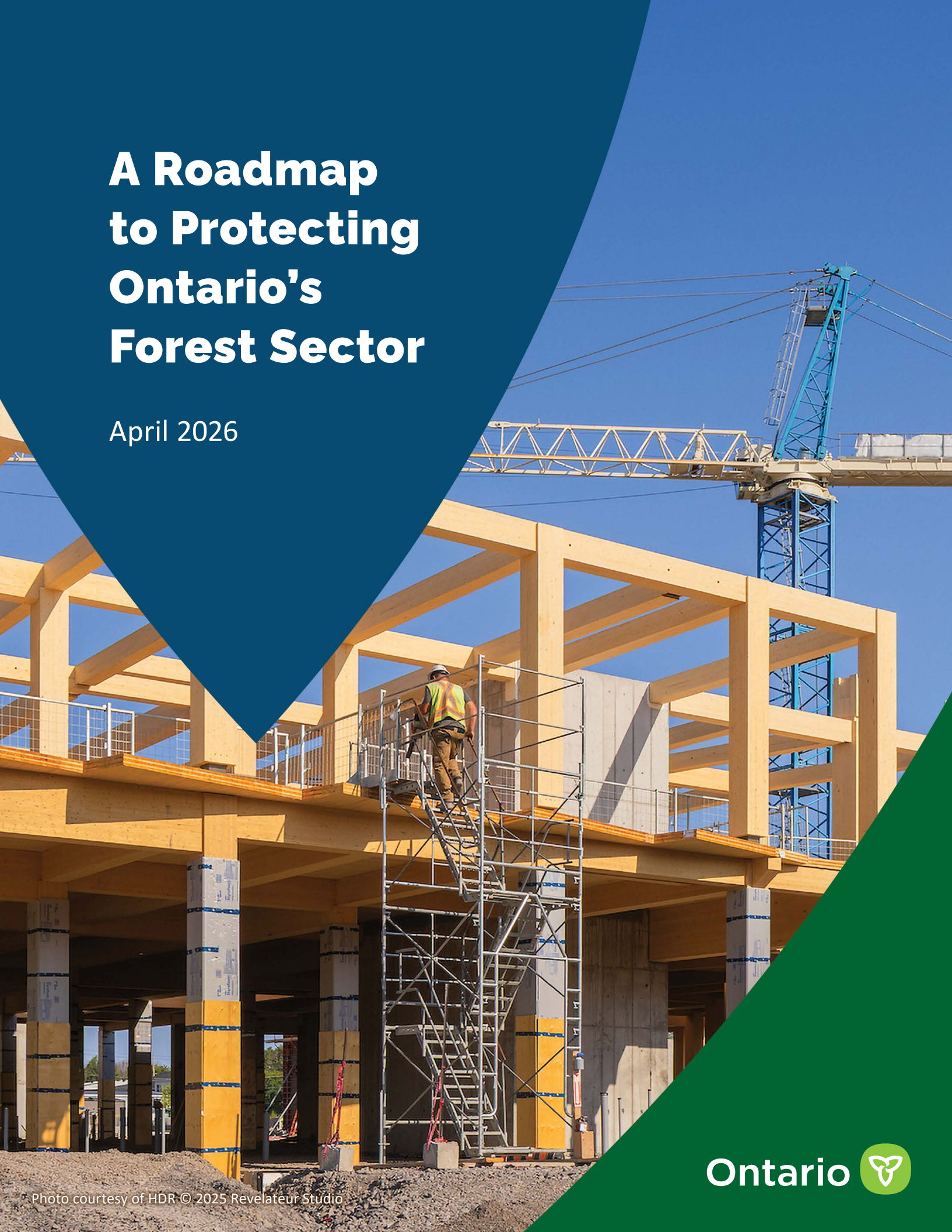


A Roadmap to Protecting Ontario's Forest Sector

April 2026





Ministers' message

Forestry is a cornerstone industry that has built our province.

For generations, the forestry and forest products sector has provided good-paying jobs and economic prosperity for the people of Ontario, generating billions of dollars in revenue.

With a globally recognized reputation for sustainable forest management, Ontario-made forest products are trusted and in-demand both at home and around the world.

In 2020, the province launched Sustainable Growth: Ontario's Forest Sector Strategy, a plan to build forest sector success in the years ahead.

The strategy arrived at a critical moment for Ontario—and for our forest sector.

As our province responded to the threat of COVID-19, the forest sector rose to the challenge, continuing to supply raw materials needed for critical goods, including hospital masks and gowns, as well as packaging for sterile medical equipment and food.

Our strategy for this essential industry has initiated decisive steps to cut red tape, spur job creation and unlock the untapped potential of Ontario's forests: including milestone achievements such as the implementation of the Forest Biomass Program and the development of the Advanced Wood Construction Action Plan.

We have achieved over 70 per cent of the goals we set for ourselves in 2020, but we cannot ignore the unprecedented economic headwinds that face us today.

Despite a long history as our closest trading partner, the United States government has targeted the forest sector with hostile tariffs and unjustified increased duties on softwood lumber.

This disruption to global trade threatens Ontario's forest sector and the contributions it makes to our province's economy and our communities.

Through ministry-led roundtables and seven tours across the province, we heard about the challenges facing our forest sector—and the need for swift and strategic action.



Mike Harris
Minister of Natural Resources



Kevin Holland
Associate Minister of Forestry
and Forest Products

The Forest Sector Strategy has laid a strong foundation for the future of forestry in Ontario. But the realities of today call for a new path forward.

That is why we are introducing **A Roadmap to Protecting Ontario's Forest Sector**, our new plan that will guide us for the next 10 years.

We will **defend** Ontario's forest sector.

Facing aggressive competition, we will stand shoulder-to-shoulder with partners across industry and all levels of government to confront unfair trade measures.

We will help our forest sector to **adapt** to meet evolving markets.

By reducing regulatory burden and red tape, we will build industry's competitive advantage—and create new revenue streams by modernizing key facilities and unlocking new export markets.

We will **grow** the forest sector for generations to come.

Through policy changes and support to develop and commercialize groundbreaking products, we will build a future-ready sector, attract global investment and power continued domestic and international expansion.

