

2015

ANNUAL REPORT




MMSM
Multi-Material
Stewardship Manitoba
INDUSTRY FUNDING RECYCLING

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MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

Founded in 2010, Multi-Material Stewardship Manitoba Inc. (MMSM) is the not-for-profit, industry-funded organization that develops, implements and operates 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 80% of the net cost of the residential recycling system.

Bringing together the businesses helping to 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 waste as possible is captured efficiently and does not end up in landfill.

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

Governed by a board of directors of eight 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
- Alcohol and non-alcohol beverages
- Retailers
- Printed paper
- Newspapers
- Restaurants

Industry directors are not compensated by MMSM; the costs associated with their participation on the board are covered by their organizations. The two independent directors are compensated for their time by MMSM.



Message from the Chair of the Board

Neil Antymis



2015 was another great year for printed paper and packaging recycling in Manitoba. The most recent data available, shows that the recovery rate increased by two percentage points to 65%.

Multi-Material Stewardship Manitoba completed its sixth year of operations in 2015. MMSM funds up to 80% of blue box and blue bin recycling throughout Manitoba. But we do much more than simply provide funding to municipalities and I would like to take this opportunity to highlight some of the priorities and accomplishments of MMSM in 2015.

The MMSM Board met in May of 2015 to look at strategic priorities for MMSM over the next three to five years. Three key strategic priorities were adopted. First is a commitment to work with municipalities and other stakeholders to continue to increase the recovery rate of the materials in our program. Second is to work closely with municipalities to provide support and analysis to ensure costs are managed effectively for tax payers and the stewards that fund up to 80% of recycling costs in Manitoba. Third is to continuously improve Board and corporate governance to ensure long term sustainability, integrity and quality of the Multi-Material Stewardship Manitoba program.

MMSM's current program plan, first approved by the Manitoba Government in 2009, expires in 2016. In 2015, MMSM started the groundwork for the process that will take place in 2016. An important part of this process is to gather input from Manitobans, government, municipalities, stewards and other interested stakeholders about the next MMSM program plan.

Fairly allocating the millions of dollars they pay to fund the municipal blue box recycling program is extremely important to stewards. The MMSM Board agreed that the funding formula methodology used since the launch of the program in 2010 needs to be reviewed. MMSM committed to work with other similar programs in Saskatchewan, British Columbia and Ontario, together with Canadian Stewardship Services Alliance our contract service provider, to undertake a comprehensive review of the funding formula. A new methodology and funding formula is expected to be implemented for 2017.

Manitobans can be proud of our collective accomplishments since 2010. Together, we have significantly increased blue box recycling, reduced the number of "single-use" plastic bags and are helping to create a better environment for Manitobans. I look forward to working with the MMSM Board, management, municipalities, government and Manitobans to take printed paper and packaging recycling to the next level.

Neil Antymis
Chair

Message from the Executive Director

Karen Melnychuk



In celebrating MMSM's sixth year of operations, we look back and reflect on the strides we have made over the past 12 months. In this Annual Report, we will highlight the success we have had in the areas of increased recovery, cost containment, promotion and education, technical support and waste reduction initiatives. MMSM developed new programs of which we are extremely proud and created partnerships with new municipalities and organizations.

The Manitoba civic landscape changed in 2015 as 107 municipalities amalgamated into 47 new municipalities. MMSM worked directly with local governments to ensure a smooth transition and merger of recycling data. Pre-amalgamation, MMSM funded 186 municipalities. Post-amalgamation, MMSM now funds 142 municipalities, providing residential recycling services to 94% of Manitobans.

MMSM surveyed its municipal stakeholders as part of our commitment to continuous improvement. Results from the research support the many efforts undertaken by MMSM over the past years and provided insight into where more work is needed. This insight will help MMSM develop communications and programming to address the specific needs of the municipalities we support through funding.

In an effort to assist local governments and consumers on what can go into the blue box, MMSM initiated work on a province wide standardized list of acceptable blue box materials. The standardized list will be implemented in early 2016.

Some things were just meant to be. In 2015, MMSM collaborated with Winnipeg Harvest and launched the Bag it Forward – Plastic Bag Recycling Program. MMSM provided 350 plastic-bag collection bins to Winnipeg Harvest and its partners, and it has arranged for bags that are not suitable for reuse to be properly recycled, diverting them from landfills. This program helps food banks across the province in delivering their services and educates consumers about the alternatives they have when disposing of plastic bags.

Six years have gone very quickly and we have made some great progress. MMSM's successes are the direct result of the support, commitment and enthusiasm of the consumers in this province. Together, we are putting MMSM in a position to thrive as a leader and change-maker in the industry. I would like to thank our Board of Directors for their leadership, and our staff for their energy, hard work and commitment to the organization. With all Manitobans working together to reduce their waste and recycling, the future is very promising.

Sincerely,
Karen Melnychuk
Executive Director, MMSM

MUNICIPAL SERVICES

Working together with Manitoba municipalities

MMSM's Municipal Services Program was introduced April 1, 2010. The overall objectives of the Municipal Services Program are 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 uncertainty inherent to 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.

**On average,
Manitobans recycled**

73 kg

per person in 2015.



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 complement recycling and waste reduction activities
- Technical assistance for improving local recycling programs

MMSM's Municipal Services Program is an incentive-driven program, which requires that municipalities 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 efficient and effective 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.

2015 MMSM Population Category	Payment Rate/tonne
0 – 1,000	\$350.40
1,001 – 5,000	\$260.40
5,001 – 15,000	\$196.70
City of Brandon	\$196.30
City of Winnipeg	\$113.20

MMSM allocated \$12,220,646 in funding to municipalities for the period January 1, 2015 to December 31, 2015.

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/Capita
Central West	23,501	1,208,779	51.4
East	85,412	5,386,906	63.1
Interlake	63,560	4,019,448	63.2
North	33,312	2,138,826	64.2
North West	31,726	1,590,602	50.1
South Central	89,754	5,222,708	58.2
South West	90,011	6,277,746	69.7
Winnipeg and Area	722,666	56,609,854	78.3
Subtotal	1,139,942	82,454,870	72.3
Post-Secondary Education Institutes		745,484	
Total	1,139,942	83,200,354	73.0

Table Notes

1. Recovery numbers reported by MMSM include only those materials which are recycled through registered local recycling programs in participating municipalities and are also reported by municipalities. Manitoba has several charity-based organizations and individuals that 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.
2. Materials recovered from Post-Secondary Education Institutions (PSEIs) are based on the 2014/2015 school year and/or calendar year. PSEIs are required to submit an annual report to MMSM to receive funding.
3. Population numbers have been used from the 2011 Census.



