

GOAL 5: VALUE OF EXPORTS

New Brunswick will increase the value of its total annual exports from \$20.9 billion to \$39.38 billion* by 2028.*

**Prices in 2017 constant dollars*

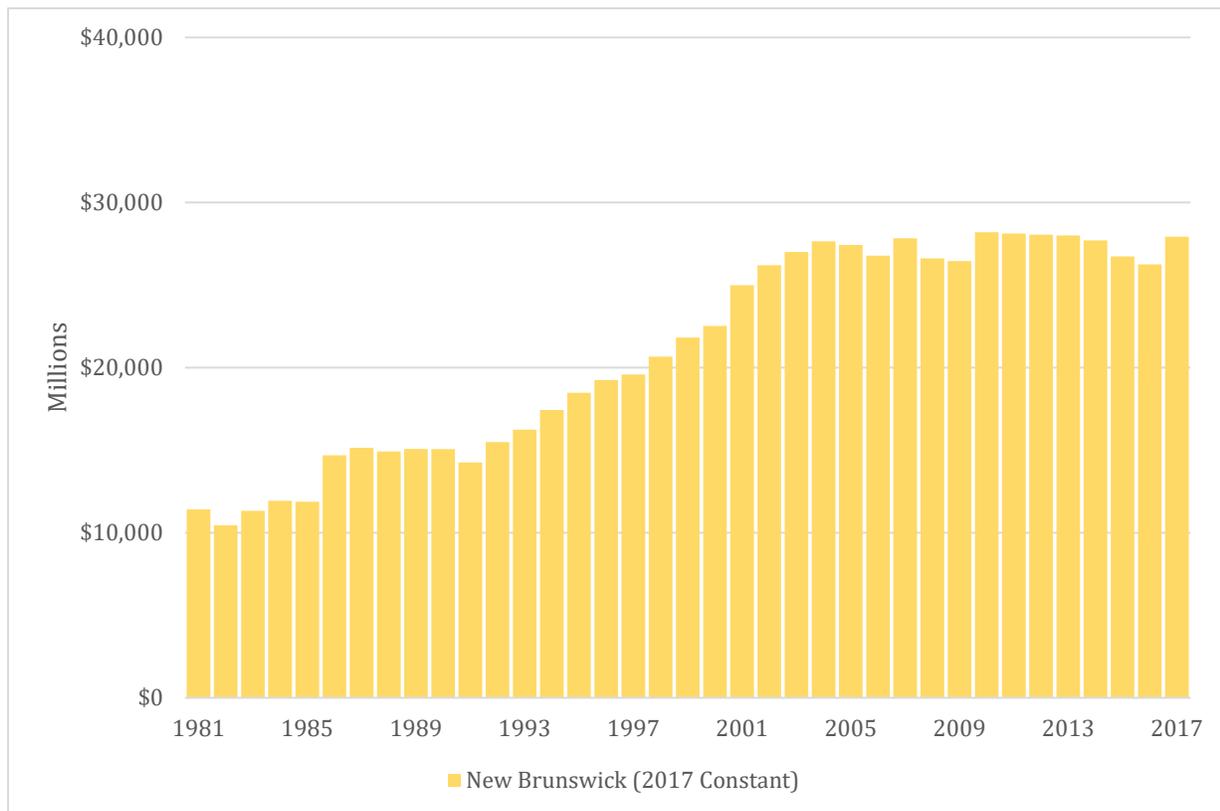
Status: NOT PROGRESSING

Current Situation

As described in *OneNS*, Nova Scotia has set a goal of increasing the value of its total annual exports by 50%. If New Brunswick follows this strategy for growth, it will aim to increase the value of its exports from \$26.25 billion (the province's 2016 total) to \$39.38 billion (50% of the 2016 baseline) by 2028.

Overall, the value of New Brunswick's exports has drastically increased since 1981, though the province saw decreases following the loss of forest products, pulp, and paper in 2006 and in 2014 (see Figure 1). There have been no growth trends in the value of New Brunswick's exports of goods and services since 2004. 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 we aren't certain if the pre-2004 economy, or the post-2004 economy, is the normal state of affairs for New Brunswick. With a resumption 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.

