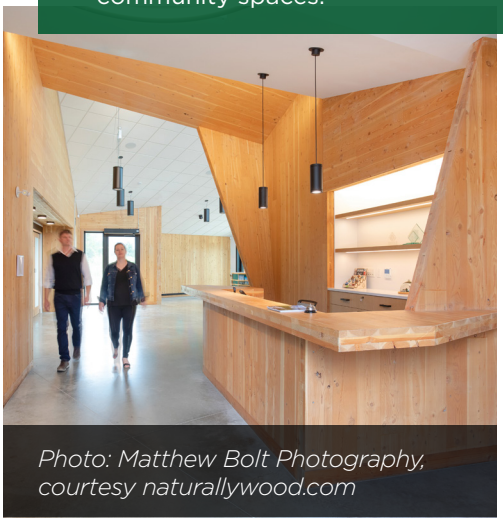


*Photo: Matthew Bolt Photography, courtesy naturallywood.com*

**Mass timber:** Large structural building components made by taking smaller wood elements, such as dimension lumber, veneers, or strands, and connecting them with adhesives, dowels, nails, or screws.

- Manufactured in a controlled environment to ensure high-quality and quick on-site assembly, reducing construction time and cost
- Comparable in strength and durability to concrete and steel, with a significantly smaller carbon footprint
- Light weight while meeting performance standards for safety, structural resilience and fire protection
- Natural aesthetic, fostering biophilic design principles to enhance occupant well-being and create a healthier indoor environment

*Photo: Ed White Photographics*

The Exchange is a mixed-use office and commercial project. Its exposed nail-laminated timber ceilings and post and beam structure offers a sustainable, industrial vibe that attracts tenants, also supporting local business during construction.

## **Market opportunity:** unlocking domestic demand for B.C. wood

B.C. revised its building and fire codes in 2024 to allow mass timber buildings up to 18 storeys, more exposed wood surfaces, and a broader range of eligible building types—including schools, care facilities, retail, and industrial spaces. These changes are making it easier, faster, and more cost-effective to build with wood across additional sectors.

In parallel, recent changes to housing policy and building codes are driving strong demand for B.C. wood products. Under the Homes for People Action Plan, municipalities must identify how much housing they'll need over the next 20 years and update their Official Community Plans and zoning bylaws by the end of 2025. These updates will make more land available for a wider mix of housing types, many of which are well suited to wood and mass timber construction.

The federal government's Build Canada Homes program, introduced in 2025, adds further momentum. With a goal of doubling annual housing starts to 500,000 nationwide, the program opens the door for mass timber and prefabricated wood systems to help meet demand quickly and sustainably.

Meanwhile, ongoing trade tensions with the United States have created new uncertainty for B.C.'s traditional export markets. Growing the domestic housing sector helps offset these risks by strengthening demand at home.

With established expertise, a robust supply chain, and supportive policies already in place, B.C. is well positioned to lead in providing wood-based, climate-smart, building solutions for Canada's next generation of housing.

*RED Como Lake | Photo: Adera Development Corporation*

# Market opportunity: building markets for wood construction

*Vienna House | Photo: Wade Comer, courtesy naturallywood.com*

**Prefabricated construction**

Prefabrication offers a practical way to improve productivity in Canada's construction sector. By shifting work to controlled factory environments, it shortens on-site build times and increases cost certainty. Wood's light weight, strength, and ease of machining make it well suited to prefabrication, whether for wall panels, floor cassettes, or fully volumetric modules.

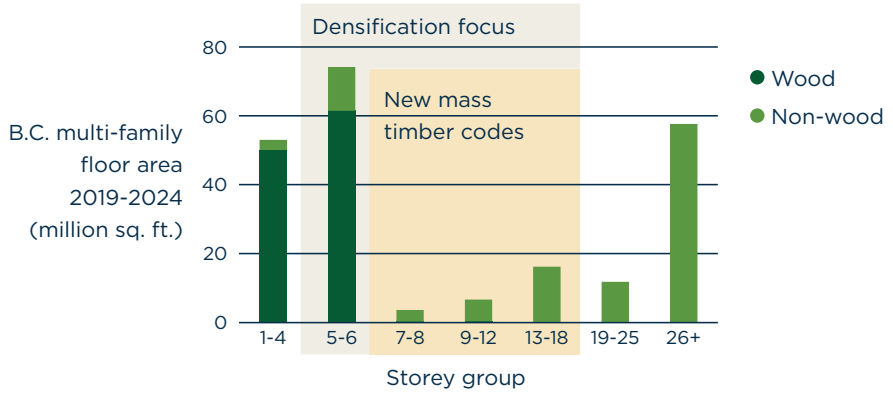
A range of initiatives, such as the Digitally Accelerated Standardized Housing (DASH) project, use a prefabricated, BIM-driven kit-of-parts platform with pre-approved designs to accelerate mid-rise housing delivery while improving consistency and efficiency. As demand grows for faster, more sustainable construction, this approach can help deliver high-quality buildings with lower environmental impact.

