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BOOSTNB.COM

YEAR 2020

# GOAL 5: VALUE OF EXPORTS

NEW BRUNSWICK WILL SEEK TO INCREASE ITS TOTAL VALUE OF EXPORTS BY 50% FOLLOWING ONENS.COM), FROM THE VALUE OF \$20,394\* IN 2000 TO \$30,591\*.

\*IN 2018 CONSTANT DOLLARS



**STATUS: NOT PROGRESSING**



# Overview

## Problem

Overall, the value of New Brunswick's exports has drastically increased since 1981, peaking in 2013 and then decreasing until 2016. Following 2016, there has been minimal to no increase.

## Cause

The province saw decreases following the loss of forest products, pulp, and paper in 2004, due to increased global competition. The majority of growth trends seen beyond 2004 have been directly impacted by the export price of petrol, oil and gas, as petrol exports are consistently New Brunswick's top export industry.

## Importance

New Brunswick's exports are consistently the fourth highest (per capita) in value among all Canadian provinces, losing out only to Alberta, Saskatchewan, and Newfoundland and Labrador.

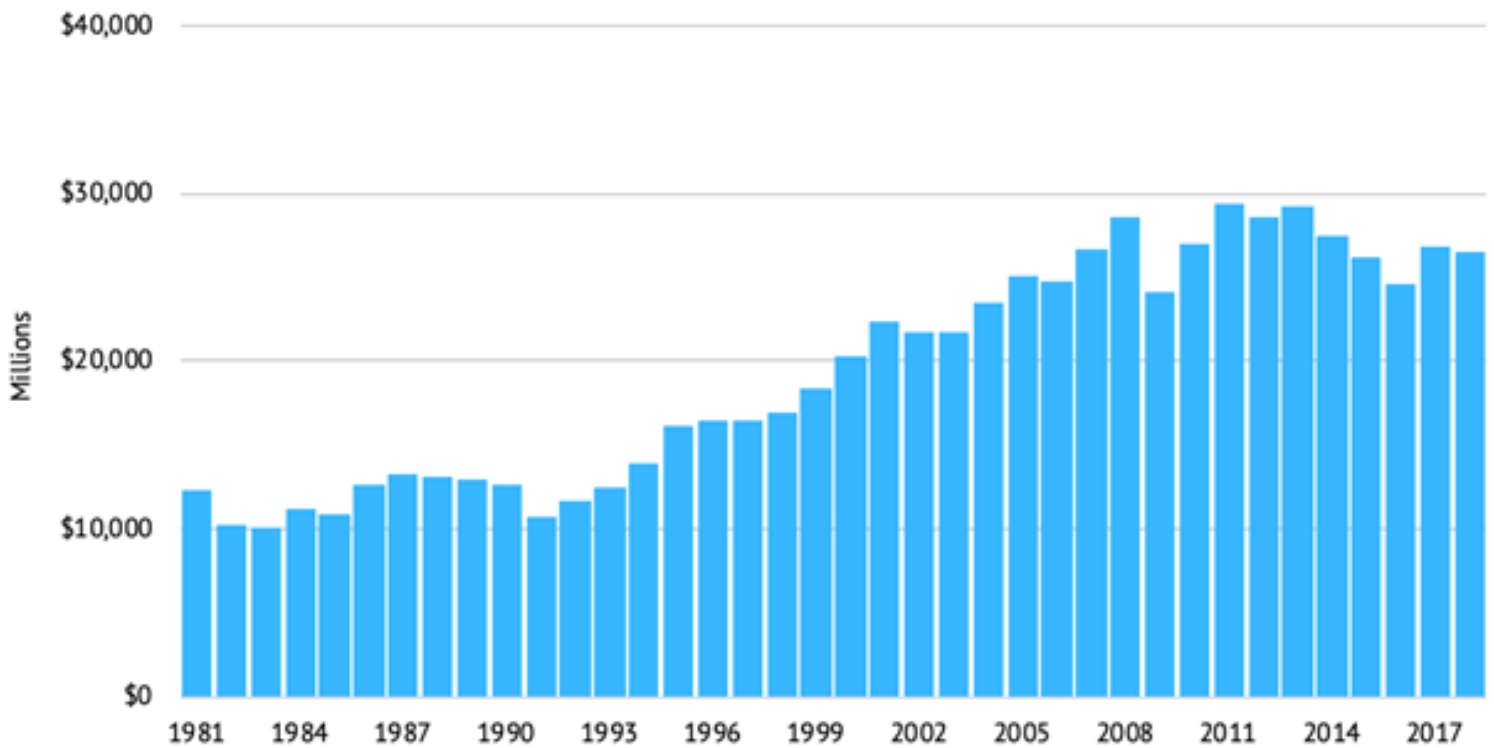
## Recommendation

While the increasing value of exports from 1981 to 2004 suggests that New Brunswick's annual export value could grow, it is difficult to determine whether the rate of growth will increase since it is unknown whether the pre-2004 economy or the post-2004 economy is the baseline for New Brunswick. With a continuation of the pre-2004 growth of exports, then the province could meet this goal within a decade. If the post-2004 slow growth of exports continues, the province cannot meet this goal. To resume pre-2004 growth, it would be necessary to rely less heavily on the petroleum industry and diversity among other industries.

# In the Numbers

Figure 1 shows that New Brunswick's total value of exports has been comfortably above \$20,000 million since the year 2000. Following global competition for the forestry industry in 2004, petrol exports became even more important and the value of exports closely follows the rise and drops in the gasoline price of Canada. Most notably, the small downwards spike in 2009 from the recession of 2008, as well as a larger downward trend from 2013-2016. Recently the value has been above \$26,500 million.

