



Building Homes with Canadian Wood: Turning Housing Ambition into Delivery



Forest Products Association of Canada (FPAC)

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The Housing Delivery Reality:

Why Housing is Stalling Despite Policy Momentum

Canada's housing supply crisis is no longer a question of policy ambition, and whether government cares enough about housing—it is a question about the confidence to deliver homes at the scale promised. Population growth and affordability pressures have driven housing demand to historic levels, with Canada requiring an estimated 430,000–480,000 new homes per year by 2035 to restore affordability. Yet construction has remained closer to 250,000 units annually, reflecting structural constraints that policy commitments alone cannot resolve.¹

Traditional site-built construction cannot scale fast enough in an environment defined by labour shortages, declining productivity, regulatory complexity, rising costs, financing constraints, and uneven local approval timelines. Many projects—especially multi-unit projects in urban centres—are being delayed or cancelled as financing thresholds are harder to meet.

Wood-based modern methods of construction (MMC)—such as prefabrication, panelized light-frame systems, modular construction, and mass timber—offer proven pathways to meet Canada's housing ambitions. Offsite manufacturing can drastically shorten construction timelines, reduce material waste, improve quality and safety, and enable year-round production. Wood-based and hybrid housing systems also deliver significant embodied carbon reductions compared to steel or concrete alternatives. Canada's forest sector is uniquely positioned to support MMC, linking sustainable fibre supply to value-added manufacturing and low-carbon intensity housing delivery.

To date, adoption of MMC has been limited due to system readiness failures, rather than technical limitations. Canada already has a substantial base of prefabrication and wood-based manufacturing capacity, with more than 800 prefab suppliers operating across the country as of June 2026.² But many firms are not running at full utilization, and others remain hesitant to invest in new automation, workforce, or product lines because project delivery systems are too fragmented, short-term, or have wavering political support. Over the past two years, market uncertainty, economic slowdown, and tariff pressures have reduced project activity and weakened the business case for near-term investment.

Factory-built housing depends on stable, predictable demand to operate efficiently. Without durable demand signals that extend beyond one-off projects and beyond

¹ [Canada's housing supply shortages: moving to a new framework](#) by CMHC (2025).

² [Prefab Construction Navigator](#) by SCIUS (2025).

2035 housing targets, manufacturers cannot plan production, retain labour, or scale with confidence, even as housing need continues to grow. Adoption will also vary by region and building type, meaning federal tools must help convert promising demand into investment-ready demand streams rather than assume market share will rise uniformly on its own. Interconnected bottlenecks like regulatory fragmentation, supply-side risks, misaligned financing models, and workforce shortages—all of which will be explored later in this brief—slow housing delivery despite the high demand for housing.

The launch of *Build Canada Homes* (BCH) in 2025 signals that the federal government understands some of these challenges and is ready to move into the solutions space. However, **BCH should be understood as one important delivery tool within a broader federal strategy to address Canada’s housing crisis and increase the use of wood in homebuilding.** Delivering affordable housing at scale will depend on recognizing wood as a central component of Canada’s building solutions and shifting from isolated interventions toward an integrated forest-to-factory-to-front-door delivery system—one that positions building with wood as a national industrial and productivity strategy, not just a material preference. In doing so, **the federal government will be aligning demand aggregation, procurement, regulation, workforce development, innovation support, and fibre supply behind a single objective: delivering homes at the speed and scale Canadians need.**

What Has Changed Since 2023— and Why It Matters Now

Since Forest Products Association of Canada (FPAC) and the Canadian Wood Council (CWC) released *Solutions to the Housing Crisis Are Found in the Forest* in November 2023, a series of major policy and market developments has reshaped the conditions for housing delivery in Canada. Together, these milestones create a stronger foundation—and a more urgent case—for a revised policy brief focused on how wood-based housing can help translate today's momentum into actual homes built.

