



# Canada's RESOURCE CITIES

## FREDERICTON & REGION

**CANADA'S UNIQUE COMPETITIVE ADVANTAGE IS ITS ABILITY TO COMBINE ITS WORLD-CLASS NATURAL RESOURCE ENDOWMENT WITH THE KNOWLEDGE ECONOMY.**



Canadians often act as if our resource wealth is a winning lottery ticket—a stroke of good luck that has little to do with innovation and enterprise. Nature gave us trees, ores and mineral deposits, but they don't produce prosperity unless someone extracts them and

someone else buys them.

Our natural resource advantage is something that Canadians have created, not something that we have inherited.

Canada's cities are the places where rocks, plants and hydrocarbons are transformed into the engines of our economy. They are the places that create the knowledge and technology to extract, harvest, transport and process natural resources in an efficient and environmentally responsible manner.

With the Canada Resource Cities series of infographics, the Canadian Chamber of Commerce is partnering with local chambers of commerce in different regions of Canada. We're hoping these short reports will help Canadians living in urban areas understand how much the prosperity of their communities depends on our natural resource industries and the infrastructure to extract, harvest and trade resource commodities.

We're excited to be launching this series with the Fredericton Chamber of Commerce, located in a community that deeply understands the importance of natural resource and sustainable development. Please go to [Chamber.ca](http://Chamber.ca) to see other products in this series.

Perrin Beatty, President and CEO  
The Canadian Chamber of Commerce



Once thought of as a quiet government and university town, Fredericton has become a vibrant hub of commerce, entrepreneurship and innovation. Fueled by the intersection of our knowledge economy, access to highly-skilled workers from our

post-secondary institutions and growth in resource development in every direction, Fredericton is participating in the natural resource sector like never before.

Canada's Resource Cities, an initiative of the Canadian Chamber of Commerce, is showing Canadians just how important a role urban centres play in developing our natural resources. The project also highlights the fact that we all benefit when we are able to work together to develop our resources in a sustainable way. We tend to think of resource development as a primarily rural experience, but this initiative shows us the symbiotic relationship between our rural and urban areas—especially in New Brunswick.

We are excited to launch this infographic report featuring the reasons why Fredericton is one of Canada's leading resource cities. Our thanks to the Canadian Chamber of Commerce for undertaking the research required as well as compiling the report as part of its ongoing work on the natural resource file. #resourcecities

Krista Ross, CEO  
Fredericton Chamber of Commerce

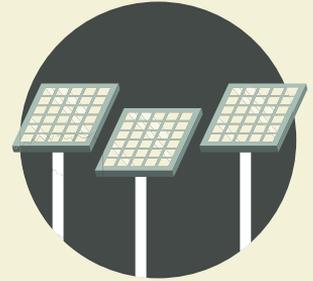
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Support the *Power of Canada*.  
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**MINING**



**FORESTS**



**ENERGY**

**The mining, forests and energy sectors in New Brunswick are growing. Natural resources contribute \$600 million to Fredericton's GDP and employ 5,000 people within the city.**

As hubs for people, ideas and technologies, cities are central to transforming rocks, minerals, trees and land into prosperity for Canadians.

Here are five reasons why the Fredericton region is one of Canada's leading resource cities.

# 1. REAWAKENING THE REGION'S SLEEPING GIANT

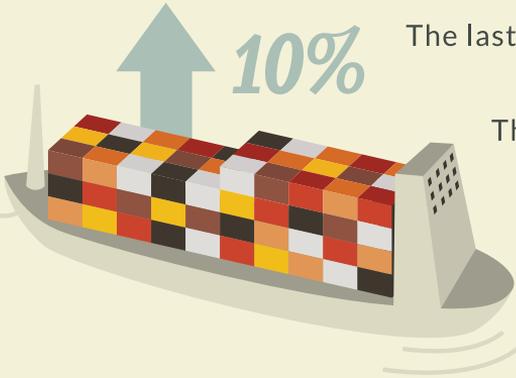
Forestry has been a cornerstone of Fredericton's and New Brunswick's economy throughout its history.



