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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 Saskatchewan

SADA
SASKATCHEWAN AUTOMOBILE DEALER'S ASSOCIATION

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 SASKATCHEWAN AUTOMOBILE DEALERS ASSOCIATION

SADA is honored to collaborate with CADA, along with various other provincial Automotive Associations across Canada, to create this enlightening report. The insights captured herein underscore the economic significance of the Saskatchewan Auto Dealers to the province of Saskatchewan. By presenting a lucid view of SADA's members' employment metrics and their pivotal contributions to the tax base across all government levels, this report serves as an essential tool for educating both the general public and policymakers. Our sincere gratitude goes out to all the Dealers who provided the essential data for this compilation. Your participation and input have been indispensable in shaping this report.



Sincerely,

Larry Heggs
Executive Director
SADA

EXECUTIVE SUMMARY

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

KEY STATISTICS

In 2022:

- New car dealers sold 40,819 new vehicles in Saskatchewan.
- New car dealers directly employed 5,380 people.
- Total revenues of new car dealers were \$4.8 billion, of which 49 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 Saskatchewan's new car dealers in 2022. Between approximately 80 percent and 85 percent of the impacts occur in Saskatchewan and the remainder occur in other parts of Canada as a result of supply chain linkages.

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

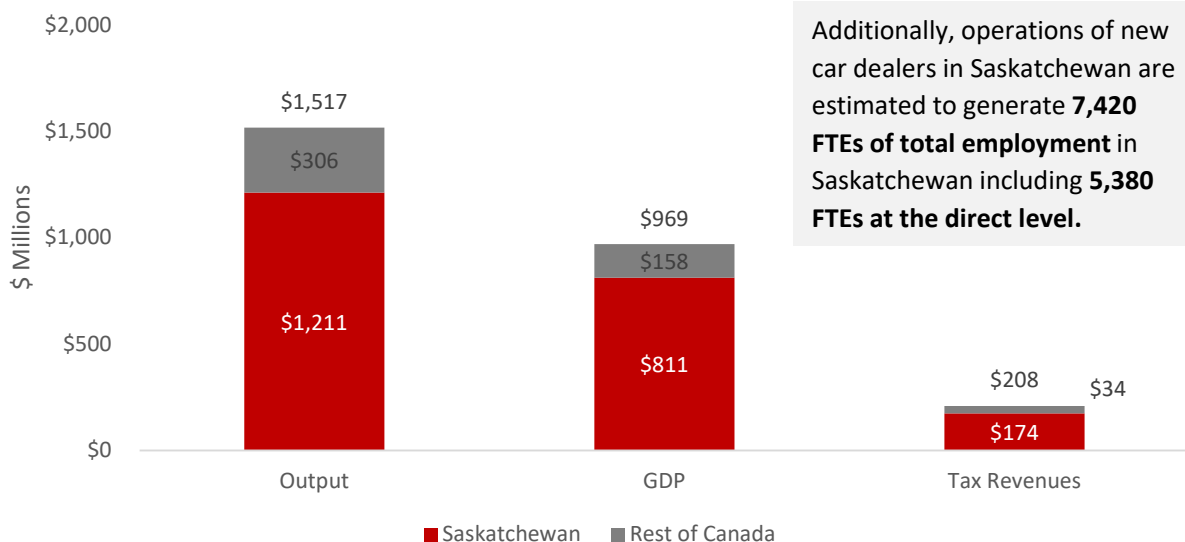
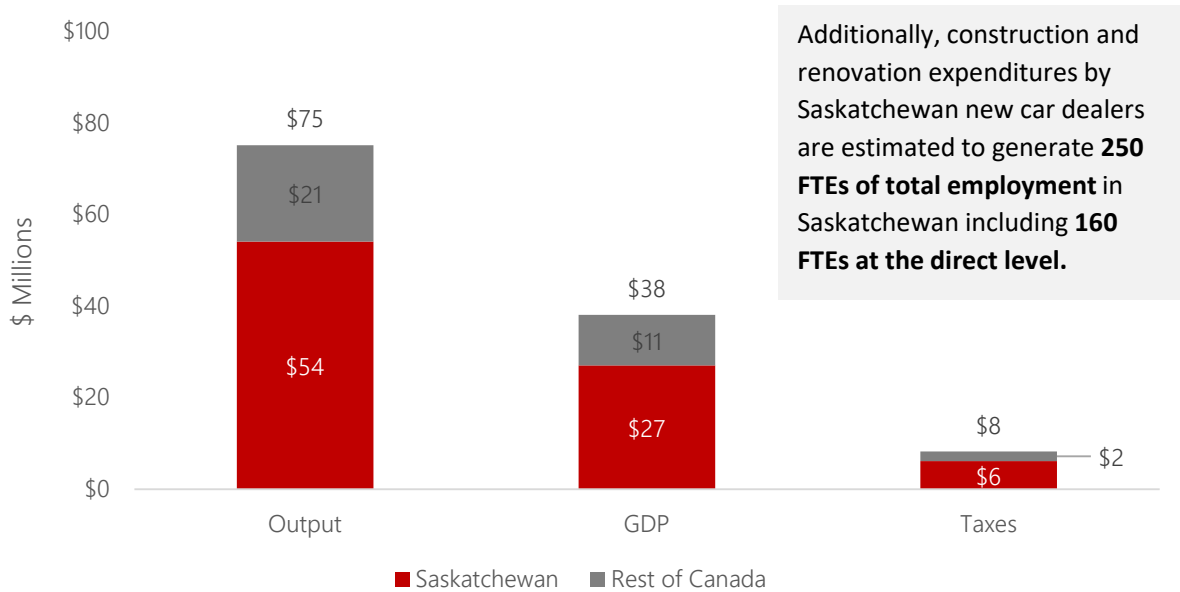