MUNICIPAL PARTNERS

			2014	2014	2015	2015		
Municipality	Region	Population	Total kg Reported	Total kg/ capita	Total kg Reported	Total kg/ capita	Percent Change	
Alexander, R.M.	East	2,983	180,370	60.5	197,060	66.1	9%	
Altona, Town	South Central	4,088	333,080	81.5	332,290	81.3	0%	
Arborg, Town	Interlake	1,152	65,402	56.8	56,386	48.9	-14%	
Argyle, R.M.	South Central	1,071	12,950	12.1	10,640	9.9	-18%	
Armstrong, R.M.	Interlake	1,835	169,587	92.4	257,784	140.5	52%	
Beausejour, Town	East	3,126	386,340	123.6	378,370	121.0	-2%	
Bifrost-Riverton, Municipality	*	Interlake	3,514	224,757	64.0	193,774	55.1	-14%
Boissevain-Morton, Municipality	*	South West	2,270	206,388	90.9	203,496	89.6	-1%
Brandon, City	South West	46,061	3,890,550	84.5	3,894,010	84.5	0%	
Brenda-Waskada Municipality	*	South West	652	9,772	15.0	15,272	23.4	56%
Brokenhead, R.M.	East	4,635	294,809	63.6	260,369	56.2	-12%	
Carberry, Town	South West	1,669	132,300	79.3	168,320	100.9	27%	
Carman, Town	South Central	3,027	352,574	116.5	363,630	120.1	3%	
Cartier, R.M.	Winnipeg	3,153	113,973	36.1	147,996	46.9	30%	
Cartwright-Roblin Municipality	*	South Central	1,240	22,595	18.2	23,983	19.3	6%
Clanwilliam-Erickson, Municipality	*	Central West	901	13,268	14.7	10,128	11.2	-24%
Coldwell, R.M.	Interlake	1,351	100,286	74.2	111,000	82.2	11%	
Cornwallis, R.M.	South West	4,378	151,909	34.7	181,917	41.6	20%	
Dauphin, City	North West	8,251	391,945	47.5	434,700	52.7	11%	
Dauphin, R.M.	North West	2,200	274,281	124.7	231,534	105.2	-16%	
De Salaberry, R.M.	East	3,450	157,712	45.7	150,243	43.5	-5%	
Deloraine-Winchester, R.M.	*	South West	1,485	81,254	54.7	86,926	58.5	7%
Duck Mountain Provincial Park	North West	100	903	9.0	3,208	32.1	255%	
Dufferin, R.M.	South Central	2,394	15,649	6.5	16,140	6.7	3%	
Dunnottar, Village	Interlake	696	52,420	75.3	60,440	86.8	15%	
East St. Paul, R.M.	Winnipeg	9,046	840,970	93.0	832,540	92.0	-1%	
Ellice-Archie, R.M.	*	Central West	971	6,096	6.3	8,504	8.8	39%
Elton, R.M.	South West	1,257	49,920	39.7	54,340	43.2	9%	
Emerson-Franklin, Municipality	*	East	2,439	115,251	47.3	109,624	44.9	-5%
Ethelbert, Municipality	*	North West	629	49,763	79.1	42,569	67.7	-14%
Falcon Lake/Westhawk (WPP)	East	277	90,880	328.1	97,400	351.6	7%	
Fisher, R.M.	Interlake	1,704	89,818	52.7	157,320	92.3	75%	
Flin Flon, City	North	5,363	374,413	69.8	405,848	75.7	8%	
Gilbert Plains Municipality	*	North West	1,623	58,067	35.8	59,769	36.8	3%
Gillam, Town	North	1,281	43,763	34.2	73,998	57.8	69%	
Gimli, R.M.	Interlake	5,845	444,070	76.0	424,163	72.6	-4%	
Glenboro-South Cypress, Municipality	*	South West	1,483	99,660	67.2	96,620	65.2	-3%
Glenella-Lansdowne, Municipality	*	Central West	1,245	10,373	8.3	9,899	8.0	-5%
Grahamdale, R.M.	Interlake	1,354	5,063	3.7	4,084	3.0	-19%	
Grandview Municipality	*	North West	1,508	72,846	48.3	87,407	58.0	20%

Municipality		Region	Population	2014 Total kg Reported	2014 Total kg/ capita	2015 Total kg Reported	2015 Total kg/ capita	Percent Change
Grassland, Municipality	*	South West	1,480	49,051	33.1	47,939	32.4	-2%
Grey, R.M.	*	South Central	2,615	159,274	60.9	161,685	61.8	2%
Hamiota Municipality	*	Central West	1,288	100,456	78.0	102,610	79.7	2%
Hanover, R.M.		East	14,026	848,581	60.5	841,744	60.0	-1%
Harrison Park, Municipality	*	Central West	1,799	43,687	24.3	42,555	23.7	-3%
Headingley, R.M.		Winnipeg	3,215	227,350	70.7	222,640	69.3	-2%
Hecla Grindstone Provincial Park		Interlake	124	51,510	415.4	47,876	386.1	-7%
Kelsey, R.M.		North	2,272	162,615	71.6	152,605	67.2	-6%
Killarney – Turtle Mountain		South West	3,233	282,150	87.3	289,478	89.5	3%
La Broquerie, R.M.		East	5,198	213,364	41.0	207,670	40.0	-3%
Lac du Bonnet, R.M.		East	2,930	175,968	60.1	167,503	57.2	-5%
Lac du Bonnet, Town		East	1,328	65,707	49.5	64,487	48.6	-2%
Lakeshore, R.M.	*	North West	1,401	57,136	40.8	62,274	44.4	9%
Leaf Rapids, Town		North	453	10,839	23.9	4,004	8.8	-63%
Lorne, Municipality	*	South Central	3,006	170,701	56.8	171,407	57.0	0%
Louise, Municipality	*	South Central	1,932	144,210	74.6	173,770	89.9	20%
MacDonald, R.M.		Winnipeg	6,280	405,861	64.6	427,598	68.1	5%
Matheson Island		North	110	0	0.0	2,660	24.2	0%
MB Conservation – Grand Beach		East	60	26,599	443.3	32,760	546.0	23%
MB Conservation – Paint Lake		North	275	25,996	94.5	27,630	100.5	6%
McCreary, Municipality	*	Central West	948	89,764	94.7	89,930	94.9	0%
Melita, Town		South West	1,069	65,439	61.2	53,241	49.8	-19%
Minitonas-Bowsman, Municipality	*	North West	1,816	52,535	28.9	56,534	31.1	8%
Minnedosa, Town		Central West	2,587	235,850	91.2	232,660	89.9	-1%
Montcalm, R.M.		South Central	1,309	60,658	46.3	57,717	44.1	-5%
Morden, City		South Central	7,812	703,590	90.1	688,892	88.2	-2%
Morris, R.M.		South Central	2,999	139,514	46.5	132,703	44.2	-5%
Morris, Town		South Central	1,797	84,922	47.3	80,776	45.0	-5%
Mossey River, R.M.	*	North West	1,186	46,150	38.9	48,500	40.9	5%
Mountain, R.M.		North West	1,104	14,524	13.2	20,178	18.3	39%
Neepawa, Town		Central West	3,629	289,810	79.9	324,110	89.3	12%
Niverville, Town		East	4,300	430,553	100.1	390,069	90.7	-9%
Norfolk Treherne, Municipality	*	South Central	1,741	76,311	43.8	91,606	52.6	20%
North Cypress-Langford, Municipality	*	South West	2,627	132,780	50.5	87,090	33.2	-34%
North Norfolk, Municipality	*	South Central	3,762	173,876	46.2	172,119	45.8	-1%
Oakland-Wawanesa, Municipality	*	South West	1,618	63,460	39.2	60,500	37.4	-5%
Oakview, R.M.	*	Central West	1,513	28,972	19.1	34,034	22.5	17%
Opaskwayak Cree Nation		North	3,118	169,685	54.4	159,240	51.1	-6%
Peguis First Nation		Interlake	2,609	52,516	20.1	54,711	21.0	4%

