

2022 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 341 forestry and logging companies and 77 support businesses. In 2022, the primary forest sector generated \$599.6 million in revenues. About 70 per cent of these revenues were generated by softwood (mainly spruce-fir-jack pine), with hardwood contributing the remaining 30 per cent.

The wood processing sector comprises 126 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 \$2.77 billion in 2022. The United States, India, and China were the top export destinations in 2022, accounting for 82 per cent, five per cent, and three per cent of export share, respectively. In 2022, the primary forest products sector directly generated approximately 3,415 full-year equivalent jobs, while the processing sector generated 9,240 full-year equivalent jobs.

2022 HIGHLIGHTS

- New Brunswick's primary forest products increased in value by \$24.9 million (four per cent), from \$574.7 million in 2021 to \$599.6 million in 2022. Sales of spruce-fir-jack pine and mixed species rose, while sales of other species, such as white pine, hardwood, and cedar, fell.
- Compared to 2021, spruce-fir-jack pine sales were up 10 per cent (\$36.0 million) to \$400.8 million in 2022. This resulted from a 15-per-cent rise in average price, outweighing a four-per-cent (275,990-cubic-metre) decline in total harvested volume to 6.17 million cubic metres in 2022. Notable growth was seen in the pulp and paper sector.
- Hardwood sales totaled \$179.3 million in 2022, down two per cent (\$4.1 million) from the year prior. This resulted from a drop in harvested volume, by 16 per cent (518,247 cubic metres) to 2.65 million cubic metres, outweighing a rise in average price, by 17 per cent.
- Revenues from white pine fell by \$4.5 million (30 per cent) to \$10.2 million in 2022, due to lower harvested volume. Particularly, harvested volume fell by 67,458 cubic metres (30 per cent) to 153,975 cubic metres in 2022.
- Cedar sales totaled \$4.0 million in 2022, about 43 per cent (\$3.0 million) lower than in 2021. This was due to a drop in volume, by 44,332 cubic metres (41 per cent) to 63,009 cubic metres, coupled with a three-per-cent decrease in average price.
- Exports of New Brunswick's forest products grew by \$215.5 million (eight per cent) to a record-high \$2.77 billion in 2022. The greatest increases were noted in exports of paper and paper products, by \$130.7 million (20 per cent), wood pulp, by \$94.0 million (15 per cent), wood-based panels, by \$43.0 million (69 per cent), and secondary wood products, by \$16.1 million (11 per cent). On the other hand, sawnwood exports dropped by \$75.1 million (eight per cent), chiefly due to lower softwood lumber prices.
- The United States was the leading destination market for the province's forest products, with exports totaling \$2.27 billion in 2022, up \$135.8 million (six per cent) from \$2.13 billion in 2021. The United States accounted for 82 per cent of export share in 2022, down slightly from 83 per cent in 2021. Exports of paper and paper products, wood pulp, wood-based panels, and secondary wood products increased the most, while sales of sawnwood dropped.
- Other top destination markets that increased in value in 2022 compared to 2021 included India, Germany, and Spain, up by \$23.8 million (19 per cent), \$19.1 million (305 per cent), and \$11.8 million (139 per cent), respectively. Exports to India rose on higher wood pulp sales, while exports to Germany and Spain grew due to greater sales of paper and paper products.

INDUSTRY AT A GLANCE	
Number of small private woodlots	Over 40,000
Number of primary forest businesses	418
Number of forest processing businesses	126
Value of primary forest production	\$599.6 million
Value of exports	\$2.77 billion
GDP - direct (chained 2017 dollars)	\$1.43 billion
Employment-Primary ¹	3,415
Employment-Processing ²	9,240

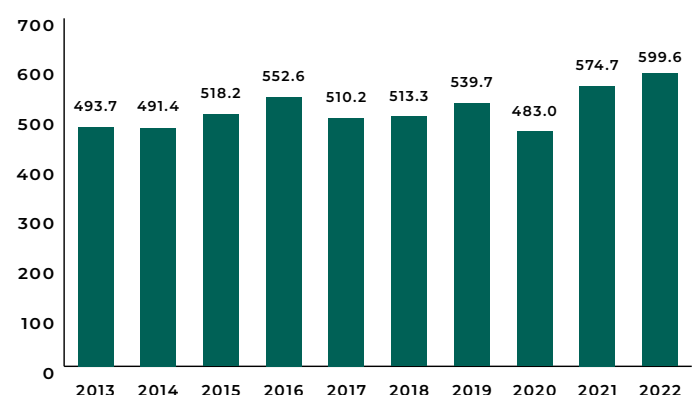
^{1,2} Full-year equivalent jobs.

