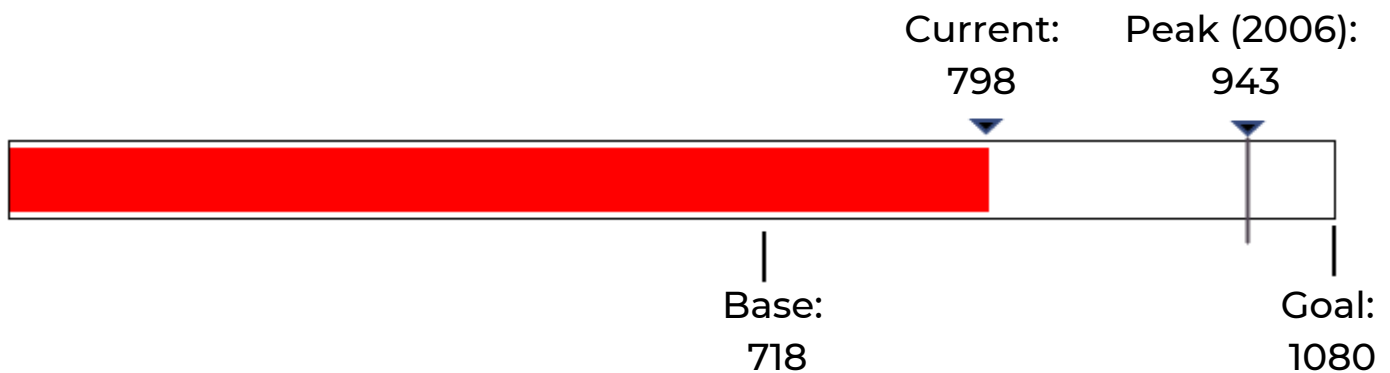




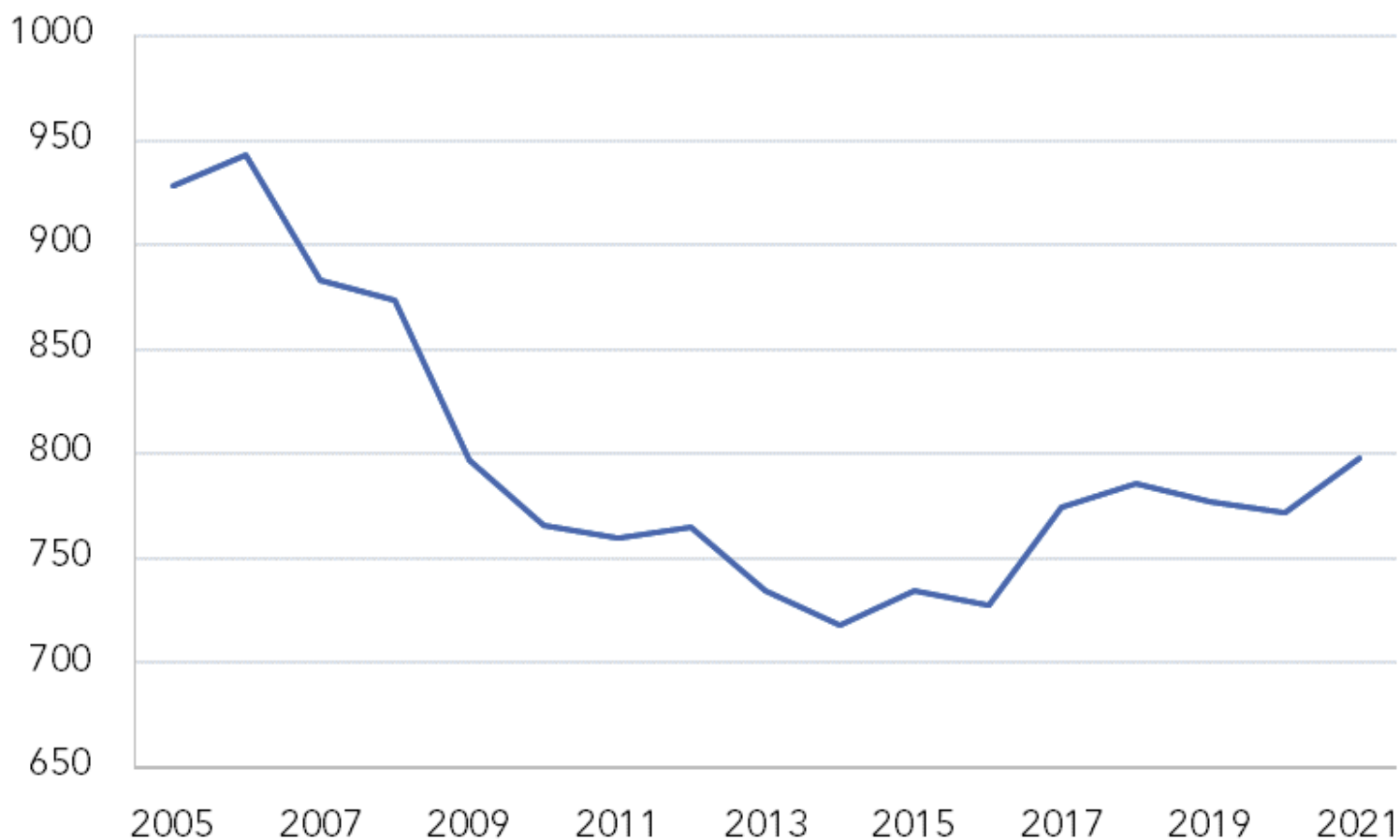
FIRMS PARTICIPATING IN FOREIGN EXPORT TRADE

STATUS:  NOT PROGRESSING



By 2028, New Brunswick will have at least 1,080 firms participating in foreign export trade.

Figure 1: New Brunswick Firms Participating in Foreign Export Trade (2005-2021)



(See full data in Appendix A)

HIGHLIGHTS

- In 2021 New Brunswick had 798 businesses participating in foreign export, 80 more than in 2014 but 145 less than in 2006.
- 35% of the province's exporting businesses are in manufacturing.
- Paper products and Petroleum firms provide the highest value followed by food manufacturing.
- Firms with multiple partner countries provided more value, but only make up 19% of exporters. Canada wide they made up 24% of exporters.