**Figure 1: Total Value of International and Interprovincial Exports  
(2018 constant dollars)**

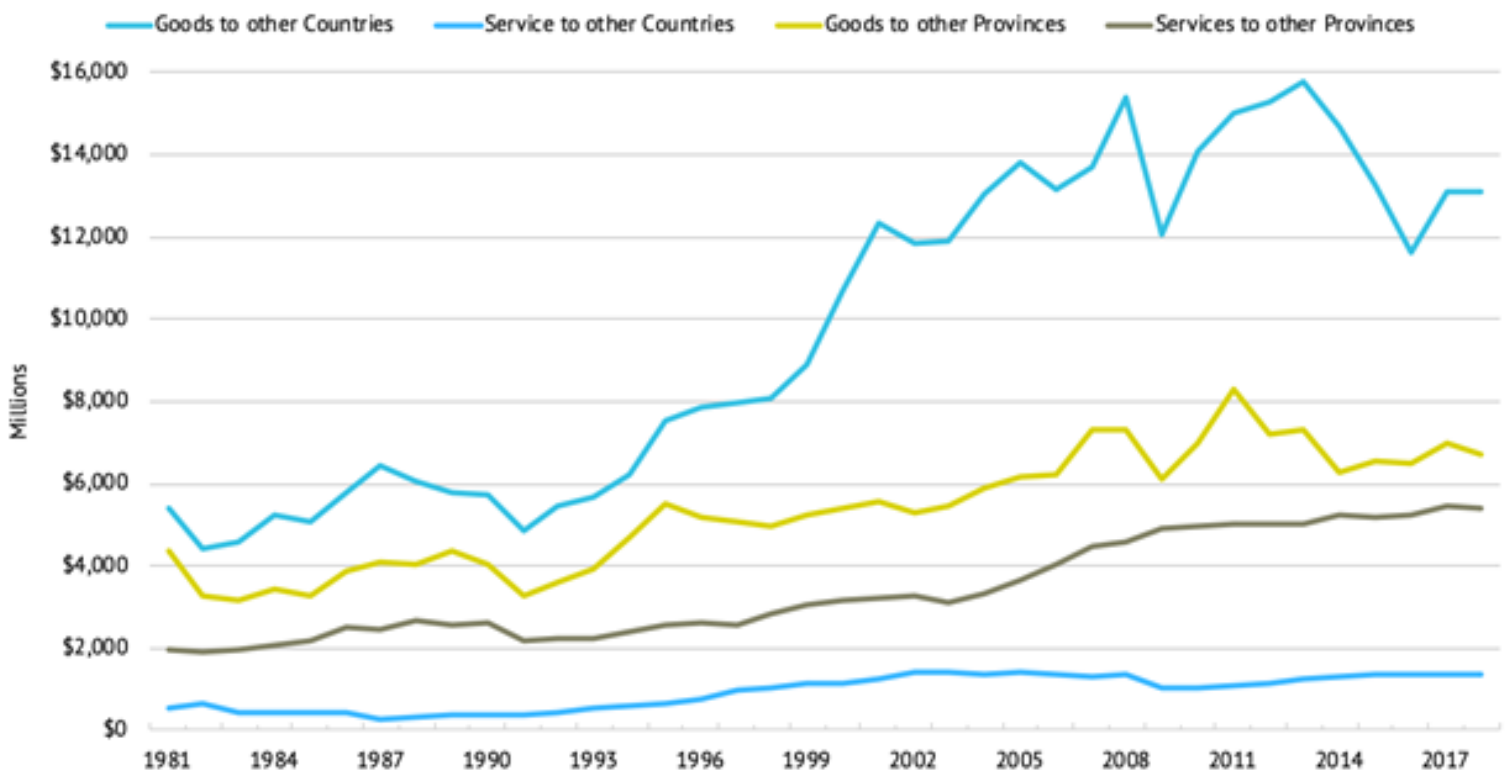


(See full data set in Appendix A)

# A Closer Look

As can be seen in Figure 2, the overall increase in exports of goods to other countries has the largest overall contribution to all exports. There was a sharp increase in the early 2000s when oil and gas prices started to rise substantially. There has been very little increase in value of exports of services to other countries, and exports of goods and services interprovincially has been on a small upward trend.

