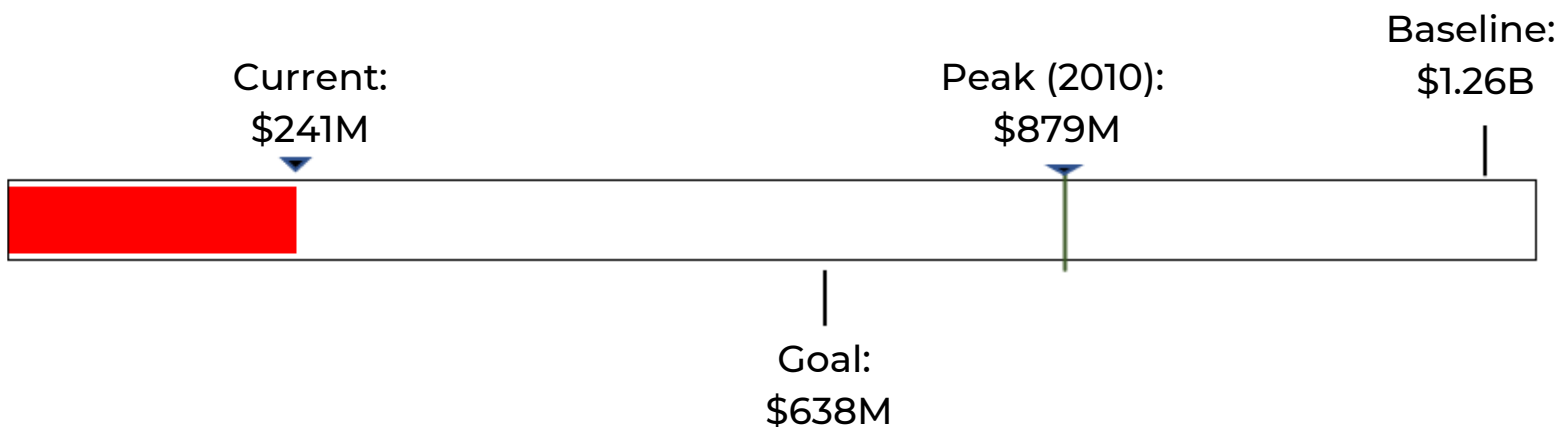




MINING

STATUS:  NOT PROGRESSING



New Brunswick's mining industry will provide a GDP value worth at least 50% of what it was in 2008

Figure 1: Progression of GDP from Mining, Quarrying, and Oil and Gas Extraction (2012 chained dollars x 1,000,000)



(See full data in Appendix A)

HIGHLIGHTS

- Real GDP from mining peaked in 2008, and ever since that there has been a downward trend leading to a decrease of 81% of this peak value in 2021.
- From 2012 to 2021, the total export value of New Brunswick's mining products decreased by 70%.
- In general New Brunswick's export value of mining products is more than Nova Scotia's export value.
- The biggest reason for this dramatic decline is the closures of many mines like the Bathurst's zinc mine in 2013.

OVERVIEW

Importance

New Brunswick's mining industry has existed for over 40 years and was an important contributor to the economy. The province has substantial amounts of a variety of mineral deposits, specifically potash, shale gas, and metal ores, which are natural resources with significant export potential. Reinvigorating the province's mining industry could help stimulate economic development, sustain higher levels of investment, and generate employment.

New Brunswick has a long history of mining, which brought the province an international reputation. It was globally recognized for its mineral resources and mining industry. However, over the last decade, this industry has seen several mine closures and setbacks due to various socio-economic factors, which has resulted in a drop to about 25% of the GDP the industry produced in the early 2000s. This is causing a decline in the export value produced by the province in terms of mineral exports.

Problem

Mining production in the province has fallen by 75%, and it faces further limitations brought about by a struggling market and the provincial government's natural gas moratorium.

