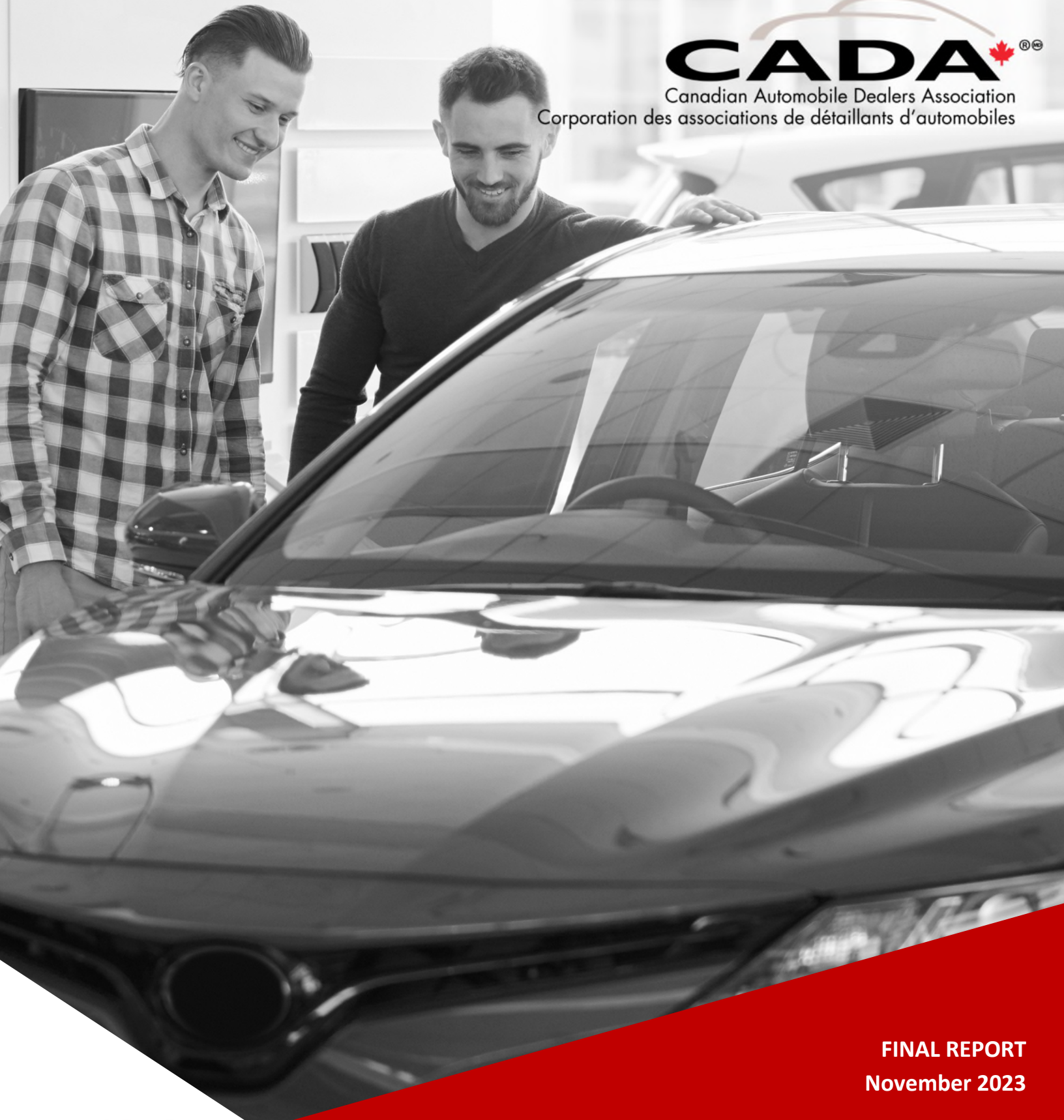




CADA®

Canadian Automobile Dealers Association
Corporation des associations de détaillants d'automobiles



FINAL REPORT
November 2023

The Economic Impacts of New Car Dealers in Ontario

FORMERLY MVRO
MVRO.ca
MOTOR VEHICLE RETAILERS OF ONTARIO

MNP RESEARCH PARTNER



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MESSAGE FROM THE CANADIAN AUTOMOBILE DEALERS ASSOCIATION

Automotive retail dealers are an integral part of the economic and social fabric of their communities. Our over 3,400 members are present in almost all towns and cities across Canada selling and servicing vehicles while providing substantial employment opportunities and directly contributing important amounts to local, provincial and national Output, GDP and Tax Revenue and generating additional indirect and induced economic contributions.

Our members run the range from family owned, single point businesses with 30 employees to publicly traded corporations operating over 70 dealerships. This Economic Impact Study, prepared by our research partner MNP, provides the data that shows the full scope of the contributions of the automotive retailing to the Provincial and Canadian economies.

We trust you will find this information useful and encourage you to engage with CADA, our Provincial Associations and our individual members to find out more about how automotive retailers are, and will continue to be, an essential part of our economy and society.

Sincerely,

Tim Reuss
President and Chief Executive Officer
CADA





MESSAGE FROM THE MOTOR VEHICLES RETAILERS OF ONTARIO

The automotive sector is the engine of Ontario's economy. For over 100 years, our residents have made Ontario's world class auto sector the envy of other jurisdictions. They mine the critical minerals, build the vehicles on the assembly line and ultimately - are there for Ontario's 10 million drivers where the rubber literally hits the road - at the new car and truck dealership.