PRIMARY PRODUCTION

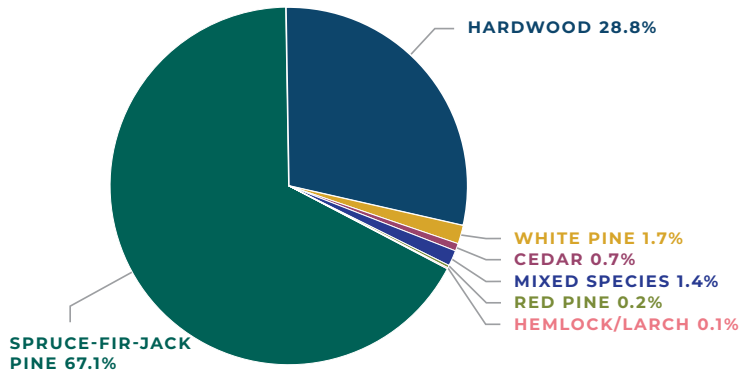
SPECIES	VOLUME (000 M ³)		VALUE (\$ MILLION)	
	2021	2022	2021	2022
Spruce-fir-jack pine	6,448.8	6,172.8	364.8	400.8
Hardwood	3,171.6	2,653.3	183.4	179.3
White pine	221.4	154.0	14.7	10.2
Cedar	107.3	63.0	7.0	4.0
Mixed species	97.6	130.2	3.1	3.8
Red pine	24.2	21.8	1.1	1.0
Hemlock/Larch	10.7	9.7	0.6	0.5
Total	10,081.7	9,204.8	574.7	599.6

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

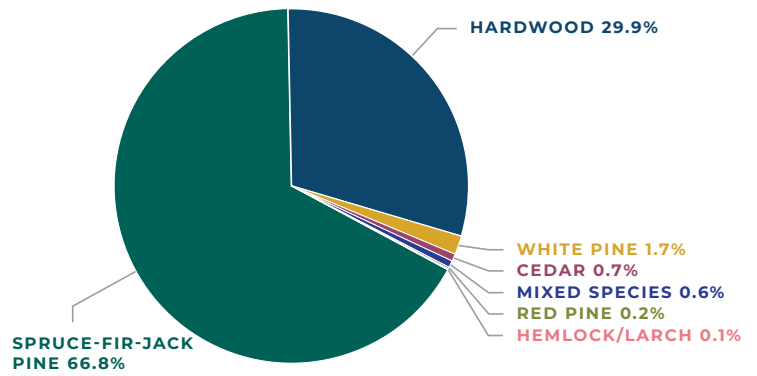
TOTAL PRIMARY PRODUCTION (\$ MILLION)



PRIMARY PRODUCTION VOLUME (9.2 MILLION M³)



PRIMARY PRODUCTION VALUE (\$599.6 MILLION)



EXPORTS BY COUNTRY

COUNTRY	VALUE (\$ MILLION)	
	2021	2022
United States	2,129.6	2,265.4
India	126.4	150.2
China	78.7	84.7
Thailand	80.7	81.7
Indonesia	28.5	32.2
United Kingdom	40.3	29.2
Germany	6.2	25.3
Spain	8.4	20.2
Mexico	3.6	10.9
Netherlands	0.0	10.4
Denmark	4.2	9.9
Chile	3.3	6.4
France	6.3	5.8
Greece	4.5	5.8
Trinidad and Tobago	3.0	5.6
Other	31.3	26.7
Total	2,555.0	2,770.4

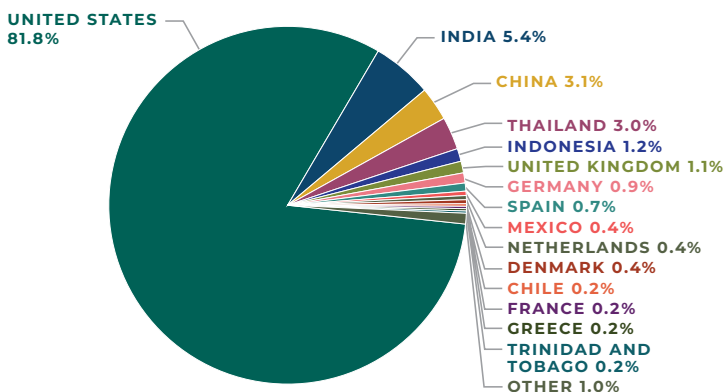
Source: Global Trade Tracker (December 2023).

EXPORTS BY PRODUCT

PRODUCT	VALUE (\$ MILLION)	
	2021	2022
Sawnwood	979.3	904.3
Paper and paper products	662.6	793.3
Wood pulp	623.5	717.5
Secondary wood products	149.9	165.9
Wood-based panels	62.4	105.4
Wood pellets and other agglomerates	49.9	62.7
Plant parts	10.1	8.6
Roundwood	3.9	5.1
Other pulp	3.2	3.7
Wood chips and particles	10.0	2.9
Other	0.0	0.9
Total	2,555.0	2,770.4

Source: Global Trade Tracker (December 2023).

EXPORTS BY COUNTRY (\$2.77 BILLION)



EXPORTS BY PRODUCT (\$2.77 BILLION)

