



**Multi-Material
Stewardship Manitoba**

INDUSTRY FUNDING RECYCLING

SimplyRecycle.ca

Annual Report



2012

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Who is Multi-Material Stewardship Manitoba?

Multi-Material Stewardship Manitoba (MMSM) is a non-profit industry-funded organization that develops, implements and operates waste diversion programs for designated packaging and printed paper in the Province of Manitoba. It was established in accordance with the Packaging and Printed Paper Stewardship Regulation (Man. Reg. 195/2008) pursuant to *The Waste Reduction and Prevention Act*.

MMSM's goal is to promote the reduction, reuse and recycling of those materials managed under its programs. Industry stewards are responsible for 80% of the net costs of efficient recycling programs in Manitoba. The organization is governed by a Board of Directors that represent:

- Grocery sector
- Consumer products sector
- Alcoholic and non-alcoholic beverages
- Retailers
- Printed paper
- Newspapers

All industry related directors do not receive compensation from MMSM, they are paid by their companies to participate. The Board added two independent directors in 2011 who receive remuneration.



Message from the Chair of the Board

Allen Langdon

On behalf of the MMSM Board of Directors, we are proud to present our 2012 Annual Report.

MMSM's primary objective is to sustainably increase the recovery and recycling rates of the designated materials within its program. We are pleased to report that more tonnes of material were recycled in 2012 than in previous years.

MMSM has continued to work directly with communities across the province, providing technical assistance to improve and enhance recycling programs. The City of Winnipeg rolled out recycling and garbage carts during the latter part of 2012, with funding provided by MMSM. As a result, they are reporting an average 20% increase in material being collected in the recycling program for the last three months of 2012. We are confident that these results will be maintained in the years to come.

Promotion and education are key to increasing recycling awareness and participation. We worked very closely with schools across Manitoba to promote and educate children about recycling through school promotions, recycling presentations and a province-wide "design a reminder contest". Our very popular plastic bag roundup challenge saw over a million single-use plastic bags diverted from landfills. We once again provided a northern clean-up program and have provided outreach to many northern and remote communities.

Due to the focus placed on Steward compliance over the past years, I am also pleased to report that MMSM has received an unqualified opinion on its 2012 Audited Financial Statements. As an industry led non-profit organization, MMSM represents the stewards of packaging and printed paper supplied to residential households in Manitoba, and we take this responsibility seriously. Early in 2012, we decided to directly employ Karen Melnychuk as MMSM's Executive Director. Late in 2012 we also said goodbye to Ingrid Loewen, a long-time founding director whose experience, support and dedication played a key role at the board table.

Sincerely,



Allen Langdon
Chair, MMSM



Message from the Executive Director Karen Melnychuk

Welcome to our 2012 Annual Report – in which we take the opportunity to report back to you on the highlights of the year. It is at this time that we pause, reflect, and revel in the many accomplishments of 2012.

MMSM continues to work towards our goals and objectives of promoting the reduction, reuse and recycling of designated materials in our program. 92.5% of Manitobans have reasonable access to residential recycling in their communities. These programs vary by community based on contractual obligations with collectors and processors.

The year saw the City of Winnipeg implement significant improvements to their recycling program. During the summer, recycling and garbage carts were deployed across the city, with cart collection starting in October. The City also made major upgrades to its sorting facility to ensure the required capacity was available for the projected increase in recovered material. During the last three months of 2012, the City of Winnipeg reported an average 20% increase in material collected in its new cart program. MMSM is encouraged that these results will continue in the future.

Overall, we are thrilled to report that Manitoba recovered 75,409 tonnes of material in 2012, up from the 73,592 tonnes recovered in 2011. This total includes 2,175 tonnes of material which was recovered by the City of Winnipeg, but has not been sorted as of yet. Post-Secondary Education Institutions also saw an increase in their recovered material and account for 976 tonnes of the total, an increase of 268 tonnes from the previous year.

Included in this report are the recovery rates for 2011, the most current full year steward and municipal data available to MMSM at this time. MMSM will publish the 2012 recovery rates on our website as soon as they become available.

MMSM conducted residential waste audits in the City of Winnipeg and the City of Brandon and partnered with Canadian Beverage Container Recycling Association (CBCRA) to conduct audits in Dauphin and Norway House. Waste generation estimates in conjunction with municipal reporting of recovered tonnes, allows MMSM to determine the material specific recycling rates which are used to set steward fees. MMSM will be conducting several more waste audits in 2013.

Promotion and education remain key in increasing recycling rates. Through the use of social media, MMSM has been providing residents with tips and information on recycling. Awareness campaigns were run province wide using a variety of media channels. MMSM also commissioned a mural titled “Simply Recycle” in the City of Winnipeg’s North End that has quickly become a Winnipeg landmark.

MMSM has been working hard since its launch on steward identification and compliance. As a result of this, we have received an unqualified opinion on our 2012 Financial Statements under the new not-for-profit accounting standards. Although our 2012 Financial Statements indicate that previous years’ Financial Statements were not audited, this simply means they were not audited under these new standards.

MMSM is looking forward to 2013 as we will be launching an online reporting system for our municipal partners, conducting a material specific cost allocation study and several more waste audits.

Sincerely,



Karen Melnychuk
Executive Director





Municipal SERVICES

On average, Manitobans recycled 62.23kgs/person based on 2011 Census population of 1,208,268

92.5% of Manitobans have access to a recycling program.

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
- Through municipal funding and recycling markets research & development, help reduce the uncertainty inherent to recycling markets
- Ensure that the cost of handling designated materials is reflected in the steward fees

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 complement recycling and waste reduction activities

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 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.

2012 MMSM Population Category	Payment Rate/tonne
0 - 1,000	\$278
1,001 - 5,000	\$184
5,001 - 15,000	\$170
City of Brandon	\$152
City of Winnipeg	\$104

MMSM allocated \$9,453,943 in funding to municipalities for the period January 1, 2012 to December 31, 2012.

Actual collected material by MMSM partners for the 2012 calendar year totalled 75,409 tonnes, an increase of 1,817 tonnes from the previous reporting period. Due to upgrades at the Material Recycling Facility (MRF), The City of Winnipeg has an estimated 2,175 tonnes of unsorted baled mixed containers in inventory. These will be processed in 2013. Post-Secondary Education Institutions recovered material increased to approximately 976 tonnes from the previously reported 708 tonnes.

The following table demonstrates the total tonnes recycled by participating municipalities within described regions.