Municipality		Region	Population	2014 Total kg Reported	2014 Total kg/ capita	2015 Total kg Reported	2015 Total kg/ capita	Percent Change
Pembina, Municipality	*	South West	2,369	161,040	68.0	154,230	65.1	-4%
Pinawa, L.G.D.		East	1,444	139,644	96.7	127,748	88.5	-9%
Pine Dock, Town		North	100	0	0.0	1,430	14.3	0%
Piney, R.M.		East	1,720	103,216	60.0	108,810	63.3	5%
Pipestone, R.M.		South West	1,447	96,423	66.6	85,012	58.8	-12%
Portage la Prairie, City		South Central	12,996	884,073	68.0	921,750	70.9	4%
Portage La Prairie, R.M.		South Central	6,525	234,307	35.9	251,105	38.5	7%
Powerview – Pine Falls, Town		East	1,314	52,037	39.6	46,414	35.3	-11%
Prairie Lakes, R.M.	*	South West	1,423	10,235	7.2	9,952	7.0	-3%
Prairie View Municipality	*	Central West	2,167	60,833	28.1	85,809	39.6	41%
Reynolds, R.M.		East	1,285	98,628	76.8	120,006	93.4	22%
Rhineland, Municipality	*	South Central	5,772	182,604	31.6	190,391	33.0	4%
Riding Mountain National Park		Central West	300	4,191	14.0	4,934	16.4	18%
Ritchot, R.M.		Winnipeg	5,478	356,980	65.2	346,000	63.2	-3%
Riverdale, Municipality	*	South West	2,019	54,910	27.2	96,280	47.7	75%
Roblin, Municipality	*	North West	3,284	186,024	56.6	128,409	39.1	-31%
Rockwood, R.M.		Interlake	7,964	229,826	28.9	216,087	27.1	-6%
Roland, R.M.		South Central	1,058	34,045	32.2	35,320	33.4	4%
Rosedale, R.M.		Central West	1,627	41,270	25.4	40,280	24.8	-2%
Rosburn Municipality	*	South West	1,046	76,529	73.2	99,590	95.2	30%
Rosser, R.M.		Winnipeg	1,352	51,861	38.4	44,230	32.7	-15%
Russell Binscarth, Municipality	*	Central West	2,553	129,181	50.6	117,601	46.1	-9%
Selkirk, City		Interlake	9,834	971,080	98.7	1,018,209	103.5	5%
Sifton, R.M.	*	South West	1,172	29,669	25.3	30,259	25.8	2%
Snow Lake, Town		North	723	13,346	18.5	11,318	15.7	-15%
Souris-Glenwood, Municipality	*	South West	2,439	248,210	101.8	185,135	75.9	-25%
Springfield, R.M.		Winnipeg	14,069	655,890	46.6	701,960	49.9	7%
St. Andrews, R.M.		Interlake	11,875	627,650	52.9	676,170	56.9	8%
St. Clements, R.M.		East	10,505	226,791	21.6	262,130	25.0	16%
St. François-Xavier, R.M.		Winnipeg	1,240	68,740	55.4	66,190	53.4	-4%
St. Laurent, R.M.		Interlake	1,305	59,143	45.3	64,695	49.6	9%
St. Pierre-Jolys, Village		East	1,099	48,527	44.2	46,158	42.0	-5%
Stanley, R.M.		South Central	8,356	3,345	0.4	17,330	2.1	418%
Ste. Anne, R.M.		East	4,686	84,183	18.0	104,823	22.4	25%
Ste. Anne, Town		East	1,626	140,220	86.2	139,992	86.1	0%
Ste. Rose, Municipality	*	North West	1,794	90,906	50.7	96,726	53.9	6%
Steinbach, City		East	13,524	1,212,576	89.7	1,260,592	93.2	4%
Stonewall, Town		Interlake	4,536	355,010	78.3	379,790	83.7	7%
Stuartburn, R.M.		East	1,535	56,114	36.6	63,680	41.5	13%

Municipality	Region	Population	2014 Total kg Reported	2014 Total kg/ capita	2015 Total kg Reported	2015 Total kg/ capita	Percent Change
Swan Lake First Nation	North	725	0	0.0	4,110	5.7	0%
Swan River, Town	North West	3,907	306,783	78.5	256,794	65.7	-16%
Swan Valley West, Municipality *	North West	2,923	78,485	26.9	62,000	21.2	-21%
Tache, R.M.	Winnipeg	10,284	630,110	61.3	647,790	63.0	3%
Teulon, Town	Interlake	1,124	95,090	84.6	100,820	89.7	6%
The Pas, Town	North	5,513	374,721	68.0	351,655	63.8	-6%
Thompson, City	North	12,829	990,702	77.2	944,038	73.6	-5%
Thompson, R.M.	South Central	1,397	39,320	28.1	36,550	26.2	-7%
Two Borders, Municipality *	South West	1,310	8,133	6.2	6,041	4.6	-26%
Victoria Beach, R.M.	East	374	80,990	216.6	83,298	222.7	3%
Victoria, R.M.	South Central	1,119	71,249	63.7	68,893	61.6	-3%
Virden, Town	South West	3,114	269,715	86.6	232,308	74.6	-14%
Wabowden-Setting Lake	North	550	1,503	2.7	290	0.5	-81%
Wallace-Woodworth, R.M. *	South West	2,857	214,863	75.2	116,714	40.9	-46%
West Interlake, R.M. *	Interlake	2,206	66,858	30.3	74,719	33.9	12%
West St. Paul, R.M.	Winnipeg	4,932	388,620	78.8	399,710	81.0	3%
WestLake-Gladstone, Municipality *	South Central	3,068	98,643	32.2	102,910	33.5	4%
Whitehead, R.M.	South West	1,533	17,184	11.2	23,076	15.1	34%
Whitmouth, R.M.	East	1,548	103,520	66.9	125,958	81.4	22%
Winkler, City	South Central	10,670	882,930	82.7	1,121,103	105.1	27%
Winnipeg Beach, Town	Interlake	1,011	60,020	59.4	50,820	50.3	-15%
Winnipeg, City	Winnipeg	663,617	54,828,801	82.6	52,773,201	79.5	-4%
Woodlands, R.M.	Interlake	3,521	52,080	14.8	70,600	20.1	36%
Yellowhead, R.M. *	Central West	1,973	138,581	70.2	105,725	53.6	-24%