## Mid-rise and taller residential

Increasing housing density has long been a priority in construction. In 2009, changes to the B.C. Building Code allowed the use of wood in mid-rise buildings up to six storeys. This update was a turning point, helping to drive densification across the province. Over the following 15 years, mid-rise became the largest category of residential construction.

Today, British Columbia faces a significant housing shortage, much of which will be addressed through new five to 18 storey multi-family housing. In the past, projects taller than six storeys required switching to materials with a higher carbon footprint.

In 2024, the B.C. Building Code was updated again to permit the use of mass timber in residential buildings up to 18 storeys. This change expands the options available for mass timber and hybrid structures, offering new pathways to deliver the housing density the province needs—while also advancing sustainability goals.




## Non-residential

Wood market share in the B.C. non-residential sector is the highest in the world. This reflects the broad awareness and capacity to design with and specify wood in the design, development and construction sectors.

**23%**

**of non-residential projects in B.C. built with wood in 2024**

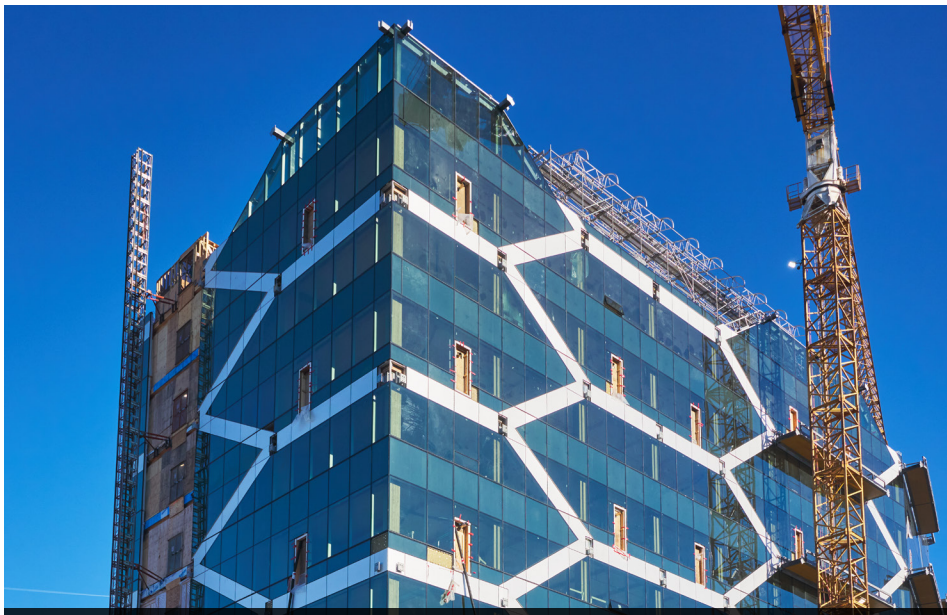
Provincial and local governments continue to encourage wood usage for public, residential, commercial, industrial and institutional buildings to support the B.C. forest industry and leverage its benefits such as wood's visual appeal, low environmental and carbon impacts, and seismic performance.

## Mass timber and tall wood

Since 2007, 480 mass timber projects have been started or completed in B.C. This is almost half of the mass timber buildings in Canada. At present, there are close to 60 mass timber structures under construction in B.C.

B.C.'s leadership in advanced wood building systems continues to influence the growing mass and tall timber markets in North America and around the world.

*Marpole Community Centre construction, Vancouver, B.C. | Photo: KK Law*



*The Hive (2150 Keith Drive) | Photo: KK Law, courtesy naturallywood.com*

The Hive, a 10-storey mass timber building in Vancouver, features a bold honeycomb exterior. Its innovative timber brace frame system withstands earthquakes, combining commercial space with social amenities like childcare and wellness areas.

