Friday, September 4, 2026
Payroll Edition
Est. 2026 | Vol. 1, No. 111

THE LUMBER DAILY

TOP STORIES

US Payrolls Rise 162,000 in August; Canada Sheds 42,000

US employers added 162,000 jobs in August, the Bureau of Labor Statistics (BLS) reported Friday morning, against an average of 31,000 a month over the prior twelve months. June was revised up by 11,000 to 31,000 and July up by 44,000 to 21,000. The unemployment rate held at 4.1 percent, participation edged up to 61.6 percent and average hourly earnings rose 0.3 percent on the month to $37.75, up 3.1 percent from a year ago. Manufacturing added 16,000 and construction 22,000, with nonresidential specialty trades supplying 8,000 of the construction gain. Wood product manufacturing slipped 1,200 to 391,300; the deep dive below has the detail. Canada's August Labour Force Survey, released the same hour, showed employment down 42,000 after cumulative gains of 181,000 from April through July, with the unemployment rate unchanged at 6.4 percent. Manufacturing was the only industry with a significant gain, up 22,000, most of it in Ontario, while natural resources fell 7,700, or 2.3 percent. Average hourly wages rose 2.0 percent from a year earlier, the slowest since November 2017 outside 2021, and Statistics Canada said the layoff rate over the past twelve months ran 0.9 percent in industries dependent on US export demand against 0.7 percent elsewhere, citing the new US tariffs on Canadian exports. Quebec lost 19,000 jobs and is the only province with employment below a year ago; British Columbia's unemployment rate rose 0.3 points to 6.5 percent.

In the West, an Existing Home Now Costs $90,200 More Than a New One

The national median price of a new single-family home was $410,700 in the second quarter, $25,000 below the $435,700 median for an existing home, the widest gap in a quarterly series that begins in 1989, according to a National Association of Home Builders analysis of Census Bureau and National Association of Realtors data published Friday. New homes carried a premium over existing homes for most of the series; the relationship flipped in the second quarter of 2024 and existing homes have been the more expensive of the two in six of the nine quarters since. Only the West and South show the pattern. In the West the median existing home sold for $636,900 against $546,700 for a new one, a $90,200 premium for the resale; in the South the gap was $18,100. In the Northeast and Midwest new homes remain the more expensive, by $157,800 and $55,200 respectively. The new-home median fell 1.3 percent from a year earlier, extending a slide in annual growth that began in the second quarter of 2023, while existing-home price growth slowed to 1.7 percent from a 4.9 percent peak two years ago. NAHB attributes the shift to builders moving to smaller homes on smaller lots, offering incentives, and shifting starts toward smaller metros and the South, while tight resale inventory keeps existing-home prices firm. Separately, Freddie Mac's 30-year fixed rate averaged 6.67 percent in August, up 13 basis points from July.

Ontario Puts $22.4 Million Into Four Mills and a Pulp Restart Study

Ontario announced two forest-sector funding packages on consecutive days this week. On Wednesday in Chapleau the province committed more than $17.3 million to four projects: over $9.6 million to Interfor to modernize the Elk Lake sawmill with a biomass-fired energy system the province says will lift production 27 percent, cut natural gas use 80 percent and trim annual operating costs by nearly $3 million; over $5.9 million to GreenFirst Forest Products for a new sawline and planer line at Chapleau expected to raise productivity 24 percent, plus more than $1.6 million to plan a biofuel plant with long-term potential for 30 direct and 70 indirect jobs; and over $180,000 to Atlantic Power to upgrade the control system at the Calstock biomass power plant near Hearst. The province counts six new jobs, more than 320 positions protected, more than 600 indirect jobs supported and potential new demand for more than 500,000 metric tons of forest biomass a year. On Thursday it added $5.1 million to Bioveld North, the BMI Group subsidiary that bought the former Domtar pulp and paper mill at Espanola in 2025, to pay for the evaluation and engineering work behind a possible restart. The province puts the potential at 400 direct and 2,000 indirect jobs and up to 1.8 million cubic meters of wood demand a year; the BMI chief executive said the design work will test the viability of bringing the mill back, and described a modernized Espanola as a potential bioproduct hub spanning pulp and paper, biofuels and biochar. Both packages are framed as tariff response under the province's April roadmap for the sector, which it says generates close to $21 billion in revenue and supports about 155,000 jobs.