OVERVIEW

Importance

Firms participating in foreign export trade refers to the number of firms exporting internationally. Greater exports from New Brunswick leads to more production, jobs, and revenue for the province. A diversified New Brunswick trade portfolio also improves New Brunswick's resilience and dependence on few markets. This in turn leads to a higher GDP, increasing the wealth and opportunities of the province.

Problem

Over the last decade, there has been a slight increase in the number of New Brunswick businesses participating in foreign markets. The province has seen a very subtle upward trend between 2011 and 2021, but no improvement at any rate which will meet the BoostNB goal. The number of firms participating in international trade in 2021 has not yet caught up to its 2006 peak.

Cause

New Brunswick has relied heavily on the processing and exporting of its natural resources. There has been a general decrease within sectors participating in foreign export trade. In particular, the loss of pulp and paper in the northeast after 2006 as well as the loss of mining and smelting industries after 2013 have contributed to a mediocre performance

IN THE NUMBERS

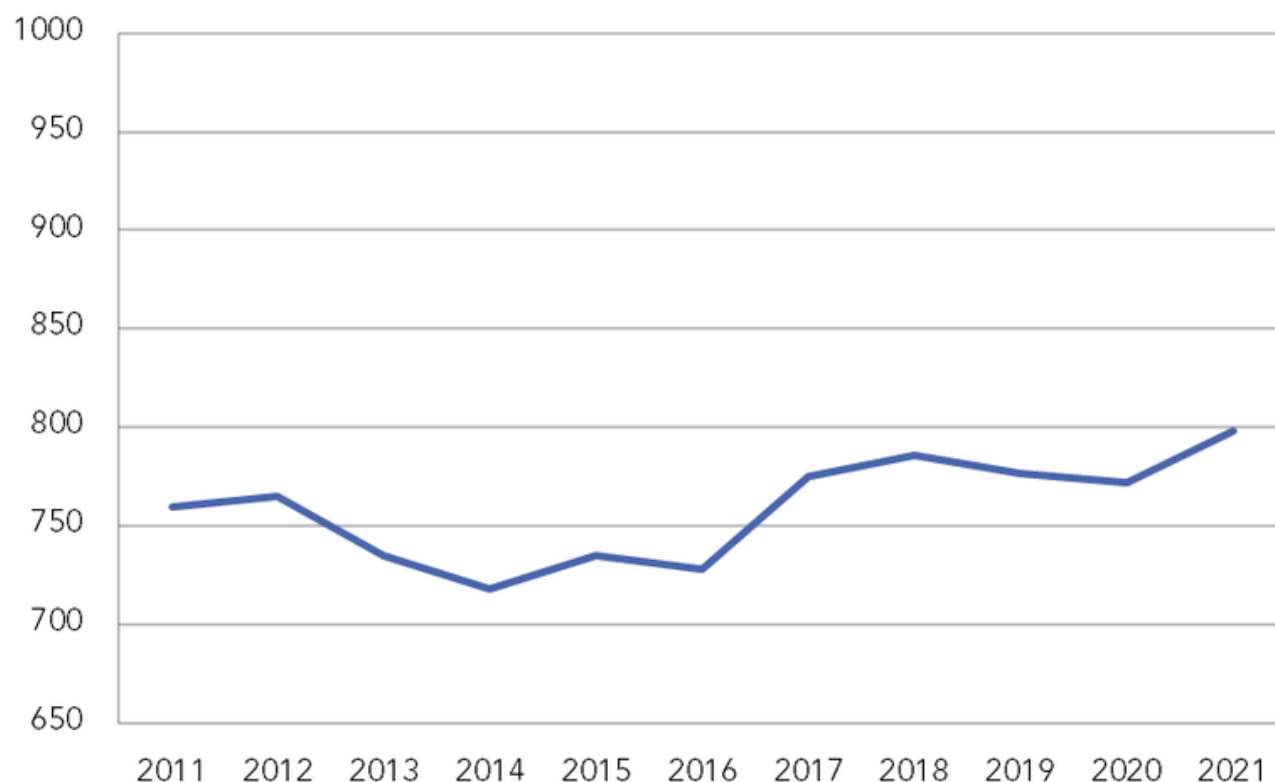
Export Trade in New Brunswick

In 2014, New Brunswick saw the lowest number of provincial firms participating in foreign export trade (718). As shown in Figure 2, the province saw a decrease from 786 firms in 2018 to 772 in 2020. This is because the total dollar value of New Brunswick exports has been decreasing since 2012.

In 2021 New Brunswick reached pre-recession numbers for the first time, recording 798 firms participating in foreign exporting.

Although, because of this very slow growth, New Brunswick is not on track to meet the suggested target of 1,080 firms participating in foreign export trade by the year 2028.