Figure B shows the estimated annual economic impacts of construction and renovation expenditures by Saskatchewan new car dealers. Between approximately 71 percent and 76 percent of the impacts occur in Saskatchewan and the remainder occur in other parts of Canada as a result of supply chain linkages.

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

The scope of the study included:

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

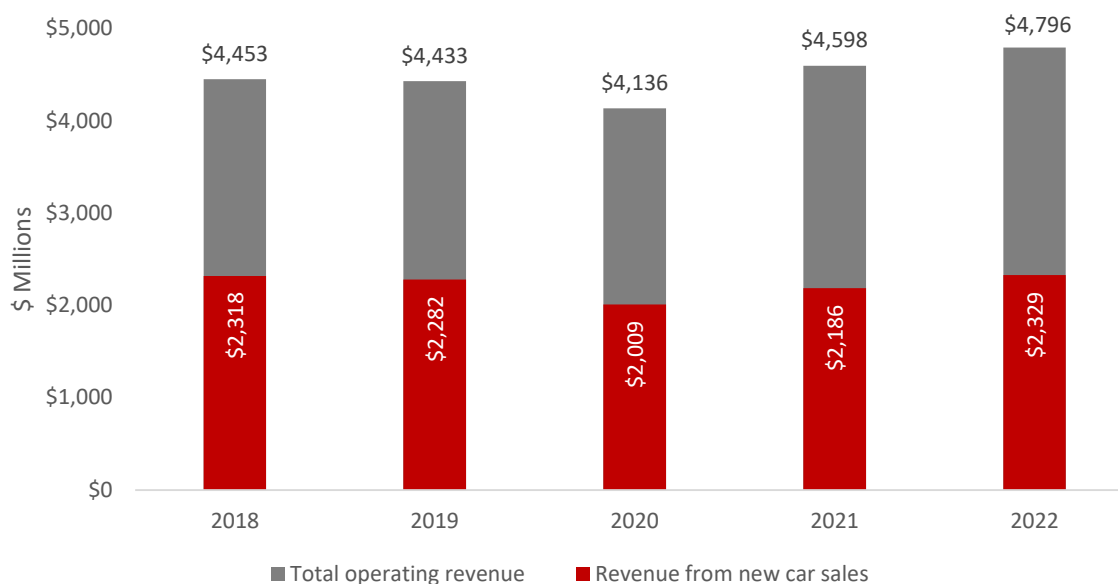
2. ABOUT NEW CAR DEALERS IN SASKATCHEWAN

2.1 OVERVIEW OF NEW CAR DEALERS IN SASKATCHEWAN

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 the Saskatchewan between 2018 and 2022. During this period, revenues from the sale of new vehicles accounted for between 48 percent and 56 percent of total operating revenues. From 2018 to 2019, total revenues and revenues from new car sales were relatively stable. In 2020, as a result of COVID-19 restrictions and supply chain issues, the overall operating revenue of dealerships decreased by seven 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 eight percent relative to 2019, while revenues from the sale of new cars returned to pre-pandemic levels.