To achieve these goals, we will leverage the strength of our partnerships and committed collaboration with industry, Indigenous communities and sectoral associations, backed by an all-of-government approach.

This roadmap charts a bold path forward to deliver a forest sector that is competitive, sustainable and ready for the challenges of tomorrow.

The decisions we make today—and the momentum we build in the critical months ahead—will position Ontario as a global leader in a time of profound change.

Our government will work with our forest sector to reach new potential and achieve new success.

Together, we will continue to build and protect Ontario.

Mike Harris

Minister of Natural Resources

Kevin Holland

Associate Minister of Forestry and Forest Products

Table of contents

Impact of Ontario's forest sector	4
Introduction	6
Setting the foundation: Ontario's Forest Sector Strategy	7
Challenges and opportunities	14
A Roadmap to Protecting Ontario's Forest Sector	17
Pillar 1: Defend	19
Objective 1. Protect forestry businesses and workers from the impact of unjustified U.S. duties and tariffs	20
Objective 2. Drive strong advocacy in partnership with the federal government for a solution to trade disputes	21
Objective 3. Promote opportunities and potential in Ontario wood	22
Pillar 2: Adapt	23
Objective 1. Reduce regulatory burden and enhance cost competitiveness to support the success of forest sector businesses	24
Objective 2. Work with key anchor facilities to modernize, improve efficiencies, increase productivity and diversify products	26
Objective 3. Increase global demand by developing and implementing a plan to increase exports overseas	27
Pillar 3: Grow	28
Objective 1. Increase domestic demand by encouraging the use of wood products and by building capacity of Indigenous businesses and workers to participate in the forest sector	29
Objective 2. Attract global investment by marketing Ontario's forest resources and innovative companies to global investors	30
Objective 3. Empower the development of new forestry products through research and development and commercialization	31
Monitoring performance	32
Conclusion	33
References	34

Impact of Ontario's forest sector

Ontario is the lowest-cost lumber producer in Canada and second only to the U.S. South in all of North America.

The province's competitive regulatory environment and world-class sustainable forest management enable businesses to maximize harvest potential and drive continued productivity and growth.

With access to international markets through more than 50 trade agreements, Ontario is positioned to attract global investment.



Ontario's forests



- Forests cover 66 per cent of Ontario, totalling 70.5 million hectares (ha)
- The managed forest zone covers 46.4 million ha, including 27.7 million ha of managed Crown forests
- Ontario's five-year harvest (2019-2023) averaged 120,484 ha annually

Economic advantage



- Ontario has attracted approximately \$558 million in sawmill investments over the last decade, demonstrating investor confidence in the industry's strength
- Ontario's forest sector excels in value-added manufacturing and processing, generating 23 per cent of Canada's forestry GDP from just nine per cent of the national wood harvest
- Forestry and forest products generated \$20.8 billion in revenue and about \$5.2 billion in provincial GDP in 2024: about 5.8 per cent of Ontario's total manufacturing GDP
- Crown timber royalties added \$44 million to Ontario's Consolidated Revenue Fund ("stumpage revenues") and an additional \$65 million into the Forest Renewal and Forestry Futures Trust accounts in 2024-25
- Ontario has one of the lowest corporate tax rates (25 per cent) for manufacturers among jurisdictions in the Great Lakes Region

Global significance



- Ontario's forests represent 20 per cent of Canadian forests and 2 per cent of forests globally
- In 2025, Ontario produced 36 per cent of Canadian forest products exported to the U.S.
- Ontario exported approximately \$8.3 billion in forest products in 2025, with 97 per cent going to the United States
- Ontario has Canada's largest Gross Domestic Product (GDP) and is one of the 10 largest subnational economies in North America
- Ontario attracted 284 greenfield foreign direct investment projects in 2024, the highest in North America, demonstrating its position as the continent's top destination for new foreign investment

Good-paying jobs



- Total employment dependent on Ontario's forest sector totals over 154,500 jobs (direct, indirect and induced)
- One in four communities in Northern Ontario depends significantly on the forest sector for employment income
- Ontario's forest sector directly employed 51,500 workers in 2025
- Over 80 per cent of Ontario's direct jobs in forestry are located in Southern Ontario due to the large secondary manufacturing and value-added sectors



Introduction

The **Roadmap to Protecting Ontario's Forest Sector** meets the threat of unprecedented U.S. trade measures with a focused plan to protect the workers, businesses and communities of Ontario's forest sector.

This is the government's renewed long-term forestry plan, which positions the province to succeed and lead in the new global forest economy. We will build on the successes to address the needs of the future, as we develop emerging opportunities to overcome the new challenges before us.



Setting the foundation: Ontario's Forest Sector Strategy

Since 2020, Ontario's actions to create jobs and build a stronger, more competitive and resilient forest sector have been guided by [Sustainable Growth: Ontario's Forest Sector Strategy](#). The province will continue to build on the strategy's successes with the implementation of the [Roadmap to Protecting Ontario's Forest Sector](#).

Just over five years from launch, over 70 per cent of the strategy's goals are complete, calling for a future-ready plan to build on these successes, anticipate new challenges and support emerging opportunities. Ontario has provided annual updates highlighting actions to implement the Forest Sector Strategy, including the most recent Success at a Glance [progress report](#), released in 2025.

Achievement: Promoting stewardship and sustainability while remaining competitive

Ontario has streamlined forestry's legislative, regulatory and policy framework to enhance industry competitiveness. By developing a more efficient and effective planning system, Ontario has saved the forest sector close to \$2.1 million each year, while upholding the sustainable forest management that safeguards our forests.

We have also begun consultation with the industry, stakeholders and Indigenous communities on the Natural Resources Regulatory and Permit Reform Initiative, with an emphasis on improving the permitting process to support economic growth.

Ontario will continue to reduce regulatory burden and increase efficiencies for the forest sector and will collaborate with the forest industry and Indigenous communities on policy updates.



Achievement: Strengthening partnerships with Indigenous peoples

Ontario has been working with Indigenous businesses, communities and people to build capacity and meaningful partnerships. Currently, 50 per cent of managed forests include leadership from Indigenous community shareholders or board directors.