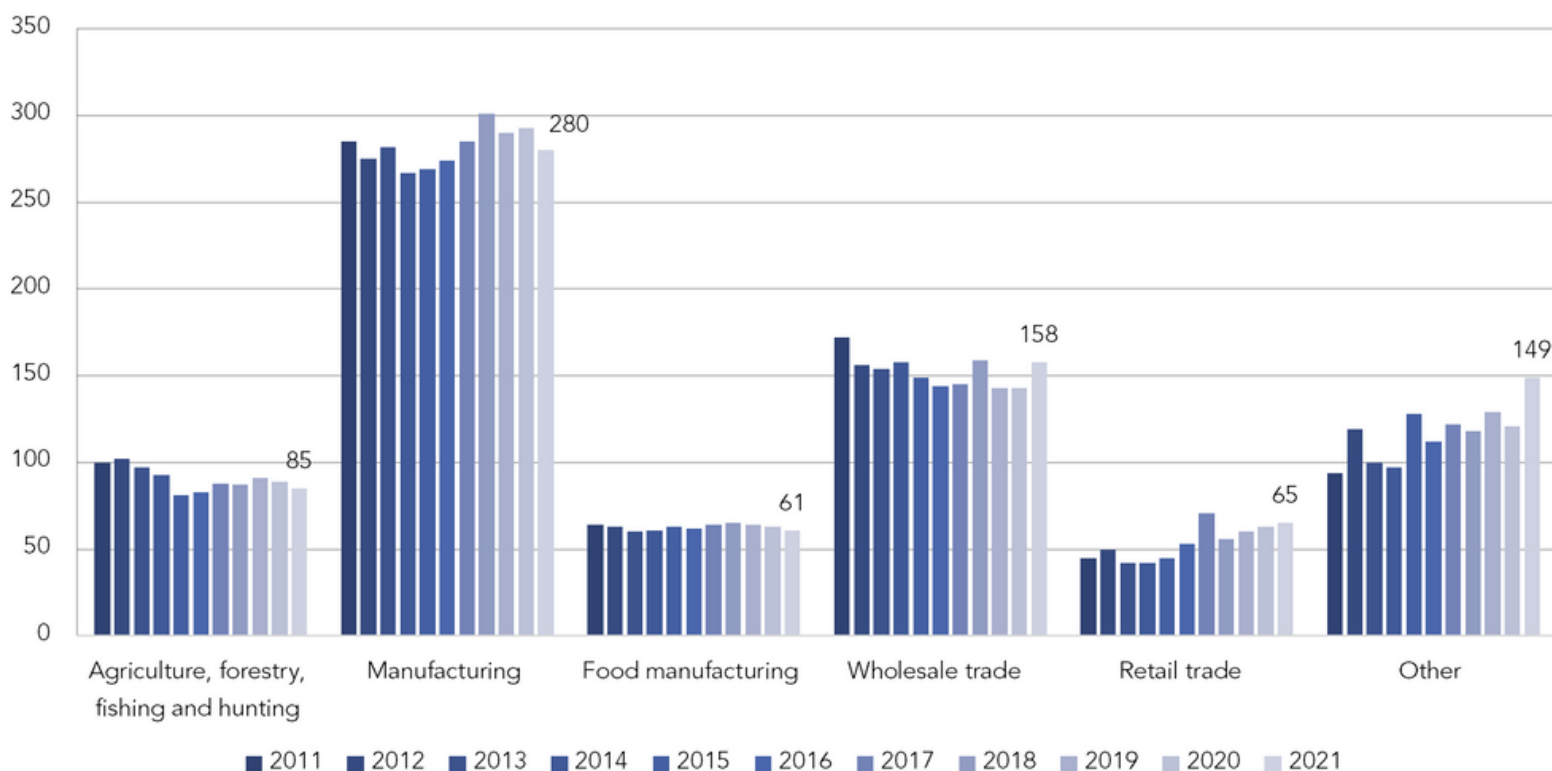
Figure 2: New Brunswick Firms Participating in Foreign Export Trade (2011-2021)



(See full data in Appendix A)

As seen in Figure 3, the majority of New Brunswick establishments involved in international exports fall into the production categories of manufacturing and agriculture, forestry, fishing, and hunting, as well as service industries, such as wholesale and retail trade.

Figure 3: Number of Exporting Establishments (NB) by Industry



(See full data in Appendix B)

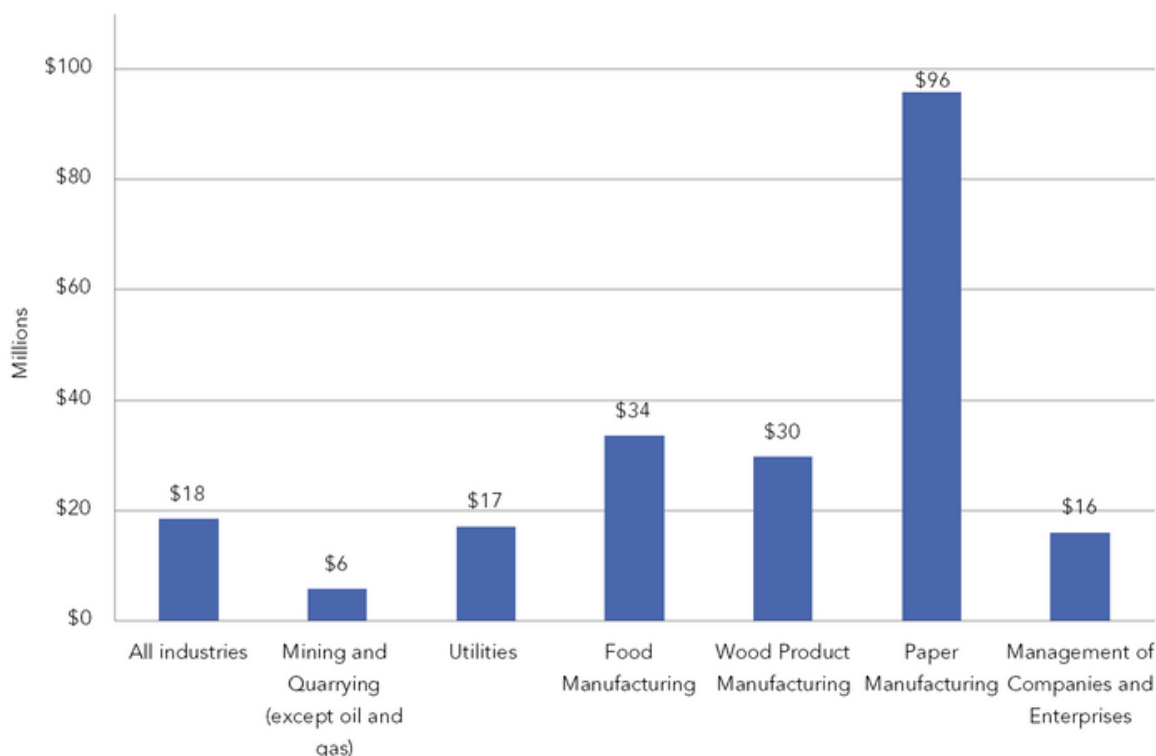
A CLOSER LOOK

Manufacturing Export Trade in New Brunswick

The manufacturing industry accounted for 89% of the value of New Brunswick's exports in 2021, bringing in \$1.3B and producing the largest value per exporting establishment in the province.

