



2018

ANNUAL REPORT

TABLE OF CONTENTS

- 1 About MMSM
- 2 Message from the Chair of the Board
- 3 Message from the Executive Director
- 4 Municipal Services
- 6 Municipal & Other Partners
- 9 Continuous Improvement Program
- 12 Communications
 - 14 Education
 - 15 Post Secondary Institutions
- 16 First Nations & Remote Communities
- 18 Plastic Bag Reduction Program
- 22 Material Recovery Rates
- 22 MMSM Stewards
- 24 Steward Compliance
- 25 Financial Statements
- 33 MMSM Leadership & Staff



ABOUT MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

Founded in 2010, Multi-Material Stewardship Manitoba Inc. (MMSM) is the not-for-profit, industry-funded organization that funds and provides support for the province's residential recycling programs for packaging and printed paper.

MMSM works on behalf of the manufacturers, retailers and other organizations that supply packaging and printed paper to Manitobans. These businesses pay fees on the materials to MMSM, which are used to reimburse municipalities for up to 80% of the net cost of their residential recycling system.

Bringing together businesses that help finance recycling services, the consumers that diligently recycle their used items, and municipal partners that collect and process recyclables, MMSM is helping to ensure that as much recyclable material as possible is captured efficiently and does not end up in landfill.

MMSM continues to work toward its goal of promoting the reduction, reuse and recycling of the materials managed in its program.

Governed by a board of directors of seven industry and two unrelated independent directors, the board provides valuable input and governance to the organization, and consists of representatives from the following sectors:

- Grocers
- Consumer products
- Beverages
- Alcohol beverages
- Retailers
- Printed paper
- Restaurants

The industry directors are not compensated by MMSM, as the costs associated with their participation on the board are covered by their organizations. Travel expenses, however, are covered by MMSM.



MESSAGE FROM THE CHAIR OF THE BOARD

2018 was another great year for MMSM as we continued to make improvements in all areas.

MMSM operates in accordance with an approved stewardship plan. All stewards that distribute obligated materials collected for recycling in the residential curbside recycling program must be part of an approved stewardship plan to be in compliance with government legislation. In 2016 and into 2017, MMSM consulted extensively with stakeholders including municipalities, consumers, stewards and government to ensure a new stewardship plan would meet the needs of all stakeholders for the future. MMSM is pleased to report the Minister of Sustainable Development approved the MMSM Packaging and Printed Paper Program Plan in July of 2018 for a five-year term ending June 30, 2023.

Recycling programs are extremely important to ensure a clean, healthy and sustainable environment. MMSM works closely with Manitobans across the entire province to continuously improve recovery rates and divert material from landfills. MMSM led efforts to increase advertising and awareness, increase accessibility, promote responsible recycling practises and ultimately increase recovery rates. We are pleased to report that in 2017, the MMSM program recovered 84.4% of materials our stewards distributed in Manitoba. The 2018 results are not available at this time due to the extensive reporting processes that must be completed to compile the annual data.

Accurate allocation of costs by material are important to ensure steward fees are fair and accurately reflect the costs of managing and marketing recyclable materials. MMSM is participating in a project with other provincial programs and Canadian Stewardship Services Alliance (CSSA) to study cost drivers and determine the optimal method to allocate costs.

We call it Material Costs Differentiation and are working to have the final results in time for 2021 fee setting.

This builds on the Four-Step Fee Methodology implemented in 2017.

Our world is changing in many ways and unfortunately not always for the better. E-commerce is growing rapidly, but this creates some challenges for MMSM. We work hard to ensure the appropriate steward is identified and ultimately pays their fair share of fees into the Manitoba program, but with materials being shipped from jurisdictions outside of Manitoba, compliance is often difficult to achieve. Packaging used for e-commerce shipping is increasingly not recyclable and ends up contaminating the good quality materials or goes directly to landfill.

MMSM has been investing in promotion and education programs to increase awareness of responsible recycling to reduce contamination. Efforts in mass communication, social media and education with our municipalities have brought this to residents' attention. We have seen an increase in calls and emails, which demonstrates that Manitobans are increasingly committed to recycling the right way.

I would like to thank the MMSM board of directors, management, staff, CSSA and stewards for their contributions in 2018. I would also like to thank Manitoba municipalities for their ongoing efforts to improve recycling efficiency and effectiveness in Manitoba. MMSM is committed to working collaboratively with all stakeholders to improve recycling for all Manitobans and we are confident in our continued success.



Neil Antymis
Board Chair, MMSM





MESSAGE FROM THE EXECUTIVE DIRECTOR

MMSM completed its ninth year of operations in 2018, and continues to provide Manitoba municipalities with the funding and support required to run successful residential recycling programs.

MMSM operates its program under the Packaging and Printed Paper Stewardship Regulation. As required under the regulation, the program plan is to be reviewed and amended on a regular basis. After consultation with municipal and steward stakeholders, as well as the public, MMSM submitted a revised program plan to the Minister of Sustainable Development on March 17, 2017. I am pleased to advise that the Minister of Sustainable Development has approved the MMSM Packaging and Printed Paper Program Plan, which is effective July 1, 2018, and will expire on June 30, 2023.

New for 2018 is a change to how MMSM calculates its recovery performance. This methodology, which is consistent with other programs in Manitoba and across Canada, uses the supplied tonnes recovery rate method. Instead of using the amount of estimated material generated, MMSM is replacing it with the amount of material that MMSM's stewards actually report to us each year, known as the steward-supplied tonnes. There are many benefits to calculating the annual recovery performance this way:

- Steward-supplied tonnes reflect the amount of packaging and printed paper supplied to Manitoba households each year.
- Steward-supplied tonnes can be audited to ensure compliance and accuracy.
- Relying on curbside waste audits is not an accurate measure of overall program performance.

MMSM can now more accurately report on the actual supplied and recovered tonnes in the residential recycling system. To ensure a smooth transition, the methodology change will be introduced over a three-year period in the fee setting methodology.

MMSM is committed to working collaboratively with stakeholders to ensure continued success of the blue box programs in Manitoba, while delivering efficient and effective residential recycling programs to residents. The total tonnes recovered remained steady from previous years with over

84,000 tonnes of residential material diverted from landfills. Material contamination or residue continues to be an issue for many programs by affecting the value of the commodity and the potential end use of those materials. As end markets change, it is important to be aware of which materials are accepted for recycling.

Our Municipal Services team works hard at bringing new communities into the MMSM program. In 2018, we welcomed three new First Nations into the program: Bloodvein First Nation, Buffalo Point First Nation and Canupawakpa Dakota Nation.

Promotion and education during the year has again focused on community outreach at the grassroots level, particularly to schools and First Nations. The program's successful plastic bag reduction effort, Bag It Forward, continues to grow through promotional sponsorships and events. The "Recycling Superhero" campaign was launched in the spring and received positive feedback from stakeholders and the public.

I want to thank the MMSM Board and staff, along with the CSSA team, for their continued dedication and support as we strive to improve residential recycling and divert waste from landfills across our province. I challenge everyone to become a Recycling Superhero!



Karen Melnychuk
Executive Director, MMSM



MUNICIPAL SERVICES

WORKING TOGETHER WITH MANITOBA MUNICIPALITIES

MMSM'S MUNICIPAL SERVICES PROGRAM WAS INTRODUCED ON APRIL 1, 2010.



ON AVERAGE,
MANITOBBANS
RECYCLED
69.8 kg
PER PERSON
IN 2018

The overall objective of the Municipal Services Program is to:

- Promote the reduction, reuse and recycling of designated packaging and printed paper in Manitoba.
- Provide stable, long-term funding for municipal recycling programs.
- Ensure that the cost of handling designated materials is reflected in the steward fees.
- Provide research and development to help reduce the inherent uncertainty in recycling markets.

The Municipal Services Program allows participating municipalities and local governments, including First Nations, to design their recycling program to meet the specific needs of their community. Recycling programs can be delivered by municipal employees or contracted to private suppliers. Each municipality is responsible for establishing, promoting and maintaining their own recycling services.

The Municipal Services Program provides municipal participants with:

- Funding for recycling programs through municipal recycling services payments.
- Tools and assistance for promoting local recycling programs.
- Opportunities for information sharing.
- Other programs designed to improve recycling and waste reduction activities.
- Technical assistance for improving local recycling programs.