Figure 1: Interprovincial and International Exports (billions, 2017 constant dollars)



Interpreting the Data

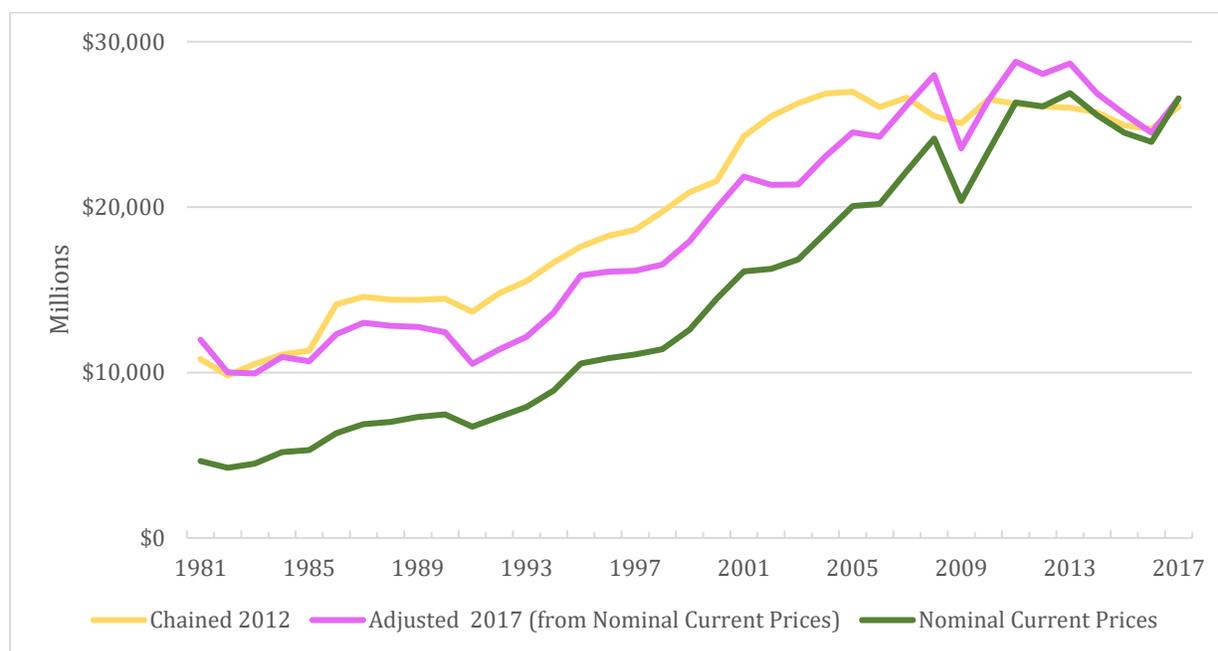
In many sectors, the value of New Brunswick’s exports has been rapidly increasing. For example, between 2000 and 2017, the export value of basic and industrial chemicals and plastic and rubber products grew by 46.36%. However, the overall rate of increase for all commodities (6.19%) is less significant than the growth rates of previous years. If New Brunswick’s exports can reach pre-recession levels of growth, the province may be able to achieve the suggested goal of \$39.38 billion. On the other hand, if the current, slower trend of growth continues, it is unlikely that New Brunswick will see any significant increase in the total annual value of its exports by 2028.