Since 2018, Ontario has shared \$178 million in forestry resource revenues with 41 First Nations and two Métis organizations.

Ontario will continue working with Indigenous communities, organizations and businesses, along with forest industry and municipalities to expand economic participation in forestry by:

- Building the capacity of Indigenous businesses and workers to participate in the forest sector by providing training opportunities and supporting Indigenous business development
- Promoting increased involvement through collaborative business partnerships
- Exploring options to expand resource revenue sharing with more Indigenous communities



Achievement: Driving industry growth by increasing the use of Ontario wood

Ontario has developed three action plans to grow the forest sector and build industry competitiveness and diversification. The [Forest Biomass Action Plan](#), [Wood Measurement Modernization Plan](#) and [Advanced Wood Construction Action Plan](#) will continue to support initiatives that will see wood utilized and made available in a way that supports its increased use, attracting new business and new investment.

The [Forest Biomass Program](#) will continue to invest \$20 million each year to increase wood harvest, find new uses for wood and access new markets. This includes investments such as **\$4.6 million to equip Haliburton Forest Biochar** with new technology to increase efficiency and output of biochar production, a substance used in power generation, soil amendment and water filtration.

As of April 2026, over \$50 million has been committed under this program, securing over \$105 million in additional external investments.

Launched in 2024, the Wood Measurement Modernization Plan will continue to enhance tracking of Crown forest resources, led by the MNR/ Forest Industry Wood Measurement Modernization Committee, which continues to guide and plan consultation.

The government continues to move forward with the Advanced Wood Construction Action Plan. Through the establishment of the Advanced Wood Committee and investments of nearly \$80 million to advance modular and mass timber construction, Ontario continues to promote the use of wood manufacturing and building.

Maximizing the value of wood

Industry-led innovation is transforming underused wood and mill by-products, such as bark, shavings and sawdust, into value-added products that meet growing demand for renewable and sustainable alternatives.

Ontario will continue to advance this innovation and power the sector's diversification into emerging markets, positioning the province as a leader in the green economy.



Chemicals

Current uses

- Fertilizers and soil amendments
- Aromatic compounds
- Thickening agents
- Emulsifiers
- Binders
- Food additives
- Fragrances
- Flavouring
- Activated charcoal

Emerging uses

- Sugars and alcohols
- Green solvents and chemicals
- Resins, binders and adhesives
- Medicines and pharmaceuticals
- Paints and dyes
- Plastics and polymers
- Biocoal and bio-coke



Materials

Current uses

- Pulp and paper products
- Packaging
- Personal protective equipment
- Timber products
- Veneer
- Particleboard
- Rayon fibres
- Landscaping products

Emerging uses

- Mass timber products
- Composites
- Textiles
- Carbon fibre
- 3D printing
- Biochar and carbon
- Cellulose nanocrystals and nanofibrils
- Battery energy storage filaments



Energy

Current uses

- Pellet, wood chip, and cordwood heating
- Combined heat and power
- Drying and industrial processes
- Grid electricity

Emerging uses

- Renewable natural gas
- Modern wood heating
- Biodiesel and liquid biofuels
- Community and district energy systems
- Green hydrogen
- Jet fuel

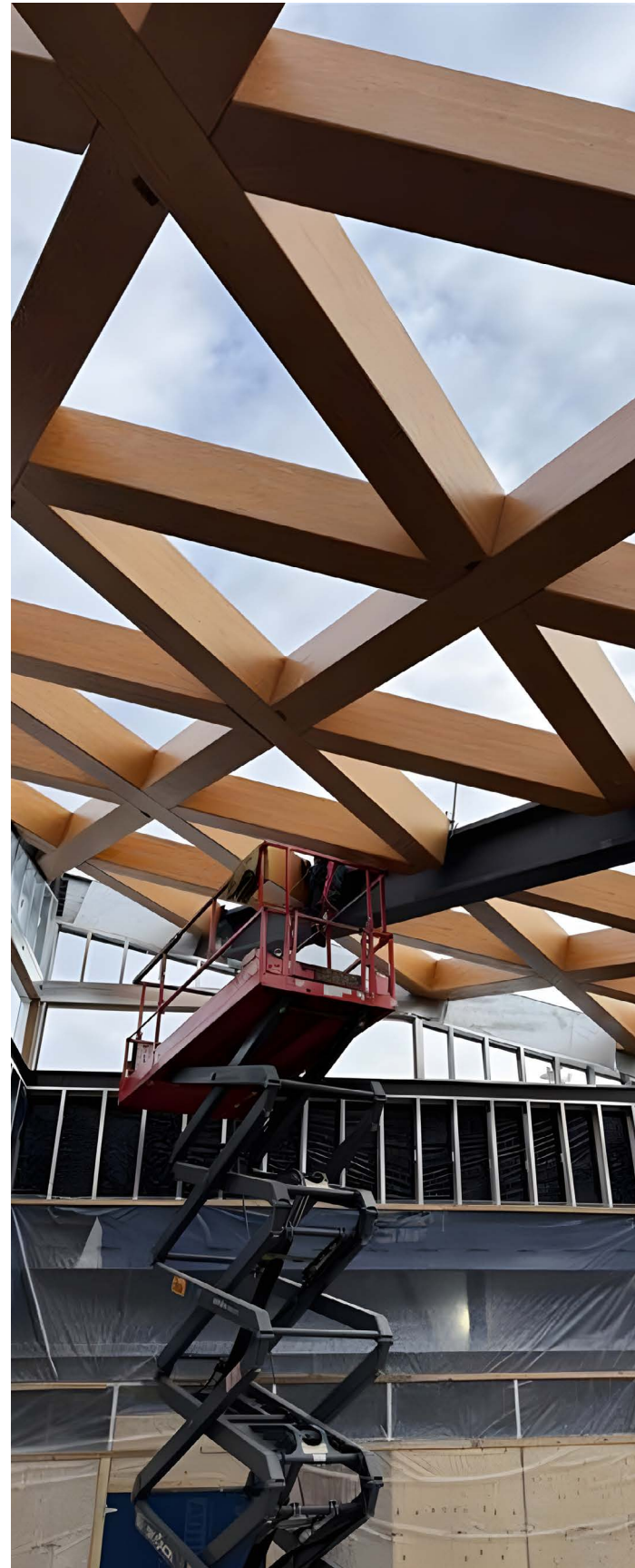
Achievement: Increasing innovation and competitiveness with targeted investments

Ontario's investment in key forest sector programs has created new economic opportunity, accelerated innovation and created efficiencies that support jobs and growth.