MMSM's Municipal Services Program is an incentive-driven program that requires municipalities to share the cost of providing recycling services to their communities. Municipal recycling services payments are paid for each metric tonne of eligible material recovered from the residential waste stream. The payment rate is set each year to offset up to 80% of the cost of an effective and efficient collection and processing recycling program. Materials recovered are transported to recycling facilities where they are sorted and sold to end users.

Individual municipal recycling program costs will vary depending on services offered and program efficiencies. Costs above the established payment level are the sole responsibility of the municipality. Payment rates are based on a three-year rolling average of the net costs of participating municipalities within specific population categories.



**2018 MMSM
POPULATION
CATEGORY**

**PAYMENT
RATE/TONNE**

0 – 5,000	\$304.07
5,001 – 15,000	\$244.47
City of Brandon	\$288.89
City of Winnipeg	\$174.97

**MMSM allocated
\$17,234,105 in funding
to municipalities for the
period January 1, 2018,
to December 31, 2018.**

**This is an increase of
\$2,045,659 from 2017.**

94%

**OF MANITOBA'S
POPULATION
HAS ACCESS TO
A RESIDENTIAL
RECYCLING
PROGRAM**

**THE FOLLOWING TABLE ILLUSTRATES THE
TOTAL TONNES RECYCLED BY PARTICIPATING
MUNICIPALITIES WITHIN DESCRIBED REGIONS.**

REGION	POPULATION IN PARTICIPATING MUNICIPALITIES	TOTAL KG RECYCLED	AVERAGE KG RECYCLED PER CAPITA
Central West	23,811	1,151,276	48.4
East	93,393	5,017,008	53.7
Interlake	64,612	3,803,807	58.9
North	33,098	2,341,249	70.7
North West	31,412	1,742,017	55.5
South Central	95,634	5,200,351	54.4
South West	94,534	6,098,037	64.5
Winnipeg and Area	770,465	58,140,999	75.5
SUBTOTAL	1,206,959	83,494,744	69.2
Post-Secondary Education Institutions		729,740	
TOTAL	1,206,959	84,224,484	69.8

Table Notes

1. Recovery numbers reported by MMSM include only those materials that are recycled through registered local recycling programs in participating municipalities and are also reported by municipalities. Manitoba has several charity-based organizations and individuals who collect recyclable materials for sale directly to brokers. MMSM has reason to be aware that some beverage containers are taken to Saskatchewan for a deposit refund even though no deposit has been paid on these containers. This is a practice MMSM does not support.
2. Materials recovered from Post-Secondary Education Institutions (PSEIs) are based on the 2017/2018 school year and/or calendar year. PSEIs are required to submit an annual report to MMSM to receive funding.
3. Population numbers are provided from the 2016 Census.

84,224,484 KG

**OF PACKAGING AND PRINTED PAPER
COLLECTED IN 2018**



MUNICIPAL &

MUNICIPAL & OTHER PARTNERS	Region	Population	2017 Total kg Reported	2017 kg Per Capita	2018 Total kg Reported	2018 kg Per Capita	Percent Change Total Reported
Alexander, R.M.	East	3,333	202,430	60.7	197,930	59.4	-2%
Altona, Town	South Central	4,212	339,028	80.5	363,293	86.3	7%
Arborg, Town	Interlake	1,232	62,928	51.1	54,783	44.5	-13%
Argyle, R.M.	South Central	1,025	13,508	13.2	22,240	21.7	65%
Armstrong, R.M.	Interlake	1,792	246,080	137.3	47,500	26.5	-81%
Beausejour, Town	East	3,219	376,420	116.9	373,500	116.0	-1%
Bifrost-Riverton, Municipality	Interlake	3,378	216,258	64.0	187,907	55.6	-13%
Boissevain-Morton, Municipality	South West	2,353	252,316	107.2	164,505	69.9	-35%
Brandon, City	South West	48,859	3,746,960	76.7	3,812,510	78.0	2%
Brenda-Waskada, Municipality	South West	674	20,683	30.7	19,120	28.4	-8%
Brokenhead, R.M.	East	5,122	292,937	57.2	277,140	54.1	-5%
Buffalo Point First Nation	East	162	0	0.0	11,842	73.1	0%
Canupawakpa Dakota Nation	South West	305	0	0.0	2,161	7.1	0%
Carberry, Town	South West	1,738	184,525	106.2	154,035	88.6	-17%
Carman, Town	South Central	3,164	379,132	119.8	370,341	117.0	-2%
Cartier, R.M.	Winnipeg and Area	3,368	168,820	50.1	181,290	53.8	7%
Cartwright-Roblin, Municipality	South Central	1,308	40,499	31.0	34,200	26.1	-16%
Clanwilliam-Erickson, Municipality	Central West	870	10,316	11.9	11,052	12.7	7%
Coldwell, R.M.	Interlake	1,254	70,791	56.5	93,151	74.3	32%
Cornwallis, R.M.	South West	4,520	164,890	36.5	181,634	40.2	10%
Dauphin, City	North West	8,457	641,221	75.8	625,320	73.9	-2%
Dauphin, R.M.	North West	2,388	73,750	30.9	92,812	38.9	26%
De Salaberry, R.M.	East	3,580	145,544	40.7	151,811	42.4	4%
Deloraine-Winchester, R.M.	South West	1,489	72,006	48.4	65,574	44.0	-9%
Duck Mountain Provincial Park	North West	100	3,514	35.1	3,280	32.8	-7%
Dufferin, R.M.	South Central	2,435	16,828	6.9	18,505	7.6	10%
Dunnottar, Village	Interlake	763	75,970	99.6	74,430	97.5	-2%
East St. Paul, R.M.	Winnipeg and Area	9,372	813,170	86.8	823,120	87.8	1%
Ellice-Archie, R.M.	Central West	887	28,521	32.2	26,308	29.7	-8%
Elton, R.M.	South West	1,273	55,470	43.6	53,190	41.8	-4%
Emerson-Franklin, Municipality	East	2,537	110,168	43.4	113,508	44.7	3%
Ethelbert, Municipality	North West	607	49,361	81.3	43,925	72.4	-11%
Falcon Lake/Westhawk (WPP)	East	272	128,640	472.9	143,600	527.9	12%
Fisher, R.M.	Interlake	1,708	53,962	31.6	64,211	37.6	19%
Flin Flon, City	North	4,982	414,083	83.1	466,864	93.7	13%
Gilbert Plains, Municipality	North West	1,470	63,760	43.4	81,030	55.1	27%
Gillam, Town	North	1,265	52,703	41.7	22,727	18.0	-57%
Gimli, R.M.	Interlake	6,181	491,660	79.5	519,630	84.1	6%
Glenboro-South Cypress, Municipality	South West	1,565	121,866	77.9	104,878	67.0	-14%
Glenella-Lansdowne, Municipality	Central West	1,181	11,083	9.4	10,494	8.9	-5%
Grahamdale, R.M.	Interlake	1,359	25,944	19.1	27,656	20.4	7%
Grand Beach-Sustainable Development	East	60	35,610	593.5	26,320	438.7	-26%
Grandview, Municipality	North West	1,482	100,750	68.0	105,723	71.3	5%
Grassland, Municipality	South West	1,561	67,885	43.5	65,463	41.9	-4%
Grey, R.M.	South Central	2,648	145,446	54.9	164,085	62.0	13%
Hamiota, Municipality	Central West	1,225	90,782	74.1	98,591	80.5	9%
Hanover, R.M.	East	15,733	591,260	37.6	689,982	43.9	17%
Harrison Park, Municipality	Central West	1,622	33,740	20.8	36,162	22.3	7%
Headingley, R.M.	Winnipeg and Area	3,579	244,620	68.3	248,700	69.5	2%
Hecla Grindstone Provincial Park	Interlake	156	55,022	352.7	56,340	361.2	2%

