

# Town of Neepawa

*Agriculture, Forestry, Fishing and Hunting Profile*  
*November 2018*



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# 1. Sector Overview

The Agriculture, forestry, fishing and hunting sector comprises establishments providing establishments primarily engaged in growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats. The establishments in this sector are often described as farms, ranches, dairies, greenhouses, nurseries, orchards, or hatcheries. A farm may consist of a single tract of land or a number of separate tracts which may be held under different tenures. For example, one tract may be owned by the farm operator and another rented. It may be operated by the operator alone or with the assistance of members of the household or hired employees, or it may be operated by a partnership, corporation, or other type of organization. When a landowner has one or more tenants, renters, croppers, or managers, the land operated by each is considered a farm.

The sector distinguishes two basic activities: agricultural production and agricultural support activities. Agricultural production includes establishments performing the complete farm or ranch operation, such as farm owner-operators, tenant farm operators, and sharecroppers. Agricultural support activities include establishments that perform one or more activities associated with farm operation, such as soil preparation, planting, harvesting, and management, on a contract or fee basis.

## 1.1 Sector Size & Performance

Canada’s Agriculture, forestry, fishing and hunting sector contributed over \$27.4 billion to Canada’s overall GDP in 2017. According to Statistics Canada, Manitoba is the sixth largest output contributor to total Agriculture, forestry, fishing and hunting GDP in Canada, with a contribution of \$2.2 billion in 2017.

**Figure 1: Gross Domestic Product for Agriculture, Forestry, Fishing and Hunting Sector by Province 2017 (\$CAD Billions)**



Source: Statistics Canada GDP by NAICS at Basic Prices, Table 36-10-0402-01, 2018



The Agriculture, forestry, fishing and hunting sector saw steady in output from 2013 through 2017, with only minor dips or increases in production due to the essential nature of the sector and the continuing demand for Manitoba’s products.

**Table 1: Agriculture, forestry, fishing and hunting Sector GDP Output and Year-Over-Year Growth for Manitoba (Millions CAD)**

	2013	2014	2015	2016	2017
Agriculture, forestry, fishing and hunting GDP	2,161.8	1,795.0	1,951.8	1,997.8	2,168.8
Y-O-Y Growth (%)		-0.2	0.1	0.0	0.1

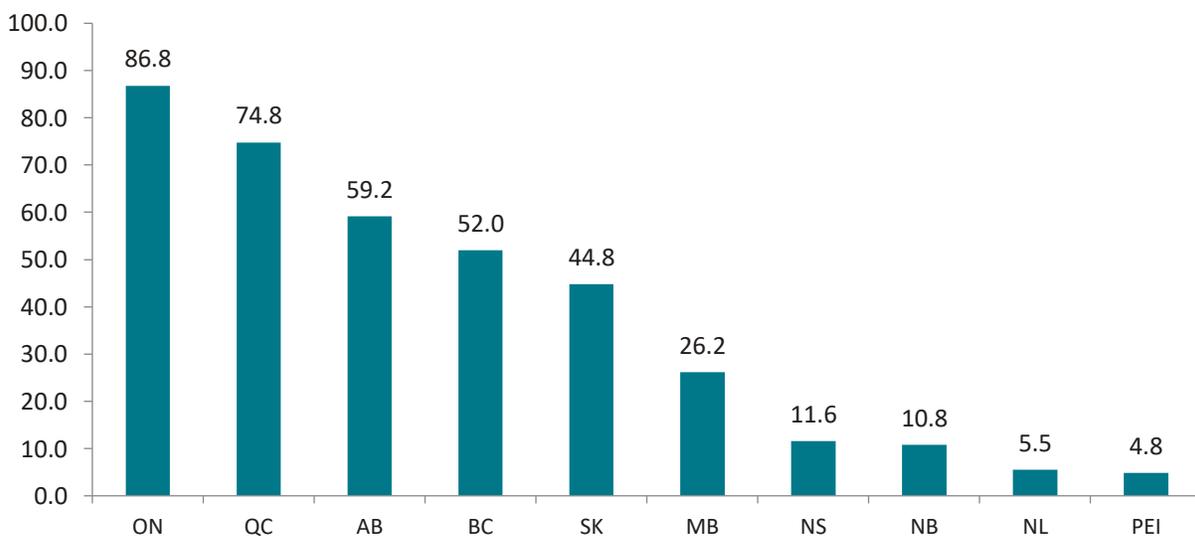
Source: Statistics Canada GDP by NAICS at Basic Prices, Table 36-10-0402-01, 2018

## 1.2 Workforce & Employment

### 1.2.1 Employment Data & Projections

The Province of Manitoba has the sixth largest number of employees in Agriculture, forestry, fishing and hunting sector, employing approximately 7% of the total Agriculture, forestry, fishing and hunting sector workforce in Canada. In terms of overall employment, approximately 6.14% of Manitoba’s employed workforce is in Agriculture, forestry, fishing and hunting – the 3<sup>rd</sup> largest percentage of all provinces. Saskatchewan employs 7.27% of their workforce in Agriculture, forestry, fishing and hunting – the highest percentage of all the provinces – followed by Newfoundland and Labrador (7.13%) and Manitoba (6.14%).

**Figure 2: Employed Labour Force in Agriculture, Forestry, Fishing and Hunting Sector, Provinces, 2017 (Thousands, Number of People)**



Source: Employees & Self-Employed - Emsi 2018.1



As of 2017, approximately 45 residents of Neepawa are employed in the Agriculture, forestry, fishing and hunting sector. The most common Agriculture, forestry, fishing and hunting sub-sectors for Neepawa residents are Fishing, hunting and trapping (27 workers) Forestry and logging (11 workers) and Farms (<10). See Table 2 for a detailed breakdown.