*2015 Amalgamated Municipalities

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. Additionally, MMSM staff provided technical assistance on recycling to government and non-government agencies across Manitoba. MMSM provides support for participating recycling programs by identifying best practices and opportunities to improve recycling programs. MMSM provides municipalities with information on end-buyers of recycled material.

MMSM worked directly with the following communities, associations and groups:

- Aboriginal Affairs and Northern Development Canada (AANDC)
- Assiniboine Community College – Parkland Campus
- R.M. of Alexander
- Town of Altona
- Town of Beausejour
- Municipality of Boissevain-Morton
- Black River First Nation
- City of Brandon
- Brandon Environmental Committee
- Brokenhead First Nation
- Cartwright-Roblin Municipality
- Town of Churchill
- Municipality of Clanwilliam-Erickson
- Community of Cormorant
- Cross Lake First Nation
- R.M. of Dauphin
- Town of Dauphin
- Town of East Selkirk
- R.M. of Ellice-Archie
- Municipality of Ethelbert
- Fisher River First Nation
- Town of Flin Flon
- Gilbert Plains Municipality
- Town of Gillam
- Grandview Municipality
- Municipality of Harrison Park
- Killarney-Turtle Mountain
- Lac Brochet First Nation
- R.M. of Lac du Bonnet
- Town of Lac du Bonnet
- Long Plain First Nation
- Municipality of Louise
- Louise Integrated Waste Management
- Town of Lynn Lake
- Manitoba Aboriginal & Northern Affairs (MANA)
- MB Conservation-Paint Lake
- Municipality of McCreary
- City of Morden
- Town of Melita
- Town of Neepawa
- Municipality of Norfolk Treherne
- Norway House Cree Nation
- R.M. of Ochre River
- Town of Onanole
- Peguis First Nation
- L.G.D. of Pinawa
- R.M. of Pipestone
- City of Portage La Prairie
- Powerview- Pine Falls
- Municipality of Prairie View
- Pukatawagan (Mathias Colomb) First Nation
- Municipality of Rhineland
- Municipality of Riverdale
- R.M. of Rockwood
- Rockwood Environmental Action Community Taskforce (REACT)
- Municipality of Roblin
- Roseau River First Nation
- Municipality of Russell-Binscarth
- Community of Sherridon
- R.M. of Sifton
- R.M. of Silver Creek
- Town of Snow Lake
- R.M. of St. Clements
- Town of St. Malo
- Municipality of Ste. Rose
- St. Theresa Point First Nation
- City of Steinbach
- Town of Stonewall
- Swan Lake First Nation
- Town of Swan River
- Municipality of Swan Valley West
- Take Pride Winnipeg!
- The Forks
- The Town of The Pas
- The Pas/OCN and Area Regional Solid Waste and Recycling Facility (RSWARF)
- Thompson Recycling Centre
- City of Thompson
- R.M. of Two Borders
- Town of Winnipeg Beach
- R.M. of Victoria Beach
- Town of Virden
- Wabowden-Setting Lake
- Wasagamack First Nation
- Waywayseecappo First Nation
- Winnipeg Harvest
- City of Winnipeg
- City of Winkler
- Village of Winnipegosis
- R.M. of Yellowhead

COMMUNICATIONS

PROMOTION & EDUCATION

Developing and implementing key promotional and educational campaigns is one of MMSM's annual strategic goals. Research has shown that Manitobans already recycle, but they need help learning exactly what they can and can't recycle. In 2015, recycling awareness was increased through advertising, contests, community sponsorships and public relations activities, helping MMSM reach the province's current 65% residential recovery rate.

MMSM launched year two of the "Relationship Campaign", focusing on the relationship between the blue box and the recyclable item. Images of the recyclable item falling in love with the blue box were witty and effective in delivering the message to the intended audiences. The campaign concentrated on educating the public on what is recyclable along with helpful tips to making recycling easier in the home.

MMSM invested in an extensive advertising campaign with great reach in Winnipeg and in rural communities where recycling infrastructure exists. Media for the campaign included print, radio, out-of-home, online and television, appealing to target audiences.

DIGITAL MEDIA, PUBLIC RELATIONS AND CONTESTS

MMSM continued to enhance its online presence with specific activities designed to engage and educate the public. Advertisements on Facebook and Twitter, along with regular attention-grabbing posts, helped MMSM increase Twitter followers by 40% and Facebook likes by 25%.

Making Simplyrecycle.ca more user friendly was a priority in 2015. The website is now mobile friendly and has a new redesigned navigation making it easier for consumers to find the information they are looking for. The "what can I recycle" page was changed to have a more visual format and includes new locations, descriptions of material types and graphics to match. Finally, a video section was added displaying MMSM commercials and a variety of other promotional programs. Since the changes were implemented, pageviews on the website increased by 12% and the number of users increased by a staggering 51%.

To launch year two of the "Relationship Campaign", MMSM created the Love Line's Contest. Airing on Energy 106 FM the two weeks leading up to Valentine's Day, on-air personalities spread the word directing listeners to tweet MMSM and Energy 106 with their best pick-up line for a chance to win a gift card



Outdoor billboard advertising

to a spa. To supplement the social media contest, the Energy 106 Street Team participated in the contest by visiting a different recycling themed location every day where they waited with a prize package. The first person to find them and give them a cheesy pick-up line won the prize.

MMSM worked closely with many municipal communications teams to help educate and promote any changes they made to their programs. Assistance was given on external communications within their communities and advice was provided to help improve municipal websites.



Love Lines Contest

2015 MARKET RESEARCH

MMSM concluded an awareness and ad recall study during the month of September. A phone and online survey was conducted by eNRG Research Group to hundreds of Manitoba homes where recycling infrastructure exists. This information was used to measure campaign performance and also used to develop new strategies to educate and inform consumers.