OTHER PARTNERS

MUNICIPAL & OTHER PARTNERS	Region	Population	2017 Total kg Reported	2017 kg Per Capita	2018 Total kg Reported	2018 kg Per Capita	Percent Change Total Reported
Kelsey, R.M.	North	2,424	160,030	66.0	169,134	69.8	6%
Killarney-Turtle Mountain	South West	3,429	216,109	63.0	209,298	61.0	-3%
La Broquerie, R.M.	East	6,076	131,815	21.7	175,946	29.0	33%
Lac du Bonnet, R.M.	East	3,121	196,274	62.9	191,917	61.5	-2%
Lac du Bonnet, Town	East	1,089	109,393	100.5	105,522	96.9	-4%
Lakeshore, R.M.	North West	1,363	60,769	44.6	65,020	47.7	7%
Leaf Rapids, Town	North	582	2,787	4.8	2,314	4.0	-17%
Lorne, Municipality	South Central	3,041	171,602	56.4	146,426	48.2	-15%
Louise, Municipality	South Central	1,918	168,940	88.1	165,480	86.3	-2%
Macdonald, R.M.	Winnipeg and Area	7,162	468,960	65.5	479,460	66.9	2%
Matheson Island	North	101	3,020	29.9	5,730	56.7	90%
McCreary, Municipality	Central West	892	73,077	81.9	80,120	89.8	10%
Melita, Town	South West	1,042	67,919	65.2	55,662	53.4	-18%
Minitonas-Bowsman, Municipality	North West	1,653	57,143	34.6	45,687	27.6	-20%
Minnedosa, Town	Central West	2,449	207,440	84.7	211,024	86.2	2%
Montcalm, R.M.	South Central	1,260	64,686	51.3	63,646	50.5	-2%
Morden, City	South Central	8,668	558,298	64.4	596,100	68.8	7%
Morris, R.M.	South Central	3,047	130,383	42.8	138,543	45.5	6%
Morris, Town	South Central	1,885	146,720	77.8	137,390	72.9	-6%
Mossey River, R.M.	North West	1,145	55,360	48.3	52,065	45.5	-6%
Mountain, R.M.	North West	978	27,735	28.4	21,350	21.8	-23%
Neepawa, Town	Central West	4,609	275,090	59.7	273,252	59.3	-1%
Niverville, Town	East	4,610	314,955	68.3	282,650	61.3	-10%
Norfolk Treherne, Municipality	South Central	1,751	105,536	60.3	108,350	61.9	3%
North Cypress-Langford, Municipality	South West	2,745	137,425	50.1	149,065	54.3	8%
North Norfolk, Municipality	South Central	3,853	171,671	44.6	170,068	44.1	-1%
Oakland-Wawanesa, Municipality	South West	1,690	101,520	60.1	70,711	41.8	-30%
Oakview, R.M.	Central West	1,626	44,564	27.4	50,785	31.2	14%
Opaskwayak Cree Nation	North	3,034	166,988	55.0	176,488	58.2	6%
Paint Lake-Sustainable Development	North	275	22,678	82.5	16,474	59.9	-27%
Peguis First Nation	Interlake	2,704	71,690	26.5	34,980	12.9	-51%
Pembina, Municipality	South West	2,347	151,833	64.7	144,370	61.5	-5%
Pinawa, L.G.D.	East	1,504	108,351	72.0	121,631	80.9	12%
Pine Dock, Town	North	47	2,991	63.6	3,430	73.0	15%
Piney, R.M.	East	1,726	88,977	51.6	87,218	50.5	-2%
Pipestone, R.M.	South West	1,458	55,267	37.9	50,144	34.4	-9%
Portage la Prairie, City	South Central	13,304	874,482	65.7	829,412	62.3	-5%
Portage la Prairie, R.M.	South Central	6,975	247,719	35.5	237,936	34.1	-4%
Powerview-Pine Falls, Town	East	1,316	48,805	37.1	48,118	36.6	-1%
Prairie Lakes, R.M.	South West	1,453	17,603	12.1	28,000	19.3	59%
Prairie View, Municipality	Central West	2,088	104,098	49.9	90,567	43.4	-13%
Reynolds, R.M.	East	1,338	120,248	89.9	111,580	83.4	-7%
Rhineland, Municipality	South Central	5,945	146,675	24.7	172,041	28.9	17%
Riding Mountain National Park	Central West	300	5,548	18.5	5,526	18.4	0%
Ritchot, R.M.	Winnipeg and Area	6,679	450,080	67.4	469,510	70.3	4%
Riverdale, Municipality	South West	2,133	113,685	53.3	109,365	51.3	-4%
Roblin, Municipality	North West	3,214	117,173	36.5	153,706	47.8	31%
Rockwood, R.M.	Interlake	7,823	221,080	28.3	232,530	29.7	5%
Roland, R.M.	South Central	1,129	37,752	33.4	33,043	29.3	-12%
Rosedale, R.M.	Central West	1,672	37,210	22.3	27,919	16.7	-25%



MUNICIPAL & OTHER PARTNERS	Region	Population	2017 Total kg Reported	2017 kg Per Capita	2018 Total kg Reported	2018 kg Per Capita	Percent Change Total Reported
Rosburn, Municipality	South West	976	78,720	80.7	79,930	81.9	2%
Rosser, R.M.	Winnipeg and Area	1,372	49,790	36.3	42,280	30.8	-15%
Russell-Binscarth, Municipality	Central West	2,442	131,026	53.7	134,212	55.0	2%
Selkirk, City	Interlake	10,278	905,830	88.1	873,080	84.9	-4%
Sifton, R.M.	South West	1,256	27,134	21.6	29,483	23.5	9%
Snow Lake, Town	North	899	20,200	22.5	16,241	18.1	-20%
Souris-Glenwood, Municipality	South West	2,562	178,960	69.9	152,325	59.5	-15%
Springfield, R.M.	Winnipeg and Area	15,342	740,000	48.2	734,390	47.9	-1%
St. Andrews, R.M.	Interlake	11,913	712,850	59.8	698,000	58.6	-2%
St. Clements, R.M.	East	10,876	314,160	28.9	446,030	41.0	42%
St. François-Xavier, R.M.	Winnipeg and Area	1,411	60,570	42.9	60,360	42.8	0%
St. Laurent, R.M.	Interlake	1,338	78,530	58.7	100,320	75.0	28%
St. Pierre-Jolys, Village	East	1,170	54,579	46.6	54,239	46.4	-1%
Stanley, R.M.	South Central	9,038	42,594	4.7	20,214	2.2	-53%
Ste. Anne, R.M.	East	5,003	106,488	21.3	114,612	22.9	8%
Ste. Anne, Town	East	2,114	120,930	57.2	136,380	64.5	13%
Ste. Rose, Municipality	North West	1,712	107,055	62.5	94,522	55.2	-12%
Steinbach, City	East	15,829	906,234	57.3	927,930	58.6	2%
Stonewall, Town	Interlake	4,809	351,890	73.2	351,750	73.1	0%
Stuartburn, R.M.	East	1,648	42,926	26.0	52,181	31.7	22%
Swan Lake First Nation	South Central	347	6,300	18.2	6,590	19.0	5%
Swan River, Town	North West	4,014	276,328	68.8	299,676	74.7	8%
Swan Valley West, Municipality	North West	2,829	52,405	18.5	57,901	20.5	10%
Tache, R.M.	Winnipeg and Area	11,568	607,460	52.5	619,500	53.6	2%
Teulon, Town	Interlake	1,201	112,230	93.4	96,690	80.5	-14%
The Pas, Town	North	5,369	368,766	68.7	389,744	72.6	6%
Thompson, City	North	13,678	1,030,298	75.3	1,070,631	78.3	4%
Thompson, R.M.	South Central	1,422	36,490	25.7	43,760	30.8	20%
Two Borders, Municipality	South West	1,175	17,351	14.8	15,690	13.4	-10%
Victoria Beach, R.M.	East	398	76,121	191.3	58,306	146.5	-23%
Victoria, R.M.	South Central	1,514	67,745	44.7	81,630	53.9	20%
Virden, Town	South West	3,322	232,409	70.0	240,971	72.5	4%
Wabowden-Setting Lake	North	442	811	1.8	1,472	3.3	82%
Wallace-Woodworth, R.M.	South West	2,948	80,589	27.3	86,779	29.4	8%
West Interlake, R.M.	Interlake	2,162	72,117	33.4	158,660	73.4	120%
West St. Paul, R.M.	Winnipeg and Area	5,368	437,530	81.5	434,080	80.9	-1%
WestLake-Gladstone, Municipality	South Central	3,154	91,370	29.0	78,915	25.0	-14%
Whitehead, R.M.	South West	1,661	45,065	27.1	53,175	32.0	18%
Whitmouth, R.M.	East	1,557	126,212	81.1	117,115	75.2	-7%
Winkler, City	South Central	12,591	1,164,540	92.5	1,198,144	95.2	3%
Winnipeg Beach, Town	Interlake	1,145	64,300	56.2	68,160	59.5	6%
Winnipeg, City	Winnipeg and Area	705,244	55,279,544	78.4	54,048,309	76.6	-2%
Woodlands, R.M.	Interlake	3,416	62,050	18.2	64,030	18.7	3%
Yellowhead, R.M.	Central West	1,948	79,511	40.8	95,264	48.9	20%

**TOTAL NUMBER OF
PARTICIPATING MUNICIPALITIES
& OTHER PARTNERS**

144

CONTINUOUS IMPROVEMENT PROGRAM

MMSM is committed to working with municipalities and community groups on waste management opportunities, identifying their requirements and providing appropriate solutions to increase their effectiveness and efficiency. MMSM staff provided technical assistance on recycling to government and non-government agencies across Manitoba. This included working one-on-one with municipalities and processors to identify opportunities to increase consumer participation, as well as reduce costs and contamination.

