guiding our province to a greener future

MULTI-MATERIALS STEWARDSHIP BOARD
2015-16 ANNUAL REPORT

mmsb

TABLE OF CONTENTS

Message from the Chair 2

Overview of MMSB 3
- Background 3
- Governance 3
- Operations and Finance 3
- Mandate 3
- Vision 4
- Mission 4

Lines of Business 6
- Waste Diversion and Recycling 6
- Capacity Building 7
- Public Awareness and Education 8

Shared Commitments 9

Key Highlights and Accomplishments 10

Report on Performance 12
- Waste Diversion and Recycling 12
- Capacity Building 16
- Public Awareness and Education 20

Opportunities and Challenges Ahead 26

Appendix A 27
Board of Directors 2015-2016

Appendix B
Financial Statements 28

MESSAGE FROM THE CHAIR

On behalf of the Board of Directors of the Multi-Materials Stewardship Board (MMSB), I am pleased to present our Annual Report for the 2015-16 fiscal period in accordance with the Transparency and Accountability Act. This report outlines MMSB's achievements from April 1, 2015 to March 31, 2016, which is the second reporting period of MMSB's 2014-17 Strategic Plan.

Over the past year, MMSB continued to advance sustainable waste management in Newfoundland and Labrador with a focus on achieving our province-wide goal to reduce the amount of materials in landfill sites by 50 per cent and to encourage participation in waste diversion programs. While we are proud of our progress, we remain committed to and motivated by the need for greater environmental change to protect our province today and for generations to come.

We also recognize the importance of our valued partners including, the Green Depot network, regional waste management authorities, schools, municipalities, service providers and the general public for their dedication to ensuring a clean and healthy environment throughout Newfoundland and Labrador.

As we look forward, MMSB is steadfast in its commitment to work collaboratively with our stakeholders in strengthening existing waste diversion and public education programs and in launching new initiatives that establish financially and environmentally sustainable waste management solutions.

As Chair of the Board, my signature below is indicative of the Board's overall accountability for the actual results reported within the 2015-16 Annual Report.

Sincerely,

Colleen Janes,
Interim Chair

OVERVIEW OF MMSB

Background

The Multi-Materials Stewardship Board (MMSB) is focused on promoting and supporting modern waste management practices in accordance with the waste management hierarchy as a means of protecting Newfoundland and Labrador's environment. A Crown agency of the Government of Newfoundland and Labrador, MMSB reports to the Minister of Environment and Climate Change. MMSB was established in 1996 to develop, implement and manage waste diversion and recycling programs on a province-wide basis for specific waste streams designated by the government.

Governance

MMSB is governed by a Board of Directors, appointed by the Lieutenant Governor in Council (see Appendix A for a complete list of directors). The Board is responsible and accountable for the overall business affairs of MMSB.

The day-to-day work of MMSB is carried out by management and staff employed by the Board under the direction of a Chief Executive Officer (CEO). MMSB also works in partnership with stakeholders such as regional waste management authorities, municipalities and third-party contracted service providers such as Green Depot operators. Its current corporate structure is made up of a head office located in Mount Pearl with 18 professional and administrative employees and a field office also in Mount Pearl with two employees. Of the 20 MMSB employees, seven are male and 13 are female.

Operations and Finance

MMSB is a self-financed Crown agency that does not receive any funding from the Government of Newfoundland and Labrador. Its revenues are derived from levies applied on various waste streams as authorized and prescribed under provincial legislation (presently beverage containers and tires) as well as from the sale of recyclable materials it collects under its various programs.

MMSB's operating revenue in 2015-16 was approximately $28.0 million and operating expenditures were approximately $27.2 million (see Appendix B for audited financial statements).

One of the uses of the operating surpluses generated by MMSB is for investment in the Newfoundland and Labrador Waste Management Trust Fund that supports the implementation of the Provincial Solid Waste Management Strategy. As of March 31, 2016, there was a total of $6.1 million in the Trust Fund, to be used for projects in the future.

Mandate

The mandate of MMSB is derived from the *Environmental Protection Act* and accompanying *Waste Management Regulations* as well as from the Provincial Solid Waste Management Strategy of 2002 and subsequent implementation plans. MMSB is mandated, through these legislative and policy instruments, to support and promote modern waste management practices in the province with a particular focus on waste reduction and recycling, as a means of helping ensure a clean and healthy environment throughout the province.

The Provincial Solid Waste Management Strategy aims to reduce the amount of materials in provincial landfill sites by 50 per cent and to encourage residents of Newfoundland and Labrador to participate in waste diversion programs such as recycling and composting. Full implementation of the Strategy is on target for 2025, as per extended timelines announced by government in May 2015. This goal is driving MMSB to work with communities, businesses and schools across the province to help foster waste reduction and diversion practices.

