



**MDB**  
INSIGHT

# Town of Neepawa

*Professional, Scientific, and Technical Services Sector Profile  
November 2018*



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# 1. Sector Overview

The professional, scientific and technical services (PSTS) sector comprises establishments primarily engaged in activities in which human capital is the major input. These establishments make available the knowledge and skills of their employees, often on an assignment basis. The individual industries of this subsector are defined on the basis of the particular expertise and training of the service provider.

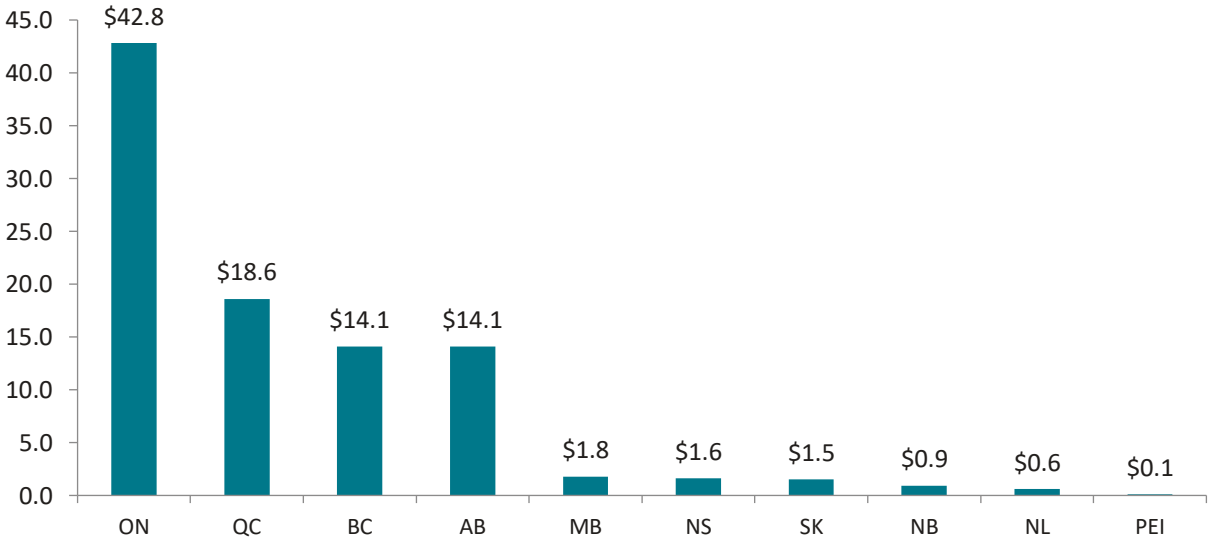
The main components of this sector are legal services; accounting, tax preparation, bookkeeping and payroll services; architectural, engineering and related services; specialized design services; computer systems design and related services; management, scientific and technical consulting services; scientific research and development services; and advertising, public relations, and related services<sup>1</sup>.

The distinguishing feature of this sector is the fact that most of the industries grouped in it have production processes that are almost wholly dependent on worker skills. In most of these industries, equipment and materials are not of major importance. Thus, the establishments classified in this sector sell expertise. Much of the expertise requires a university or college education, though not in every case.

## 1.1 Sector Size & Performance

Canada’s professional, scientific, and technical services (PSTS) sector contributed \$96.1 billion to Canada’s overall GDP in 2017. According to Statistics Canada, Manitoba is the fifth largest output contributor to total PSTS GDP in Canada, with a contribution of \$1.8 billion in 2017.

**Figure 1: Gross Domestic Product for PSTS Sector by Province 2017 (\$CAD Billions)**



Source: Statistics Canada GDP by NAICS at Basic Prices, Table 379-0030, 2018

<sup>1</sup> NAICS Sector 54: Professional, Scientific, and Technical Services

Source: [bls.gov/iag/tgs/iag54.htm](https://bls.gov/iag/tgs/iag54.htm)



In 2015 Canada experienced an economic downturn due to a global drop in oil prices, impacting industries across the board – including many of the service industries that support the energy sector in the province. The PSTS sector saw a slowdown in growth for 2016 and 2017 after two years of stronger growth. The sector stagnated in 2016 and still hasn't fully recovered to previous years output growth. Overall, the average growth rate for the sector, from 2013-2017, has been 2 percent.