MMSM Recycling Guide

In 2018, MMSM continued to assist municipalities by offering educational materials for their community members. Two versions of the MMSM recycling guide were available for customization. The recycling guide provided education on items that are and are not accepted in municipalities' recycling programs, along with tips and tricks on how to recycle effectively and efficiently. In 2018, over 70 municipalities took advantage of this resource by placing them in newsletters, utility/water bills, open houses and on their social media accounts.

MMSM also developed a customizable recycling poster that is available to municipalities to post around their community and at their waste transfer stations. This poster is similar to the guide, showing residents what is and is not accepted in their recycling bins.

Events and Trade Shows

Every year, MMSM attends several events and trade shows, including the **Association of Manitoba Municipalities Trade Show (AMM)**, the **Municipal Official Seminar and Trade Show** and the **Manitoba Association of Regional Recyclers (MARR) Forum**, as well as the **Annual General Meeting**.

In 2018, staff traveled to Thompson to participate in the **Northern Workshop**, presented at the North Eastman Municipal Forum in Victoria Beach, attended and met with residents in Pine Creek for **Treaty Days** and attended the St. Clements open house in support of their new recycling program implementation.



New carts for residents in the L.G.D. of Pinawa



The MMSM recycling poster made into a sign for the Waste Disposal Grounds in the R.M. of St. Andrews



MMSM staff visiting the Winfield Road Waste Transfer Station

Municipal Updates

As part of their funding agreement with MMSM, municipalities must consult with MMSM prior to any changes being made to their recycling program. This ensures that the changes will improve the efficiency and effectiveness of the program while controlling costs. These consultation services include reviewing existing programs in an effort to minimize costs, analysis of potential improvements including capital purchases, contractual changes to collection and processing and providing tools and assistance for promoting local recycling programs.

L.G.D. of Pinawa

The L.G.D. of Pinawa contacted MMSM requesting support to make changes to their residential recycling program, which was changing from manual collection to semi-automated cart collection. A request for proposal (RFP) was not used in this community as collection is done by municipal staff.

Prior to working with MMSM, the price for an upgraded baler and 65 gallon carts were much higher. MMSM provided manufacturer and vendor contact information after reviewing the initial bids, which decreased the pricing significantly.

Since implementing curbside cart collection, the L.G.D. of Pinawa has increased their total number of tonnes collected from 108.4 in 2017, to 121.6 tonnes in 2018, which is an increase of 12.2%.

“MMSM was of great assistance in the research and implementation of a curbside recycling program in Pinawa. The program has been extremely well received by the residents and recycling numbers have increased significantly. MMSM was a great resource for educational and promotional materials.”

Gisele Smith, CMMA
Resident Administrator
L.G.D. of Pinawa

City of Winkler

The City of Winkler worked closely with MMSM during preparation for their RFP. MMSM played a key role in the RFP process, providing expertise and technical support throughout the analysis and evaluation process.

“The City of Winkler did a complete evaluation of their three stream curbside waste program in 2018 (garbage, recycling, and yard waste/kitchen compost). MMSM came alongside and gave some useful advice to help complete the RFP process.”

Pete Froese
Director of Works & Operations
City of Winkler

R.M. of Macdonald

The R.M. of Macdonald issued an RFP for residential recycling and processing services. MMSM provided ongoing support with guidance on their RFP, reviewing and analyzing each submission along with a final recommendation. In addition to the change in service, the R.M. of Macdonald has encouraged residents to recycle with the promotion of the customized recycling guide, along with posts on various social media platforms.

“The municipality’s residential recycling collection program has seen a steady increase of participation over the years. Having representatives from MMSM provide feedback along with their knowledge is extremely valuable. This was evident in 2018 when the municipality’s current residential recycling collection contract expired and the municipality drafted the request for proposal with the assistance of MMSM.”

Daryl Hrehirchuk, CMMA
Chief Administrative Officer
Rural Municipality of Macdonald

PROMOTION & EDUCATION

Every year, MMSM invests in various communications initiatives to raise consumer awareness and encourage the recycling of blue box materials across the province. Targeted campaigns are used to provide useful information, helping Manitobans make educated choices when it comes to their waste.

COMMUNICA

ADVERTISING

Robyn and Michael, the characters of MMSM's new campaign



The 'Recycling Superhero' campaign launched in the spring and received positive feedback from consumers. The campaign introduced a new character to the program, Michael, a young recycling superhero. Recycle Michael is a friendly role model that is relatable and knowledgeable. The tone of the advertisements were positive and informative, pairing Michael with his mom Robyn. The focus was on educating Manitobans about what they can recycle, as well as sharing current Manitoba recycling statistics.

Various media channels were used, including digital, out of home, print, radio, sponsorships and television. The campaign focused on reaching MMSM's target audience, homeowners, in the most effective and cost-efficient way.



SIGNATURE ADVERTISING AWARDS

The 'Recycle Like Michael' television advertisements were nominated in two categories for the 2018 Signature Awards, which celebrate Manitoba's best in advertising, marketing and design. MMSM took home the 1st place award for best broadcast under \$20,000 (single or series), and was the runner up in the broadcast/non-broadcast (made in Manitoba) category.



MMSM staff with
Corus Entertainment
representative accepting
2018 Signature Award

ATIONS

DIGITAL MEDIA



60%
INCREASE

Over the past year, traffic to SimplyRecycle.ca and StewardshipManitoba.org increased by 60%. The 'What Can I Recycle' page continues to be the most popular page on the website, along with 'What Not to Recycle,' 'Recycling Facts' and 'Where to Return Plastic Bags.' This validates that consumers are interested in waste diversion and want to make educated decisions. Visitors came to the site through organic search, website referrals and paid advertising. One of the highest referral sources comes from one of MMSM's social channels: Facebook.

The website remains an important part of MMSM's educational platform. By driving traffic to the website, MMSM can teach Manitobans what they can and cannot put in their blue bins, helping municipalities reduce contamination. Throughout the year, staff continued to post and update content on the website, including writing blog posts and encouraging consumers to download the recycling guide to their mobile device. Staff also responded to over 750 email enquiries that came through the websites.

SOCIAL MEDIA



MMSM continued to grow its online presence by adding Instagram and LinkedIn to the list of social media platforms it posts on regularly. Since launching the Instagram account in late March, MMSM has concentrated on education, while also sharing relatable content with their followers through Instagram stories. On LinkedIn, MMSM focuses on sharing information about school programs, company culture and information to stakeholders, including stewards and municipalities. Facebook and Twitter continue to be MMSM's primary platforms, as they see the most engagement from consumers.

Seeing an opportunity for improvement, MMSM brought on a Communications Coordinator in June to work on growing the program's social media presence on all channels. With regular, consistent posts, and improved imagery, MMSM has seen a significant increase in followers and page likes over the past six months.

RESEARCH

MMSM measures public awareness and consumer habits through annual consumer research.

The information obtained from the survey was used to measure campaign performance and to find areas of opportunity in education, as well as provide direction for future advertising campaigns.

During the month of October, a telephone and online survey was led by eNRG Research and reached hundreds of Manitoba homes in Winnipeg, Brandon, Portage la Prairie, Morden and Winkler.