Whether its helping people find the next family car, helping organizations with fleet operations or performing the required service and auto body work - the 1,100 members of the Motor Vehicle Retailers of Ontario are ready to help move people where they need to go and drive the economy forward.



This report by MNP highlights the importance of the auto retail sector to Ontario's economy. I hope this in-depth report provides our members and other stakeholders with information about the unique role our sector plays in promoting economic growth and job creation.

Sincerely,

Todd Bourgon
Executive Director
MVRO

EXECUTIVE SUMMARY

The Canadian Automobile Dealers Association (CADA), in conjunction with the Motor Vehicles Retailers of Ontario (MVRO), engaged MNP LLP (MNP) to carry out an economic impact study of new car dealer operations in Ontario.

KEY STATISTICS

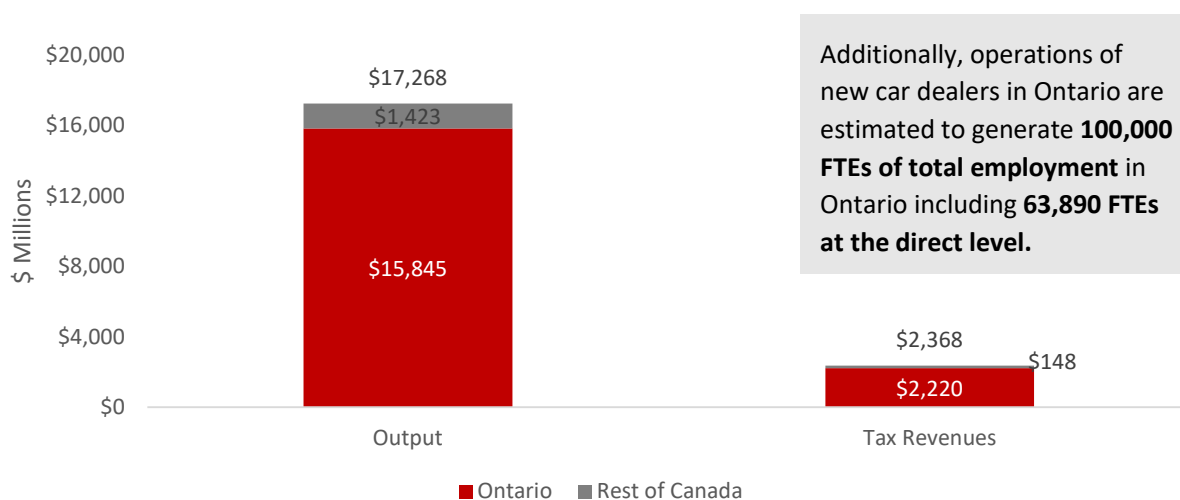
In 2022:

- New car dealers sold 607,707 new vehicles in Ontario.
- New car dealers directly employed 63,890 people.
- Total revenues of new car dealers were \$59.8 billion, of which 55 percent was attributable to the sale of new vehicles and the remainder was attributable to the sale of parts, accessories, used vehicles and maintenance services.
- Approximately 56 percent of the jobs at new car dealers are skilled positions requiring a post-secondary credential, professional certification, or significant experience.

ECONOMIC IMPACTS

Figure A shows the estimated economic impacts of Ontario's new car dealers in 2022. Between approximately 92 percent and 94 percent of the impacts occur in Ontario and the remainder occur in other parts of Canada as a result of supply chain linkages.

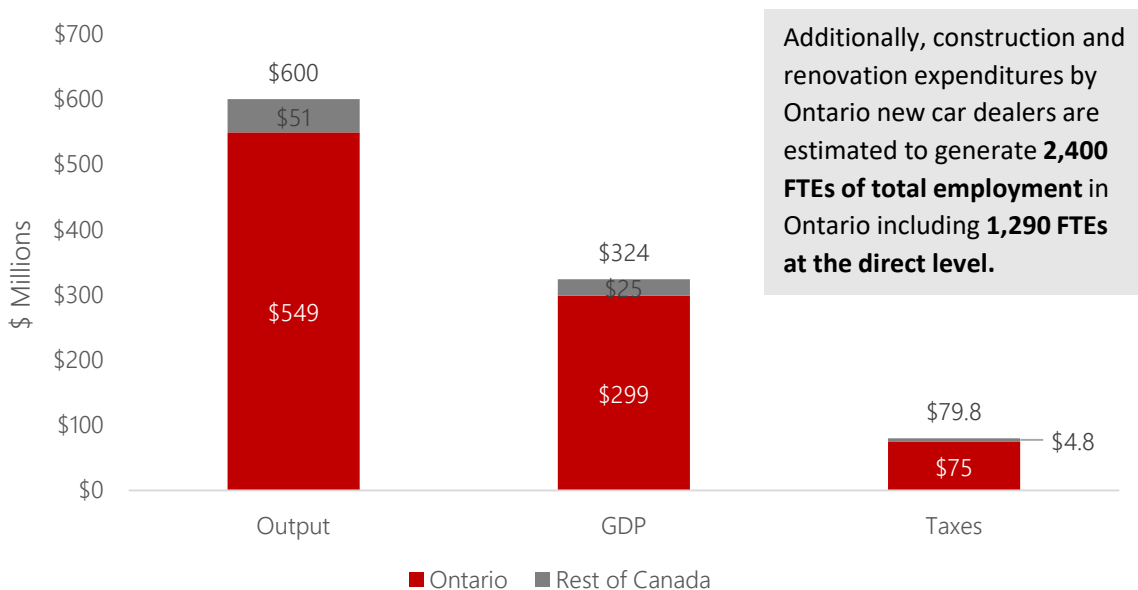
Figure A: Estimated Economic Impacts of Ontario's New Car Dealer Operations, 2022*



* Please note that GDP has not been reported due to methodological differences between this study and past studies completed by MVRO that meant the values were not comparable.