**Figure 2: Value of Exports Divided by Type of Export and Region (2018 constant dollars)**



(See full data set in Appendix B)

Figure 3 once again shows the separation of goods and services, however in this one it is clear that exports of goods are much higher than services, with total good exports being consistently above 70% of all exports. Even only exports to other countries has been consistently over 50%, only falling slightly under in recent years.

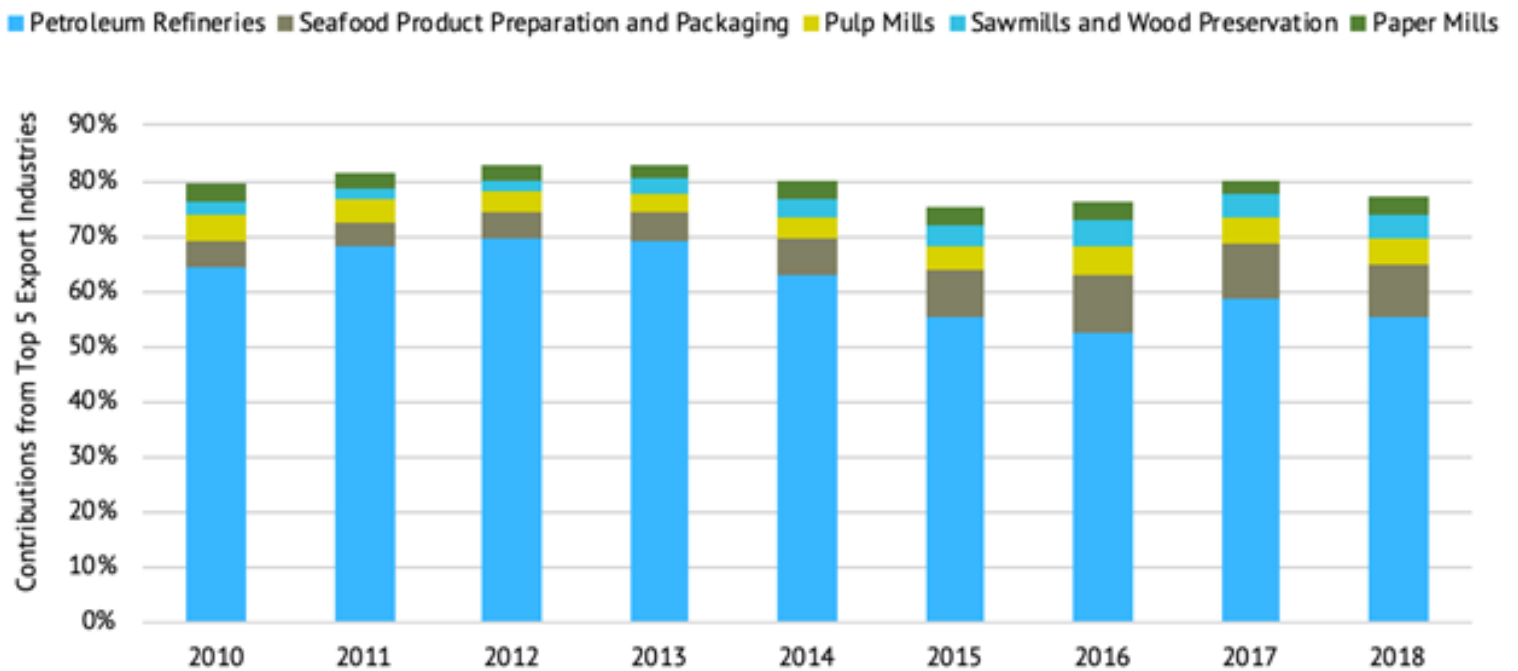
**Figure 3: Value of Exports Divided by Type of Export and Region (2018 constant dollars)**