Key highlights include:

- Brand awareness rose to 44%.
- 93% indicated that they participate weekly in a household recycling program.
- About 73% of study participants who were aware of MMSM recalled seeing advertising sponsored by MMSM.
- Overall, 95% of respondents thought it was important for organizations like MMSM to advertise about recycling.

EDUCATION

SCHOOL PROGRAMS & SPONSORSHIPS

MMSM works hard every year to grow its educational programming through sponsorships and partnerships, growing its network with the schools in the province.

Partnerships, sponsorships and events included:

- Brandon Waste Reduction Week
- MMSM Eco Fashion Fest
- Target Zero Eco Tours at The Forks
- Manitoba School Science Symposium (MSSS)
- Take Pride Winnipeg! Team Up to Clean Up
- We Day Manitoba

The Target Zero Eco Tours at The Forks saw a record number of student attendees. There were 1,089 students who took the tour in 2018, which is a significant increase from the previous year. The Forks targeted teachers and schools through e-blasts and promoted posts on social media. Free tours were also offered to the public during the first three weekends of August.

MMSM staff also presented to the Faculty of Education at the University of Manitoba in October, providing them with information on the resources available for when they are teaching in the classroom.



Participating students at 2018 MMSM Eco Fashion Fest

POST-SECONDARY EDUCATION INSTITUTIONS

MMSM provides funding and support to Post-Secondary Education Institutions (PSEI) throughout the province. The funding is used to assist institutions with their recycling programs. Funding can be used to conduct waste audits, offset labour costs, promote the facility's recycling program and purchase recycling bins.

The University of Winnipeg continues to divert large quantities of recyclable waste from landfill. Multi-stream collection bins distributed throughout campus are the mainstay component of The University of Winnipeg's landfill diversion and recycling program. Over the last several years, the number of bins on campus has increased significantly, making it easier for people to dispose of their waste properly. Staff engage in regular public education, training and support for students and department staff to promote their diversion program.

Red River College saw a steady increase in the amount of recyclables collected in 2018, and remains committed to being a post-secondary leader in sustainability. Staff continue to work on enhancing their programs by implementing new strategies to increase compliance and capture rates. The College is also a partner on the Bag it Forward program with the ongoing collection of plastic bags to support Winnipeg Harvest. The ReBin program was implemented at the beginning of 2018, which collects pens, batteries and plastic bags and has been a great success.



**Materials recovered for the 2017/2018
school and/or calendar year total
approximately 729,739 kg, an
increase of 4,000 kg from the
previous school year.**

2017/2018 YEAR	KG
University of Manitoba (2 campuses)	378,580
University of Winnipeg	83,930
Red River College (2 campuses)	91,444
College Universitaire de Saint Boniface	33,280
Assiniboine Community College	101,770
Brandon University	37,470
University College of the North	3,265
TOTAL	729,739

MMSM staff presenting
awards at 2018 MSSS





Northern Workshop
in Thompson,
Manitoba

MMSM continues to strengthen its relationships with First Nations and northern remote communities in Manitoba by providing technical assistance on waste management issues and helping communities increase the effectiveness and efficiency of their recycling programs.

Throughout the year, MMSM provided support to First Nations through a number of initiatives.

The first annual Northern Workshop was hosted in Thompson, Manitoba in February 2018. The objective of the workshop was to provide communities with information, contacts and a framework for support in creating a long-term waste management program. Northern communities, consultants, producer responsibility organizations (PROs) and various levels of government all attended the workshop to discuss waste reduction strategies. The workshop was three days long, and tours, training and presentations took place.

On October 1, MMSM staff traveled to Bunibonibee Cree Nation (formerly Oxford House) to visit the community and meet with Chief and Council. A site visit was conducted to assess the community's need for improving recycling.

MMSM staff met with members of the Solid Waste Action Team (S.W.A.T.) in November to develop an addendum to the Toolkit for First Nations and remote communities. This addendum will act as a reference for their consulting services on future projects for transfer stations and waste disposal grounds.

FIRST NATIONS

NORTHERN & FIRST NATIONS COMMUNITY CLEAN-UP

For the eighth consecutive year, MMSM and CBCRA and its Recycle Everywhere program worked together to implement the Northern & First Nations Community Clean-Up. This program was created to increase awareness about recycling, and as a way to combat litter after Manitoba's cold winters. In 2018, there were ten registered communities that collected **552 kg** of recyclable material and **995 kg** of garbage. Volunteers and members of the community worked together to clean up the streets in their neighbourhoods.

On Tuesday, September 11, a barbeque was held at Miskoosepi School in Bloodvein First Nation in celebration of the community winning the 2018 Northern & First Nations Community Clean-Up. Students, teachers, council, health care staff, site workers, band office staff and other community members were part of the 170 people who attended the event. They were joined by representatives from MMSM and CBCRA to celebrate their accomplishment.

Since starting their recycling program in March 2018, residents have shown initiative and have taken it upon themselves to become better recyclers and be more environmentally conscious. A new recycling depot has been installed in the community where residents can take their recycling and waste.

Bloodvein First Nation officials will continue to educate residents about the benefits of recycling and its impact on the environment. As a part of their prizing, permanent signs were installed that cater to the recycling needs of the community. These signs tell residents what items can and cannot go into their recycling. MMSM and CBCRA also provided educational materials to community members.

NEW COMMUNITIES

In 2018, three new First Nation communities successfully registered with MMSM: Canupawakpa First Nation, Buffalo Point First Nation and Bloodvein First Nation.

Canupawakpa First Nation registered with MMSM in September 2018. Since completing their registration, the community has reported 2.16/MT of recyclable material, which has been transported to a Material Recovery Facility. MMSM also created a customized guide for the community, which helped educate residents about recycling.

Buffalo Point First Nation registered with MMSM and started reporting in May 2018. Since starting their new recycling program, the community has collected and reported 11.8 tonnes of recyclable material.

Bloodvein First Nation registered with MMSM in November 2018. MMSM staff worked with community Pathfinders to create and successfully develop a residential recycling program to divert waste within the community. Bloodvein First Nation is collecting all mandatory materials and storing them in mega bags in two sea containers. Materials will be shipped out of the community in early 2019.

N & REMOTE COMMUNITIES

Residents of Bloodvein First Nation preparing for their clean-up



MMSM staff packing supplies for the Northern & First Nations Community Clean-Up



MMSM and CBCRA staff awarding a plaque to Bloodvein First Nation, winners of 2018 Northern & First Nations Community Clean-Up



PLASTIC BAG REDUCTION PROGRAM

MMSM and the plastic bag stewards have taken a multi-pronged 3R approach to achieving the target set forth in the Plastic Bag Guideline. Waste audit results in 2018 showed that close to 65% of Winnipeg residents are reusing the plastic bags already in their home.

The following are examples of the 3R approach and how it has been effective:

Plastic Bag Reduction

Stewards have reduced the number of single-use plastic bags supplied into the market through:

- Enhancement of opportunities to acquire reusable bags in retail stores.
- Focused in-store messaging about the benefits of reusable bags.
- Continued and increased promotion of plastic bag best practices to further reduce the number of bags provided at retail.
- The use of a fee for plastic bags, where retailers choose to do so, as an incentive for consumers to use reusable bags.

Plastic Bag Reuse

Plastic bags are commonly purchased and used to dispose of kitchen, bath or animal wastes. Consumers are encouraged to reuse bags in their home or workplace rather than purchasing new plastic bags to dispose of waste. Additionally, consumers are encouraged to reuse plastic bags for other domestic uses rather than disposing of them after a single use.

Plastic Bag Recycling

Plastic bag collection programs have been established that include the collection of plastic bags at retail store locations. The intent of the collection programs is to increase the number of drop-off locations to ensure that Manitobans have reasonably convenient access to recycle their plastic bags. The Bag it Forward partnership with Winnipeg Harvest has provided additional collection locations as well as the Bag Up Manitoba Challenge for Manitoba schools.

RESEARCH

The results of MMSM's consumer research survey showed that 71% of respondents are using plastic bags. Instances of consumers reusing plastic bags at home remained steady with 86% mentioning they are reusing their plastic bags in some capacity. Overall, the survey results are steady with 2017, with no increases in use, and with consumers finding alternative ways to reuse, recycle and donate their plastic bags.