Figure B shows the estimated annual economic impacts of construction and renovation expenditures by Ontario new car dealers. Between approximately 92 percent and 94 percent of the impacts occur in Ontario and the remainder occur in other parts of Canada as a result of supply chain linkages.

Figure B: Estimated Annual Economic Impacts of Construction and Renovation Expenditures by Ontario New Car Dealers





1. INTRODUCTION

1.1 BACKGROUND AND PURPOSE

The Canadian Automobile Dealers Association (CADA), which represents over 3,400 franchised new car and truck dealers across Canada, in conjunction with its provincial association, the Motor Vehicles Retailers of Ontario (MVRO), engaged MNP LLP (MNP) to carry out an economic and social impact analysis of new car dealer operations in Ontario.

The scope of the study included:

- Estimating the economic impacts generated by Ontario's new car dealers.
- Describing the types and occupations supported by new car dealers.
- Developing a case study to articulate new car dealers' broader social and community impacts.

1.2 APPROACH

In preparing this report, MNP carried out the following activities:

- Gathered information on the number of locations, revenues, expenditures, and employment of Ontario's new car dealers from MVRO, CADA and publicly available sources.
- Identified gaps in data and information and developed strategies to fill those gaps.
- Developed estimates of the economic impacts created by Ontario's new car dealers.
- Developed a workforce profile and value chain description.
- Developed a case study on the broader social and community contributions of new car dealers.
- Developed a report detailing the findings of the study.

1.3 STRUCTURE OF THE REPORT

The remaining sections of this report are organized as follows:

- Section 2 provides an overview of Ontario's new car dealers.
- Section 3 summarizes the economic impacts created by Ontario's new car dealers and their workforce profile.
- Section 4 presents a case study on the broader social and community contributions of Ontario's new car dealers.
- The appendices provide additional detail on the economic impact methodology including relevant assumptions.



1.4 LIMITATIONS

This report is not intended for general circulation, nor is it to be published in whole or in part without the prior written consent of CADA and MNP. The report is provided for information purposes and is intended for general guidance only. It should not be regarded as comprehensive or a substitute for personalized, investment or business advice.

We have relied upon the completeness, accuracy and fair presentation of all information and data obtained from MVRO, CADA, and public sources believed to be reliable. The accuracy and reliability of the findings and opinions expressed in the presentation are conditional upon the completeness, accuracy and fair presentation of the information underlying them. As a result, we caution readers not to rely upon any findings or opinions for business or investment purposes and disclaim any liability to any party who relies upon them as such.

The findings and opinions expressed in the presentation constitute judgments as of the date of the report and are subject to change without notice. MNP is under no obligation to advise of any change brought to its attention that would alter those findings or opinions.

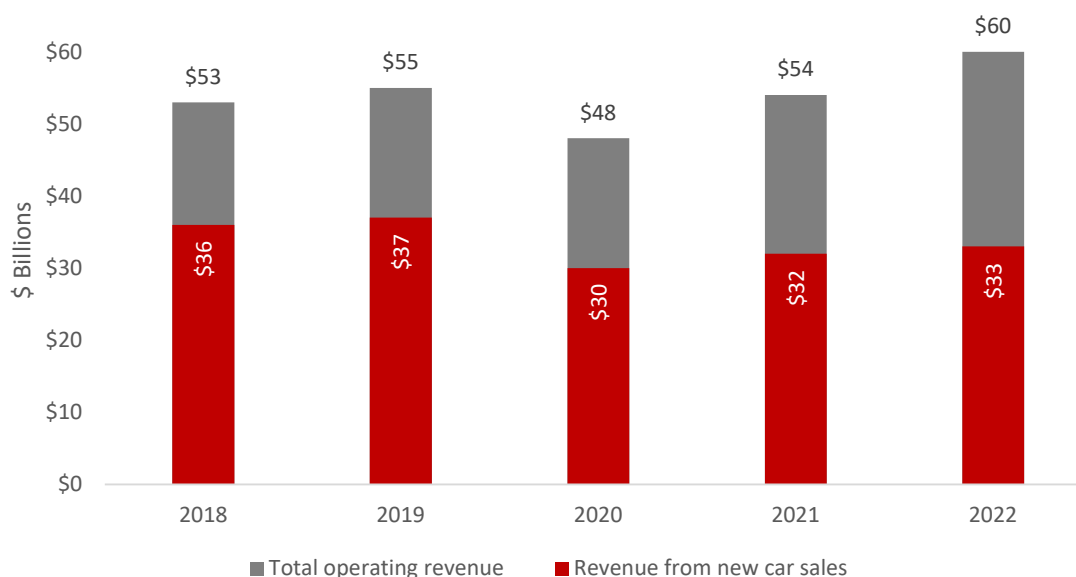
2. ABOUT NEW CAR DEALERS IN ONTARIO

2.1 OVERVIEW OF NEW CAR DEALERS IN ONTARIO

New car dealers are part of the retail automotive industry. This industry consists of businesses primarily involved in selling new cars, SUVs, light-duty trucks, and vans (including mini-vans) to individual customers or car leasing companies. These businesses also commonly sell used cars, replacement parts, accessories, and offer repair services.¹

Figure 1 shows revenues for new car dealers in Ontario between 2018 and 2022. During this period, revenues from the sale of new vehicles accounted for between 55 percent and 69 percent of total operating revenues. In 2019, total revenues increased by four percent and revenues from new car sales by one percent. In 2020, as a result of COVID-19 restrictions and supply chain issues, the overall operating revenue of dealerships decreased by 12 percent compared with 2019. As the economy started opening back up in 2021, total revenues and the revenues from the sale of new cars began to recover. In 2022, the total operating revenues increased by ten percent relative to 2019, while revenues from the sale of new cars were slightly below pre-pandemic levels.