As of April 2026, close to \$98 million in funding has been approved under the [Forest Sector Investment and Innovation Program](#), securing an added \$540 million in external investments to reinforce forest sector productivity.

Among 27 key investments, the program provided **\$10 million** to upgrade **Daiken North America's** manufacturing facility in Huntsville, making Ontario the home of a first-in-kind wood panel that offers a higher-performance, lower-cost alternative to imported material, enhancing the province's reputation as a manufacturer of innovative and sustainably-sourced wood products.

The Forest Biomass Program's **Indigenous Bioeconomy Partnerships** funding stream has provided more than \$3.7 million to 17 projects led by Indigenous businesses and communities, including capacity-building initiatives, bioenergy applications and forest biomass supply chain development.



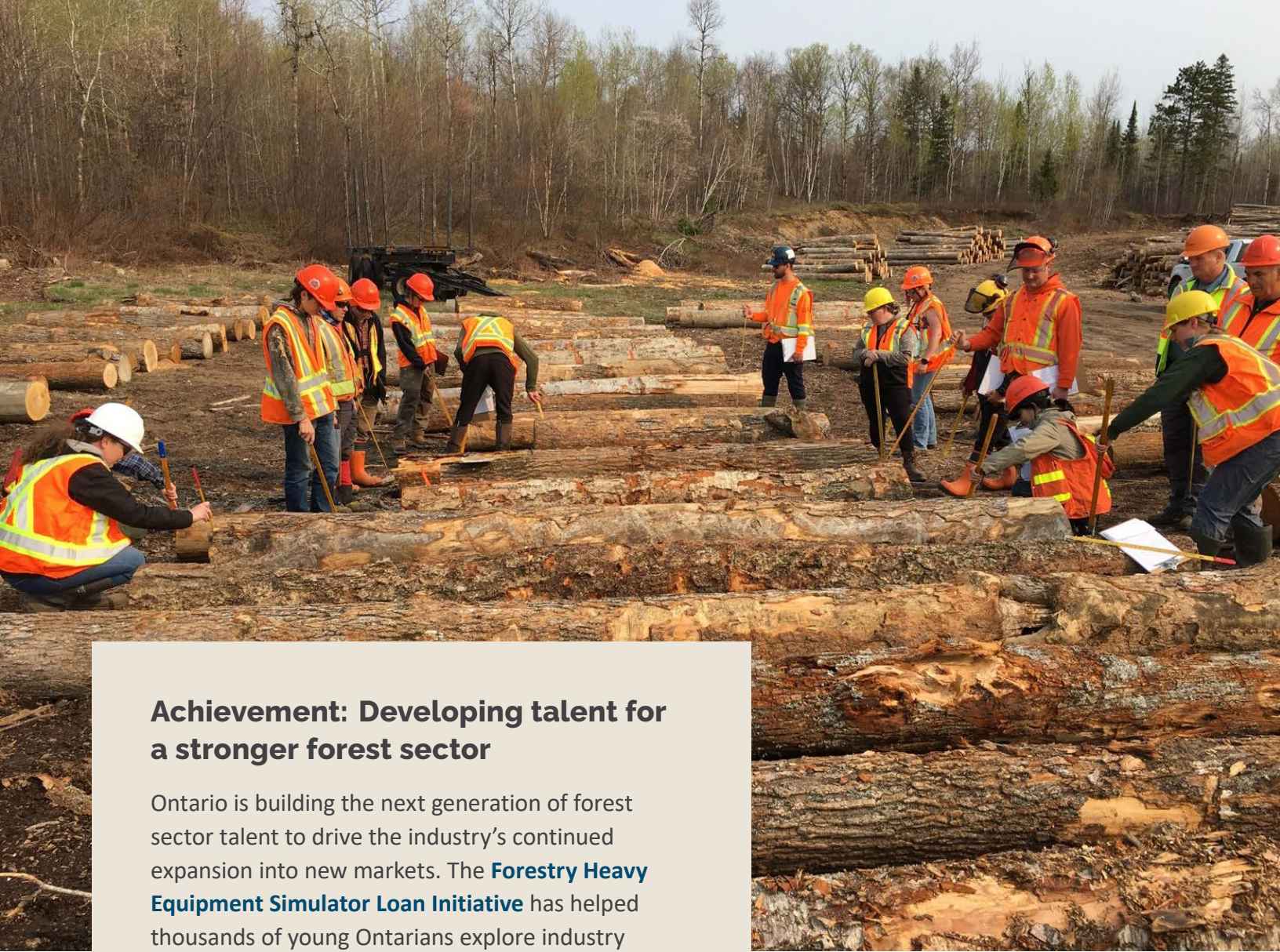


Under the [Forest Access Roads Funding Program](#), Ontario has provided over \$458 million since 2018 to develop and maintain rural road infrastructure in Crown forests used by the forest industry, mining companies, utilities, railways, hunters, campers, anglers, emergency responders and Indigenous communities.

Ontario launched the [Sawmill Chip Support Program](#) with a \$10 million investment in 2024-25, helping 15 sawmills and other facilities access new wood chip markets as the forest sector adapts to

changing pulp and paper markets. The program is providing an additional \$10 million in 2025-26 to protect forest sector productivity.

Ontario will continue to invest in provincial programs, such as the [Forest Sector Investment and Innovation Program](#), [Forest Biomass Program](#) and [Forest Access Roads Funding Program](#), ensuring Ontario is open for business, able to deliver maximum value and ready to create broader opportunities for businesses and communities across the province.