Cause

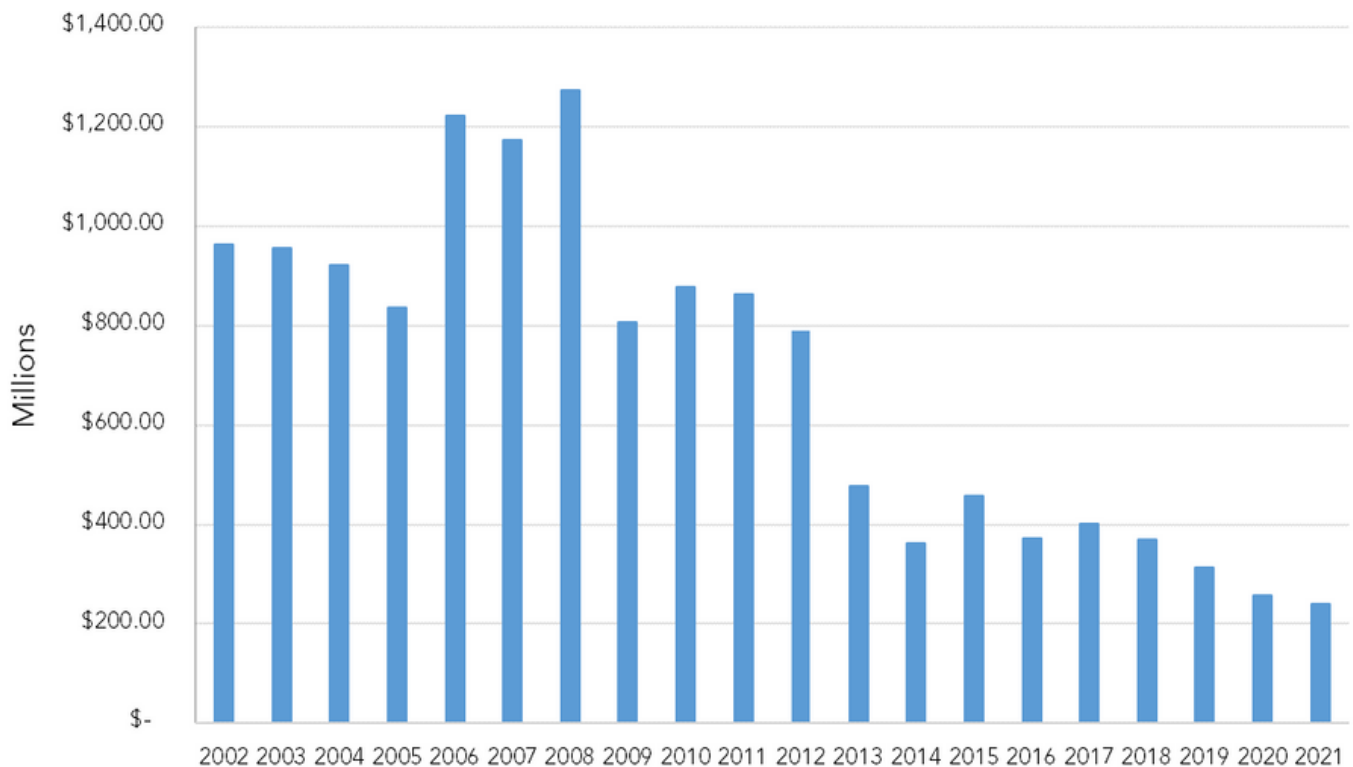
After controversy began to roll out against shale gas mining and the Sisson tungsten mine, New Brunswick's mining sector was heavily impacted. The sector was never able to economically recover after a harsh decline in 2009.

Alongside these occurrences was the 2013 closure of Bathurst's Xstrata zinc mine, as well as the closure of the potash mines in Sussex in 2016. This led to legislation that made it extremely difficult for shale gas mining to continue after 2016. Decreases in global market mineral prices have also made it less economically feasible to develop/re-open sites.

