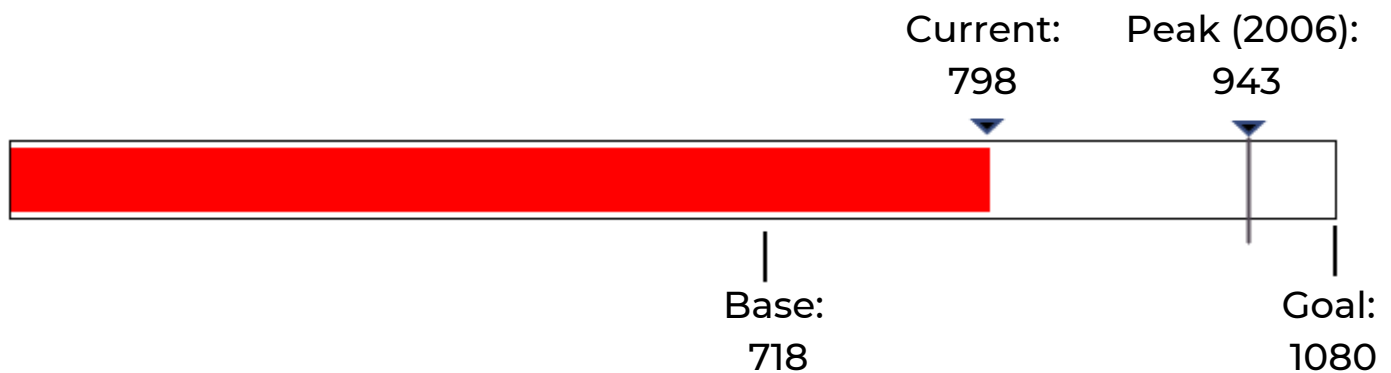




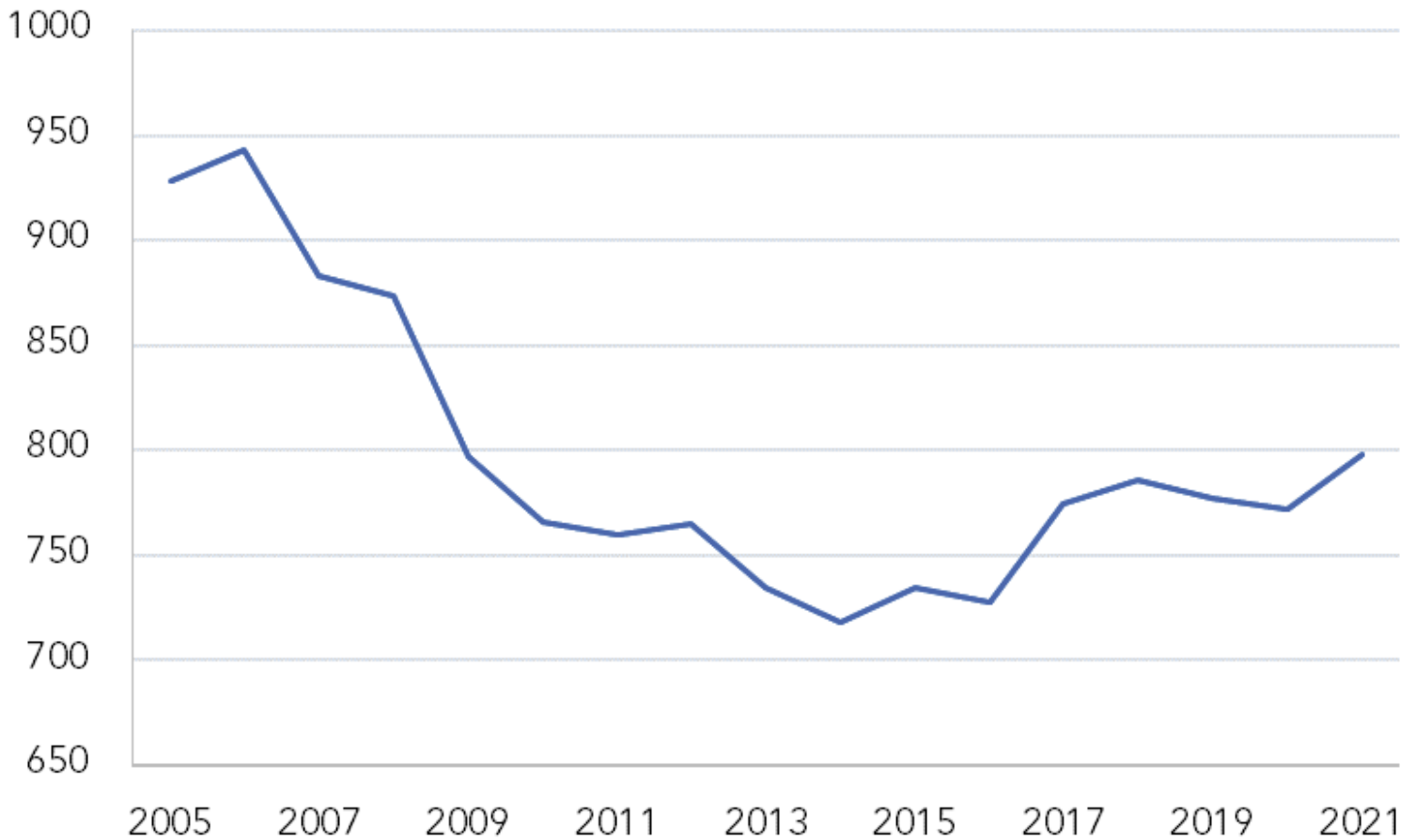
FIRMS PARTICIPATING IN FOREIGN EXPORT TRADE