MMSB's mandate also includes the administration of the Newfoundland and Labrador Waste Management Trust Fund (supporting the implementation of the Provincial Solid Waste Management Strategy) and the development and implementation of province-wide public education initiatives to promote the adoption of more progressive waste management practices in Newfoundland and Labrador.

The delivery of this mandate is achieved in partnership with various departments and agencies of the Government of Newfoundland and Labrador, primarily through an Interdepartmental Waste Management Steering Committee comprising the Department of Environment and Climate Change, the Department of Municipal Affairs and Service NL. Other key stakeholders include regional waste management authorities, Municipalities Newfoundland and Labrador, the Newfoundland and Labrador Environmental Industry Association (NEIA), Memorial University's Leslie Harris Centre of Regional Policy and Development and other environmental groups and organizations throughout Newfoundland and Labrador. MMSB is committed to enabling greater environmental change by working with other stakeholders in mutually beneficial partnerships.

Vision

The vision of MMSB is a clean and healthy environment throughout Newfoundland and Labrador founded in part on a progressive waste management system that incorporates effective waste diversion practices and behaviours on the part of all Newfoundlanders and Labradorians.

Mission

By March 31, 2017, MMSB will have strengthened modern waste management practices in the province as embodied in the Provincial Solid Waste Management Strategy.

MMSB is an "agent of change" whose fundamental responsibility is to promote and support modern waste management practices in the province, with a particular focus on waste reduction and recycling, as a means of contributing to a cleaner and healthier environment throughout Newfoundland and Labrador. MMSB's mission continues to be founded on a leadership role it plays in guiding regional waste management authorities and other stakeholders toward this goal, in keeping with the principles embodied in the Provincial Solid Waste Management Strategy and the specific target of diverting 50 per cent of the solid waste stream (as defined in 2002) from disposal in landfills.

Complementary to the leadership role exercised by MMSB, regional waste management authorities play a vital role in moving the waste diversion and recycling agenda forward "on the ground" at the local level. They are responsible and accountable for designing, implementing and operating comprehensive new waste management systems throughout the province. These new systems will provide communities in each region with modern waste separation and recycling services (at curbside for households); access to centralized composting facilities; specific disposal sites for construction, renovation and demolition debris; household hazardous waste management and disposal services; and access to centrally located end-use disposal facilities (new environmentally engineered landfills) that will accept waste products that are not diverted from the general waste stream.

LINES OF BUSINESS

In delivering its mandate, MMSB is responsible for three lines of business including:

1. Waste Diversion and Recycling
2. Capacity Building: Implementation of the Provincial Solid Waste Management Strategy
3. Public Awareness and Education

1. Waste Diversion and Recycling

MMSB develops, manages and administers provincial waste diversion programs and services in accordance with government direction as prescribed in the *Waste Management Regulations* or as authorized through policy directives issued by the Minister of Environment and Climate Change (arising from recommendations made by the Board of Directors of MMSB or otherwise). Existing waste diversion programs and services provided by MMSB include:

Used Beverage Container Recycling Program

MMSB administers the Used Beverage Container Recycling Program as a deposit-refund system in accordance with specific parameters established under the *Waste Management Regulations*. The program is financed through a consumer deposit of eight cents on non-alcoholic beverages (five cent refund when a consumer returns the container to a Green Depot) and 20 cents on liquor containers (10 cent refund). Through the program, Newfoundlanders and Labradorians can recycle all ready-to-drink beverage containers that are sold in aluminum, glass, plastic, steel and mixed fibre packages with the exception of milk, infant formula, medicinal nutritional supplements and beverages sold in refillable containers. As part of the program, MMSB provides access to a province-wide network of 56 Green Depots as well as mobile collection services in select communities.

Used Tire Management Program

MMSB administers the Used Tire Management Program in accordance with specific parameters established under the *Waste Management Regulations*. The program is financed through retailer-based levies on the sale of new highway tires ($3 on tires with a rim diameter size of 17 inches or less and $9 on tires with a rim diameter greater than 17 inches but less than 24.5 inch rim). Through the program, Newfoundlanders and Labradorians can return program tires to one of more than 650 tire retailers at no additional charge in typical changeover quantities. As part of the program, MMSB operates a province-wide collection system to retrieve tires from retailers for end of life management.

Household Hazardous Waste (HHW) Collection Program

Following the 2014-15 fiscal year, MMSB concluded the Household Hazardous Waste (HHW) pilot program as regional waste management authorities increased access to mobile collection events and permanent depots in the province. MMSB continues to provide public education support to promote awareness and foster participation in safe disposal options for HHW. Visit www.rethinkwastenl.ca for more information.