\*Note Fishing, hunting and trapping numbers may be influenced by Trail Meats being registered as a Meat and Fish Processing facility<sup>1</sup>.

**Table 2: Employed Labour Force in Agriculture, Forestry, Fishing and Hunting Sector, Communities, 2017 (Number of People)**

NAICS	Description	Neepawa	Division 15	Manitoba
111-112	Farms	<10	1749	25,025
113	Forestry and logging	11	21	165
114	Fishing, hunting and trapping	27	27	410
115	Support activities for agriculture and forestry	0	18	626

Source: Employees & Self-Employed - Emsi 2018.1

From 2007-2017 Neepawa lost 16 Agriculture, forestry, fishing and hunting jobs only 2% of Division 15's 805 job loss. Both regions had significant decline in the industry in line with the Province of Manitoba which lost 7,479 jobs<sup>2</sup>. This indicates Neepawa has had losses in the sector but they have been significantly less than both Division 15 and Manitoba.

**Table 3: Change in Employed Labour Force in Agriculture, Forestry, Fishing and Hunting Sector, Communities, 2007-2017 (Number of Jobs)**

Change in Employed Labour Force in Agriculture, Forestry, Fishing and Hunting Sector	Neepawa	Division No. 15	Manitoba
<b>Total</b>	<b>-16</b>	<b>-805</b>	<b>-7,479</b>

Source: Employees & Self-Employed - Emsi 2018.1

Table 4 showcases the location quotients (LQ)<sup>3</sup> for Neepawa in 2017. The LQs measure the concentration of Agriculture, forestry, fishing and hunting employment in Neepawa, Manitoba Division 15 and Manitoba compared to the national rate.

When compared to Canada and Province of Manitoba, Division 15 and Neepawa have a high concentration of their labour force working in Fishing, hunting and trapping.

Neepawa has an average concentration of its employed labour force working in Agriculture, forestry, fishing and hunting when compared to Canada as a whole.

<sup>1</sup> Trail Meats

Source: [www.gov.mb.ca/agriculture/food-safety/regulating-food/food-processing-and-distribution-facilities-with-mafpd-issued-permits.html](http://www.gov.mb.ca/agriculture/food-safety/regulating-food/food-processing-and-distribution-facilities-with-mafpd-issued-permits.html)

**See Definition of Census Division 15 in Appendix**

<sup>3</sup> An LQ of 1.25 and over suggests a high concentration of local activity in an industry and a LQ of less than 0.75 suggests a low concentration of local activity or gap area, in relation to the area being compared against. From a labour force perspective, LQs may offer insight into where local concentrations of industry-relevant skills may exist.



**Table 4: Agriculture, Forestry, Fishing and Hunting Sector National Workforce Location Quotients – Neepawa, Division 15 & Manitoba**

Industry (NAICS)	Description	Neepawa	Division No. 15	Manitoba
111-112	Farms	0.15	10.24	2.29
113	Forestry and logging	2.04	1.12	0.14
114	Fishing, hunting and trapping	9.62	2.81	0.67
115	Support activities for agriculture and forestry	0.00	1.19	0.65
	<b>Total</b>	0.72	8.49	1.91

Source: Employees & Self-Employed - Emsi 2018.1

Table 5 showcases the location quotients (LQ)<sup>4</sup> for Neepawa in 2018. The LQs measure the concentration of Agriculture, Forestry, Fishing and Hunting employment in Neepawa compared to Division 15 and Manitoba.

When compared to Division 15, Neepawa has a high concentration of their labour force working in Fishing, hunting and trapping and Forestry and logging. When compared to Manitoba, Neepawa has a considerably higher concentration of their labour force working in Fishing, hunting and trapping and Forestry and logging. This indicates Neepawa has a specifically unique labour value proposition in these subsectors.

**Table 5: Agriculture, Forestry, Fishing and Hunting Sector Local Workforce Location Quotients – Neepawa, Division 15 & Manitoba**

Industry (NAICS)	Description	Neepawa / Division 15		Neepawa/ Manitoba	
		LQ	Classification	LQ	Classification
111-112	Farms	0.02	High	0.09	High
113	Forestry and logging	1.79	High	14.65	High
114	Fishing, hunting and trapping	3.43	Low	14.47	Low
115	Support activities for agriculture and forestry	0.00	Low	0.00	Low

Source: Employees & Self-Employed - Emsi 2018.1

<sup>4</sup> An LQ of 1.25 and over suggests a high concentration of local activity in an industry and a LQ of less than 0.75 suggests a low concentration of local activity or gap area, in relation to the area being compared against. From a labour force perspective, LQs may offer insight into where local concentrations of industry-relevant skills may exist.



### 1.2.2 Occupational Data

The top occupations in Neepawa’s Agriculture, forestry, fishing and hunting sector in 2017 included Fishermen/women, Managers in agriculture and Agricultural service contractors, farm supervisors and specialized livestock workers (Table 6). \*Note Fishing, hunting and trapping numbers may be influenced by Trail Meats being registered as a Meat and Fish Processing facility<sup>5</sup>.

