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

FINAL REPORT
November 2023

The Economic Impacts of New Car Dealers in Prince Edward Island



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 PRINCE EDWARD ISLAND AUTOMOBILE DEALERS ASSOCIATION

The Prince Edward Island Automobile Dealers Association (PEIADA) is pleased to announce and present its 2023 Economic Impact Study.

We are delighted to partner with all of the provincial associations and our national body, CADA, on this initiative. The objective of this study was to not only gather data on the positive impacts of auto dealers in Canada, but to provide insights on the auto retail business specific to our provincial context.

Using 2022 data, here are the key figures from the study:

- New car dealers sold 6,850 new vehicles in Prince Edward Island.
- New car dealers directly employed 430 people.
- Approximately 56 percent of the jobs at new car dealers are skilled positions requiring a post-secondary credential, professional certification or significant experience.



The comparative data within has been compiled with your contributions and provides accurate information to help you run your business effectively and efficiently.

We encourage to continue to contribute your data to this project so the National Workforce Study can continue to be current and serve as a guide for you and other dealerships as we navigate the ongoing challenges of the automotive industry.

Sincerely,

Lisa Doyle-MacBain
Executive Director and Provincial Association Executive
PEIADA

EXECUTIVE SUMMARY

The Canadian Automobile Dealers Association (CADA), in conjunction with the Prince Edward Island Automobile Dealers Association (PEIADA), engaged MNP LLP (MNP) to carry out an economic impact study of new car dealer operations in Prince Edward Island (PEI).

KEY STATISTICS

In 2022:

- New car dealers sold 6,850 new vehicles in Prince Edward Island.
- New car dealers directly employed 430 people.
- Total revenues of new car dealers were \$533 million, of which 54 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 Prince Edward Island's new car dealers in 2022. Between approximately 72 percent and 79 percent of the impacts occur in Prince Edward Island and the remainder occur in other parts of Canada as a result of supply chain linkages.

Figure A: Estimated Economic Impacts of Prince Edward Island's New Car Dealer Operations, 2022

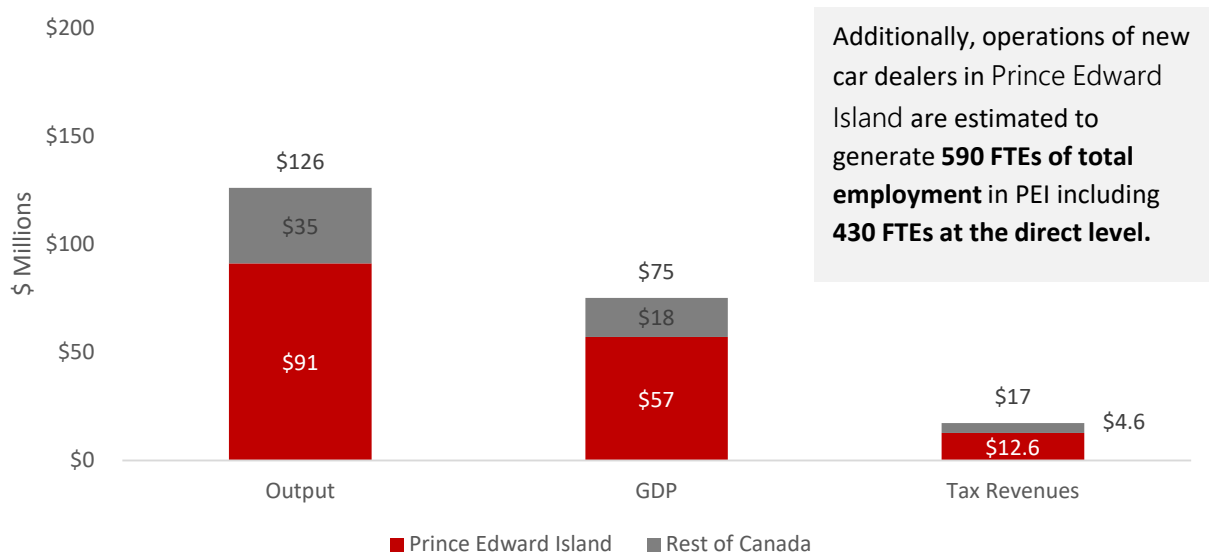
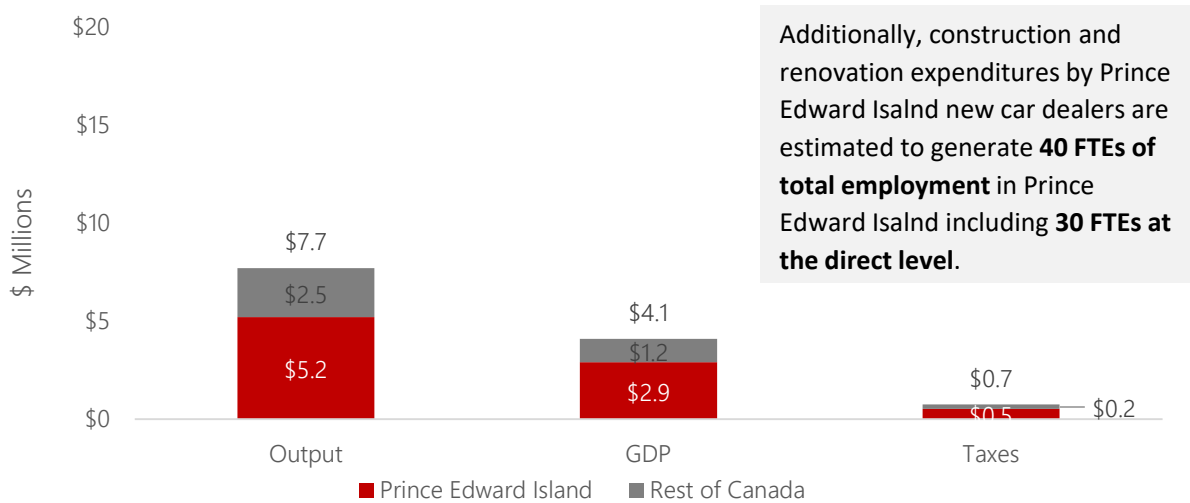




