

GOAL 6: FIRMS PARTICIPATING IN FOREIGN EXPORT TRADE

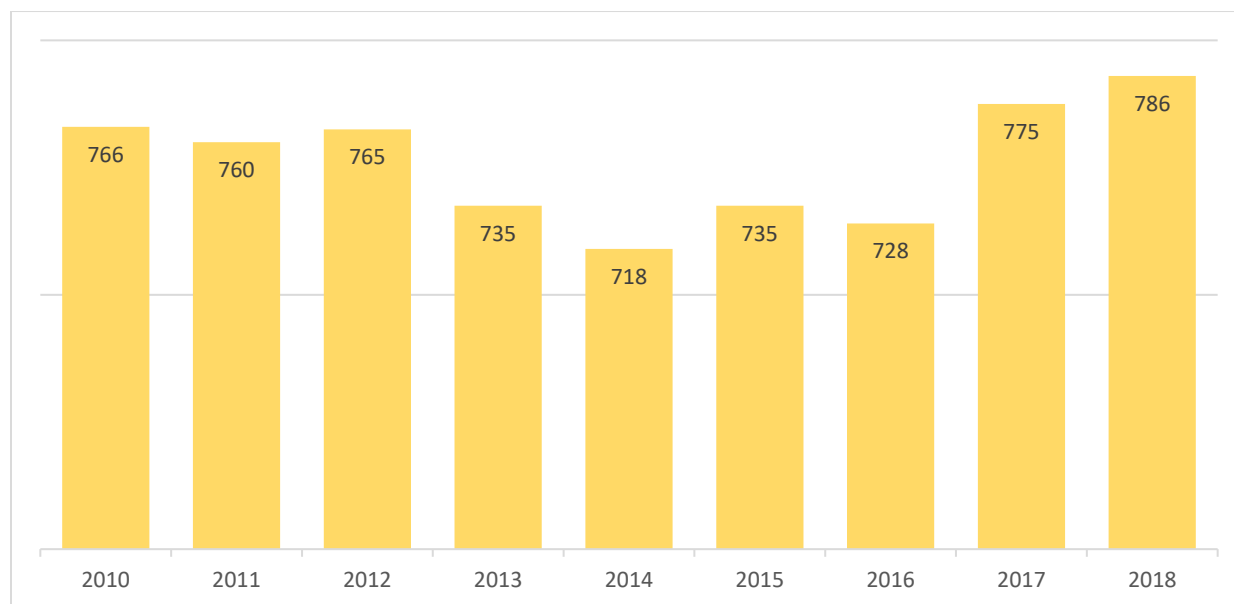
By 2028, New Brunswick will have at least 1,080 firms participating in foreign export trade.

Status: NOT PROGRESSING

Current Situation

As outlined in *OneNS*, Nova Scotia has set a goal to increase the number of firms participating in international export trade by 50% of its 2012 total. If New Brunswick adopts a similar strategy and uses 2014 as a baseline year, the province would aim to increase the number of firms from 718 (the 2014 total) to 1,080 by 2028.

Figure 1: New Brunswick Firms Participating in Export Trade (2010-2018)



Interpreting the Data

The suggested 2014 baseline (718 firms) reflects the lowest number of New Brunswick firms participating in foreign export trade this decade. Recently, the province saw an increase from 775 firms in 2017 to 786 in 2018, even though the total dollar value of New Brunswick exports has been decreasing since 2012. Despite this progress, the number of exporting firms has only fluctuated slightly since 2010, and there is no indication whether 2019 will see yet another increase. Currently, New Brunswick is not on track to meet the suggested target of 1,080 firms participating in foreign export trade by the year 2028.