IN THE NUMBERS

Real GDP from mining peaked in 2008, with a value of \$ 1.275 billion. Afterward, there was a severe downward trend, decreasing 81% to a value of \$241.4 million in 2021 (2012 Chained Dollars). The difference in these values is enormous, with the 2021 value being less than 19% of the 2008 value, meaning the province earned less than a fifth of what it used to in GDP from the mining sector.

Figure 2: GDP from Mining, Quarrying, and Oil and Gas Extraction (2012 chained dollars x 1,000,000)

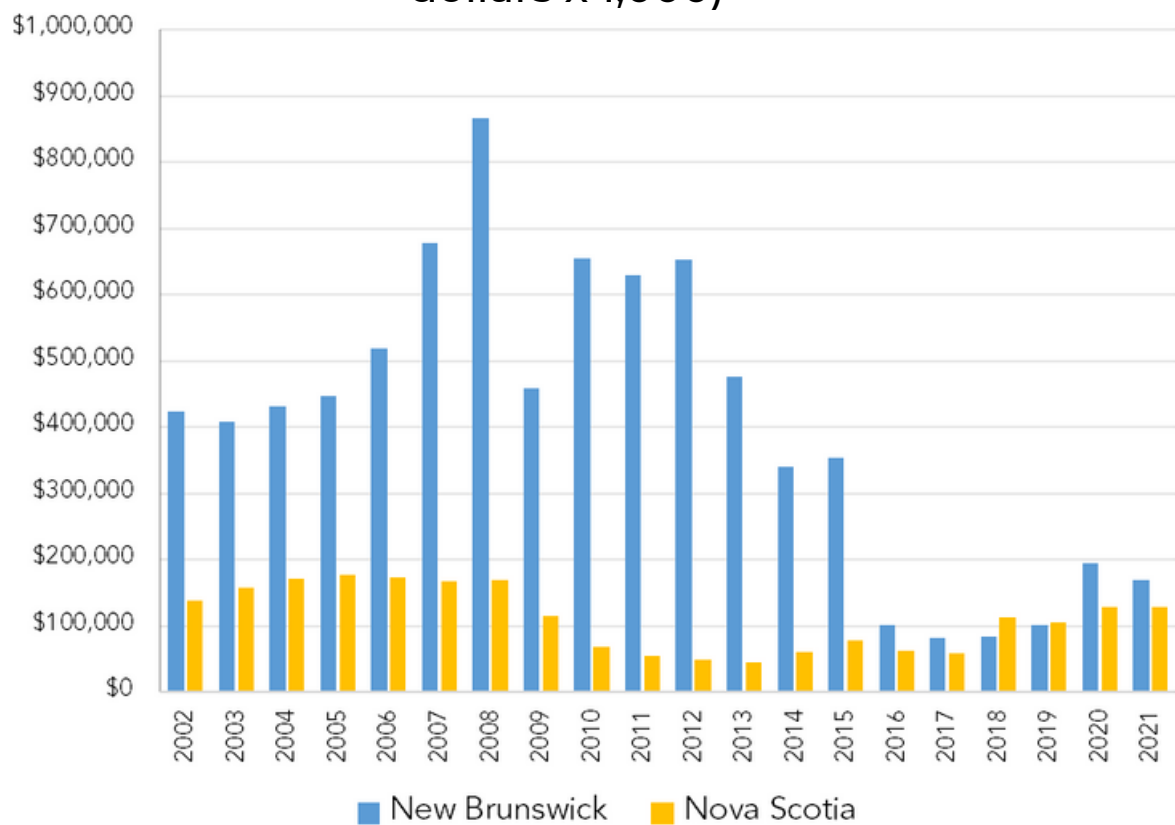


(See full data in Appendix A)

A CLOSER LOOK

From 2012 to 2021, the total export value of New Brunswick’s mining products decreased by 70%. This trend has more recently been amplified by the closures of zinc and potash mines, as well as the 2016 fracking moratorium, which affected the shale gas industry. Nova Scotia is also seeing a large downward trend in mineral exports and mining, which shows that it is affecting more Atlantic provinces than just New Brunswick, due to overall decreases in mineral process. Both New Brunswick and Nova Scotia hit their respective exportation lows in 2017, with minimal increases for both since that point. Despite the COVID-19 pandemic, the year 2020 saw a rise in export value compared to the past 3 years. Most recently in 2021, New Brunswick saw a decrease of \$24 million dollars from the previous year.