**Table 1: Professional, scientific and technical services (PSTS) Sector GDP Output and Year-Over-Year Growth for Manitoba (Millions CAD)**

	2013	2014	2015	2016	2017
PSTS GDP	1,644.9	1,700.2	1,744.0	1,749.1	1,786.6
Y-O-Y Growth (%)		3%	3%	0.3%	2%

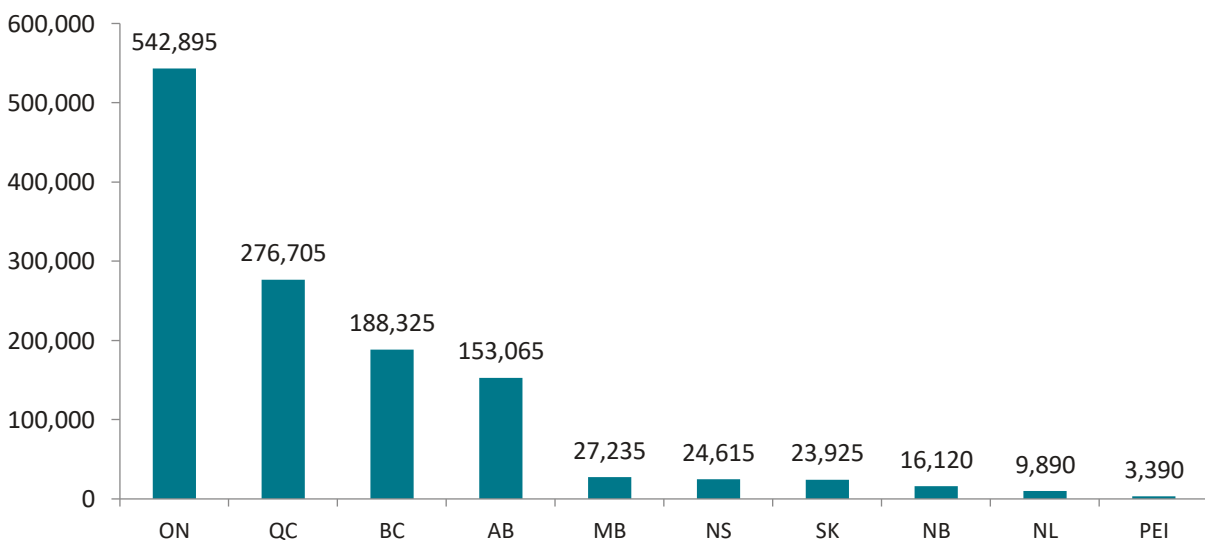
Source: Statistics Canada GDP by NAICS at Basic Prices, Table 36-10-0402-01, 2018

## 1.2 Workforce & Employment

### 1.2.1 Employment Data & Projections

The Province of Manitoba is the fifth largest employer in the PSTS sector, employing approximately 2.1 per cent of the total PSTS sector workforce in Canada. When analyzing these numbers in terms of overall employment in each province, approximately 4.4 per cent of Manitoba's employed workforce is in PSTS – the fifth highest percentage of all the provinces, after Ontario (8.2%) and British Columbia (8.2%) Alberta (7.2) and Quebec (7.2).

**Table 2: Employed Labour Force in PSTS Sector, Provinces, 2016 (Number of People)**



Source: Statistics Canada, Census, 2016



As of the 2017 EMSI data, approximately 79 residents of Neepawa are employed in the PSTS sector. The most common industry groups for Neepawa residents working in PSTS include, Accounting, tax preparation, bookkeeping and payroll services (62 workers, 2.6%); Other professional, scientific and technical services (16, 0.7%); and computer systems design and related services (<10 workers, 0.4%). See Table 3 for a detailed breakdown.