The federal government has shifted from policy enabler to market actor

The most significant federal development since 2023 is the launch of BCH in Budget 2025, representing a fundamental change in federal housing policy: the federal government is no longer only setting conditions for others to build, but acting directly as a developer, financier, and large-scale purchaser of housing. With over \$25 billion in debt and equity financing, bulk housing orders, and a clear emphasis on supply through prefabrication and modern methods of construction, BCH has the potential to provide the long-term demand certainty required to scale factory-built, wood-based housing. Its procurement direction—including explicit preference for Canadian-sourced materials—positions domestically produced wood products at the centre of federal housing delivery. BCH's impact could be further amplified by aligning federal housing procurement across departments and agencies so that large, repeatable public-sector housing portfolios create predictable demand for Canadian wood products, light wood-frame construction, mass timber, and other wood-based MMC systems. **But BCH will be most effective when paired with the wider federal measures needed to reduce risk and expand market confidence, including regulatory and code modernization, transformation funding, support for low-carbon intensity wood technologies, technical assistance, and efforts to increase domestic demand for Canadian wood products.** If integrated into a broader integrated network of measures, BCH could help catalyze Canada's factory-built housing sector using Canadian-grown and manufactured wood.

Provincial leadership has moved faster than the national framework

Provinces with major forest product supply chains have moved decisively to modernize building codes and enable advanced wood construction. Since 2023, British Columbia (BC), Ontario, and Quebec have all amended their building codes or guidance to permit encapsulated mass timber construction (EMTC) buildings up to 18 storeys, beyond the 12-storey National Building Code (NBC) height.³ BC and Ontario have created density bonuses and expanded EMTC provisions, allowing for a broader range of occupancies to be permitted, including care facilities, retail, and light-industrial buildings, and increased allowed exposed wood elements in residential construction. Quebec's 2025 EMTC explanatory [guidelines](#), developed with FPInnovations, further support market certainty.

These provincial actions represent more than technical code updates—they create opportunity, provide tangible demand signals, and create investment confidence for manufacturers, developers, and builders to build with wood and MMC. They also demonstrate that advanced wood construction is no longer a pilot or niche activity, but a commercially viable pathway for delivering housing at scale.

By contrast, the 2025 National Building Code stopped short of raising the national cap beyond 12 storeys, despite provincial advances. While the NBC introduced important improvements—such as increased allowable building height from 42 to 50 metres, expanded timber exposure options, enhanced fire-safety provisions during construction, and more flexible energy-compliance pathways—it lags behind provincial leaders. The divergence underscores the growing importance of federal action outside the code itself to ensure consistency, speed, and market confidence.

New federal tools support speed—but do not yet solve delivery constraints

Complementary federal measures introduced since 2023 support higher housing output, particularly in multi-unit construction. These include expanded Canada Mortgage Bond issuance dedicated to apartments and condominiums, new GST relief for first-time homebuyers, workforce training investments through the Union Training and Innovation Program, and the Housing Accelerator Fund to encourage zoning and permitting reform at the municipal level. The federal Housing Design Catalogue, released in 2025, also suggests federal interest in scaling pre-approved, regionally adapted housing designs. However, industry was not meaningfully engaged on the development of this Catalogue; as a result, while the Catalogue emphasizes wood-framed construction, it fails to address real barriers to scaling

³ B.C.'s building code allowed 18-storey encapsulated mass timber construction (EMTC) in 2024, while Ontario and Quebec's building codes allowed for it in 2025. The 2020 NBC set the structures at 12 storeys and 42 metres in height while the new 2025 NBC code retains the 12 storeys (for residential or Group C structures and office occupancies or Group D) but raises the height to 50 metres.

wood-based housing like development charges and approval timelines, likely limiting the Catalogue's utility. To maximize its value, the Catalogue must also be kept current by incorporating new information, technical input, and industry-identified opportunities as they emerge. Ultimately, **these tools will only be effective if longstanding barriers to building with wood are addressed with urgency—and if federal policy focuses on scaling proven designs, approval tools, and delivery models as identified by industry rather than requiring jurisdictions to reinvent solutions independently.**

The Ongoing Divide: Where Housing Delivery Breaks Down

Advancements in Canada's housing dialogue and policy landscape are not yet resulting in construction volumes that will close the housing demand gap. Several constraints, described below, need to be addressed to fully scale Canada's wood advantage.