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

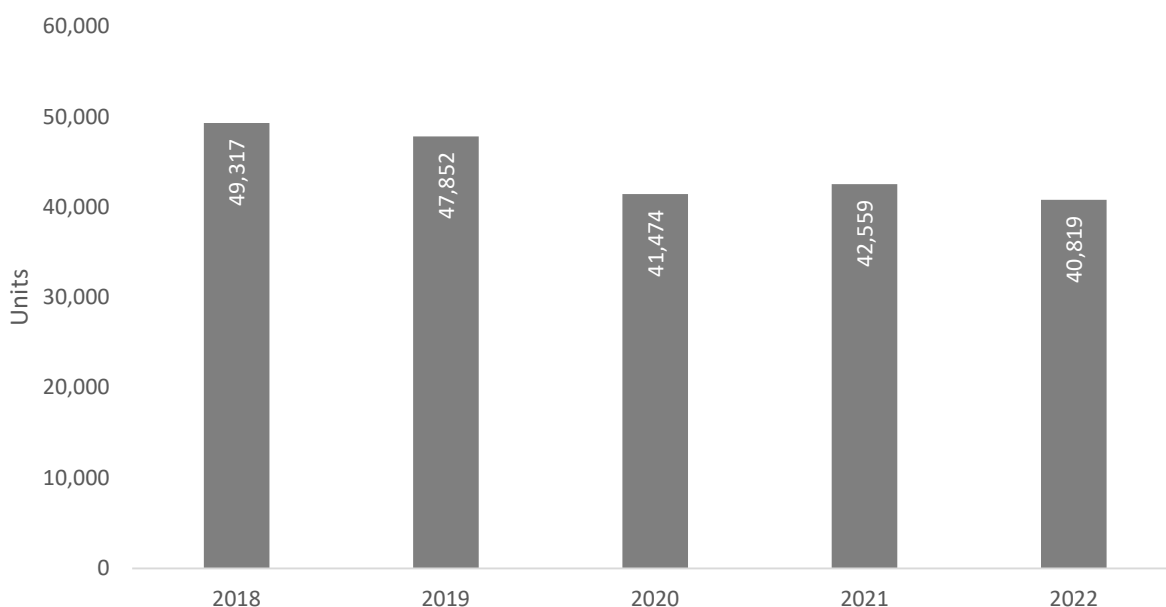


Source: Statistics Canada. Table 20-10-0066-01. Annual retail trade survey, financial estimates.

¹ Statistics Canada. NAICS Canada. Automotive dealers.

Figure 2 shows the number of new motor vehicles sold in Saskatchewan from 2018 to 2022. In 2019 new motor vehicles sales decreased by three percent. In 2020, COVID-19 led to a sharper drop in sales (by 13 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 After the pandemic, number of sales started to rebound but in 2022 they were still 15 percent below the 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 Saskatchewan, 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