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

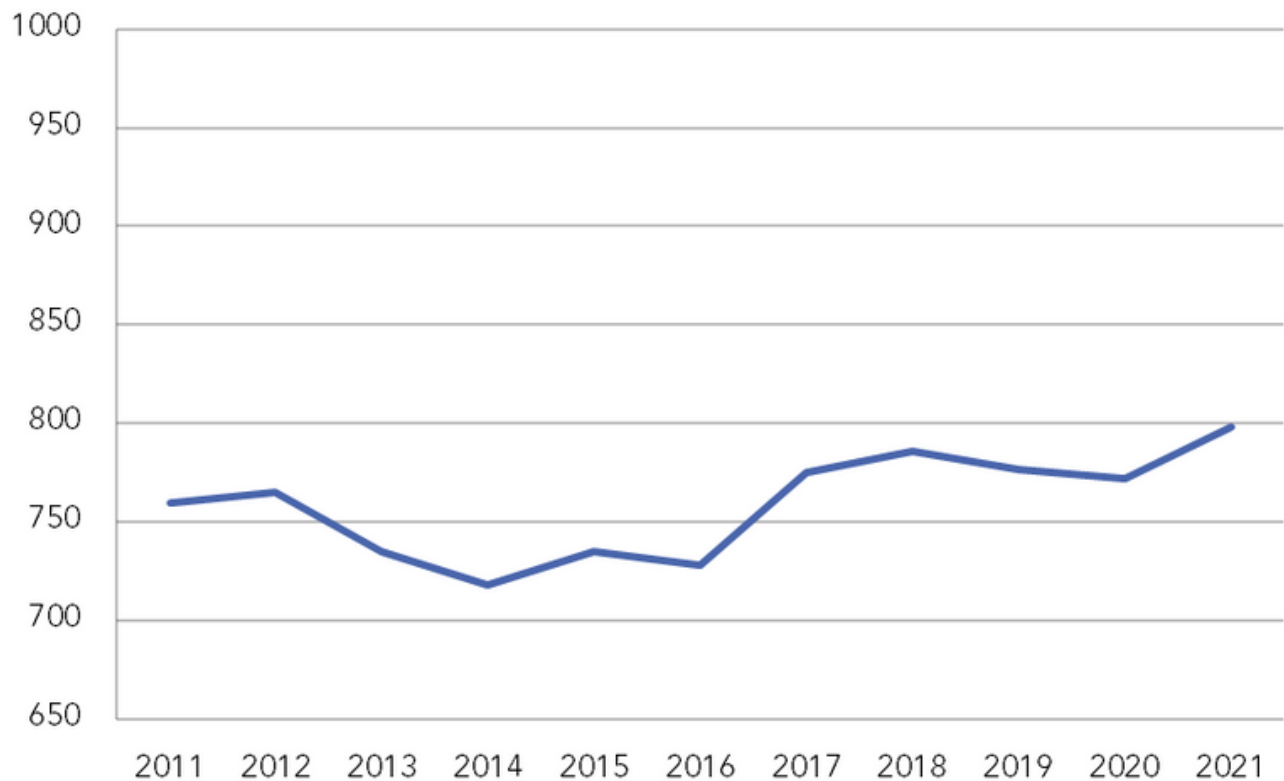
Export Trade in New Brunswick

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.