Figure 1: Operating Revenues for New Car Dealers in Ontario (\$ Billions), 2018 to 2022

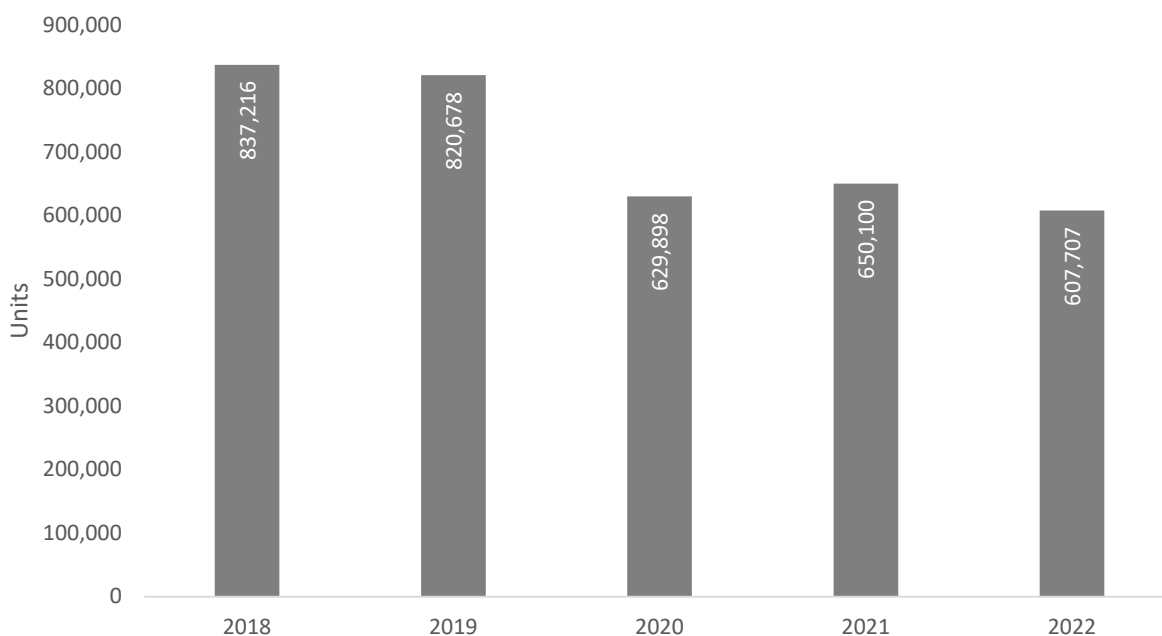


Source: Statistics Canada. Table 20-10-0066-01. Annual retail trade survey, financial estimates.

¹ Statistics Canada. NAICS Canada. Automotive dealers.

Figure 2 shows the number of new motor vehicles sold in Ontario from 2018 to 2022. Between 2018 and 2019, new motor vehicle sales declined by approximately two percent. In 2020, COVID-19 led to a sharper drop in sales (by 23 percent compared with 2019). Shutdowns at manufacturing plants which led to reduced auto production and supply constraints for new vehicles impacted the sale of new vehicles.² In 2021, demand for new vehicles started to rebound. In 2022, the number of sales decreased by 7 percent, resulting in a roughly 26 percent decrease compared with pre-pandemic levels.³ One of the reasons for this decline was a shortage of components such as semiconductor chips. According to Statistics Canada, motor vehicle manufacturing levels in Canada in 2022 were more than 25 percent lower than in 2019.⁴

Figure 2: New Motor Vehicles Sales for New Car Dealers in Ontario, 2018 to 2022



Source: Canadian Automobile Dealers Association

² International Organization of Motor Vehicle Manufacturers, Global Auto Production in 2020 Severely Hit by COVID-19 Crisis with a 16% Drop in World Auto Production. March 2021. Available here: <https://www.oica.net/wp-content/uploads/OICA-Press-Release-2021-03-24.pdf> (Accessed: May 16, 2022).