**22,000 men and women in the province are directly or indirectly employed by the forestry sector.**



**The sector contributes around \$2 billion in output, the single largest contributor to provincial GDP.**



The last decade was difficult for the forest industry across Canada, but recovery is underway.

This year, New Brunswick's export shipments from the forestry sector are **EXPECTED TO GROW BY 10 %**, leading a rebound in the province's trade.



One example of the forest sector's reawakening is JD Irving's **HALF-A-BILLION-DOLLARS** investment in its mills that has spurred investment by other firms, modernizing the industry and improving environmental performance.

26 contractors and suppliers in the Fredericton region have **SECURED OVER \$5.5 MILLION OF WORK** as part of these projects, including:



**TEK STEEL**

A steel fabrication and erection firm

**LITECO**

An electrical equipment and materials supplier

**E & I ENGINEERING**

An electrical engineering firm



## 2. MINING FOR SUCCESS

New Brunswick's up-and-coming mining industry is another source of employment for thousands of workers in the region.

Since 2009, mineral exploration and deposit appraisal expenditures have more than **TRIPLED TO NEARLY \$34 MILLION** in 2014. The new mines will create hundreds of new jobs and other benefits.



The \$2.2 billion **PICADILLY MINE EXPANSION** will save 130 jobs over its *20-year lifespan.*



The **ATLANTIC POTASH CORPORATION'S** potential mine about 100 km from Fredericton will contribute *\$1.3 billion* to GDP during the construction phase and *\$193 million* annually during operations.

**THE SISSON PROJECT, A TUNGSTEN AND MOLYBDENUM PROJECT** located northwest of Fredericton, is expected to give the economy a *\$579-million boost* during the construction phase, creating *500 jobs.*

Over the 27-year lifespan of the mine, the project will create 300 well-paying jobs and provide \$1.6 billion in accumulated income and mineral taxes.



### 3. ADDING VALUE THROUGH SUPPLY CHAINS

Being part of regional, national or international transportation and supply chains means that a city can benefit from natural resource production taking place hundreds or even thousands of miles away.

Fredericton has more than 350 companies that provide products and or services to the natural resources sector

Alberta's energy industry gave New Brunswick a **\$65.1-million** boost to GDP by purchasing **DIESEL, MACHINERY AND EQUIPMENT, AND PAPER** from the province.

This activity helped to support **741** direct and indirect jobs.

The Energy East pipeline will create approximately **2,354 jobs** per year during the seven-year development and construction phase.



Collectively, members of Forest NB buy **\$200 million** worth of goods and services from local New Brunswick businesses every year.

## 4.

## SUSTAINING NEW BRUNSWICK'S FINANCIAL WELL-BEING

Through royalties and taxes, resource companies operating in Fredericton and throughout the province are an important contributor to the province's fiscal health.

The New Brunswick government received over \$90 million in royalties from the forest and mining sectors in 2013/2014, enough to pay for **HALF OF THE PROVINCE'S SPENDING ON DRUG PROGRAMS.**



Estimated direct taxes to government from the forest sector alone are around \$250 million per year, enough to **TRIPLE THE PROVINCE'S SPENDING ON EARLY CHILDHOOD DEVELOPMENT (\$67 million).**

The proposed Atlantic Potash Corporation project is set to contribute approximately \$23 million in annual taxes during operation, enough to double the province's spending on environmental programs like **ENVIRONMENTAL MONITORING, PROTECTING DRINKING WATER AND COORDINATING THE PROVINCES CLIMATE CHANGE POLICIES (\$12 million).**