Data: Figure 1	New Brunswick (Millions)
1981	\$11,414
1982	\$10,447
1983	\$11,328
1984	\$11,931
1985	\$11,879
1986	\$14,687
1987	\$15,143
1988	\$14,927
1989	\$15,075

1990	\$15,068
1991	\$14,255
1992	\$15,489
1993	\$16,247
1994	\$17,437
1995	\$18,480
1996	\$19,252
1997	\$19,590
1998	\$20,668
1999	\$21,822
2000	\$22,521
2001	\$24,995
2002	\$26,203
2003	\$27,004
2004	\$27,651
2005	\$27,432
2006	\$26,790
2007	\$27,836
2008	\$26,622
2009	\$26,456
2010	\$28,202
2011	\$28,122
2012	\$28,054
2013	\$28,009
2014	\$27,709
2015	\$26,733
2016	\$26,256
2017	\$27,929

Source: Statistics Canada, CANSIM Table 384-0038: Gross domestic product, expenditure based, provincial and territorial, annual (dollars unless otherwise noted); Statistics Canada, CANSIM Table 326-0021: Consumer Price Index, annual average, not seasonally adjusted used to adjust for changes in cost of living over time.

Figure 2: Interprovincial and International Exports, Real and Nominal Values (millions, 2017 constant dollars)



Interpreting the Data

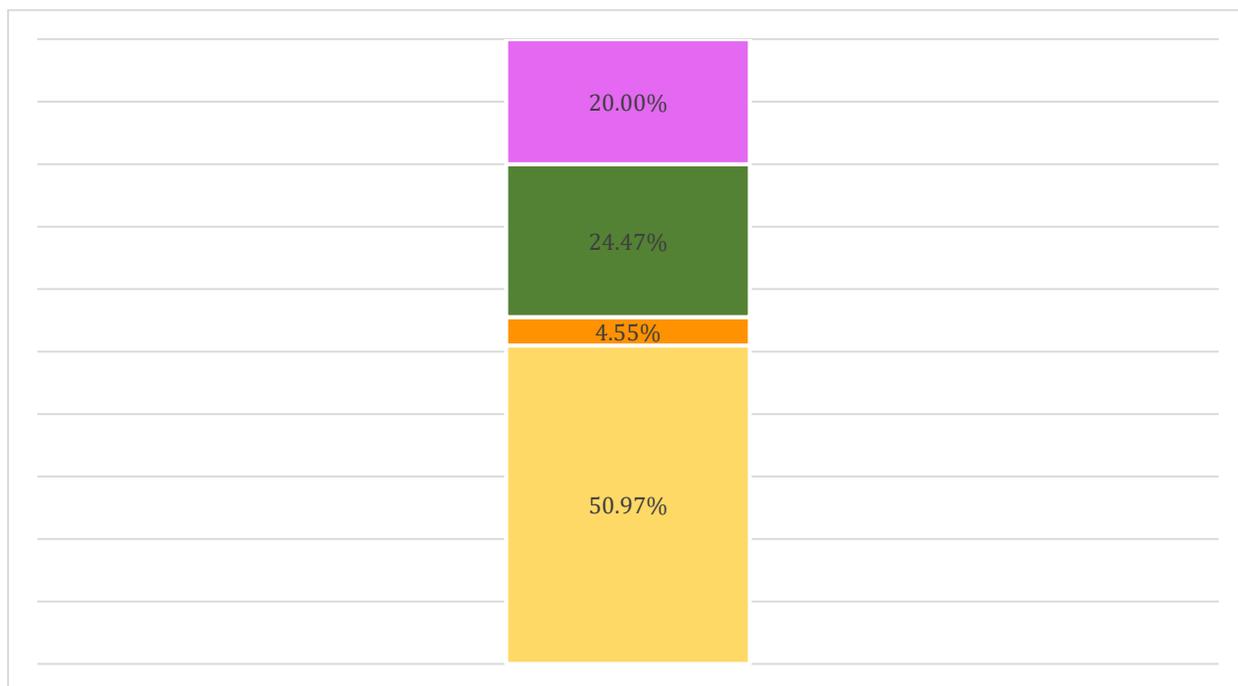
New Brunswick's total export value increased steadily after 2004 when converted to real value (2018 constant dollars), whereas nominal values increased vigorously due to inflation (see Figure 2).