This is shown in Figure 4. After manufacturing, the largest value of exports per establishment came from the management of companies and enterprises industry, which produced \$16 million per establishment. The high value per establishment in these industries is due to the small number of firms with very large profits. This becomes especially evident when manufacturing is broken down into its sub-sectors.

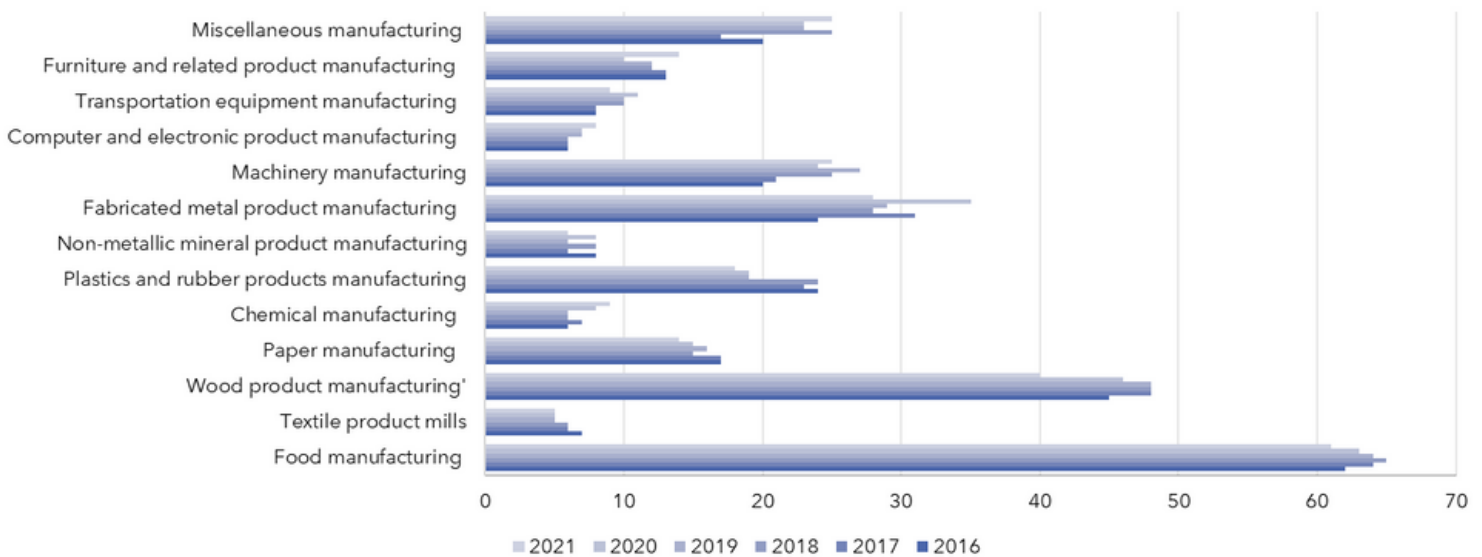
Figure 4: Value of Exports per Establishment (2020)



(See full data in Appendix C)

As displayed in Figure 5, within the manufacturing sector, food manufacturing firms comprised the largest number of establishments exporting merchandise from New Brunswick in 2021. This follows a regional trend, as Nova Scotia's food manufacturing establishments also make up the bulk of the province's export businesses. There appears to have been a notable decline in the number of exporting firms after 2010, but this has mostly returned to normal as of 2021.