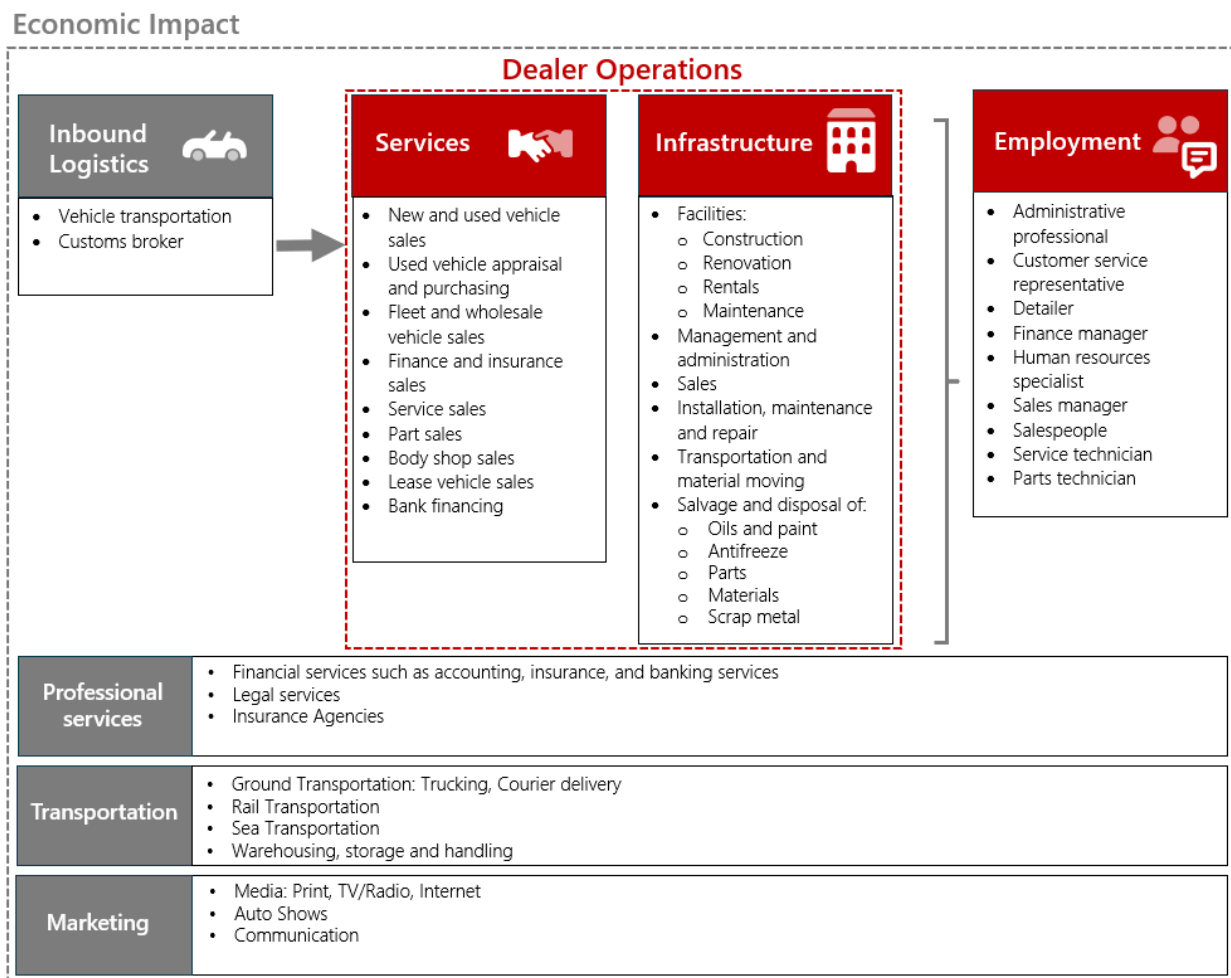
⁴ Bernard M.C., Dankyi E. (April 11, 2023). Statistics Canada. Enduring effects of the pandemic: The case of the passenger car rental industry in New Brunswick. Retrieved from <https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2023006-eng.htm>



2.2 LINKAGES WITH OTHER INDUSTRIES

How new car dealers generate economic activity can be illustrated through the linkages between dealers and their suppliers (Figure 3). Vehicles and parts and accessories sold by new car dealers are brought to Saskatchewan from other parts of Canada and the US by rail and truck. This includes vehicles and parts produced outside of North America which are shipped through ports in North America. 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 Saskatchewan's new car dealers were estimated to be approximately \$4.7 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 Saskatchewan's New Car Dealers, 2022

Expenditure Category	Spending (\$ millions)	Percentage of Total Expenditure
Cost of goods for resale	\$3,987	85.5%
Salaries, wages and benefits	\$346	7.4%
Rent	\$61	1.3%
Advertising and promotions	\$38	0.8%
Amortization	\$27	0.6%
Repairs and maintenance	\$23	0.5%
Professional and business fees	\$19	0.4%
Utilities and telephone/telecommunication	\$19	0.4%
Interest	\$17	0.4%
Insurance	\$12	0.3%
Delivery, shipping and warehouse	\$6	0.1%
Other expenses	\$109	2.3%
Total	\$4,664	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 Saskatchewan new car dealers in Canada. In 2022, new car dealers were estimated to generate:

- \$1.5 billion of total output, consisting of direct output of \$810 million and \$707 million of indirect and induced output.
- \$969 million of total GDP consisting of \$564 million in direct GDP and \$405 million of indirect and induced GDP.
- 8,700 total FTEs consisting of 5,380 direct jobs and 3,320 indirect and induced jobs.
- \$208 million in total revenue for all three levels of government consisting of \$98 million in direct revenues and \$110 million of indirect and induced revenues.

Between approximately 69 percent and 86 percent of the impacts accrue in Saskatchewan and the remainder accrue in the rest of Canada.⁵ Appendix B provides a breakdown of impacts in Saskatchewan and the rest of Canada.