**Table 3: Employed Labour Force in PSTS Sector, Communities, 2017 (Number of People)**

NAICS	Description	Neepawa	Division 15	Manitoba
5411	Legal services	0	0	3,091
5412	Accounting, tax preparation, bookkeeping and payroll services	62	84	5,402
5413	Architectural, engineering and related services	0	23	4,481
5414	Specialized design services	0	0	1,034
5415	Computer systems design and related services	<10	<10	3,765
5416	Management, scientific and technical consulting services	0	31	2,942
5417	Scientific research and development services	0	<10	906
5418	Advertising, public relations, and related services	0	0	1,290
5419	Other professional, scientific and technical services	16	88	3,384
	<b>Total</b>	<b>79</b>	<b>223</b>	<b>26,296</b>

Source: Employees & Self-Employed - Emsi 2018.1

From 2007-2017 Neepawa gained 17 PSTS jobs, nearly double of Division 15's -34 job loss. Neepawa has seen positive growth as has the Province of Manitoba which gained 3,110 jobs<sup>2</sup>. This indicates Neepawa has had growth in the sector in line with Manitoba during a decline in Division 15.

**Table 4: Change in Employed Labour Force in PSTS Sector, Communities, 2007-2017 (Number of Jobs)**

Industry (NAICS)	Description	Neepawa	Division No. 15	Manitoba
5411	Legal services	Insf Data.	-15	643
5412	Accounting, tax preparation, bookkeeping and payroll services	25	-66	3
5413	Architectural, engineering and related services	0	-12	859
5414	Specialized design services	0	Insf Data.	-104
5415	Computer systems design and related services	Insf Data.	Insf Data.	524
5416	Management, scientific and technical consulting services	0	Insf Data.	171
5417	Scientific research and development services	0	Insf Data.	74
5418	Advertising, public relations, and related services	Insf Data.	Insf Data.	-130
5419	Other professional, scientific and technical services	-5	49	1,070
	<b>Total</b>	<b>17</b>	<b>-34</b>	<b>3,110</b>

Source: Employees & Self-Employed - Emsi 2018.1

See Definition of Census Division 15 in Appendix



Table 5 showcases the location quotients (LQ)<sup>3</sup> for Neepawa in 2017. The LQs measure the concentration of PSTS 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 low concentrations of their labour force working in the PSTS with a high concentration of Accounting, tax preparation, bookkeeping and payroll services an average concentration of Other professional, scientific and technical services.

On average, Neepawa has a low concentration of its employed labour force working in the PSTS sector when compared to Canada as a whole.

**Table 5: PSTS National Workforce Location Quotients – Neepawa, Division 15 & Manitoba**

Industry (NAICS)	Description	Neepawa	Division No. 15	Manitoba
5411	Legal services	0.00	0.00	0.64
5412	Accounting, tax preparation, bookkeeping and payroll services	2.13	0.84	0.84
5413	Architectural, engineering and related services	0.00	0.09	0.50
5414	Specialized design services	0.00	0.00	0.49
5415	Computer systems design and related services	0.02	0.03	0.32
5416	Management, scientific and technical consulting services	0.00	0.32	0.47
5417	Scientific research and development services	0.01	0.02	0.51
5418	Advertising, public relations, and related services	0.00	0.00	0.45
5419	Other professional, scientific and technical services	0.89	1.44	0.86
	<b>Total</b>	<b>0.36</b>	<b>0.29</b>	<b>0.54</b>

Source: Employees & Self-Employed - Emsi 2018.1

Table 6 showcases the location quotients (LQ)<sup>4</sup> for Neepawa in 2017. The LQs measure the concentration of PSTS sector 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 Accounting, tax preparation, bookkeeping and payroll services and Computer systems design and related services. When compared to Manitoba, Neepawa has a high concentration of their labour force working in Accounting, tax preparation, bookkeeping and payroll services and an average concentration in Other professional, scientific and technical services.

<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.

<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.