Achievement: Developing talent for a stronger forest sector

Ontario is building the next generation of forest sector talent to drive the industry's continued expansion into new markets. The **Forestry Heavy Equipment Simulator Loan Initiative** has helped thousands of young Ontarians explore industry careers by operating simulated forestry equipment.

The province has invested over \$5 million in two Skills Advance Ontario training projects in forestry and wood manufacturing, and funded Bridging the Gap, a study of forestry workforce trends by Forests Ontario and the Ontario Forest Industries Association.

Ontario will continue to address prominent forestry labour challenges and support efforts to grow talent in the forest sector. We will continue to work with partners to support forestry and its downstream sectors (e.g., bioeconomy, advanced wood construction) in recruiting, training, and retaining the workers needed for continued growth.

What is the forest bioeconomy?

From the forest to consumer products, the forest bioeconomy encompasses all innovative, low-carbon materials derived from sustainably sourced forest biomass, and the supply chains that serve to produce those materials (CRIBE, 2024).

Challenges and opportunities

Since the introduction of the Forest Sector Strategy in 2020, new challenges have emerged that are intensifying other challenges for the sector. Ontario must chart the industry's path forward, to new opportunities that will protect jobs, businesses and communities, and build forest sector success.

Challenge: Rising softwood lumber duties and new trade uncertainty

In 2025, the U.S. increased softwood lumber duties from 14.4 per cent to 35.16 per cent and imposed tariffs of 10 per cent on lumber (and 25 per cent on furniture and cabinetry), resulting in total combined duty and tariff rates on lumber exports of 45.16 per cent.

These unjustified trade measures significantly reduce sawmill viability, disrupt forest sector supply chains and harm Ontario manufacturers.

Since 2017, Ontario's softwood lumber exporters have paid an average of approximately \$130 million in duty deposits each year, totalling around \$1.1 billion: funds that could have been reinvested in the industry to build resilience to seasonal demand cycles.

Based on recent export volumes and lumber prices, combined U.S. duties and tariffs of 45.16 per cent on Ontario lumber exports are projected to result in approximately \$336 million in annual duty deposits.

Opportunity: Strengthening competitiveness by reducing barriers and opening new markets

Ontario must counter the cost pressures of duties and tariffs, and enable efficient, competitive forestry operations.

Streamlining permitting, maintaining reliable forest infrastructure and supporting mill modernization will reduce costs and improve business certainty. Expanding the use of low-grade fibre will unlock more value from wood and drive the growth of new forest-based products and markets.

Rising global demand for advanced wood construction—such as mass timber, engineered wood products and prefabricated components—is a key opportunity to increase Ontario's competitiveness in the global market. Expanding manufacturing capacity and use of these innovative materials will help the forest sector capture a larger share of construction markets, create and retain more jobs and reinforce resilient supply chains.

These measures will enhance productivity, reduce barriers and position Ontario's forest sector for long-term competitiveness.



Challenge: Changing export market

The United States is the most important market for Ontario's forest sector, purchasing over 60 per cent of the primary forest products Ontario produces.

Due to American duties and tariffs, U.S. consumers, who currently purchase over 97 per cent of Ontario's forest products exports, are more likely to replace Ontario-made forest products with domestic alternatives or imports from countries such as Germany, China, Brazil, Mexico or Vietnam.

Canada has more than 50 trade agreements: this creates an opportunity for Ontario to connect the forest sector to emerging global markets.

Opportunity: Diversify Ontario's products and market access

Reducing exposure to U.S. trade actions through diversification within the forest sector and into international markets is a key component of Ontario's new roadmap.

To strengthen local markets, Ontario must encourage the use of wood in public projects, expand standards for mass timber manufacturing and advanced wood construction, and strategically grow forest bioenergy use. The province must also support the development of new value-added wood products, including emerging bioproducts and advanced construction materials.

By collaborating with other Canadian jurisdictions and leveraging federal programs and investments, Ontario can develop targeted investment-attraction initiatives and access international export markets, such as the Asia-Pacific region, Europe, the Middle East and North Africa.

Together, these actions will broaden Ontario's customer base, support higher-value product development and build a more resilient, globally connected forest sector.

Challenge: Reduction in pulp capacity

In recent years, three of Ontario's remaining six pulp and paper mills have closed or indefinitely idled, citing market challenges and the need for significant capital improvements. The loss of these critical anchor facilities has limited forest sector productivity.

What is an anchor facility?

Anchor facilities may be a single plant or a cluster of operations, such as sawmills, pellet plants, biorefineries and value-added manufacturers. They consume low-grade fibre and sawmill by-products to produce pulp, paper, lumber and wood panels, with growing potential in bioenergy and other emerging markets.

Modern anchor facilities **protect** forest sector productivity, **reinforce** industry supply chains and **create** new opportunities for growth in communities across Ontario.

Opportunity: Accelerate Ontario's manufacturing of new and emerging bioproducts

Ontario's innovative forest sector is ready to seize high-value markets by enhancing manufacturing of bioenergy, biochemicals and biomaterials using mill by-products and underused wood.

Near-term opportunities include bioheat and combined heat and power (CHP) systems, as well as growing markets for biochar in agriculture, steelmaking and advanced manufacturing.

Emerging opportunities include renewable natural gas (RNG) and green hydrogen, low-carbon fuels such as sustainable aviation fuel (SAF) and renewable diesel, lignin-based materials and thermoformed cellulose as a replacement for single-use plastics.

With abundant forest resources and strong provincial programs driving innovation and modernization, Ontario can lead the development of bioproducts that deliver economic growth, environmental benefits and global competitiveness.

Using biochar in steelmaking, when produced from sustainably sourced forest harvest residues, offers a promising pathway to significantly reduce greenhouse gas emissions (Desjardins et al., 2025).



A Roadmap to Protecting Ontario's Forest Sector

The Roadmap sets out the path to seize Ontario's emerging opportunities and protect the workers, businesses, families and communities of the province's forest sector.

Vision

Maintain Ontario's status as leader of the G7 in making and selling forest products from renewable, sustainable and responsibly managed forests, with the competitive excellence and transformative technologies to unlock new global markets.

Strategic Pillars

Pillar 1: Defend

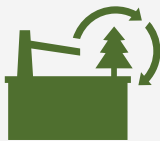


Support workers, communities and businesses during an unpredictable economic climate.