GENERAL RECYCLING HABITS

- Awareness of residential recycling programs was high, as nearly 9 out of 10 residents were aware they had access to one in their community.
- Nearly all respondents indicated that they participated in a recycling program, (Winnipeg 97%, Brandon, 86% and Morden/Winkler, 85%).
- The major barriers to recycling household items are *Too hard to clean* (34%) and *Don't know what to recycle* (30%).
- Approximately 7 out of 10 respondents stated they would recycle more if given clearer guidelines, while a little over half of individuals (53%) would recycle more if given information about why their individual recycling makes a difference to the environment.



Filming MMSM's 2015 television commercials



Top: MMSM's home page takeover on CBC.ca

Bottom: Interior transit card advertising

MMSM AWARENESS

- Winnipeg residents displayed similar levels of awareness for both the organizational name (MMSM) and the consumer-facing brand Simply Recycle.
- Of the people who had heard of either brand, approximately two-thirds recalled seeing advertising sponsored by MMSM or SimplyRecycle.ca.

PLASTIC BAGS

- Plastic bag usage was nearly identical to last year. Approximately 7 in 10 households said they re-use "single-use" plastic bags. The top two responses were: *Use to collect garbage along with Re-use at home*.
- Notable year-over-year increases for Winnipeg include *Store/save/keep them* (up 20 points) and *Recycle back to the store* (up 6 points).

SCHOOL PROGRAMS AND SPONSORSHIPS

Brandon Waste Reduction Week

- For the fourth consecutive year, MMSM was the title sponsor of the annual Brandon Waste Reduction School Challenge put on by The City of Brandon's Environmental Committee.
- The challenge ran from October 13 to October 29, with participation from 19 classrooms in eight different Brandon School Division schools. Over the course of the challenge, students were engaged in waste reduction activities and visual learning in the classroom.



MMSM staff presenting awards at the 2015 Manitoba School Science Symposium

Manitoba School Science Symposium (MSSS)

- The MSSS is an annual provincial science fair with over 550 students from grade 4 to grade 12 participating.
- MMSM was a bronze sponsor and the exclusive sponsor of the Best Physical Science Award for the third year in a row. Staff attended the event and presented the awards on stage to the winners.

Target Zero Eco Tours

- For the fourth consecutive year, MMSM sponsored the Target Zero Eco Kids Tour at The Forks.
- In 2015, 425 students and Forks visitors took part and had the opportunity to learn about recycling, composting, energy reduction and rainwater collection.



Students participating in the Target Zero Eco Tours at The Forks

- MMSM expanded the Target Zero Eco Kids Tour program in the summer by making tours available to the public on Tuesday and Sunday mornings free of charge. The feedback provided was excellent from those participating.

Take Pride Winnipeg's! Team Up to Clean Up

- Team Up to Clean Up is an annual event held at the MTS Centre with over 1,200 students in attendance. Students were provided with information on various activities that they can participate in to keep Winnipeg clean and beautiful. After the event, they go into their own communities and pick up litter, recycle, plant trees and paint over graffiti.
- MMSM sponsored the event. Staff set up an educational booth, gave away promotional items and talked to students about recycling and the Bag Up Manitoba Plastic Bag Round Up Challenge. Staff also spoke to the kids during the rally and played a recycling video.

We Day Manitoba

- We Day is an annual event that encourages students to think and act both locally and globally.
- MMSM was the bronze sponsor of We Day Manitoba, receiving recognition throughout the event and the opportunity to place a promotional item in the student's gift bags.
- On November 16, more than 16,000 educators, business leaders and young people were able to attend an inspiring day the MTS Centre thanks in part, to MMSM's contribution to the event. The event was also broadcast to all of the schools across the province and aired on both CTV and MTV at a later date.



We Day Manitoba 2015

POST-SECONDARY EDUCATION INSTITUTES

MMSM provides funding and support to several Post-Secondary Education Institutes (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. Materials recovered for the 2014/2015 school year total approximately 745 metric tonnes.



University of Manitoba

2014/2015 Year	kg
University of Manitoba (2 campuses)	363,960
University of Winnipeg	91,300
Red River College (2 campuses)	106,350
College Universitaire de Saint Boniface	21,632
Assiniboine Community College	119,780
Brandon University	40,300
University College of the North	2,162
Total	745,484



MINI BIN PROGRAM

MMSM partnered with the Canadian Beverage Container Recycling Association (CBCRA) on the Mini Bin Program. A pilot of the program was launched in 2013/2014 with a goal of increasing the number of beverage containers recycled in the residential stream. The Mini Bin is a space saving recycling container that was provided free of charge to multi-family homes in Manitoba. The pilot involved 20,000 Mini Bins and educational pieces being delivered to apartments, condos and townhouses across Manitoba.

A year after the launch, results showed recovery rates had increased. In response to that, an additional 40,000 co-branded bins were distributed into the program in 2015. Participants of the program said that the Mini Bins make recycling more convenient, and that they are more likely to recycle when the bins are in the home.



FIRST NATIONS AND REMOTE COMMUNITIES

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

WINTER ROAD PILOT PROJECT

MMSM worked in partnership with several other Producer Responsibility Organization's (PRO) on the Winter Road Pilot Project. This pilot project, addressed the significant environmental concerns faced by St. Theresa Point First Nation with the accumulation of waste items such as printed paper and packaging, tires, used oil, derelict vehicles, batteries and electronics. In an effort to properly remove and recycle these materials, the various PRO groups involved, collaborated on synchronizing the shipping of various recyclable materials out of St. Theresa Point.

By working together, they were able to coordinate the removal of these materials with the inbound and outbound transporters. In addition, each group shipped supplies such as pallets and tote bags, which will help address future difficulties in storage and collection of recycling.

The team was recognized for its work on this project by being nominated provincially for the Manitoba Service Excellence Award.

Producer Responsibility Organizations involved in the Winter Road Pilot Project were:

- Multi-Material Stewardship Manitoba (MMSM)
- Canadian Battery Association (CBA)
- Product Care Association (PCA)
- Switch the Stat, HRAI
- Electronic Products Recycling Association (EPRA)
- Manitoba Association for Resource Recovery Corp. (MARRC)
- Tire Stewardship MB (TSM)

In addition, the Manitoba Solid Waste Action Team won the Federal Deputy Minister's Recognition Award for Collaboration & Partnerships. This award was created to recognize and reward exceptional performance of teams of employees who have demonstrated high standards of excellence, professionalism and dedication to achieving Aboriginal Affairs and Northern Development Canada's goals and objectives.



The Winter Road Project Team



The Solid Waste Action Team





Sherridon, winners of the 2015 Northern Community Clean-up



A Sherridon community member using new recycling carts

NORTHERN COMMUNITY CLEAN-UP

For the fifth consecutive year, MMSM collaborated with CBCRA to implement the Northern Community Clean-up Program.

In 2015, there were 14 participating communities and 1,200 kg of recyclable material collected. Local volunteers worked together to pick up garbage and recycling on the streets of their neighborhoods. The recyclable material was then weighed and transported to the closest Material Recovery Facility (MRF) to be processed.

