

# COMPETITIVE ALTERNATIVES 2012 COST MODEL DETAILED COMPARISON REPORT

INDUSTRY: AGRI-FOOD

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AMOPERATION: Food Processing  
(USD\$'000)

City	Calgary	Edmonton	Regina	Saskatoo	Toronto	Vancouve	Winnipeg
Region	AB	AB	SK	SK	ON	BC	MB
Country	CA	CA	CA	CA	CA	CA	CA

Exchange rate per USD\$	C\$1.020	C\$1.020	C\$1.020	C\$1.020	C\$1.020	C\$1.020	C\$1.020
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## Initial Investment

Cash	250	250	250	250	250	250	250
Inventory	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Fixed assets	18,300	18,300	18,300	18,300	18,300	18,300	18,300
	\$20,550	\$20,550	\$20,550	\$20,550	\$20,550	\$20,550	\$20,550

## Initial Financing

Debt	10,275	10,275	10,275	10,275	10,275	10,275	10,275
Equity	10,275	10,275	10,275	10,275	10,275	10,275	10,275
	\$20,550	\$20,550	\$20,550	\$20,550	\$20,550	\$20,550	\$20,550

## 10-Year Average Profit & Loss

	Calgary	Edmonton	Regina	Saskatoo	Toronto	Vancouve	Winnipeg
<b>Sales</b>	38,000	38,000	38,000	38,000	38,000	38,000	38,000

### Location-sensitive costs

Salary and wages	5,633	5,484	5,130	5,158	5,571	5,638	5,121
Statutory plans	439	434	374	377	569	499	569
Other benefits	1,534	1,494	1,274	1,280	1,574	1,499	1,328
<b>Total labor</b>	7,606	7,412	6,778	6,815	7,714	7,636	7,018

Rank, total labor	5	4	1	2	7	6	3
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Facility lease	306	294	441	588	221	365	337
Rank, facility lease	3	2	6	7	1	5	4

Surface freight	4,827	4,983	5,536	5,511	3,822	4,071	6,129
Air freight	-	-	-	-	-	-	-
<b>Total transportation</b>	4,826	4,983	5,536	5,511	3,822	4,070	6,129

Rank, transportation	3	4	6	5	1	2	7
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Electricity	478	522	303	303	458	302	213
Gas	177	164	191	191	201	249	198
<b>Total utilities</b>	655	686	493	493	659	551	411

<i>Rank, electricity</i>	6	7	3	3	5	2	1
<i>Rank, gas</i>	2	1	3	3	6	7	5
<i>Total operating costs</i>	13,393	13,375	13,248	13,407	12,416	12,622	13,895
<i>Rank, operating costs</i>	5	4	3	6	1	2	7
	Calgary	Edmonton	Regina	Saskatoo	Toronto	Vancouve	Winnipeg
Interest	372	366	364	372	326	338	400
Depreciation	2,288	2,288	2,288	2,288	2,288	2,288	2,288
<i>Total interest, depreciation</i>	2,660	2,654	2,652	2,660	2,614	2,626	2,688
Income tax, national	396	413	403	378	545	505	282
Income tax, regional	264	275	135	118	363	337	-44
Income tax, local	-	-	-	-	-	-	-
Capital tax, national	-	-	-	-	-	-	-
Capital tax, regional	-	-	-	-	-	-	-
Sales tax	-	-	200	200	-	118	309
Property tax	112	81	114	116	200	128	158
Gross receipts tax	-	-	-	-	-	-	-
Business tax	56	-	-	-	-	-	37
Grants, subsidies	-	-	-	-	-	-	-
<i>Total taxes (net of grants)</i>	828	769	852	812	1,108	1,088	742
<i>Total location-sensitive costs</i>	16,881	16,798	16,752	16,879	16,138	16,336	17,325
<b>Location-insensitive costs</b>							
Materials	16,720	16,720	16,720	16,720	16,720	16,720	16,720
Other operating expenses	2,090	2,090	2,090	2,090	2,090	2,090	2,090
<i>Total location-insensitive costs</i>	18,810	18,810	18,810	18,810	18,810	18,810	18,810
<i>Total costs</i>	35,691	35,608	35,562	35,689	34,948	35,146	36,135
<i>Net profit after tax</i>	\$2,309	\$2,392	\$2,437	\$2,311	\$3,051	\$2,855	\$1,864
<i>% of sales</i>	6.1%	6.3%	6.4%	6.1%	8.0%	7.5%	4.9%
<b>Overall rank</b>	<b>6</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>7</b>
<b>Overall index</b>	<b>100.2</b>	<b>100.0</b>	<b>99.9</b>	<b>100.2</b>	<b>98.1</b>	<b>98.7</b>	<b>101.5</b>

## Summary Measures

	Calgary	Edmonton	Regina	Saskatoo	Toronto	Vancouve	Winnipeg
Net profit before income tax	\$2,969	\$3,080	\$2,975	\$2,807	\$3,959	\$3,697	\$2,102
Effective income tax rate	22.2%	22.3%	18.1%	17.7%	22.9%	22.8%	11.3%
<i>Rank</i>	4	5	3	2	7	6	1
Property-based taxes per sq.ft.	\$3.36	\$1.62	\$2.28	\$2.32	\$4.00	\$2.56	\$3.90

Rank	5	1	2	3	7	4	6
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*Effective tax rates are not shown where results are not meaningful due to marginal profitability.  
Effective tax rates may be negative due to refundable tax credits exceeding taxes paid.*

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The analysis on this website is based on cost information collected primarily between July 2011 and January 2012. Taxes reflect tax rates in effect on January 1, 2012, and also incorporate any announced changes at that time to take effect at specified later dates. Exchange rates and other cost factors will, of course, change over time. Tax rates and other tax-related information are also subject to change as a result of new legislation, judicial decisions, and administrative pronouncements.

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