	Population (2011 Census) in participating communities	Total kgs recycled	Average kgs recycled per person
Central West (CW)	23,289	1,542,574.18	66.24
Eastern (E)	83,099	5,346,207.91	64.34
Interlake (I)	62,200	3,054,818.01	49.11
North (N)	31,423	1,608,748.50	51.20
North West (NW)	29,257	2,089,293.63	71.41
South Central (SC)	82,560	5,811,126.57	70.39
South West (SW)	84,196	5,676,914.64	67.42
Winnipeg and Area (WPG)	722,666	47,128,718.38	65.22
Subtotal	1,118,690	72,258,401.82	64.59
Winnipeg unsorted ¹		2,175,000.00	
Total Collected		74,433,401.82	66.54
Post-Secondary Education Institutes		975,779.00	
Total	1,118,690	75,409,180.82	67.41

TABLE NOTES:

1. The City of Winnipeg has an estimated 2,175,000 kgs of unsorted baled mixed container material due to equipment upgrades at the material recycling facility. This material has not been reported in 2012.
2. Recovery numbers reported by MMSM include only those materials which are recycled through registered local recycling programs in participating 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 brought to Saskatchewan for a deposit refund even though no deposit has been paid on these containers.
3. Materials recovered from Post-Secondary Education Institutions (PSEIs) are based on the 2011/2012 school year instead of the calendar year. PSEIs submit an annual report to MMSM but not all are able to report results by material category.



MUNICIPAL PARTNERS

Municipality	Region	Population (2011 Census)	2012 Total kgs Reported	kgs Recycled /Capita (2011 Pop)	2011 Total Total kgs Reported	kgs Recycled /Capita (2011 Pop)	Percent Change from Previous
Alexander, R.M.	E	2,983	223,509.98	74.93	196,780.00	65.97	13.58%
Altona, Town	SC	4,088	305,614.18	74.76	331,761.15	81.15	-7.88%
Arborg, Town	I	1,152	72,321.52	62.78	95,288.14	82.72	-24.10%
Argyle, R.M.	SC	1,071	9,036.29	8.44	5,636.32	5.26	60.32%
Armstrong, R.M.	I	1,835	149,154.85	81.28	157,671.00	85.92	-5.40%
Beausejour, Town	E	3,126	377,292.20	120.69	369,610.40	118.24	2.08%
Benito, Village	NW	377	36,500.10	96.82	38,722.10	102.71	-5.74%
Bifrost, R.M.	I	2,976	210,515.30	70.74	277,367.12	93.20	-24.10%
Binscarth, Village	CW	425	27,297.12	64.23	23,356.31	54.96	16.87%
Birtle, R.M.	CW	632	21,742.53	34.40	21,064.50	33.33	3.22%
Birtle, Town	CW	664	21,612.47	32.55	20,938.50	31.53	3.22%
Blanshard, R.M.	CW	526	14,564.00	27.69	13,090.00	24.89	11.26%
Boissevain, Town	SW	1,572	138,026.07	87.80	129,679.53	82.49	6.44%
Bowsman, Village	NW	298	20,362.10	68.33	22,259.30	74.70	-8.52%
Brandon, City	SW	46,061	3,356,230.00	72.86	3,426,640.00	74.39	-2.05%
Brenda, R.M.	SW	469	13,637.35	29.08	8,159.88	17.40	67.13%
Brokenhead, R.M.	E	4,635	275,350.04	59.41	255,249.40	55.07	7.87%
Buffalo Point First Nation	E	162	3,356.00	20.72	27,225.00	168.06	-87.67%
Cameron, R.M.	SW	420	15,651.18	37.26	24,833.96	59.13	-36.98%
Carberry, Town	SW	1,669	139,220.40	83.42	118,670.00	71.10	17.32%
Carman, Town	SC	3,027	373,307.28	123.33	384,972.52	127.18	-3.03%
Cartier, R.M.	WPG	3,153	140,069.00	44.42	152,785.00	48.46	-8.32%
Cartwright, Village	SC	308	9,753.60	31.67	15,020.50	48.77	-35.06%
Clanwilliam, R.M.	CW	414	17,557.68	42.41	22,186.48	53.59	-20.86%
Coldwell, R.M.	I	1,351	76,874.42	56.90	65,369.95	48.39	17.60%
Cornwallis, R.M.	SW	4,378	148,640.00	33.95	93,610.00	21.38	58.79%
Crystal City, Village	SC	384	87,068.43	226.74	115,935.60	301.92	-24.90%
Dauphin, City	NW	8,251	580,415.00	70.34	592,519.00	71.81	-2.04%
Dauphin, R.M.	NW	2,200	454,708.00	206.69	382,185.00	173.72	18.98%
De Salaberry, R.M.	E	3,450	154,524.26	44.79	171,351.56	49.67	-9.82%
Deloraine, Town	SW	977	105,811.00	108.30	88,067.00	90.14	20.15%
Duck Mountain Provincial Park	NW	100	489.60	4.90	452.60	4.53	8.17%
Dufferin, R.M.	SC	2,394	16,569.87	6.92	17,087.59	7.14	-3.03%
Dunnottar, Village	I	696	30,337.29	43.59	28,576.80	41.06	6.16%
East St. Paul, R.M.	WPG	9,046	796,185.50	88.02	848,084.00	93.75	-6.12%
Edward, R.M.	SW	574	11,351.30	19.78	3,438.00	5.99	230.17%
Elkhorn, Village	SW	471	65,913.00	139.94	63,532.00	134.89	3.75%
Ellice, R.M.	CW	392	2,596.30	6.62	4,232.16	10.80	-38.65%
Elton, R.M.	SW	1,257	45,759.97	36.40	54,920.02	43.69	-16.68%
Emerson, Town	SC	671	31,745.64	47.31	36,979.87	55.11	-14.15%
Erickson, Town	CW	487	16,211.95	33.29	20,485.98	42.07	-20.86%
Eriksdale, R.M.	I	846	52,304.58	61.83	44,477.05	52.57	17.60%
Ethelbert, R.M.	NW	354	14,488.70	40.93	24,996.00	70.61	-42.04%
Ethelbert, Village	NW	275	39,048.50	141.99	40,664.50	147.87	-3.97%
Falcon Lake/Westhawk (WPP)	E	277	61,294.00	221.28	77,720.00	280.58	-21.13%
Fisher, R.M.	I	1,704	82,003.25	48.12	54,177.76	31.79	51.36%
Flin Flon, City	N	5,363	339,309.00	63.27	325,298.00	60.66	4.31%
Franklin, R.M.	E	1,768	74,073.16	41.90	88,969.77	50.32	-16.74%
Gilbert Plains, R.M.	NW	812	4,252.30	5.24	4,071.30	5.01	4.45%

