Municipal Recycling Funding

Current Shared Funding Model

Recycle Manitoba

Manitoba's Waste Reduction and Prevention Act requires producers of residential packaging and printed paper to share responsibility for funding part of the cost to collect and recycle those materials.

Within the current shared funding model, communities operate or contract their own recycling services. Recycle Manitoba provides funding to help cover eligible costs for collecting and recycling residential packaging and printed paper. Recycle Manitoba calculates funding using eligible recycling costs and revenues reported through its Cost Monitoring Survey (CMS).

Recycle Manitoba funding is designed to cover up to 80% of eligible costs[1]. However, the current model is not a direct reimbursement model. A community's annual payment may not equal 80% of its actual recycling costs for that year.

Communities remain responsible for costs not covered by Recycle Manitoba funding. These may include capital investments, contract or service changes, unexpected cost increases, or changes in revenue from the sale of recyclable materials.

How the funding model works

Each year, participating communities must report recycling costs and tonnes through the CMS.

Recycle Manitoba conducts annual waste audits to understand the composition of the recycling stream, including the percentage of different material types such as cardboard, glass, plastic, aluminum, and other materials. This information helps Recycle Manitoba determine the eligible tonnes used in funding calculations.

Recycle Manitoba does not reimburse each community for its actual recycling costs each year. Instead, communities are paid a set rate per tonne of collected material. Recycle Manitoba calculates the funding rate for communities in different population groups based on their reported cost and tonnage information to determine the average cost per tonne for each population groups.

Each community's annual funding is then calculated by applying the funding rate for its population group to its eligible tonnes.[2]

Annual Community Payment = Population Group Funding Rate x Community Eligible Tonnes

As a result, a community's payment may not equal 80% of its actual recycling costs for that year. Payments are issued quarterly.

1 Eligible costs may include costs related to collecting, processing, promoting, administering, and supporting eligible capital assets for residential packaging and printed paper recycling. Eligibility is determined through Recycle Manitoba's funding methodology and reporting process.

2 Eligible tonnes are the tonnes that qualify for Recycle Manitoba funding after program eligibility rules are applied. Recycle Manitoba applies eligibility limits to some materials. For example, cardboard is included up to 25 per cent of a community's recycling stream, and contamination, or non-recyclable material, is included up to 5 per cent. Amounts above those limits are not included in the funding calculation.

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Population groups

Recycling program costs can vary significantly across Manitoba because of community size, geography, collection model, contract structure, and other local factors. To account for these differences, Recycle Manitoba groups communities by population when calculating funding rates, rather than applying one province-wide rate to all communities. There are three population groups:

1. Less than 5,000 residents
2. 5,001 to 20,000 residents
3. Over 20,000 residents

Each group's funding rate is calculated using reported recycling costs and tonnes from communities in that group. This supports a more consistent funding approach while recognizing that recycling programs operate differently across the province.

The three-year rolling average

Recycling costs and revenues can change from year to year due to factors such as contract changes, fuel costs, processing costs, capital needs, or changes in the market value of recyclable materials.

To reduce the impact of short-term market fluctuations, Recycle Manitoba uses a three-year rolling average when calculating funding rates. Funding rates paid in a given year are calculated using a three-year rolling average of previously reported cost and tonne information. The payment is then applied to the eligible tonnes for the applicable material reporting year.

For example, 2026 funding rates are calculated using a three-year rolling average of reported cost and tonne information from the 2023, 2024, and 2025 reporting years.

The community payment is then applied to the eligible tonnes generated and reported for the applicable material year.

Community-specific questions

Recycling programs operate differently across Manitoba. If your community has questions about its funding payment or how the current model applies to your program, Recycle Manitoba can review the information with you directly.

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