Financing is misaligned with how modern housing is built

Factory-built housing relies on offsite manufacturing, where costs are front-loaded and building components are preassembled in advance of on-site construction. Current public and private financing models are designed around traditional project-by-project construction schedules, creating gaps between upfront factory costs and project payments. This creates financial risk, which discourages manufacturers from taking on large or multi-year housing programs.

Without predictable, long-term demand and financing that matches the realities of factory-built housing, factories are forced to operate cautiously, scaling production up and down as projects arise. This volatility increases per-unit costs, drives layoffs, and undermines investments in automation, training, and new capacity—even as housing need continues to grow.

Regulatory fragmentation still slows speed and scale

Residential Market Growth Opportunities for Wood in Canada

The [Canadian Forest Sector Transformation Task Force](#) identifies homebuilding as a key domestic demand opportunity for a more competitive, diversified, and resilient forest sector. In that context, analysis by the Canadian Wood Council suggests the opportunity is best understood through market share: as wood gains share in residential segments where it is already technically and commercially viable, domestic wood demand rises materially—and rises further as total housing starts increase. In other words, even modest gains in wood's penetration across priority residential segments can materially increase domestic demand while supporting faster housing delivery.

Using augmented data tracked by FPIInnovations, the Canadian Wood Council (CWC) has analyzed major markets for wood construction.

Established market opportunity: If wood's share of 5–6 storey multifamily housing increased from 58% to 80% nationally, domestic wood demand in that segment could rise by about 25%.

New codified market opportunity: If wood captured roughly 25% of newly codified 7–18 storey residential construction, it could create a significant new demand channel for Canadian wood products in a segment where wood has historically had limited presence.

While the NBC permits taller wood buildings (of up to 12 storeys), adoption of such provisions remains uneven across the country. As well, municipal permitting processes, product certification requirements, approval timelines, and development-related costs vary widely, creating uncertainty and duplicative compliance costs for builders and manufacturers operating across jurisdictions. Prefab and panelized housing cannot scale if the same approved system must be re-evaluated in every municipality, undermining repeatability and economies of scale. While these barriers are often implemented sub-nationally, federal housing funding, procurement, and

technical assistance can help jurisdictions adopt proven approval tools and reduce duplication.

The 2025 NBC also stopped short of enabling a material-neutral, performance-based framework that could incentivize subnational adoption and code harmonization. That said, “harmonization” has been named a strategic priority for the [2030 National Model codes](#), presenting a timely opportunity to address this challenge. Future code reform must be grounded in sound data, coordinated implementation, and clear consideration of affordability and constructability, so that efforts to improve performance do not unintentionally slow housing delivery or reduce repeatability across jurisdictions.

In addition, Canadian manufacturers of engineered wood products (such as I-joists and structural composite lumber) continue to be frustrated by lengthy and uncertain approval timelines for new products. Evaluations through the Canadian Construction Materials Centre (CCMC) can extend over several years, and many manufacturers have been forced to develop duplicative acceptance criteria even where credible consensus standards, such as ASTM, already exist.

These delays not only slow market access for manufactured wood components that modern methods of construction and factory-built housing depend on, but they also add unnecessary costs and constrain the opportunities of Canadian manufacturers to improve competitiveness, innovate, and grow their businesses.

The above can be fixed by having building codes recognize organizations accredited by the Standards Council of Canada (SCC) under ISO/IEC 17065 as alternatives to CCMC. This can be done for both the certification of proprietary and innovative wood products and for the development of the acceptance criteria used to evaluate them (where within their accredited scope).