**Table 6: PSTS Local Workforce Location Quotients – Neepawa, Division 15 & Manitoba**

Industry (NAICS)	Description	Neepawa / Division 15		Neepawa/ Manitoba	
		LQ	Classification	LQ	Classification
5411	Legal services	0.00	Low	0.00	Low
5412	Accounting, tax preparation, bookkeeping and payroll services	2.53	High	2.52	High
5413	Architectural, engineering and related services	0.00	Low	0.00	Low
5414	Specialized design services	0.00	Low	0.00	Low
5415	Computer systems design and related services	3.43	High	0.58	Low
5416	Management, scientific and technical consulting services	0.00	Low	0.00	Low
5417	Scientific research and development services	0.00	Low	0.00	Low
5418	Advertising, public relations, and related services	0.00	Low	0.00	Low
5419	Other professional, scientific and technical services	0.62	Low	1.04	Average

Source: Employees & Self-Employed - Emsi 2018.1



## 1.2.2 Occupational Data

The top occupations in Neepawa's PSTS sector in 2017 included Accounting technicians and bookkeepers and Financial auditors and accountants (Table 7).

**Table 7: Neepawa Employment in PSTS by Top Occupations, 2017**

NOC	Description	Neepawa	Division No. 15	Manitoba
1311	Accounting technicians and bookkeepers	23	34	1,789
1111	Financial auditors and accountants	19	26	2,324
1241	Administrative assistants	<10	11	433
1431	Accounting and related clerks	<10	<10	472
3213	Animal health technologists and veterinary technicians	<10	21	544

Source: Employees & Self-Employed - Emsi 2018.

Table 8 highlights the top growing PSTS occupations from 2007-2017. The vast majority of growth was in Accounting technicians and bookkeepers, Administrative assistants and Financial auditors and accountants.

**Table 8: Neepawa Employment in PSTS by Top Occupations Change, 2007-2017**

NOC	Description	Neepawa	Division No. 15	Manitoba
1311	Accounting technicians and bookkeepers	13	-29	216
1241	Administrative assistants	4	6	234
1111	Financial auditors and accountants	4	-28	15
1212	Supervisors, finance and insurance office workers	3	3	50
3213	Animal health technologists and veterinary technicians	3	17	336

Source: Employees & Self-Employed - Emsi 2018.1





### 1.2.3 Wages/Salary Data

Workers in the top PSTS occupations within the Southwest Region which includes Neepawa, typically make a median hourly wage between \$19.81 and \$32.82 (depending on the position)<sup>5</sup>. The average PSTS median wage in the Southwest Region is \$20.81, which is slightly lower than the Manitoba average (\$21.79) and lower than the Canadian average (\$22.77).

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

**Table 9: Median Hourly Wages for PSTS Occupations 2018**

NOC	Description	Southwest Region	Manitoba	Canada
1311	Accounting technicians and bookkeepers	\$21.00	\$21.15	\$21.63
1111	Financial auditors and accountants	N/A	\$28.85	\$32.82
1241	Administrative assistants	\$21.63	\$20.67	\$21.63
1431	Accounting and related clerks	\$19.81	\$19.81	\$20.79
3213	Animal health technologists and veterinary technicians	N/A	\$18.50	\$17.31

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

### 1.2.4 Education and Training

Neepawa has approximately 190 people (4% of the town's total population) educated PSTS related fields. Combined, Neepawa and Division 15 have 3.7% of the people educated in PSTS related skills in the province.

**Table 10: Major Field of Study (Number of People, 2016)**

Major Field of Study	Neepawa	Division 15	Manitoba	Neepawa + Division 15/ Manitoba %
Accounting and computer science	0	10	270	3.7%
Public administration and social service professions	0	60	6,145	0.97%
Business; management; marketing and related support services	190	755	69,950	1.08%
<b>Business; management and public administration</b>	<b>190</b>	<b>825</b>	<b>76,370</b>	<b>1.07%</b>

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

<sup>5</sup> Outliers have been removed.



The top PSTS occupations in Neepawa all have a good to fair projected outlook from Economic and Social Development Canada and, for the most part, are skilled jobs requiring secondary school education.