Data: Figure 2	Chained 2012	2017 Adjusted	Nominal Current Prices
1981	\$10,818	\$11,991	\$4,652
1982	\$9,825	\$10,008	\$4,241
1983	\$10,513	\$9,943	\$4,494
1984	\$11,081	\$10,936	\$5,193
1985	\$11,327	\$10,685	\$5,310
1986	\$14,127	\$12,317	\$6,337
1987	\$14,577	\$13,010	\$6,882
1988	\$14,404	\$12,822	\$7,017
1989	\$14,396	\$12,762	\$7,315
1990	\$14,461	\$12,445	\$7,465
1991	\$13,671	\$10,530	\$6,726
1992	\$14,796	\$11,405	\$7,328
1993	\$15,531	\$12,164	\$7,918
1994	\$16,656	\$13,616	\$8,915
1995	\$17,619	\$15,872	\$10,549
1996	\$18,264	\$16,100	\$10,860
1997	\$18,635	\$16,158	\$11,096
1998	\$19,718	\$16,525	\$11,411
1999	\$20,908	\$17,945	\$12,597

2000	\$21,575	\$19,955	\$14,464
2001	\$24,290	\$21,845	\$16,117
2002	\$25,492	\$21,349	\$16,272
2003	\$26,278	\$21,361	\$16,835
2004	\$26,867	\$23,069	\$18,445
2005	\$26,973	\$24,520	\$20,072
2006	\$26,053	\$24,258	\$20,190
2007	\$26,617	\$26,161	\$22,193
2008	\$25,502	\$27,982	\$24,143
2009	\$25,070	\$23,554	\$20,376
2010	\$26,522	\$26,465	\$23,379
2011	\$26,238	\$28,791	\$26,333
2012	\$26,087	\$28,054	\$26,087
2013	\$26,008	\$28,683	\$26,890
2014	\$25,732	\$26,867	\$25,556
2015	\$24,944	\$25,632	\$24,499
2016	\$24,720	\$24,503	\$23,943
2017	\$26,078	\$26,569	\$26,569

Source: Statistics Canada, CANSIM Table 384-0038: Gross domestic product, expenditure-based, provincial and territorial, annual (dollars unless otherwise noted); Statistics Canada, CANSIM Table 326-0021: Consumer Price Index, annual average, not seasonally adjusted

Figure 3: Exports by Type and Destination, NB (2017)