**Figure 5: Number of Manufacturing Export Establishments (NB),
by Sub-Sector**

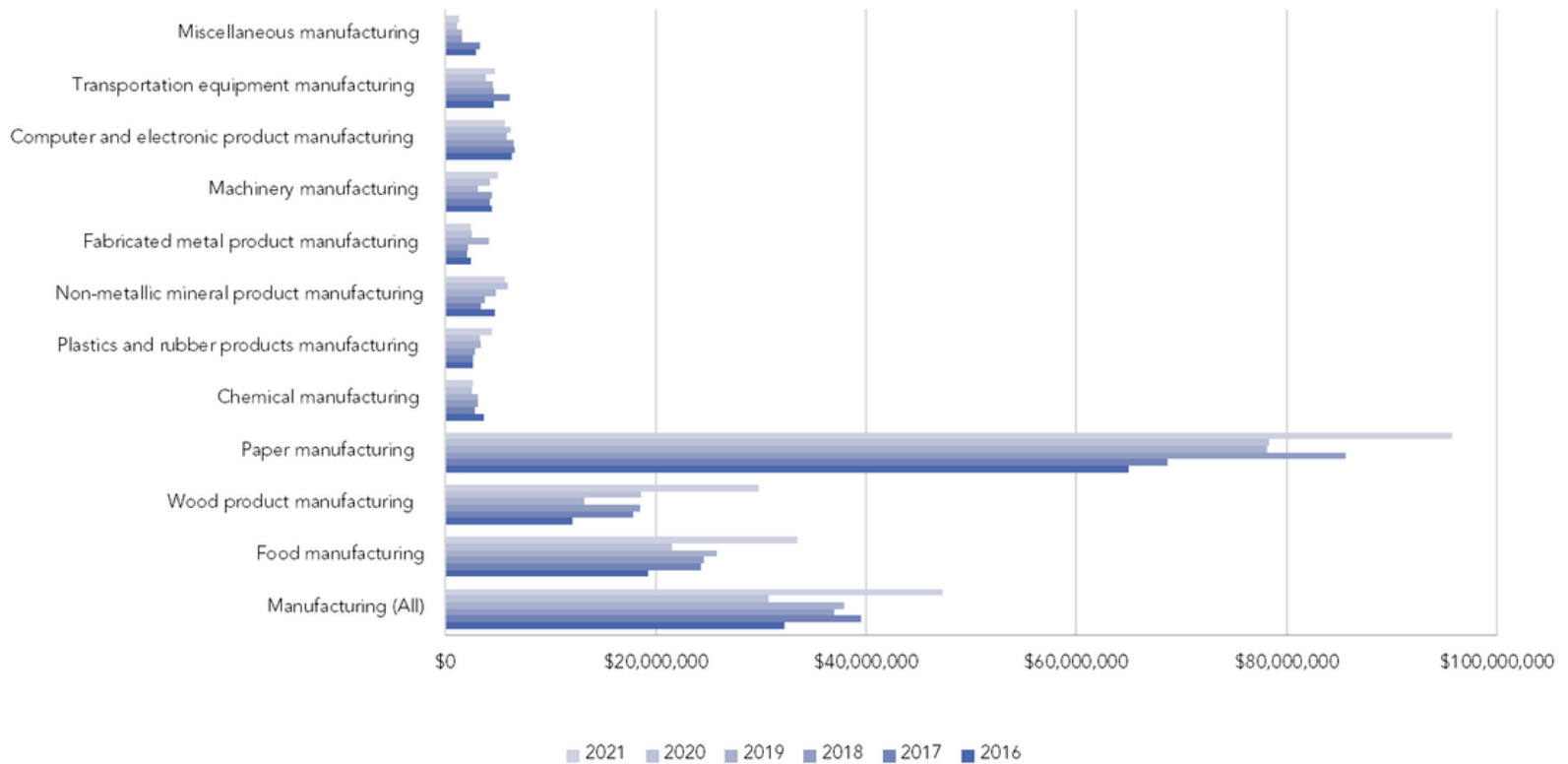


(See full data in Appendix C)

Within the manufacturing sub-sector of foreign export, petroleum and coal product manufacturing returns by far the greatest value per establishment. This is because only 3 exporting establishments exist in this subsector and they net over half of the province's export revenue. These three exporters generated a joint \$8.2B of New Brunswick's \$13.2B export revenue in 2021. Other high values per establishment subsectors include paper, food, and wood product manufacturing. As shown in Figure 5, paper manufacturing saw a significant decrease in its value per establishment in both 2019 and 2020 compared to 2018. However, high lumber prices and economic recovery through 2021 caused a large jump and this category.

The increases in value per establishment can be attributed both to fewer exporting establishments in manufacturing and to increased revenue over the previous years. This would seem to signal the consolidation of these industries into fewer, larger businesses. New Brunswick firms are also making moves into more profitable industries such as tissue paper and box manufacturing which improves their value.

Figure 6: Value of Exports per Establishment (NB), by Manufacturing Sub-Sector (2020)

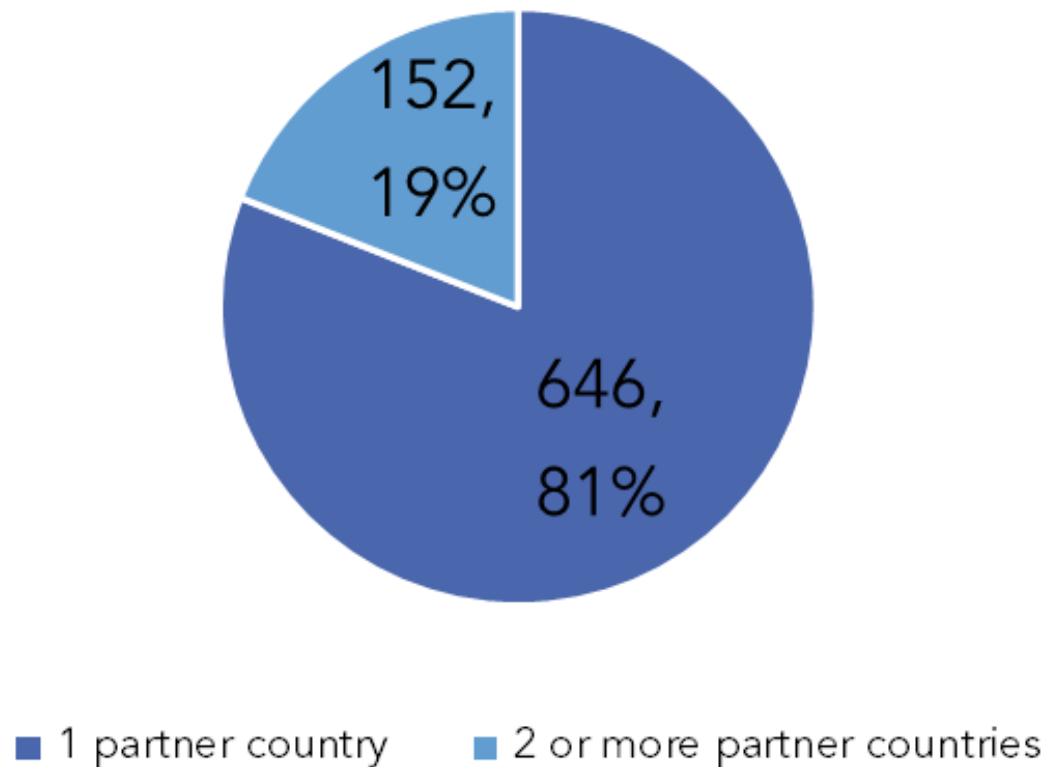


(See full data in Appendix D)

Exporting Industries by Country

As shown in Figure 7, of the 798 New Brunswick businesses participating in international trade in 2020, 81% exported to only one country. This is greater than the 76% of Canadian businesses that have only one trade partner.