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

Category	Output (\$ millions)	GDP (\$ millions)	Employment (FTEs)	Federal Tax (\$ millions)	Provincial Tax (\$ millions)	Municipal Tax (\$ millions)
Direct	\$810	\$564	5,380	\$50	\$44	\$4
Indirect and Induced	\$707	\$405	3,320	\$43	\$55	\$12
Total	\$1,517	\$969	8,700	\$93	\$99	\$16

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.

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 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 Saskatchewan invested approximately \$37 million annually in new and existing facilities between 2018 and 2022. This consisted of \$33 million of construction expenditures and \$4 million of renovation expenditures.

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

- \$75 million of total output, consisting of direct output of \$37 million and \$38 million of indirect and induced output.
- \$38 million of total GDP consisting of \$17 million in direct GDP and \$21 million of indirect and induced GDP.
- 330 total FTEs consisting of 160 direct FTEs and 170 indirect and induced FTEs.
- \$8.2 million in total revenue for all three levels of government consisting of \$3.9 million in direct revenues and \$4.3 million of indirect and induced revenues.

Between approximately 67 percent and 85 percent of the impacts accrue in Saskatchewan and the remainder accrue in the rest of Canada.⁶ Appendix B provides a breakdown of the impacts in Saskatchewan 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	\$37	\$17	160	\$1	\$2	\$0.9
Indirect and Induced	\$38	\$21	170	\$2	\$1.9	\$0.4
Total	\$75	\$38	330	\$3	\$3.9	\$1.3

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 Saskatchewan are between 26 and 41 years old. While generation Z constitutes 17 percent of the workforce at Saskatchewan's dealerships.
- Most employees (80 percent) working at Saskatchewan 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).**
- 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 Saskatchewan'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 Saskatchewan's new car dealers were estimated to have generated direct and indirect employment of 6,900 FTEs. This is equivalent to the number of direct and indirect jobs created through the construction of approximately 4,245 new homes in Saskatchewan. This equates to 101 percent of new home starts in 2022.⁷
- **Tourism:** The direct employment generated by the operations of Saskatchewan's new car dealers equates to 40 percent of the direct employment generated by recreation and entertainment in Saskatchewan in 2022.^{8,9}
- **Poultry Production:** The total employment generated from the operations of new car dealers in Saskatchewan comprises approximately 177 percent of workforce created by chicken manufacturing in Saskatchewan in 2022.¹⁰

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

⁸ Tourism HR Canada. Snapshot of the Tourism Sector Labour Market, p.4. Retrieved from <https://tourismhr.ca/wp-content/uploads/SK-Provincial-Report.pdf>

⁹ Recreation and entertainment include the following: Motion picture and video exhibition, Performing arts companies, Spectator sports, Independent artists, writers and performers, Heritage institutions, Amusement parks and arcades, Gambling industries, Other amusement and recreation industries.

¹⁰ Chicken Farmers of Saskatchewan. 2021 Annual Report, p. 17. Retrieved from <https://saskatchewanchicken.ca/isl/uploads/2022/04/Final-DRAFT-CFS-and-SCIDF-Annual-Report-2021-v3-030122.pdf>

4. SOCIAL AND COMMUNITY CONTRIBUTIONS

Hockey is a central aspect of life in Saskatchewan. The province is renowned for producing hockey talent, including NHL legends like Gordie Howe, Bryan Trottier and Patrick Marleau. This tradition of excellence continues to inspire young players throughout the province.

All great hockey players start out playing in minor hockey leagues which play a vital role in communities across Saskatchewan. Minor hockey is largely volunteer run and dependent on the support of community members and organizations. Local dealerships provide sponsorship and other forms of support that allow hockey to continue to flourish at the grassroots level. Examples of how dealerships support Canada's national winter sport include:

- Merlin Ford sponsors the Saskatoon Blades, a major junior hockey team, and has also been a long-time sponsor of the female hockey legend Hayley Wickenheiser.¹¹
- The Wyant Group donated \$500,000 to the University of Saskatchewan's Home Ice Campaign, directly contributing to the creation of Merlis Belsher Place.¹² This state-of-the-art recreation facility includes two ice surfaces and is home to the University of Saskatchewan's hockey teams as well as the Saskatoon Minor Hockey Association (SMHA).¹³ SMHA provides a positive and inclusive hockey experience for young players aged 5 to 17.
- Capital GMC's sponsorship of the Saskatchewan Junior Hockey League.¹⁴
- Moose Jaw Ford's support of the Moose Jaw Warriors – a major junior ice hockey team in the Western Hockey League (WHL).¹⁵
- The Melfort Mustangs, a junior 'A' ice hockey team, receiving backing from Thomas Motors, and Cheyenne GM, among others.¹⁶