**Table 6: Neepawa Employment in Agriculture, Forestry, Fishing and Hunting Sector by Top Occupations, 2017**

NOC	Description	Neepawa	Division No. 15	Manitoba
8262	Fishermen/women	15	15	136
0821	Managers in agriculture	<10	1,306	15,101
8252	Agricultural service contractors, farm supervisors and specialized livestock workers	<10	27	352
8431	General farm workers	<10	346	5,892
8442	Trappers and hunters	<10	<10	14

Source: Employees & Self-Employed - Emsi 2018.

Table 7 highlights the top occupations in Agriculture, forestry, fishing and hunting from 2007-2017. The vast majority of growth was in Fishermen/women and Trappers and hunters.

**Table 7: Neepawa Employment in Agriculture, Forestry, Fishing and Hunting Sector by Top Occupations Change, 2007-2017**

NOC	Description	Neepawa	Division No. 15	Manitoba
8262	Fishermen/women	13	13	-246
0821	Managers in agriculture	-17	-463	-4,700
8252	Agricultural service contractors, farm supervisors and specialized livestock workers	-1	-1	-132
8431	General farm workers	-13	-463	61
8442	Trappers and hunters	3	4	4

Source: Employees & Self-Employed - Emsi 2018.1

<sup>5</sup> Trail Meats

Source: [www.gov.mb.ca/agriculture/food-safety/regulating-food/food-processing-and-distribution-facilities-with-mafpd-issued-permits.html](http://www.gov.mb.ca/agriculture/food-safety/regulating-food/food-processing-and-distribution-facilities-with-mafpd-issued-permits.html)



### 1.2.3 Wages/Salary Data

Workers in the top Agriculture, forestry, fishing and hunting occupations within the Southwest Region which includes Neepawa, typically make a median hourly wage between \$18.38 and \$23.00 (depending on the position)<sup>6</sup>. The average Agriculture, forestry, fishing and hunting median wage in the Southwest Region is \$20.69, which is slightly lower than the Manitoba average (\$21.32) and slightly higher than the Canadian average (\$19.11).

Below are the most current wage estimates for Agriculture, forestry, fishing and hunting occupations in the Southwest Region, Manitoba, and Canada using the Government of Canada's Wage Report.

**Table 8: Median Hourly Wages for Agriculture, Forestry, Fishing and Hunting Sector Occupations 2017**

NOC	Description	Southwest Region	Manitoba	Canada
8262	Fishermen/women	N/A	\$22.26	\$25.00
0821	Managers in agriculture	\$23.00	\$23.00	\$19.00
8252	Agricultural service contractors, farm supervisors and specialized livestock workers	N/A	\$23.08	\$19.19
8431	General farm workers	\$18.38	\$17.00	\$16.00
8442	Trappers and hunters	N/A	N/A	\$16.40

Source: Economic and Social Development Canada, Wage Report, Sept 2017

### 1.2.4 Education and Training

Neepawa has approximately 70 people (1.5% of the town's total population) educated Agriculture, forestry, fishing and hunting related fields. Combined, Neepawa and Division 15 have 4% of the people educated in Agriculture, forestry, fishing and hunting related skills in the province.

**Table 9: Major Field of Study (Number of People, 2016)**

Major Field of Study	Neepawa	Division 15	Manitoba	Neepawa + Division 15/ Manitoba %
Agriculture; agriculture operations and related sciences	50	445	8,760	5%
Natural resources and conservation	15	65	2,695	2%
<b>Agriculture; natural resources and conservation</b>	<b>70</b>	<b>515</b>	<b>11,450</b>	<b>4%</b>

Source: Statistics Canada, Table 98-400-X2016285, 2016

<sup>6</sup> Outliers have been removed.



The top 5 Agriculture, forestry, fishing and hunting occupations in Neepawa have mixed projected outlooks from Economic and Social Development Canada. Two of the occupations Agricultural service contractors, farm supervisors and specialized livestock workers and Managers in agriculture require the most extensive training in the form of a degree or certificates. The rest of the occupations require lower education but higher levels of experience. Overall this indicates these occupations will continue to be somewhat in demand within the region but not in decline as in the province as a whole.

**Table 10: Outlook and Skills Requirements in Neepawa**

NOC	Description	Outlook	Educational Requirements
8262	Fishermen/women	No Local Outlook available but Surplus Nationally	Several years of experience as fishing vessel crew member or helper are usually required. A commercial fishing licence is required. Licences are required for each species of fish pursued.
0821	Managers in agriculture	Balanced	Extensive farming experience, obtained as a farm supervisor or specialized crop or livestock worker or by working on a farm, is usually required. A university degree or college diploma in agricultural management or other field related to crop or livestock production may be required.
8252	Agricultural service contractors, farm supervisors and specialized livestock workers	Fair	Agricultural service contractors usually require a university degree, college diploma or industry courses in agricultural studies and several years of experience related to the service offered. Contractors providing certain services, such as artificial insemination and pesticide application, may require training certificates and provincial licensing. Farm supervisors and specialized livestock workers may require a college certificate or other specialized training in agriculture or livestock husbandry. A course or certificate in first aid may be required.
8431	General farm workers	Balanced	There are no specific education or training requirements. However, a college certificate or specialized courses related to farming, such as farm equipment mechanics, agricultural welding, tree pruning and pesticide application, are available. Basic farm knowledge, usually obtained from working on a family farm, may be required for employment. A course or certificate in first aid may be required.
8442	Trappers and hunters	Surplus	Completion of trapping or hunting courses may be required in some provinces. A provincial trapping or hunting licence may be required.

