

2016

ANNUAL REPORT


MMSM
Multi-Material
Stewardship Manitoba
INDUSTRY FUNDING RECYCLING

RECYCLE
SOMETHING
NEW

TABLE OF CONTENTS

- 1 About MMSM
- 2 Message from the Chair of the Board
- 3 Message from the Executive Director
- 4 Municipality Services Program
- 7 Municipal Partners
- 11 Continuous Improvement Program
- 12 Communications
- 16 First Nations and Remote Communities
- 18 Plastic Bag Reduction Program
- 22 Material Recovery Rates
- 23 MMSM Stewards
- 24 Steward Compliance
- 25 Financial Statements
- 33 MMSM Leadership & Staff





ABOUT MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

Founded in 2010, Multi-Material Stewardship Manitoba Inc. (MMSM) is the not-for-profit, industry-funded organization that 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 up to 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
- Beverages
- 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



Multi-Material Stewardship Manitoba continues to make excellent progress on many strategic initiatives that you can read about here in our 2016 Annual Report. To start, I would like to share some thoughts with you on three important priorities for 2016.

MMSM's current program plan was approved by the Manitoba Government in 2009. MMSM undertook a comprehensive review and public consultation that resulted in a new and enhanced program plan that will serve Manitobans for the next several years. Recycling, we know, is an important and significant activity Manitobans can participate in to improve our environment. The program plan provides the road map and guidelines for MMSM to manage the activities, services and funding that will ensure Manitobans can enjoy a high quality and convenient residential recycling program. During the consultation process, MMSM met with stakeholders from government, communities, stewards and other Manitobans interested in the MMSM program for the future. The program plan was submitted to the Manitoba Government for approval early in 2017. You can read more about the process and program plan on our website at stewardshipmanitoba.org

Stewards who supply the materials that end up in the residential recycling bins provide funding for up to 80% of the blue bin recycling programs. These fees are paid to MMSM based on a complex methodology. MMSM collects stewardship fees from more than 700 stewards currently registered. In 2016, the MMSM board of directors approved a new and much-improved fee methodology that was widely supported by the steward community. I was honoured to co-chair this fee-methodology review that not only reviewed the fee methodology for the

MMSM program, but also for programs in British Columbia, Saskatchewan and Ontario. Many of the Manitoba stewards are also stewards in other jurisdictions, and there is a strong desire for a high level of consistency in the way stewards are required to report, calculate and pay fees. The new fee methodology was rolled out in the fall of 2016 and will be used to calculate the fees stewards will pay in 2017 and beyond.

Comprehensive program plans and fair fee methodologies are important, but also important to MMSM is that we continuously improve our recycling rates. I am pleased to share with you that our recycling rate increased again and now sits at 65.4%. Naturally, it gets harder to increase this rate each year, but MMSM is committed to working with government, First Nations, municipalities, stewards and all Manitobans to make that happen. We are very proud of the relationships we have with stakeholders, and we are committed to making it better every day. Through our collaborative and cooperative approach with municipalities and First Nations communities, we have improved recycling rates and at the same time helped these communities to be more efficient and effective with recycling. This saves money for taxpayers in Manitoba and also for the stewards who fund the MMSM program.

We hope you enjoy reading our 2016 Annual Report and remember to **Recycle Something New!**

Neil Antymis
Board Chair, MMSM

MESSAGE FROM THE EXECUTIVE DIRECTOR



Manitobans are recycling, and MMSM could not be more pleased with the results. As we celebrate our seventh year of operations, we reflect on the progress we have made. In this Annual Report, we will highlight some of those success stories and talk about the direction in which the organization is headed over the next few years.

Manitoba continues to make steady growth in the amount of recyclable material collected. In 2016, that translated to a 4% increase in the total number of tonnes reported by our partner municipalities. We also made progress in advancing sustainable waste-management practices, with a special focus on working with our municipal partners to ensure their programs are running as efficiently and effectively as possible. MMSM funding is intended to support convenient, effective and efficient residential packaging and printed-paper collection and recycling services.

Staff travelled the province in an effort to meet face to face with local staff and councilors whenever possible. MMSM provided technical assistance, including identifying contractual arrangements and determining changes to program design and delivery. A municipal recycling guide was developed in 2016 for use by municipalities to help them promote their local collection and processing services. MMSM had three new municipalities join the program last year. Swan Lake First Nation, the Town of Pine Dock and Matheson Island are now all receiving funding from MMSM for their residential recycling programs.

A consumer research study conducted by MMSM showed that 96% of Manitobans are aware they have access to a residential recycling program. The research identified a need to promote which materials are accepted in the blue bin but also showed a significant improvement in brand recognition for MMSM. In response to that, a two-year campaign called “Recycle Something New” was launched, focusing on educating the public about materials that many residents still question.

The success of MMSM’s programs and initiatives has been accomplished through the combined efforts and shared commitments of valued partners, including our stewards, municipalities, collection partners, processors and the residents of Manitoba. The complex nature of waste management requires these strong partnerships to ensure that packaging and printed paper is kept out of landfills. MMSM looks forward to continuing its work with all stakeholders to improve diversion rates and protect our environment for generations to come.

As we move into our next year, MMSM will continue to work with municipalities to improve existing recycling programs. We will also work on public education initiatives to ensure all consumers know what they can and can’t recycle and understand best recycling practices.

I want to express my thanks and appreciation to the MMSM board and staff, and the CSSA team, for their dedication in helping to fulfill MMSM’s mandate. They have all worked hard to achieve the goals set out in the strategic plan. MMSM’s achievements in 2016 demonstrate that we have a great team that is committed to helping everyone recycle more.

A handwritten signature in blue ink that reads "Karen Melnychuk".

Karen Melnychuk
Executive Director, MMSM

MUNICIPAL SERVICES

WORKING TOGETHER WITH MANITOBA MUNICIPALITIES

MMSM's Municipal Services Program was introduced on 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 in recycling markets

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



ON AVERAGE,
MANITOBANS
RECYCLED
71.8 KG
PER PERSON
IN 2016

The Municipal Services Program provides municipal participants with:

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

MMSM's Municipal Services Program is an incentive-driven program, 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 effective and efficient collection and processing recycling program. Materials recovered are transported to recycling facilities where they are sorted and sold to end users.