■ DEEP DIVE: THE PAYROLL COUNT

391,300

Wood product manufacturing employed 391,300 people in August on a seasonally adjusted basis, down 1,200 from July and down 12,200, or 3.0 percent, from August 2025. The count has fallen from 403,900 in July 2025 and the August print is the lowest in that span. Manufacturing as a whole added 23,000 jobs over the same twelve months, to 12,638,000. Paper manufacturing was little changed at 355,700; furniture and related products fell 8,400 to 330,600. On the demand side of the chain, residential specialty trade contractors employed 2,349,000, down 20,700 from a year earlier, while nonresidential specialty trades added 86,000. Residential building construction gained 7,300 on the month to 923,700 but sits only 900 above August 2025. Building material and garden supply dealers employed 1,353,200, down 17,300 over the year. The July wood-products figure was revised down 500 from the initial estimate, and August is itself preliminary.

Where the Twelve Thousand Went

BLS publishes the sub-industry detail a month behind the headline, so the split is as of July. Sawmills and wood preservation employed 82,200, down 3,200, or 3.7 percent, from July 2025. Veneer, plywood and engineered wood products employed 80,000, down 1,500. The largest bucket, other wood products, which takes in millwork, wood windows and doors, trusses, pallets and containers, employed 230,400, down 6,900, or 2.9 percent. That group accounts for about 60 percent of the sector's July-to-July decline of 11,400. Logging, counted separately under mining and logging, employed 39,300 in August, down 300 from a year earlier; the series bottomed at 36,700 in February and has recovered 2,600 since. The summer's announced curtailments are not yet in these numbers: Louisiana-Pacific's Jasper, Texas oriented strand board (OSB) mill idles in October, and the company's release carried no headcount.

Longer Weeks

Production and nonsupervisory employees in wood products averaged 42.9 hours a week in August against 42.2 a year earlier. Their counterparts in sawmills averaged 45.9 hours in July, up from 45.1 a year earlier, against 41.7 hours for production workers across manufacturing and 42.2 in durable goods that month. Average hourly earnings for all wood-products employees were $28.96, up 65 cents or 2.3 percent over the year, below the 3.1 percent gain for all private employees. Production and nonsupervisory workers numbered 305,300, down 6,300 or 2.0 percent from a year ago. Subtracting that from the all-employee total leaves about 86,000 employees outside the production series, largely supervisory, office and sales staff, down roughly 5,900 or 6 percent, a steeper decline than on the production side. That arithmetic is derived from two published BLS series rather than reported directly.

North of the Line

Canada's natural resources sector, which includes forestry and logging, lost 7,700 jobs in August. British Columbia's employment fell 0.2 percent and its unemployment rate rose to 6.5 percent. The survey's reference week ran August 9 to 15, before most of this summer's British Columbia shutdowns took effect. Canfor's Northwood pulp mill in Prince George, announced July 14, winds down by the end of the year with about 300 direct jobs; Unifor's letter to Premier Eby on August 20 counted more than 200 of its Local 603 members among them. Domtar's Howe Sound mill at Port Mellon was idled indefinitely August 20, affecting about 400 employees by the company's count. Millar Western's Quesnel River Pulp curtailment takes effect at the end of Friday's day shift and runs to at least November 1, affecting about 90 workers. Unifor's letter asked the province to reinstate its Bridging to Retirement program province-wide; the program, which paid up to C$75,000 to eligible forestry workers 55 and older, stopped taking applications February 26, 2025 after approving more than C$92 million for about 2,220 workers since October 2019. Prince George city council has endorsed the same request.

WHAT YOU MISSED YESTERDAY

Thursday, September 3 - business, markets, and the broader economy.

- US stocks rose for a second day. The S&P 500 closed at 7,747.71, up 81.11 points or 1.06 percent; the Dow at 53,686.11, up 624.16 points or 1.18 percent; and the Nasdaq at 26,584.06, up 366.23 points or 1.4 percent. Nvidia rose after confirming a $12.9 billion purchase of Hugging Face, Snowflake jumped on earnings and Broadcom fell on a soft revenue forecast. Campbell's dropped about 7 percent after cutting its dividend 36 percent.
- Federal Reserve Governor Christopher Waller said in prepared remarks Thursday that inflation remains meaningfully above the 2 percent goal but that recent data show some signs of disinflation, and that if the data due over the next two weeks confirm it he would be inclined to hold the federal funds rate at its current setting. If August inflation shows the improvement was fleeting, he said, it may be appropriate to raise the rate at the September 15-16 meeting. The remarks pulled the September hike odds priced in futures lower.
- Treasury yields fell. The 2-year closed at 4.34 percent from 4.39, the 10-year at 4.77 percent from 4.79 and the 30-year at 5.25 percent from 5.27, all off Treasury's daily par yield curve.
- The US goods and services trade deficit widened to $88.6 billion in July from a revised $71.2 billion in June, the Commerce Department said. Exports fell $6.6 billion to $310.7 billion and imports rose $10.8 billion to $399.3 billion.
- The Canadian dollar strengthened for a second day. The Bank of Canada's daily rate was 1.3789 Canadian dollars per US dollar Thursday, from 1.3863 Wednesday and 1.3896 Tuesday.