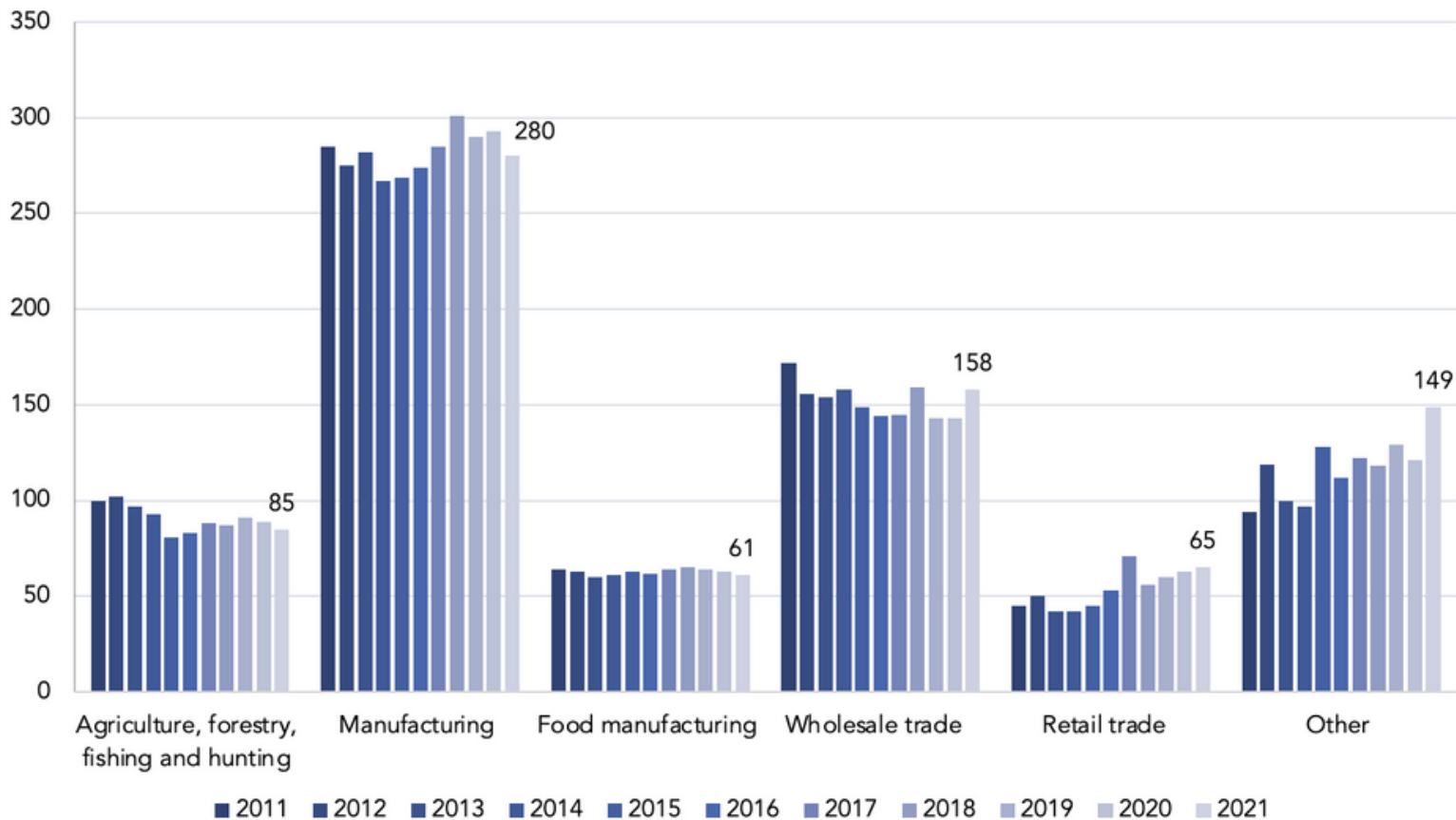
Figure 2: New Brunswick Firms Participating in Foreign Export Trade (2011-2021)



(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 A)