**Table 11: Outlook and Skills Requirements in Neepawa**

NOC	Description	Outlook	Educational Requirements
1311	Accounting technicians and bookkeepers	Fair	Completion of secondary school is required. Completion of a college program in accounting, bookkeeping or a related field or Completion of two years (first level) of a recognized professional accounting program (e.g., Chartered Accounting, Certified General Accounting) or Courses in accounting or bookkeeping combined with several years of experience as a financial or accounting clerk are required.
1111	Financial auditors and accountants	Good	Chartered accountants require a university degree and Completion of a professional training program approved by a provincial institute of chartered accountants and, depending on the province, either two years or 30 months of on-the-job training and Membership in a provincial Institute of Chartered Accountants upon successful completion of the Uniform Evaluation (UFE). Certified general accountants and certified management accountants require a university degree and Completion of a training program approved by the Society of Certified General Accountants or Society of Management Accountants and several years of on-the-job training and Certification by the Certified General Accountants Association or the Society of Management Accountants. Auditors require education, training and recognition as indicated for chartered accountants, certified general accountants or certified management accountants and Some experience as an accountant. Auditors may require recognition by the Institute of Internal Auditors. To act as a trustee in bankruptcy proceedings, auditors and accountants must hold a licence as a trustee in bankruptcy. Licensing by the provincial or territorial governing body is usually required for accountants and auditors practising public accounting.
1241	Administrative assistants	Fair	Completion of secondary school is usually required. Completion of a one- or two-year college or other program for administrative assistants or secretaries or Previous clerical experience is required.
1431	Accounting and related clerks	Good	Completion of secondary school is usually required. Completion of college or other courses certified by the Certified General Accountants Association of Canada, Canadian Securities Institute or Canadian Bookkeepers Association may be required. Some accounting clerks must be bondable.
3213	Animal health technologists and veterinary technicians	Fair	Completion of a two- or three-year animal health/veterinary technology college program is required. Successful completion of a national registration examination may be required in some employment settings. Registration with provincial animal health technologists' or veterinary technicians' associations is available, and is mandatory in some provinces.

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 22 PSTS 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 64% of businesses in the town's PSTS sector are sole-proprietors (without employees), 18% of businesses employ 1-4 people, 14% employ 5-9 people and one business employs 20-49 people.

The majority of firms are found within the sub-sectors of Other professional, scientific and technical services (10 businesses) and Legal services (4 businesses).

**Table 12: PSTS Sector Business Establishments Count in Neepawa**

Industry (NAICS)	Without Employees	With Employees	1-4	5-9	20-49
5411 Legal services	3	1	0	1	0
5412 Accounting, tax preparation, bookkeeping and payroll services	1	1	1	0	0
5413 Architectural, engineering and related services	1	0	0	0	0
5414 Specialized design services	2	0	0	0	0
5415 Computer systems design and related services	0	0	0	0	0
5416 Management, scientific and technical consulting services	0	1	1	0	0
5417 Scientific research and development services	0	0	0	0	0
5418 Advertising, public relations, and related services	1	1	1	0	0
5419 Other professional, scientific and technical services	6	4	1	2	1
<b>Total</b>	<b>14</b>	<b>8</b>	<b>4</b>	<b>3</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 13 showcases the location quotients for Neepawa in 2017. The LQs measure the concentration of PSTS 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 Other professional, scientific and technical services, and Specialized design services.

On average, Neepawa has a high concentration of its businesses working in PSTS compared to Division 15 and but an average concentration compared to the province as a whole.