Source: Economic and Social Development Canada, Labour Market Information, Sept 2017



## 1.3 Local Industry

### 1.3.1 Business Establishment Counts

According to the Canadian Business Counts, there were 28 Agriculture, forestry, fishing and hunting businesses registered in Neepawa as of December 2017. Business counts are derived from GST registered businesses that earn over \$30,000 and are organized by number of employees.

Approximately 88% of businesses in the town's Agriculture, forestry, fishing and hunting sector are sole-proprietors (without employees), 7% of businesses employ 1-4 people, 4% employ 5-9 people, 1% employing 10-19 and 1% employing 20-49.

The majority of firms are found within the sub-sectors of Oilseed and grain farming (81 businesses), Cattle ranching and farming (48 businesses) and Other crop farming (20 businesses). While the two largest employers are in Logging and Oilseed and grain farming.

\*Note 4 Digit NACIS with no businesses removed from table.

**Table 11: Agriculture, Forestry, Fishing and Hunting Sector Business Establishments Count in Neepawa**

Industry (NAICS)	Without Employees	With Employees	1-4	5-9	10-19	20-49
1111 Oilseed and grain farming	81	14	9	4	1	0
1114 Greenhouse, nursery and floriculture production	1	0	0	0	0	0
1119 Other crop farming	20	2	2	0	0	0
1121 Cattle ranching and farming	48	3	3	0	0	0
1122 Hog and pig farming	7	0	0	0	0	0
1123 Poultry and egg production	2	1	0	1	0	0
1129 Other animal production	9	2	0	2	0	0
1133 Logging	0	1	0	0	0	1
1142 Hunting and trapping	1	0	0	0	0	0
1151 Support activities for crop production	1	0	0	0	0	0
<b>Total</b>	<b>171</b>	<b>23</b>	<b>14</b>	<b>7</b>	<b>1</b>	<b>1</b>

Source: Statistics Canada, Canadian Business Patterns Survey, December 2017. Adapted by MDB Insight Inc.



### 1.3.2 Business Establishment Location Quotients

Table 12 showcases the location quotients for Neepawa in 2017. The LQs measure the concentration of Agriculture, forestry, fishing and hunting businesses in Neepawa relative to the Division 15 and Manitoba.

When compared to Division 15 and Manitoba, Neepawa has a high concentration of businesses that are in Poultry and egg production, Greenhouse, nursery and floriculture production and Hog and pig farming.

Neepawa has a high concentration of its businesses working in 11 different subsectors of Agriculture, forestry, fishing and hunting compared to the province as a whole. The highest concentration sectors were Hunting and trapping, Other crop farming and Oilseed and grain farming. This indicates that while Neepawa may not have a large number of strong sub-sectors within Division 15, compared to the province as a whole the sector has significant relative strength.

**Table 12: Agriculture, Forestry, Fishing and Hunting Business Establishments Location Quotients – Neepawa vs Division 15 & Manitoba**

Industry (NAICS)	Neepawa / Division 15		Neepawa / Manitoba	
	LQ	Classification	LQ	Classification
LQ Agriculture, forestry, fishing and hunting Average	0.65	Average	2.08	High
Oilseed and grain farming	0.63	Average	2.35	High
Vegetable and melon farming	0.00	Low	0.00	Low
Fruit and tree nut farming	0.00	Low	0.00	Low
Greenhouse, nursery and floriculture production	2.70	High	1.64	High
Other crop farming	0.69	Average	2.46	High
Cattle ranching and farming	0.64	Average	2.27	High
Hog and pig farming	2.52	High	2.14	High
Poultry and egg production	5.40	High	1.92	High
Sheep and goat farming	0.54	Low	2.00	High
Aquaculture	0.00	Low	0.00	Low
Other animal production	0.57	Low	1.69	High
Timber tract operations	0.00	Low	0.00	Low
Forest nurseries and gathering of forest products	0.00	Low	0.00	Low
Logging	1.80	High	1.47	High
Fishing	0.00	Low	0.00	Low
Hunting and trapping	1.08	Average	3.08	High
Support activities for crop production	0.17	Low	0.29	Low
Support activities for animal production	0.00	Low	0.00	Low
Support activities for forestry	0.00	Low	0.00	Low

Source: Statistics Canada, Canadian Business Counts Survey, December 2017. Adapted by MDB Insight Inc.



### 1.3.3 Financial Profile of Businesses

The data from 4,151 Manitoba Agriculture, forestry, fishing and hunting businesses, with revenues ranging from \$30,000 to \$5 million, was collected through Statistics Canada’s Small Business Profiles program to showcase average earnings and costs to businesses. Select financial performance data is outlined below, with a breakdown of operating expenses into major areas of interest.

On average, Manitoba Agriculture, forestry, fishing and hunting businesses 58% of their total expenses on Other Expenses, 7% on labour and commissions; 9.7% on amortization and depletion; 5.5% on rent; and 3.8% on utilities and telecommunications.

**Table 13: Financial Performance Data for Manitoba Agriculture, Forestry, Fishing and Hunting Sector Businesses 2016**

Major Field of Study	Whole Industry	Bottom Quartile	Lower Middle	Upper Middle	Top Quartile
<b>Total Revenue (\$000)</b>	\$838.0	\$865.3	\$1,130.7	\$971.6	\$384.3
Labour & Commissions	\$70.3	\$81.9	\$91.0	\$78.9	\$29.6
Amortization and depletion	\$97.3	\$116.8	\$145.4	\$96.6	\$30.4
Rent	\$55.4	\$63.0	\$87.7	\$56.2	\$14.7
Utilities & Telecommunications	\$38.4	\$45.2	\$55.7	\$39.9	\$13.0
Other Expenses <sup>7</sup>	\$586.0	\$924.6	\$851.2	\$469.6	\$98.8
<b>Total Expenses (\$000)</b>	\$994.7	\$1,372.2	\$1,388.3	\$974.0	\$244.4
<b>Net Profit/Loss (\$000)</b>	\$156.8	\$507.0	\$257.6	\$2.4	\$139.9

Source: Statistics Canada, Small Business Profiles, 2016. Adapted by MDB Insight Inc.