Extended Producer Responsibility (EPR)

Through the Canada-wide Action Plan (CAP) for Extended Producer Responsibility (EPR), the Canadian Council of Ministers of the Environment (CCME) and its member jurisdictions are committed to developing and implementing EPR programs. EPR programs shift the expenses associated with end-of-life management of products from taxpayers to producers and consumers of products.

MMSB works with the Department of Environment and Climate Change on the development of new EPR programs and ensures that industry complies with approved timelines, operational requirements and diversion targets as established in EPR program plans. The paint and electronics industries currently operate EPR programs in Newfoundland and Labrador in accordance with *Waste Management Regulations*. Under these regulations, MMSB is responsible for identifying additional waste streams that can be managed through an EPR program.

Organic Waste Management

With organic waste representing over 30 per cent of all waste generated in Newfoundland and Labrador, proper management of this waste stream is essential to achieve the 50 per cent diversion goal outlined in the Provincial Waste Management Strategy. To help advance this goal, MMSB conducts research, identifies best practices and provides funding for pilot projects designed to manage organic waste in Newfoundland and Labrador. MMSB, in partnership with municipalities, also promotes residential backyard composting through its Backyard Compost Bin Program.

2. Capacity Building: Implementation of the Provincial Solid Waste Management Strategy

MMSB uses financial resources allocated under the Waste Management Trust Fund to provide capacity building support to regional waste management authorities, municipalities, businesses and institutions to facilitate the implementation of the Provincial Solid Waste Management Strategy. Specific activities include:

- Identifying markets for recyclable waste materials not captured under MMSB's recycling programs;
- Researching the feasibility and design of new province-wide waste diversion programs;
- Supporting and financing the organizational development needs (including support for regional waste management coordinators) and development of long-term regional waste management plans in each of the 12 designated waste management regions of the province;
- Exploring new policy approaches to achieve the province's waste diversion goals, such as extended producer responsibility (industry stewardship) models;
- Coordinating province-wide research into waste disposal alternatives for isolated communities unable to participate in a regional approach to waste management because of practical considerations; and
- Researching possible opportunities to maximize economic and employment benefits from the implementation of the Provincial Solid Waste Management Strategy.

3. Public Awareness and Education

Guided by the principles of the waste management hierarchy, which places emphasis on reduce, reuse and recycle, MMSB develops and manages strategic public education campaigns with a focus on increasing awareness and participation in sustainable waste management practices throughout Newfoundland and Labrador. In addition, MMSB works in partnership with regional waste management authorities and other stakeholders to support the development and implementation of regional public education initiatives.

Specific activities include:

- Creating and implementing integrated marketing, communications and public engagement strategies and plans to support MMSB's waste diversion programs;
- Conducting public research to assess attitudes and behaviours related to waste reduction, recycling and other waste diversion activities;
- Developing tools and resources to support regional waste management authorities and municipalities in education outreach; and
- Implementing education programs and conducting outreach with schools, businesses and other community organizations.

SHARED COMMITMENTS

As implementation of the Provincial Solid Waste Management Strategy advances, much of MMSB's work is conducted in partnership with multiple government departments and industry stakeholders including: the Department of Environment and Climate Change; Service NL; the Department of Municipal Affairs; regional waste management authorities; and municipalities. Collaboration in the following three key areas is critical to addressing the challenges and opportunities associated with effectively managing solid waste and ensuring the long-term health and well-being of communities and the environment.

Advancing Regional Waste Management

The Provincial Solid Waste Management Strategy is the largest regionalization project in the history of Newfoundland and Labrador, with the goal to modernize waste management in the province. Establishing regional waste management systems enables communities to work together to combine resources and achieve efficiencies in delivering integrated waste management services while helping reduce the number of waste disposal sites. Through financial resources allocated under the Waste Management Trust Fund, MMSB provides capacity building support to regional waste management authorities and stakeholders to help advance their regional plans. As an example, MMSB committed $100,000 to the Northern Peninsula Regional Service Board to implement a composting pilot project that will offer an organics collection service to 876 households in the region.

Increasing Waste Diversion

Strengthening existing MMSB waste diversion programs and identifying new initiatives to properly manage items such as used beverage containers and tires, waste paint, end-of-life electronics, used oil and glycol, printed paper and packaging (PPP), organic waste and hazardous materials is paramount to maximizing waste diversion outcomes. To advance these initiatives, MMSB works in partnership with public and private sector stakeholders to develop and implement waste diversion programs to reduce, reuse and recycle materials that would otherwise be destined for the landfill. As an example, MMSB chaired the Canadian Council of Ministers of the Environment's Waste Management Task Group and helped to advance National initiatives to improve Canada's record on waste. In this role, MMSB helped to identify best practices and preferred approaches for the management of construction, renovation and demolition waste; organic waste; and industrial, commercial and institutional waste.

