

Forestry has been a cornerstone of the New Brunswick economy for generations, generating economic growth, recreational activities, and environmental sustainability among communities and families. There are approximately six million hectares of forest land in the province. About 50 per cent is Crown land, 35 per cent is private woodlots, and 15 per cent is industrial freehold. In addition to private and industrial landowners, there are 425 forest and logging companies, and 85 support businesses. In 2016, the primary forest sector generated \$518 million in revenues. About two-thirds of these revenues were generated by softwood (mainly spruce-fir-jack pine), with hardwood contributing around one-third.

The wood processing sector comprises 141 businesses, which include approximately 35 industrial sawmills, 6 pulp and paper mills, and 2 panel mills. The balance of the wood processing sector is comprised of smaller, locally owned mills and of secondary processing facilities which remanufacture wood products to create finished goods such as windows, doors and

furniture. Together these businesses produced over \$2 billion of processed forest products. New Brunswick is the largest exporter of forest products in Atlantic Canada valued at \$1.8 billion in 2016. The United States, India and Indonesia are the main export destinations, accounting for 78 per cent, 7 per cent and 4 per cent of export share, respectively. In 2016, the primary forest sector generated approximately 3,400 full-time equivalent jobs, while the processing sector generated 7,200 full-time equivalent jobs.

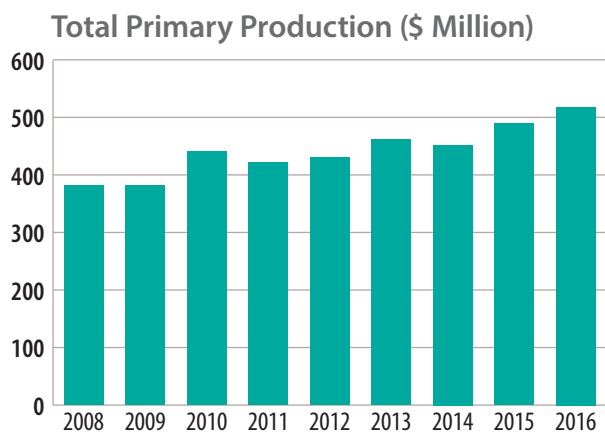
Industry at a Glance

Number of small private woodlots	Over 40,000
Number of primary forest businesses	510
Number of forest processing businesses	141
Value of primary forest production	\$518 million
Value of processed forest product shipments*	Over \$2 billion
Value of exports	\$1.8 billion
GDP (direct)	\$1.1 billion
Employment-Primary (FTEs)	3,400
Employment-Processing (FTEs)	7,200

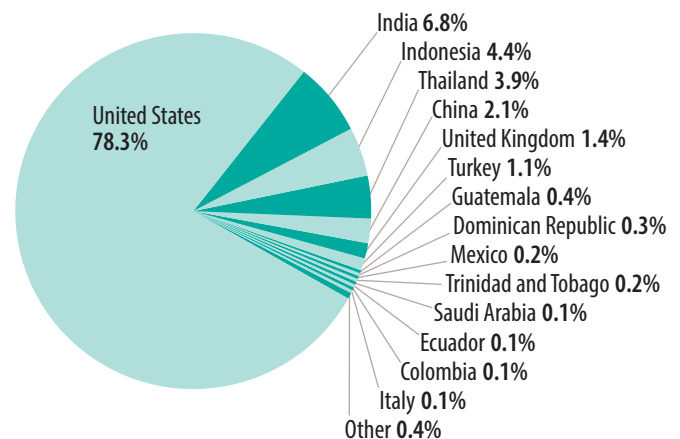
* Estimate

Exports by Country

Country	Value (\$ Million)	
	2015	2016
United States	1,329.8	1,390.0
India	106.5	121.2
Indonesia	70.6	78.3
Thailand	65.0	69.9
China	61.9	37.7
United Kingdom	22.5	24.0
Turkey	25.4	19.1
Guatemala	3.2	7.4
Dominican Republic	4.6	5.1
Mexico	1.5	3.3
Trinidad and Tobago	2.2	3.1
Saudi Arabia	6.2	2.6
Ecuador	4.5	2.6
Colombia	4.6	2.2
Italy	1.8	1.5
Other	16.0	7.7
Total	1,726.3	1,775.7



Exports by Country (\$1.8 Billion)