(See full data set in Appendix C)

International exports contribute the most to the overall value of exports from New Brunswick. In fact, New Brunswick has a few very key industries which allow it to have such large exports. These industries are petroleum refineries, seafood product preparation and packaging, and industries within the forestry sector. Petroleum consistently contributes over 50% of all international exports, even during a year with poor gas prices (i.e. 2016), which demonstrates how important this industry is for New Brunswick.

**Figure 4: Contributions from Top 5 Export Industries  
(International, 2018 constant dollars)**



(See full data set in Appendix D)

## Summary

According to the data, New Brunswick is not progressing towards the set goal of reaching \$39.38 billion in value of exports. The export industry comprises several factors that affect New Brunswick, so if the province could make progress towards meeting this goal, this could have a positive impact on the economic growth of the province.

# Appendix A

<b>Year</b>	<b>New Brunswick (2018 Constant Dollars)</b>
1981	12,250
1982	10,228
1983	10,162
1984	11,176
1985	10,913
1986	12,584
1987	13,292
1988	13,100
1989	13,040
1990	12,721
1991	10,766
1992	11,659
1993	12,432
1994	13,915
1995	16,218
1996	16,452
1997	16,513
1998	16,891
1999	18,342
2000	20,394
2001	22,329
2002	21,825
2003	21,833
2004	23,580
2005	25,066
2006	24,797
2007	26,747
2008	28,611
2009	24,075
2010	27,051
2011	29,422
2012	28,679
2013	29,326
2014	27,471
2015	26,306
2016	24,711
2017	26,903
2018	26,579

Source: 18-10-0005-01 (formerly CANSIM 326-0021) for CPI,  
36-10-0222-01 (formerly CANSIM 384-0038) for values