MUNICIPAL PARTNERS

Municipality	Region	Population (2011 Census)	2012 Total kgs Reported	kgs Recycled /Capita (2011 Pop)	2011 Total Total kgs Reported	kgs Recycled /Capita (2011 Pop)	Percent Change from Previous
Gilbert Plains, Town	NW	811	71,239.20	87.84	84,816.30	104.58	-16.01%
Gillam, Town	N	1,281	57,999.50	45.28	49,697.80	38.80	16.70%
Gimli, R.M.	I	5,845	482,237.50	82.50	449,312.83	76.87	7.33%
Gladstone, Town	SC	879	62,804.00	71.45	76,693.00	87.25	-18.11%
Glenboro, Village	SW	645	103,920.50	161.12	132,302.70	205.12	-21.45%
Glenwood, R.M.	SW	602	43,885.13	72.90	52,782.00	87.68	-16.86%
Grahamdale, RM	I	1,354	7,573.06	5.59	7,785.90	5.75	-2.73%
Grandview, R.M.	NW	649	57,388.51	88.43	59,565.05	91.78	-3.65%
Grandview, Town	NW	859	65,420.19	76.16	67,901.35	79.05	-3.65%
Gretna, Town	SC	556	58,891.00	105.92	61,618.48	110.82	-4.43%
Grey, R.M.	SC	2,025	85,052.30	42.00	76,570.50	37.81	11.08%
Hamiota, R.M.	CW	420	33,908.02	80.73	31,241.13	74.38	8.54%
Hamiota, Town	CW	868	63,865.98	73.58	58,842.87	67.79	8.54%
Hanover, R.M.	E	14,026	961,305.10	68.54	947,542.00	67.56	1.45%
Harrison, R.M.	CW	864	34,197.00	39.58	32,101.00	37.15	6.53%
Hartney, Town	SW	415	14,458.82	34.84	22,942.04	55.28	-36.98%
Headingley, R.M.	WPG	3,215	205,285.00	63.85	189,600.00	58.97	8.27%
Hecla Grindstone Prov Park	I	124	21,107.00	170.22	29,007.60	233.93	-27.24%
Kelsey, R.M.	N	2,272	89,513.24	39.40	75,089.48	33.05	19.21%
Killarney - Turtle Mountain	SW	3,233	291,467.89	90.15	293,192.00	90.69	-0.59%
La Broquerie, R.M.	E	5,198	214,283.20	41.22	223,610.00	43.02	-4.17%
Lac du Bonnet, R.M.	E	2,671	171,216.00	64.10	192,347.00	72.01	-10.99%
Lac du Bonnet, Town	E	1,328	78,761.50	59.31	82,760.00	62.32	-4.83%
Lakeview, R.M.	SC	311	8,820.50	28.36	11,160.00	35.88	-20.96%
Langford, R.M.	CW	767	33,653.00	43.88	21,867.00	28.51	53.90%
Lansdowne, R.M.	CW	723	8,261.00	11.43	9,245.00	12.79	-10.64%
Lawrence, R.M.	NW	456	13,682.00	30.00	12,958.00	28.42	5.59%
Leaf Rapids, Town 1	N	453	0.00	0.00	5,870.00	12.96	-100.00%
Lorne, R.M.	SC	1,884	75,407.18	40.03	56,366.82	29.92	33.78%
Louise, R.M.	SC	913	43,534.22	47.68	57,967.80	63.49	-24.90%
MacDonald, R.M.	WPG	6,280	354,405.00	56.43	366,375.00	58.34	-3.27%
MacGregor, Town	SW	963	47,675.93	49.51	37,930.90	39.39	25.69%
Manitou, Town	SC	808	33,660.70	41.66	34,140.30	42.25	-1.40%
MB Conservation - Grand Beach 2	E	60	36,520.00	608.67	28,791.00	479.85	26.85%
MB Conservation - Moose Lake 3	E	90	0.00	0.00	8,019.00	89.10	-100.00%
MB Conservation - Paint Lake	N	275	11,435.50	41.58	9,474.00	34.45	20.70%
McCreary, R.M.	CW	476	38,141.47	80.13	24,993.34	52.51	52.61%
McCreary, Village	CW	472	34,901.59	73.94	25,569.75	54.17	36.50%
Melita, Town	SW	1,069	146,921.00	137.44	164,090.60	153.50	-10.46%
Miniota, R.M.	CW	871	34,841.50	40.00	30,872.53	35.44	12.86%
Minitonas, Town	NW	522	43,964.90	84.22	49,047.70	93.96	-10.36%
Minnedosa, Town	CW	2,587	249,150.00	96.31	249,310.00	96.37	-0.06%
Montcalm, R.M.	SC	1,309	63,174.36	48.26	69,620.72	53.19	-9.26%
Morden, Town	SC	7,812	916,460.00	117.31	603,921.00	77.31	51.75%
Morris, R.M.	SC	2,999	125,908.64	41.98	87,943.70	29.32	43.17%
Morris, Town	SC	1,797	74,400.58	41.40	83,074.37	46.23	-10.44%
Morton, R.M.	SW	698	66,214.93	94.86	62,210.87	89.13	6.44%