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

2016 MMSM POPULATION CATEGORY	PAYMENT RATE/TONNE
0 – 1,000	\$370.58
1,001 – 5,000	\$272.73
5,001 – 15,000	\$213.72
City of Brandon	\$196.28
City of Winnipeg	\$131.86

MMSM allocated \$13,738,180 in funding to municipalities for the period January 1, 2016, to December 31, 2016. This is an increase of \$1,517,534 over 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 PER CAPITA
Central West	23,811	1,249,453	52.5
East	93,231	5,579,803	59.8
Interlake	64,612	4,091,723	63.3
North	33,445	2,178,767	65.1
North West	31,412	1,624,361	51.7
South Central	95,287	5,180,883	54.4
South West	94,229	6,252,639	66.4
Winnipeg and Area	770,465	59,672,654	77.4
SUBTOTAL	1,206,492	85,830,063	71.1
Post-Secondary Education Institutions		739,442	
TOTAL	1,206,492	86,569,505	71.8

Table Notes

1. Recovery numbers reported by MMSM include only those materials that are recycled through registered local recycling programs in participating municipalities and are also reported by municipalities. Manitoba has several charity-based organizations and individuals who collect recyclable materials for sale directly to brokers. MMSM has reason to be aware that some beverage containers are taken to Saskatchewan for a deposit refund even though no deposit has been paid on these containers. This is a practice MMSM does not support.
2. Materials recovered from Post-Secondary Education Institutions (PSEIs) are based on the 2015/2016 school year and/or calendar year. PSEIs are required to submit an annual report to MMSM to receive funding.
3. Population numbers are provided from the 2016 Census.

“The assistance that is provided to us on an ongoing basis through MMSM has helped us achieve great success in recycling.”

Scott Hildebrand, City Manager
City of Brandon

MUNICIPAL PARTNERS

MUNICIPALITY	Region	Population	2015 Total kg Reported	2015 kg Per Capita	2016 Total kg Reported	2016 kg Per Capita	Percent Change Total Reported
Alexander, R.M.	East	3,333	197,060	66.1	199,990	60.0	1%
Altona, Town	South Central	4,212	332,290	81.3	358,526	85.1	8%
Arborg, Town	Interlake	1,232	56,386	48.9	68,571	55.7	22%
Argyle, R.M.	South Central	1,025	10,640	9.9	12,623	12.3	19%
Armstrong, R.M.	Interlake	1,792	257,784	140.5	307,283	171.5	19%
Beausejour, Town	East	3,219	378,370	121.0	381,850	118.6	1%
Bifrost-Riverton, Municipality	Interlake	3,378	193,774	55.1	235,649	69.8	22%
Boissevain-Morton, Municipality	South West	2,353	203,496	89.6	240,617	102.3	18%
Brandon, City	South West	48,859	3,894,010	84.5	3,937,100	80.6	1%
Brenda-Waskada Municipality	South West	674	15,272	23.4	20,196	30.0	32%
Brokenhead, R.M.	East	5,122	260,369	56.2	278,032	54.3	7%
Carberry, Town	South West	1,738	168,320	100.9	191,725	110.3	14%
Carman, Town	South Central	3,164	363,630	120.1	409,152	129.3	13%
Cartier, R.M.	Winnipeg	3,368	147,996	46.9	175,810	52.2	19%
Cartwright-Roblin Municipality	South Central	1,308	23,983	19.3	29,132	22.3	21%
Clanwilliam-Erickson, Municipality	Central West	870	10,128	11.2	10,730	12.3	6%
Coldwell, R.M.	Interlake	1,254	111,000	82.2	85,646	68.3	-23%
Cornwallis, R.M.	South West	4,520	181,917	41.6	186,060	41.2	2%
Dauphin, City	North West	8,457	434,700	52.7	500,054	59.1	15%
Dauphin, R.M.	North West	2,388	231,534	105.2	168,089	70.4	-27%
De Salaberry, R.M.	East	3,580	150,243	43.5	160,690	44.9	7%
Deloraine-Winchester, R.M.	South West	1,489	86,926	58.5	65,009	43.7	-25%
Duck Mountain Provincial Park	North West	100	3,208	32.1	2,310	23.1	-28%
Dufferin, R.M.	South Central	2,435	16,140	6.7	18,161	7.5	13%
Dunnottar, Village	Interlake	763	60,440	86.8	77,380	101.4	28%
East St. Paul, R.M.	Winnipeg	9,372	832,540	92.0	849,480	90.6	2%
Ellice-Archie, R.M.	Central West	887	8,504	8.8	24,644	27.8	190%
Elton, R.M.	South West	1,273	54,340	43.2	52,990	41.6	-2%
Emerson-Franklin, Municipality	East	2,537	109,624	44.9	117,428	46.3	7%
Ethelbert, Municipality	North West	607	42,569	67.7	44,048	72.6	3%
Falcon Lake/Westhawk (WPP)	East	272	97,400	351.6	104,360	383.7	7%
Fisher, R.M.	Interlake	1,708	157,320	92.3	154,240	90.3	-2%
Flin Flon, City	North	4,982	405,848	75.7	395,350	79.4	-3%
Gilbert Plains Municipality	North West	1,470	59,769	36.8	56,677	38.6	-5%
Gillam, Town	North	1,265	73,998	57.8	58,852	46.5	-20%
Gimli, R.M.	Interlake	6,181	424,163	72.6	428,220	69.3	1%