# Appendix B

Year	Goods to other Countries	Services to other Countries	Goods to other Provinces	Services to other Provinces
1981	\$5,376	\$561	\$4,375	\$1,938
1982	\$4,444	\$631	\$3,246	\$1,906
1983	\$4,569	\$427	\$3,188	\$1,977
1984	\$5,240	\$426	\$3,439	\$2,071
1985	\$5,072	\$417	\$3,264	\$2,160
1986	\$5,791	\$455	\$3,851	\$2,487
1987	\$6,453	\$295	\$4,093	\$2,450
1988	\$6,077	\$321	\$4,039	\$2,663
1989	\$5,761	\$353	\$4,373	\$2,553
1990	\$5,716	\$376	\$4,011	\$2,617
1991	\$4,874	\$398	\$3,296	\$2,199
1992	\$5,432	\$424	\$3,591	\$2,213
1993	\$5,699	\$524	\$3,948	\$2,261
1994	\$6,212	\$619	\$4,669	\$2,415
1995	\$7,538	\$659	\$5,484	\$2,537
1996	\$7,870	\$787	\$5,187	\$2,607
1997	\$7,948	\$959	\$5,048	\$2,558
1998	\$8,062	\$1,049	\$4,959	\$2,821
1999	\$8,884	\$1,161	\$5,255	\$3,042
2000	\$10,702	\$1,131	\$5,399	\$3,162
2001	\$12,333	\$1,226	\$5,575	\$3,195
2002	\$11,817	\$1,410	\$5,313	\$3,284
2003	\$11,881	\$1,389	\$5,469	\$3,093
2004	\$13,041	\$1,337	\$5,870	\$3,331
2005	\$13,804	\$1,417	\$6,172	\$3,672
2006	\$13,169	\$1,347	\$6,244	\$4,037
2007	\$13,675	\$1,314	\$7,310	\$4,449
2008	\$15,366	\$1,348	\$7,320	\$4,576
2009	\$12,043	\$1,025	\$6,086	\$4,921
2010	\$14,062	\$1,059	\$6,982	\$4,947
2011	\$14,981	\$1,100	\$8,318	\$5,023
2012	\$15,297	\$1,146	\$7,216	\$5,021
2013	\$15,783	\$1,234	\$7,287	\$5,022
2014	\$14,669	\$1,296	\$6,276	\$5,230
2015	\$13,280	\$1,340	\$6,531	\$5,155
2016	\$11,628	\$1,370	\$6,498	\$5,214
2017	\$13,096	\$1,377	\$6,994	\$5,437
2018	\$13,081	\$1,383	\$6,693	\$5,422

Source: 18-10-0005-01 (formerly CANSIM 326-0021) for CPI, 36-10-0222-01 (formerly CANSIM 384-0038) for values



# Appendix C

<b>Year</b>	<b>Exports of Goods to other Countries</b>	<b>Exports of Services to other Countries</b>	<b>Exports of Goods to other Provinces</b>	<b>Exports of Services to other Provinces</b>
<b>2000</b>	52.5%	5.5%	26.5%	15.5%
<b>2001</b>	55.2%	5.5%	25.0%	14.3%
<b>2002</b>	54.1%	6.5%	24.3%	15.0%
<b>2003</b>	54.4%	6.4%	25.0%	14.2%
<b>2004</b>	55.3%	5.7%	24.9%	14.1%
<b>2005</b>	55.1%	5.7%	24.6%	14.6%
<b>2006</b>	53.1%	5.4%	25.2%	16.3%
<b>2007</b>	51.1%	4.9%	27.3%	16.6%
<b>2008</b>	53.7%	4.7%	25.6%	16.0%
<b>2009</b>	50.0%	4.3%	25.3%	20.4%
<b>2010</b>	52.0%	3.9%	25.8%	18.3%
<b>2011</b>	50.9%	3.7%	28.3%	17.1%
<b>2012</b>	53.3%	4.0%	25.2%	17.5%
<b>2013</b>	53.8%	4.2%	24.8%	17.1%
<b>2014</b>	53.4%	4.7%	22.8%	19.0%
<b>2015</b>	50.5%	5.1%	24.8%	19.6%
<b>2016</b>	47.1%	5.5%	26.3%	21.1%
<b>2017</b>	48.7%	5.1%	26.0%	20.2%
<b>2018</b>	49.2%	5.2%	25.2%	20.4%

Source: 18-10-0005-01 (formerly CANSIM 326-0021) for CPI, 36-10-0222-01 (formerly CANSIM 384-0038) for values

# Appendix D

Year	Petroleum Refineries	Seafood Product Preparation and Packaging	Pulp Mills	Sawmills and Wood Preservation	Paper Mills
2010	64%	5%	5%	2%	3%
2011	68%	4%	4%	2%	3%
2012	70%	5%	3%	2%	3%
2013	69%	5%	4%	3%	3%
2014	63%	7%	4%	3%	3%
2015	55%	9%	4%	4%	3%
2016	52%	11%	5%	5%	3%
2017	59%	10%	5%	4%	3%
2018	55%	9%	5%	4%	3%

Source: Trade Data Online, 18-10-0005-01 (formerly CANSIM 326-0021) for CPI

