

TOP STORIES

BC Greens Pledge to End Raw-Log Exports and Rough-Sawn Loopholes

The BC Greens released a forestry platform on October 4, three weeks before British Columbia's October 24 provincial election. The party would end raw-log exports and close loopholes that let rough-sawn or minimally processed wood leave the province with little processing done there. Conventional clearcutting on public land would end, replaced by partial harvest, selective logging, commercial thinning and longer rotations. In the short term, 30 to 50 percent of available volume would go to higher-value manufacturing, with small and independent producers first in line. The platform would also ban glyphosate and other chemical herbicides, permanently protect big-treed old growth and adopt all 14 recommendations of the province's old-growth strategic review. Private land would get new ecological and cultural protections through amendments to the Private Managed Forest Land Act. The party rejects the province's proposed Working Forest model and what it calls the model's 45 million cubic meter annual harvest objective.

Furniture Orders, Shipments and Backlogs Topped Year-Earlier Levels for a Third Straight Month

Residential furniture orders, shipments and backlogs all rose from a year earlier in July, the third straight month all three have done so and the first such run since mid-2021, according to a monthly survey of manufacturers and distributors published October 2. New orders at participating companies rose 9 percent from July 2025 and 5 percent from June. Shipments climbed 8 percent on the year and 3 percent on the month. Backlogs were up 12 percent. For the year to date, orders are up 5 percent and shipments 1 percent. High and middle price points generally beat the low end, and upholstery outpaced case goods. Inventories rose 4 percent from a year earlier and payrolls 10 percent.

Federal Order Moves to Lift Dyed-Diesel Highway Penalties as Arkansas Opens Roads to Loggers

A presidential executive order signed October 5 directs the Treasury to have the Internal Revenue Service announce, within five days, that it will not impose penalties when dyed diesel is sold for or used on public highways from October 5 through December 31. The Treasury must also decide within five days whether it can legally defer certain fuel taxes incurred in that period, and explore ways, including legislation, to eliminate the deferred amounts. Implementing guidance must set who is covered and when deferred taxes come due. Arkansas acted first. Governor Sarah Huckabee Sanders signed an order on September 29 under which the state will not assess the additional tax or the \$10-a-gallon penalty for running dyed diesel, which carries a lower state excise tax, in highway vehicles from September 30 through October 30. The state relief covers Class 2, 3, 4, 5, 6 and 8 vehicles registered in Arkansas, owned and operated by an individual or business engaged in agriculture or forestry, and used mainly for that business. Vehicles licensed under the International Fuel Tax Agreement are excluded. Forestry is defined as harvesting, from felling the tree to loading it onto a truck in the field. Louisiana issued a similar order in September.

WHAT YOU MISSED YESTERDAY

Monday, October 5 — business, markets, and the broader economy.

- US stocks rose Monday, with nearly every sector higher. The S&P 500 gained 51.23 points, or 0.66 percent, to 7,773.95. The Dow rose 90.94 points, or 0.18 percent, to 51,267.90. The Nasdaq Composite rose 286.45 points, or 1.05 percent, to 27,477.31.
- The 10-year Treasury par yield rose 3 basis points to 5.31 percent. The two-year rose 1 basis point to 4.84 percent.

INDUSTRY & COMPANY NEWS

- **Rayonier Advanced Materials** expects the shutdown of its Temiscaming, Quebec, complex to last indefinitely, a company official told a local newspaper in a report published Monday. The official put the job losses at between 300 and 400, ending at different times. The town's mayor blamed the shutdown solely on tariffs. He said both levels of government are in talks with the company on measures that could allow a restart.
- **Marks Lumber** of Clancy, Montana, which mills Douglas-fir flooring, siding, timbers and timber-frame stock, announced October 5 that it will close in 2027 as its owners retire. It stops taking special-cut orders October 20, and sawing ends November 6. The company will keep selling from inventory through 2027, and the final closing date depends on how fast that stock sells.
- **3Wood**, an engineered wood products supplier in Greenville, Texas, has added a mill there for Douglas-fir and cedar timbers, custom resawing, surfacing, brackets and corbels, according to a trade report Tuesday. The company opened distribution sites in Lincolnton, North Carolina, and Grantsville, Utah, early this year.
- **Simpson Strong-Tie** has broken ground on a more than \$19 million equipment plant in Fulton, Missouri, that will add 24 jobs, according to a trade report Monday. The site will bring its saw, automated marking and truss fabrication equipment lines under one roof, with incentives from the state's Missouri Works program.

- **Domtar** named Craig Helgeson general manager of its Nekoosa, Wisconsin, paper mill on October 5. He had been interim manager since July. He previously ran Pixelle's mills at Chillicothe, Ohio, and Stevens Point, Wisconsin.
- **The US Forest Service** and the US Endowment for Forestry and Communities launched a beta version of a free forest carbon data platform, Forestry Analytics for Carbon Tracking, on October 5. A first full version is planned for summer 2027.
- **C.H. Robinson** agreed on October 5 to acquire RXO, the freight brokerage and last-mile carrier, in a cash-and-stock deal with an implied value of \$5.8 billion. RXO holders would receive \$17.25 in cash and 0.0856 C.H. Robinson shares for each share. The deal is expected to close in the first half of 2027, subject to regulatory and RXO shareholder approval.