This leadership has also influenced professionals, who see increasing benefits to building with wood. In 2025, perceptions among B.C. building industry professionals involved in multi-family residential buildings and non-residential design and construction were that:

- 93 percent felt that wood will be an important part of B.C.'s future;
- 92 percent felt that wood is a structurally sound building material;
- 88 percent agreed that wood is an environmentally sustainable material; and
- 78 percent agreed that wood products have less of a carbon footprint than other building materials and wood products offer good value for money.

With recent refinements to building codes, B.C. now has 45 buildings with heights 6 stories or greater either completed, planned or under construction.

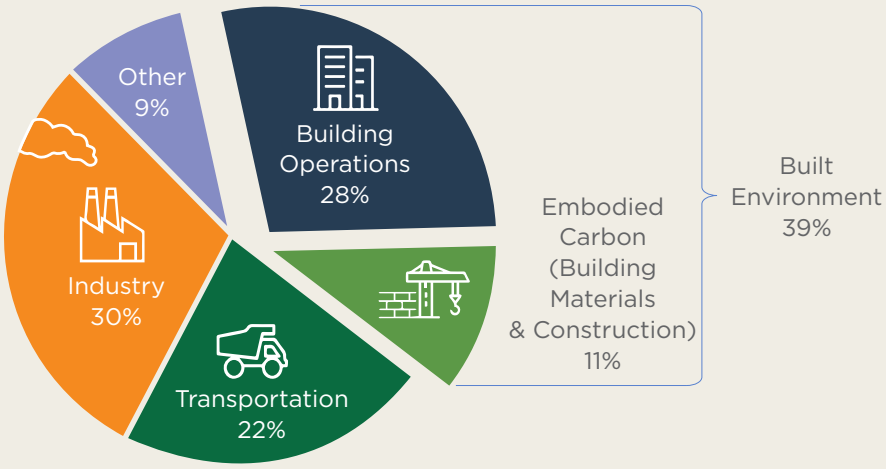
B.C. is not only driving growth and market share in Canada and the U.S., it has become North America's leading jurisdiction in engineering, building, and design expertise. The increasing demand for building taller and bigger with wood has incentivized more architects, engineers and building professionals to broaden their skillsets. Supporting this growth, many of the province's post-secondary institutions are at the forefront of testing, designing, and training students on innovative ways to use wood. Demand for B.C.'s building and design expertise continues to spread through North American markets and overseas.

**8 of Canada's top 10 mass timber engineering firms are located in B.C.**

**140 architecture firms, 45 engineering firms, and 141 building firms in B.C. have experience on mass timber projects**

## **Market opportunity:** health, wellness and climate action

Global carbon emissions profile by sector (Adapted from the World Green Building Council, Global Status Report, 2019)




Across B.C. and globally, governments and industry are accelerating action to reduce both operational and embodied carbon in buildings. Construction materials, energy use, and demolition practices together account for a major share of emissions, making the built environment a critical focus for climate action. B.C.'s CleanBC Roadmap, Low Carbon Building Material Strategy, and 2024 Building Code updates are positioning wood as a key solution—offering a renewable, low-carbon material with strong performance and biophilic benefits.

At the same time, national and international efforts to harmonize whole-building life cycle assessment (wbLCA) and embodied-carbon reporting are expanding. Shared databases and standardized carbon-accounting tools are strengthening policy confidence and enabling consistent, comparable results across jurisdictions. As carbon-based performance requirements tighten, demand for renewable, low-carbon materials—particularly wood products that store biogenic carbon and support circularity—is expected to grow.

Through these developments, timber buildings are emerging as scalable, climate-smart solutions that advance emission-reduction targets, enhance occupant well-being, and demonstrate how B.C. innovation can deliver high-performance, low-carbon outcomes across sectors.

*Timber Tiles in the oN5 Building | Photo: KK Law, courtesy naturallywood.com*

**Biophilic design**

Biophilic design is a growing architectural movement that targets scientifically based health and performance outcomes through connection to nature. Wood is a natural material and, when exposed, has been shown to bring health benefits to occupants of indoor built environments. Biophilic design with wood is a way to ensure that a building we put in place today will provide health and economic dividends over its operational life. As British Columbia is a leader in wood building design and construction, it is well positioned to lead in the research, demonstration and promotion of the biophilic benefits of wood use in buildings buildings.