Figure 3: Mining and Quarrying Exports (2021 constant dollars x 1,000)

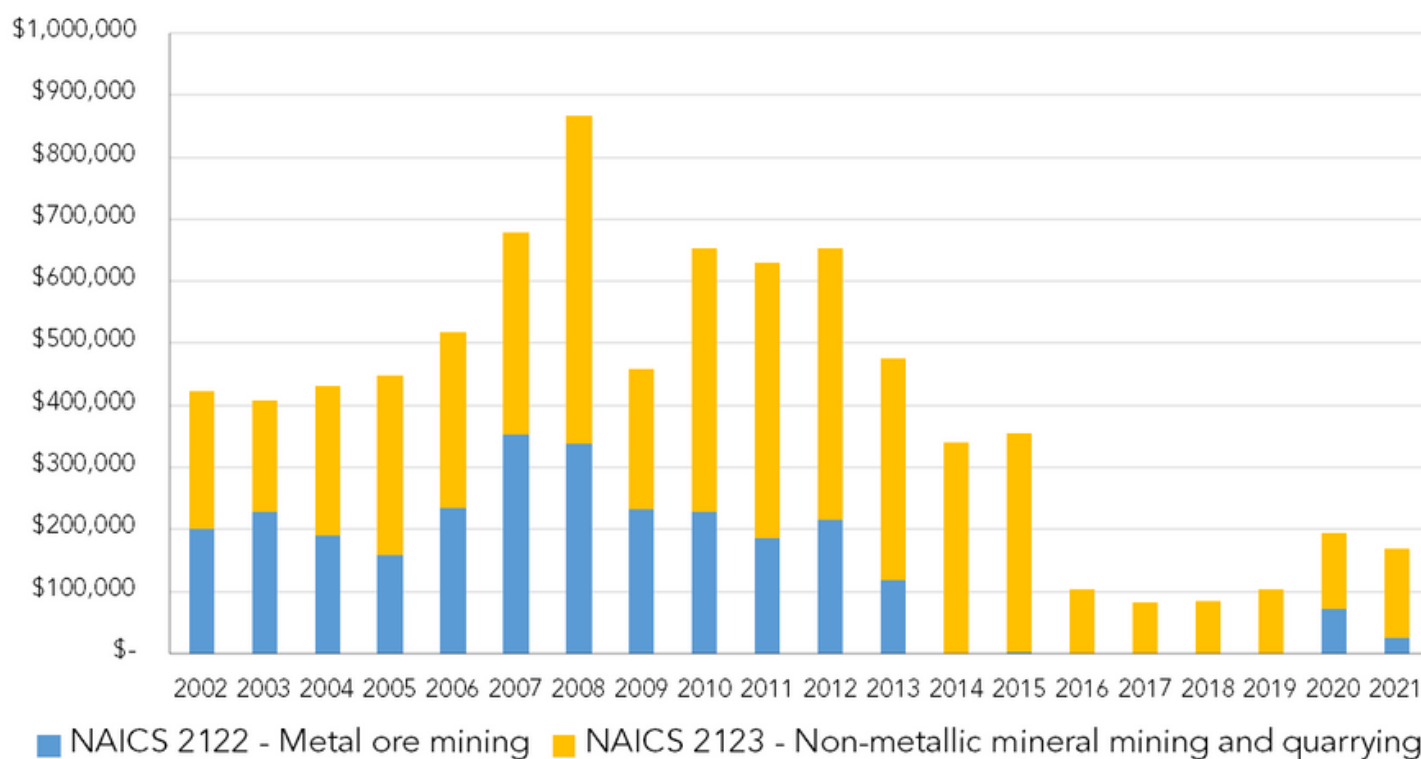


(See full data in Appendix A)