Changing Attitudes and Behaviours

Achieving sustainable waste management requires a significant change in attitudes among Newfoundlanders and Labradorians towards waste management practices. To advance this work, MMSB works in partnership with regional waste management authorities and community stakeholders to develop and implement awareness and education campaigns that encourage a fundamental shift in public perception and positively impacts waste management behaviours. As an example, MMSB supported Western Regional Waste Management with the design and content development for a new corporate website. The site leverages and aligns with the creative design of both the *Sort It* and *Rethink Waste* websites.

KEY HIGHLIGHTS AND ACCOMPLISHMENTS

MMSB is committed to educating, enabling and motivating Newfoundlanders and Labradorians to reduce waste and recycle as a means of protecting the environment. Successes achieved this year indicate that efforts are having an impact on advancing sustainable waste management in the province.

2015-16 Highlights

- Approximately 176.9 million used beverage containers were collected and recycled through MMSB's province-wide network of Green Depots and regional collection facilities. Since the beginning of the program in 1997, nearly 2.4 billion containers have been diverted from landfills throughout Newfoundland and Labrador. For a report on quarterly collection statistics for 2015-16, visit www.mmsb.nl.ca.

- 13.8 million used beverage containers were collected and diverted from landfills across Newfoundland and Labrador through the efforts of 259 schools province-wide that have participated in MMSB's school program. Through the program, schools raised approximately $1.5 million in recycling refunds and matching grants.

- MMSB delivered nearly 240 presentations to business, community, school and youth audiences throughout Newfoundland and Labrador, including eight composting workshops and 37 presentations and/or consultations with businesses and organizations to educate employees about sustainable waste management practices and help implement waste management programs.

- MMSB assisted the institutional, commercial and industrial (ICI) sector in measuring waste diversion progress by conducting eight ICI waste audits.

- Approximately 517,000 used tires were collected and diverted from waste disposal sites in Newfoundland and Labrador. Since 2002, more than 5.1 million tires have been diverted from landfills throughout the province. For a report on quarterly collection statistics for 2015-16, visit www.mmsb.nl.ca.

- MMSB committed approximately $5.0 million in funding for regional waste management authorities to support initiatives that advance sustainable waste management in the Central, Northern Peninsula and Discovery waste management regions of the province.

- MMSB partnered with nine municipalities and one regional service board to distribute 590 backyard compost bins throughout Newfoundland and Labrador. MMSB also provided train-the-trainer workshops and education support for participants. Since 2005, more than 28,500 bins have been distributed through the Backyard Compost Bin Program.

- MMSB, in partnership with Eastern Waste Management and the Newfoundland and Labrador English School District, expanded a pilot project to include an additional three schools to the six that participated in 2014-15. The pilot explores the potential to expand current recycling initiatives to include paper fibre and mixed containers, in addition to beverage containers.

- Through the Solid Waste Management Innovation Fund, MMSB provided $99,972 to ten local innovators to support the development of new or improved technologies, products, services or processes that support the management of solid waste in Newfoundland and Labrador. For a complete list of recipients and funding guidelines, visit www.mmsb.nl.ca

- Through the Community Waste Diversion Fund, MMSB provided $58,000 to nine communities to support Newfoundland and Labrador municipalities and Local Service Districts (LSD) in the implementation of initiatives or programs with the potential to divert solid waste from landfills.

- MMSB and Newfoundland and Labrador Crime Stoppers announced a new partnership to encourage Newfoundlanders and Labradorians to take an active role in protecting their communities and report suspicious activity related to illegal waste dumping. In its inaugural year, this public awareness campaign resulted in 25 tips having been reported to Crime Stoppers.

REPORT ON PERFORMANCE

March 31, 2016 marks the end of the second year of MMSB's three year strategic plan for 2014-17. The plan identifies three priority issues, which reflect consideration for government's Provincial Solid Waste Management Strategy, including: waste diversion and recycling; capacity building; and public awareness and education. This section reports on the goals for each issue as well as objectives for 2015-16 in support of these goals.

Issue 1. Waste Diversion and Recycling

To help achieve the 50 per cent waste diversion target as set out in the Provincial Solid Waste Management Strategy, MMSB must significantly strengthen existing recycling and waste diversion programs and establish new provincial recycling initiatives.