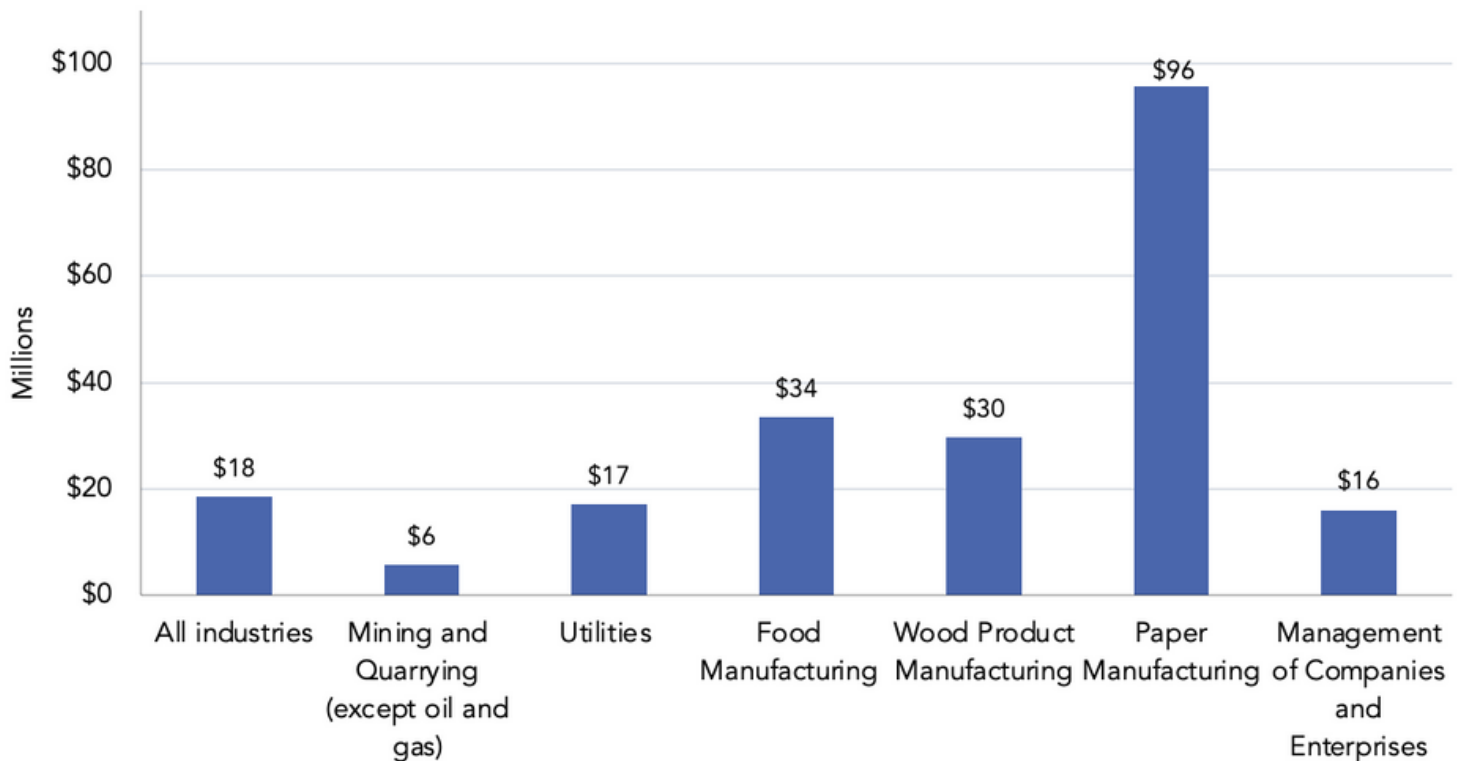
A CLOSER LOOK

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.