All About Minerals

The closure of Bathurst's zinc mine in 2013 had a significant impact on New Brunswick's mining industry. Since the closure, New Brunswick has stopped all exports of metal ore mining, as there is no longer enough production to export[HE1] . Although minimal amounts of mining for other metal ores (including copper, zinc, lead, and nickel) continued after the Bathurst mine closed, even these disappeared in 2016. Most recently, in 2021, there has been a rise in mining and quarrying exports compared to previous years, however, is still a decline compared to 2020.

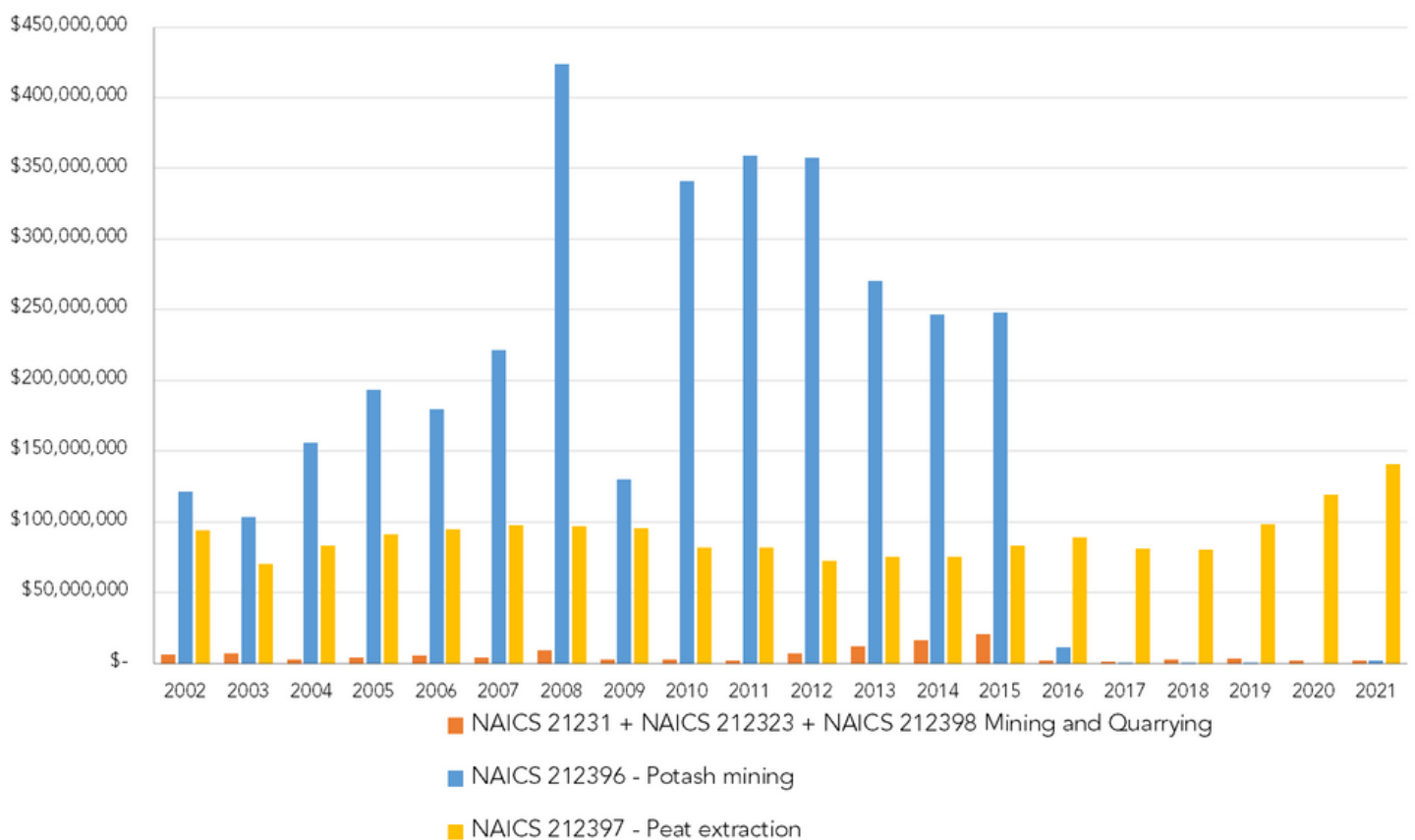
**Figure 4: Mining and Quarrying Specific Industries Exports
(2021 constant dollars x 1,000)**