These dealerships, by investing in teams, facilities, and individual athletes, demonstrate a deep commitment to the community and the sport. Their support helps ensure that hockey remains accessible and enjoyable for everyone, from aspiring young players to professional athletes. Dealerships engagement in the local community and support for local initiatives also contributes to economic growth and prosperity. Plewis Automotive Group (Plewis) has six locations in three communities. Plewis understands that a thriving business cannot exist in isolation. By actively participating in community events, sponsoring local organizations, and supporting charitable causes, the

¹¹ Gentile, P. (2017, February 15). Stars in Cars: Hayley Wickenheiser. AutoTrader. Retrieved from <https://www.autotrader.ca/editorial/20170215/stars-in-cars-hayley-wickenheiser/>


¹² Wyant Group. (n.d.). The spirit of giving. Retrieved October 25, 2023, from <https://wyantgroup.com/ourcommunity/>

¹³ Merlis Belsher Place. About us. Retrieved November 6, 2023 from <https://merlisbelsherplace.ca/facility/>

¹⁴ Saskatchewan Junior Hockey League. (n.d.). Homepage sponsors. Retrieved October 25, 2023, from <https://www.sjhl.ca/>

¹⁵ Moose Jaw Ford. (n.d.). Community. Retrieved October 25, 2023, from <https://www.moosejawfordsales.com/community/>

¹⁶ Melfort Mustangs. (n.d.). Corporate sponsors. Retrieved October 25, 2023, from <https://www.melfortmustangs.com/corporate-sponsors>



company has fostered a sense of togetherness and unity. This community-centric approach has not only enhanced the quality of life for residents but also created a positive environment for economic growth. One of the most significant economic benefits of community involvement and sponsorships is the direct impact on local businesses. The Plewis Automotive Group's support for community events and organizations has helped generate increased foot traffic and sales for local merchants. Plewis is the presenting sponsors for the City of Swift Current's vibrant summer Market Square, where local vendors and community come together to enjoy food, music and shopping every Saturday throughout the summer. By attracting visitors and residents to these events, the company has played a vital role in stimulating economic activity, benefiting not only the Plewis Automotive Group but also the wider business community.¹⁷

The Plewis' commitment to community involvement has also translated into job creation. Its philanthropic involvement has also fostered a positive reputation in the community as an employer, and as such it benefits from attracting employees with similar values to our own resulting in strong internal culture, lower turnover, and long term employees. This fosters economic employment stability within both the organization and the community.

As businesses continue to recognize the power of community involvement, Plewis provides an example of how corporate social responsibility can drive economic positivity and create a better future for all.

¹⁷ Plewis Automotive Group



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 Saskatchewan 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 Saskatchewan in 2022

The first step in estimating the economic impacts of Saskatchewan's new car dealers was to estimate the operating revenue of the dealerships in Saskatchewan 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 Saskatchewan'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 Saskatchewan and the rest of Canada.

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

Category	Output (\$ millions)	GDP (\$ millions)	Employment (FTEs)	Federal Tax (\$ millions)	Provincial Tax (\$ millions)	Municipal Tax (\$ millions)
Direct Impacts						
Saskatchewan	\$810	\$564	5,380	\$50	\$44	\$4
Indirect and Induced Impacts						
Saskatchewan	\$401	\$247	2,040	\$28.0	\$41.0	\$7
Rest of Canada	\$306	\$158	1,280	\$15.0	\$14.0	\$5.0
Total Impacts						
Saskatchewan	\$1,211	\$811	7,420	\$78	\$85	\$11
Rest of Canada	\$306	\$158	1,280	\$15	\$14	\$5
Total	\$1,517	\$969	8,700	\$93	\$99	\$16

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						
Saskatchewan	\$37	\$17	160	\$1	\$2	\$0.9
Indirect and Induced Impacts						
Saskatchewan	\$17	\$10	90	\$1	\$1	\$0.2
Rest of Canada	\$21	\$11	80	\$1	\$0.9	\$0.2
Total Impacts						
Saskatchewan	\$54	\$27	250	\$2	\$3.0	\$1.1
Rest of Canada	\$21	\$11	80	\$1	\$0.9	\$0.2
Total	\$75	\$38	330	\$3	\$3.9	\$1.3

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.