MUNICIPALITY	Region	Population	2015 Total kg Reported	2015 kg Per Capita	2016 Total kg Reported	2016 kg Per Capita	Percent Change Total Reported
Glenboro-South Cypress, Municipality	South West	1,565	96,620	65.2	100,925	64.5	4%
Glenella-Lansdowne, Municipality	Central West	1,181	9,899	8.0	10,164	8.6	3%
Grahamdale, R.M.	Interlake	1,359	4,084	3.0	17,864	13.1	337%
Grand Beach – MB Conservation	East	60	32,760	546.0	33,361	556.0	2%
Grandview Municipality	North West	1,482	87,407	58.0	83,310	56.2	-5%
Grassland, Municipality	South West	1,561	47,939	32.4	73,110	46.8	53%
Grey, R.M.	South Central	2,648	161,685	61.8	149,610	56.5	-7%
Hamiota Municipality	Central West	1,225	102,610	79.7	92,796	75.8	-10%
Hanover, R.M.	East	15,733	841,744	60.0	872,592	55.5	4%
Harrison Park, Municipality	Central West	1,622	42,555	23.7	31,686	19.5	-26%
Headingley, R.M.	Winnipeg	3,579	222,640	69.3	258,680	72.3	16%
Hecla Grindstone Provincial Park	Interlake	156	47,876	386.1	54,890	351.9	15%
Kelsey, R.M.	North	2,424	152,605	67.2	159,919	66.0	5%
Killarney – Turtle Mountain	South West	3,429	289,478	89.5	238,241	69.5	-18%
La Broquerie, R.M.	East	6,076	207,670	40.0	188,817	31.1	-9%
Lac du Bonnet, R.M.	East	3,121	167,503	57.2	188,345	60.3	12%
Lac du Bonnet, Town	East	1,089	64,487	48.6	100,713	92.5	56%
Lakeshore, R.M.	North West	1,363	62,274	44.4	74,023	54.3	19%
Leaf Rapids, Town	North	582	4,004	8.8	2,041	3.5	-49%
Lorne, Municipality	South Central	3,041	171,407	57.0	164,931	54.2	-4%
Louise, Municipality	South Central	1,918	173,770	89.9	170,910	89.1	-2%
Macdonald, R.M.	Winnipeg	7,162	427,598	68.1	427,490	59.7	0%
Matheson Island	North	101	2,660	24.2	5,900	58.4	122%
McCreary, Municipality	Central West	892	89,930	94.9	74,883	83.9	-17%
Melita, Town	South West	1,042	53,241	49.8	74,046	71.1	39%
Minitonas-Bowsman, Municipality	North West	1,653	56,534	31.1	61,488	37.2	9%
Minnedosa, Town	Central West	2,449	232,660	89.9	228,220	93.2	-2%
Montcalm, R.M.	South Central	1,260	57,717	44.1	61,804	49.1	7%
Morden, City	South Central	8,668	688,892	88.2	573,600	66.2	-17%
Morris, R.M.	South Central	3,047	132,703	44.2	142,149	46.7	7%
Morris, Town	South Central	1,885	80,776	45.0	89,676	47.6	11%
Mossey River, R.M.	North West	1,145	48,500	40.9	56,592	49.4	17%
Mountain, R.M.	North West	978	20,178	18.3	23,012	23.5	14%
Neepawa, Town	Central West	4,609	324,110	89.3	358,440	77.8	11%
Niverville, Town	East	4,610	390,069	90.7	401,656	87.1	3%
Norfolk Treherne, Municipality	South Central	1,751	91,606	52.6	113,260	64.7	24%
North Cypress-Langford, Municipality	South West	2,745	87,090	33.2	83,285	30.3	-4%
North Norfolk, Municipality	South Central	3,853	172,119	45.8	174,366	45.3	1%

MUNICIPALITY	Region	Population	2015 Total kg Reported	2015 kg Per Capita	2016 Total kg Reported	2016 kg Per Capita	Percent Change Total Reported
Oakland-Wawanesa, Municipality	South West	1,690	60,500	37.4	73,680	43.6	22%
Oakview, R.M.	Central West	1,626	34,034	22.5	43,918	27.0	29%
Opaskwayak Cree Nation	North	3,034	159,240	51.1	166,872	55.0	5%
Paint Lake – MB Conservation	North	275	27,630	100.5	28,970	105.3	5%
Peguis First Nation	Interlake	2,704	54,711	21.0	12,460	4.6	-77%
Pembina, Municipality	South West	2,347	154,230	65.1	162,680	69.3	5%
Pinawa, L.G.D.	East	1,504	127,748	88.5	112,269	74.6	-12%
Pine Dock, Town	North	47	1,430	28.6	2,700	57.4	89%
Piney, R.M.	East	1,726	108,810	63.3	104,592	60.6	-4%
Pipestone, R.M.	South West	1,458	85,012	58.8	45,053	30.9	-47%
Portage la Prairie, City	South Central	13,304	921,750	70.9	852,284	64.1	-8%
Portage la Prairie, R.M.	South Central	6,975	251,105	38.5	260,725	37.4	4%
Powerview-Pine Falls, Town	East	1,316	46,414	35.3	50,274	38.2	8%
Prairie Lakes, R.M.	South West	1,453	9,952	7.0	15,245	10.5	53%
Prairie View Municipality	Central West	2,088	85,809	39.6	92,386	44.2	8%
Reynolds, R.M.	East	1,338	120,006	93.4	119,155	89.1	-1%
Rhineland, Municipality	South Central	5,945	190,391	33.0	193,614	32.6	2%
Riding Mountain National Park	Central West	300	4,934	16.4	5,340	17.8	8%
Ritchot, R.M.	Winnipeg	6,679	346,000	63.2	436,950	65.4	26%
Riverdale, Municipality	South West	2,133	96,280	47.7	85,940	40.3	-11%
Roblin, Municipality	North West	3,214	128,409	39.1	129,298	40.2	1%
Rockwood, R.M.	Interlake	7,823	216,087	27.1	232,940	29.8	8%
Roland, R.M.	South Central	1,129	35,320	33.4	36,438	32.3	3%
Rosedale, R.M.	Central West	1,672	40,280	24.8	30,130	18.0	-25%
Rosburn Municipality	South West	976	99,590	95.2	77,250	79.1	-22%
Rosser, R.M.	Winnipeg	1,372	44,230	32.7	52,930	38.6	20%
Russell Binscarth, Municipality	Central West	2,442	117,601	46.1	149,596	61.3	27%
Selkirk, City	Interlake	10,278	1,018,209	103.5	974,500	94.8	-4%
Sifton, R.M.	South West	1,256	30,259	25.8	24,364	19.4	-19%
Snow Lake, Town	North	899	11,318	15.7	16,665	18.5	47%
Souris-Glenwood, Municipality	South West	2,562	185,135	75.9	169,395	66.1	-9%
Springfield, R.M.	Winnipeg	15,342	701,960	49.9	735,240	47.9	5%
St. Andrews, R.M.	Interlake	11,913	676,170	56.9	696,740	58.5	3%
St. Clements, R.M.	East	10,876	262,130	25.0	285,330	26.2	9%
St. François-Xavier, R.M.	Winnipeg	1,411	66,190	53.4	70,320	49.8	6%
St. Laurent, R.M.	Interlake	1,338	64,695	49.6	72,110	53.9	11%
St. Pierre-Jolys, Village	East	1,170	46,158	42.0	49,457	42.3	7%
Stanley, R.M.	South Central	9,038	17,330	2.1	23,328	2.6	35%
Ste. Anne, R.M.	East	5,003	104,823	22.4	122,137	24.4	17%
Ste. Anne, Town	East	2,114	139,992	86.1	135,550	64.1	-3%