MUNICIPAL PARTNERS

Municipality	Region	Population (2011 Census)	2012 Total kgs Reported	kgs Recycled /Capita (2011 Pop)	2011 Total Total kgs Reported	kgs Recycled /Capita (2011 Pop)	Percent Change from Previous
Mossey River, R.M.	NW	539	8,709.60	16.16	8,499.30	15.77	2.47%
Mountain, R.M.	NW	1,104	18,907.40	17.13	21,788.30	19.74	-13.22%
Neepawa, Town	CW	3,629	471,457.00	129.91	487,383.00	134.30	-3.27%
Niverville, Town	E	3,540	405,207.00	114.47	448,961.00	126.83	-9.75%
North Cypress, R.M.	SW	1,860	59,771.40	32.14	80,120.00	43.08	-25.40%
North Norfolk, R.M.	SC	2,799	141,965.80	50.72	112,947.76	40.35	25.69%
Notre Dame de Lourdes, Village	SC	683	63,870.00	93.51	70,070.00	102.59	-8.85%
Oak Lake, Town	SW	383	9,520.37	24.86	6,252.13	16.32	52.27%
Oakland, R.M.	SW	1,056	27,115.00	25.68	23,301.00	22.07	16.37%
Ochre River, R.M.	NW	945	51,886.20	54.91	46,677.60	49.39	11.16%
Opaskwayak Cree Nation	N	2,714	93,405.12	34.42	78,354.24	28.87	19.21%
Park, R.M.	CW	935	45,881.17	49.07	57,977.02	62.01	-20.86%
Peguis First Nation	I	2,609	63,192.16	24.22	47,627.36	18.26	32.68%
Pembina, R.M.	SC	1,561	62,617.37	40.11	81,393.70	52.14	-23.07%
Pilot Mound, Town	SC	635	67,280.15	105.95	89,586.60	141.08	-24.90%
Pinawa, L.G.D.	E	1,444	175,944.50	121.85	147,001.00	101.80	19.69%
Piney, R.M.	E	1,720	134,787.10	78.36	125,037.00	72.70	7.80%
Pipestone, R.M.	SW	1,447	91,378.70	63.15	94,671.00	65.43	-3.48%
Plum Coulee, Town	SC	843	38,059.65	45.15	56,723.99	67.29	-32.90%
Portage la Prairie, City	SC	12,996	1,311,142.00	100.89	1,205,144.00	92.73	8.80%
Portage La Prairie, R.M.	SC	6,525	423,985.00	64.98	409,221.00	62.72	3.61%
Powerview - Pine Falls	E	1,314	55,852.50	42.51	51,842.00	39.45	7.74%
Rapid City, Town	CW	417	25,193.00	60.41	24,941.00	59.81	1.01%
Reynolds, R.M.	E	1,285	104,593.17	81.40	125,470.51	97.64	-16.64%
Rhineland, R.M.	SC	4,373	88,336.49	20.20	92,427.72	21.14	-4.43%
Riding Mountain National Park	CW	300	10,666.47	35.55	13,478.52	44.93	-20.86%
Ritchot, R.M.	WPG	5,478	301,630.00	55.06	318,470.00	58.14	-5.29%
Rivers, Town	SW	1,189	40,105.00	33.73	43,659.00	36.72	-8.14%
Riverside, R.M.	SW	780	4,744.00	6.08	3,287.00	4.21	44.33%
Riverton, Village	I	538	38,021.74	70.67	50,096.03	93.12	-24.10%
Roblin, R.M.	SC	932	14,630.40	15.70	22,530.75	24.17	-35.06%
Roblin, Town	NW	1,774	139,909.00	78.87	120,038.00	67.67	16.55%
Rockwood, R.M.	I	7,964	121,101.28	15.21	117,317.98	14.73	3.22%
Roland, R.M.	SC	1,058	31,412.00	29.69	39,626.00	37.45	-20.73%
Rosedale, R.M.	CW	1,627	53,600.00	32.94	46,160.00	28.37	16.12%
Rosburn, R.M.	CW	494	35,327.39	71.51	31,405.52	63.57	12.49%
Rosburn, Town	CW	552	37,527.61	67.98	33,361.48	60.44	12.49%
Rosser, R.M.	WPG	1,352	44,180.00	32.68	54,040.00	39.97	-18.25%
Russell, R.M.	CW	459	45,684.05	99.53	39,088.76	85.16	16.87%
Russell, Town	CW	1,669	98,698.83	59.14	84,449.94	50.60	16.87%
Selkirk, City	I	9,834	967,830.00	98.42	970,910.00	98.73	-0.32%
Shoal Lake, R.M.	CW	1,229	46,607.83	37.92	106,359.32	86.54	-56.18%
Sifton, R.M.	SW	789	20,876.73	26.46	13,709.97	17.38	52.27%
Snow Lake, Town	N	723	8,520.00	11.78	16,681.00	23.07	-48.92%
Somerset, Village	SC	439	40,800.00	92.94	37,877.00	86.28	7.72%
Souris, Town	SW	1,837	121,531.87	66.16	146,170.12	79.57	-16.86%
South Cypress, R.M.	SW	838	5,469.50	6.53	6,963.30	8.31	-21.45%
South Norfolk, R.M.	SC	1,125	34,103.65	30.31	17,300.93	15.38	97.12%

MUNICIPAL PARTNERS

Municipality	Region	Population (2011 Census)	2012 Total kgs Reported	kgs Recycled /Capita (2011 Pop)	2011 Total Total kgs Reported	kgs Recycled /Capita (2011 Pop)	Percent Change from Previous
Springfield, R.M.	WPG	14,069	593,811.00	42.21	527,893.00	37.52	12.49%
St. Andrews, R.M.	I	11,875	343,737.00	28.95	427,153.00	35.97	-19.53%
St. Claude, Village	SC	590	78,011.00	132.22	73,616.80	124.77	5.97%
St. Clements, R.M.	E	10,505	256,550.00	24.42	166,780.00	15.88	53.83%
St. François-Xavier, R.M.	WPG	1,240	61,630.00	49.70	57,599.80	46.45	7.00%
St. Laurent, R.M.	I	1,305	3,380.00	2.59	4,160.00	3.19	-18.75%
St. Lazare, Village	CW	254	1,626.70	6.40	2,651.64	10.44	-38.65%
St. Pierre-Jolys, Village	E	1,099	40,061.87	36.45	44,486.01	40.48	-9.95%
Ste. Anne, R.M.	E	4,686	52,142.70	11.13	49,890.00	10.65	4.52%
Ste. Anne, Town	E	1,626	92,814.00	57.08	146,201.00	89.91	-36.52%
Ste. Rose du Lac, Town	NW	1,023	72,665.60	71.03	77,944.70	76.19	-6.77%
Ste. Rose, R.M.	NW	771	32,985.70	42.78	32,481.00	42.13	1.55%
Steinbach, City	E	13,524	1,347,235.40	99.62	1,539,271.00	113.82	-12.48%
Stonewall, Town	I	4,536	295,493.00	65.14	197,974.10	43.65	49.26%
Strathclair, R.M.	CW	744	43,377.00	58.30	37,177.00	49.97	16.68%
Strathcona, R.M.	SW	643	26,125.00	40.63	9,101.00	14.15	187.06%
Stuartburn, R.M.	E	1,535	75,832.00	49.40	87,542.00	57.03	-13.38%
Swan River, R.M.	NW	2,546	44,613.00	17.52	37,570.30	14.76	18.75%
Swan River, Town	NW	3,907	293,904.50	75.23	252,533.70	64.64	16.38%
Tache, R.M.	WPG	10,284	460,660.00	44.79	549,625.00	53.44	-16.19%
Teulon, Town	I	1,124	60,550.64	53.87	51,326.62	45.66	17.97%
The Pas, Town	N	5,513	206,269.64	37.42	173,032.28	31.39	19.21%
Thompson, City	N	12,829	835,882.50	65.16	838,256.90	65.34	-0.28%
Thompson, R.M.	SC	1,397	27,390.00	19.61	33,540.00	24.01	-18.34%
Treherne, Town	SC	616	45,251.50	73.46	56,361.70	91.50	-19.71%
Victoria Beach, R.M.	E	374	80,943.00	216.43	76,506.50	204.56	5.80%
Victoria, R.M.	SC	1,119	72,012.00	64.35	67,954.00	60.73	5.97%
Virden, Town	SW	3,114	317,265.78	101.88	349,644.51	112.28	-9.26%
Wallace, R.M.	SW	1,526	173,111.80	113.44	174,324.49	114.24	-0.70%
Waskada, Village	SW	183	4,942.15	27.01	2,957.12	16.16	67.13%
Wawanesa, Village	SW	562	31,920.00	56.80	33,641.00	59.86	-5.12%
West St. Paul, R.M.	WPG	4,932	369,105.00	74.84	326,840.00	66.27	12.93%
Whitehead, R.M.	SW	1,533	32,199.00	21.00	28,420.00	18.54	13.30%
Whitemouth, R.M.	E	1,548	109,781.03	70.92	131,693.89	85.07	-16.64%
Whitewater, R.M.	SW	645	12,123.00	18.80	15,673.00	24.30	-22.65%
Winkler, City	SC	10,670	995,120.00	93.26	1,015,478.00	95.17	-2.00%
Winnipeg Beach, Town	I	1,011	29,080.60	28.76	30,730.00	30.40	-5.37%
Winnipeg, City (Curbside)	WPG	663,617	43,966,708.38	66.25	43,745,813.00	65.92	0.50%
Winnipeg, City (Depot) 4	WPG		0.00		185,821.00		-100.00%
Winnipegosis, Village	NW	647	42,735.03	66.05	42,130.00	65.12	1.44%
Woodlands, R.M.	I	3,521	60,550.64	17.20	52,374.10	14.87	15.61%
Woodworth, R.M.	SW	860	27,342.00	31.79	9,603.00	11.17	184.72%