(See full data in Appendix A)

With regards to non-metallic ore mining, New Brunswick has always been a major source of peat and potash for exports. Specifically, potash rose to prominence in the 2000s with the development of mines in Sussex, causing potash exports to peak at \$407,230,7823 in 2008. However, after the closure of the Sussex mines in 2016, New Brunswick's potash exports fell to almost nothing, with export values for mining of sand and gravel even surpassing potash in the years following the closure. Peat is now consistently the province's most valuable export for non-metallic ores.

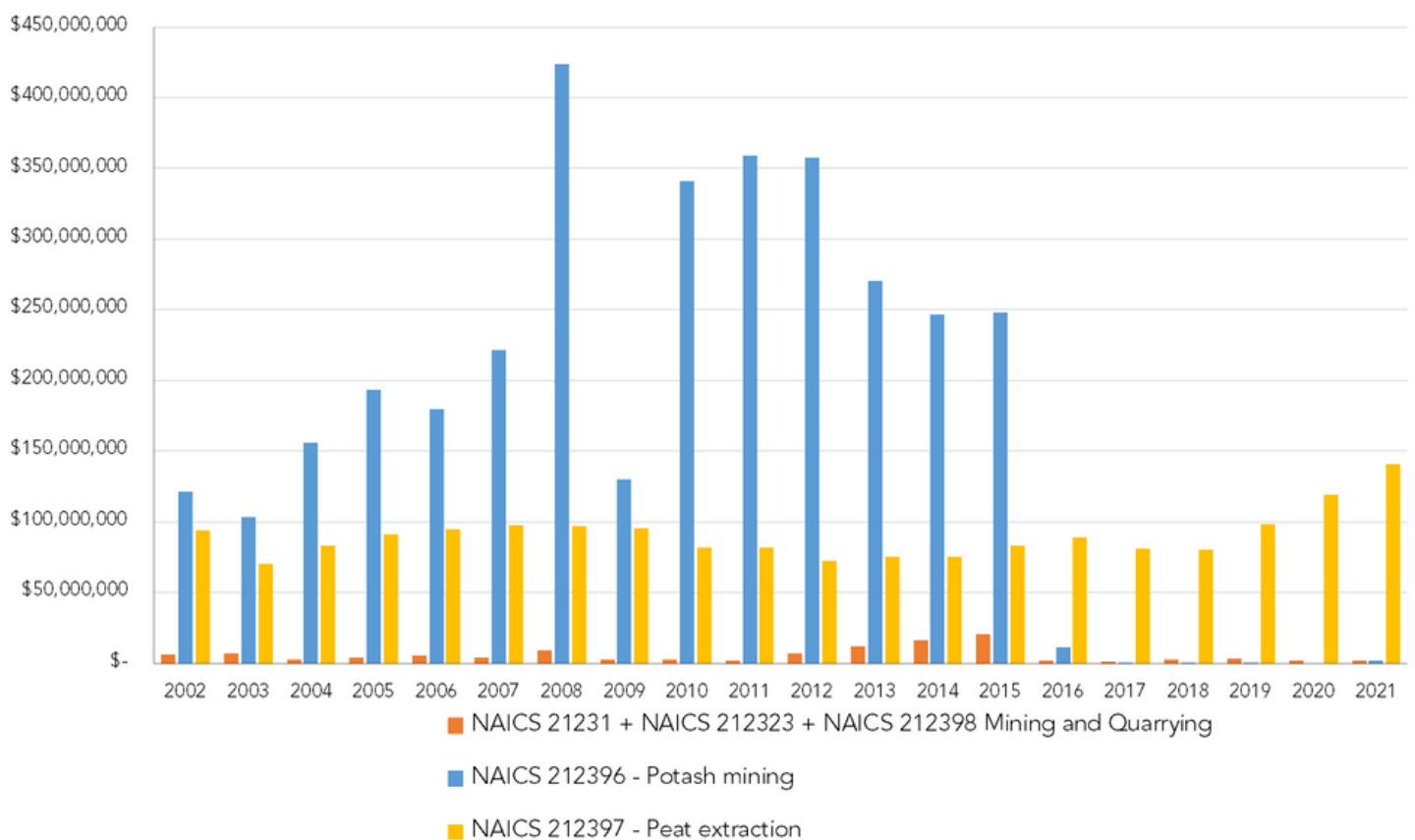
**Figure 5: Mining and Quarrying Specific Industries Exports
(2021 constant dollars x 1,000)**