MUNICIPALITY	Region	Population	2015 Total kg Reported	2015 kg Per Capita	2016 Total kg Reported	2016 kg Per Capita	Percent Change Total Reported
Ste. Rose, Municipality	North West	1,712	96,726	53.9	93,094	54.4	-4%
Steinbach, City	East	15,829	1,260,592	93.2	1,295,863	81.9	3%
Stonewall, Town	Interlake	4,809	379,790	83.7	365,980	76.1	-4%
Stuartburn, R.M.	East	1,648	63,680	41.5	70,104	42.5	10%
Swan Lake First Nation	North	347	4,110	5.7	4,410	12.7	7%
Swan River, Town	North West	4,014	256,794	65.7	280,850	70.0	9%
Swan Valley West, Municipality	North West	2,829	62,000	21.2	51,516	18.2	-17%
Tache, R.M.	Winnipeg	11,568	647,790	63.0	607,280	52.5	-6%
Teulon, Town	Interlake	1,201	100,820	89.7	111,990	93.2	11%
The Pas, Town	North	5,369	351,655	63.8	368,509	68.6	5%
Thompson, City	North	13,678	944,038	73.6	967,770	70.8	3%
Thompson, R.M.	South Central	1,422	36,550	26.2	38,230	26.9	5%
Two Borders, Municipality	South West	1,175	6,041	4.6	19,915	16.9	230%
Victoria Beach, R.M.	East	398	83,298	222.7	82,174	206.5	-1%
Victoria, R.M.	South Central	1,514	68,893	61.6	71,776	47.4	4%
Virden, Town	South West	3,322	232,308	74.6	197,869	59.6	-15%
Wabowden – Setting Lake	North	442	290	0.5	809	1.8	179%
Wallace-Woodworth, R.M.	South West	2,948	116,714	40.9	67,921	23.0	-42%
West Interlake, R.M.	Interlake	2,162	74,719	33.9	74,349	34.4	0%
West St. Paul, R.M.	Winnipeg	5,368	399,710	81.0	423,600	78.9	6%
WestLake-Gladstone, Municipality	South Central	3,154	102,910	33.5	98,284	31.2	-4%
Whitehead, R.M.	South West	1,661	23,076	15.1	50,024	30.1	117%
Whitmouth, R.M.	East	1,557	125,958	81.4	125,066	80.3	-1%
Winkler, City	South Central	12,591	1,121,103	105.1	1,138,304	90.4	2%
Winnipeg Beach, Town	Interlake	1,145	50,820	50.3	62,940	55.0	24%
Winnipeg, City	Winnipeg	705,244	52,773,201	79.5	55,634,654	78.9	5%
Woodlands, R.M.	Interlake	3,416	70,600	20.1	57,970	17.0	-18%
Yellowhead, R.M.	Central West	1,948	105,725	53.6	96,520	49.5	-9%

“We have received practical advice whenever we have requested support and although we are located three hours from Winnipeg, there has been no hesitation for face-to-face meetings.”

Don Huisman, Chairman
South Mountain Waste
Management Group



CONTINUOUS IMPROVEMENT PROGRAM

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

MMSM provides support for participating recycling programs by identifying best practices and opportunities to improve recycling programs. In 2016, a new recycling resource was developed to help municipalities educate residents and improve the quality of material collected.