MMSB has made important progress advancing the goals of the Provincial Waste Management Strategy through its waste diversion and recycling programs, composting initiatives and partnerships with industry stakeholders. Increases in the recovery of both used beverage containers and tires along with operational efficiencies and targeted marketing initiatives are helping to strengthen modern waste management practices and services in the province. In addition, the collection and analysis of waste generation and diversion data are providing meaningful insights required to expand and explore sustainable waste diversion and recycling programs.

The following section outlines how waste diversion and recycling programs are contributing to solid waste management by addressing the Provincial Solid Waste Management Strategy; organic waste management and recycling; and management of hazardous waste components of MMSB's 2014-17 Strategic Plan.

Goal	By March 31, 2017, MMSB will have increased waste diversion in the province towards the target set in the Provincial Solid Waste Management Strategy.
Objective 1.2	By March 31, 2016, MMSB will have continued to strengthen its existing waste diversion programs and will have moved forward with the development of a series of new recycling and waste diversion initiatives.
Measure 1.2 Existing waste diversion programs continued to be strengthened and new waste diversion initiatives were advanced.	
Indicators Planned for 2015-16	**Actual Performance for 2015-16**
Recovery levels in MMSB's used beverage and tire recycling programs have improved.	**Recovery levels for the Used Beverage Container Recycling Program and the Used Tire Management Program increased.** In 2015-16, more than 176 million used beverage containers were collected through the Used Beverage Container Recycling Program, resulting in an increase of six million units over 2014-15.

Goal	By March 31, 2017, MMSB will have increased waste diversion in the province towards the target set in the Provincial Solid Waste Management Strategy.
Objective 1.2	By March 31, 2016, MMSB will have continued to strengthen its existing waste diversion programs and will have moved forward with the development of a series of new recycling and waste diversion initiatives.

Measure 1.2 Existing waste diversion programs continued to be strengthened and new waste diversion initiatives were advanced.

Indicators Planned for 2015-16	Actual Performance for 2015-16
Recovery levels in MMSB's used beverage and tire recycling programs have improved.	In 2015-16, approximately 517,000 used tires were collected and diverted from landfill as part of MMSB's Used Tire Management Program, representing an increase of nearly 41,000 units over 2014-15. Several factors have contributed to an increase in the recovery levels achieved in both programs such as realizing efficiencies in the collection, processing and transportation of both used beverage containers and tires. In addition, increased access to recycling through new curbside collection programs implemented by regional waste management authorities and municipalities, such as the Sort-It Central Recycling and Garbage program, are capturing beverage containers accepted in MMSB's recycling program. Furthermore, targeted and integrated marketing and public awareness campaigns to motivate Newfoundlanders and Labradorians to recycle more beverage containers and increase awareness of the return-to-retail tire management program have also contributed to an increase in recovery levels.
Province-wide and stakeholder-specific waste generation and diversion data have been collected.	**MMSB collected waste generation and diversion data from regional waste management authorities, municipalities, institutions and businesses throughout Newfoundland and Labrador.** MMSB's waste auditing, waste management data collection and waste assessment initiatives focused on gathering waste generation, diversion and composition data to help regional authorities, municipalities, businesses and government departments establish diversion targets and identify new waste management opportunities.

Goal	By March 31, 2017, MMSB will have increased waste diversion in the province towards the target set in the Provincial Solid Waste Management Strategy.
Objective 1.2	By March 31, 2016, MMSB will have continued to strengthen its existing waste diversion programs and will have moved forward with the development of a series of new recycling and waste diversion initiatives.

Measure 1.2 Existing waste diversion programs continued to be strengthened and new waste diversion initiatives were advanced.

Indicators Planned for 2015-16	Actual Performance for 2015-16
Province-wide and stakeholder-specific waste generation and diversion data have been collected.	MMSB conducted eight Institutional, Commercial and Industrial (ICI) waste audits to gather further data on ICI waste generation. Six of these waste audits were conducted in schools as reported under issue three and two were conducted in collaboration with the Office of Climate Change and Energy Efficiency. The later audit results were presented to the Building Owners and Managers Association (BOMA NL) as well as to individual businesses to help share best practices and key insights on sustainable waste management. MMSB also completed five residential waste audits in partnership with Central Newfoundland Waste Management Corporation that comprised samples from communities throughout the central waste management region. The collection and analysis of this data is critical to reporting on progress towards established waste diversion targets and also in identifying opportunities for improvements and innovation that will further advance sustainable waste management.
Extender Producer Responsibility (EPR) programs to manage and divert waste from landfills have been advanced.	**MMSB continued to work with industry partners to advance Extended Producer Responsibility (EPR) programs to manage and divert waste from landfills.** In 2015-16, amendments to the *Waste Management Regulations* and the *Used Oil Control Regulations* were submitted to the new Minister of Environment and Conservation. In keeping with an Atlantic province industry-led initiative to manage used oil through a harmonized extended producer responsibility (EPR) program, the proposed amendment outlined the establishment of an EPR program for the management of used oil and glycol. This program will provide Newfoundlanders and Labradorians with access to safe disposal options for used oil and glycol and ensure these hazardous waste materials are diverted from landfill.