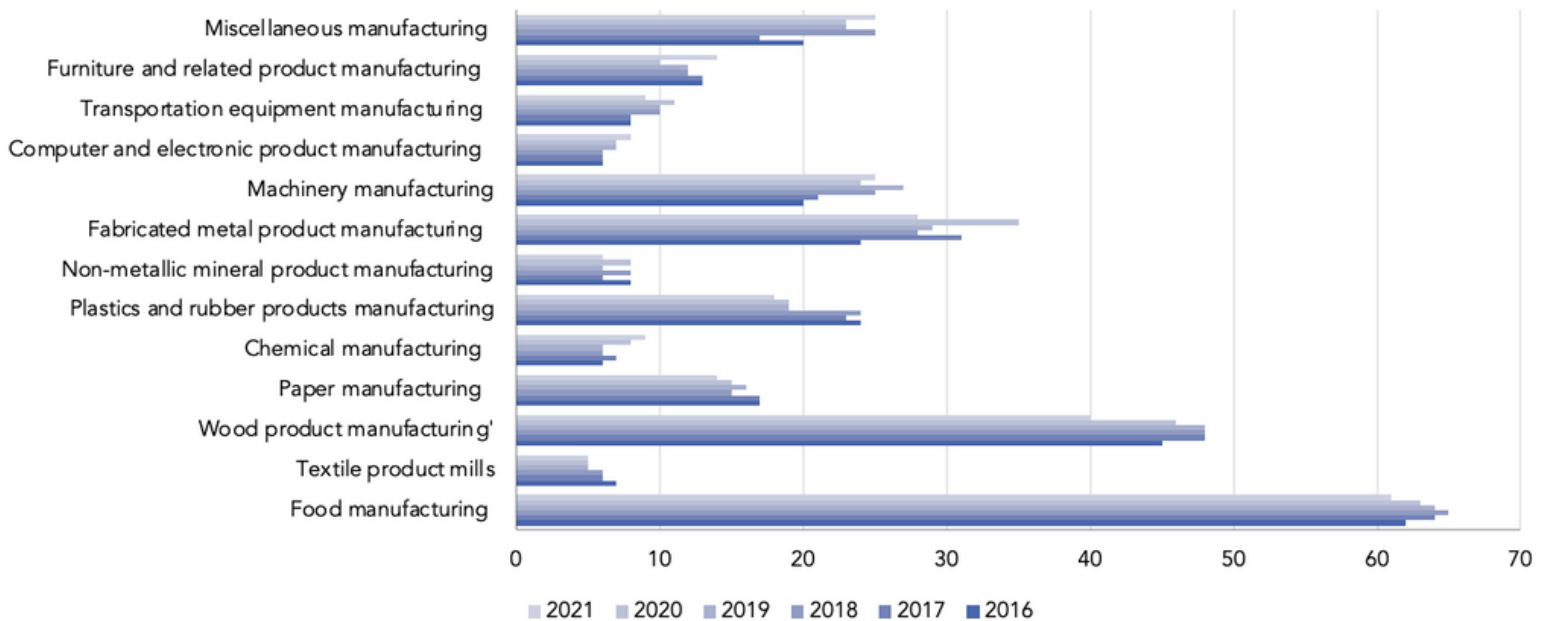
Figure 4: Value of Exports per Establishment (2021)



(See full data in Appendix A)