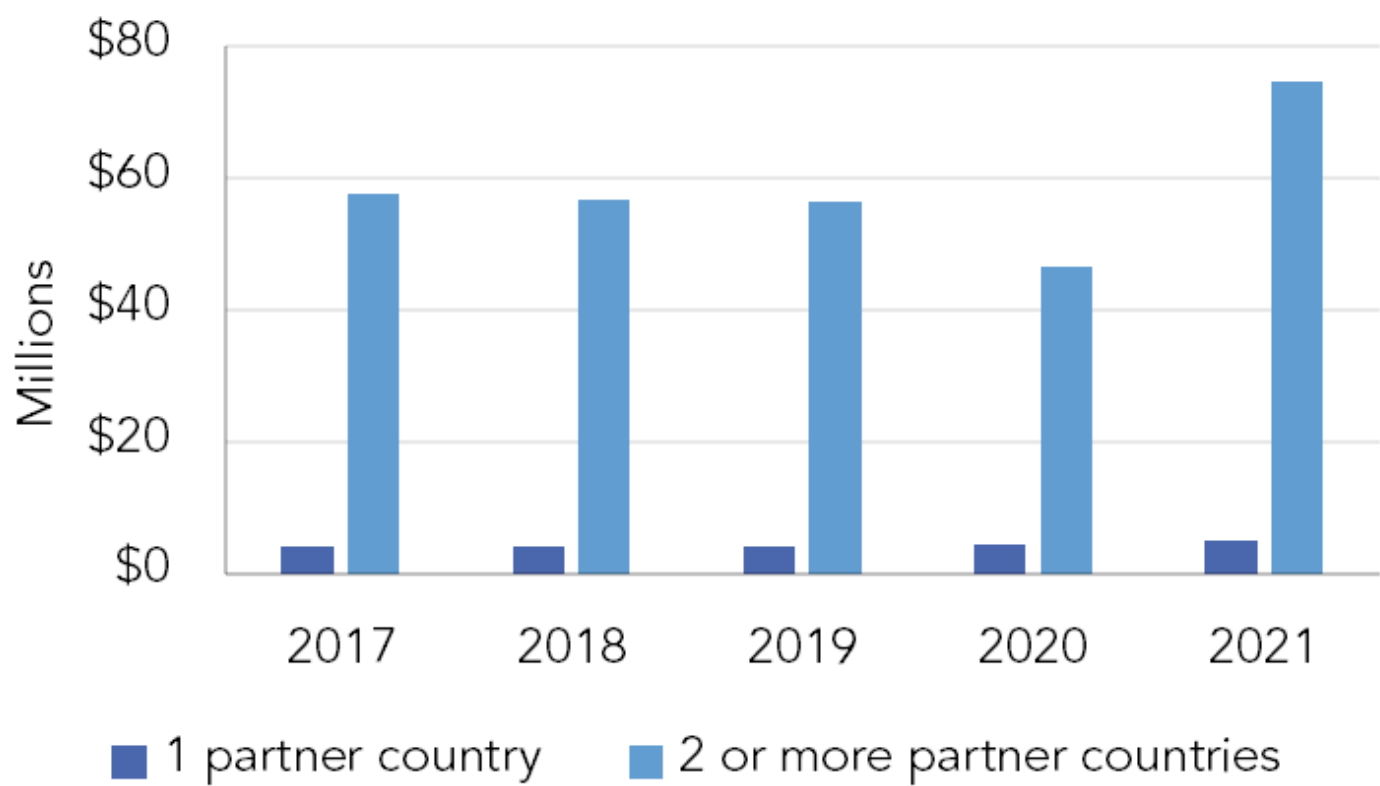
Figure 7: Value of Exports per Establishment (NB), by
Manufacturing Sub-Sector (2020)



(See full data in Appendix E)

Establishments that were able to diversify their partnerships and shipped to multiple countries produced more value. The 152 establishments that exported merchandise to two or more partner countries produced 77% of New Brunswick's export value, despite making up only 19% of the province's export establishments. These numbers demonstrate the economic advantage of exporting to multiple locations and participating in international trade, as both factors have the potential to assist the growth of the province's GDP and its international trade balance. This can be seen in Figure 8.

Figure 8: Value per Establishment (NB), by Number of Partner Countries (2021)



(See full data in Appendix E)

Trade Partners

The primary destination for New Brunswick's exports is the United States. In 2021, the United States received 93% of all the province's international merchandise exports. The percentage of trade with the US has remained consistent over time as most New Brunswick businesses have failed to meaningfully break into other markets. No other country even receives 1% of all the province's international merchandise exports.

SUMMARY

- Foreign export trade grows New Brunswick's economy and expands the global market.
- As New Brunswick's exports increase, they lead to greater production values, an increased variety of jobs, and more provincial revenue. This in turn contributes to a higher GDP, increasing the wealth of the province.
- This goal has not progressed in recent years. At this point, there appears to be no chance that New Brunswick will meet BoostNB's goal for 2028.

APPENDIX A

New Brunswick Firms Participating in Export Trade

Year	Number of exporting establishments
2005	928
2006	943
2007	883
2008	874
2009	797
2010	766
2011	760
2012	765
2013	735
2014	718
2015	735
2016	728
2017	775
2018	786
2019	777
2020	772
2021	798

Source: Statistics Canada, Table 12-10-0104-01 (formerly CANSIM228-0079)