### 1.3.4 Major Employers

Major Agriculture, forestry, fishing and hunting employers within Neepawa are listed in Table 15 this table is based on primary Agriculture, forestry, fishing and hunting NAICS codes.

The most common sub-sectors of major Agriculture, forestry, fishing and hunting employers in Neepawa include: Crop and Animal Production which is expected due to high concentrations of business and labour LQs.

**Table 14: Major Employers in Neepawa Agriculture, Forestry, Fishing and Hunting Sector**

Company	Number of Employees	Agriculture, Forestry, Fishing and Hunting Sub-Sector
Twilight Colony Farms Ltd	7	Crop and Animal Production
Newton Farms	4	Crop and Animal Production
Drayson Bros. Ltd	3	Crop and Animal Production
El Dorado Farm	2	Crop and Animal Production
Springhill Farms	N/A	Crop and Animal Production

Source: Hoovers 2018

\*Note this list is not exhaustive and is a combination of the Hoovers database and MDB Insight research, employment numbers may be estimates in some cases and may include employers in the area surrounding the community.



## 1.4 Sector Trends & Outlook

### 1.4.1 Agriculture, Forestry, Fishing and Hunting Trends

Major trends that will impact agriculture into the year 2030 worldwide include the following:

- Precision farming practices are more integrated, easier to use and more valuable. Demand for these skills will increase with continued adoption<sup>8</sup>;
- Automation is being driven by labour shortages. The demand for technical skills to install, use and support automation will track the availability of the technology along with its adoption and value;
- Farms are expected to consolidate at a faster rate. As traditional suppliers merge and new technology suppliers emerge – the workforce needs to prepare to adjust to new types of technical skill requirements, technical jobs and tools that are emerging or are yet to come to the market;
- Professionalism combined with technology and systems to achieve smart agriculture mean new career and existing jobs requiring more skills. Real time data for decision making will be critical to the success of the farm and the food supply chain;
- Labour shortages will continue to be a major challenge into 2030. As such, staff will need to be cross-trained in multiple roles and functions [sales, contract negotiation, installation, customer engagement, technical support].

These trends create a number of challenges and opportunities for cities with agricultural resources to develop technology and workforce around the short and longer-term needs of the sector. The growing development of technologies and improved techniques have enhanced agricultural output and production, reducing the number of workers needed. A confluence of factors in Neepawa including the specialized nature of sector and the increasing value of agricultural land is accelerating technology adoption particularly in the case of livestock processing a major sector in the region.

### 1.4.2 Manitoba Agriculture, Forestry, Fishing and Hunting Sector Outlook

According to the Manitoba Bureau of Statistics, real GDP growth in Manitoba improved from a low of 1.3% in 2015 to 2.2% in 2017. The Manitoba Finance Survey of Economic Forecasts indicates 2.0% growth in 2018 and 1.6% growth in 2019. This compares to 2.3% and 1.8% growth forecast for Canada in 2018 and 2019, respectively.

The projected overall growth in global demand should support Manitoba's exports and business investment in manufacturing and wholesale capacity, while growth in population and jobs will continue to lift domestic spending. In addition, stable government infrastructure spending will add to growth<sup>9</sup>.

Manitoba's export value growth has slowed significantly since from 2015-2017, with slowing growth in the agriculture, mining and construction sectors. The major risk to growth being the potential

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<sup>8</sup> Olds College Smart Agriculture Market Evaluation and Opportunities Study

Source: [prassackadvisors.com](http://prassackadvisors.com)

<sup>9</sup> Government of Manitoba Economic Review and Outlook

Source: [www.gov.mb.ca/finance/budget18/papers/A\\_Economic\\_r.pdf](http://www.gov.mb.ca/finance/budget18/papers/A_Economic_r.pdf)



restrictions on trade implemented by the current American administration<sup>10</sup>.

Manitoba has also seen significant private sector investment in the agricultural sector including: Roquette Pea protein processing facility (\$400 million), Maple Leaf Foods Bacon production facility (\$94 million) and Parmalat Canada dairy processing facility (\$50 million)<sup>11</sup>.

### 1.4.3 Canada Agriculture, Forestry, Fishing and Hunting Outlook

The success of Canada's Agriculture, Forestry, Fishing and Hunting sector is attached to trade – and with the current geopolitical landscape growing increasingly nationalistic and territorial, Canadian businesses are facing some of the highest levels of uncertainty and risk over the next few years. In response to new tariffs by the USA, the Government of Canada has allocated \$250 million from the Strategic Innovation Fund to minimize the losses to Canadian businesses and to bolster their competitiveness. Moves by the federal government to alleviate uncertainty in trade include exploring new and increased trade agreements with other nations. However, with the USA being Canada's largest export market the ongoing trade dispute between the USA and Canada has the potential to put the sector and country into recession.

The sector is vital to Canada's economy, as the country is the fifth largest food exporter in the world; some 190 countries receive a variety of food exports from Canada. It is the second largest manufacturing industry group in the Country – in terms of value of production – and is the sub-sector is also the largest buyer of Canadian agricultural products.