2016 Highlights

- Total value of New Brunswick's primary forest products increased by \$29 million (6 per cent) to reach \$518 million in 2016, mainly due to increased volume of harvested spruce-fir-jack pine.
- Specifically, sales of spruce-fir-jack pine harvested in the province increased notably by \$35 million (12 per cent) to \$335 million in 2016. This resulted mainly from an increase in harvested volume by 614,000 cubic metres (10 per cent) to nearly 6.5 million cubic metres.
- Hardwood production was valued at \$163 million in 2016, down by \$7 million (4 per cent) compared to 2015, as a result of lower harvested volume. Particularly, harvested volume fell by 163,000 cubic metres (4 per cent) to 3.5 million cubic metres.
- Sales of harvested cedar rose by \$3 million (37 per cent) to over \$10 million in 2016. This was mainly due to an increase in harvested volume by 53,000 cubic metres (36 per cent) to 198,000 cubic metres.
- The value of New Brunswick's forest products exports increased by \$49 million (3 per cent) to nearly \$1.8 billion in 2016. This is the fourth straight year of export increases for the sector. This growth is mainly attributable to increased demand in the United States coupled with a favourable exchange rate.
- The United States continues to be the most important export market for New Brunswick's forest products with \$1.4 billion in sales, up by \$60 million (5 per cent) from 2015, resulting mainly from higher sawnwood sales.
- India and Indonesia were the next most important destinations for the province's forest products at \$121 million and \$78 million, respectively. Exports to India were up by \$15 million (14 per cent), while those to Indonesia were up by nearly \$8 million (11 per cent) in 2016 over 2015. This resulted from higher wood pulp sales.
- The main commodities that experienced increases in export revenues were sawnwood, by \$64 million (16 per cent), wood pulp, by \$15 million (3 per cent), and secondary wood products, by \$9 million (10 per cent).

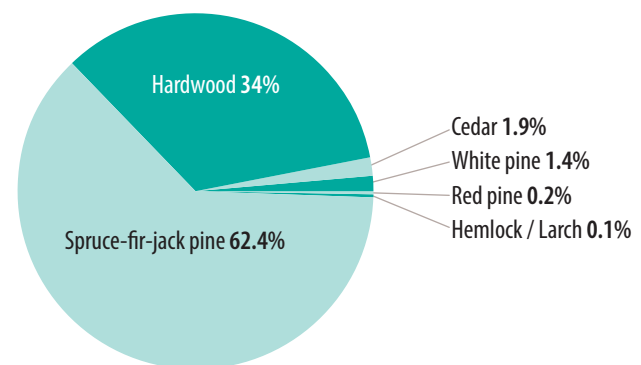
Primary production

Species	Volume (000 M ³)		Value (\$ Million)	
	2015	2016	2015	2016
Spruce-fir-jack pine	5,868	6,482	300.2	335.5
Hardwood	3,700	3,537	170.5	163.1
Cedar	145	198	7.6	10.5
White pine	170	141	8.5	7.2
Red pine	24	21	1.1	0.9
Hemlock / Larch	28	13	1.2	0.6
Total	9,936	10,392	489.1	517.8

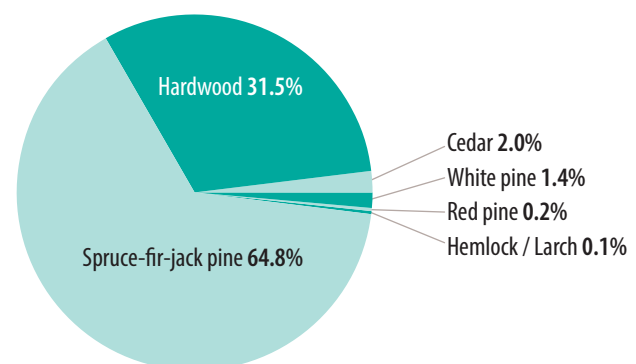
Exports by Product

Product	Value (\$ Million)	
	2015	2016
Wood pulp	540.6	555.4
Paper and paper products	588.9	539.3
Sawnwood	412.9	477.3
Secondary wood products	85.8	94.3
Wood-based panels	52.7	60.5
Wood pellets and other agglomerates	26.8	26.0
Wood chips and particles	12.9	10.4
Roundwood	3.2	5.7
Veneer sheets	1.7	1.6
Other	0.8	5.2
Total	1,726.3	1,775.7

Primary Production Volume (10.4 Million M³)



Primary Production Value (\$518 Million)



Exports by Product (\$1.8 Billion)