Each community received a Community Clean-up Kit, which included a recycling bin, bright yellow t-shirts for volunteers, gloves, black garbage bags, clear recycling bags, a scale and large cubic yard totes for transporting the recyclable material to the authorized processor. Information kits were also provided and included a recyclable materials handout, safety checklist and a report form that was completed and returned.

The community of Sherridon, was the winner of the 2015 Northern Community Clean-up. As the winning community, every household received a small recycling bin, large recycling carts for the 20 community storage sheds and communications pieces including a magnet with recycling information.

A celebratory barbeque was held on September 15, 2015 with over 100 community members, Community Council, clean-up volunteers and students in attendance. They were joined by representatives from MMSM and CBCRA to celebrate the accomplishment. In addition to the grand prize, participation prizes were given to each participating community to raffle off to their volunteers.

The Northern Community Clean-up was a great success! The implementation of this program has strengthened relationships with participating communities and continued to increase the knowledge and awareness of recycling.



The Pas getting ready for their clean-up



Clean-up participants hard at work

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 over the past several years have shown that close to 63% of Manitobans are reusing the plastic bags already in their home.

63%

**of Manitobans are reusing
the plastic bags
already in their home.**




MMSM
**Multi-Material
Stewardship Manitoba**
INDUSTRY FUNDING RECYCLING

The following are examples of this 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 choose 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 wastes. Additionally, consumers are encouraged to reuse plastic bags for other domestic uses rather than disposing of them after a “single-use.”

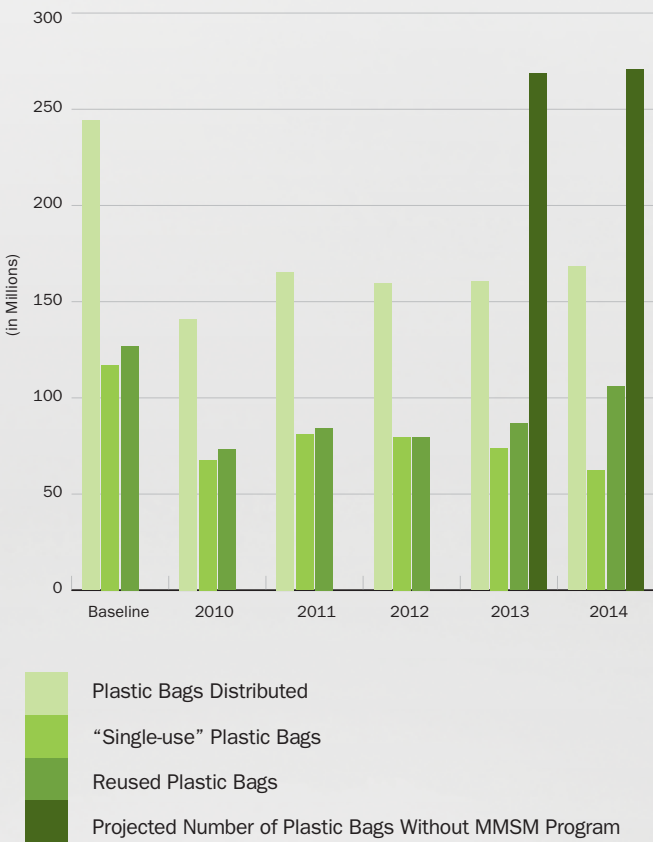


Table Notes:

1. When population growth is considered, plastic bag usage has been reduced by 38%
2. If the plastic bag reduction plan had not been implemented, bag usage would have grown to approximately 271,000,000.
3. On average, 63% of plastic bags are reused prior to disposal.
4. Approximately 23% of bags are actually “single-use”.



PLASTIC BAG RECYCLING

Plastic bag collection programs have been developed which include the collection of empty 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 plastic bag drop-off locations. The Bag it Forward partnership with Winnipeg Harvest has provided additional collection locations.

MMSM has also collaborated with Take Pride Winnipeg! to offer a school-based program throughout the province. The program links education with direct recycling efforts, thereby creating impacts much greater than only the environmental benefits of recycling plastic bags. A significant component of the program involves the education of school children on the benefits of reducing the use of, reusing, and recycling plastic bags.



Retailer advertising



Outdoor billboard



Bag it Forward collection bin

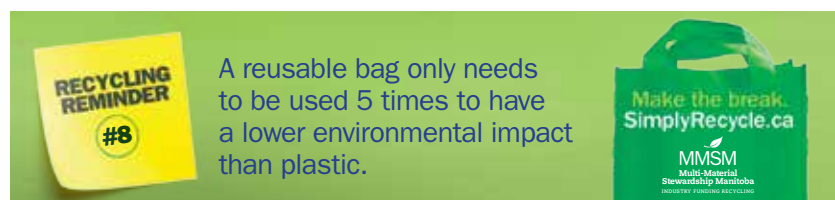
PUBLIC RELATIONS AND ADVERTISING

MMSM's plastic bag reduction plan and programs have dramatically shifted the trend in plastic bag usage and disposal over the last six years.

In 2015, MMSM worked diligently to develop new opportunities to educate and engage citizens. Two media campaigns ran, one in the spring and one in the fall, with plastic bag specific advertisements which encouraged consumers to find a responsible way to dispose of their plastic bags or to skip the bag altogether. Using a mix of traditional media including print, outdoor, radio and television, MMSM promoted the many options consumers have available to them. In addition, MMSM partnered with Retail Media, advertising directly in grocery stores on the checkout stands and on the divider bars.

MMSM has continued its partnership with Welcome Wagon as part of the organization's continued educational efforts. In 2015, 4,000 reusable bags and brochures were delivered to Manitoba homes. In addition, MMSM distributed over 2,000 reusable bags to various organizations and events throughout the year.

Manitobans worked hard in 2015 to reduce their use of plastic bags and find alternative methods to recycle the plastic bags already in their homes. Manitobans are getting the message. The results from the consumer research study in October showed a six-point increase in the number of respondents recycling plastic bags back to a store.



Print advertisement

BAG IT FORWARD – PLASTIC BAG RECYCLING PROGRAM

A made in Manitoba program, Bag it Forward – Plastic Bag Recycling Program, was launched on April 23, 2015. Every year, Winnipeg Harvest goes through approximately one million plastic bags to distribute food to the more than 60,000 Manitobans they help monthly. In response to this need MMSM created Bag it Forward to give Manitobans more options to reuse and recycle the plastic bags already in their homes, as well as help an important cause.