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

- Aboriginal Affairs and Northern Development Canada (AANDC)
- Alexander, R.M.
- Altona, Town
- Assiniboine Community College – Parkland Campus
- Beausejour, Town
- Berens River First Nation
- Black River First Nation
- Bloodvein First Nation
- Boissevain-Morton, Municipality
- Brandon Environmental Committee
- Brandon, City
- Brokenhead First Nation
- Brokenhead, R.M.
- Canupawakpa Dakota First Nation
- Cartier, R.M.
- Cartwright-Roblin Municipality
- Churchill, Town
- Clanwilliam-Erickson, Municipality
- Cormorant, Community
- Cross Lake First Nation
- Dauphin, City
- Dauphin, R.M.
- Dunnottar, Village
- East Selkirk, Town
- Ellice-Archie, R.M.
- Ethelbert, Municipality
- Fisher River First Nation
- Flin Flon, City
- Gilbert Plains Municipality
- Gillam, Town
- Gimli, R.M.
- Grandview Municipality
- Hanover, R.M.
- Harrison Park, Municipality
- Killarney – Turtle Mountain
- Labroquerie, R.M.
- Lac Brochet First Nation
- Lac du Bonnet, R.M.
- Lac du Bonnet, Town
- Lakeshore, R.M.
- Long Plain First Nation
- Loraas Disposal
- Louise Integrated Waste Management
- Louise, Municipality
- Lynn Lake, Town
- Macdonald, R.M.
- Manitoba Aboriginal & Northern Affairs (MANA)
- McCreary, Municipality
- Melita, Town
- Montcalm, R.M.
- Morden, City
- Morris, R.M.
- Mossey River, R.M.
- MWM Environmental
- Neepawa, Town
- Niverville, Town
- Norfolk Treherne, Municipality
- North Cypress-Langford, Municipality
- Norway House Cree Nation
- Onanole, Town
- OSS Waste Disposal (2002) Ltd.
- Paint Lake-Sustainable Development
- Partnership of the Manitoba Capital Region
- Peguis First Nation
- Pinawa, L.G.D.
- Piney, R.M.
- Pipestone, R.M.
- Portage la Prairie, City
- Powerview-Pine Falls, Town
- Prairie View Municipality
- Pukatawagan/Mathias Colomb First Nation
- Red River Community College
- Rhineland, Municipality
- Richot, R.M.
- Riverdale, Municipality
- Roblin, Municipality
- Rockwood Environmental Action Community Taskforce (REACT)
- Rockwood, R.M.
- Roseau River First Nation
- Rosedale, R.M.
- Rossburn Municipality
- Rosser, R.M.
- Russell-Binscarth, Municipality
- Sherridon, Community
- Sifton, R.M.
- Silver Creek, R.M.
- Sioux Valley Dakota Nation
- Smile de St. Malo
- Snow Lake, Town
- Souris-Glenwood, Municipality
- Springfield, R.M.
- St. Clements, R.M.
- St. Malo, Town
- St. Theresa Point First Nation
- Ste. Anne, Town
- Ste. Rose, Municipality
- Steinbach, City
- Stonewall, Town
- Stuartburn, R.M.
- Swan Lake First Nation
- Swan River, Town
- Swan Valley West, Municipality
- Take Pride Winnipeg!
- The Forks
- The Pas, Town
- The Pas/OCN and Area Regional Solid Waste and Recycling Facility (RSWARF)
- Thompson Recycling Centre
- Thompson, City
- Thompson, R.M.
- Two Borders, Municipality
- Victoria Beach, R.M.
- Victoria, R.M.
- Virden, Town
- Wabowden – Setting Lake
- Wasagamack First Nation
- Waywayseecappo First Nation
- West Interlake, R.M.
- West St. Paul, R.M.
- Winkler, City
- Winnipeg Beach, Town
- Winnipeg Harvest
- Winnipeg, City
- Yellowhead, R.M.

COMMU

PROMOTION AND EDUCATION



The “Recycle Something New” campaign launched in the spring and was well received by consumers and municipalities across the province. The creative asked if a particular featured product could be recycled, and included a bold “YES,” encouraging consumers to “Recycle Something New.” Media for the campaign included online, out-of-home, print, radio, television and trade publications, appealing to MMSM’s target demographic, homeowners. The campaign reached thousands of Manitobans, raising awareness of what products can be recycled.

DIGITAL MEDIA

MMSM continued to enhance its online presence with specific activities designed to engage and educate the public. Improvements were made to both of MMSM’s websites to increase the user experience. Several new pages were developed including a “school resources” page and an “unaccepted materials” page.

Website traffic continued to rise steadily throughout the year. At the start of 2016, MMSM set a goal to increase traffic by 15%. By the end of the year, the goal had been well surpassed with an increase of over 45% in visitors. Visitors came to the site through organic search, website referrals and paid advertising.

MMSM continues to connect with Manitoba residents online, using Facebook and Twitter. Likes and followers increased, and engagement with followers improved with advertisements and regular attention-grabbing posts.



MMSM and City of Winnipeg staff on location at the Emterra Material Recovery Facility

MANITOBAN COMMUNICATIONS

RESEARCH

MMSM conducted an awareness and ad recall study in the fall of 2016. A telephone and online survey was led by eNRG Research and reached hundreds of Manitoba homes. The results showed a 10% increase in brand awareness for both MMSM and Simply Recycle. This was the largest one-year increase since MMSM started conducting annual surveys in 2010.

The information obtained from the survey was used to measure campaign performance and also helped guide the development of year two of the “Recycle Something New” campaign.



PARTNERSHIP WITH THE CARTON COUNCIL OF CANADA

MMSM partnered with the Carton Council of Canada (CCC) on an advertising campaign in the fall. MMSM modified the Recycle Something New campaign and ran carton-specific advertising in the Manitoba market. Ads included a digital super-board, billboard and a number of online advertisements.



SCHOOL PROGRAMS AND SPONSORSHIPS

MMSM works hard every year to grow its educational programming through sponsorships and partnerships, making its presence known within the schools in the province.

Partnerships, sponsorships and events included:

- Brandon Waste Reduction Week
- Earth Day at The Forks
- Manitoba Conservation District Association – Environmental Event
- Manitoba School Science Symposium (MSSS)
- Take Pride Winnipeg's Eco Awareness Day and Fashion Fest
- Take Pride Winnipeg's Team Up to Clean Up
- Target Zero Eco Tours at The Forks
- We Day Manitoba

Winners of the 2016 Waste Reduction Challenge, Kirkcaldy Heights School



A Tale of Recycling



MMSM staff presenting awards at the 2016 Manitoba School Science Symposium



Students in Brandon attending Waste Reduction Week activities



Take Pride Winnipeg's Eco Awareness Day and Fashion Fest

SIMPLYRECYCLESCHOOLS.CA

A new, interactive and educational website was developed in 2016. The website explores the outcomes of recyclables in Manitoba and what happens to them after they are placed in the recycling bin or the garbage can. A Tale of Recycling can be led by teachers or students as the class navigates through the journey.

Along the way, educational key points pop up, teaching students about the different aspects of the recycling process. The interactive site allows MMSM to be in the classroom without having to allocate staff resources.

MMSM worked with Manitoba Education for Sustainable Development to develop content and promote the platform to teachers across the province.