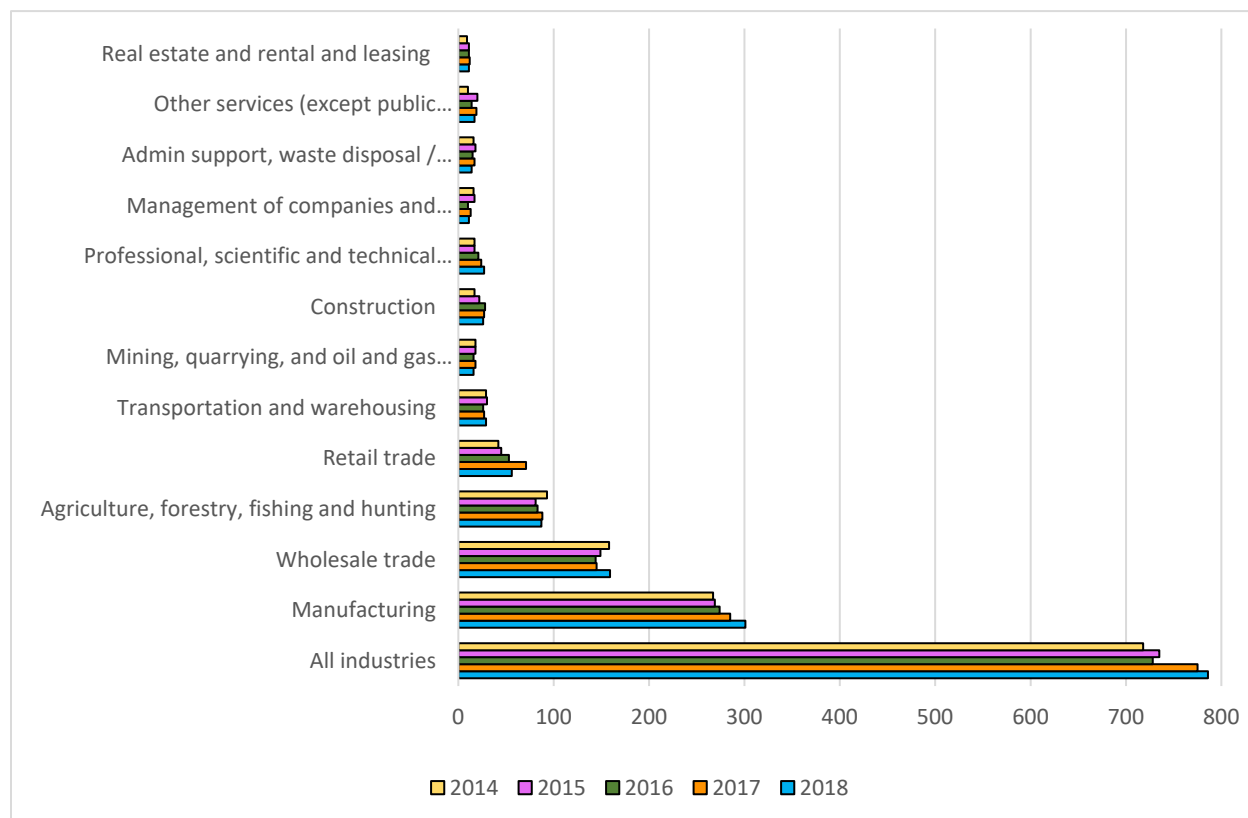
Over the last decade, there has been little variation in the number of New Brunswick businesses participating in foreign markets. The province has not seen any clear, long-term upward or downward trends between 2012 and 2018, during which time amounts fluctuated only slightly. Although there was a significant jump in the number of firms between 2016 and 2018, it is too soon to tell whether this could be the beginning of an upward trend.

Data: Figure 1	Participants
2010	766
2011	760
2012	765
2013	735
2014	718
2015	735
2016	728
2017	775

2018	785
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Source: Statistics Canada, Table 12-10-0104-01 (formerly CANSIM 228-0079)

Figure 2: Number of Exporting Establishments (NB), by Industry (2014 – 2018)



Interpreting the Data

The majority of New Brunswick establishments involved in international export fall into the production categories of manufacturing and agriculture, forestry, fishing, and hunting, as well as service industries, such as wholesale trade.

Industry	Number of Exporting Firms (2014)	Number of Exporting Firms (2015)	Number of Exporting Firms (2016)	Number of Exporting Firms (2017)	Number of Exporting Firms (2018)
Other services (except public administration)	10	20	14	19	17
Arts, entertainment and recreation	5	6	4	6	5
Admin support, waste disposal / remediation	16	18	15	17	14
Management of companies and enterprises	16	17	10	13	11
Professional, scientific and technical services	17	17	21	24	27