This would create a faster, more competitive, accreditation-based pathway while preserving CCMC's role for genuinely novel products where no standard exists. It complements, rather than replaces, the parallel efforts already underway: SCC's work on a national framework and CCMC's own steps to improve its timelines. British Columbia, Nova Scotia, and Ontario have each started to move in this direction and progress must be accelerated here. More consistent national code language would give manufacturers a much clearer and more predictable route to market.

Domestic manufacturing is underutilized because delivery systems are too uncertain

Canada has a strong foundation of MMC suppliers and wood-based manufacturers, but the immediate challenge is not that Canada lacks manufacturing capacity—it is

the absence of stable, investable housing delivery systems that allow available capacity to be fully used. Some projects still rely on imported engineered wood products; many domestic manufacturers remain hesitant to expand because multi-year demand signals are weak and confidence in supply chains remains unstable.

Regulatory uncertainty affecting access to sustainable and economic forest fibre further limits investment confidence. Federal statutes and permitting regimes governing forestry activities increasingly affect the cost and predictability of wood supply, while wildfire risk and declining forest health add physical pressure to the fibre base. Without reliable fibre access, investments in value-added manufacturing—and the housing projects dependent on them—are put at risk.



Workforce pressures threaten delivery across the value chain

As articulated in the Task Force's final report, the success of the forest sector is inseparable from the success of its workforce. Labour shortages are hurting the entire supply chain, with more than half of the sector workforce expected to retire within two decades. Education and training systems are not yet (re)building a skilled workforce fast enough that is competent in mass timber design, digital manufacturing, and MMC delivery. Short-term, project-based housing pipelines exacerbate this problem: when factories and builders lack certainty, employers rely on temporary labour and delay training investments. A stable housing delivery pipeline is in itself a workforce strategy, but one that still has not been actualized.

Incremental tools have not yet consolidated into an integrated delivery system

Federal initiatives introduced since 2023—including expanded mortgage bond issuance, GST relief, workforce training programs, the Housing Design Catalogue, and the Housing Accelerator Fund—each address part of the housing challenge. However, these tools largely operate in isolation. They may improve conditions marginally but do not align financing, regulation, procurement, workforce development, and supply chains into a single delivery system. As a result, housing outcomes remain constrained by the weakest link in the chain: faster approvals do little without factory capacity; financing alone cannot compensate for workforce shortages; and code reforms will not scale housing unless manufacturers have demand certainty.

Ultimately, the federal government’s housing agenda can support transformation if used to orchestrate the entire housing delivery system rather than fund individual projects. Closing the housing gap requires connecting forest to factory to front door: aligning fibre access, manufacturing investment, skilled labour, standardized designs, and long-term procurement into a coherent approach focused on scale.

Five Federal Actions to Increase the Use of Canadian Wood in Homebuilding

FPAC presents five practical recommendations to close the gap between federal housing ambition and real-time delivery. These recommendations align with those prioritized by the Forest Sector Transformation Task Force, aimed at informing a broader federal agenda that can increase the use of Canadian wood in homebuilding.

1. Recommendations 1: Finance Factories, Not Just Buildings

To scale MMC, federal financing must move beyond one-off project funding and support the factory capacity behind housing delivery. Stable, multi-year delivery systems are needed to help manufacturers use existing capacity more efficiently, justify investments in automation and workforce, and reduce the stop-start volatility that keeps costs high.

Financing frameworks—including Build Canada Homes—should leverage tools specifically designed for factory-built housing, including:

- Government-backed loans and loan guarantees to crowd in private capital for equipment, automation, and workforce training;
- Multi-year purchase commitments that provide stable demand signals and justify capacity expansion across modular units, mass timber components, panelized systems, dimension lumber, and structural panels; and
- Modernized payment practices that align cash flow with manufacturing milestones, not just on-site construction.

By acting as an anchor customer rather than an episodic funder, BCH can help stabilize production, improve utilization of existing manufacturing capacity, reduce per-unit costs, and enable year-round employment.