Figure B shows the estimated annual economic impacts of construction and renovation expenditures by Prince Edward Island new car dealers. Between approximately 68 percent and 80 percent of the impacts occur in Prince Edward Island and the remainder occur in other parts of Canada as a result of supply chain linkages.

Figure B: Estimated Annual Economic Impacts of Construction and Renovation Expenditures by Prince Edward Island 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 Prince Edward Island Automobile Dealers Association (PEIADA), engaged MNP LLP (MNP) to carry out an economic and social impact analysis of new car dealer operations in Prince Edward Island.

The scope of the study included:

- Estimating the economic impacts generated by Prince Edward Island'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 Prince Edward Island's new car dealers from PEIADA, 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 Prince Edward Island'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 Prince Edward Island's new car dealers.
- Section 3 summarizes the economic impacts created by Prince Edward Island's new car dealers and their workforce profile.
- Section 4 presents a case study on the broader social and community contributions of Prince Edward Island'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 PEIADA, 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.

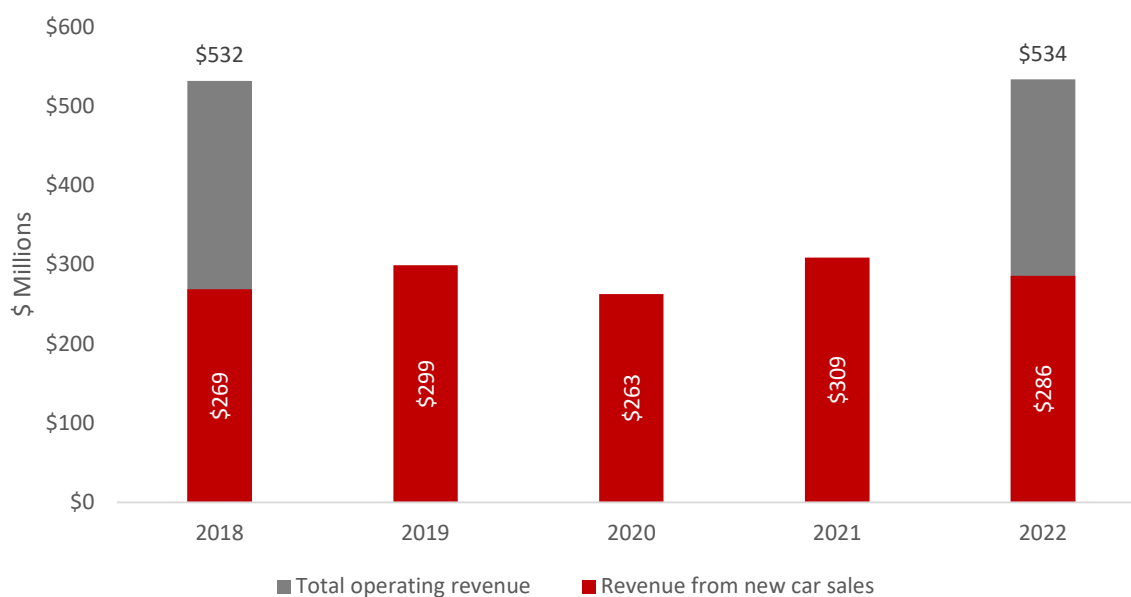
2. ABOUT NEW CAR DEALERS IN PRINCE EDWARD ISLAND