Objectives

1. Protect forestry businesses and workers from the impact of unjustified U.S. duties and tariffs.
2. Drive strong advocacy in partnership with the federal government for a solution to trade disputes.
3. Promote opportunities and potential in Ontario wood.

Pillar 2: Adapt

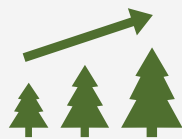


Enhance competitiveness of the forest sector while safeguarding the long-term sustainability of Ontario's forests.

Objectives

1. Reduce regulatory burden and enhance cost competitiveness to support the success of forest sector businesses.
2. Work with key anchor facilities to modernize, improve efficiencies, increase productivity and diversify products.
3. Increase global demand by developing and implementing a plan to increase exports overseas.

Pillar 3: Grow



Increase long-term demand for Ontario's forestry products.

Objectives

1. Increase domestic demand by encouraging the use of wood products and by building capacity of Indigenous businesses and workers to participate in the forest sector.
2. Attract global investment by marketing Ontario's forest resources and innovative companies to global investors.
3. Empower the development of new forestry products through research and development and commercialization.

Pillar 1: Defend

Over 97 per cent of Ontario's forestry exports go to the United States. As of October 2025, the province's forest industry faces a combined 45 per cent in softwood lumber duties and tariffs on wood products that are shipped south of the border. Every dollar spent to pay these unjustified duties and tariffs is a dollar that could be reinvested in forestry jobs. Ontario must continue to defend our forestry sector against these unjust levies. The government will protect workers and businesses from the impact of this trade uncertainty while also working to advocate for a long-term solution.



Objective 1. Protect forestry businesses and workers from the impact of unjustified U.S. duties and tariffs

Steps we will take:

1. Keep critical mills operating by working with the federal government to get their support and through provincial funding programs to mitigate the impact of tariffs and duties in the sector
2. Leverage existing programs designed to support tariff-impacted workers, including workers in the forestry sector, and implement targeted federal tariff-related funding through Skills Advance Ontario to upskill and reskill softwood lumber workers to help maintain sector competitiveness and workforce stability

What we will achieve:

By year 2

Forest access roads are maintained to ensure continued access to harvest, uninterrupted mill operations and support for broader government priorities such as emergency response activities (e.g., flood and wildfire risk reduction) and ongoing economic development

Impacts to forestry workers are minimized to ensure that these workers are available to support future growth in the sector

By year 5

Ontario's forest sector competitiveness is maintained through modernized infrastructure and improved fibre flows

By year 10

Forest access roads enhance Ontario's sector competitiveness by supporting efficient resource access, strengthened emergency response capabilities and new economic development opportunities across sectors like mining and energy





Objective 2. Drive strong advocacy in partnership with the federal government for a solution to trade disputes

Steps we will take:

1. Work with the federal government, industry, provinces and territories, and industry partners to launch coordinated advocacy efforts to improve trade conditions
2. Remain an active party with other provinces and the Canadian government by defending Ontario's forest industry throughout litigation challenges
3. Continued implementation of Ontario's U.S. Engagement Strategy to strengthen Ontario-U.S. relations with influential U.S. partners to advocate for the elimination of current and future duties and tariffs to restore a stable, predictable trade environment to support long-term business confidence

What we will achieve:

By year 2

Successful negotiation of CUSMA under 2026 review and any other trade deals with the U.S. resulting in beneficial terms for Canadian trade and positive U.S. relationships

The interests of Ontarians and the Ontario forest industry are represented among Canadian parties and efforts focus on mitigating trade risks and maintaining stable access for forest sector product exports to the United States

By year 5

Ontario continues to be recognized for its leading sustainable forest management practices and is considered a reliable trading partner and attractive jurisdiction for investment

By year 10

Ontario attracts new investment in its forest sector and secures trade opportunities, increasing the presence of high-quality Ontario-made forest products in key markets

Objective 3. Promote opportunities and potential in Ontario wood

Steps we will take:

1. Support key forest sector partners in advancing education and career promotion efforts to highlight the diversity of meaningful careers in forestry and its downstream sectors
2. Promote and raise awareness through the Ontario Wood brand
3. Mobilize partners across Canada to address market challenges and actively promote Ontario’s proven leadership in sustainable forest management to international customers

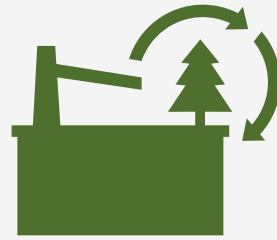
What we will achieve:

- **By year 2**
Ontario gathers data to establish a baseline of perceptions about future career paths in forestry to inform ongoing workforce development
- **By year 5**
The Ontario public and wood consumers demonstrate enhanced recognition of Ontario’s sustainable forest management practices
Ontario’s measurement of forestry career perceptions shows greater awareness of the range of job opportunities in the forest sector
Ontario Wood grows to include over 1,000 businesses using the brand in association with their products
- **By year 10**
Greater global recognition of Ontario’s forest management system and the sustainability of our products drive the forest sector’s competitive advantage in global markets



Pillar 2: Adapt

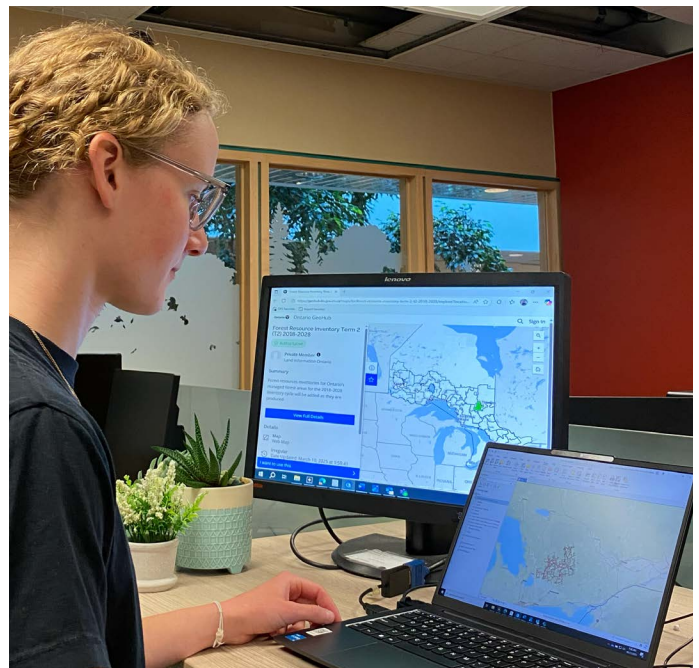
Ontario will adapt the forest sector by enhancing the competitiveness of forestry businesses, particularly key anchor facilities, and reducing regulatory burden and costs through streamlining and other initiatives, while safeguarding the long-term sustainability of Ontario's forests.