Table Notes:

1. Town of Leaf Rapids did not report in 2012.
2. Grand Beach permanent population from Statistics Canada 2011 Census.
3. Moose Lake Provincial Park did not report in 2012.
4. City of Winnipeg (Depot) is now reported with City of Winnipeg (Curbside).



CONTINUOUS IMPROVEMENT PROGRAM

MMSM is committed to working with municipalities and community groups on waste management issues, identifying their requirements and providing appropriate solutions to increase their effectiveness and efficiency. Additionally, MMSM staff provided technical assistance about 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 during the year:

- Black River First Nation
- Brokenhead First Nation
- Camperville
- Churchill
- City of Brandon
- City of Thompson
- City of Winnipeg
- Cormorant
- Dauphin
- Erickson
- Fisher River First Nation
- Flin Flon
- Gillam
- Killarney
- Long Plain First Nation
- Minnedosa
- Neepawa
- Norway House
- Onanole
- Paint Lake
- Peguis First Nation
- Pilot Mound/Louise Waste
- Pinecreek First Nation
- Portage La Prairie
- Pukatawagan (Mathias Colomb) First Nation
- RM of Argyle
- RM of Rockwood
- Roblin
- Rossburn
- Rosseau River First Nation
- Shoal Lake
- St. Theresa Point
- Steinbach
- Stonewall
- Swan Lake First Nation
- Swan River
- Teulon
- The Pas
- Treherne
- Wabowden
- Wasagamach
- Wawasakapi



(Above) The new "Simply Recycle" mural has quickly become a Winnipeg landmark.

PROMOTION AND EDUCATION

The goal of Multi-Material Stewardship Manitoba's promotional efforts are to influence consumer behaviour by ensuring Manitobans know what materials are recyclable, therefore, increasing the participation rate. This supports the overall program goal of increased diversion and recycling rates.

MMSM continued its commitment to engage Manitobans with diverse marketing tactics in two separate campaigns using various mediums such as billboard, print, radio, web and transit advertising. With attention grabbing messaging, the advertising was consistent with its imagery, solidifying the distinctive MMSM brand while continuously raising consumer awareness.

MMSM operates a consumer website simplyrecycle.ca that provides information on recycling, tips for proper recycling practices, interactive games for kids and current news and events. It was revamped in the fall with a refreshed home page, addition of a live Twitter feed, addition of two new pages (Helpful Hints & Tips and FAQ's) and the addition of social media icons and links to stay current with today's media.

In addition, MMSM increased its presence online with Facebook and Twitter to assist with the online strategy. These social networks are used to promote awareness of our brand and offer an opportunity to communicate instantly and directly with individuals. In the fall, MMSM launched a very successful Facebook promotion which doubled our current network. Similarly, we launched a Twitter profile in July and since then have received over 500 followers. Social media is a cost-effective way to reach consumers and deepen brand identification.

A new piece of art was created for the Winnipeg landscape in 2012. Multi-Material Stewardship Manitoba sourced local artist, Charlie Johnson to create a mural standing at 14 feet by 100 feet on the corner of Selkirk Avenue and McGregor Avenue. The artwork demonstrates our collective commitment to recycling as a means of protecting natural resources and engaging the community.

MMSM contracted NRG Research Group to conduct a study to determine the effectiveness of our fall marketing and communications campaign. This research assists us in our planning and helps us measure our success over time. It also acts as a marker to measure MMSM's promotional activities to support our overall goals.



(Left) Engaging commuters on a daily basis with interior and exterior bus ads.

(Right) Karyn Mayuk, grand prize winner of the Simply Recycle Blue Box Photo Contest took home an iPad.

School PROGRAMS

K-12 PROGRAMMING

MMSM worked hard to grow existing school sponsorships as well create new exciting partnerships to promote environmental action in elementary and high school students.

MMSM established a new sponsorship with The Forks North Portage Partnership to create the Target Zero Eco Tour – presented by MMSM. This theatrical Eco Tour is an interactive, educational and dramatic look at some of the eco-friendly initiatives already in use at The Forks. This valuable educational program provides students the opportunity to practice the positive behaviour of recycling, composting and energy reduction. During the last two months of the year, over 100 children have participated in the Eco Tour.



MMSM and The Forks North Portage Partnership launched the highly anticipated Eco Kids Tour in October 2012.



2012 RECYCLING REMINDER DESIGN WINNERS

(Far Left) Rachel Haner, Grade 5
Oakbank Elementary School

(Above) Martha Krawczuk, Grade 4
R.F. Morrison School

(Left) Kinsey Shepherd, Grade 2
Crestview School

(Below) Mackenzie Anderson-
Sasnella, Grade 8 George Waters
School

In 2012, MMSM continued its partnership with Green Action Centre to deliver recycling presentations through the Environmental Speakers Bureau (ESB). During this time, 577 ESB classroom presentations were given with 171 of the presentations specifically on recycling. These presentations reached 14,590 students throughout the province. In addition, six professional development sessions were delivered to 54 teachers.

A province wide recycling reminder design contest was held during the month of March. Entrants were asked to create a reminder button, bookmark or fridge magnet to help others remember to simply recycle everywhere. Entries from across the province totaled 254.

To increase our presence outside of Winnipeg, MMSM partnered with the City of Brandon's Environmental Committee to sponsor Brandon's Waste Reduction Week. Waste Reduction Week inspires Canadians to take action and reduce their waste in creative and effective ways. The challenge ran from October 15-27 and encouraged all students to track their waste through garbage and recycling. The purpose of the challenge was to engage students and build awareness on waste reduction issues. Over 160 students from five different schools in Grades 1 through 6 took part in the annual challenge.