(See full data in Appendix A)

With regards to non-metallic ore mining, New Brunswick has always been a major source of peat and potash for exports. Specifically, potash rose to prominence in the 2000s with the development of mines in Sussex, causing potash exports to peak at \$407,230,7823 in 2008. However, after the closure of the Sussex mines in 2016, New Brunswick's potash exports fell to almost nothing, with export values for mining of sand and gravel even surpassing potash in the years following the closure. Peat is now consistently the province's most valuable export for non-metallic ores.

**Figure 5: Mining and Quarrying Specific Industries Exports
(2021 constant dollars x 1,000)**



(See full data in Appendix A)

SUMMARY

- The low probability of expanding New Brunswick's mining industry in the near future caused by mine closures and increasing social opposition to mining in New Brunswick, coupled with the large decrease in the mining sector's contribution to GDP in New Brunswick shows that the goal of mining contributing to GDP growth is not progressing.
- However, the province saw a glimpse of growth when comparing the numbers for the past 4 years, with a slightly increasing trend between 2018-2020, although abruptly followed by a decrease in 2021.
- While mining has become less viable for certain resources due to global competitiveness and challenges over social acceptability, there are still many potential resources to be tapped into throughout the province.

APPENDIX A

GDP from Mining, Quarrying, and Oil and Gas Extraction (2012 chained dollars x 1,000,000)

Reference period	Mining, quarrying, and oil and gas extraction [21]
2002	\$964.00
2003	\$956.50
2004	\$921.50
2005	\$835.70
2006	\$1,223.50
2007	\$1,174.10
2008	\$1,275.10
2009	\$807.00
2010	\$878.60
2011	\$863.00
2012	\$789.60
2013	\$476.40
2014	\$362.40
2015	\$457.80
2016	\$373.30
2017	\$400.50
2018	\$369.60
2019	\$313.70
2020	\$256.50
2021	\$241.40

Source: Table: 36-10-0402-01 (formerly CANSIM 379-0030)

APPENDIX B

Mining and Quarrying Exports (2021 constant dollars x 1,000)