**Table 13: PSTS Business Establishments Location Quotients – Neepawa vs Division 15 & Manitoba**

Industry (NAICS)	Neepawa / Division 15		Neepawa / Manitoba	
	LQ	Classification	LQ	Classification
LQ PSTS Average	1.98	High	0.55	Low
Legal services	2.70	High	0.62	Low
Accounting, tax preparation, bookkeeping and payroll services	0.54	Low	0.27	Low
Architectural, engineering and related services	0.45	Low	0.21	Low
Specialized design services	5.40	High	1.15	Average
Computer systems design and related services	0.00	Low	0.00	Low
Management, scientific and technical consulting services	0.23	Low	0.08	Low
Scientific research and development services	0.00	Average	0.00	Low
Advertising, public relations, and related services	3.60	High	1.01	Average
Other professional, scientific and technical services	4.91	High	1.60	High

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



### 1.3.3 Financial Profile of Businesses

The data from 6,364 Manitoba PSTS 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 PSTS businesses spend 27.2% on labour and commissions; 2% on amortization and depletion; 2.7% on rent; and 10.5% on utilities and telecommunications.

**Table 14: Financial Performance Data for Manitoba PSTS Businesses 2016**

Major Field of Study	Whole Industry	Bottom Quartile	Lower Middle	Upper Middle	Top Quartile
<b>Total Revenue (\$000)</b>	\$272.5	\$430.5	\$332.9	\$154.3	\$172.2
Labour & Commissions	\$74.1	\$174.1	\$103.8	\$17.3	\$1.0
Amortization and depletion	\$5.4	\$12.9	\$6.3	\$2.2	\$0.4
Rent	\$7.5	\$17.1	\$10.3	\$2.4	\$0.1
Utilities & Telecommunications	\$3.5	\$6.7	\$5.0	\$1.9	\$0.5
Other Expenses <sup>6</sup>	\$28.7	\$60.1	\$37.0	\$14.7	\$3.0
<b>Total Expenses (\$000)</b>	\$180.8	\$433.2	\$233.7	\$49.4	\$6.9
<b>Net Profit/Loss (\$000)</b>	\$91.7	\$-2.7	\$99.1	\$104.9	\$165.3

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



### 1.3.4 Major Employers

Major PSTS employers within Neepawa are listed in Table 15. Note this list is not exhaustive and the employment numbers may be estimates in some cases.

Some of the most common sub-sectors of major PSTS employers in Neepawa include: Accounting and Tax Preparation and Legal Services.

**Table 15: Major Employers in Neepawa PSTS Sector**

Company	Number of Employees	Manufacturing Sub-Sector
MNP LLP	7	Accounting and Tax Preparation
Taylor Law Office	6	Legal Services
Kinley Thomson Chartered Accountants Inc	6	Accounting and Tax Preparation
Neepawa Income Tax	2	Accounting and Tax Preparation
H & R Block Canada, Inc	1	Accounting and Tax Preparation

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 PSTS Trends

Three major trends that are dominating the PSTS sector worldwide include:

**Increased Reliance on Social Media Presence:** Although social media adoption by businesses is no longer a new trend, many PSTS companies are now relying more heavily on their social media and online presence than ever before. Using online platforms to find and engage with clients, to conduct marketing/brand positioning, to share customer testimonials, and to monitor competitors are all activities that PSTS firms are taking more seriously in an effort to grow and set themselves apart from their competition. It is now more common to see firms have hired communication staff, in charge of social media presence, as well as higher emphasis on customer satisfaction, knowing that online testimonials can make or break their image.

**Automation of Front and Back-End Services:** To drive efficiency and stay competitive, PSTS firms are embracing the latest technologies to manage the back end of their operations. This includes the automation of areas such as finances (budgeting, costing, invoicing); human resources (payroll, benefits, training); project management; and customer relationship management, to name a few. With artificial intelligence improving at rapid speeds, firms are even starting to invest in tools that inform front-end services such as automated marketing platforms, automated proposal writing platforms, and automated customer service. The use of automation in the PSTS sector will only grow as the technology becomes more advanced and capable of learning from its users.

**Co-Working & Virtual Co-Working Spaces:** With advancements in communication and internet technology, the virtual coworking space is becoming more of a reality for firms looking to reduce their overhead. By hiring contract workers, using cloud technology to share resources, and utilizing a smaller number of physical offices, PSTS firms can cut their costs and increase their revenues. The ease of working outside of the typical office environment has also given rise to co-working spaces – a space that multiple businesses can work out of on a membership basis. Not only are these spaces ideal for those on a tight budget, such as small businesses or those self-employed in the PSTS sector, but they are also ideal for the networking opportunities, giving small businesses the ability to share ideas and establish collaborative relationships with other firms.