Goal	By March 31, 2017, MMSB will have increased waste diversion in the province towards the target set in the Provincial Solid Waste Management Strategy.
Objective 1.2	By March 31, 2016, MMSB will have continued to strengthen its existing waste diversion programs and will have moved forward with the development of a series of new recycling and waste diversion initiatives.

Measure 1.2 Existing waste diversion programs continued to be strengthened and new waste diversion initiatives were advanced.

Indicators Planned for 2015-16	Actual Performance for 2015-16
Extender Producer Responsibility (EPR) programs to manage and divert waste from landfills have been advanced.	As a member of the Canadian Council of Ministers of the Environment's Waste Management Task Group, MMSB worked with private sector and provincial, territorial and federal jurisdictions to help advance the Canada-wide Action Plan for EPR and continue to explore opportunities that identify further consistencies of EPR programs across the country. MMSB also worked with Product Care Association to identify processes and strategic opportunities to align public awareness initiatives for the paint recycling program. In addition, through the launch of the RethinkWasteNL.ca web portal, as reported under issue three, MMSB supported and strengthened the marketing of the paint and electronic waste ERP programs currently available in the province.

Objective 1.3	By March 31, 2017, MMSB will have evaluated the impact of its existing waste diversion programs and will have commenced implementation of new waste diversion initiatives.

Measure 1.3. Existing waste diversion programs were strengthened and new waste diversion initiatives were implemented.

Indicators Planned for 2016-17	
	• Recovery levels in MMSB's used beverage and tire management programs have continued to improve. • Province-wide and stakeholder-specific waste generation and diversion data have been collected through new waste diversion initiatives. • New Extender Producer Responsibility (EPR) programs to manage and divert waste from landfills have been advanced.

Issue 2. Capacity Building

To help facilitate the consolidation of waste management activities within 12 regions of the province, as set out in the Provincial Solid Waste Management Strategy, MMSB must provide regional waste management authorities with support for dedicated resources (staff, operational and research support) and access to specialized expertise in the areas of waste diversion and public education.

As the province moves forward with implementation of the Provincial Solid Waste Management Strategy, MMSB's capacity building framework continues to evolve to reflect the new roles of regional waste management authorities; support the diversion of industrial, commercial and institutional waste; and address the need for increased organic waste diversion. In addition, funding for regional infrastructure and pilot projects combined with grants that support local innovators, municipalities and Local Service Districts (LSDs) are helping advance regional plans and strengthen waste management services throughout the province. Also, MMSB's professional development, strategic counsel and public education services continue to provide regional waste management authorities and stakeholders with guidance on practices and behaviours required to achieve modern waste management.

The following section outlines how capacity building is contributing to solid waste management by helping address the Provincial Solid Waste Management Strategy, management of hazardous wastes, and organic waste management and recycling components of MMSB's 2014-17 Strategic Plan.

Goal	By March 31, 2017, MMSB will have strengthened the capacity of active regional waste management authorities and their stakeholders to advance the implementation of the Provincial Solid Waste Management Strategy.
Objective 2.2	By March 31, 2016, MMSB will have continued to strengthen capacity building, with a particular focus on preparing for the future priorities of waste management authorities and their stakeholders as centralized waste management infrastructure continues to be put in place.

Measure 2.2 Capacity building continued to be strengthened to support regional waste management authorities and stakeholders as regional waste management plans were implemented.

Indicators Planned for 2015-16	Actual Performance for 2015-16
MMSB's Regional Capacity Building Program has been reviewed and revised to align with advancements in the implementation of the Provincial Solid Waste Management Strategy.	**A review of MMSB's Regional Capacity Building Program has been completed and proposed revisions have been drafted.** An analysis of the ongoing needs of regional waste management authorities was completed and outlines proposed revisions to the existing Regional Capacity Building Program with a focus on increasing waste diversion opportunities, advancing organic waste management and supporting regional public education initiatives. The proposed revisions build upon past capacity building activities but realign with new waste management priorities and progress achieved to date in advancing the Provincial Waste Management Strategy.

Goal	By March 31, 2017, MMSB will have strengthened the capacity of active regional waste management authorities and their stakeholders to advance the implementation of the Provincial Solid Waste Management Strategy.
Objective 2.2	By March 31, 2016, MMSB will have continued to strengthen capacity building, with a particular focus on preparing for the future priorities of waste management authorities and their stakeholders as centralized waste management infrastructure continues to be put in place.