POST-SECONDARY EDUCATION INSTITUTIONS

MMSM provides funding and support to several Post-Secondary Education Institutions (PSEI) throughout the province. The funding is used to assist institutions with their recycling programs. Funding can be used to conduct waste audits, offset labour costs, promote the facility's recycling program and purchase recycling bins. Materials recovered for the 2015/2016 school and/or calendar year totaled approximately 739.4 metric tonnes.

2015/2016 YEAR	kg
University of Manitoba (2 campuses)	423,960
University of Winnipeg	88,380
Red River College (2 campuses)	91,685
College Universitaire de Saint Boniface	21,632
Assiniboine Community College	78,440
Brandon University	33,700
University College of the North	1,645
TOTAL	739,442

FIRST NATIONS AND REMOTE COMMUNITIES

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



Blue boxes
are delivered to
households in The Pas



MMSM staff
pack bins for the clean-up



Berens River First Nation



NORTHERN AND FIRST NATIONS COMMUNITY CLEAN-UP

For the sixth consecutive year, MMSM collaborated with the Canadian Beverage Container Recycling Association (CBCRA) to implement the Northern and First Nations Community Clean-up Program.

Northern and First Nations communities from all over Manitoba were invited to participate. In 2016, there were 20 registered communities and over 1,839 kg of recyclable material was collected. Local volunteers worked together to pick up garbage and recycling on the streets of their neighborhoods.

The community of The Pas was selected as the winner of the 2016 Clean-up. As the winning community, every single-family dwelling in the community received a recycling bin. A celebratory barbeque was held on September 23, with more than 100 community members, 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 2016 Northern and First Nations Community Clean-up was another success! The program continues to keep recyclables out of the landfill and neighborhoods clear of litter. It has strengthened relationships with participating communities and increased knowledge and awareness of recycling.



The Pas, winners of the 2016 Northern and First Nations Community Clean-up Program

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 already reusing plastic bags in their homes. 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 purchase new plastic bags to dispose of waste. Additionally, consumers are encouraged to reuse plastic bags for other domestic uses rather than dispose of them after a single use.

Earth Day 2016



PLASTIC BAGS

PLASTIC BAG RECYCLING

Plastic bag collection programs have been developed that 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 Program with Winnipeg Harvest has provided additional collection locations.

Over the past year, a few municipalities began accepting plastic bags in their residential programs. The communities have found a processor with an end market for the plastic bags and are willing to accept them. MMSM will report on the number of bags collected after the first full year of reporting in the 2017 annual report.



Finally, 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 educating school children on the benefits of reducing, reusing and recycling plastic bags.

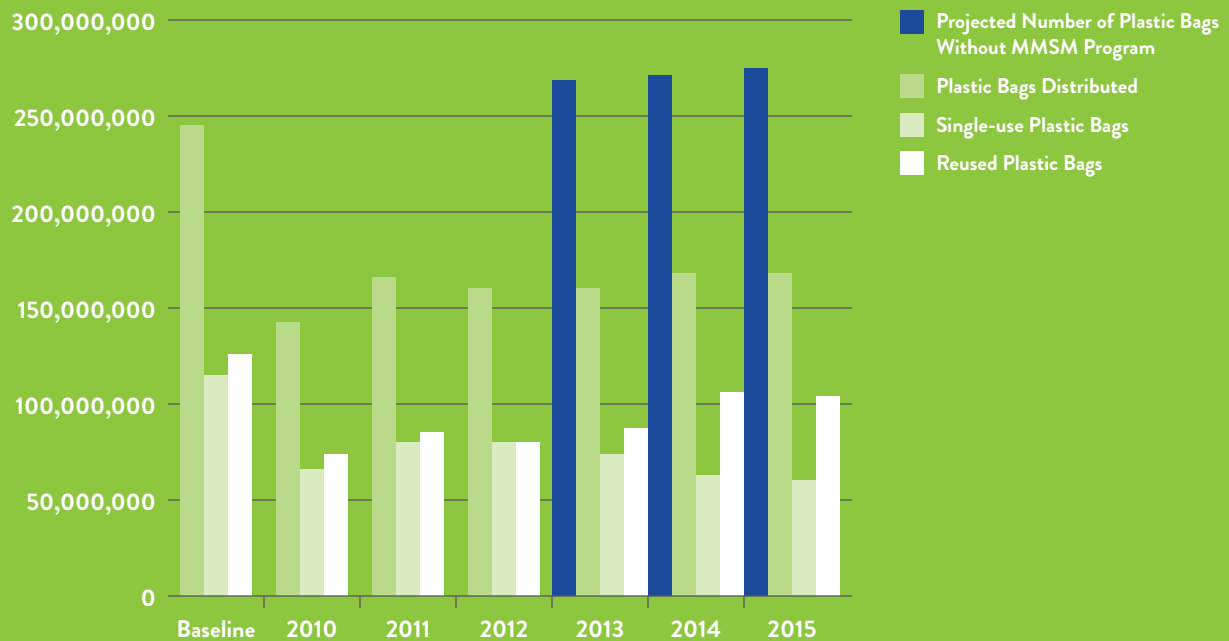


Table Notes

1. When population growth is considered, plastic bag usage has been reduced by 39%.
2. If the plastic bag reduction plan had not been implemented, bag usage would have grown to approximately 273,000,000.
3. On average, 63% of plastic bags are reused prior to disposal.
4. Approximately 23% of bags are actually single-use.

PUBLIC RELATIONS AND ADVERTISING

MMSM has worked diligently to develop new opportunities to educate and engage citizens. The plastic bag campaign taught consumers about the benefits of reducing their usage of plastic bags and reusing the ones already in their homes, and about opportunities to recycle their bags throughout the province.

The spring and fall media campaigns encouraged consumers to find a responsible way to dispose of their plastic bags or to skip using bags altogether. Tactics included earned and paid media, educational programs, social marketing and information posted on the MMSM website. Media for the campaign included online, print, television and transit. MMSM's plastic bag television commercial was selected as the winner of a Gold Remi award at the WorldFest-Houston International Film & Video Festival in the environmental and social issues category.