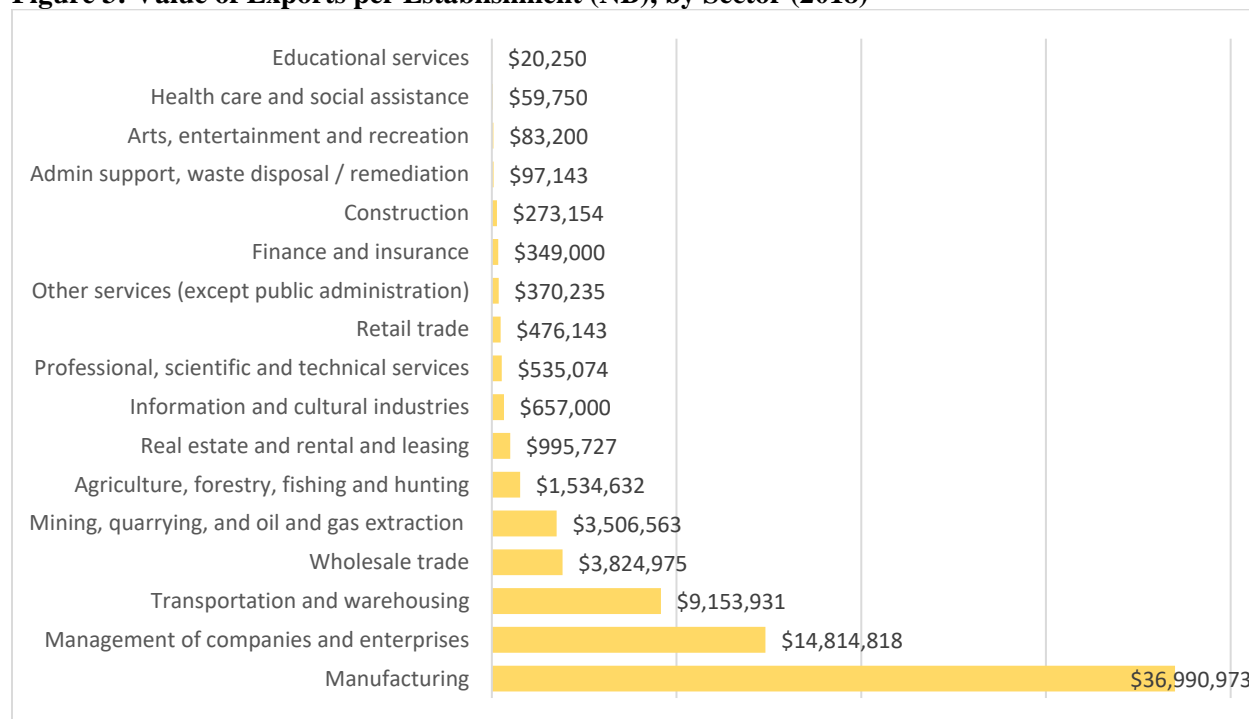
Real estate and rental and leasing	9	11	11	12	11
Finance and insurance	5	7	6	5	3
Information and cultural industries	5	9	6	5	4
Transportation and warehousing	29	30	26	27	29
Retail trade	42	45	53	71	56
Wholesale trade	158	149	144	145	159
Manufacturing	267	269	274	285	301
Construction	17	22	28	27	26
Utilities	7	6	6	7	8
Mining, quarrying, and oil and gas extraction	18	18	16	18	16
Agriculture, forestry, fishing and hunting	93	81	83	88	87
All industries	718	735	728	775	786

**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 certain counts have been omitted.*

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

Figure 3: Value of Exports per Establishment (NB), by Sector (2018)



Interpreting the Data

The manufacturing industry accounted for 90% of the value of New Brunswick's merchandise exports in 2017, bringing in \$36.9 million dollars and producing the largest value per exporting establishment in the province. After manufacturing, the largest value of exports per establishment came from the corporate management industry, which produced \$14.8 million per establishment. However, the high value per establishment in the utilities industry is due to the small number of firms sharing the large profit. Altogether, manufacturing, wholesale trade, and utilities were responsible for 94.49% of the value of New Brunswick's exports in 2018, and they represent 59.54% of the province's exporting establishments.