These partnerships have been a highly effective way to promote recycling among young Manitobans. We have established effective educational opportunities for students to learn about reducing, reusing and recycling.

Winning classroom, Mrs. Stewart's Grade 2 class,
George Fitton School Brandon Manitoba.



POST-SECONDARY EDUCATION INSTITUTES

MMSM provided funding and support to several Post-Secondary Education Institutes (PSEI) throughout the province. MMSM 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 2011/2012 school year total approximately 976 metric tonnes.

2011/2012 School Year	kgs
University of Manitoba (2 campuses)	458,860
University of Winnipeg	146,000
Red River College (2 campuses)	111,130
College Universitaire de Saint Boniface	11,000
Assiniboine Community College	209,000
Brandon University	38,000
University College of the North	1,789
Total	975,779

FIRST NATIONS AND REMOTE COMMUNITIES

Multi-Material Stewardship Manitoba strongly believes in supporting communities all over the province of Manitoba.

MMSM joined forces with the Canadian Beverage Containers Recycling Association (CBCRA) to implement the Northern Community Clean-up Program. This initiative was developed to assist northern communities in increasing recycling awareness and combatting litter to preserve the environment.

Support was given by providing waste and recyclable collection supplies to assist the participating communities with their community clean-up initiative. Many of these communities are very remote; therefore, transportation of collected recyclable materials to an approved recycling facility was also included in this offering.

The following communities participated in the 2012 Northern Community Clean-up Program:

- | | |
|-----------------------------|--------------------------|
| 1. Black River First Nation | 10. Peguis |
| 2. Chemawawin/Easterville | 11. Pine Creek |
| 3. Churchill | 12. Sapotaweyak |
| 4. Cormorant (NACC) | 13. Sherridon |
| 5. Cross Lake First Nations | 14. Skownan First Nation |
| 6. Flin Flon | 15. St. Theresa Point |
| 7. Lynn Lake | 16. Thompson City |
| 8. Keeseekoowenin | 17. The Pas |
| 9. Mathias Colomb | 18. Wabowden (NAC) |

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

Not all participating communities were able to complete the full requirements of the clean-up.

In total, the reporting communities collected approximately 1,057kgs of recyclable materials from their respective community clean-ups.

MMSM was pleased with the outcome. Existing relationships were strengthened; there was an increase of knowledge and awareness of recycling and best waste management practices; and there was positive feedback from the participating northern communities. Community clean-up days are vital in increasing local pride and community spirit.

Enhanced PROGRAM

PLASTIC BAG REDUCTION PROGRAM

In 2010/2011 MMSM surveyed stewards from the food, beverage and consumer goods retail sectors to determine the annual volumes of plastic bags distributed in the province for the years 2007, 2008 and 2009.

MMSM stewards have now reported on three years of actual plastic bag generation data. As a result of the efforts of the food, beverage and consumer goods retail sectors, there has been a reduction of 42.36% in the generation of plastic bags (from 2007 to 2011).

MMSM conducted residential waste composition studies in 2012. Observations from these studies show that many consumers are re-using single use plastic bags as waste receptacles and as a result purchasing less of other plastic bags:

- Brandon – 51% of single use plastic bags are reused as a waste receptacle (up 2% since 2009)
- Winnipeg – 52% of single use plastic bags are reused as a waste receptacle (up 5% since 2009)

The data in the table below are the actual numbers reported during the period. No extrapolation formula has been used.

Single Use (Petroleum-based) Plastic Bags

Supplied/Sold	2007	2008	2009	2010	2011
Combined Total # of Units	244,078,881	226,291,978	164,582,349	140,621,206	140,683,609
Reduction from 2007	n/a	17,786,903	79,496,532	103,457,675	103,395,272
Reduction from 2008	n/a	n/a	61,709,629	85,670,772	85,608,369
Reduction from 2009	n/a	n/a	n/a	23,961,143	23,898,740
Reduction from 2010	n/a	n/a	n/a	n/a	-62,403
Percent Reduction from 2007		7.29%	32.57%	42.39%	42.36%

It is important to note, that as the economy continues to improve, and new box stores, restaurants and retailers enter the market, we may experience a slower reduction in the years to come. MMSM and its stewards are committed to reaching the 50% reduction target by 2015.

MMSM representatives gave out over 1000 reusable bags at the AMM tradeshow in November.



MMSM BAG-UP MANITOBA – PLASTIC BAG ROUNDUP CHALLENGE

Multi-Material Stewardship Manitoba continues to work towards our target of reducing the use of single use bags by 50% in the province of Manitoba. Beginning in the month of August, MMSM partnered with the Welcome Wagon to educate new residents and new home owners on proper recycling practices. We distributed 3,000 reusable bags and brochures to Welcome Wagon representatives who completed over 900 successful home visits. The goal of the partnership is to educate new residents and new home owners in Manitoba on proper recycling practices and encourage them to use reusable bags instead of single use bags.

For the third consecutive year, MMSM partnered with Take Pride Winnipeg!, challenging students to collect as many plastic shopping bags as possible and bring them to school for recycling. During the month of October, students and teachers in 160 schools across Manitoba participated in the program, keeping a record 1,064,000 bags out of the landfills.

Each school that participated received two birdhouses made from recycled plastic bags with the top 12 schools winning a park bench made from recycled plastic bags. This was determined by the number of students per school and their region. Additionally, two lucky schools were drawn from a hat to receive the last two benches for participation. The overwhelming response from students and teachers displays their commitment to the environment, the province and their community.

MMSM created seasonal awareness campaigns to connect with consumers during the spring and busy holiday season, a historically high time of year for plastic bag use. We selected new specialty media to reach shoppers which included holiday themed billboards inside of local malls, door decals as consumers entered the malls, newsprint advertisements, web advertisements and signage inside of half of the buses in the city of Winnipeg.



(Left) Urban Winner Victor HL Wyatt School created a dragon with some of the 42,657 plastic bags they collected.

(Right) Innovative door decals at St. Vital Centre remind shoppers to use a reusable bag.

MATERIAL RECOVERY RATES – 2011

During the first quarter of each calendar year, 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 (2012 data is used for 2014 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 material covered in the MMSM program for 2011. 2012 recovery rates will be available and made public during the consultation process with Stewards and other stakeholders in October.