The Country's main advantage in this sub-sector is its access to an abundant and diverse range of agricultural feedstock from coast to coast. The meat product manufacturing is the largest food and beverage processing industry group in the country and is the most significant food industry in Quebec, Ontario, Alberta, and British Columbia. Other significant industry groups include grain and oilseed milling – the largest food industry in Manitoba and Saskatchewan – and seafood manufacturing – the most significant in New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland.

This sub-sector is a target for growth under the Government of Canada's Innovation and Skills Plan. The government aims to grow Canada's food manufacturing exports to at least \$75 billion (currently at \$31 billion) annually by 2025. Major initiatives to help make that happen include: (1) eliminating tariffs on a broad range of ingredients, covering approximately \$700 million in annual imports and (2) improving access through reviewing and improving transportation networks. In addition, under the Superclusters Initiative the Prairie Province will receive funding to focus on the development of plant genomics and innovative in food and beverage processing technology for key Canadian crops, such as canola, wheat and pulses. The economic impact in the region due to this initiative is expected to be more than \$4.5 billion in GDP and more than 4,500 jobs created over 10 years.<sup>12</sup>

More government funding for both Manitoba's agriculture and food and beverage manufacturing industries was announced in March 2018. Together, the federal and provincial governments will invest

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10 RBC Manitoba Provincial Forecast

Source: [www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/man.pdf](http://www.rbc.com/economics/economic-reports/pdf/provincial-forecasts/man.pdf)

11 Agri-Food Processing Sector Brief

Source: [economicdevelopmentwinnipeg.com/uploads/document/agri\\_food\\_protein\\_processing\\_sector\\_brief.t1529611188.pdf](http://economicdevelopmentwinnipeg.com/uploads/document/agri_food_protein_processing_sector_brief.t1529611188.pdf)

<sup>12</sup> Government of Canada. (2017). Protein Industries Supercluster. Source: <http://www.ic.gc.ca/eic/site/093.nsf/eng/00012.html>



\$176 million to support strategic programs and activities under the Canadian Agriculture Partnership – a five-year federal-provincial-territorial agreement that focuses on increasing trade, expanding markets, and supporting innovative and sustainable growth. These programs are being phased over the spring, summer, and fall of 2018. The Canadian Agriculture Partnership offers additional funding to agriculture and food and beverage manufacturing businesses under specific federal-run programs, namely: AgriMarketing, AgriCompetitiveness, AgriScience, AgriInnovate, AgriDiversity, and AgriAssurance.<sup>13</sup>

The recent re-negotiation of NAFTA into its current iteration the United States Mexico Canada Agreement or USMCA has recently been ratified and will have far reaching implications on North American trade and goods transportation<sup>14</sup>. The new agreement is largely the same as NAFTA with key concessions being made in the dairy, auto and online retail industries. The United States was the destination for more than 40% of key transported bulk commodities value in 2016 and will continue to be Canada's primary trading partner.

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<sup>13</sup> Agriculture and Agri-Food Canada. Canadian Agricultural Partnership: Federal Activities and Programs. Source: <http://www.agr.gc.ca/eng/about-us/key-departmental-initiatives/canadian-agricultural-partnership/canadian-agricultural-partnership-federal-activities-and-programs/?id=1511361680577>

<sup>14</sup>USMCA Agreement  
Source: [ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-canada-agreement/united-states-mexico](http://ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-canada-agreement/united-states-mexico)



## 2. The Neepawa Advantage

### 2.1 Core Clusters

#### 2.1.1 Oilseed and Grain Farming

Neepawa is a community surrounded by farmland and Division 15 registers large numbers of farm workers and businesses in the oilseed and grain farming sector. Within Neepawa the oilseed and grain farming sector contain 95 registered businesses, the vast majority are sole proprietor which may account for the relatively low number of Farm workers living in Neepawa. These numbers are low in the context of Division 15 but compared to the province and nation as a whole the region has a significant concentration of businesses and workforce in this sector. As a regional population centre Neepawa has the opportunity to provide support services to this industry, indeed outputs from this sector are inputs for Neepawa's thriving food manufacturing sector.

#### Regional Initiative

The Westman Opportunities Leadership Group (WOLG) is a collection of stakeholders including local communities and Brandon University working to attract an investor do build a soy crush facility in Western Manitoba.

“Nearly three million acres of soybeans are expected to be planted across Manitoba and eastern Saskatchewan in 2017, a significant increase over 2016 levels.” Ray Redfern, Chairperson, via Brandon University News

The group has been working to gain support from the provincial government in their attraction efforts.

#### 2.1.2 Forestry and Logging

Neepawa is home to one of the few sawmills in southern Manitoba: Prairie Forest Products Ltd, which was recently sold to Stella-Jones Inc. as of February 12 2018<sup>15</sup>. This firm accounts for the relatively high location quotients of local workforce and business counts in Neepawa and creates an opportunity to attract supporting businesses and leverage the local workforce.

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<sup>15</sup>Neepawa's Prairie Forest Products changes hands

Source: [brandonsun.com/westman-this-week/neepawas-prairie-forest-products-changes-hands-475536783.html](http://brandonsun.com/westman-this-week/neepawas-prairie-forest-products-changes-hands-475536783.html)



## 2.2 Local & Regional Assets

### 2.2.1 Post-Secondary Institutions

#### Neepawa Area Collegiate Institute

Neepawa Area Collegiate Institute is a grade 7-12 school located in the Beautiful Plains School Division. The institute has 607 students enrolled (2018) and can provide a solid source of workforce for this sector.