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

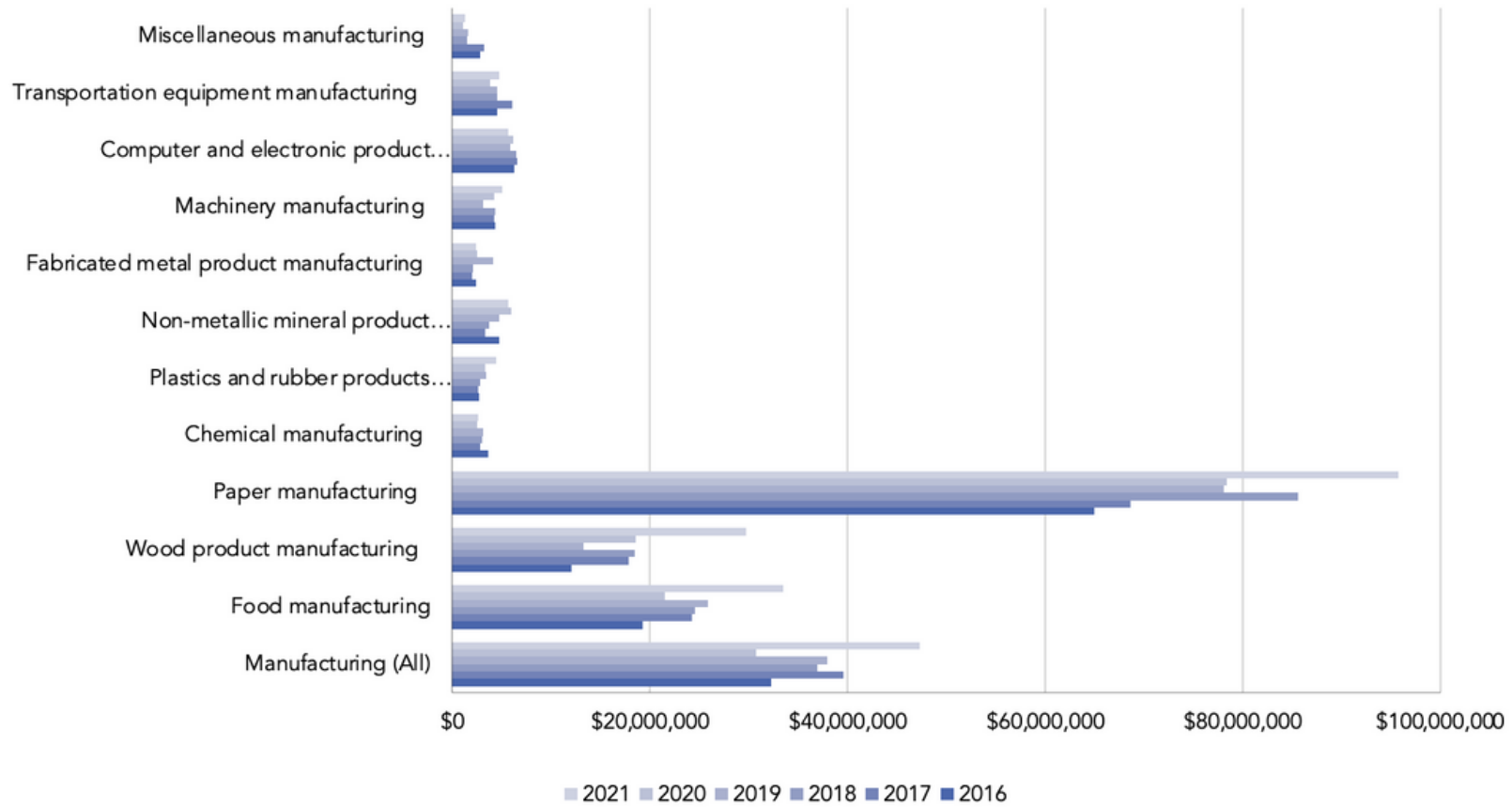


(See full data in Appendix B)

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)

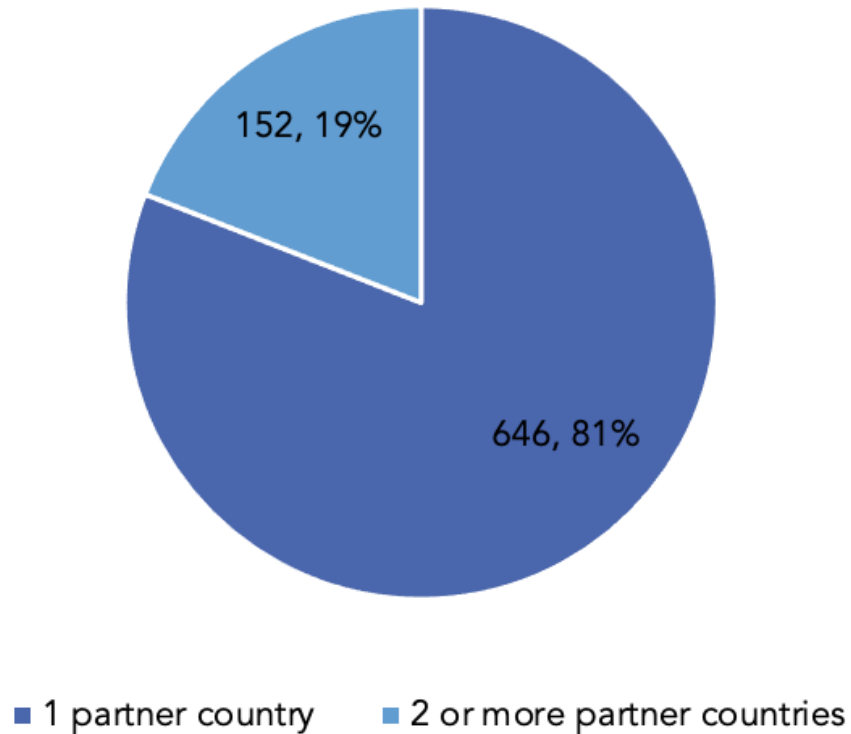


(See full data in Appendix B)

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.