Category	Material	Quantity Generated (tonnes)	Percentage of Generated	Quantity Recovered (tonnes)	Recovery Rate
PRINTED PAPER					
	Newsprint	30,568	22.6%	26,714	87.4%
	Magazines and Catalogues	4,805	3.6%	4,199	87.4%
	Telephone Books	2,043	1.5%	1,785	87.4%
	Other Printed Paper	11,521	8.5%	5,919	51.4%
Printed Paper Total		48,936	36.2%	38,617	78.9%
PACKAGING					
Paper Based Packaging	Old Corrugated Containers	11,352	8.4%	6,176	54.4%
	Polycoat & Laminates	6,200	4.6%	1,404	22.6%
	Old Boxboard	16,048	11.9%	6,457	40.2%
Paper Packaging Total		33,599	24.9%	14,037	41.8%
Plastic Packaging	PET bottles	6,721	5.0%	2,831	42.1%
	HDPE bottles	4,645	3.4%	3,130	67.4%
	Plastic Film	7,009	5.2%	425	6.1%
	Other Plastics	12,282	9.1%	745	6.1%
Plastics Total		30,656	22.7%	7,131	23.3%
Steel Packaging	Food & Beverage Cans	5,456	4.0%	3,183	58.3%
	Aerosols	517	0.4%	51	9.8%
	Paint Cans*	-	0.0%	-	0.0%
Steel Total		5,973	4.4%	3,234	54.1%
Aluminum Packaging	Al Food & Beverage Cans	2,745	2.0%	1,165	42.5%
	Other Aluminum Packaging	593	0.4%	26	4.4%
Aluminum Total		3,338	2.5%	1,191	35.7%
Glass	Glass	12,502	9.3%	6,449	51.6%
Glass Total		12,502	9.3%	6,449	51.6%
PACKAGING TOTAL		86,069	63.8%	32,042	37.2%
TOTALS		135,005	100.0%	70,660	52.3%

TABLE NOTES:

As of May 2012, steel paint cans and other household paint containers are covered under the Household Hazardous Waste (HHW) program. Fees for these products are charged at the point of sale by Product Care.

As part of its continuing efforts to refine waste generation estimates of packaging & printed paper (PPP) in Manitoba, MMSM will continue to conduct waste audits. Waste generation estimates in conjunction with municipal reporting of recovered tonnes allow MMSM to determine the material specific recycling rates which are used to set steward fees through the three-factor formula. MMSM will also be conducting a material specific cost allocation study in 2013.



Steward SERVICES

Regulation 195/2008 under the WRAP Act obligates stewards to do a number of things. Stewards must provide a waste reduction and prevention program to manage the designated wastes within a province-wide convenient collection system; stewards must cover 80% of the funding of collecting, processing, and transferring the material to market; and stewards must also establish promotion and education programs and cover the cost of government to oversee the program. All product packaging consisting of plastic, glass, paper, metal and printed papers normally managed through the municipal waste management system is designated to be included under this stewardship program.

Stewards of designated material are persons that have responsibilities under the Regulation. The Rules for Stewards are part of the legal framework that the program operates within. MMSM has established rules for stewards which include registration; rules for data reporting (i.e. dates for reporting); as well as compliance and payment schedules. Stewards use a web-based, on-line data reporting and management system. This secure online data management system is designed to assist stewards in managing their obligations. Obligated companies who do not follow the program rules are considered not in compliance.

MMSM is responsible to collect Steward fees on all Packaging and Printed Paper. The following table illustrates the change in material fees and total reported weights for 2012 and 2011.

- 808 Stewards registered with MMSM
- 585 Reports Received
- 196 Voluntary Stewards



Packaging and Printed Paper Reported by Stewards in 2012

Material Description	Base Fee 2012	Total kgs 2012	Base Fee 2011	Total kgs 2011
Newsprint	1.72 ¢/kg	27,500,376	2.88 ¢/kg	28,938,919
Other Printed Materials	3.86 ¢/kg	7,796,335	5.20 ¢/kg	8,401,125
Corrugated and Boxboard Packaging	10.93 ¢/kg	25,408,841	11.78 ¢/kg	25,080,745
Other Paper Packaging	31.77 ¢/kg	3,422,750	25.20 ¢/kg	3,744,379
PET bottles	24.62 ¢/kg	5,552,466	24.76 ¢/kg	4,869,391
HDPE bottles and jugs	21.64 ¢/kg	3,314,868	26.69 ¢/kg	3,442,792
Other Plastic Packaging	34.22 ¢/kg	12,795,596	31.03 ¢/kg	12,367,526
Steel and Other Metal Packaging	9.06 ¢/kg	4,538,729	9.92 ¢/kg	5,088,460
Aluminum cans – food and beverage	0.80 ¢/kg	2,357,740	1.26 ¢/kg	2,044,393
Foil and other aluminum packaging	27.42 ¢/kg	323,068	24.18 ¢/kg	276,961
Glass Packaging	6.22 ¢/kg	13,324,130	6.09 ¢/kg	13,989,015
Total		106,334,898		108,243,706

MMSM's Steward Services continues to identify and pursue potential stewards.

MMSM monitors sources such as local yellow pages, mall directories, business magazines, and the Scotts business database.



STEWARD COMPLIANCE

The MMSM Program is funded entirely by fees levied on stewards. Stewards of designated materials are persons that have responsibilities under the Regulation. A steward is the “person” who assumes the responsibility and declares 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 has prepared rules setting the amount of fees to be paid by participating stewards. 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

Stewards are required to measure and report annually to MMSM the total quantity in kilograms 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 compliance process commences with the identification of stewards that are not in compliance followed by initiation of actions necessary to ensure compliance.

Through the maintenance of a registry of identified stewards and a tracking system to monitor compliance, MMSM will actively ensure that all stewards are in compliance. Field research will be performed by MMSM to identify non-compliant stewards, utilizing leads generated by complying stewards, as well as independently through store and product audits. 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 of 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, 2012

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, 2012, and the statements of operations, changes in net assets and cash flows for the year ended December 31, 2012 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 in our audit 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, 2012, 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-for-profit organizations.

Comparative information

Without modifying our opinion, we draw attention to note 2B to the financial statements which describes that **Multi-Material Stewardship Manitoba Inc.** adopted Canadian accounting standards for not-for-profit organizations on January 1, 2012 with a transition date of January 1, 2011. These standards were applied retrospectively by management to the comparative information in these financial statements, including the balance sheet as at December 31, 2011 and January 1, 2011 and the statements of operations, changes in net assets and cash flows for the year ended December 31, 2011, and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

Winnipeg, Canada,
April 16, 2013.