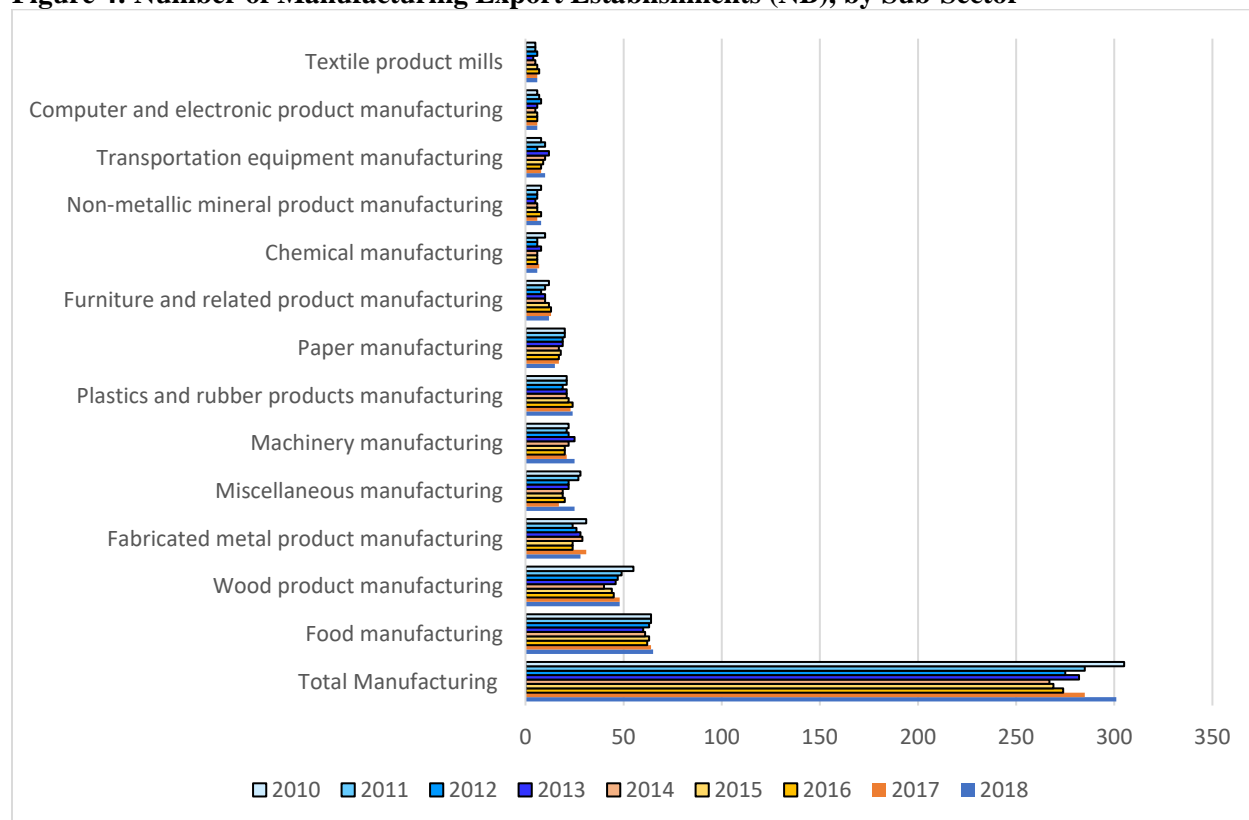
Industry	Value of Exports per Establishment (2017)	Value of Exports per Establishment (2018)
Agriculture, forestry, fishing and hunting	\$1,088,432	\$1,534,632
Mining, quarrying, and oil and gas extraction	\$6,050,667	\$3,506,563
Utilities	\$19,707,429	\$10,125,125
Construction	\$230,556	\$273,154
Manufacturing	\$39,564,589	\$36,990,973
Wholesale trade	\$4,031,593	\$3,824,975
Retail trade	\$375,930	\$476,143
Transportation and warehousing	\$2,529,074	\$9,153,931
Information and cultural industries	\$274,400	\$657,000
Finance and insurance	\$1,864,200	\$349,000

Real estate and rental and leasing	\$399,250	\$995,727
Professional, scientific and technical services	\$725,500	\$535,074
Management of companies and enterprises	\$13,328,231	\$14,814,818
Admin support, waste disposal / remediation	\$99,941	\$97,143
Educational services	-	\$20,250
Health care and social assistance	\$11,667	\$59,750
Arts, entertainment and recreation	\$99,667	\$83,200
Accommodation and food services*	-	-
Other services (except public administration)	\$312,684	\$370,235
Public administration*	-	-

**Statistics Canada has deemed the number of certain establishments unreliable; therefore, value per establishment has been omitted.*

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

Figure 4: Number of Manufacturing Export Establishments (NB), by Sub-Sector



Interpreting the Data

Within the manufacturing sector, food manufacturing firms comprised the largest number of establishments exporting merchandise from New Brunswick in 2018. 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, in 2018 the number of exporting firms was still slightly lower than in 2010, but has mostly returned to normal.