- Projected Number of Plastic Bags Without MMSM Program
- Plastic Bags Distributed
- Single use Plastic Bags
- Reused Plastic Bags

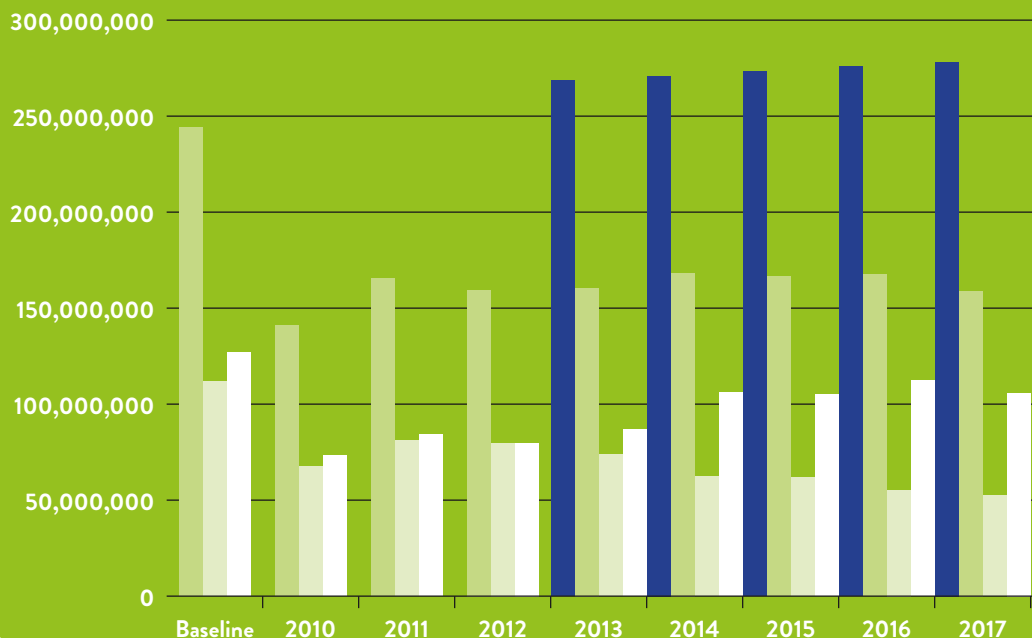


Table Notes

1. When population growth is considered, plastic bag usage has been reduced by 42%.
2. If the plastic bag reduction plan had not been implemented, bag usage would have grown to approximately 278,250,000.
3. Approximately 159,000,000 bags were distributed in Manitoba.
4. On average, 105,800,000 of those plastic bags are reused or recycled.
5. The remaining bags are classified as single use as no data exists to quantify where they are reused or disposed of.

65%
RE-USE



Plastic bag advertising at a Safeway self-checkout stand

MMSM continued to run plastic bag advertising on the interiors of transit buses in Winnipeg and Brandon



MMSM staff collecting plastic bags and handing out recycling information ahead of sponsored Goldeyes game

PUBLIC RELATIONS & ADVERTISING

MMSM looked for new opportunities to educate and engage with residents about responsible use and disposal of plastic bags in 2018. Media campaigns encouraged consumers to find a responsible way to dispose of their plastic bags or to skip the bag altogether. Activities included earned and paid media, partnerships, school programs, sponsorships, social media marketing and information on the MMSM website.

MMSM continues to see a significant amount of traffic on the plastic bag recycling pages, and a lot of interest online in the various programs it promotes. Activity has also increased on social media, promoting the reduction, reuse and recycling of plastic bags.

PARTNERSHIPS

Red River College installed ReBins, encouraging students to recycle their pens, batteries and plastic bags



Bag it Forward – Plastic Bag Recycling Program

Winnipeg Harvest uses more than one million plastic bags every year to create emergency food kits for families in need. The Bag it Forward program was created in response to that need and encourages consumers across Manitoba to drop off gently used plastic bags at a local food bank. MMSM provided 350 plastic bag recycling bins to Winnipeg Harvest and its partners, and arranged for bags that are not suitable for reuse to be properly recycled, diverting them from landfills.

It has been four years since the program launched, and there has been a tremendous amount of support from the public. Since the launch, Winnipeg Harvest has received over 150,000 plastic bags donated by consumers. This number does not reflect the bags collected by partner agencies that are reusing them onsite.

Red River College, one of the program's partners, recently added new multi-purpose bins to their campuses. These new bins collect plastic bags for Bag it Forward, batteries and pens.



Welcome Wagon

MMSM has continued its partnership with Welcome Wagon as part of the organization's continued educational efforts. To date, over 25,000 reusable bags and recycling education pamphlets have been delivered to Manitoba homes.

SCHOOL PROGRAMS

Bag Up Manitoba – Plastic Bag Roundup Challenge

MMSM collaborated with Take Pride Winnipeg! for the ninth year to offer a school-based program throughout the province. The Bag Up Manitoba program challenges students to collect as many plastic shopping bags as possible and bring them to school for recycling. The 2018 challenge ended with 886,606 plastic bags being collected and recycled by 154 schools across the province. This is a decrease in the amount of bags collected from the past several years. However, numerous schools reported that many families are no longer using plastic bags, and therefore had fewer bags at home.

The bags from the program were baled and shipped to ReGen Composites in Winnipeg, where they were recycled into benches for the program. The benches were made out of recycled plastic bags, other plastic materials and wood chips.

Every school that participated in the program received Frisbees made from recycled plastic bags. Fourteen lucky schools also won a school bench made out of the same material. The benches were all awarded via a random draw. This encourages all schools to participate, and emphasizes the message of waste reduction.

Students from Ecole St. Germain with the bags collected for the Bag Up Manitoba Challenge



Representatives from MMSM, Take Pride Winnipeg! and ReGen Composites awarding a bench to students and staff at General Byng School



SPONSORSHIPS

Manitoba Moose

MMSM was the game sponsor of the Manitoba Moose game on February 17. The theme was Bag it Forward, and fans were asked to donate their gently used plastic bags to the program. During the pre-game activities, MMSM set up a booth and collected bags from fans. In total, 1,748 plastic bags were collected throughout the evening. MMSM also gave away 5,000 custom recycling guides to fans. The guide focused on options for recycling plastic bags and general recycling information.



Prior to the sponsored game, MMSM ran a contest asking Manitobans how they reduce, reuse and recycle their plastic bags. The initiative was well received, helped build MMSM's Facebook following and engaged consumers in an important discussion. In total, there were 315 entries in the contest. Two entrants were selected by a random draw and received Manitoba Moose tickets. Many commented that they were unaware of the Bag it Forward program and will donate their plastic bags to Winnipeg Harvest in the future.

Winnipeg Goldeyes

MMSM's sponsorship of the Winnipeg Goldeyes baseball game on July 26 promoted the Bag it Forward program, with fans donating their gently used plastic bags. During the pre-game activities, MMSM set up a booth at the ballpark, collected bags from fans and answered recycling questions. Over 1,400 plastic bags were collected throughout the evening.



The game was also a superhero theme game, tying into MMSM's annual campaign theme of recycling superheroes. Fans came dressed up, and all Goldeyes staff wore blue superhero capes with a Mobius loop and the MMSM logo. Two recycling themed promotions took place during the game, including a recycling superhero cam and a recycling toss game. MMSM also supplied a custom recycling guide into each Goldeyes program.

MMSM ran a contest on social media asking entrants to guess the number of bags in our Bag it Forward bin from a list of multiple choice answers. The contest was promoted primarily through Facebook, Twitter and Instagram. There were 130 entries to the contest. Out of the 130 valid entries, 42 entrants guessed the correct number of bags in the Bag it Forward bin. Two entrants who guessed the correct number of bags won tickets to MMSM's sponsored Goldeyes game.



Mick E. Moose with plastic bags collected at the game



Goldeyes Fan Services staff wearing MMSM branded capes for Superhero night

MATERIAL RECOVERY RATES

The 2017 material recovery rates are presented in the table on the right. These recovery rates are calculated using sales data reported by stewards and municipal recycling reports for the same period.