■ DEEP DIVE: BC'S HARVEST TARGET ON THE BALLOT

Three Zones and a 45 Million Cubic Meter Annual Harvest

British Columbia announced a proposed Working Forest Landscape Model on August 27, co-led by the Ministry of Forests and the Ministry of Water, Land and Resource Stewardship. It would split the land base into three zones. In a Working Forest Zone, sustainable timber production is the primary objective. A Multiple Use Zone would put forest and ecosystem health first through wildfire risk reduction, restoration, watershed protection and habitat work, with carefully managed forestry continuing. A Conservation and Protection Zone would count toward the province's commitment to protect 30 percent of its land by 2030. The province says the working forest land base would contribute to an annual harvest of 45 million cubic meters. It will explore a no-net-loss principle that keeps both the working forest and the conservation zones stable over time. On September 15 it named its first candidate area, north of and adjacent to Campbell River, chosen with Nanwakolas Council and four of its member First Nations: Tlowitsis, We Wai Kai, Wei Wai Kum and K'omoks. The area includes Tree Farm Licence 64, held by a partnership with Western Forest Products, and BC Timber Sales operating areas. Analysis there will identify any legislative or policy changes needed before the model could be implemented.

BC Timber Sales' Expanded Mandate

The Forests Statutes Amendment Act, 2026, introduced in March, received royal assent and took effect May 21. It amends the Forest Act and the Forest and Range Practices Act. A new contract logging authorization lets BC Timber Sales hire harvest contractors without giving them rights to the Crown timber they cut. The March 30 announcement listed new contract types for commercial thinning, wildfire risk reduction, projects with First Nations and community partners, and salvage of damaged trees. The province estimated the changes could add as much as 800,000 cubic meters of fiber, about 17,700 truckloads. New salvage licences were expected to deliver up to 500,000 cubic meters, about 11,100 truckloads. The announcement does not reconcile the two estimates. BC Timber Sales could also manage a timber sale licence through its full rotation, from harvest through replanting to the next harvest. The agency already handles 20 percent of the province's public harvest. Early results the province lists from its expanded 2025 mandate include at least 700,000 more cubic meters auctioned in 2025-26 and a doubling of fiber reserved for value-added manufacturers, to 20 percent of its licences.

The Greens Would Set Harvest Levels Region by Region

The Greens would scrap the 45 million cubic meter objective, which the party describes as an increase of more than 40 percent in the annual harvest. Harvest levels would instead come from regional, area-based forest planning. The party also opposes what it calls the model's no-net-loss approach, which it says would fix the amount of land available for timber production. Community forests would grow in number and size and would no longer have to maintain their allowable annual cut. The party would work toward giving them 20 percent of the province's allowable annual cut, and would shift tenure away from a few large companies. The Greens put provincial forest revenue at C\$397 million in 2025-26 and say direct forest revenue now falls short of the forests ministry's operating cost.

The NDP Pledges Built-in-BC Buying Rules

The 45 million cubic meter goal belongs to the governing BC New Democratic Party (NDP), whose land ministry drafted the model. The party opened its campaign on September 22 with a pledge to keep US alcohol off store shelves until there is a fair deal for forest workers. On September 24 it promised Built in BC and Canada buying rules for ministries, Crown agencies and health authorities. The rules would set minimum requirements for BC and Canadian-made materials in public infrastructure, including wood, steel, aluminum and cement. US-made goods and materials would face penalties and count against those minimums. Where a BC or Canadian supplier can deliver on time at a competitive price, the goods would have to be sourced domestically. Municipalities would be encouraged to follow. The pledge sets no minimum share for wood. Its only percentages are shares of North Coast Transmission Line towers to be built with Canadian steel: 70 percent in Phase 1 and 100 percent in Phase 2. Voting day is October 24.

■ DIESEL, RATES & TRADE SNAPSHOT

INDICATOR	VALUE	TREND
US retail diesel, October 5 federal weekly survey	\$6.199/gal	Down 18.3 cents on the week; \$6.529 two weeks earlier
West Coast excluding California diesel, October 5 survey	\$6.490/gal	Down 15.3 cents on the week
30-year Treasury par yield, October 5	5.66%	Up 3 basis points from October 2
US goods and services trade deficit, August	\$105.6 billion	Up \$12.7 billion from a revised \$92.8 billion in July
US goods imports from Canada, August	\$37.1 billion	Up \$4.6 billion on the month; deficit with Canada \$7.1 billion
US dollar in Canadian dollars, October 5	C\$1.4254	From C\$1.4246 on October 2

■ ON DECK

Tuesday, October 6

- Comments close on the proposed rescission of the 2001 Roadless Rule.

Tuesday, October 13

- Comments on proposed PS 2-25, the revised voluntary product standard for wood structural panels, are due to the National Institute of Standards and Technology by close of business.

Thursday, October 15

- September producer prices, including softwood and hardwood lumber, are due at 8:30 a.m. Eastern.
- September retail sales are due at 8:30 a.m. Eastern.

Friday, October 16

- Advance voting opens in British Columbia's provincial election and runs through October 21.

Tuesday, October 20

- September housing starts and permits are due at 8:30 a.m. Eastern.
- Bids are scheduled to open on the Shelter Cove timber sale on the Tongass National Forest near Ketchikan, Alaska; a request for a preliminary injunction against the sale is pending.