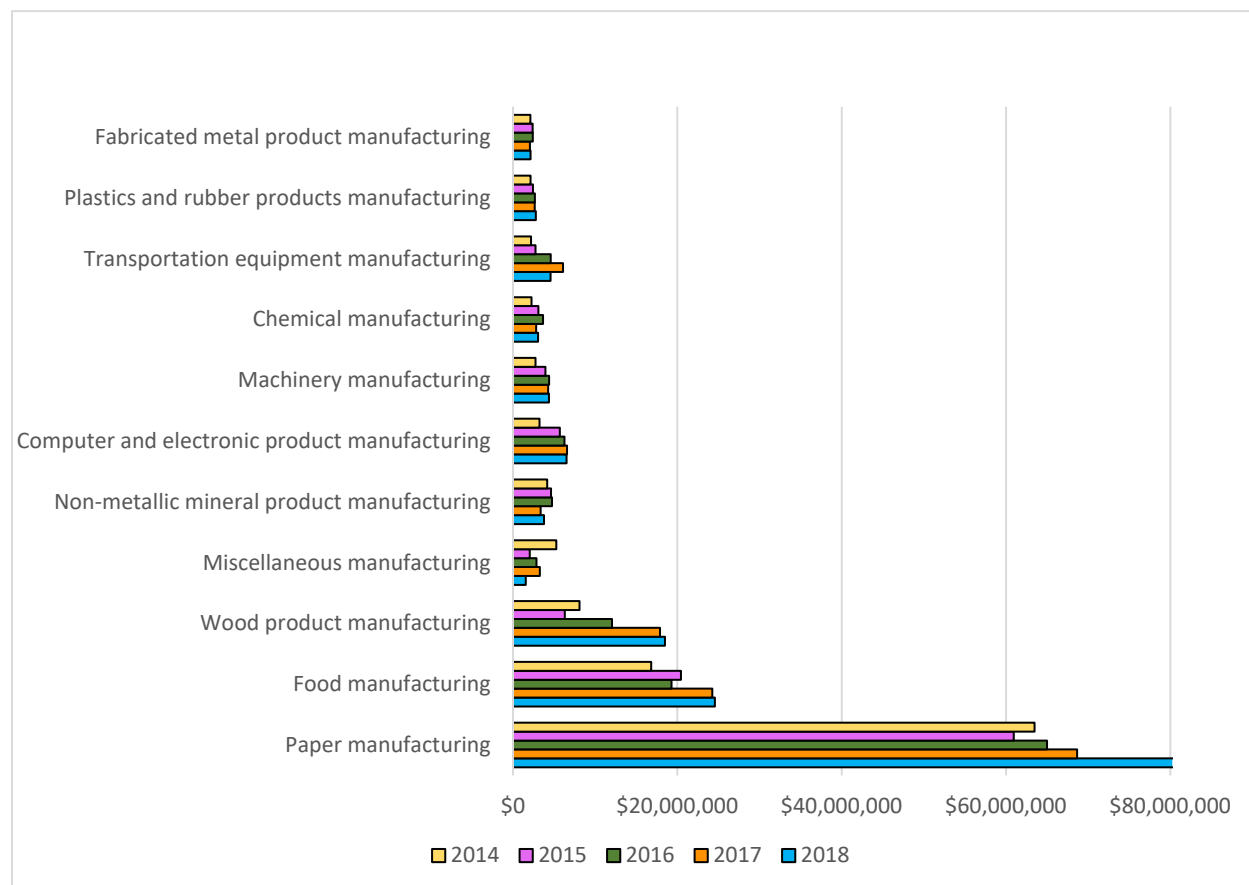
Manufacturing Sub-sector	2010	2011	2012	2013	2014	2015	2016	2017	2018
Miscellaneous manufacturing	28	27	22	22	19	19	20	17	25
Furniture and related product manufacturing	12	10	8	10	10	12	13	13	12
Transportation equipment manufacturing	8	10	6	12	10	9	8	8	10
Electrical equipment, appliance and component manufacturing	3	3	5	5	4	F	F	F	5

Computer and electronic product manufacturing	6	7	8	6	5	6	6	6	6
Machinery manufacturing	22	21	22	25	22	20	20	21	25
Fabricated metal product manufacturing	31	24	26	28	29	24	24	31	28
Primary metal manufacturing	F	F	F	F	F	F	F	F	F
Non-metallic mineral product manufacturing	8	6	6	5	6	6	8	6	8
Plastics and rubber products manufacturing	21	21	19	21	21	22	24	23	24
Chemical manufacturing	10	6	6	8	6	6	6	7	6
Petroleum and coal product manufacturing	F	F	F	F	F	F	F	F	3
Printing and related support activities	F	F	F	F	3	F	F	3	F
Paper manufacturing	20	20	19	19	17	18	17	17	15
Wood product manufacturing	55	49	47	46	40	44	45	48	48
Leather and allied product manufacturing	F	F	F	F	F	F	F	F	F
Clothing manufacturing	F	F	F	F	F	F	F	3	6
Textile product mills	5	5	6	4	5	6	7	6	6
Textile mills	3	F	F	F	F	F	F	F	F
Beverage and tobacco product manufacturing	F	F	3	F	F	F	F	3	F
Food manufacturing	64	64	63	60	61	63	62	64	65