2.1 OVERVIEW OF NEW CAR DEALERS IN PRINCE EDWARD ISLAND

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 Prince Edward Island between 2018 and 2022. Revenue from new car sales was stable during this period despite supply chain challenges and COVID-19 pandemic. Data on total revenue wasn't available for some years, however, in 2022 it rebounded to pre-pandemic levels.

Figure 1: Operating Revenues for New Car Dealers in Prince Edward Island (\$ Millions), 2018 to 2022²



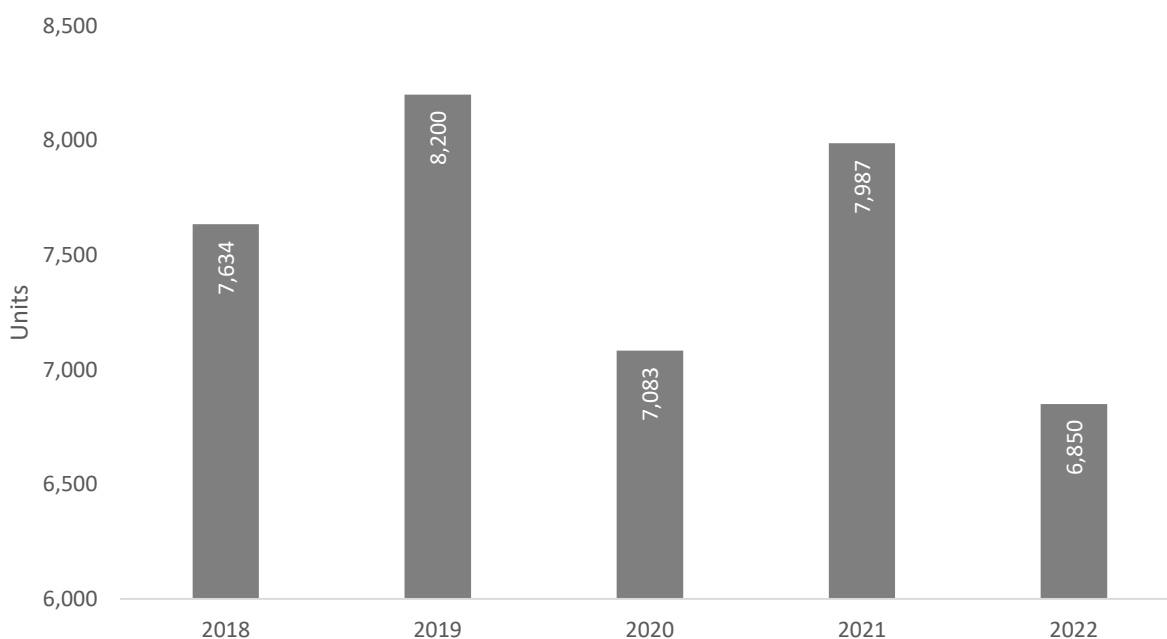
Source: Statistics Canada. Table 20-10-0066-01. Annual retail trade survey, financial estimates.

¹ Statistics Canada. NAICS Canada. Automotive dealers.

² Please note data on total operating revenue wasn't available for some years.

Figure 2 shows the number of new motor vehicles sold in Prince Edward Island from 2018 to 2022. In 2019 new motor vehicle sales increased by approximately seven percent. In 2020, COVID-19 led to a sharp drop in sales (by 14 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.³ In 2021, demand for new vehicles rebounded by 13 percent. In 2022, the number of sales decreased by 14 percent, resulting in a roughly 16 percent decrease compared with pre-pandemic levels.⁴ 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 2019.⁵

Figure 2: New Motor Vehicles Sales for New Car Dealers in Prince Edward Island, 2018 to 2022



Source: Canadian Automobile Dealers Association

³ 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).

