

2021 Forest Sector Review

Forestry has been a cornerstone of the New Brunswick economy for generations, generating economic growth, recreational opportunities, and environmental sustainability among communities and families. There are approximately six million hectares of forested land in the province. About 50 per cent is Crown land, 30 per cent is private woodlots, and 20 per cent is industrial freehold. There are 347 forestry and logging companies and 77 support businesses. In 2021, the primary forest sector generated \$574.7 million in revenues. About 68 per cent of these revenues were generated by softwood (mainly spruce-fir-jack pine), with hardwood contributing the remaining 32 per cent.

The wood processing sector comprises 125 businesses, which include approximately 35 industrial sawmills, six pulp and paper mills, and two 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. New Brunswick is the largest exporter of forest products in Atlantic Canada valued at \$2.55 billion in 2021. The United States, India, and Thailand were the top export destinations in 2021, accounting for 83 per cent, five per cent, and three per cent of export share, respectively. In 2021, the primary forest products sector directly generated approximately 3,515 full-year equivalent jobs, while the processing sector generated 9,390 full-year equivalent jobs.

2021 HIGHLIGHTS

- Compared to 2020, the total value of New Brunswick's primary forest products rose by \$91.7 million (19 per cent) to \$574.7 million in 2021. The greatest increases were seen in sales of spruce-fir-jack pine, hardwood, and white pine.
- Spruce-fir-jack pine sales grew by \$57.9 million (19 per cent) to \$364.8 million in 2021, on higher prices and harvested volume. Particularly, average price was up 10 per cent, while harvested volume rose eight per cent (482,047 cubic metres) to 6.45 million cubic metres in 2021. Notable growth was seen in the sawmill sector due to increased demand amidst low global supply and extensive supply chain challenges associated with the COVID-19 pandemic.
- Hardwood revenues amounted to \$183.4 million in 2021, up 15 per cent (\$24.2 million) from 2020. This was chiefly due to higher hardwood log sales, driven by greater harvested volume sold at substantially higher prices. On the other hand, hardwood pulpwood sales remained flat, as higher prices offset lower harvested volume.
- White pine sales increased by 101 per cent (\$7.4 million) to \$14.7 million in 2021. This resulted from a 74-per-cent growth in harvested volume to 221,433 cubic metres, combined with a 15-per-cent rise in average price.
- Revenue from cedar rose by \$1.9 million (38 per cent) to \$7.0 million in 2021, on higher prices and volume. Particularly, the average price rose 22 per cent, while harvested volume was up 13 per cent (12,195 cubic metres) to 107,341 cubic metres.
- New Brunswick exported a record-high \$2.55 billion worth of forest products in 2021, about 30 per cent (\$588.4 million) higher than the year prior. Increases were noted across each product category, with the greatest seen in exports of sawnwood, by \$323.9 million (49 per cent), wood pulp, by \$137.6 million (28 per cent), paper and paper products, by \$50.8 million (eight per cent), wood pellets and other agglomerates, by \$20.3 million (69 per cent), and wood-based panels, by \$19.4 million (45 per cent).
- The top market for the province's forest products was the United States, valued at \$2.13 billion in 2021, up \$441.8 million (26 per cent) compared to 2020. Sales of most forest products to the United States increased.
- Other important destination markets that grew in value in 2021 were India, Thailand, and the United Kingdom. Compared to 2020, exports to India and Thailand rose by \$61.9 million (96 per cent) and \$42.7 million (112 per cent), respectively, due to greater wood pulp sales, while sales to the United Kingdom increased by \$24.8 million (160 per cent) as a result of higher sales of wood pellets and other agglomerates and sawnwood.

INDUSTRY AT A GLANCE	
Number of small private woodlots	Over 40,000
Number of primary forest businesses	424
Number of forest processing businesses	125
Value of primary forest production	\$574.7 million
Value of exports	\$2.55 billion
GDP - direct (chained 2017 dollars)	\$1.46 billion
Employment-Primary ¹	3,515
Employment-Processing ²	9,390

^{1,2} Full-year equivalent jobs.

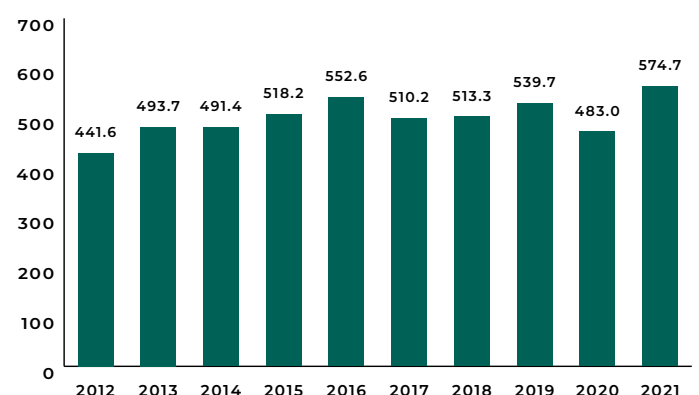
PRIMARY PRODUCTION

SPECIES	VOLUME (000 M ³)		VALUE (\$ MILLION)	
	2020	2021	2020	2021
Spruce-fir-jack pine	5,966.7	6,448.8	306.9	364.8
Hardwood	3,476.8	3,171.6	159.2	183.4
White pine	127.2	221.4	7.3	14.7
Cedar	95.1	107.3	5.1	7.0
Mixed species	80.3	97.6	2.9	3.1
Red pine	22.7	24.2	1.0	1.1
Hemlock/Larch	16.1	10.7	0.7	0.6
Total	9,785.0	10,081.7	483.0	574.7