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

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

Figure 5: Value of Exports per Establishment (NB), by Manufacturing Sub-Sector (2018)



Interpreting the Data

Within the manufacturing sub-sector of foreign export businesses, the food and paper manufacturing industries had the highest value of exports per establishment within New Brunswick in 2018. Paper manufacturing saw a significant increase in its value per establishment compared to 2017, this was caused by an increase in the total value of exports, but also by a decrease in the number of exporting firms from 17 to 15 within the sector.

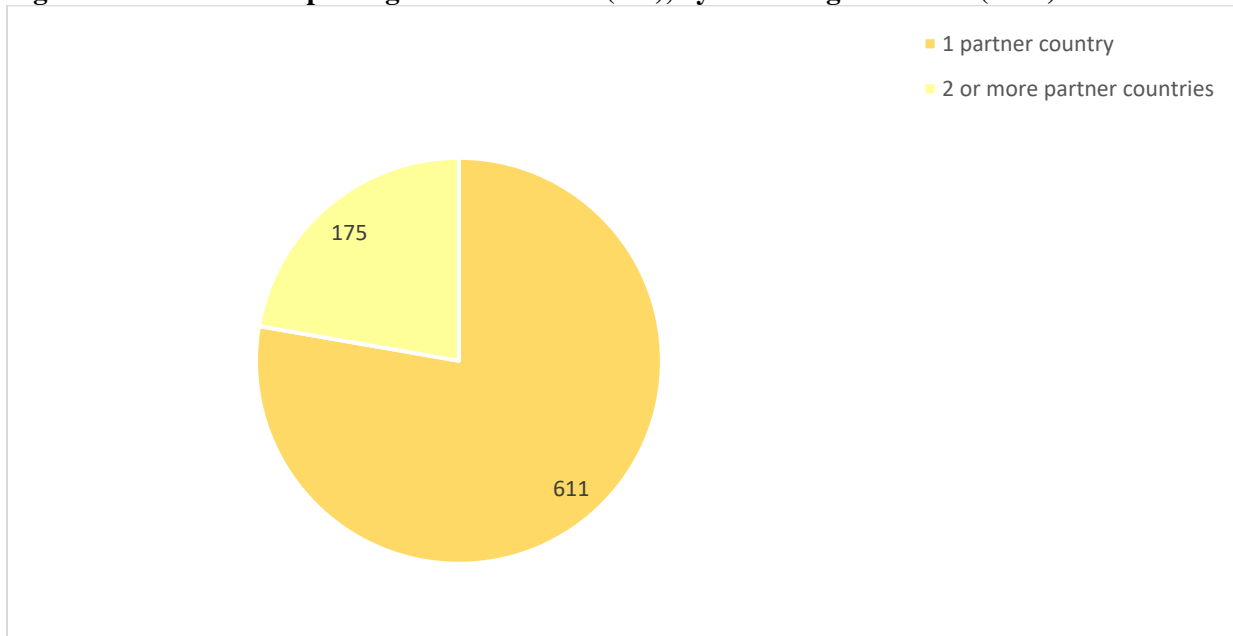
Data: Figure 5	2014	2015	2016	2017	2018
Paper manufacturing	\$63,479,471	\$60,947,944	\$64,987,529	\$68,655,706	\$85,568,200
Food manufacturing	\$16,807,639	\$20,436,968	\$19,286,645	\$24,248,234	\$24,562,462
Wood product manufacturing	\$8,094,700	\$6,308,455	\$12,051,600	\$17,878,354	\$18,486,792
Miscellaneous manufacturing	\$5,269,474	\$2,038,053	\$2,863,000	\$3,262,647	\$1,546,680
Non-metallic mineral product manufacturing	\$4,160,833	\$4,625,167	\$4,734,750	\$3,362,667	\$3,769,875