### 1.4.2 Manitoba PSTS 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.

These rates correspond well with Manitoba's diversified economy, creating opportunities throughout the PSTS sector. Winnipeg's financial services sector is strong with 5,400 businesses and 22,600 workers, 44% of which are in the insurance industry due to a number of national companies including Great-West Lifeco Inc. and all of the 'big six' Canadian banks.



### 1.4.3 Canada PSTS Outlook

As a sector that is characterized by skills and knowledge over material or equipment, the continued success of PSTS will depend on the workforce's ability to meet and exceed expectations in higher education attainment, adaptability to changing technology, and innovation in processes and solutions. Making Canada a powerhouse in this sector requires a workforce that is at the global forefront of new ideas, pushing the boundaries of research and implementation.

Canada definitely performs on the education front, having the most educated talent pool in the OECD; more than half of the Country's population (aged 25-64) have some form of post-secondary education. Canada also has a world-class higher education system that has world-renowned schools relevant to the PSTS sector – for example, five Canadian business schools ranking among the top 100 in the world and three Canadian law schools ranking among the world's top 40.

However, one area that Canada needs to improve is innovation and research and development, where the Country ranks 12th among 16 peer countries, according to the Conference Board of Canada's annual "How Canada Performs" report.<sup>7</sup> The report outlines that Canada has a poor record for specific elements in innovation such as business R&D investment, patents, and labour productivity.

In response to Canada's low rates of research and development and innovation, the Government of Canada announced its Innovation and Skills Plan in their 2017 Budget. Their plan includes providing businesses innovation-specific programming and grants (the Strategic Innovation Fund); supercluster funding and development; increasing venture capital for innovation through the Business Development Bank of Canada; and specific investments to clean technology development and innovation.<sup>8</sup>

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<sup>7</sup> Conference Board of Canada, (May 2018). How Canada Performs: Innovation.

Source: <https://www.conferenceboard.ca/hcp/provincial/innovation.aspx>

<sup>8</sup> Government of Canada. (2017). Budget 2017: Canada's Innovation and Skills Plan

Source: <https://www.budget.gc.ca/2017/docs/themes/innovation-en.html>





## 2. The Neepawa Advantage

### 2.1 Core Cluster

Many industries that exist within the PSTS sector are essential to daily business operations everywhere and will choose their location based on local demand for their services. However, there are a few industries within the sector that present potential clusters for Neepawa, based on the Town's natural advantages. These potentially competitive PSTS industries have been outlined:

#### 2.1.1 Accounting, tax preparation, bookkeeping and payroll services

This sub-sector is the strongest in terms of employment within the PSTS sector with 78% of the total labour force in Neepawa and 74% of Division 15. This highlights Neepawa as a regional centre for these services and creates opportunity for growth.

#### 2.1.2 Other professional, scientific and technical services

This industry shows as a relatively strong PSTS cluster through employment and business count LQs as well as the current landscape of major Neepawa employers working in this field. As a hub for surrounding smaller towns and agriculture-oriented rural areas, Neepawa also has a large clientele base in niche animal services such as farm animal research and consulting. Fostering existing businesses and targeted attraction of new businesses working in these fields could help Neepawa further develop this area as a strong cluster for the community.

This sub-sector is a supporter of food manufacturing and agricultural services in Neepawa and as Food manufacturing is expanding across Manitoba, with much of its advantage coming from the abundant, local agriculture feedstock, which supplies many businesses with cost-effective ingredients. In addition, unique food-related facilities and incubators within the province, as well as growing support for the sub-sector through government grants and programs, give entrepreneurs their footing in the industry to help them launch their products, locally, nationally and internationally.



## 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 (2018) enrolled 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>9</sup>.

#### 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>10</sup>.

#### 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. Other notable degrees include the Master in Applied Computer Science, and BA/BSc in Information Systems.