2. Recommendation 2: Standardize Procurement and Designs to Enable Scale

Canada cannot industrialize housing delivery if every project is treated as a one-off. The federal government can encourage harmonization by helping align procurement expectations, design approaches, component standards, and approval tools across housing programs and jurisdictions. Federal action should focus on:

- Establishing a “Build Canadian” procurement framework that prioritizes domestically sourced wood products, including high-volume commodity products such as dimension lumber and structural panels, and whole-life carbon performance, while applying a common MMC framework across federal program design and procurement documents so builders, regulators, financiers, and insurers are working from the same language;
- Working with industry to expand pre-approved design approaches and archetype libraries—including Design for Manufacturing and Assembly (DfMA) details and project costing tools—so pilot learning can be translated into repeatable practices;
- Using federal housing funding and procurement (i.e., BCH) to encourage consistent adoption of standardized and pre-approved housing designs that work well for industry, model approval tools, and funding conditions that reward jurisdictions that streamline approvals, reduce duplication, and address implementation barriers for repeatable housing systems; and
- Aggregating bulk purchasing of high-volume components to create predictable production runs for Canadian factories. The federal military housing expansion—planned to deliver thousands of new residential housing units across Canada and supported by approximately [\\$3.74 billion](#) in potential

construction projects—should be treated as a major demand-aggregation opportunity. Where federal housing procurement expands across portfolios, including defence housing, delivery should prioritize Canadian wood products, light wood-frame construction, mass timber, and other wood-based MMC systems wherever technically appropriate.

Standardization is not about limiting design; it is about making proven systems easier to repeat, approve, finance, build, and train for. The federal role is especially valuable where it helps jurisdictions avoid reinventing the wheel by packaging proven archetypes, costing tools, procurement templates, and model approval approaches into practical implementation supports that can move repeatable housing systems across municipalities more quickly.

3. Recommendation 3: Invest Based on Results—Affordability, Climate, and Scale

Not all housing projects deliver the same public value. Federal investment should be tied explicitly to outcomes, not just activity. Federal funding and other demand aggregators (i.e., through BCH) should prioritize projects that:

- Deliver durable affordability, secured through long-term covenants;
- Demonstrate measurable reductions in embodied carbon and material waste, using consistent life-cycle assessment, environmental product declaration, and product category rule foundations; and
- Achieve scale through bundled or repeatable project systems.

Where possible, federal support should rely on repayable and risk-sharing instruments like concessional loans and guarantees so that public capital can be recycled to support future housing delivery.

4. Recommendation 4: Embed Workforce Capacity as a Core Design Criterion in Housing and Industrial Policy

Workforce capacity needs to be integrated into federal housing policy and program design, not treated as a separate stream. This means addressing three linked barriers: expanding training institution capacity and improving apprenticeship completion; aligning curriculum and public training funding with the skills employers actually need across trades, manufacturing, and digital construction; and improving credential recognition so qualified workers from other provinces or countries can get to work where demand exists. Federal action should integrate these workforce considerations across housing, industrial, and regional development decisions, while strengthening pathways into forest sector careers. Key federal actions include:

- Expand training institution capacity and improve apprenticeship completion by using federal skills funding to support seats, instructors, equipment, and employer-connected work placements in regions tied to housing, forestry, manufacturing, and construction demand;
- Use data-driven, employer-led approaches like Talent Pipeline Management (TPM) to translate real hiring demand into federal workforce strategies (e.g., Sustainable Jobs Action Plan, Youth Employment and Skills Strategies);
- Improve interprovincial and international credential recognition so qualified tradespeople, technicians, and construction professionals can move into available jobs more quickly where housing and manufacturing demand exists;
- Position forest sector jobs as modern, technology-enabled careers to attract new entrants into skilled trades, advanced manufacturing, automation, and digital construction pathways.