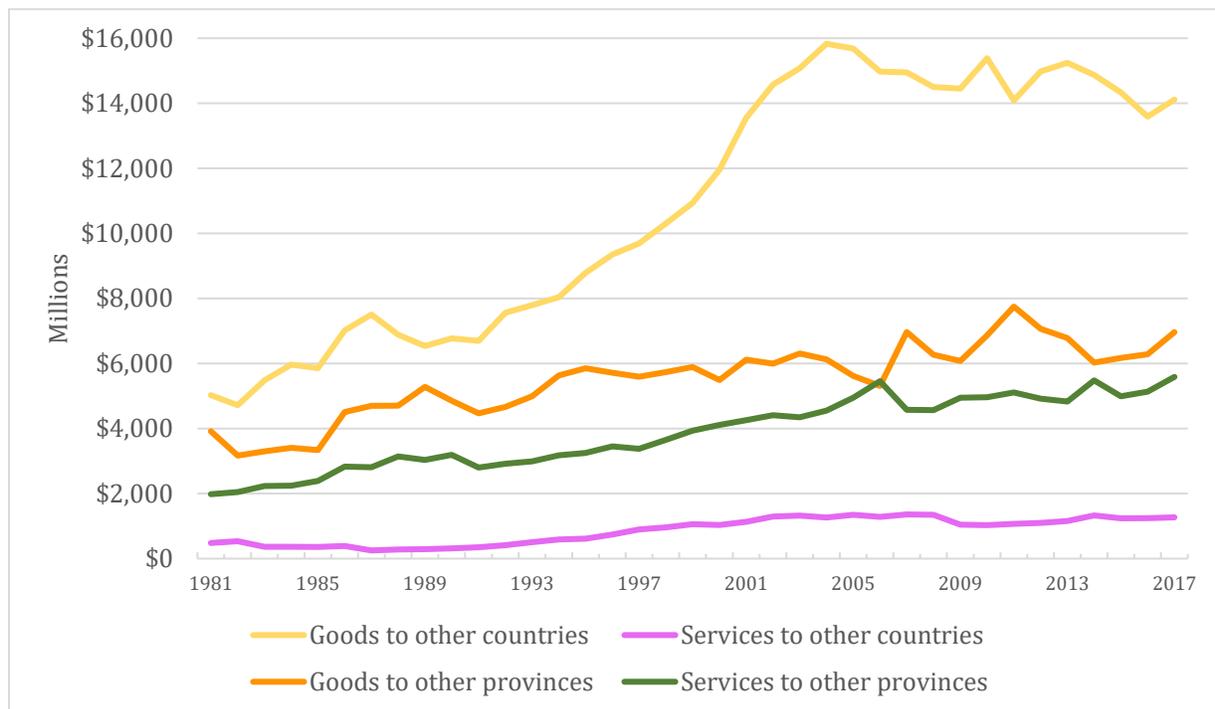
Interpreting the Data

In 2017, goods exported to foreign countries accounted for just over half of the value of New Brunswick's total exports, and goods exported to other Canadian provinces accounted for just under a quarter. Collectively, international and interprovincial service exports accounted for just over a quarter of the total value (see Figure 3).

Data: Figure 3	PERCENTAGE OF TOTAL VALUE - NB
Exports of goods to other countries	50.97%
Exports of services to other countries	4.55%
Exports of goods to other provinces	24.47%
Exports of services to other provinces	20.00%

Source: Statistics Canada, CANSIM Table 384-0038: Gross domestic product, expenditure-based, provincial and territorial, annual (dollars unless otherwise noted)

Figure 4: Exports by Type and Destination (in millions, 2017 constant dollars)



Interpreting the Data

Goods continue to make-up most of the dollar-value for New Brunswick’s exports. In 2017 goods exported to other countries contributed \$14.1 billion to the province’s economy, while interprovincial exports generated \$6.9 billion. Collectively these two numbers make up 75.44% of all export revenue within the province. Services to other countries brought in approximately \$1.3 billion, and services to other provinces contributed \$5.6 billion. The composition of total export value has remained relatively unchanged since 2000.

Data: Figure 4	Goods to other Countries	Services to other Countries	Goods to other Provinces	Services to other Provinces
1981	\$5,026	\$479	\$3,917	\$1,981
1982	\$4,717	\$533	\$3,168	\$2,048
1983	\$5,480	\$361	\$3,299	\$2,234
1984	\$5,964	\$363	\$3,408	\$2,240
1985	\$5,859	\$359	\$3,336	\$2,386
1986	\$7,016	\$387	\$4,508	\$2,828
1987	\$7,507	\$252	\$4,695	\$2,809
1988	\$6,886	\$279	\$4,701	\$3,141
1989	\$6,536	\$293	\$5,280	\$3,033
1990	\$6,772	\$314	\$4,854	\$3,189
1991	\$6,694	\$348	\$4,467	\$2,799
1992	\$7,559	\$412	\$4,662	\$2,918
1993	\$7,796	\$505	\$4,989	\$2,991
1994	\$8,037	\$588	\$5,633	\$3,178

1995	\$8,785	\$613	\$5,851	\$3,248
1996	\$9,352	\$739	\$5,715	\$3,448
1997	\$9,692	\$895	\$5,593	\$3,378
1998	\$10,304	\$962	\$5,734	\$3,651
1999	\$10,936	\$1,058	\$5,889	\$3,933
2000	\$11,959	\$1,036	\$5,488	\$4,112
2001	\$13,549	\$1,133	\$6,115	\$4,258
2002	\$14,575	\$1,294	\$5,995	\$4,410
2003	\$15,075	\$1,324	\$6,306	\$4,346
2004	\$15,829	\$1,265	\$6,126	\$4,549
2005	\$15,684	\$1,349	\$5,618	\$4,945
2006	\$14,976	\$1,283	\$5,310	\$5,458
2007	\$14,949	\$1,358	\$6,968	\$4,577
2008	\$14,499	\$1,349	\$6,270	\$4,564
2009	\$14,450	\$1,043	\$6,078	\$4,949
2010	\$15,386	\$1,028	\$6,862	\$4,962
2011	\$14,089	\$1,068	\$7,748	\$5,109
2012	\$14,977	\$1,096	\$7,065	\$4,916
2013	\$15,242	\$1,156	\$6,783	\$4,829
2014	\$14,873	\$1,329	\$6,027	\$5,481
2015	\$14,332	\$1,241	\$6,172	\$4,989
2016	\$13,590	\$1,246	\$6,285	\$5,135
2017	\$14,112	\$1,270	\$6,961	\$5,587