84.4%
**RECOVERY
RATE**

2017

MMSM STEWARDS

The businesses that supply packaging and printed paper into the residential marketplace, also known as stewards, are obligated under Packaging and Printed Paper Stewardship Regulation 195/2008 of the Waste Reduction and Prevention (WRAP) Act to do a number of things:

- Provide a waste reduction and prevention program to manage the designated wastes within a province-wide, convenient collection system.
- Cover up to 80% of the net costs of an effective and efficient municipal recycling program.
- Establish promotion and education programs to raise awareness of recycling services available to Manitoba residents.

MMSM's program for recycling packaging and printed paper includes the following designated product packaging: plastic, glass, paper, metal and printed paper.

In 2018, there were:

- 796 registered stewards.
- 662 steward reports received.
- 246 voluntary steward agreements.

MMSM has moved to calculating recovery rates using the best practice method seen in other Canadian programs. This method calculates the recovery rate by dividing the material managed by MMSM's municipal partners by the material supplied by MMSM stewards.

In addition to providing stakeholders with information about MMSM's recycling performance, recovery rates impact steward fees. As is typical when introducing change in the program that will impact stewards, MMSM chose, for the purposes of fee setting only, to introduce the change to the recovery rate calculation over a three-year period.

Stakeholders reviewing the table below will note that MMSM achieved an 84.4% recovery rate when calculating recovery rates based on the quantities of materials supplied by the program's stewards, as compared to 61.9% and 65.4% for 2016 and 2015 respectively when calculated using the generation based tonnes.

2017 SUPPLIED AND RECOVERY

CATEGORY	MATERIAL	Quantity Supplied (tonnes)	Quantity Recovered (tonnes)	2017 Recovery Rate (%)	2016 Recovery Rate (%)	2015 Recovery Rate (%)	3 Year Blended for 4 Step Fee Setting
PRINTED PAPER							
	Newsprint	16,961	20,165	98.0%	87.8%	91.6%	92.5%
	Magazines and Catalogues	2,096	3,347	98.0%	91.9%	98.0%	96.0%
	Telephone Books	214	882	98.0%	92.6%	96.4%	95.7%
	Other Printed Paper	3,159	2,762	87.4%	47.6%	50.4%	61.8%
PRINTED PAPER TOTAL		22,430	27,156	98.0%	80.9%	83.7%	87.5%
PACKAGING							
Paper Based Packaging	Corrugated Cardboard	10,710	11,632	98.0%	72.5%	76.8%	82.4%
	Boxboard	12,120	8,730	72.0%	63.0%	66.2%	67.1%
	Gable Top Cartons	957	1,076	98.0%	75.6%	79.0%	84.2%
	Paper Laminates	2,293	973	42.4%	30.9%	33.5%	35.6%
	Aseptic Containers	683	383	56.1%	53.5%	57.6%	55.7%
Paper Packaging Total		26,763	22,794	85.2%	63.0%	66.1%	71.4%
Plastic Packaging	PET Bottles	7,478	4,482	59.9%	66.1%	69.0%	65.0%
	HDPE Bottles	3,204	2,773	86.6%	64.7%	67.1%	72.8%
	Plastic Film	4,528	105	2.3%	6.8%	8.4%	5.8%
	Other Plastics	8,216	3,516	42.8%	22.3%	25.5%	30.2%
Plastics Total		23,426	10,876	46.4%	35.3%	37.8%	39.8%
Steel Packaging	Steel Food & Beverage Cans	3,319	2,391	72.1%	56.2%	58.1%	62.1%
	Steel Aerosols	253	118	46.6%	42.7%	34.3%	41.2%
	Other Steel Containers	77	113	98.0%	10.0%	5.3%	37.8%
Steel Total		3,649	2,622	71.9%	53.4%	53.2%	59.5%
Aluminum Packaging	Aluminum Food & Beverage Cans	2,169	1,641	75.6%	61.8%	62.8%	66.7%
	Other Aluminum Packaging	304	154	50.6%	10.9%	10.6%	24.0%
Aluminum Total		2,473	1,795	72.5%	48.4%	49.1%	56.7%
Glass	Glass	13,248	12,433	93.8%	72.4%	77.7%	81.3%
Glass Total		13,248	12,433	93.8%	72.4%	77.7%	81.3%
PACKAGING TOTAL		69,559	50,520	72.6%	53.2%	56.8%	60.9%
TOTALS		91,989	77,676	84.4%	61.9%	65.4%	70.6%

Table Notes

1. The supplied tonnes are the tonnes reported by the MMSM stewards in their 2018 Steward Reports containing 2017 Data. Generation tonnes are based on audit studies.
2. Recovered tonnes are based on datasets that consist of both actual reported data from the Municipal Online Reporting System (MORS) and curbside studies done in 2015, 2016 and 2017 in the province.
3. Effective July 1, 2018, the Minister of Sustainable Development approved the renewed program plan that was submitted on March 20, 2017, allowing MMSM to calculate the recovery rates based on the steward supplied tonnes. These recovery rates are different than the recovery rates used in the fee-setting. In order to mitigate the change, MMSM used the three-year rolling average of the recovery rates for the 2019 fee-setting.
4. When a material recovered quantity exceeds the material's supplied quantity, the recovery rate is capped at 98%. Categories capped for 2017 Recovery Rate include: Newsprint, Magazines & Catalogues, Telephone Books, Corrugated Cardboard, Gable Top Cartons and Other Steel Containers.

STEWARD COMPLIANCE

The MMSM program is funded entirely by stewards who pay fees based on the volume of packaging and printed paper they supply to residents.

Stewards are responsible under the Packaging and Printed Paper Stewardship Regulation to assume responsibility and declare that the designated packaging and printed paper material they supply for consumption in Manitoba complies with the legal requirements of the WRAP Act. If a steward of the designated material does not comply with the regulation, they are prohibited from supplying the designated material for consumption in Manitoba.

MMSM is dedicated to ensuring a level playing field for stewards. To that end, MMSM works to expand the number of stewards participating in the program, bringing non-compliant businesses into compliance.

MMSM has developed a set of rules to make participation in the program fair for all stewards, and to ensure that the program is always striving to achieve the best results in terms of both diverting and recycling waste. These rules include:

- Designation of stewards
- Definition of designated materials
- Fees for obligated packaging and printed materials
- Reporting and payment requirements of stewards
- Penalties for late reporting and late payment
- Dispute resolution process for stewards
- Allowance for a company to pay fees on behalf of an otherwise obligated steward

A copy of the rules can be found on MMSM's website at stewardshipmanitoba.org

Reporting and paying fees

Stewards measure and report annually to MMSM the total quantity of designated packaging and printed paper supplied for use in the province. MMSM reviews the data reporting requirements annually in accordance with the rules.

Stewards who are in good standing with MMSM will be deemed to be in compliance with the WRAP Act. The MMSM compliance process starts with the identification of stewards who are not in compliance, followed by initiation of actions necessary to ensure compliance.

MMSM actively ensures that all stewards remain in compliance with the Packaging and Printed Paper Stewardship Regulation, and actively seeks out non-compliant businesses to bring them into the program. MMSM also has the authority to audit steward data. Stewards must maintain records for a period of at least five years in support of all data submitted to MMSM.

MMSM has implemented a non-compliance notification process, including written notification when fees are due. If stewards and products are identified that have not registered or reported under the Packaging and Printed Paper (PPP) Program, a notification is sent. If the steward's registration and data submission process is not complete at the end of 120 days, MMSM may request the Manitoba Government to take enforcement action as stipulated under the WRAP Act.

FINANCIAL

STATEMENTS

DECEMBER 31, 2018




MMSM
Multi-Material
Stewardship Manitoba
INDUSTRY FUNDING RECYCLING

INDEPENDENT AUDITOR'S REPORT

To the Members of MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

Opinion

We have audited the financial statements of **Multi-Material Stewardship Manitoba Inc.** [the "Organization"] which comprise the balance sheet as at December 31, 2018 and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the annual report prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Winnipeg, Canada
May 23, 2019

Ernst + Young LLP
Chartered Professional Accountants

Multi-Material Stewardship Manitoba Inc.