APPENDIX B

Number of Exporting Establishments (NB) by Industry

	Number of exporting establishments										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Agriculture, forestry, fishing, and hunting [11]	100	102	97	93	81	83	88	87	91	89	85
Mining, quarrying, and oil and gas extraction [21]	19	18	17	18	18	16	18	16	18	19	16
Utilities [22]	6	4	6	7	6	6	7	8	8	9	10
Construction [23]	24	22	17	17	22	28	27	26	37	28	40
Manufacturing [31-33]	285	275	282	267	269	274	285	301	290	293	280
Food manufacturing [311]	64	63	60	61	63	62	64	65	64	63	61
Textile product mills [314]	5	6	4	5	6	7	6	6	5	5	5
Wood product manufacturing [321]	49	47	46	40	44	45	48	48	48	46	40
Paper manufacturing [322]	20	19	19	17	18	17	17	15	16	15	14
Chemical manufacturing [325]	6	6	8	6	6	6	7	6	6	8	9
Plastics and rubber products manufacturing [326]	21	19	21	21	22	24	23	24	19	19	18
Non-metallic mineral product manufacturing [327]	6	6	5	6	6	8	6	8	6	8	6
Fabricated metal product manufacturing [332]	24	26	28	29	24	24	31	28	29	35	28
Machinery manufacturing [333]	21	22	25	22	20	20	21	25	27	24	25
Computer and electronic product manufacturing [334]	7	8	6	5	6	6	6	6	7	7	8
Transportation equipment manufacturing [336]	10	6	12	10	9	8	8	10	10	11	9
Furniture and related product manufacturing [337]	10	8	10	10	12	13	13	12	12	10	14
Miscellaneous manufacturing [339]	27	22	22	19	19	20	17	25	23	23	25
Wholesale trade [41]	172	156	154	158	149	144	145	159	143	143	158
Retail trade [44-45]	45	50	42	42	45	53	71	56	60	63	65
Transportation and warehousing [48-49]	22	29	23	29	30	26	27	29	33	33	42
Real estate and rental and leasing [53]	10	13	10	9	11	11	12	11	11	11	13
Professional, scientific and technical services [54]	16	26	24	17	17	21	24	27	26	29	36
Management of companies and enterprises [55]	8	11	16	16	17	10	13	11	7	7	7
Administrative and support, waste management and remediation services [56]	16	20	17	16	18	15	17	14	10	10	10
Other services (except public administration) [81]	15	12	10	10	20	14	19	17	19	14	16
All industries	760	765	735	718	735	728	775	786	777	772	798

Source: Statistics Canada, Table 12-10-0098-01 (formerly CANSIM 228-0077)

*Statistics Canada has deemed the number of certain establishments unreliable; therefore, many have been omitted.

**The total number of exporting establishments does not equal the sum of all establishments from each industry, as industries with missing data have been omitted

APPENDIX C

Value of Exports by Industry (2021)

	Value of exports in Dollars (\$ 1,000)										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
All industries	13,656,908	14,345,879	13,768,688	12,461,223	11,509,349	10,383,868	12,518,870	12,512,775	12,432,708	10,229,111	14,738,882
Agriculture, forestry, fishing and hunting	88,053	208,171	325,598	339,669	418,433	489,227	95,782	133,513	79,780	59,223	118,417
Mining, quarrying, and oil and gas extraction	630,910	535,325	188,078	263,532	444,181	44,980	108,912	56,105	127,997	72,853	89,452
Mining and quarrying (except oil and gas)	219,953	234,275	38,391	42,044	50,861	44,980	67,226	50,977	54,962	66,474	80,310
Utilities	70,890	51,964	118,411	178,597	122,295	241,162	137,952	81,001	118,707	123,680	170,600
Construction	5,168	13,774	5,276	6,813	6,121	9,799	6,225	7,102	8,539	17,031	9,819
Manufacturing [31-33]	11,832,834	12,809,803	12,117,891	10,824,718	9,568,349	8,835,265	11,275,908	11,134,283	10,995,539	8,997,298	13,242,734
Food manufacturing	756,093	675,314	765,962	1,025,266	1,287,529	1,195,772	1,551,887	1,596,560	1,653,739	1,355,828	2,043,845
Textile product mills [314]	1,189	1,471	807	1,106	1,550	1,853	1,717	1,759	1,626	1,286	1,010
Wood product manufacturing	379,404	390,228	222,016	323,788	277,572	542,322	858,161	887,366	636,669	856,194	1,189,506
Paper manufacturing	1,035,258	975,734	986,692	1,079,151	1,097,063	1,104,788	1,167,147	1,283,523	1,249,623	1,175,328	1,340,436
Chemical manufacturing [325]	43,295	44,316	70,019	13,486	18,580	21,899	19,645	18,298	18,693	20,238	23,456
Plastics and rubber products manufacturing [326]	35,369	35,814	38,259	44,778	53,520	64,063	60,892	66,623	64,822	63,108	79,963
Non-metallic mineral product manufacturing [327]	23,524	19,960	22,811	24,965	27,751	37,878	20,176	30,159	28,709	47,711	34,140
Fabricated metal product manufacturing [332]	28,457	42,706	56,492	61,408	57,278	57,757	63,665	59,690	118,654	87,225	67,401
Machinery manufacturing [333]	36,365	50,416	49,551	60,144	79,100	87,812	89,675	109,453	83,669	101,156	125,525
Computer and electronic product manufacturing [334]	12,974	10,918	11,202	16,118	34,186	37,600	39,421	39,077	40,916	43,454	45,191
Transportation equipment manufacturing [336]	50,281	53,836	27,958	21,916	24,627	36,745	48,661	45,771	44,984	42,601	42,718
Furniture and related product manufacturing [337]	4,473	3,456	4,887	3,602	4,122	6,108	5,300	7,032	5,194	5,271	5,701
Miscellaneous manufacturing [339]	98,483	145,708	133,333	100,120	38,723	57,260	55,465	38,667	37,486	26,015	32,545
Wholesale trade [41]	784,310	301,218	424,780	383,051	360,263	420,657	584,581	608,171	832,904	639,391	799,078
Retail trade [44-45]	47,447	47,867	9,943	10,711	22,878	36,880	26,691	26,664	31,719	92,150	19,999
Transportation and warehousing [48-49]	23,668	89,122	35,724	48,155	90,340	66,897	68,285	265,464	91,804	122,852	102,214
Real estate and rental and leasing [53]	2,620	4,298	4,088	4,531	4,958	4,164	4,791	10,953	7,355	1,930	30,615
Professional, scientific and technical services [54]	6,458	7,129	9,464	8,018	11,228	10,585	17,412	14,447	24,703	21,059	25,269
Management of companies and enterprises	118,492	209,880	348,956	338,276	329,486	183,813	173,267	162,963	97,569	68,308	112,347
Administrative and support, waste management and remediation services [56]	41,039	41,709	94,196	37,527	6,294	2,880	1,699	1,360	2,315	1,794	3,068
Other services (except public administration) [81]	2,278	6,698	6,386	7,155	6,878	24,196	5,941	6,294	10,863	8,734	11,345

Source: Statistics Canada, Table 12-10-0098-01 (formerly CANSIM 228-0077)

*Statistics Canada has deemed the number of certain establishments unreliable; therefore.