Computer and electronic product manufacturing	\$3,223,600	\$5,697,667	\$6,266,667	\$6,570,167	\$6,512,833
Machinery manufacturing	\$2,733,818	\$3,955,000	\$4,390,600	\$4,270,238	\$4,378,120
Chemical manufacturing	\$2,247,667	\$3,096,667	\$3,649,833	\$2,806,429	\$3,049,667
Transportation equipment manufacturing	\$2,191,600	\$2,736,333	\$4,593,125	\$6,082,625	\$4,577,100
Plastics and rubber products manufacturing	\$2,132,286	\$2,432,727	\$2,669,292	\$2,647,478	\$2,775,958
Fabricated metal product manufacturing	\$2,117,517	\$2,386,583	\$2,406,542	\$2,053,710	\$2,131,786
Electrical equipment, appliance and component manufacturing	\$2,075,250	#VALUE!	#VALUE!	#VALUE!	\$3,000,000
Furniture and related product manufacturing	\$360,200	\$343,500	\$469,846	\$407,692	\$586,000
Textile product mills	\$221,200	\$258,333	\$264,714	\$286,167	\$293,167

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.

Figure 6: Number of Exporting Establishments (NB), by Receiving Countries (2018)



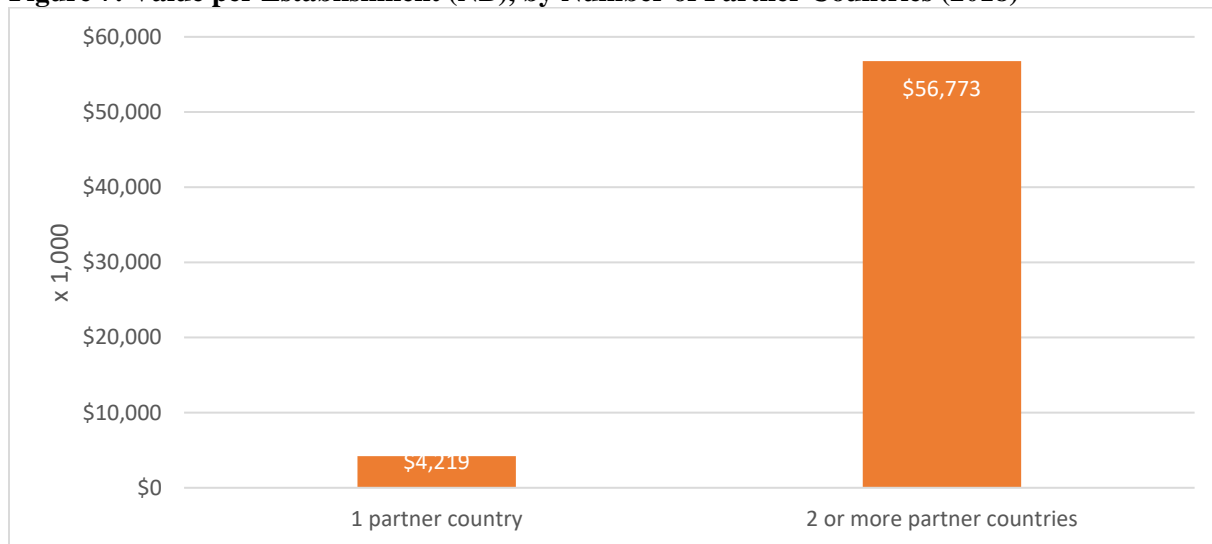
Interpreting the Data

Of the 786 New Brunswick businesses participating in international trade in 2018, roughly 78% of them exported to only one country.

Group	Number of Establishments	Value of Exports (CAD 2018)	Share of Firms
1 partner country	611	\$2,577,530	78%
2 or more partner countries	175	\$9,935,245	22%

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

Figure 7: Value per Establishment (NB), by Number of Partner Countries (2018)