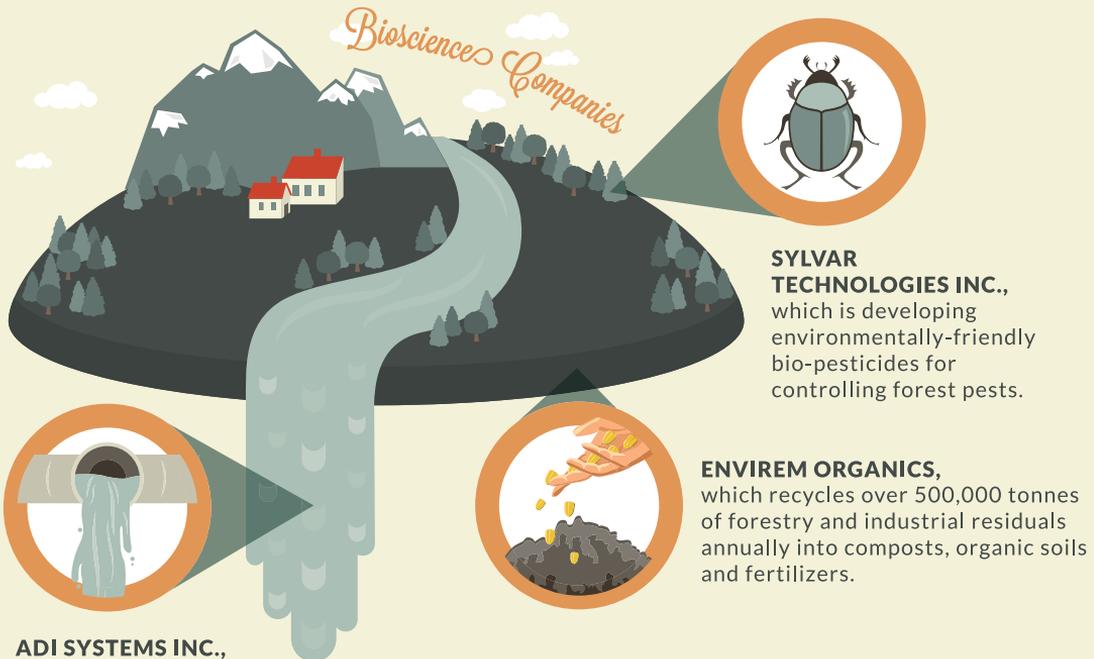


The Energy East pipeline would provide \$762 million in additional tax revenue for New Brunswick over the next 27 years. This averages to \$28 million a year, **ENOUGH TO COVER THE PROVINCE'S SPENDING ON CAPITAL EQUIPMENT FOR PUBLIC HOSPITALS (\$28 million).**

## 5. GROWING FREDERICTON'S EDUCATIONAL & RESEARCH HUBS

A hub of traditional resource industries, Fredericton is building on 100 years of experience in the agriculture, forest and mining industries to create innovative products and processes based on protecting the environment or creating new uses for biomass.

The number of bioscience companies in the province has **quadrupled over the last decade**, with full-time employment in core bioscience companies growing by 15% a year over the last 10 years. Many Fredericton-based companies focus on natural resources, including:



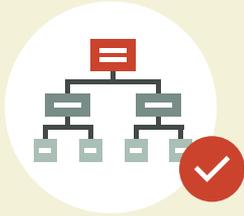
## Fredericton is home to numerous research and educational institutes, including:

### THE UNIVERSITY OF NEW BRUNSWICK,

which contributes approximately \$385 million per year to the provincial economy and the Fredericton community. 25% of UNB graduates work in natural resources or related fields. UNB has **5 RESEARCH CHAIRS AND 6 RESEARCH INSTITUTES** in the natural resources sector, including:



# FREDERICTON IS ONE OF CANADA'S RESOURCE CITIES. SUPPORT ITS CONTINUED PROSPERITY BY TAKING THE FOLLOWING ACTION:



Let public officials know of your support for infrastructure, policies and programs that will sustain Canada's competitiveness in natural resources.



Add your voice to those supporting the natural resource industries by signing up for the Partnership for Resource Trade.



THE CANADIAN CHAMBER OF COMMERCE

LA CHAMBRE DE COMMERCE DU CANADA



FREDERICTON  
**CHAMBER**  
OF COMMERCE

*The Voice of Business*

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