⁴ Statistics Canada. Table 20-10-0001-01 New motor vehicle sales.

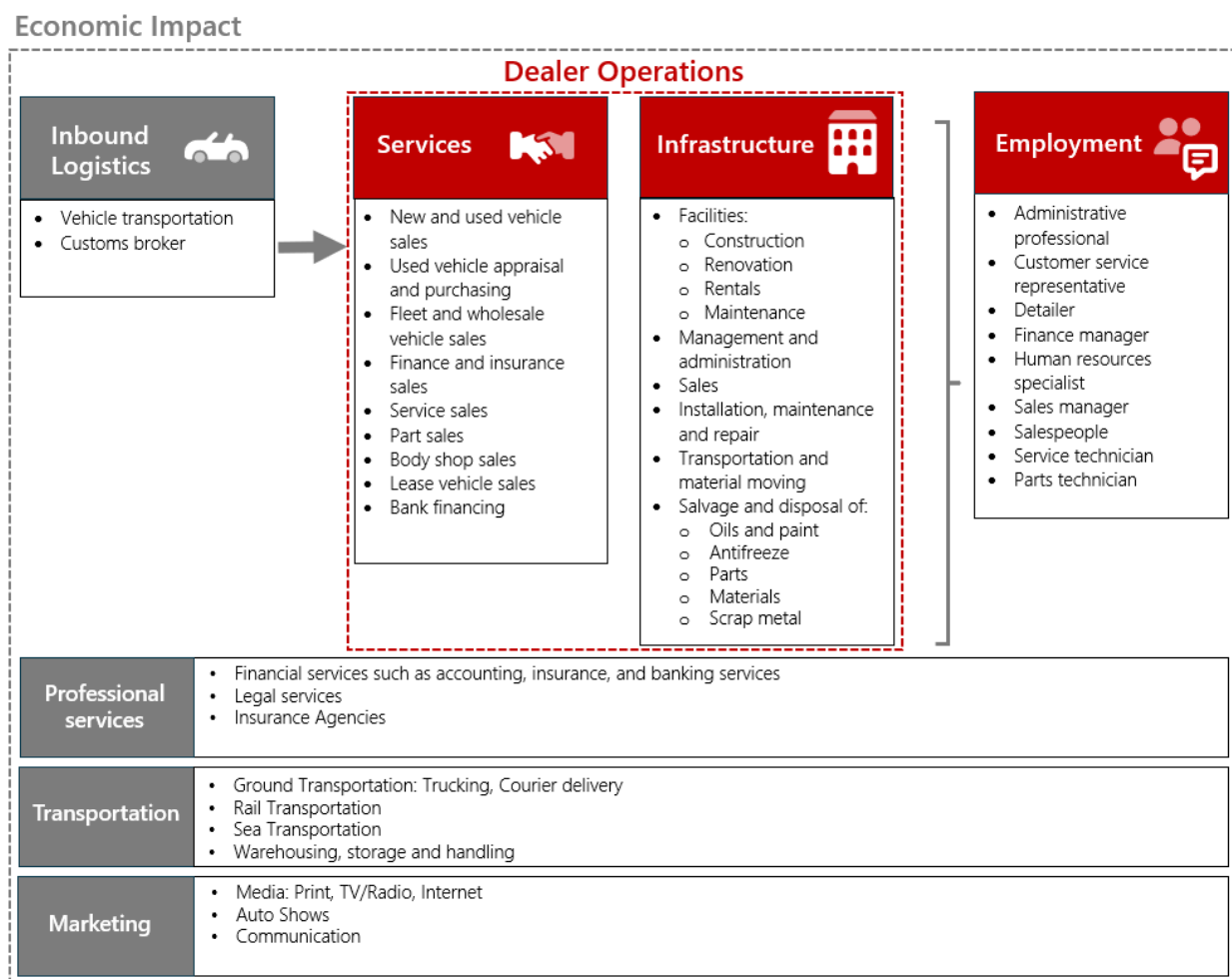
⁵ Bernard M.C., Dankyi E. (April 11, 2023). Statistics Canada. Enduring effects of the pandemic: The case of the passenger car rental industry in New Brunswick. Retrieved from <https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2023006-eng.htm>



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 Prince Edward Island 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 Prince Edward's new car dealers were estimated to be approximately \$527 million 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 Prince Edward's New Car Dealers, 2022