*UBC Centre for Interactive Research on Sustainability | Photo: Don Erhardt, courtesy naturallywood.com*

*Photo: Wade Comer Photography, courtesy naturallywood.com*

837 Beatty Street is an existing three-storey former warehouse located in downtown Vancouver and is part of the distinctive Block 68 collection of historic warehouses. The rehabilitation and addition will extend the useful life of the century-old warehouse constructed with heavy timber post, beam and decking in combination with load-bearing masonry. Contemporary mass timber technologies will provide a four-storey addition that complements the original structural system, with the use of cross-laminated timber and nail-laminated timber systems. The sufficiently lighter-weight mass timber hybrid system is well suited for such urban densification and infill design strategies.

# FII Wood First program objectives

## Support innovation

B.C.'s wood design and manufacturing sectors continue to expand their capacity to advance next-generation, wood-based products and building systems that create and respond to market demand. FII works with partners to support continued advancement through research and demonstration building projects.

### Research

A growing body of applied research is currently underway in North America focused on performance-based building codes. These codes look to address issues related to prefabrication, repeatability, scalability, embodied carbon, acoustic performance, health and biophilic properties in mass timber and wood-hybrid assemblies. FII funds a variety of non-profit research and academic institutions, including the Canadian Wood Construction Research Network, the University of British Columbia, the National Research Council Canada, the University of Victoria, the University of Northern British Columbia and FPInnovations.

### Demonstrating leadership

Research and building demonstration projects are used to expand and advance opportunities for engineered wood use, serving as a showcase for provincial, North American and international markets. Findings and lessons learned are shared with key stakeholders in all levels of government and the building design and construction sector to action new building codes and address technical barriers. These projects are an important step in creating a commercial market, as they support early adopters with the skills and knowledge in design, development and construction practices necessary for success.

## Accelerate adoption

Design and construction professionals choose wood products and wood building systems when they have the skills, ability and confidence to design and specify wood. FII and its partners work to accelerate adoption by improving the capacity of the whole supply chain—from primary and secondary manufacturers, architects, engineers and developers, through to builders, assemblers and installers. Barriers to advanced mass timber construction are being addressed through the development of resources for municipalities, building officials and the insurance industry.


*Photo: Ed White Photographics, courtesy naturallywood.com*

Mass timber installation for the new Alliance Française facility—a four-storey building featuring CLT decking and glulam beams and columns. With exposed timber interiors, it offers a warm, serene atmosphere and showcases the suitability of prefabricated mass timber for urban mixed-use infill projects.

### Addressing barriers

FII is also working to reduce barriers to prefabricated wood buildings, such as policy hurdles, outdated financing requirements, and high insurance costs. These barriers can inadvertently block innovative new building systems through zoning restrictions and a lack of available financing for new construction systems. Working with industry experts, municipalities and building officials, a suite of reports, guides and other tools have been developed to address these barriers and make mass timber buildings an attractive choice for the investment and insurance community.

### Training and capacity building

FII, industry and government partners continue to strengthen B.C. manufacturing through training programs in business, marketing, design and technology. Education and skills development are vital in advancing a globally competitive wood products industry.

- **Marketing and technical workshops** offer insights on key topics relating to business and market planning, structural timber engineering, fire safety and prefabrication.
- **Company-specific projects** delivered by partnering with industry associations and academic institutions provide consulting services for firms across the province, including business marketing, manufacturing process design and technical solutions.
- **Culturally- and community- appropriate skills training** in woodworking, architecture and construction among Indigenous youth provides hands-on trades discovery for K-12 classes.

### Technical experts and knowledge mobilization

To build capacity and foster knowledge sharing, technical advisors, such as WoodWorks BC, are available to provide hands-on support for early adopters of wood and mass timber building systems, highlight the possibilities of building with wood and showcase examples of wood innovation and lessons learned from across B.C. There is also a wide variety of resources, such as digital tools, construction guides and research libraries.