Ernst & Young LLP
Chartered Accountants

MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

Incorporated under the laws of Manitoba

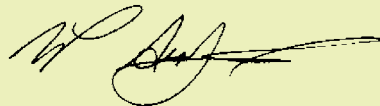
BALANCE SHEET

	As at December 31, 2012 \$	As at December 31, 2011 \$	As at January 1, 2011 \$
		<i>[unaudited]</i>	<i>[unaudited]</i>
ASSETS			
Current			
Cash and cash equivalents	5,214,005	9,290,532	4,538,922
Accounts receivable <i>[note 4]</i>	1,055,224	359,475	285,339
Prepaid expenses and deposits	22,214	13,825	20,631
Total current assets	6,291,443	9,663,832	4,844,892
Capital assets, net <i>[note 3]</i>	2,775	3,395	4,154
	6,294,218	9,667,227	4,849,046
LIABILITIES AND NET ASSETS			
Current			
Accounts payable and accrued liabilities	2,780,742	7,113,557	4,313,705
Total current liabilities	2,780,742	7,113,557	4,313,705
Net assets			
Unrestricted	3,513,476	2,553,670	535,341
	6,294,218	9,667,227	4,849,046

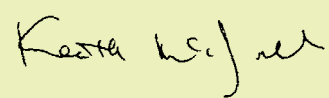
See accompanying notes

On behalf of the Board:

Director



Director



MULTI-MATERIAL STEWARDSHIP MANITOBA INC.
STATEMENT OF OPERATIONS

Years ended December 31

	2012 \$	2011 \$
		<i>[unaudited]</i>
REVENUE		
Steward fees	12,671,300	12,565,176
Other revenue	31,260	49,456
	12,702,560	12,614,632
EXPENSES		
Municipal programs		
Municipal support payments	9,488,821	8,531,412
Program delivery	853,076	878,583
Stewards services	385,711	399,410
School funding	227,936	180,000
Promotion and education	331,713	201,777
Continuous improvement process	120,789	54,861
Administrative and corporate	205,989	171,863
	2,125,214	1,886,494
Enhanced programs		
Beverage recovery	6,969	19,108
Plastic bags	121,750	159,289
	128,719	178,397
	11,742,754	10,596,303
Excess of revenue over expenses for the year	959,806	2,018,329

See accompanying notes

MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

STATEMENT OF CHANGES IN NET ASSETS

Years ended December 31

	2012 \$	2011 \$
		<i>[unaudited]</i>
Net assets, beginning of year	2,553,670	535,341
Excess of revenue over expenses for the year	959,806	2,018,329
Net assets, end of year	3,513,476	2,553,670

See accompanying notes

MULTI-MATERIAL STEWARDSHIP MANITOBA INC.
STATEMENT OF CASH FLOWS

Years ended December 31

	2012 \$	2011 \$
		<i>[unaudited]</i>
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	959,806	2,018,329
Add item not involving cash		
Amortization of capital assets	620	759
	960,426	2,019,088
Changes in non-cash working capital balances related to operations		
Accounts receivable	(695,749)	(74,136)
Prepaid expenses and deposits	(8,389)	6,806
Accounts payable and accrued liabilities	(4,332,815)	2,799,852
Cash provided by (used in) operating activities	(4,076,527)	4,751,610
Net increase (decrease) in cash during the year	(4,076,527)	4,751,610
Cash and cash equivalents, beginning of year	9,290,532	4,538,922
Cash and cash equivalents, end of year	5,214,005	9,290,532

See accompanying notes

MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

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 AND FIRST-TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

A. SIGNIFICANT ACCOUNTING POLICES

These financial statements were prepared in accordance with Part III of the Canadian Institute of Chartered Accountants ["CICA"] 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 expense is recorded based on prior year's eligible tonnage.

MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

[d] Capital assets and amortization

Capital assets are recorded at original cost less accumulated amortization.

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 liabilities are initially recorded at its fair value and are subsequently measured at amortized cost, net of provisions of impairment.

B. FIRST-TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

These financial statements are the first financial statements which MMSM has prepared in accordance with Part III of the CICA Handbook – *Accounting Standards for Not-for-Profit Organizations*, which constitutes generally accepted accounting principles for not-for-profit organizations in Canada. First-time adoption of this new basis of accounting had no impact on excess of revenues over expenses for the year ended December 31, 2011 or net assets as at January 1, 2011, the date of transition.

3. CAPITAL ASSETS

Capital assets consist of the following:

	2012			2011			As at January 1, 2011
	Cost \$	Accumulated amortization \$	Net book value \$	Cost \$	Accumulated amortization \$	Net book value \$	Net book value \$
				[unaudited]			[unaudited]
Furniture and equipment	4,615	1,840	2,775	4,615	1,220	3,395	4,154

4. GOVERNMENT REMITTANCES

As at December 31, 2012, accounts receivable includes government remittances receivable of \$7,176 [December 31, 2011 – \$5,382; January 1, 2011 – nil].

MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

5. COMMITMENTS

- [a] A program management services agreement is in place with StewardEdge Inc. to provide various administrative and communication services to MMSM until December 31, 2014 at a monthly amount of \$82,500. In addition, MMSM pays usage fees to StewardEdge Inc. for use of the database based on levies collected on an annual basis by MMSM at the rate of \$1,700 per million dollars in fees. The usage agreement is in place until December 31, 2014. During the year ended December 31, 2012, StewardEdge Inc. provided staffing, information technology, communication, program establishment and administrative services to MMSM for total remuneration of \$1,110,192, which has been recorded as an expense in program delivery and steward services.
- [b] MMSM has entered into an operating lease for its premises for a total commitment of \$190,700. Future minimum annual lease payments until August 31, 2015 are as follows:

	\$
2013	71,500
2014	71,500
2015	47,700
	190,700

6. 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.

BOARD OF DIRECTORS (2012)

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Retail Council of Canada

Keith McDougall

Vice Chair
Canadian Federation
of Independent Grocers

Neil Antymis

Treasurer
Canadian Beverage
Association

Rachel Kagan

Food and Consumer
Products of Canada

Bob Cox

Winnipeg Free Press
(Newspaper Group)

Phil Elias

Lucerne Dairy (Dairy Group)

Dwayne Marling

Canadian Restaurant and
Foodservices Association

Ingrid Loewen

Manitoba Liquor
Control Commission

Sandy Hopkins

Independent Director

Francis St. Hilaire

Independent Director

EXECUTIVE DIRECTOR

Karen Melnychuk

MMSM BOARD COMMITTEES

Executive Committee

Allen Langdon, Chair
Keith McDougall, Vice Chair
Neil Antymis, Treasurer

Audit Committee

Ingrid Loewen, Chair
Neil Antymis
Keith McDougall
Francis St. Hilaire

Governance Committee

Rachel Kagan, Chair
Neil Antymis
Sandy Hopkins

Communications Committee

Dwayne Marling, Chair
Rachel Kagan
Bob Cox

Municipal/Industry Program Committee

Neil Antymis
Allen Landgon

Plastic Bag Committee

Keith McDougall
Dwayne Marling
Allen Langdon



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