#### Assiniboine Community College

Assiniboine Community College offers classes in Neepawa and various post-secondary courses on campus in Brandon. The school has been in operation for 55 years in Brandon and offers 40 different programs including apprenticeship programming in a range of skilled trades disciplines<sup>16</sup>. Relevant to this sector programs include: Heavy-Duty Equipment Technician, Apprenticeship and Operator programs.

#### Brandon University

Brandon University is 75 km from Neepawa with an enrollment of 3,073 (2015) full-time and part-time undergraduate and graduate students. The current location was founded on July 13, 1899, as Brandon College as a Baptist institution. It was chartered as a university by then President Dr. John E. Robbins on June 5, 1967<sup>17</sup>. Relevant to this sector programs include: the 2+ 2 programs which include two years at Assiniboine Community College, then transfer to Brandon University in the third year and the Bachelor of Science in Environmental Science degree.

#### The University of Winnipeg

The University of Winnipeg offers a wide variety of undergraduate and graduate degrees, including a Masters in Management program with focus on technology, innovation and operations. The University also includes the Richardson College for the Environment and Science Complex focusing on science, sustainability, chemistry and environmental studies. Other notable degrees include the Master of Science in Biology, and BA/BSc in Environmental Studies and Sciences.

#### University of Manitoba

The University of Manitoba is the province's largest university, with more than 90 degrees offered across all faculties. Located in Winnipeg, it is home to Manitoba's only law school, accredited MBA program, and engineering faculty, and more. There are a number of research laboratories active on campus, from mechanical to electrical and computer engineering.

The campus is also home to Smartpark Research and Technology Park, a 100-acre site comprised of research and technology companies and organizations involved in Information and Communications Technology, Engineering and Advanced Materials, Health and Biotechnology, and Agricultural and Nutritional Sciences and coincides with research expertise at the University.

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<sup>16</sup> Assiniboine Community College  
Source: <https://assiniboine.net/about>

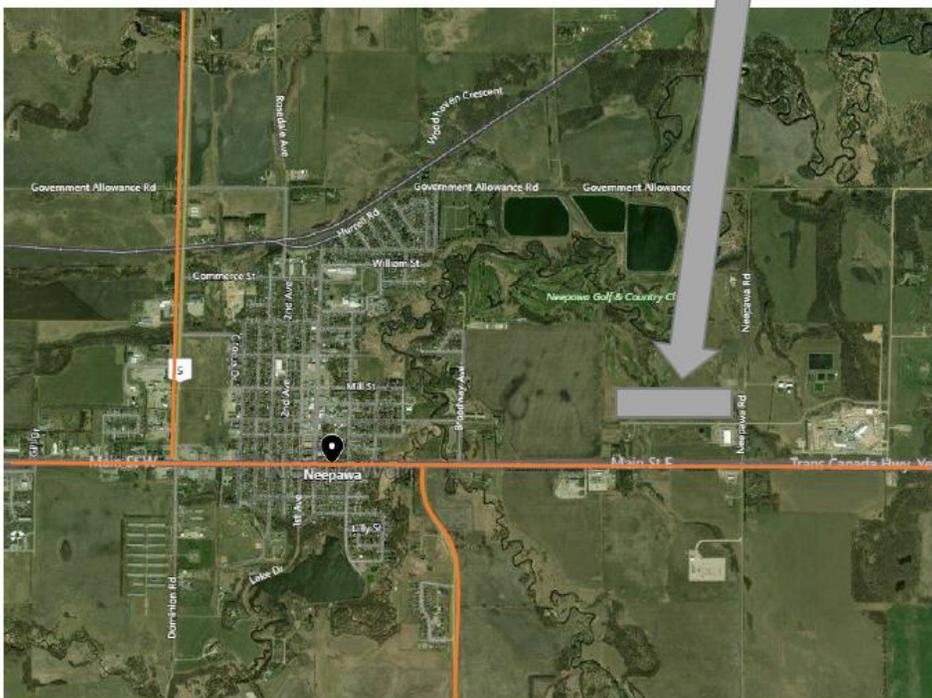
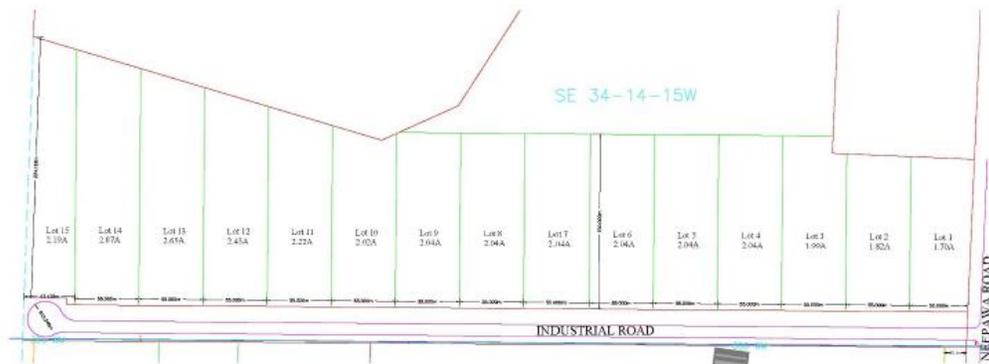
<sup>17</sup> Brandon University  
Source: <https://www.brandonu.ca/>



## 2.2.2 Major Land & Infrastructure

### Neepawa Industrial Park

A total of 30 acres located on the east side of Neepawa on Highway 16 which is a Road Transportation Association of Canada designated route. The property is subdivided into 2 acre lots. Town water supply is available as is natural gas and hydro. The buyer will be responsible for directional drilling for water hook-up, building an approach to the Town's specs and building out the sewage system.