5. Recommendation 5: Clear the Cross-Government Barriers That Slow Housing Down

Harmonization only works if policies, codes, and other tools are implementable across jurisdictions and supported by clear data, transparent analysis, and realistic transition pathways. Federal action on codes and approvals should therefore prioritize practical, evidence-based reforms that improve consistency and performance without adding avoidable cost, complexity, or delay to housing delivery.

The federal government should actively coordinate across departments and help jurisdictions scale proven approaches, rather than repeatedly starting from scratch, by taking the following actions:

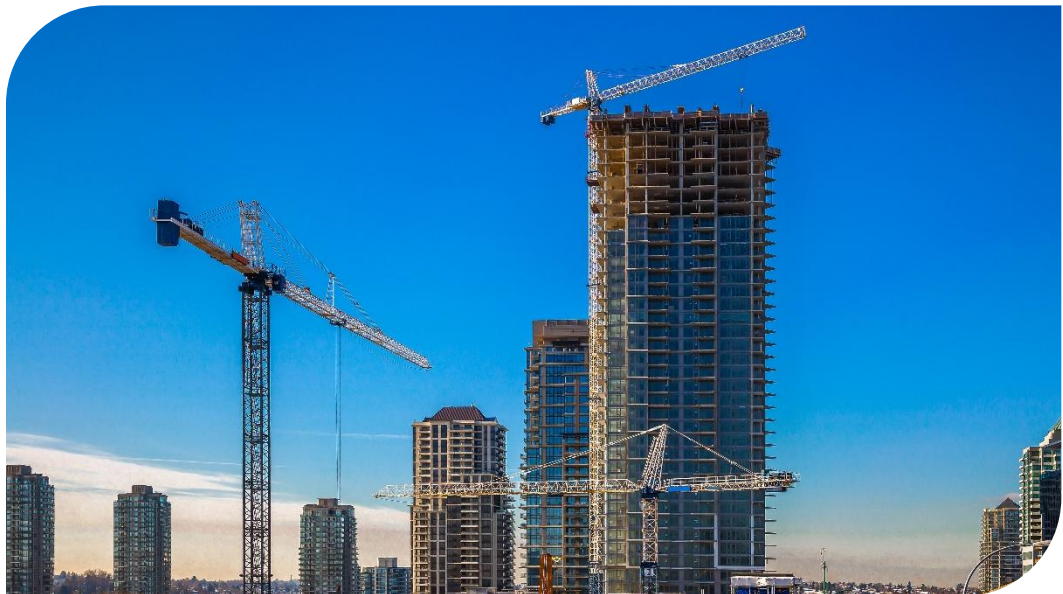
- Advance code harmonization and adoption of advanced wood provisions in a way that is evidence-based, coordinated across jurisdictions, and aligned with housing affordability and delivery objectives, including prioritizing the Canadian Wood Council's high-impact housing and approvals package ahead of the 2030 code cycle,⁴ while ensuring that new requirements are supported by sound data, practical implementation pathways, and a clear assessment of impacts on cost and constructability;
- Use voluntary guidance, benchmarking, and pilot implementation for emerging code issues—such as embodied carbon measurement—before considering mandatory requirements, so governments and industry can

⁴ *Strategic Code Priorities for the Wood Industry* by the Canadian Wood Council (CWC) (February 19, 2026).

build the data, tools, and implementation experience needed to improve performance without undermining affordability, housing supply, or builder capacity;

- Reduce delays in product certification for priority housing materials by setting clear service standards at the Canadian Construction Materials Centre (CCMC) and have building codes recognize organizations accredited by the Standards Council of Canada (SCC) under ISO/IEC 17065 as alternatives to CCMC—for both the certification of proprietary and innovative wood products and the development of the acceptance criteria used to evaluate them (where within their accredited scope);
- Ensure predictable, sustainable access to economic forest fibre to support domestic manufacturing investment, including through proactive forest management, timely salvage recovery, and federal carbon frameworks that better recognize avoided emissions and carbon stored in long-lived wood products; and
- Align innovation and R&D funding with BCH's housing portfolio so that new systems move quickly from demonstration to deployment.

