BV1.1.17



Campbell Company of Canada Compagnie Campbell du Canada 60 Birmingham Street Toronto, Ontario M8V 2B8 416.251.1131 www.campbellsoup.ca

February 1, 2015

Councilor Gary Crawford and Members Of the Budget Committee, 10th floor, West Tower, Toronto City Hall 100 Queen Street West Toronto, ON M5H 2N2

Attention: Ms. Jennifer Forkes

Subject: BU3.1 Water Rate Increase

This is in response to the City's proposed water rate increase.

Campbell Company of Canada is located at 60 Birmingham St. in South Etobicoke. We currently employ approximately 650 employees on this site, which houses our Canadian Head Office, as well as our only Canadian manufacturing plant. The plant has been in operation at this location since 1931.

We are very concerned about the continued increase in water rates that the City has implemented. Over the last six years, these 9% increases have led to a compounded 67% increase to our water costs. The City is suggesting a further 8% increase for the next two years. This will result in a compounded 95% increase over an eight year period. This increase is unprecedented with any of our operating costs, and comes without any opportunity to mitigate.

As you know, it is important for the City to maintain its manufacturing base, and it is important to Campbell to operate in a stable, competitive municipal cost environment, and water costs are a key component of this.

We request that the Committee allow the water rates to reflect our companies other input costs, and allow for an increase of inflation, that would be capped at 3%.

Yours very truly,

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Peter Stevens V.P. Supply Chain - Canada