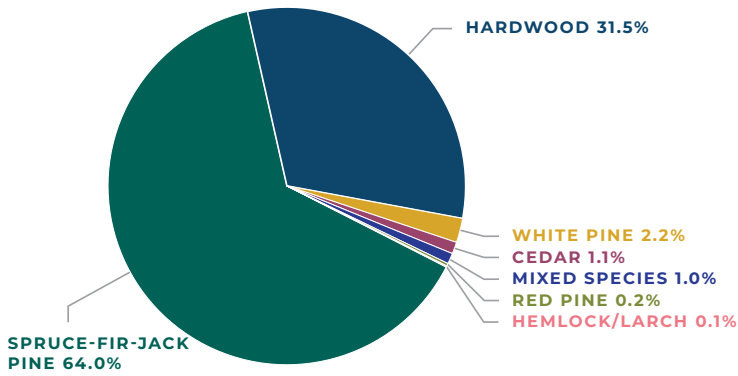
Primary production data for 2020 and previous years have been revised.

Due to rounding, numbers in the tables in this report may not add up precisely to the totals provided.

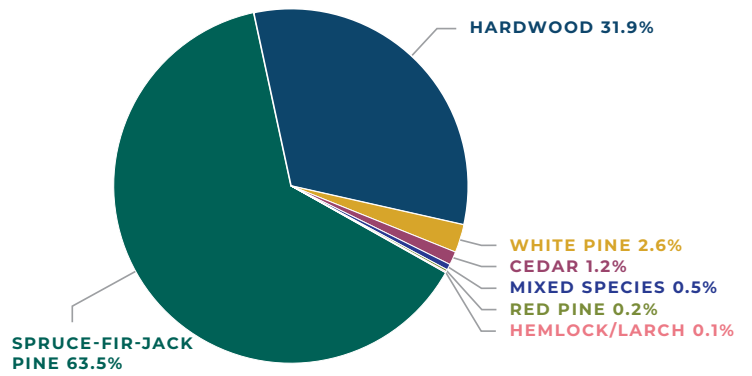
TOTAL PRIMARY PRODUCTION (\$ MILLION)



PRIMARY PRODUCTION VOLUME (10.1 MILLION M³)



PRIMARY PRODUCTION VALUE (\$574.7 MILLION)



EXPORTS BY COUNTRY

COUNTRY	VALUE (\$ MILLION)	
	2020	2021
United States	1,687.8	2,129.6
India	64.5	126.4
Thailand	38.0	80.7
China	81.2	78.7
United Kingdom	15.5	40.3
Indonesia	21.4	28.5
Turkey	1.5	11.2
Spain	0.0	8.4
Australia	21.5	7.0
France	4.1	6.3
Germany	0.2	6.2
Greece	5.1	4.5
Denmark	4.9	4.2
Mexico	1.0	3.6
Chile	0.6	3.3
Other	19.2	16.0
Total	1,966.6	2,555.0

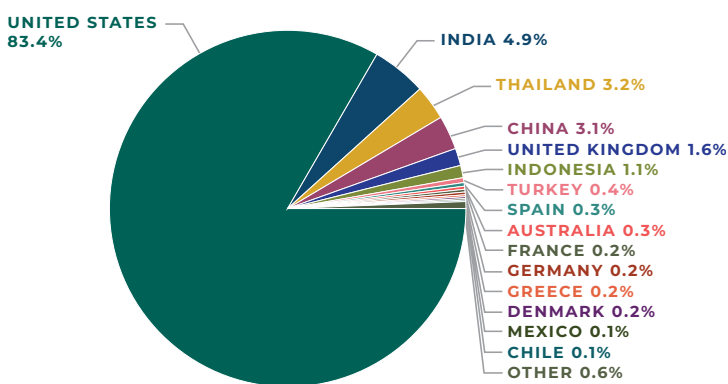
Source: Global Trade Tracker (December 2023).

EXPORTS BY PRODUCT

PRODUCT	VALUE (\$ MILLION)	
	2020	2021
Sawnwood	655.5	979.3
Paper and paper products	611.9	662.6
Wood pulp	486.0	623.5
Secondary wood products	134.9	149.9
Wood-based panels	43.0	62.4
Wood pellets and other agglomerates	29.6	49.9
Plant parts	1.6	10.1
Wood chips and particles	0.9	10.0
Roundwood	3.3	3.9
Other pulp	0.0	3.2
Other	0.0	0.0
Total	1,966.6	2,555.0

Source: Global Trade Tracker (December 2023).

EXPORTS BY COUNTRY (\$2.55 BILLION)



EXPORTS BY PRODUCT (\$2.55 BILLION)