These reforms are essential to ensure that gains in one part of the system are not cancelled out by bottlenecks elsewhere.



Proof Points: Where The Integrated Delivery System is Already Working

Canada does not need to invent new models to deliver housing at scale. It needs to replicate and align those that already exist. **The following case studies illustrate a different experience with the same story: housing delivery accelerates when governments move beyond incremental measures and instead align finance, regulation, procurement, workforce, and supply chains.** None of these cases relied on a single policy lever, rather, they depended on coordinated action that reduced risk and rewarded repeatability.

British Columbia: An Integrated System, not a One-Off Policy

British Columbia provides the strongest example of how aligning policy, regulation, and market signals can scale wood-based housing delivery. As of 2024, BC had completed nearly 300 mass timber buildings, with dozens more in planning—far outpacing the rest of North America on a per-capita basis. In particular, BC is increasingly using prefab and mass timber systems to address [student housing needs](#) in both remote and urban areas, enabling fast and cost-effective construction.

This scale did not emerge from a single program. BC combined clear government commitment to wood construction with enabling regulation and investment tools. Code amendments permitting 18-storey encapsulated mass timber construction, expansion of allowable building occupancies, performance-based energy and embodied carbon codes, and direct use of mass timber in publicly funded buildings collectively reduced risk for developers and manufacturers. At the same time, targeted demonstration funding and procurement requirements helped move projects from pilot to mainstream.

The result has been sustained private investment in manufacturing capacity, workforce development, and innovation. BC's experience confirms that when demand certainty, regulatory clarity, and procurement alignment are present, mass timber and prefabrication can move quickly from demonstration to delivery—creating jobs while accelerating housing supply.

Takeaway: Scaling wood-based housing requires aligned systems, not isolated incentives.

Ontario: Latent Capacity Ready to Scale with Demand Certainty

Ontario's recent building code amendments that allow for 18-storey encapsulated mass timber construction reflect an important shift for Canada's largest construction market. Early projects, including public-sector-led affordable housing developments, demonstrate that demand exists once regulatory barriers are removed.

Ontario also highlights a critical opportunity, and a potential risk. The province has significant underutilized forest fibre and a large base of panelized and prefabrication manufacturers capable of supplying far more homes than current project pipelines support. However, without stable, repeatable project portfolios and manufacturing-appropriate financing, this capacity remains underutilized. In April 2026, the province released its [Forest Sector Roadmap](#) that proposes an integrated approach to removing government barriers to scale, alongside launching an Advanced Wood Committee to provide expert guidance on how to tackle these challenges practically.

Where projects have combined standardized designs, supportive municipal partners, and early engagement with manufacturers, delivery timelines and costs have improved. Where projects remain one-off or stop-start, scale has not followed.

Takeaway: Code reform unlocks opportunity, but stable project pipelines and factory-appropriate financing are what convert existing capacity into housing volume.

Indigenous-Led Modular Delivery: Speed, Certainty, and Community Benefits

Indigenous-led modular housing projects illustrate how factory-built wood systems can deliver housing quickly while supporting local economic development. In northern and remote communities, prefabricated timber systems have reduced on-site construction time dramatically—in some cases to days rather than months—lowering costs and mitigating weather and labour-availability risks. A few notable examples include:

- **Cree First Nation of Waswanipi Community Project (Chibougamau, QC):**
The Cree First Nation of Waswanipi, using \$1.2 million in NRCan funding, is constructing a two-storey community building, designed to act as a hub with

a grocery store on the main floor and office spaces for the local development corporation on the upper floor. The project will utilize advanced-engineered cross-laminated timber (CLT) and glue-laminated structural members, manufactured from trees harvested by local Cree enterprises, culturally grounded structure designed by local Elders.