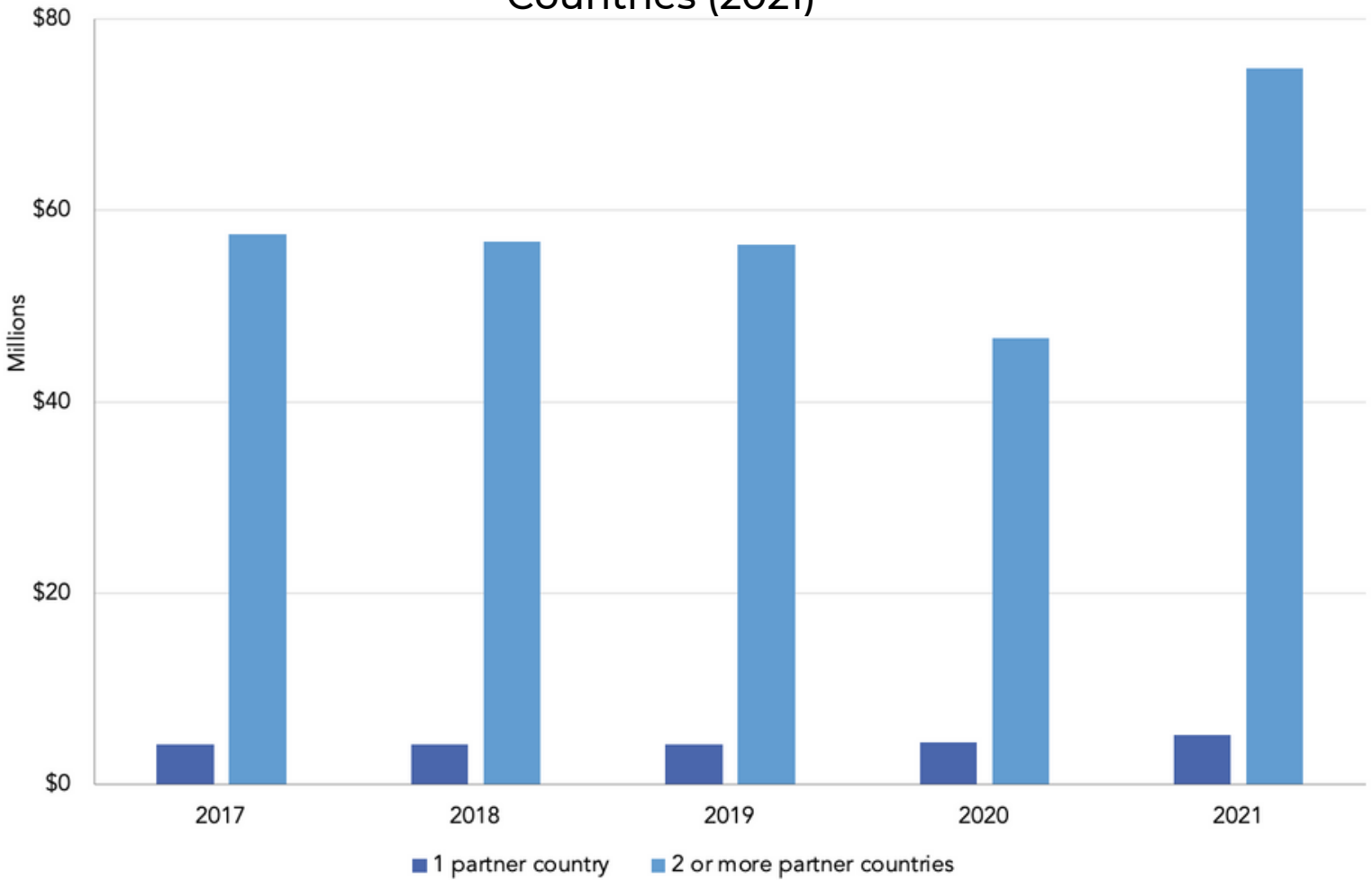
Figure 7: Value of Exports per Establishment (NB), by Manufacturing Sub-Sector (2020)



(See full data in Appendix C)

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 C)

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)

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	100	102	97	93	81	83	88	87	91	89	85
Manufacturing	285	275	282	267	269	274	285	301	290	293	280
Food manufacturing	64	63	60	61	63	62	64	65	64	63	61
Wholesale trade	172	156	154	158	149	144	145	159	143	143	158
Retail trade	45	50	42	42	45	53	71	56	60	63	65
Other	94	119	100	97	128	112	122	118	129	121	149

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 A

Value of Exports per Establishment by Industry (2021) (\$ x 1,000)

	Value of exports in Dollars (x 1,000)
	2021
All industries	\$18,470
Mining and Quarrying (except oil and gas)	\$5,736
Utilities	\$17,060
Food Manufacturing	\$33,506
Wood Product Manufacturing	\$29,738
Paper Manufacturing	\$95,745
Management of Companies and Enterprises	\$16,050

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.