Measure 2.2 Capacity building continued to be strengthened to support regional waste management authorities and stakeholders as regional waste management plans were implemented.

Indicators Planned for 2015-16	Actual Performance for 2015-16
Ongoing support has been provided to regional waste management authorities through MMSB's waste diversion and capacity building programs.	**MMSB provided ongoing support to regional waste management authorities through MMSB's waste diversion and capacity building programs.** MMSB committed funding for the following four initiatives that support advancing sustainable waste management: • $850,000 to the Central Newfoundland Waste Management Authority for the purchase of a high volume, bulk waste shredder, which will be shared by regional waste management authorities. It is projected that the shredder will reduce the volume of bulk waste being landfilled by approximately 50 per cent. • $4 million to design and construct a new lined landfill cell at the Norris Arm regional landfill site, which will double the site's projected 50 year lifespan and accommodate waste from the Western, Northern Peninsula, Coast of Bays and Baie Verte-Green Bay waste management regions. • $40,000 to the Discovery Regional Service Board to fund ongoing operations that will support the advancement of waste management in the region; and • $100,000 to the Northern Peninsula Regional Service Board to implement a composting pilot project that will offer an organics collection service to 876 households in the region. In addition to these funding commitments, MMSB hosted regional forums in May 2015 and January 2016 that were attended by representatives from each regional waste management authority and from government departments and agencies involved in advancing the goals of the Provincial Solid Waste Management Strategy. The forums provided attendees with an opportunity to share key insights and best practices in advancing modern waste management. In addition, MMSB produced a Waste Diversion Best Practices document, based on research into waste diversion best practices in Canadian and international jurisdictions, and presented and distributed this information to all attendees at the January forum.

Goal	By March 31, 2017, MMSB will have strengthened the capacity of active regional waste management authorities and their stakeholders to advance the implementation of the Provincial Solid Waste Management Strategy.
Objective 2.2	By March 31, 2016, MMSB will have continued to strengthen capacity building, with a particular focus on preparing for the future priorities of waste management authorities and their stakeholders as centralized waste management infrastructure continues to be put in place.

Measure 2.2 Capacity building continued to be strengthened to support regional waste management authorities and stakeholders as regional waste management plans were implemented.

Indicators Planned for 2015-16	Actual Performance for 2015-16
Ongoing support has been provided to regional waste management authorities through MMSB's waste diversion and capacity building programs.	MMSB also assisted in the review of regional waste management plans, participated in Board meetings of active regional waste management authorities, and where appropriate, offered advice and guidance on waste management programs and public education.
Stakeholders have been supported through strategic counsel, projects and programs that assist with the development and implementation of waste diversion initiatives.	**MMSB has supported projects and programs that assisted stakeholders to develop and implement waste diversion initiatives.** Through the Solid Waste Management Innovation Fund, MMSB provided $99,972 to ten local innovators to support the management of solid waste in Newfoundland and Labrador. Examples of initiatives funded include developing a community garden and composting program to educate and engage students and community volunteers, reusing furniture to help those in need, and composting restaurant and hotel food and yard waste to increase organic waste diversion. The Solid Waste Management Innovation Fund supports businesses, industry associations and non-profit organizations in the development of new or improved technologies, products, services or processes that advance solid waste management in Newfoundland and Labrador. During 2015-16, the inaugural year of the Community Waste Diversion Fund, MMSB provided $58,000 to nine communities to support community-based waste management initiatives. The Community Waste Diversion Fund supports incorporated municipalities and Local Service Districts (LSD) in the implementation of community initiatives that identify new or enhance existing opportunities to divert waste from landfills.

Goal	By March 31, 2017, MMSB will have strengthened the capacity of active regional waste management authorities and their stakeholders to advance the implementation of the Provincial Solid Waste Management Strategy.
Objective 2.2	By March 31, 2016, MMSB will have continued to strengthen capacity building, with a particular focus on preparing for the future priorities of waste management authorities and their stakeholders as centralized waste management infrastructure continues to be put in place.

Measure 2.2 Capacity building continued to be strengthened to support regional waste management authorities and stakeholders as regional waste management plans were implemented.

Indicators Planned for 2015-16	Actual Performance for 2015-16
Stakeholders have been supported through strategic counsel, projects and programs that assist with the development and implementation of waste diversion initiatives.	MMSB delivered presentations to or consulted with more than 37 businesses and organizations throughout Newfoundland and Labrador to provide information and advice on implementing waste diversion activities and help educate employees on sustainable waste management practices. For example, MMSB worked with the Manuels River Hibernia Interpretation Centre to implement audit and assessment recommendations, such as strengthening on-site recycling programs. MMSB supported the Greening Government Action Plan by working in partnership with the Office of Climate Change and Energy Efficiency to measure current diversion success. MMSB conducted two waste audits (as reported under issue 1, indicator 2) to identify the composition of waste types as well as waste generation and diversion data. Based on these audit results as well as data collected in 2014-15, MMSB produced a Government Waste Diversion Update that was distributed to government departments and agencies to help inform the development of new waste diversion opportunities.