Bag it Forward, encourages consumers throughout Manitoba to drop off gently used plastic bags at their local food bank so they can be reused to create emergency food kits. MMSM and Winnipeg Harvest have received a tremendous amount of support from the public on this program. From April 23 to December 31 over 27,000 plastic bags were dropped off at Winnipeg Harvest's main location in Winnipeg. This does not include their partner agencies that have been using the plastic bags they receive in-house to create new emergency kits.

MMSM provided 350 plastic bag collection 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.



Manitoba Conservation and Water Stewardship Minister Gord Mackintosh, MMSM Executive Director Karen Melnychuk and Winnipeg Harvest Executive Director David Northcott at the Bag it Forward launch event



One of the 2015 Bag up Manitoba winners

MMSM BAG UP MANITOBA – PLASTIC BAG ROUNDUP CHALLENGE

The 2015 Bag up Manitoba Plastic Bag Challenge ended with over 1.45 million plastic bags being collected and recycled during the month of October. In total, 160 schools collected 1,466,438 million plastic bags. The bags were baled and shipped to Trex to be recycled into composite decking material and other products.

The students at Ecole George V School were one of this year's winners and collected over 33,000 bags. Teulon Elementary School was a rural winner who collected 81,370 bags, breaking the record for the most plastic bags ever collected by one school in the Bag Up Manitoba Challenge.

Every school who participated in the program received a garden box made out of recycled plastic bags and wood fibers. Fourteen lucky schools also won a school bench made out of the same material. Half the benches were awarded to the top collecting schools while the remaining benches were awarded via a random draw. This encourages smaller schools to participate and emphasizes the message of waste reduction.

65%
recovery
rate.

MATERIAL RECOVERY RATES – 2014

Stewards report on their sales from the previous year. This data, combined with the municipal recycling reports for the same period are used in the fee setting process for the upcoming year (2015 sales data will be used for 2017 fee setting). Based on the best available data for the most current full year reporting from stewards and municipalities, the table below illustrates the recovery rates for the material covered in the MMSM program for 2014. The 2015 recovery rates will be available and made public during the consultation process with stewards and other stakeholders in fall 2016.

		CY 2014 (Jan 1 – Dec 31, 2014)		
Category	Material	Quantity Generated ¹ (tonnes)	Quantity Recovered ² (tonnes)	Recovery Rate (%)
PRINTED PAPER				
	Newsprint	26,676	26,142	98.0%
	Magazines and Catalogues	5,474	4,924	90.0%
	Telephone Books	1,005	978	97.3%
	Other Printed Paper	9,070	6,460	71.2%
Printed Paper Total		42,225	38,504	91.2%
PACKAGING				
Paper Based Packaging	Old Corrugated Containers	11,116	9,587	86.2%
	Polycoat & Laminates	5,998	1,137	19.0%
	Old Boxboard	13,628	6,050	44.4%
Paper Packaging Total		30,742	16,774	54.6%
Plastic Packaging	PET Bottles	5,922	3,724	62.9%
	HDPE Bottles	3,885	2,516	64.8%
	Plastic Film	4,848	305	6.3%
	Other Plastics	14,024	2,609	18.6%
Plastics Total		28,679	9,154	31.9%
Steel Packaging	Steel Food & Beverage Cans	4,042	3,080	76.2%
	Steel Aerosols	321	126	39.2%
	Other Steel Containers	325	16	5.0%
Steel Total		4,689	3,222	68.7%
Aluminum Packaging	Aluminum Food & Beverage Cans	2,193	1,505	68.6%
	Other Aluminum Packaging	840	93	11.1%
Aluminum Total		3,033	1,598	52.7%
Glass	Glass	15,742	11,888	75.5%
Glass Total		15,742	11,888	75.5%
Packaging Total		82,885	42,637	51.4%
TOTALS		125,110	81,141	64.9%

Notes

1. Generation tonnages are based on household waste generation in Manitoba, and are comprised of waste audits conducted in Portage La Prairie, Tache, Brandon and Winnipeg for 2012, 2013 and 2014.
2. Recovered tonnes are based on datasets that consist of both actual reported data from Municipal Online Reporting System (MORS) and waste studies that represent samples of field data for selected locations in discrete periods of time.

MMSM STEWARDS

The businesses that supply packaging and printed paper into the residential marketplace, also known as stewards, are obligated under 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 80% of the funding of collecting, processing, and transferring the material to market;
- Establish promotion and education programs to raise awareness of recycling services available to Manitoba residents.

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

In 2015 there were:

- 809 registered stewards
- 613 steward reports received
- 274 voluntary steward agreements

The table below illustrates the change in material fees and total reported weights for 2015 and 2014.

Packaging and Printed Paper Reported by Stewards in 2015

Material Description	2015 Fee	Total Tonnes 2015	2014 Fee	2014 Fee after Surplus	Total Tonnes 2014
Newsprint	5.66	22,354	2.40	1.96	24,099
Other Printed Materials	14.11	6,350	7.02	5.65	5,848
Corrugated and Boxboard Packaging	12.97	23,226	11.43	10.12	23,937
Other Paper Packaging	39.09	4,259	27.60	25.22	4,059
PET Bottles	14.46	6,029	19.82	17.13	6,153
HDPE Bottles and Jugs	17.09	2,678	18.69	15.93	3,595
Other Plastic Packaging	34.77	12,159	34.08	30.93	13,531
Steel and Other Metal Packaging	13.66	4,124	9.55	7.57	4,386
Aluminum Cans – Food and Beverage	(7.13)	2,222	(0.83)	(2.63)	2,500
Foil and Other Aluminum Packaging	10.14	356	13.67	9.99	337
Glass Packaging	6.65	13,389	6.57	5.91	13,357
TOTAL		97,147			101,801

The steward reported data is the most current data available at the time of fee setting. The data may change if new stewards are identified or adjustments are made by reporting stewards.



STEWARD COMPLIANCE

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

Stewards are responsible under the 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 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 MMSM rules can be found on our website.

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 that 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 that are not in compliance followed by initiation of actions necessary to ensure compliance.

MMSM actively ensures that all stewards remain in compliance with the Regulation, and actively seeks out non-compliant businesses and brings 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 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, 2015

INDEPENDENT AUDITORS' REPORT

To the Members of

Multi-Material Stewardship Manitoba Inc.

We have audited the accompanying financial statements of **Multi-Material Stewardship Manitoba Inc.**, which comprise the balance sheet as at December 31, 2015, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Multi-Material Stewardship Manitoba Inc.** as at December 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting standards for not-forprofit organizations.

Winnipeg, Canada
April 21, 2016

The signature of Ernst & Young LLP is written in a cursive, handwritten style in black ink.

Chartered Professional Accountants

Multi-Material Stewardship Manitoba Inc.