## Showcase B.C.

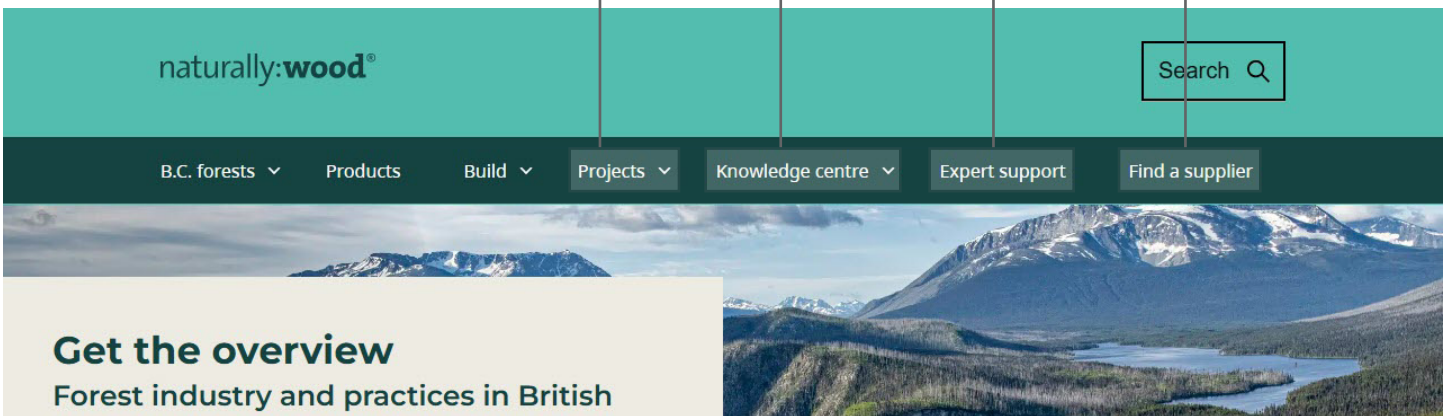
FII and its partners work to showcase B.C.'s leadership in innovative products and building system technologies to advance the use of wood across the province and around the world. This work is highlighted by a digital communications ecosystem including naturallywood.com and other digital marketing channels. It connects key audiences throughout the building supply chain, including architects, engineers, installers, wood and mass timber manufacturers, and researchers. These materials build awareness of key industry events and the latest topics on wood building and environmental performance.

**Growing collection of diverse materials,** including fact sheets, research, technical guides, upcoming events, and learning opportunities.

**An online resource connecting buyers with B.C. suppliers** of wood products and services.

**Featuring hundreds of B.C.-based timber projects** including ones supported by the Province's Mass Timber Demonstration Program, ranging from community spaces to offices and residences in taller wood buildings.

**Highlighting B.C. organizations, experts and facilities** that provide support with wood design, codes, exports, research, testing and education.




**Databases and resources (managed by FII)**

**B.C. Research Library:** market and export data, sector reports, as well as product, technical, building/construction and environmental information—all funded and commissioned by FII and its funding recipients.
See https://www.bcfii.ca/research-library/.

**naturally:wood:** toolkits, calculators, case studies and lessons learned, guides, and published research covering topics from B.C. forest practices and products to building design and construction expertise. Access over 200 building profiles featuring next-generation B.C. mass timber and lumber products and systems. See https://www.naturallywood.com.

**The Wood Research Library:** over 3000 research reports and technical resources from across Canada and around the world on light-frame and mass timber mid-rise to taller wood building systems.
See https://research.thinkwood.com.

*Southern Interior, B.C. | Photo: Candace Kenyon, courtesy naturallywood.com*

## Our partners

With funding support from the Province of B.C. (through FII) and the Government of Canada (through Natural Resources Canada), several organizations drive market development efforts across the province. By working together, government and industry continue to evolve the provincial market for B.C.'s high-quality primary and secondary wood products. Leveraging resources and encouraging cost-sharing and collaboration ensures that B.C. remains a leader in innovative wood use and building systems.

Affine Climate Solutions

Athena Sustainable Materials Institute

British Columbia

BC Council of Forest Industries

BC Wood

Canadian Wood Construction Research Network

Construction Foundation of BC

Canadian Wood Council / Conseil canadien du bois

BC First Nations Forestry Council

FPAC.ca / APFC.ca

FPInnovations

Natural Resources Canada / Ressources naturelles Canada

NRC·CNRC Canada

UBC

UNBC University of Northern British Columbia

University of Waterloo

UVIC

woodWORKS! A Canadian Wood Council Program

BCIT

Our work involves natural resources which are connected to many First Nations communities located in or closely associated with forests across the Province of British Columbia. We recognize their connection to the forests and are grateful to those on whose traditional lands we reside, work, or visit.