Manitobans have been working hard to reduce their use of plastic bags and find alternative methods to reuse and recycle the plastic bags already in their homes. The results of MMSM's consumer research survey showed that plastic bag usage was down 7% from 72% to 65% when compared to 2015. Instances of Winnipeg residents who reuse plastic bags at home also rose by 8%, with 90% of respondents reporting they reuse their plastic bags. Other survey results showed that there was an 8% increase in the number of residents recycling plastic bags back to the store, from 22% in 2015 to 30% in 2016. MMSM is confident these numbers will continue to improve over the next few years.

PARTNERSHIPS

MMSM has continued its partnership with Welcome Wagon as part of the organization's continuing educational efforts. To date, more than 15,000 reusable bags and recycling education pamphlets have been delivered to Manitoba homes. In addition, MMSM has distributed more than 2,500 reusable bags to various organizations and events throughout the year.



BAG IT FORWARD PLASTIC BAG RECYCLING PROGRAM

Winnipeg Harvest uses more than one million plastic bags every year to create emergency food kits for families in need. The Bag it Forward Program was created in response to that need and encourages consumers across Manitoba to drop off gently used plastic bags at a local food bank. Since the launch in 2015, Winnipeg Harvest has received more than 58,000 plastic bags from consumer donations. This number does not reflect the bags collected by partner agencies that are reusing them onsite.

MMSM provided 350 plastic-bag recycling bins to Winnipeg Harvest and its partners and arranged for bags that are not suitable for reuse to be properly recycled, diverting them from landfills.

Red River College partnered on the program in the fall as part of their Waste Reduction Week activities.

They collected plastic bags at both campuses for several weeks.

It was so well received, the College now has a permanent Bag it Forward Collection Program on campus.

Red River College donates plastic bags to the Bag it Forward Program



SCHOOL PROGRAMS

BAG UP MANITOBA – PLASTIC BAG ROUNDUP CHALLENGE

For the seventh consecutive year, MMSM partnered with Take Pride Winnipeg! and challenged students to collect as many plastic shopping bags as they could and bring them to schools for recycling. The 2016 Bag up Manitoba Plastic Bag Challenge ended with over 1.1 million plastic bags collected and recycled during the month of October. In total, 137 schools across Manitoba participated in the program, keeping 1,106,723 plastic bags out of the landfills. The bags were baled and shipped to Trex to be recycled into composite decking material and other products.

Every school who participated in the program received an herb garden box made from recycled plastic bags and wood fibers. Fourteen lucky schools also won a school bench made out of the same material. The benches were all awarded this year via a random draw. This encourages all schools to participate and emphasizes the message of waste reduction.



Bag Up Manitoba
Challenge
winners

PLASTIC BAG GRAB CHALLENGE

MMSM was a local partner of the Plastic Bag Grab Challenge, a program presented by Walmart Canada and the Recycling Council of Ontario. The program asked elementary schools from across Canada to collect as many plastic bags as they could for recycling from April 18 – 22. The top performing schools in each province and territory that collected the most plastic bags for recycling were eligible to win cash prizes that could be used for their school's environmental initiatives.

In total, students across Canada collected 2,279,601 bags for recycling! That is equal to 18,000 kg of plastic bags that were recycled domestically. In Manitoba, 69 schools participated in the program. These schools collected a total of 349,365 plastic bags, which represents 15% of all bags collected for the challenge. The local winners were Nature Valley Colony School (Wawanesa), Woodlands School (Woodlands) and Elm Creek School (Elm Creek).

MATERIAL RECOVERY RATES

2015

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 (2016 sales data will be used for 2018 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 2015.

The 2016 recovery rates will be available and made public during the consultation process with stewards and other stakeholders in fall 2017.

65.4%
RECOVERY
RATE

		CY 2015 (JAN 1 - DEC 31, 2015)		
CATEGORY	MATERIAL	QUANTITY GENERATED ¹ (TONNES)	QUANTITY RECOVERED ² (TONNES)	RECOVERY RATE (%)
PRINTED PAPER				
	Newsprint	25,646	23,482	91.6%
	Magazines and Catalogues	5,397	5,289	98.0%
	Telephone Books	726	700	96.4%
	Other Printed Paper	8,655	4,362	50.4%
PRINTED PAPER TOTAL		40,424	33,833	83.7%
PACKAGING				
Paper Based Packaging	Old Corrugated Containers	10,700	8,213	76.8%
	Polycoat & Laminates	6,137	2,898	47.2%
	Old Boxboard	13,644	9,032	66.2%
Paper Packaging Total		30,480	20,143	66.1%
Plastic Packaging	PET Bottles	6,497	4,480	69.0%
	HDPE Bottles	4,186	2,810	67.1%
	Plastic Film	4,648	389	8.4%
	Other Plastics	15,337	3,909	25.5%
Plastics Total		30,668	11,588	37.8%
Steel Packaging	Steel Food & Beverage Cans	4,012	2,331	58.1%
	Steel Aerosols	304	104	34.3%
	Other Steel Containers	287	15	5.3%
Steel Total		4,603	2,451	53.2%
Aluminum Packaging	Aluminum Food & Beverage Cans	2,353	1,477	62.8%
	Other Aluminum Packaging	833	88	10.6%
Aluminum Total		3,186	1,565	49.1%
Glass	Glass	16,218	12,604	77.7%
Glass Total		16,218	12,604	77.7%
PACKAGING TOTAL		85,155	48,351	56.8%
TOTALS		125,579	82,184	65.4%

Table Notes

1. Generation tonnages are based on household waste generation in Manitoba and are comprised of waste audits conducted in Portage, Tache, Winkler, Brandon and Winnipeg for 2013, 2014 and 2015.
2. Recovered tonnes are based on datasets that consist of both actual reported data from the Municipal Online Reporting System (MORS) and curbside studies done in 2013, 2014 and 2015 in the province.