³ Statistics Canada. Table 20-10-0001-01 New motor vehicle sales

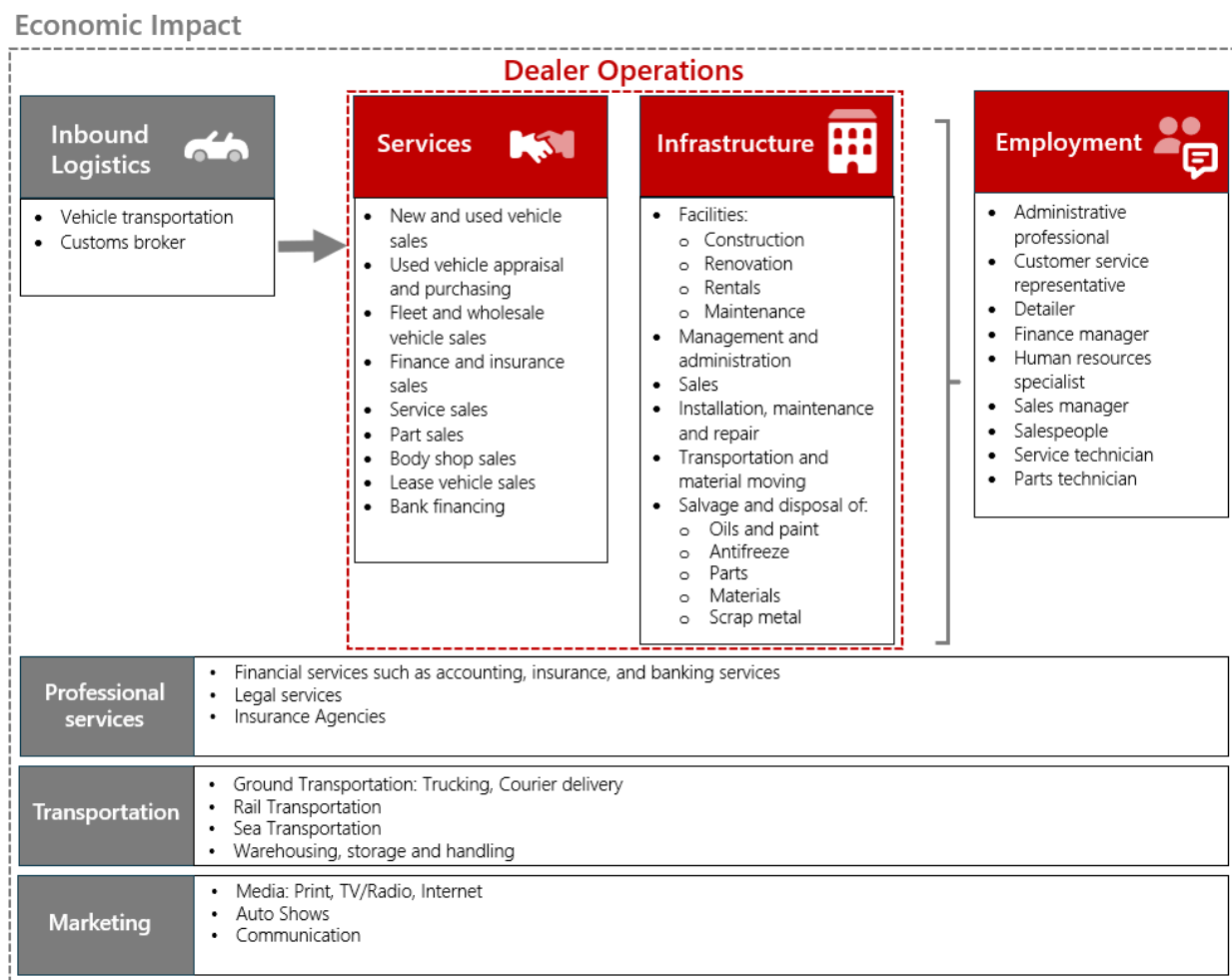
⁴ Bernard M.C., Dankyi E. (April 11, 2023). Statistics Canada. Enduring effects of the pandemic: The case of the passenger car rental industry in New Brunswick. Retrieved from <https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2023006-eng.htm>



2.2 LINKAGES WITH OTHER INDUSTRIES

How new car dealers generate economic activity can be illustrated in terms of a value chain which illustrates the linkages between dealers and their suppliers. The value chain for new car dealers is provided in Figure 3. Vehicles and parts and accessories sold by new car dealers are brought to Ontario from other parts of Canada and the US by rail and truck. Vehicles produced outside of North America are also sent by sea. To support their operations, new car dealers purchase services from a range of suppliers including banking and financial institutions, lawyers, insurance agencies, media outlets, advertising agencies, couriers, waste management companies and repair and maintenance service providers.

Figure 3: Linkages Between New Car Dealers and Other Industries





3. ECONOMIC IMPACT ANALYSIS

3.1 OVERVIEW OF ECONOMIC IMPACT ANALYSIS

In general, economic impacts are viewed as being restricted to quantitative, well-established measures of economic activity. The most commonly used of these measures are output, GDP, employment, and government revenue:

- **Output** is the total gross value of goods and services produced by a given company or industry measured by the price paid to the producer. This is the broadest measure of economic activity.
- **Gross Domestic Product (GDP)**, or value added, refers to the additional value of a good or service over the cost of inputs used to produce it from the previous stage of production. Thus, GDP is equal to the unduplicated value of the goods and services produced.
- **Employment** is the number of additional jobs created. Employment is measured in terms of full-time equivalents (FTEs). One FTE is equivalent to one person working full-time for one year or one person-year of employment.
- **Government Revenues** are the total amount of revenues generated for different levels of government. Revenues arise from personal income taxes, indirect taxes less subsidies, corporate income taxes, taxes on products and royalties. Please note that because tax revenues can frequently change due to modifications in tax policy, the government revenues in this report are estimates only and subject to change. They should be viewed as approximate in nature.

Economic impacts may be estimated at the direct, indirect, and induced levels:

- **Direct impacts** are due to changes that occur in "front-end" businesses that would initially receive expenditures and operating revenue as a direct consequence of the operations and activities of an industry, organization, or project.
- **Indirect impacts** arise from changes in activity for suppliers of the "front-end" businesses.
- **Induced impacts** arise from shifts in spending on goods and services as a consequence of changes to the payroll of the directly and indirectly affected businesses.

To estimate the economic impacts generated by new car dealers MNP employed an input-output methodology using multipliers published by Statistics Canada. Input-output modeling is a widely used and widely accepted approach, making it recognizable by many different stakeholders and audiences. The structure of the approach also facilitates easy comparisons between reported results for different industries and organizations.

Appendix A provides a more detail description of MNP's approach to estimating the economic impacts.