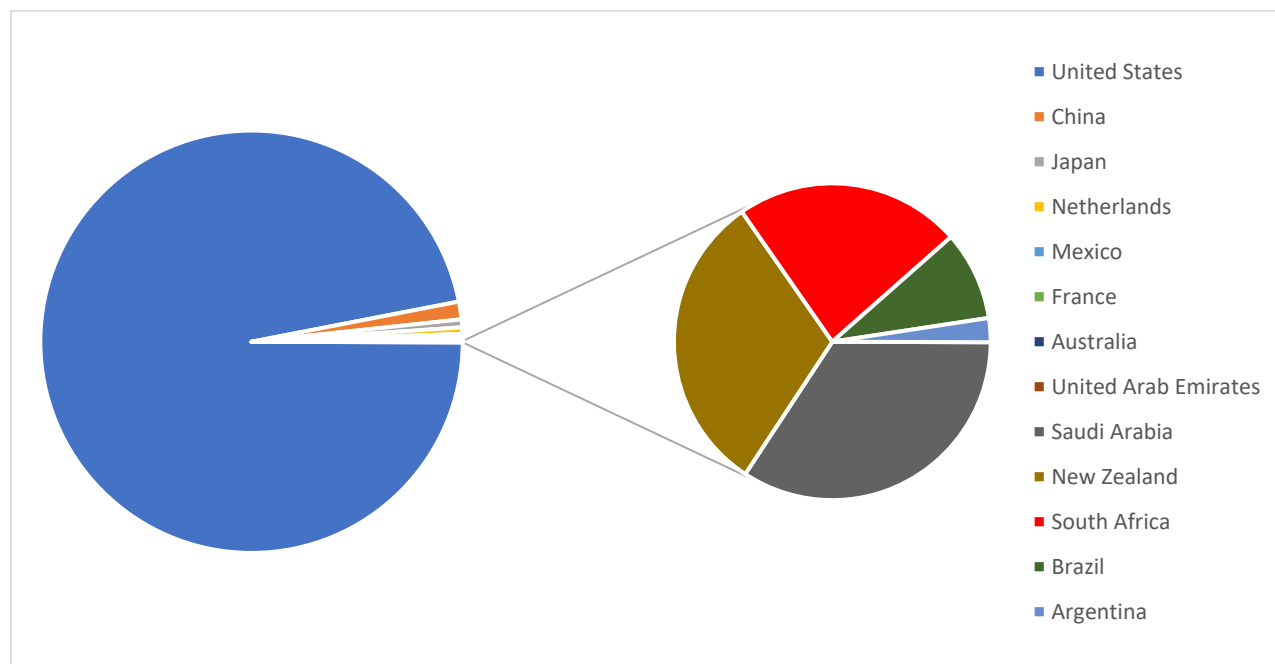
Interpreting the Data

Establishments that diversified their partnerships and shipped to multiple countries produced more value. The 175 establishments that exported merchandise to two or more partner countries produced 79% of New Brunswick's \$12 million export value, despite making up only 22% of the province's export establishments. These numbers suggest 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

Group	Value per Establishment (CAD 2018)
1 partner country	\$4,219
2 or more partner countries	\$56,773

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

Figure 8: New Brunswick's 10 Largest Export Destinations (2018)



Interpreting the Data

The primary destination for New Brunswick's exports is the United States. In 2018, the United States received 91% of all the province's international merchandise exports, with products coming from 673 New Brunswick establishments. The number of exporting establishments to the US remained unchanged from last year, but the province has seen growth in the number of firms exporting internationally.

Trading Partner	Value of Exports	Number of Establishments	Value Per Exporting Establishment (CAD 2017)
United States	\$11,343,395,000	673	\$16,854,970
China	\$158,635,000	57	\$2,783,070
Japan	\$70,674,000	29	\$2,437,034
Netherlands	\$57,421,000	33	\$1,740,030
Mexico	\$34,880,000	19	\$1,835,789
France	\$13,328,000	57	\$233,825
Australia	\$9,284,000	34	\$273,059
United Arab Emirates	\$6,171,000	11	\$561,000
Saudi Arabia	\$4,251,000	7	\$607,286
New Zealand	\$3,859,000	16	\$241,188
South Africa	\$2,878,000	10	\$287,800
Brazil	\$1,132,000	11	\$102,909
Argentina	\$305,000	8	\$38,125

Source: Statistics Canada, Table 12-10-0104-01 (formerly CANSIM 228-0079)

*Note that the sum of the exporting establishments column exceeds the provincial total of 775. This is because some establishments export to two or more countries.

Changes to the Indicator, Baseline or Target:

- The suggested goal of 1,080 foreign export firms in New Brunswick mirrors the strategy used by *OneNS*. The *OneNS* website based its numerical target for Nova Scotian firms participating in international export trade on the province's lowest 6-year participant count (930 firms in 2012). The baseline for New Brunswick's goal (718 firms in 2014) has been rounded slightly to produce an even-numbered target.
- The strategy for determining value per exporting establishment was also taken from *OneNS*. Value per exporting establishment was calculated by dividing an industry's total export value by the number of participating firms within that industry.
- Certain manufacturing sub-sectors were not assigned values per exporting establishment because Statistics Canada deemed the data on certain establishments to be unreliable.