APPENDIX B

Number of Manufacturing Export Establishments (NB), by Sub-Sector

	Number of exporting establishments										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Miscellaneous manufacturing	27	22	22	19	19	20	17	25	23	23	25
Food manufacturing	64	63	60	61	63	62	64	65	64	63	61
Textile product mills	5	6	4	5	6	7	6	6	5	5	5
Wood product manufacturing'	49	47	46	40	44	45	48	48	48	46	40
Paper manufacturing	20	19	19	17	18	17	17	15	16	15	14
Chemical manufacturing	6	6	8	6	6	6	7	6	6	8	9
Plastics and rubber products manufacturing	21	19	21	21	22	24	23	24	19	19	18
Non-metallic mineral product manufacturing	6	6	5	6	6	8	6	8	6	8	6
Fabricated metal product manufacturing	24	26	28	29	24	24	31	28	29	35	28
Machinery manufacturing	21	22	25	22	20	20	21	25	27	24	25
Computer and electronic product manufacturing	7	8	6	5	6	6	6	6	7	7	8
Transportation equipment manufacturing	10	6	12	10	9	8	8	10	10	11	9
Furniture and related product manufacturing	10	8	10	10	12	13	13	12	12	10	14

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 B

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Manufacturing (All)	\$41,519	\$46,581	\$42,971	\$40,542	\$35,570	\$32,245	\$39,565	\$36,991	\$37,916	\$30,708	\$47,295
Food manufacturing	\$11,814	\$10,719	\$12,766	\$16,808	\$20,437	\$19,287	\$24,248	\$24,562	\$25,840	\$21,521	\$33,506
Fabricated metal product manufacturing	\$1,186	\$1,643	\$2,018	\$2,118	\$2,387	\$2,407	\$2,054	\$2,132	\$4,092	\$2,492	\$2,407
Machinery manufacturing	\$1,732	\$2,292	\$1,982	\$2,734	\$3,955	\$4,391	\$4,270	\$4,378	\$3,099	\$4,215	\$5,021
Computer and electronic product manufacturing	\$1,853	\$1,365	\$1,867	\$3,224	\$5,698	\$6,267	\$6,570	\$6,513	\$5,845	\$6,208	\$5,649
Transportation equipment manufacturing	\$5,028	\$8,973	\$2,330	\$2,192	\$2,736	\$4,593	\$6,083	\$4,577	\$4,498	\$3,873	\$4,746
Miscellaneous manufacturing	\$3,648	\$6,623	\$6,061	\$5,269	\$2,038	\$2,863	\$3,263	\$1,547	\$1,630	\$1,131	\$1,302
Chemical manufacturing	\$7,216	\$7,386	\$8,752	\$2,248	\$3,097	\$3,650	\$2,806	\$3,050	\$3,116	\$2,530	\$2,606
Plastics and rubber products manufacturing	\$1,684	\$1,885	\$1,822	\$2,132	\$2,433	\$2,669	\$2,647	\$2,776	\$3,412	\$3,321	\$4,442
Non-metallic mineral product manufacturing	\$3,921	\$3,327	\$4,562	\$4,161	\$4,625	\$4,735	\$3,363	\$3,770	\$4,785	\$5,964	\$5,690
Wood product manufacturing	\$7,743	\$8,303	\$4,826	\$8,095	\$6,308	\$12,052	\$17,878	\$18,487	\$13,264	\$18,613	\$29,738
Paper manufacturing	\$51,763	\$51,354	\$51,931	\$63,479	\$60,948	\$64,988	\$68,656	\$85,568	\$78,101	\$78,355	\$95,745

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 C

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

Value of Exports per Establishment by Number of Partner Countries (x 1,000,000 \$)

Partner countries	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
All partner countries	\$17,970	\$18,753	\$18,733	\$17,355	\$15,659	\$14,264	\$16,153	\$15,920	\$16,001	\$13,250	\$18,470
1 partner country	\$3,502	\$3,334	\$20,917	\$18,814	\$15,715	\$4,412	\$4,170	\$4,219	\$4,168	\$4,381	\$5,201
2 or more partner countries	\$65,975	\$74,822	\$11,999	\$13,215	\$15,480	\$46,600	\$57,545	\$56,773	\$56,409	\$46,645	\$74,864

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

Value of Exports per Establishment by Number of Partners Countries (x 1000, \$) (For both the tables above)

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, \$)