Objective 1. Reduce regulatory burden and enhance cost competitiveness to support the success of forest sector businesses

Steps we will take:

1. The Natural Resources Regulatory and Permit Reform Initiative is identifying and implementing changes to forest-related rules and permitting processes to make them more efficient, reduce unnecessary steps and support economic growth, while continuing to manage Ontario's forests responsibly and sustainably
2. Explore further changes to Ontario's forest policy framework, such as enabling one forest management plan to be prepared for multiple management units and enabling continuous forest management plans
3. Reduce red tape and regulatory burden by identifying and implementing additional cost reduction measures, particularly in energy, environment and transportation, to enable the success of forest sector businesses, for example:
 - Facilitate broader adoption of alternate trailer configurations already used in western Canada, along with other technologies that improve the movement of forest products and determine how to implement them in Ontario
 - Streamline targeted Environmental Compliance Approvals processes to speed up approvals and reduce administrative delays
4. Enhance Private Land Harvesting by considering various tools to responsibly encourage greater timber production on private lands
5. Work with the federal government to identify pathways to restructure, retool and transform Canada's forest sector by streamlining and reducing duplicative red tape and burdens constraining the success of our forest sector
6. Modernize Ontario's forest resources inventory: modernizing the IT systems behind the inventory will improve data quality, accessibility and reliability, ensuring that decision-makers across multiple sectors have timely, accurate information



We have invested \$84 million to modernize our Forest Resources Inventory with detailed light detection and ranging (LiDAR) data across more than 415,000 km² of managed forests. This data will drive business efficiency and reinforce sustainable forest management with the best available science and technology.

What we will achieve:

By year 2

Reduction in red tape delivers cost and time savings for industry

Ontario has proposed and implemented some changes to forest-related rules and permitting processes, including enabling individual forest management plans to be prepared for multiple management units

Enhanced digital tools will enable the forest industry to better assess wood supply, plan harvest operations, and strengthen long-term economic strategies

By year 5

Ontario continues to advance red tape reduction with further changes to forest-related rules and permitting processes

Forest management planning allows for forest management plans to be implemented over a longer timeframe

By year 10

Ontario's modernized forest policy framework supports economic growth while continuing to manage Ontario's forests responsibly and sustainably

Targeted red tape reduction has increased Ontario's ability to attract investment; the province successfully attracts high-performing and trusted partners to invest in key forest sector initiatives that are sustained with minimal public funds



Objective 2. Work with key anchor facilities to modernize, improve efficiencies, increase productivity and diversify products

Steps we will take:

1. Work to modernize anchor facilities and associated workforce to create hubs of innovation and a diverse production of value-added products by:
 - Working with those facilities interested in improving energy efficiency and reducing reliance on natural gas, for example, by adopting internal heat production and, where cost effective, increasing electricity cogeneration from biomass
 - Facilitating the manufacturing of novel energy products (e.g., biochar, biofuels) and producing new products like mass timber components
 - Encouraging greater use of automation to enhance efficiencies, retain employees and support higher-value work
 - Training workers with the skills needed to maximize capital investments and drive new product development
2. Incentivize industry to invest and leverage those investments through cooperation with the federal government and existing provincial funding programs (e.g., Forest Biomass Program, Forest Sector Investment and Innovation Program) to enable modernization

What we will achieve:

By year 2

Modernization initiatives for key anchor facilities enhance capacity to process raw fibre into traditional forestry products (e.g., lumber, pulp, veneer, strand board, etc.), bioproducts and advanced wood construction products

By year 5

Modernized anchor facilities produce a more diverse range of value-added products through bio-refining and advanced wood construction manufacturing

Ongoing investments in both primary production and secondary manufacturing facilities sustain a healthy and profitable forest sector

By year 10

Anchor facilities are regional hubs of innovation and supply a variety of value-added wood products for domestic and international markets



Objective 3. Increase global demand by developing and implementing a plan to increase exports overseas

Steps we will take:

1. Develop and implement an export diversification plan for the forest sector to find alternate international markets for our forest products
2. Work with the federal government to leverage Canada’s existing trade agreements, as well as trade agreements currently under negotiation or planned for negotiation in 2026, to expand export markets for Ontario forest products
3. Work with the federal government to leverage Canada’s international development projects to include Ontario’s forest products

What we will achieve:

By year 2

Ontario’s export diversification plan is implemented, and forest sector companies are actively exploring new markets

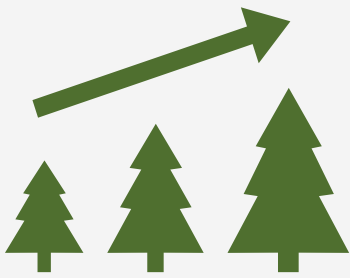
By year 5

Increased exports of hardwood products to the Asia-Pacific region (e.g. China, Vietnam, India) and softwood products to Europe and the Middle East

By year 10

Ontario solidifies its position in new export markets for commodity products, reducing our reliance on the U.S. market





Pillar 3: Grow

Ontario will grow the forest sector by increasing long-term demand for new and existing wood products in domestic and international markets through strategic investments and changes to government programs and policies.