Incorporated under the laws of Manitoba

BALANCE SHEET

As at December 31

	2018 \$	2017 \$
ASSETS		
CURRENT		
Cash and cash equivalents	10,323,458	10,150,356
Accounts receivable	599,435	1,280,643
Prepaid expenses and deposits	11,289	29,795
TOTAL CURRENT ASSETS	10,934,182	11,460,794
Capital assets, net [note 3]	4,303	2,576
	10,938,485	11,463,370
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	5,306,297	6,983,252
TOTAL CURRENT LIABILITIES	5,306,297	6,983,252
Commitments [note 4]		
NET ASSETS		
Unrestricted	5,632,188	4,480,118
	10,938,485	11,463,370

See accompanying notes.

On behalf of the Board:



Neil Antymis
Director



Heather Mitchell
Director

STATEMENT OF OPERATIONS

Year ended December 31

	2018 \$	2017 \$
REVENUE		
Steward fees	21,328,708	17,822,267
Other revenue	301,062	373,194
	21,629,770	18,195,461
EXPENSES		
Municipal programs		
Municipal support payments	17,234,105	15,188,446
Program delivery/stewards services	1,455,394	1,381,247
School funding	197,090	214,664
Promotion and education	377,219	403,147
Continuous improvement process	125,625	145,059
Administrative and corporate	954,272	686,967
	3,109,600	2,831,084
Enhanced programs		
Beverage recovery	5,244	12,875
Aluminum	12,430	—
Plastic bags	116,321	104,998
	133,995	117,873
	20,477,700	18,137,403
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	1,152,070	58,058

See accompanying notes.

STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31

	2018 \$	2017 \$
NET ASSETS, BEGINNING OF YEAR	4,480,118	4,422,060
Excess of revenue over expenses for the year	1,152,070	58,058
NET ASSETS, END OF YEAR	5,632,188	4,480,118

See accompanying notes.

STATEMENT OF CASH FLOWS

Year ended December 31

	2018 \$	2017 \$
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	1,152,070	58,058
Add item not involving cash		
Amortization of capital assets	1,185	2,066
	1,153,255	60,124
Changes in non-cash working capital balances related to operations		
Accounts receivable	681,208	288,152
Prepaid expenses and deposits	18,506	(14,958)
Accounts payable and accrued liabilities	(1,676,955)	1,158,130
CASH PROVIDED BY OPERATING ACTIVITIES	176,014	1,491,448
INVESTING ACTIVITIES		
Purchase of capital assets	(2,912)	—
CASH USED IN INVESTING ACTIVITIES	(2,912)	—
NET INCREASE IN CASH DURING THE YEAR	173,102	1,491,448
Cash and cash equivalents, beginning of year	10,150,356	8,658,908
CASH AND CASH EQUIVALENTS, END OF YEAR	10,323,458	10,150,356

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1. Business organization and operations

Multi-Material Stewardship Manitoba Inc. ["MMSM"] is a not-for-profit industry-funded corporation, established in accordance with the Packaging and Printed Paper Stewardship Regulation [Manitoba Regulation 195/2008] pursuant to *The Waste Reduction and Prevention Act* [the "WRAP Act"]. MMSM was formally incorporated as a non-share capital corporation in December 2006 under *The Corporations Act* of Manitoba for the purpose of developing, implementing and operating waste diversion programs for designated packaging and printed paper in the Province of Manitoba. The stewardship program commenced operations on April 1, 2010 and is exempt from income taxes under Section 149 of the *Income Tax Act* (Canada).

2. Significant accounting policies

These financial statements were prepared in accordance with Part III of the *CPA Canada Handbook – Accounting*, "Accounting Standards for Not-for-Profit Organizations" which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies described below.

Revenue recognition

Steward fees are calculated based on the quantity of designated packaging and printed paper each steward supplies into Manitoba. Stewards register with MMSM and report the tonnage of all product supplied in Manitoba as required under the WRAP Act. Steward fees are recorded as revenue based on the prior year's tonnage reported by stewards. Steward reported tonnages for prior years' obligations and revenues resulting from compliance and enforcement activities are recognized when the amount can be reasonably estimated and collection is reasonably assured.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and short-term investments, with a short-term to maturity of three months or less from the date of purchase unless they are held for investment rather than liquidity purposes in which case they are classified as investments.

Recycling support payment to municipalities

Recycling support payments to municipalities are paid to registered Manitoba municipalities based on the tonnage of eligible materials delivered to an approved recycling facility as reported by the municipalities to MMSM. The current year's expense is recorded based on prior year's eligible tonnage.

Capital assets and amortization

Capital assets are recorded at original cost.

Amortization of furniture and equipment is recorded on a straight-line basis of 20% over the assets' useful lives.

Allocation of expenses

The costs of personnel and other expenses directly related to functions are allocated to each function. General support and other costs are not allocated.

Financial instruments

Financial instruments, including accounts receivable and accounts payable and accrued liabilities, are initially recorded at their fair value and are subsequently measured at amortized cost, net of provisions for impairment.

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Stewards are obligated under the WRAP Act to register and pay fees to MMSM. MMSM will never have a complete and full knowledge about the activities of obligated stewards. The amount of revenue recognized is based on the prior year's tonnage reported by stewards. If stewards do not register or if registered stewards do not report complete and accurate tonnages, the amount of revenue may increase or decrease subsequent to year-end when new stewards are identified or reported tonnages are revised.

The amount of revenue recognized in the financial statements represents management's best estimate of prior year's tonnage reported by stewards.

3. Capital assets

Capital assets consist of the following:

	2018			2017
	Cost \$	Accumulated Amortization \$	Net book value \$	Net book value \$
FURNITURE AND EQUIPMENT	17,858	13,555	4,303	2,576

4. Commitments

A management services agreement is in place with Canadian Stewardship Services Alliance Inc. ["CSSA"] to provide administrative and support services for all of MMSM's administrative, technical and reporting activities under the program plan to recycle and divert printed paper and packaging in the Province of Manitoba. The fee for 2018 is \$915,612 [2017 – \$915,612]. The fee paid to CSSA is based on allocation of CSSA's costs and MMSM's direct costs paid by CSSA.

Effective January 1, 2019, MMSM entered into a new agreement for a term of five years. The fee for 2019 is estimated to be \$892,000.

MMSM has entered into an operating lease for its premises for a total commitment of \$351,652. Future minimum annual lease payments until August 31, 2023 are as follows:

	\$
2019	73,773
2020	73,773
2021	75,003
2022	77,462
2023	51,641
	351,652

5. Financial instruments and risk management

MMSM is exposed to the following financial risk through transactions in financial instruments.

Credit risk

Financial instruments potentially exposed to credit risk include accounts receivable. Management considers its exposure to credit risk over accounts receivable to be limited as accounts receivable are not significantly concentrated and are monitored regularly for collections. The carrying amount of accounts receivable represents the maximum credit risk exposure.

MMSM LEADERSHIP & STAFF

BOARD OF DIRECTORS 2018

Neil Antymis	Board Chair	Canadian Beverage Association (CBA)
Sandy Hopkins	Vice Chair	Independent Member
Heather Mitchell	Treasurer	Manitoba Liquor and Lotteries Corporation
Francis St. Hilaire	Member	Independent Member
Julie Dickson Olmstead	Member	Canadian Federation of Independent Grocers (CFIG)
John Graham	Member	Retail Council of Canada (RCC)
James Rilett	Member	Restaurants Canada (CA)
Yvonne Rowe	Member	Dairy Group
Michelle Saunders	Member	Food & Consumer Products of Canada (FCPC)
Karen Melnychuk	Executive Director	MMSM

MMSM BOARD COMMITTEES

EXECUTIVE COMMITTEE

Neil Antymis, Chair
Sandy Hopkins, Vice Chair
Heather Mitchell, Treasurer

AUDIT COMMITTEE

Francis St. Hilaire, Chair
Heather Mitchell
Sandy Hopkins
Julie Dickson Olmstead

GOVERNANCE COMMITTEE

Sandy Hopkins, Chair
Neil Antymis
James Rilett
John Graham
Michelle Saunders

MUNICIPAL INDUSTRY PROGRAM COMMITTEE

Yvonne Rowe, Chair
Neil Antymis

MMSM STAFF

From left to right:

Karen Melnychuk
Lauren Gluck
Kristin Houle
Martin Racicot
Sarah Wallace
Noelle Vong

Executive Director
Municipal Reporting Coordinator & Office Administrator
Field Services Coordinator
Director, Field Services
Manager, Marketing and Communications
Communications Coordinator





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