Incorporated under the laws of Manitoba

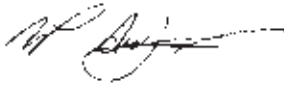
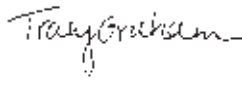
BALANCE SHEET

As at December 31

	2015 \$	2014 \$ <i>[restated – note 6]</i>
Assets		
Current		
Cash and cash equivalents	7,201,276	6,470,882
Accounts receivable	1,169,746	1,327,220
Prepaid expenses and deposits	15,247	14,230
Total current assets	8,386,269	7,812,332
Capital assets, net <i>[note 3]</i>	3,879	6,312
	8,390,148	7,818,644
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities	3,423,243	2,713,882
Total current liabilities	3,423,243	2,713,882
Commitments <i>[note 4]</i>		
Net assets		
Unrestricted	4,966,905	5,104,762
	8,390,148	7,818,644

See accompanying notes

On behalf of the Board:

Director
Director

Multi-Material Stewardship Manitoba Inc.

STATEMENT OF OPERATIONS

Year ended December 31

	2015 \$	2014 \$ <i>[restated – note 6]</i>
Revenue		
Steward fees	14,768,177	11,522,069
Other revenue	158,580	11,093
	14,926,757	11,533,162
Expenses		
Municipal programs		
Municipal support payments	12,220,646	10,003,683
Program delivery/stewards services	1,361,795	1,278,906
School funding	123,175	218,368
Promotion and education	370,802	381,071
Continuous improvement process	114,437	173,759
Administrative and corporate	406,987	252,800
Government fees	91,613	45,427
	2,468,809	2,350,331
Enhanced programs		
Beverage recovery	203,045	20,597
Plastic bags	172,114	127,910
	375,159	148,507
	15,064,614	12,502,521
Excess of expenses over revenue for the year	(137,857)	(969,359)

See accompanying notes

Multi-Material Stewardship Manitoba Inc.

STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31

	2015 \$	2014 \$ <i>[restated – note 6]</i>
Net assets, beginning of year, as previously reported	4,841,919	5,905,562
Restatement <i>[note 6]</i>	262,843	168,559
Net assets, beginning of year, as restated	5,104,762	6,074,121
Excess of expenses over revenue for the year	(137,857)	(969,359)
Net assets, end of year	4,966,905	5,104,762

STATEMENT OF CASH FLOWS

Year ended December 31

	2015 \$	2014 \$ <i>[restated – note 6]</i>
Operating activities		
Excess of expenses over revenue for the year	(137,857)	(969,359)
Add item not involving cash		
Amortization of capital assets	2,433	2,433
	(135,424)	(966,926)
Changes in non-cash working capital balances related to operations		
Accounts receivable	157,474	75,155
Prepaid expenses and deposits	(1,017)	(151)
Accounts payable and accrued liabilities	709,361	13,563
Cash provided by (used in) operating activities	730,394	(878,359)
Net increase (decrease) in cash during the year	730,394	(878,359)
Cash and cash equivalents, beginning of year	6,470,882	7,349,241
Cash and cash equivalents, end of year	7,201,276	6,470,882

See accompanying notes

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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 [Man. Reg. 195/2008] pursuant to The Waste Reduction and Prevention Act ["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 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.

[a] 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.

[b] 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.

[c] 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.

[d] 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.

[e] 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.

[f] 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.

[g] 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 Waste Reduction and Prevention 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:

	2015		2014	
	Cost \$	Accumulated amortization \$	Net book value \$	Net book value \$
Furniture and equipment	12,164	(8,285)	3,879	6,312

4. Commitments

[a] Effective January 1, 2014, 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 2015 is \$1,169,875. The fee paid to CSSA is based on allocation of CSSA's costs and MMSM's direct costs paid by CSSA. The agreement is in place for a term of 5 years.

[b] MMSM has entered into an operating lease for its premises for a total commitment of \$220,499. Future minimum annual lease payments until August 31, 2018 are as follows:

	\$
2016	82,687
2017	82,687
2018	55,125
	220,499

5. Financial instruments – risks and uncertainties

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.

6. Restatement

The amount of revenue recognized in the financial statements in a given year is based on prior year tonnages reported by stewards in accordance with the Waste Reduction and Prevention Act [the “Act”]. During the year, it was determined that MMSM had not estimated and recorded steward fee revenue for registered stewards who had failed to report tonnages in prior years as required for stewards under the Act. MMSM has the ability to estimate tonnages and steward fees for any non-reporting stewards under the reporting guidelines of the Act. As a result, a prior period adjustment has been recorded to correct this error, and the prior year financial statements have been restated accordingly. The following summarizes the effect of this prior period adjustment:

	As previously reported \$	Adjustment \$	As restated \$
Balance Sheet as at December 31, 2014			
Accounts receivable	1,064,377	262,843	1,327,220
Net assets, end of year	4,841,919	262,843	5,104,762
Statement of Operations, year ended December 31, 2014			
Steward fees revenue	11,427,785	94,284	11,522,069
Excess of expenses over revenue	(1,063,643)	94,284	(969,359)
Statement of changes in net assets, year ended December 31, 2014			
Net assets, beginning of year	5,905,562	168,559	6,074,121
Excess of expenses over revenue	(1,063,643)	94,284	(969,359)
Net assets, end of year	4,841,919	262,843	5,104,762

Board of Directors 2015

Neil Antymis	Chair	Canadian Beverage Association
Lanny McInnes	Vice Chair	Retail Council of Canada (RCC)
Tracy Graham	Treasurer	Manitoba Liquor and Lotteries
Bob Cox	Member	Newspaper Group
Ian Tott	Member	Dairy Group
Rachel Kagan	Member	Food & Consumer Products of Canada (FCPC)
Dwayne Marling	Member	Restaurants Canada
Trevor Carlson	Member	Canadian Federation of Independent Grocers (CFG)
Sandy Hopkins	Independent Member	Independent Director
Francis St.Hilaire	Independent Member	Independent Director
Karen Melnychuk	Executive Director	MMSM

MMSM Board Committees

Executive Committee

Neil Antymis, Chair
Lanny McInnes, Vice Chair
Tracy Graham, Treasurer

Audit Committee

Tracy Graham, Chair
Neil Antymis
Lanny McInnes
Francis St.Hilaire

Governance Committee

Rachel Kagan, Chair
Neil Antymis
Sandy Hopkins

Communications Committee

Dwayne Marling, Chair
Ian Tott
Bob Cox

Municipal/Industry Program Committee

Neil Antymis
Lanny McInnes

Plastic Bag Committee

Lanny McInnes, Chair
Dwayne Marling
Trevor Carlson

MMSM Staff

Karen Melnychuk, Executive Director
Martin Racicot, Director Field Services
Sarah Wallace, Marketing and Communications Specialist
Lauren Gluck, Municipal Reporting Coordinator and Office Administrator



**Multi-Material
Stewardship Manitoba**
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