MMSM STEWARDS

The organizations 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 up to 80% of the funding for 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 recycling packaging and printed paper includes the following designated product packaging: plastic, glass, paper, metal and printed paper.

In 2016, there were:

- 729 registered stewards
- 628 steward reports received
- 101 stewards are not required to report due to them being below the exemption threshold or not an obligated steward
- 249 voluntary steward agreements



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 rules can be found on MMSM's website at stewardshipmanitoba.org

REPORTING AND PAYING FEES

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

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

MMSM actively ensures that all stewards remain in compliance with the 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 Packaging and Printed Paper (PPP) Program, a notification is sent. If the steward's registration and data submission process is not complete at the end of 120 days, MMSM may request the Manitoba Government to take enforcement action as stipulated under the WRAP Act.

FINANCIAL STATEMENTS

December 31, 2016



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, 2016, 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, 2016, 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.

Winnipeg, Canada
May 24, 2017

Ernst & Young LLP
Chartered Professional Accountants

Multi-Material Stewardship Manitoba Inc.

Incorporated under the laws of Manitoba

BALANCE SHEET

As at December 31

	2016 \$	2015 \$
ASSETS		
CURRENT		
Cash and cash equivalents	8,658,908	8,688,540
Accounts receivable	1,568,795	1,169,746
Prepaid expenses and deposits	14,837	15,247
TOTAL CURRENT ASSETS	10,242,540	9,873,533
Capital assets, net [note 3]	4,642	3,879
	10,247,182	9,877,412
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	5,825,122	4,910,507
TOTAL CURRENT LIABILITIES	5,825,122	4,910,507
Commitments [note 4]		
NET ASSETS		
Unrestricted	4,422,060	4,966,905
	10,247,182	9,877,412

See accompanying notes.

On behalf of the Board:



Neil Antymis
Director



Heather Mitchell
Director

Multi-Material Stewardship Manitoba Inc.

STATEMENT OF OPERATIONS

Year ended December 31

	2016 \$	2015 \$
REVENUE		
Steward fees	15,391,698	14,768,177
Other revenue	328,776	158,580
	15,720,474	14,926,757
EXPENSES		
Municipal programs		
Municipal support payments	13,738,180	12,220,646
Program delivery/stewards services	1,399,659	1,361,795
School funding	235,662	123,175
Promotion and education	351,184	370,802
Continuous improvement process	68,603	114,437
Administrative and corporate	246,126	406,987
Government fees	91,613	91,613
	2,392,847	2,468,809
Enhanced programs		
Beverage recovery	23,845	203,045
Plastic bags	110,447	172,114
	134,292	375,159
	16,265,319	15,064,614
DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR	(544,845)	(137,857)

See accompanying notes.



STATEMENT OF CHANGES IN NET ASSETS

Year ended December 31

	2016 \$	2015 \$
NET ASSETS, BEGINNING OF YEAR	4,966,905	5,104,762
Deficiency of revenue over expenses for the year	(544,845)	(137,857)
NET ASSETS, END OF YEAR	4,422,060	4,966,905

See accompanying notes.

STATEMENT OF CASH FLOWS

Year ended December 31

	2016 \$	2015 \$
OPERATING ACTIVITIES		
Deficiency of revenue over expenses for the year	(544,845)	(137,857)
Add item not involving cash		
Amortization of capital assets	2,019	2,433
	(542,826)	(135,424)
Changes in non-cash working capital balances related to operations		
Accounts receivable	(399,049)	157,474
Prepaid expenses and deposits	410	(1,017)
Accounts payable and accrued liabilities	914,615	2,196,625
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(26,850)	2,217,658
INVESTING ACTIVITIES		
Purchase of capital assets	(2,782)	—
CASH USED IN INVESTING ACTIVITIES	(2,782)	—
NET INCREASE (DECREASE) IN CASH DURING THE YEAR	(29,632)	2,217,658
Cash and cash equivalents, beginning of year	8,688,540	6,470,882
CASH AND CASH EQUIVALENTS, END OF YEAR	8,658,908	8,688,540

See accompanying notes.

Multi-Material Stewardship Manitoba Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

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* [the “WRAP Act”]. MMSM was formally incorporated as a non-share capital corporation in December 2006 under *The Corporations Act* of Manitoba for the purpose of developing, implementing and operating waste diversion programs for designated packaging and printed paper in the Province of Manitoba. The stewardship program commenced operations on April 1, 2010 and is exempt from income taxes under Section 149 of the *Income Tax Act* (Canada).

2. SIGNIFICANT ACCOUNTING POLICIES

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

[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. Steward reported tonnages for prior years’ obligations and revenues resulting from compliance and enforcement activities are recognized when the amount can be reasonably estimated and collection is reasonably assured.

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

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

3. CAPITAL ASSETS

Capital assets consist of the following:

	2016			2015
	Cost \$	Accumulated Amortization \$	Net book value \$	Net book value \$
FURNITURE AND EQUIPMENT	14,946	10,304	4,642	3,879

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 2016 is \$1,230,067 [2015 – \$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 five years.
- [b]** MMSM has entered into an operating lease for its premises for a total commitment of \$137,812. Future minimum annual lease payments until August 31, 2018 are as follows:

	\$
2017	82,687
2018	55,125
	137,812

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. COMPARATIVE FIGURES

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2016 financial statements.

MMSM LEADERSHIP & STAFF

BOARD OF DIRECTORS 2016

Neil Antymis	Chair	Canadian Beverage Association
Lanny McInnes	Vice Chair	Retail Council of Canada
Heather Mitchell	Treasurer	Manitoba Liquor and Lotteries Corporation
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 (CFIG)
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
Heather Mitchell, Treasurer

AUDIT COMMITTEE

Francis St. Hilaire, Chair
Neil Antymis
Heather Mitchell
Lanny McInnes

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
Kristin Houle, Field Services Coordinator


MMSM
Multi-Material
Stewardship Manitoba
INDUSTRY FUNDING RECYCLING



**Multi-Material
Stewardship Manitoba**
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