3.2 ECONOMIC IMPACT OF OPERATIONS

The operations of new car dealers generate economic impacts for the province through direct expenditures on goods and services, the employment of staff and the generation of taxes for local, provincial, and federal governments. The total expenditures by Ontario's new car dealers were estimated to be approximately \$57.9 billion in 2022. As shown in Table 1, the largest categories of expenditure were cost of goods for resale (e.g., vehicles, parts, and accessories), followed by expenses on salaries, wages and benefits, and rent.

Table 1: Estimated Total Spending of Ontario's New Car Dealers, 2022

Expenditure Category	Spending (\$ millions)	Percentage of Total Expenditure
Cost of goods for resale	\$51,629	89.2
Salaries, wages and benefits	\$3,178	5.5%
Rent	\$560	1.0%
Advertising and promotions	\$353	0.6%
Amortization	\$244	0.4%
Repairs and maintenance	\$215	0.4%
Professional and business fees	\$177	0.3%
Utilities and telephone/telecommunication	\$177	0.3%
Interest	\$152	0.3%
Insurance	\$114	0.2%
Delivery, shipping and warehouse	\$60	0.1%
Other expenses	\$1000	1.7%
Total	\$57,859	100%

Source: Statistics Canada. Table 20-10-0066-01 Annual retail trade survey - financial estimates and Financial Performance Data (2020), Financial Performance Data (2021), Innovation, Science and Economic Development Canada for New Car Dealers (NAICS 44111)

New car dealers are classified as being in the retail trade industry. Retail trade is a service industry and the economic impacts are based on the activities involved in providing services to sell goods. Consequently, the manufacturing of the goods sold by a retailer are not included in the overall economic impact. To account for this, expenditures on goods for resale were excluded from the calculation of economic impacts.

Table 2 shows the estimated economic impacts of Ontario new car dealers in Canada. Please note that GDP estimates have not been reported as they are not comparable to GDP estimates reported in past studies completed by MVRO. Those studies used different data sources and there were methodological differences in how GDP was calculated.

In 2022, new car dealers were estimated to generate:

- \$17.3 billion of total output, consisting of direct output of \$8.1 billion and \$9.1 billion of indirect and induced output.
- 106,020 total FTEs consisting of 63,890 direct jobs and 42,130 indirect and induced jobs.
- \$2.4 billion in total revenue for all three levels of government consisting of \$870 million in direct revenues and \$1.5 billion of indirect and induced revenues.

Between approximately 92 percent and 94 percent of the impacts accrue in Ontario and the remainder accrue in the rest of Canada.⁵ Appendix B provides a breakdown of impacts in Ontario and the rest of Canada.

Table 2: Estimated Total Economic Impacts of Ontario New Car Dealers, 2022

Category	Output (\$ millions)	Employment (FTEs)	Federal Tax (\$ millions)	Provincial Tax (\$ millions)	Municipal Tax (\$ millions)
Direct	\$8,130	63,890	\$484	\$303	\$83
Indirect and Induced	\$9,138	42,130	\$577	\$628	\$293
Total	\$17,268	106,020	\$1,061	\$931	\$376

3.3 ECONOMIC IMPACTS OF INVESTMENTS IN NEW AND EXISTING FACILITIES

In addition to spending on operations, new car dealers spend a substantial amount on new dealership construction and renovation each year. To estimate the economic impacts of that expenditure, a combination of primary and secondary data was used. A survey of members administered by the CADA gathered information on construction and renovation expenditures over the period 2018 to 2022. In

⁵ Please note that ranges reported elsewhere in the report (i.e., page 5) calculate the tax impacts as a single amount, which results in a narrower range of values.

addition, information from Statistics Canada's Building Permits data for car dealers was used to develop estimates of construction and renovation expenditures.

It was estimated that new car dealers in Ontario invested approximately \$305 million annually in new and existing facilities between 2018 and 2022. This consisted of \$273 million of construction expenditures and \$32 million of renovation expenditures.

Table 3 shows the estimated annual economic impacts of construction and renovation expenditures by Ontario new car dealers. Between 2018 and 2022 on an annual basis, new car dealers were estimated to generate:

- \$600 million of total output, consisting of direct output of \$305 million and \$295 million of indirect and induced output.
- \$324 million of total GDP consisting of \$164 million in direct GDP and \$160 million of indirect and induced GDP.
- 2,600 total FTEs consisting of 1,290 direct FTEs and 1,310 indirect and induced FTEs.
- \$79.8 million in total revenue for all three levels of government consisting of \$38 million in direct revenues and \$41.8 million of indirect and induced revenues.

Between approximately 92 percent and 96 percent of the impacts accrue in Ontario and the remainder accrue in the rest of Canada.⁶ Appendix B provides a breakdown of the impacts in Ontario and the rest of Canada.

Table 3: Estimated Annual Economic Impacts of Investment in New and Existing Facilities

Category	Output (\$ millions)	GDP (\$ millions)	Employment (FTEs)	Federal Tax (\$ millions)	Provincial Tax (\$ millions)	Municipal Tax (\$ millions)
Direct	\$305	\$164	1,290	\$13	\$11	\$14
Indirect and Induced	\$295	\$160	1,310	\$17	\$18	\$6.8
Total	\$600	\$324	2,600	\$30	\$29	\$20.8

⁶ Please note that ranges reported elsewhere in the report (i.e., page 6) calculate the tax impacts as a single amount, which results in a narrower range of values.