#### 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>9</sup> Assiniboine Community College  
Source: <https://assiniboine.net/about>

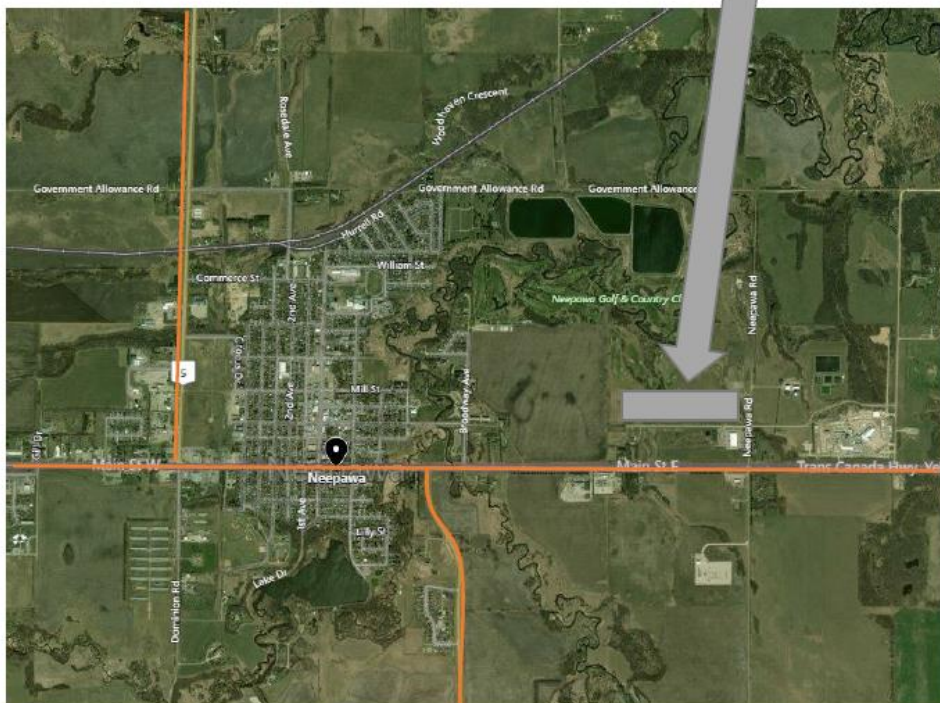
<sup>10</sup> Brandon University  
Source: <https://www.brandonu.ca/>



## 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



## 2.1 Market Position & Competitiveness

Due to the effectiveness and growth of virtual technology, the business location of choice for those working in the PSTS sector has become more flexible than ever. This bodes well for the competitiveness of smaller communities, such as Neepawa, as new technology allows the resident labour force to work from or closer to home and avoid long commutes to the traditional business core. As technology progresses, more businesses will start to choose their location of work based on where they want to be, rather than where they feel they need to be. Although the Winnipeg core may remain the choice for large firms in the PSTS sector, it is likely that Neepawa, with its affordable costs and quality of life, will grow as competitive location for small and mid-sized PSTS firms in the overall region.

### 2.1.1 Strengths & Opportunities

**Many Sole Proprietor Businesses:** According to the 2017 Business Counts Census, 64 per cent of Neepawa's PSTS businesses are sole proprietor. These figures show that much of the PSTS workforce in Neepawa is entrepreneurial with potential to grow their businesses within the community.

**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 Neepawa.

**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.

**Growing Regional Hub for Surrounding Communities:** In addition to its current residential growth, over 1,000 new people moved to Neepawa between 2011 and 2016. The town is a retail and services hub for people from surrounding smaller towns and rural areas, providing a strong customer base for businesses choosing to locate in Neepawa.

### 2.1.2 Weaknesses

**Lack of Office & Co-Working Space for Small Business:** Although Neepawa has spaces available for industrial and commercial firms, there is a lack of office space for rent in the community. This is a potential deterrent for any small PSTS business considering re-locating to Neepawa. The introduction of a co-working space could help Neepawa learn if home-based businesses are interested in moving out of their homes. It could also help build a stronger knit PSTS community.



## 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.