Objective 1. Increase domestic demand by encouraging the use of wood products and by building capacity of Indigenous businesses and workers to participate in the forest sector

Steps we will take:

1. Advance the use of Ontario wood through the existing Buy Ontario procurement policy, which encourages the use of domestic materials (including wood products) in provincial infrastructure projects
2. Drive greater use of wood in construction, especially in modular designs and buildings, through the ongoing work the province and its partners are doing to support modular homebuilding in Ontario
3. Expand standards for, and attract investment in and manufacturing of advanced wood construction and mass timber components, materials and systems and enhance training and skills competencies
4. Engage the federal government to support the use of mass timber and other advanced wood construction projects on a national scale
5. Explore opportunities to strategically expand forest bioenergy (electricity) to support local demand, balancing the benefits to the forestry sector and regional economies with value for electricity ratepayers and taxpayers
6. Create policies to promote the use of forest biomass residuals as a feedstock for bioproducts
7. Align biomass codes and standards with European and other global jurisdictions to facilitate more export opportunities and attract investment
8. Identify additional policy and program supports for local wood-based biofuels under Ontario's Cleaner Transportation Fuels regulation, which requires blending of renewable fuels in the gasoline and diesel pools

9. Build the capacity of Indigenous businesses and workers to participate in the forest sector by facilitating training opportunities and supporting Indigenous business development

What we will achieve:

By year 2

Existing procurement policies encourage the use of Ontario wood products in public infrastructure

Indigenous communities and businesses will further develop capacity, worker training, skills training and business opportunities

By year 5

Bioenergy becomes a substantive element of meeting a growing share of energy needs in Indigenous, northern and rural communities, and fueling heavy industry in the south

Increased use of Ontario wood-based construction products drives market adoption and supports growth in sustainable building practices

Ontario has further strengthened partnerships with Indigenous communities and seen an expansion of Indigenous forestry businesses

By year 10

Scaled up capacity and strengthened domestic supply chains from increased local demand results in lower dependence on U.S. markets

Continued improvements in the collaborative management of forests



Objective 2. Attract global investment by marketing Ontario's forest resources and innovative companies to global investors

Steps we will take:

1. Develop and implement an investment attraction plan that promotes Ontario's forest resources and innovative companies to global investors across multiple sectors
2. Work with Invest Ontario to secure investments that help to diversify the range of products produced from Ontario's forest resources and secure additional good-paying jobs for the sector

What we will achieve:

By year 2

An investment attraction plan has been implemented, and companies are actively being engaged about investing in Ontario

By year 5

The plan is showing results with the first large scale investments starting operations, supporting the next generation of good-paying jobs in the sector

By year 10

Ontario is a global destination for forest sector investments

Objective 3. Empower the development of new forestry products through research and development and commercialization

Steps we will take:

1. Bring more products to a commercial-ready state by working with partners to invest in collaborative research that leads to new products and refines emerging applications, in areas such as:
 - Advanced wood construction products to support the expansion of the use of wood in the built environment
 - Modular housing production to support provincial and federal housing targets
 - Bioproduct manufacturing and development (e.g., biochar and lignin-based materials, sustainable aviation fuel, wood fibre insulation, etc.) to support lower emissions applications
2. Conduct early-stage research with industry and academic institutions to identify priority areas for translating research into intellectual property (IP) and market-ready products

What we will achieve:

By year 2

Collaboration between government, industry and academic institutions results in research initiatives that are strategically aligned with market needs

By year 5

New forest biomass and advanced wood construction products are ready for commercialization

Advancement of new research in Ontario to diversify markets and attract new investments is underway

A sustainable cycle of investment exists between industry, academic institutions and government enabling commercialization of priority products

By year 10

Markets have been diversified, both domestically and internationally, by developing innovative products and expanding product ranges



Monitoring performance

The Ministry of Natural Resources will lead implementation of the **Roadmap to Protecting Ontario's Forest Sector**, collaborating on specific actions with other ministries, industry stakeholders, Indigenous communities and external partners, including the Forest Sector Strategy Committee and Advanced Wood Committee.

Drawing on this collaboration, the ministry will develop key performance indicators for the Roadmap in 2026 and report annually on implementation progress. This ongoing monitoring will ensure timely adjustments and informed decision-making that will strengthen the forest sector's resilience, adaptability and growth.





Conclusion

This roadmap reflects the bold, decisive actions we are taking to protect Ontario’s forestry and forest products industries and ensuring they remain resilient, competitive and sustainable.

Guided by three strategic pillars—Defend, Adapt, and Grow—the roadmap provides a clear framework for action: defending against trade uncertainty and economic shocks, adapting operations and policies to strengthen competitiveness and sustainability, and driving increased wood utilization through innovation, diversification and investment attraction.

By leveraging Ontario’s open-for-business climate, strong resource base and leadership in sustainable forest management, we will secure the future of this vital sector. This roadmap positions Ontario to protect thousands of jobs, foster prosperity in Indigenous, northern, and rural communities, and maintain our global reputation as a leader in renewable, responsibly managed forests.

Together, these actions will ensure Ontario’s forest sector thrives—delivering economic opportunity, environmental stewardship and long-term growth for generations to come.

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List of links

Page 7

[Sustainable Growth: Ontario's Forest Sector Strategy](#)

<https://www.ontario.ca/page/ontarios-forest-sector-strategy>

[Success at a Glance 2025 Progress Report](#)

<https://www.ontario.ca/page/success-glance-ontarios-forest-sector-strategy-2025-progress-report>

Page 9

[Forest Biomass Action Plan](#)

<https://www.ontario.ca/page/forest-biomass-action-plan>

[Wood Measurement Modernization Plan](#)

<https://www.ontario.ca/page/wood-measurement-modernization-plan>

[Advanced Wood Construction Action Plan](#)

<https://www.ontario.ca/page/advanced-wood-construction-action-plan>

Page 11

[Forest Sector Investment and Innovation Program](#)

<https://www.ontario.ca/page/forestry-sector-investment-innovation-program>

Page 12

[Forest Access Roads Funding Program](#)

<https://www.ontario.ca/page/provincial-forest-access-roads-funding-program>

[Forest Sector Investment and Innovation Program](#)

<https://www.ontario.ca/page/forestry-sector-investment-innovation-program>

[Forest Biomass Program](#)

<https://www.ontario.ca/page/forest-biomass-program>





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