3.4 WORKFORCE PROFILE

New car dealers provide stable long-term employment for skilled and unskilled labour. Skilled employment includes tradespeople, salespeople, finance officers, managers, administrative staff, marketing staff, and professionals. Unskilled and semi-skilled employment includes detailers, lot people, drivers, delivery people, and shop helpers. Approximately 56 percent of the workforce are employed in skilled positions requiring a post-secondary credential, professional certification, or significant experience.

Table 4 provides an overview of the workforce at new car dealers.

Workforce Demographics





- Around 40 percent of employees of new car dealers in Ontario are between 26 and 41 years old. While generation Z constitutes 15 percent of the workforce at Ontario's dealerships.
- Most employees (77 percent) working at Ontario new car dealerships identify as male.** This representation is consistent with national data. Additionally, at a national level, the occupations with the highest female ratio include finance and insurance managers (43 percent) and service advisors (31 percent).**

*Statistics Canada. Table 14-10-0023-01 Labour force characteristics by industry, annual (x 1,000)

** Canadian Automobile Dealers Association. 2022 Industry Report.



Table 4: Workforce at New Car Dealers

Skills Level	Category	Description	Share of Workforce
Skilled	Parts and Service 	<p>This group of occupations includes skilled trade workers and technicians responsible for the maintenance and repair of vehicles, as well as support staff.</p> <p>Skilled positions include parts people, service advisors, automotive service technicians, collision repair technicians, glass technicians, automotive painters, automotive refinishing prep technicians, and estimators. Support positions include shop helpers, detailers, couriers, and delivery drivers.</p>	43%
	Management and Administration 	<p>This group of occupations includes operations and strategic management positions, as well as marketing, legal and IT.</p> <p>Operations management positions include fixed operations managers, parts managers, and service managers. Strategic management positions include controllers and general managers.</p>	13%
Semi-skilled	Sales and Customer Service 	<p>This group of occupations includes receptionists, sales, finance and leasing, and customer service representatives who are responsible for greeting and addressing customer queries.</p> <p>Sales and customer service representatives must maintain industry product knowledge and have excellent communication skills. Education requirements for these positions vary from high school to a bachelor's degree.</p>	36%
Unskilled	Other Occupations 	<p>This group of occupations provide general support for the day-to-day operations of the dealerships.</p> <p>Positions include building and lot maintenance personnel, inventory clerks, shuttle and parts drivers, and car wash/vehicle detailers.</p>	8%



3.5 COMPARISON OF ECONOMIC IMPACTS WITH OTHER INDUSTRIES

To provide perspective on the size of the economic impacts of Ontario's new car dealers, it is useful to compare the impacts with those created by other industries and initiatives. Three such industries are:

- **New Home Construction:** In 2022, the operations of Ontario's new car dealers were estimated to have generated direct and indirect employment of 82,300 FTEs. This is equivalent to the number of direct and indirect jobs created through the construction of approximately 40,880 new homes in Ontario. This equates to 43 percent of new home starts in 2022.⁷
- **Tourism:** The direct and Indirect employment generated by Ontario's new car dealerships is equivalent to 118 percent of the employment generated by servicing visitors to Toronto.⁸
- **Manufacturing:** The direct employment generated from the operations of new car dealers in Ontario 2022 is equivalent to 50 percent of the total employment generated by the manufacturing industry in the city of Toronto in 2021.⁹

⁷ Canadian Home Builders' Association. Residential Construction in Canada, Economic Performance Review 2022. Retrieved from <https://www.chba.ca/impacts>

⁸ City of Toronto website. Retrieved from <https://www.toronto.ca/business-economy/industry-sector-support/tourism/#:~:text=Key%20Facts,over%2027.5%20million%20visitors%20annually>

⁹ Toronto Employment Survey 2021. Retrieved from <https://www.toronto.ca/legdocs/mmis/2022/ph/bgrd/backgroundfile-225982.pdf>



4. SOCIAL AND COMMUNITY CONTRIBUTIONS

With Canada experiencing an aging population, focusing on the well-being of the younger generation is not just vital for the immediate health of families but is also essential for the long-term resilience and prosperity of communities and the country. In Ontario, automotive dealerships are committed to enhancing the lives of children in their communities through contributions to various child-focused charities and initiatives. Examples of these contributions include:

- The Palladino Auto Group Golf Classic for NEO Kids, an annual golf tournament that raises funds to support paediatric care in Northeast Ontario. Proceeds from the tournament go to the NEO Kids Foundation, which purchases equipment and invests in capital and other programs providing patient care to children and youth. In 2023, the tournament raised a record \$205,000 for pediatric care and since 2015, the event has raised over \$920,000 for NEO Kids.¹⁰
- Performance Auto Group has made numerous contributions to the community. Brantford Toyota not only took part in the Rotary Classic Run but also made a significant donation to Princess Elizabeth Public School through the Toyota Evergreen Learning Grounds program. Their efforts support Lansdowne Children's Centre and the Boys' and Girls' Club of Brantford, both of which provide programs for children with special needs. Further contributions from this group include Planet Ford's Silver Sponsorship at The Shining Through Centre for Children with Autism's Gala Dinner, which plays a role in funding services for autistic children across southern Ontario. Additionally, Classic Honda's sponsorship of the Flame of Hope Golf Tournament successfully raised \$3,000 for diabetic children.¹¹
- The AWIN Group of Dealerships has been a committed supporter of the Rally for Kids with Cancer for over ten years through the Rally for Kids with Cancer Scavenger Cup in Toronto. This event has raised over \$19 million for children's cancer research, treatments, and care at the Hospital for Sick Children (SickKids), which is affiliated with the University of Toronto.¹²

These examples are just a few of the broader efforts by automotive dealerships across Ontario to enhance the lives and well-being of children facing a variety of challenges.

