

Thursday February 12<sup>th</sup>, 2015

Councillor Gary Crawford and Members of the Budget committee 10<sup>th</sup> Floor West, City Hall 100 Queen Street West Toronto, Ontario M5H 2N2

Dear Committee Members,

Beechgrove Country Foods Inc. is a small to medium sized meat processing company employing 50 to 55 employees located in the east end of Toronto. Recently we have been notified that our water rate will be increased by 8%, this 8% will put a financial burden on our organization making it hard to survive in our industry. At this time we cannot compete with the U.S. market due to these high operational costs. One of our main competitors from the New York state area has an overhead cost of \$0.96 verse the overhead cost of \$1.60 we pay. Our current customer base has already started to look at our U.S. competitors for product due to these high prices.

As you are probably aware, over the past year, several meat plants in Toronto were forced to close their doors due to high utilities and operational costs. If these costs continue to increase our Board of Directors will be looking at relocating the business to the United States, this relocation will affect our human capital due to loss of jobs and affect our contribution to the Canadian economy.

We ask that you take all of these factors mentioned above into consideration before you make your final decision. Should you need any additional information about our industry please do not hesitate to contact me.

Sincerely,

Amir Niaz