INDUSTRY & COMPANY NEWS

- **J.P. Morgan Asset Management** renamed Campbell Global, the Portland, Oregon timberland manager it bought in 2021, as J.P. Morgan Natural Capital. The firm manages more than 1.5 million acres on three continents and oversaw about $11 billion in assets as of December 31, with about 150 employees across 15 US states, the United Kingdom, Australia, New Zealand and Latin America. Angie Davis remains chief executive; the release says the mandate now extends beyond forestry to land, carbon and biodiversity assets. Its Forest and Climate Solutions Fund II closed at $1.5 billion in March 2025.

- **Hyne Group** opened a strategic review of XLAM, its cross-laminated timber (CLT) business at Wodonga, Victoria, and said its preferred outcome is a new owner who keeps making CLT. The Australian sawmiller, owned by Scotland's James Jones and Sons, said XLAM's commercial-construction focus has limited alignment with its own expansion plans in Australia and New Zealand, and it is inviting expressions of interest from Australia, New Zealand, North America and Europe. The release gives no capacity, headcount or timeline.
- **Trimlite**, the Puyallup, Washington door and millwork distributor owned by Wynnchurch Capital, acquired KW Building Products of Lexington, Kentucky from Clay-Ingels, a Central Kentucky masonry supplier founded in 1920. KW, founded in 1988, distributes interior and exterior doors, windows, mouldings, jambs and casings from Lexington and Indianapolis to independent and national pro dealers. Terms and headcount were not disclosed. It is Trimlite's third acquisition of 2026, after Harris Door and Millwork in March and Barnett Millworks in August, and its fifth under Wynnchurch.
- **Do it Best** will close its Montgomery, New York distribution center in the second quarter of 2027 and shift the volume to its 1.4 million square foot Wilkes-Barre, Pennsylvania facility, part of the network integration that followed its purchase of True Value. About 300 Montgomery employees are affected and eligible staff were offered relocation packages. Wilkes-Barre's stocked items will grow from about 69,000 to more than 80,000.
- **Wildfire status.** The national preparedness level was lowered to 4 from 5 in Friday morning's national report, with 77 uncontained large fires and 18,401 personnel committed, down 701 on the day. The Northwest remained at level 4 with 24 uncontained fires and 8,515 personnel, down 870, and reported no new large fires as showers crossed the region. Little Giant, northwest of Leavenworth, Washington, is now 73 percent contained with 1,445 personnel assigned, and its structures-lost count was revised to 40 from 26. Sinlahekin near Tonasket held at 38 percent on 166,151 acres with 30 structures lost. In British Columbia the wildfire service counted about 140 fires burning, none of note, with about 118 declared out over the past week. Year to date the US has burned 8,296,949 acres, 160 percent of the ten-year average.

■ JOBS, RATES & FIRE SNAPSHOT

INDICATOR	VALUE	TREND
US nonfarm payrolls, August	**+162,000**	Prior 12-month average +31,000; June and July revised up 55,000
Canada unemployment rate, August	**6.4%**	Unchanged; employment down 42,000; British Columbia 6.5%
2-year Treasury yield	**4.34%**	Down from 4.39%; 30-year 5.25%
US dollar, Bank of Canada daily rate	**1.3789**	From 1.3863; loonie's strongest daily rate of the week
New single-family median price, West, Q2	**$546,700**	Existing-home median $636,900, a $90,200 resale premium
National wildfire preparedness level	**4**	Lowered from 5 Friday; 77 uncontained large fires
Little Giant fire, structures lost	**40**	Revised from 26; 73% contained, 1,445 personnel

■ THE BOTTOM LINE

Labor Day weekend opens with a strong national jobs print and a wood sector that did not share in it: 162,000 jobs added in August, wood products down to 391,300 and off 12,200 in a year, with the millwork, truss and pallet group carrying about 60 percent of the July-to-July loss and the remaining workers on longer weeks. Canada lost 42,000 jobs, its resource sector 7,700, and the summer's British Columbia pulp mill shutdowns have not yet reached the survey. In the West a resale home now sells for $90,200 more than a new one. Ontario announced roughly $22.4 million over two days for sawmill and biomass upgrades at Elk Lake and Chapleau and on the engineering for a possible Espanola pulp restart. A Portland timberland manager took a new name, an Australian CLT plant is looking for a new owner, and the national fire preparedness level was lowered to 4 as rain crossed the Northwest.