Source Town of Neepawa Industrial Park Overview



## 2.3 Market Position & Competitiveness

In the Agriculture, Forestry, Fishing and Hunting sector, Neepawa as a regional population centre has lower levels of employees and business than the rural Census Divisions in the Westman Region. This sector requires large amounts of space that are not typically contained within Town boundaries. The Town is however a service provider and its thriving food manufacturing sector utilizes and value adds to the outputs of the Agriculture, Forestry, Fishing and Hunting sector.

### 2.3.1 Strengths & Opportunities

**Growing Regional Hub for Surrounding Communities and Farms:** Over 1,000 new people moved to Neepawa between 2011 and 2016. In addition to its residents, the Town of Neepawa serves over 21,000 people from surrounding smaller towns and rural areas, providing a strong customer base for businesses choosing to locate in Neepawa. The surrounding area is also one of the most abundant in farmland across the province and therefore Neepawa has an advantage in providing agricultural services. As farms continue to consolidate and increase usage in technology, demand for speciality technical skills will increase creating an opportunity for residents of communities like Neepawa to supply that need.

**Near Larger Cities with Key Assets & Attraction Potential:** Although being near larger cities can have its downfalls it also creates opportunity. Both Brandon and Winnipeg are home to key post-secondary and research assets that are beneficial to creating a highly-skilled workforce. These institutions can also be valuable industry partners for research and development coordinated with industry. In addition, there is potential for Neepawa to attract businesses who are looking to leave or expand from Brandon and Winnipeg and looking to invest in the Southwest.

**Quality of Life & Affordable Living:** Many choose to live in Neepawa due to the quality of life the town offers them in terms of family-sized housing affordability as well as the benefits that come from living in a smaller center versus a larger city. These benefits include having all necessary amenities close-by, being more family-oriented in its amenities and activities, being closer to the outdoors, and typically having a stronger-knit community vibe. According to the 2016 Census, the average dwelling value in Neepawa was \$221,776, approximately \$75,668 less than the average dwelling value in Manitoba.

### 2.3.2 Weaknesses

**Business and Workforce Retention/Critical Mass:** As farms continue to consolidate and reduce the labour force needed, off farm seasonal workers and support services will rise in demand. Neepawa has been able to attract relatively higher numbers of workforce and businesses but has not achieved true cluster status and is in competition with other mid to large sized communities in the region. Major investments in communities like Portage la Prairie and Brandon have the potential to draw residents of Neepawa elsewhere. Neepawa needs to articulate the local value proposition in comparison to other regional centres and frame the benefits of the community clearly to both targeted businesses and residents.



## 3. Appendix (Definitions)

**Neepawa Census Subdivision (CSD):** Census Subdivision is the general term for municipalities (as determined by provincial/territorial legislation) or areas treated as municipal equivalents for statistical purposes. The Neepawa CSD includes the Town of Neepawa.

**Division 15 Census Division (CD):** Canada's second-level geographic units are called "census divisions." In terms of size, they generally lie between the top-level administrative divisions of the province and territory and third-level administrative divisions such as sections, townships and ranges. Census divisions are divided into census subdivisions is formed by one or more adjacent municipalities centred on a population centre (known as the core). Manitoba Census Division 15 includes the following CSDs: Rural Municipality of Archie, Rural Municipality of Birtle, Town of Birtle, Rural Municipality of Blanshard Rural Municipality of Clanwilliam, Rural Municipality of Ellice, Town of Erickson, Rural Municipality of Hamiota, Town of Hamiota, Rural Municipality of Harrison, Rural Municipality of Langford, Rural Municipality of Miniota, Town of Minnedosa, Rural Municipality of Minto, Town Neepawa, Rural Municipality of Odanah, Rural Municipality of Park, Town of Rapid City, Rural Municipality of Rosedale, Rural Municipality of Saskatchewan, Rural Municipality of Shoal Lake, Village of St. Lazare and Rural Municipality of Strathclair.

### 3.1 Notes on Data

In completing this update, MDB Insight reviewed the most recent census data currently available from Statistics Canada. Data was collected for the municipality, Division 15 and the Province of Manitoba. The data analysis examines Neepawa as compared to Division 15 and Manitoba. This regional outlook helps to identify areas of strengths and weaknesses of Neepawa as a whole, leading to a stronger understanding of future opportunities for economic investment.

It is noted that the 2016/2017 information does not reflect on the recent population and employment changes. Information from the 2016 Municipal Census, 2011 Census, Hoovers Businesses data, and EMSI modelling projections was also consulted.

The 2016 Census was used to identify the leading industries within Neepawa. North American Industry Classification System (NAICS) codes were used to identify the top sub-industries for each of the profiles.

Statistics Canada's Canadian Business Counts Data provided a record of business establishments by industry and size. The business data collected for a census subdivision includes all local businesses that meet at least one of the three following criteria:

- Have an employee workforce for which they submit payroll remittances to the Canadian Revenue Agency; or
- Have a minimum of \$30,000 in annual sales revenue; or
- Are incorporated under a federal or provincial act and have filed a federal corporate income tax form within the past three years.

The above data was also used to develop location quotients for each industry within the regional economy. A location quotient represents the concentration of a single industry relative to its proportion of the larger provincial economy. This helps to identify higher than average proportions of an industry to determine local competitive business area of strength.