Source: Statistics Canada, CANSIM Table 384-0038: Gross domestic product, expenditure-based, provincial and territorial, annual (dollars unless otherwise noted); Statistics Canada, CANSIM Table 326-0021: Consumer Price Index, annual average, not seasonally adjusted

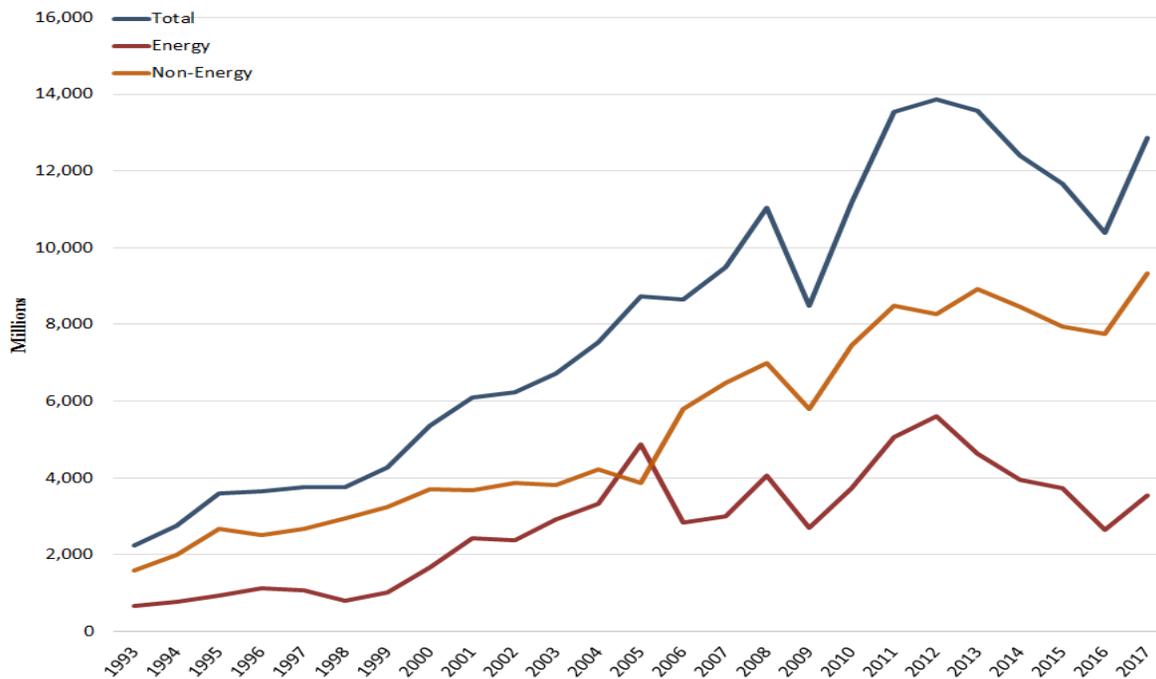
Table 1: International Merchandise Export by Select Commodity, 2017

The total value of New Brunswick’s international goods exports has been steadily increasing since the early 2000s, but there have been notable shifts in the types of commodities being exported (see Table 1). Forestry products and building and packaging materials saw a slow annual increase in value from 2000 to 2017 (only 0.91%), but the province experienced significant growth in its largest merchandise export categories: basic and industrial chemicals, plastic and rubber products, and energy products. Although the export value of basic and industrial chemicals and plastic and rubber products declined between 2013 and 2016, it increased between 2016 and 2017, and their total value has multiplied more than 78 times since 2000. Looking forward, it is likely that New Brunswick will see a positive trend in export growth rates, particularly in non-energy exports, though it is possible this growth may increase at a slower (albeit more stable) pace than the average 2000-2017 rates.