Expenditure Category	Spending (\$ millions)	Percentage of Total Expenditure
Cost of goods for resale	\$469	89.0%
Salaries, wages and benefits	\$30	5.7%
Rent	\$5	0.9%
Advertising and promotions	\$3	0.6%
Amortization	\$2	0.4%
Repairs and maintenance	\$2	0.4%
Professional and business fees	\$2	0.4%
Utilities and telephone/telecommunication	\$2	0.4%
Interest	\$1	0.2%
Insurance	\$1	0.2%
Delivery, shipping and warehouse	\$1	0.2%
Other expenses	\$9	1.6%
Total	\$527	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 Prince Edward Island new car dealers in Canada. In 2022, new car dealers were estimated to generate:

- \$126 million of total output, consisting of direct output of \$65 million and \$61 million of indirect and induced output.
- \$75 million of total GDP consisting of \$41 million in direct GDP and \$34 million of indirect and induced GDP.
- 750 total FTEs consisting of 430 direct FTEs and 320 indirect and induced FTEs.
- \$17.2 million in total revenue for all three levels of government consisting of \$7.3 million in direct revenues and \$9.9 million of indirect and induced revenues.

Between approximately 50 percent and 79 percent of the impacts accrue in Prince Edward Island and the remainder accrue in the rest of Canada.⁶ Appendix B provides a breakdown of the impacts in Prince Edward Island and the rest of Canada.

Table 2: Estimated Total Economic Impacts of Prince Edward Island New Car Dealers, 2022

Category	Output (\$ millions)	GDP (\$ millions)	Employment (FTEs)	Federal Tax (\$ millions)	Provincial Tax (\$ millions)	Municipal Tax (\$ millions)
Direct	\$65	\$41	430	\$3	\$4	\$0.3
Indirect and Induced	\$61	\$34	320	\$4	\$5	\$0.9
Total	\$126	\$75	750	\$7	\$9	\$1.2

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

⁶Please 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 Prince Edward Island invested approximately \$3.6 million annually in new and existing facilities between 2018 and 2022. This consisted of \$3.5 million of construction expenditures and \$0.1 million of renovation expenditures.

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

- \$8 million of total output, consisting of direct output of \$4 million and \$4 million of indirect and induced output.
- \$4 million of total GDP consisting of \$2 million in direct GDP and \$2 million of indirect and induced GDP.
- 50 total FTEs consisting of 30 direct FTEs and 20 indirect and induced FTEs.
- \$0.7 million in total revenue for all three levels of government consisting of \$0.2 million in direct revenues and \$0.5 million of indirect and induced revenues.

Between approximately 30 percent and 80 percent of the impacts accrue in Prince Edward Island and the remainder accrue in the rest of Canada.⁷ Appendix B provides a breakdown of the impacts in Prince Edward Island 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	\$3.6	\$1.9	30	\$0.1	\$0.1	\$0.003
Indirect and Induced	\$4.1	\$2.2	20	\$0.2	\$0.3	\$0.04
Total	\$7.7	\$4.1	50	\$0.3	\$0.4	\$0.043

⁷Please 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 Prince Edward Island are between 26 and 41 years old while generation Z constitutes 11 percent of the workforce at Prince Edward Island's dealerships.
- Most employees (77 percent) working at Prince Edward Island 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 Prince Edward Island'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 Prince Edward Island's new car dealers were estimated to have generated direct and indirect employment of 610 FTEs. This is equivalent to the number of direct and indirect jobs created through the construction of approximately 198 new homes in Prince Edward Island. This equates to 15 percent of new home starts in 2022.⁸
- **Seafood production:** The total employment generated from the operations of new car dealers in Prince Edward Island equates to the employment generated through the production of 18,000 pounds of seafood products which accounts for 15 percent of the total production in 2021.⁹
- **Transportation:** New car dealers in Prince Edward Island produce employment that is equivalent to the employment generated through servicing approximately 350,000 passengers at the Charlottetown Airport in 2018, which amounts to 95 percent of the total.^{10,11}

⁸ Canadian Home Builders' Association. Residential Construction in Canada, Economic Performance Review 2022. Retrieved from <https://www.chba.ca/impacts>

⁹ Department of Fisheries and Communities. Economic Contributions of the Seafood Sector in Prince Edward Island. Retrieved from https://www.princeedwardisland.ca/sites/default/files/publications/pei_final_seafood_sector_economic_contribution_report2.pdf