- **Keepers of the Circle (Northern, ON):** Launched a pilot program that trained six Indigenous women with no previous construction experience in modular construction techniques. In three months, they built panels for a 480 sq ft. modular passive off-grid home and installed it in three days. They are now constructing an Indigenous women-led modular construction factory in Kirkland Lake that will construct prefabricated panels for homes and community buildings across Northern Ontario. This facility will also be a year-round training centre for local community members, with a focus on recruiting Indigenous women and 2SLGBTQIA+ individuals.
- **Timber House (Northern BC):** Deadwood Innovations, a joint venture with the Nak'azdli Whut'en First Nation that aims to craft prefabricated mass-timber panels built from locally sourced wood are assembled in a matter of days to address northern climate, labour shortages, and short construction seasons. Their Timber House project is a prefabricated housing kit that can deliver sustainable, affordable homes tailored to community and cultural needs. The goal is to create a regional housing production hub in one of Canada's largest forestry corridors. The first prototype was assembled in 2025. The intent is to construct panels over winter, then quickly erect up to ten homes in summer months.⁵

These projects succeed when housing delivery is paired with Indigenous ownership or participation in manufacturing, workforce training, and long-term operations. Where procurement and financing models allow Indigenous partners to participate early and meaningfully, housing outcomes improve alongside economic and social benefits.

Takeaway: Early integration of delivery partners combined with predictable pipelines enables faster housing while advancing Indigenous economic reconciliation.

⁵ [*First Nation in B.C. develops prefabricated housing system from locally sourced wood*](#) by Hana Petersen, CBC News (January 2, 2026).

Conclusion

Canada has made a clear commitment to solve the housing crisis at scale. Provinces have modernized building codes, the federal government has stepped into a direct delivery role through BCH, and industry has demonstrated that wood-based modern methods of construction can deliver homes faster, more affordably, and with lower carbon impact.

Yet ambition alone will not close the housing gap. Canada is facing a once-in-a-generation opportunity to move from incremental interventions toward an integrated *forest-to-factory-to-front-door* housing delivery system. As major federal housing portfolios expand—including the planned military housing expansion across Canadian Forces Housing Agency locations—public-sector procurement can create the scale, certainty, and repeatability needed to strengthen the business case for Canadian wood products, light wood-frame construction, mass timber, and other wood-based MMC systems. By combining BCH's scale and purchasing power with defence housing procurement, code leadership, market development, innovation support, workforce investment, and action to strengthen fibre certainty and domestic manufacturing, the federal government can turn proven subnational leadership and industry readiness into sustained delivery across the country—scaling what already works instead of asking each jurisdiction to start over.

FPAC's five actions focus on closing the gap between policy intent and homes built. With targeted federal action, Canada can meet its housing needs while strengthening domestic manufacturing, supporting skilled jobs, advancing Indigenous partnerships, and positioning the forest sector as a cornerstone of the national housing solution.

Acknowledgement of Partners in Canadian Wood Construction

Forest Products Association of Canada (FPAC)

[FPAC](#) provides a voice for Canada's wood, pulp, and paper producers nationally and internationally in government, trade, and environmental affairs. As an industry, we contributed \$19.9B in real GDP in 2025.

Canada's forest products sector is one of the country's largest employers—providing nearly 200,000 direct jobs and operating in hundreds of communities across the country. Our members are committed to collaborating with Indigenous leaders, government bodies, and other key stakeholders to develop across-Canada action plan aimed at advancing forest health, while supporting workers, communities and our environment for the long term.

Canadian Wood Council (CWC)

Founded in 1959, [CWC](#) is Canada's unifying voice for the wood products industry. As a national federation of associations, our members represent hundreds of manufacturers across the country.

Our mission is to support our members by accelerating market demand for wood products and championing responsible leadership through excellence in codes, standards, and regulations. We also deliver technical support and knowledge transfer for the construction sector through our market leading WoodWorks program.

WoodWorks

[WoodWorks](#) supports design and construction professionals with practical guidance on wood buildings, including technical resources, project support, events, and education.

Whether you are exploring mass timber, light-frame construction, fire design, acoustics, durability, or code compliance, WoodWorks connects you with the right information and expertise.