Table 1: International Merchandise Export by Select Commodity, 2017 (Chained 2017 Dollars x 1,000,000)			
Commodity	Value (millions)	Share of total (%)	2000-2017 average annual growth
Basic and Industrial Chemicals, Plastic and Rubber Products	\$3,963.1	30.8%	46.36%
Energy Products	\$3,537.9	27.5%	8.55%
Forestry Products and Building and Packaging Materials	\$2,278.5	17.7%	0.91%
Consumer Goods	\$1,763.4	13.7 %	5.45%
Sub-Total	\$11,542.9	89.7%	6.45%
Total	\$12,872.5	100%	6.19%

Source: Statistics Canada, CANSIM Table 228-0060: Merchandise imports and domestic exports, customs-based, by North American Product Classification System (NAPCS), Canada, provinces and territories, monthly (dollars x 1,000,000); Statistics Canada, CANSIM Table 326-0021: Consumer Price Index, annual average, not seasonally adjusted

Figure 5: International Merchandise Exports (in millions, 2017 constant dollars)



Interpreting the Data

Although the total value of non-energy exports is significantly greater than that of energy exports, both industry sectors followed a similar positive trend of growth until 2005, when the energy export sector saw a sharp decline. The total value of New Brunswick's exports was hampered by this change and has been fluctuating ever since, though it still exhibits overall growth.

Data: Figure 5	TOTAL (millions)	ENERGY (millions)	NON-ENERGY (millions)
1993	\$2,235.63	\$660.87	\$1,574.76
1994	\$2,766.61	\$778.93	\$1,987.68
1995	\$3,601.52	\$939.59	\$2,661.93
1996	\$3,639.63	\$1,118.26	\$2,521.37
1997	\$3,756.94	\$1,083.47	\$2,673.47
1998	\$3,769.84	\$812.43	\$2,957.41
1999	\$4,271.98	\$1,017.73	\$3,254.25
2000	\$5,365.76	\$1,657.65	\$3,708.10
2001	\$6,102.38	\$2,433.94	\$3,668.44
2002	\$6,223.93	\$2,362.35	\$3,861.59
2003	\$6,713.59	\$2,911.36	\$3,802.24
2004	\$7,545.92	\$3,333.85	\$4,212.07
2005	\$8,740.98	\$4,869.59	\$3,871.39
2006	\$8,637.54	\$2,836.54	\$5,801.00
2007	\$9,486.37	\$3,001.88	\$6,484.50

2008	\$11,050.98	\$4,069.16	\$6,981.82
2009	\$8,499.70	\$2,692.51	\$5,807.19
2010	\$11,188.77	\$3,724.97	\$7,463.80
2011	\$13,527.16	\$5,052.80	\$8,474.36
2012	\$13,857.60	\$5,598.14	\$8,259.46
2013	\$13,555.97	\$4,621.41	\$8,934.56
2014	\$12,396.01	\$3,940.43	\$8,455.58
2015	\$11,670.42	\$3,725.87	\$7,944.55
2016	\$10,399.15	\$2,644.13	\$7,755.03
2017	\$12,872.50	\$3,537.90	\$9,334.60

Source: Statistics Canada, CANSIM Table 228-0060: Merchandise imports and domestic exports, customs-based, by North American Product Classification System (NAPCS), Canada, provinces and territories, monthly (dollars x 1,000,000); Statistics Canada, CANSIM Table 326-0021: Consumer Price Index, annual average, not seasonally adjusted

Changes to the Indicator, Baseline, or Target:

- Because the suggested goal assumes to measure exports in real 2017 dollars (as opposed to current prices), the chained 2002 dollar has been re-indexed to the chained 2017 dollar to reflect 2017 purchasing power.