¹⁰ Sudbury.com. (2023, August 3). Palladino Auto Group Golf Classic for NEO Kids a record-breaker. Retrieved October 28, 2023, from <https://www.sudbury.com/local-news/palladino-auto-group-golf-classic-for-neo-kids-a-record-breaker-7364216>

¹¹ Performance Auto Group. (2023). Sponsorships. Retrieved October 28, 2023, from <https://www.performance.ca/sponsorships/>

¹² Auto World Imports Network. (n.d.). Partnerships. Retrieved October 28, 2023, from <http://awin.wpengine.com/partnerships/>



APPENDICES

APPENDIX A – ECONOMIC IMPACT METHODOLOGY

MNP's approach to economic impact modelling is based on published Statistics Canada multipliers and input-output modelling. Below is a step-by-step overview of our approach to estimating the economic impacts.

Step 1: Estimated the operating revenue of new car dealerships in Ontario in 2022 and annual expenditures on construction and renovation.



Step 2: Applied Statistics Canada multipliers (by NAICS) to corresponding revenues/expenditures.



Step 3: Estimated federal, provincial and local government revenues.

Step 1: Estimate the operating revenue of new car dealerships in Ontario in 2022 and annual expenditures on construction and renovation

The first step in estimating the economic impacts of Ontario's new car dealers was to estimate the operating revenue of the dealerships in Ontario using the following sources from Statistics Canada:

- Retail trade sales (CANSIM 080-0020) for New Car Dealers (NAICS 44111).
- Annual retail trade survey financial estimates (CANSIM table 080-0030) for New Car Dealers (NAICS 44111).

Estimates of construction and renovation were developed using the following sources:

- Results from a survey of new car dealers conducted by CADA.
- Statistics Canada Table 34-10-0066-01 (Building permits, by type of structure and type of work).



Step 2: Applied Statistics Canada multipliers (by NAICS) to corresponding revenues/expenditures

Statistics Canada's input-output multipliers were then used to estimate the economic impacts of Ontario's new car dealers. To estimate the economic impacts generated by the construction and renovation activities, the multipliers were applied to the construction. Please note that the direct output for retail operations is measured on margin basis. Therefore, to estimate the economic impacts of operations the multipliers were applied to gross operating margin i.e., revenue less cost of goods sold. Statistics Canada's input-output multipliers produced estimates of direct, indirect, and induced output, GDP, and employment.

Step 3: Estimated Federal, Provincial and Local Government Revenues

Based on direct payments made to various levels of government, the estimated federal, provincial, and local government revenues include calculations of corporate income taxes, personal income taxes, taxes on products and taxes on production.

APPENDIX B – DETAILED ECONOMIC IMPACTS

The tables below provide a breakdown of economic impacts in Ontario and the rest of Canada.

Table 5: Economic Impacts of New Car Dealer Operations in Ontario, 2022

Category	Output (\$ millions)	Employment (FTEs)	Federal Tax (\$ millions)	Provincial Tax (\$ millions)	Municipal Tax (\$ millions)
Direct Impacts					
Ontario	\$8,130	63,890	\$484	\$303	\$83
Indirect and Induced Impacts					
Ontario	\$7,715	36,110	\$512.0	\$567.0	\$271
Rest of Canada	\$1,423	6,020	\$65	\$61	\$22
Total Impacts					
Ontario	\$15,845	100,000	\$996	\$870	\$354
Rest of Canada	\$1,423	6,020	\$65	\$61	\$22
Total	\$17,268	106,020	\$1,061	\$931	\$376

Table 6: Estimated Annual Economic Impacts of Investment in New and Existing Facilities

Category	Output (\$ millions)	GDP (\$ millions)	Employment (FTEs)	Federal Tax (\$ millions)	Provincial Tax (\$ millions)	Municipal Tax (\$ millions)
Direct Impacts						
Ontario	\$305	\$164	1,290	\$13	\$11	\$14.
Indirect and Induced Impacts						
Ontario	\$244	\$135	1,110	\$15	\$16	\$6
Rest of Canada	\$51	\$25	200	\$2	\$2	\$0.8
Total Impacts						
Ontario	\$549	\$299	2,400	\$28	\$27	\$20
Rest of Canada	\$51	\$25	200	\$2	\$2	\$0.8
Total	\$600	\$324	2,600	\$30	\$29	\$20.8

APPENDIX C – ABOUT MNP

For over 60 years, MNP has proudly served and responded to the needs of clients in the public, private and not-for-profit sectors. Today, MNP is the fifth largest Chartered Professional Accountancy and business consulting firm in Canada and is the only major accounting and business consulting firm with its head office located in Western Canada. MNP has more than 117 locations and over 7,100 team members across the country.



MNP Consulting Services

MNP Consulting provides a broad range of business and advisory services to clients including:

- Strategy Development and Planning
- Stakeholder Engagement
- Performance Measurement
- Economic Analysis
- Research
- Data and Analytics
- Business Plans and Feasibility Studies
- Performance Improvement
- Financial Analysis

About MNP's Economics and Research Practice

Economic and industry studies are carried out by MNP's Economics and Research practice. Based in Vancouver, the Economics and Research practice consists of a team of professionals that has a successful track record of assisting clients with a wide variety of financial and economic impact studies. Our work has encompassed a wide range of programs, industries, company operations and policy initiatives, and has helped clients with decision-making, communication of economic and financial contributions, documentation of the value of initiatives and activities, and development of public policy.