APPENDIX C

Value of Exports per Establishment in New Brunswick (\$): by Manufacturing Sub-Sector

Industry	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Manufacturing (All)	\$41,518,716	\$46,581,102	\$42,971,245	\$40,542,015	\$35,570,071	\$32,245,493	\$39,564,589	\$36,990,973	\$37,915,652	\$30,707,502	\$47,295,479
Food manufacturing	\$11,813,953	\$10,719,270	\$12,766,033	\$16,807,639	\$20,436,968	\$19,286,645	\$24,248,234	\$24,562,462	\$25,839,672	\$21,521,079	\$33,505,656
Textile product mills	\$237,800	\$245,167	\$201,750	\$221,200	\$258,333	\$264,714	\$286,167	\$293,167	\$325,200	\$257,200	\$202,000
Wood product manufacturing	\$7,742,939	\$8,302,723	\$4,826,435	\$8,094,700	\$6,308,455	\$12,051,600	\$17,878,354	\$18,486,792	\$13,263,938	\$18,612,913	\$29,737,650
Paper manufacturing	\$51,762,900	\$51,354,421	\$51,931,158	\$63,479,471	\$60,947,944	\$64,987,529	\$68,655,706	\$85,568,200	\$78,101,438	\$78,355,200	\$95,745,429
Chemical manufacturing	\$7,215,833	\$7,386,000	\$8,752,375	\$2,247,667	\$3,096,667	\$3,649,833	\$2,806,429	\$3,049,667	\$3,115,500	\$2,529,750	\$2,606,222
Plastics and rubber products manufacturing	\$1,684,238	\$1,884,947	\$1,821,857	\$2,132,286	\$2,432,727	\$2,669,292	\$2,647,478	\$2,775,958	\$3,411,684	\$3,321,474	\$4,442,389
Non-metallic mineral product manufacturing	\$3,920,667	\$3,326,667	\$4,562,200	\$4,160,833	\$4,625,167	\$4,734,750	\$3,362,667	\$3,769,875	\$4,784,833	\$5,963,875	\$5,690,000
Fabricated metal product manufacturing	\$1,185,708	\$1,642,538	\$2,017,571	\$2,117,517	\$2,386,583	\$2,406,542	\$2,053,710	\$2,131,786	\$4,091,517	\$2,492,143	\$2,407,179
Machinery manufacturing	\$1,731,667	\$2,291,636	\$1,982,040	\$2,733,818	\$3,955,000	\$4,390,600	\$4,270,238	\$4,378,120	\$3,098,852	\$4,214,833	\$5,021,000
Computer and electronic product manufacturing	\$1,853,429	\$1,364,750	\$1,867,000	\$3,223,600	\$5,697,667	\$6,266,667	\$6,570,167	\$6,512,833	\$5,845,143	\$6,207,714	\$5,648,875
Transportation equipment manufacturing	\$5,028,100	\$8,972,667	\$2,329,833	\$2,191,600	\$2,736,333	\$4,593,125	\$6,082,625	\$4,577,100	\$4,498,400	\$3,872,818	\$4,746,444
Furniture and related product manufacturing	\$447,300	\$432,000	\$488,700	\$360,200	\$343,500	\$469,846	\$407,692	\$586,000	\$432,833	\$527,100	\$407,214
Miscellaneous manufacturing	\$3,647,519	\$6,623,091	\$6,060,591	\$5,269,474	\$2,038,053	\$2,863,000	\$3,262,647	\$1,546,680	\$1,629,826	\$1,131,087	\$1,301,800

Source: Statistics Canada, Table 12-10-0098-01 (formerly CANSIM 228-0077)

*Statistics Canada deemed the data on certain exporting establishments unreliable; therefore, it has been omitted for the sub-sector

APPENDIX E

Number of Exporting Establishments by Receiving Countries (\$)

Partner Countries	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
All partner countries	760	765	735	718	735	728	775	786	777	772	798
1 partner country	584	600	555	531	561	558	601	611	601	610	646
2 or more partner countries	176	165	180	187	174	170	174	175	176	162	152

Source: Statistics Canada, Table 12-10-0103-01 (formerly CANSIM 228-0078)

Value of Exports per Establishment by Number of Partners Countries (x 1000, \$)

Value of Exports per Establishment by Number of Partner Countries (x 1000, \$)

Partner Countries	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
All partner countries	17,969,616	18,752,783	18,732,909	17,355,464	15,658,978	14,263,555	16,153,381	15,919,561	16,000,911	13,250,144	18,469,777
1 partner country	3,502,123	3,333,633	20,916,863	18,813,535	15,714,520	4,411,935	4,169,787	4,218,543	4,167,516	4,381,220	5,200,608
2 or more partner countries	65,975,386	74,822,418	11,999,050	13,215,171	15,479,897	46,600,041	57,544,994	56,772,829	56,409,267	46,645,469	74,863,743

New Brunswick's 10 Largest Export Destinations (2020)

Country	Value x 1000 (\$)	Rank	%
United States	13647271	1	92.59%
China	145593	2	0.99%
India	142837	3	0.97%
Japan	97649	4	0.66%
Thailand	90297	5	0.61%
Bahamas	67747	6	0.46%
Bonaire, Sint Eustatius and Saba	67044	7	0.45%
Netherlands	43915	8	0.30%
Mexico	38294	9	0.26%
Indonesia	35574	10	0.24%
All Other	362661		2.46%

Source: Statistics Canada, Table 12-10-0103-01 (formerly CANSIM 228-0078)

Value of Exports per Establishment by Number of Partners Countries (x 1000, \$)