¹⁰ Charlottetown Airport website. Retrieved from <https://flyyyg.com/news/charlottetown-airport-authority-releases-2022-results-and-outlook-for-2023-at-annual-public-meeting/>

¹¹ Charlottetown Airport website. Retrieved from <https://flyyyg.com/corporate/about-yyg/economic-impact/>



4. SOCIAL AND COMMUNITY CONTRIBUTIONS

Businesses in PEI are fundamental to the community's development and support, serving a role far greater than commerce alone. Through various initiatives, new car dealerships in PEI are increasingly recognized for their roles in contributing to the well-being of the island's residents. The following examples demonstrate this support for their communities:

- In 2023, Centennial Auto Group sponsored "PURE IMAGINATION," a concert in collaboration with Prince St. Elementary and Montague Regional High, presented by the Charlottetown Legion choir. The event celebrated the joys of childhood through a series of choral performances. By funding this initiative, Centennial Auto Group was fostering a connection between the arts and the community, enriching local cultural offerings.¹²
- Charlottetown Mitsubishi participated in the "12 Months of Caring" program, which provided free vehicle maintenance and repair services to selected "working poor" recipients every month. This assisted working parents in maintaining reliable transportation.¹³ This support was crucial in enabling recipients to uphold their family and work commitments.
- Summerside Chrysler Dodge Jeep Ram donated a Jeep Wrangler Sport to the Grass Roots and Cowboy Boots event. This fundraiser, organized to support the Prince County Hospital (PCH) Foundation, assists in funding the purchase of medical equipment and the enhancement of patient care at PCH. With the participation of the dealership, the event successfully raised \$3.2 million for PCH Foundation.¹⁴

These examples illustrate the various forms of philanthropy new car dealerships engage in and how their contributions extend well beyond their business operations.

¹² Centennial Auto Group. (2023). We're excited to announce our sponsorship with the Charlottetown Legion Choir to present "PURE IMAGINATION" in collaboration with Prince St. Elementary and Montague Regional High. Happening this weekend! [LinkedIn post]. Retrieved from https://www.linkedin.com/posts/centennial-auto-group_were-excited-to-announce-our-sponsorship-activity-7067471885667577856-XD7-/

¹³ Charlottetown Mitsubishi. (n.d.). Our Events - "Stuff" we do. Retrieved from <https://www.charlottetownmitsubishi.ca/events/>

¹⁴ PCH Foundation. (2023). Grass Roots and cowboy Boots Results 2023. Retrieved from <https://pchcare.com/grass-roots-and-cowboy-boots-results-2023/>



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 Prince Edward Island in 2022.



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 Prince Edward Island in 2022

The first step in estimating the economic impacts of Prince Edward Island's new car dealers was to estimate the operating revenue of the dealerships in Prince Edward Island 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).



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 Prince Edward Island's new car dealers. To estimate the economic impacts generated by the construction and renovation activities, the multipliers were applied to the construction expenditures and to estimate the economic impacts of the operation. 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 Prince Edward Island and the rest of Canada.

Table 5: Economic Impacts of New Car Dealer Operations in Prince Edward Island, 2022

Category	Output (\$ millions)	GDP (\$ millions)	Employment (FTEs)	Federal Tax (\$ millions)	Provincial Tax (\$ millions)	Municipal Tax (\$ millions)
Direct Impacts						
Prince Edward Island	\$65	\$41	430	\$3	\$4	\$0.3
Indirect and Induced Impacts						
Prince Edward Island	\$26	\$16	160	\$2	\$3	\$0.3
Rest of Canada	\$35	\$18	160	\$2	\$2	\$0.6
Total Impacts						
Prince Edward Island	\$91	\$57	590	\$5	\$7	\$0.6
Rest of Canada	\$35	\$18	160	\$2	\$2	\$0.6
Total	\$126	\$75	750	\$7	\$9	\$1.2

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						
Prince Edward Island	\$3.6	\$1.9	30	\$0.1	\$0.1	\$0.003
Indirect and Induced Impacts						
Prince Edward Island	\$1.6	\$1.0	10	\$0.1	\$0.2	\$0.01
Rest of Canada	\$2.5	\$1.2	10	\$0.1	\$0.1	\$0.03
Total Impacts						
Prince Edward Island	\$5.2	\$2.9	40	\$0.2	\$0.3	\$0.013
Rest of Canada	\$2.5	\$1.2	10	\$0.1	\$0.1	\$0.03
Total	\$7.7	\$4.1	50	\$0.3	\$0.4	\$0.043

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.