Year	New Brunswick	Nova Scotia
2002	\$423,476	\$137,847
2003	\$408,693	\$157,907
2004	\$431,670	\$170,550
2005	\$447,593	\$177,559
2006	\$518,778	\$173,799
2007	\$678,976	\$168,028
2008	\$867,158	\$169,660
2009	\$459,422	\$115,589
2010	\$654,112	\$69,031
2011	\$628,911	\$54,921
2012	\$653,374	\$49,271
2013	\$476,207	\$45,041
2014	\$340,298	\$61,650
2015	\$353,863	\$77,849
2016	\$102,187	\$61,872
2017	\$82,784	\$58,581
2018	\$83,283	\$112,871
2019	\$102,381	\$105,079
2020	\$193,943	\$128,497
2021	\$169,016	\$128,055

Source: Trade Data Online with CPI values for conversions taken from Table: 18-10-0005-01 (formerly CANSIM 326-0021)

APPENDIX C

Mining and Quarrying Specific Subsector Exports (2021 constant dollars x 1,000)

Year	NAICS 211 - Oil and gas extraction	NAICS 2122 - Metal ore mining	NAICS 2123 - Non-metallic mineral mining
2002	\$13,473	\$200,648	\$222,828
2003	\$14,659	\$227,383	\$181,309
2004	\$3,064	\$189,492	\$242,177
2005	\$2,235	\$157,634	\$289,398
2006	\$69,262	\$235,241	\$283,538
2007	\$47,017	\$352,156	\$326,820
2008	\$39,725	\$337,392	\$529,766
2009	\$93,702	\$231,513	\$227,909
2010	\$531,347	\$228,385	\$425,727
2011	\$525,001	\$186,055	\$442,856
2012	\$272,619	\$216,295	\$437,079
2013	\$175,810	\$117,348	\$358,860
2014	\$269,315	\$0	\$340,298
2015	\$447,838	\$1,319	\$352,528
2016	\$156,112	\$52	\$102,122
2017	\$166,552	\$0	\$82,784
2018	\$279,278	\$0	\$83,283
2019	\$337,649	\$0	\$102,381
2020	\$278,101	\$72,202	\$121,741
2021	\$204,521	\$24,006	\$145,010

Source: Trade Data Online with CPI values for conversions taken from Table: 18-10-0005-01 (formerly CANSIM 326-0021)

APPENDIX D

Exports of Specific Mining Industries (2021 constant dollars)

Year	NAICS 21231 + NAICS 212323 + NAICS 212398 Mining and Quarrying	NAICS 212396 - Potash mining	NAICS 212397 - Peat extraction
2002	\$6,166,372	\$121,616,099	\$94,373,630
2003	\$6,781,728	\$103,492,815	\$70,596,093
2004	\$2,997,683	\$155,951,262	\$83,087,021
2005	\$4,285,406	\$193,743,501	\$91,288,044
2006	\$5,283,160	\$179,887,449	\$94,524,620
2007	\$4,135,271	\$221,241,447	\$98,040,464
2008	\$8,994,028	\$423,663,426	\$97,095,443
2009	\$2,855,680	\$129,779,714	\$95,211,313
2010	\$2,511,320	\$341,330,978	\$81,837,176
2011	\$1,701,591	\$358,868,383	\$81,606,481
2012	\$7,157,657	\$357,426,500	\$72,439,065
2013	\$11,961,254	\$270,808,700	\$75,572,028
2014	\$16,574,276	\$246,817,702	\$75,600,270
2015	\$20,531,914	\$248,501,287	\$83,468,020
2016	\$1,999,358	\$11,019,090	\$88,972,659
2017	\$1,392,154	\$91,083	\$81,249,118
2018	\$2,905,159	\$65,224	\$80,162,008
2019	\$3,625,080	\$214,511	\$98,351,272
2020	\$2,279,778	\$0	\$119,329,098
2021	\$2,099,840	\$2,019,945	\$140,611,421

Note: NAICS 2123 -Stone and mining quarrying, NAICS 212323 - Sand and gravel mining and quarrying, NAICS 212398 - All other non-metallic mineral mining and quarrying

Source: Trade Data Online with CPI values for conversions taken from Table: 18-10-0005-01 (formerly CANSIM 326-0021)