Objective 2.3	By March 31, 2017, MMSB will have continued to strengthen capacity building through programs and services and will have advanced a new capacity building framework to support the future requirements of the Provincial Solid Waste Management Strategy.
Measure 2.3 Capacity building is strengthened to support regional waste management authorities and a new capacity building framework is advanced.	
Indicators (Planned for 2016-17)	• A revised framework for MMSB's Regional Capacity Building Program aligned with the implementation of the Provincial Solid Waste Management Strategy has been advanced to the Board for consideration. • Ongoing support has been provided to regional waste management authorities through MMSB's waste diversion and capacity building programs. • Stakeholders have been supported through strategic counsel, projects and programs that assist with the development and implementation of waste diversion initiatives.

Issue 3. Public Awareness and Education

Public awareness and education play a critical role in achieving greater understanding and motivating Newfoundlanders and Labradorians to engage in sustainable waste management practices that will help create healthy and sustainable communities.

Through strategically informed and targeted engagement and communications strategies, MMSB continues to make progress educating and encouraging residents, industry and businesses to consistently practice the 3Rs of waste management (reduce, reuse and recycle) and help advance the 50 per cent waste diversion goal. In addition, a province-wide call to action to *Rethink Waste* is encouraging all Newfoundlanders and Labradorians to take action and adopt sustainable waste management practices, helping to ensure a clean and healthy environment. Increased access to tools and resources is providing residents and businesses with relevant and timely information about waste management services and is also helping regional waste management authorities advance regional plans.

The following section outlines how public awareness and education are contributing to solid waste management by helping address the Provincial Solid Waste Management Strategy and organic waste management and recycling components of MMSB's 2014-17 Strategic Plan.

Goal	By March 31, 2017, MMSB will have increased public awareness, knowledge and participation in modern waste practices and available programs.
Objective 3.2	By March 31, 2016, MMSB will have advanced implementation of its revised integrated marketing, communications and education plan.

Measure 3.2 Implementation of the revised integrated marketing, communications and education plan has been advanced.

Indicators (Planned for 2015-16)	Actual Performance for 2015 -16
A public education campaign has been launched to create awareness of and encourage participation in sustainable waste management practices.	**Working in partnership with regional waste management authorities, MMSB launched Rethink Waste, a new public education campaign created to help increase awareness and encourage participation in sustainable waste management practices.** Rethink Waste features the web portal www.rethinkwasteNL.ca as well as a suite of advertising and social media resources all designed to be tailored to meet the education needs of each regional waste management authority while delivering a unifying brand identity and province-wide call to action. Since the campaign launched in August, 2015, more than 20,000 users visited RethinkWasteNL.ca. In addition, approximately 70 per cent of all site traffic was acquired from paid display, search and video advertising, while approximately 15 per cent was acquired through referrals.
Partnerships with regional waste management authorities and industry stakeholders have been strengthened to promote sustainable waste management practices.	**MMSB has strengthened partnerships with regional waste management authorities to advance and promote sustainable waste management practices.** MMSB, in partnership with Eastern Waste Management and the Newfoundland and Labrador English School District (NLESD) expanded the Recycle at School pilot project to include three new schools (during 2015-16) in the eastern waste management region for a total of nine schools. The pilot, which first launched in 2014-15 with six schools, is designed to explore the potential for schools to expand current recycling initiatives. In year one of the pilot, the six schools collectively generated 55 metric tonnes of waste of which half was determined to be recyclable material. On average, schools increased their waste diversion from six per cent to 30 per cent as a result of the program. Year two waste audits will be completed by June 2016 and will help inform the development of future waste diversion initiatives in schools. Building on key insights from the Recycle at School pilot project, MMSB and NLESD have also developed an infrastructure and education outreach plan for a source separating program that aligns with the Sort It Central mandatory recycling and garbage program. The school program is scheduled to launch in 2016-17 in 44 schools in the central waste management region.

Goal	By March 31, 2017, MMSB will have increased public awareness, knowledge and participation in modern waste practices and available programs.
Objective 3.2	By March 31, 2016, MMSB will have advanced implementation of its revised integrated marketing, communications and education plan.

Measure 3.2 Implementation of the revised integrated marketing, communications and education plan has been advanced.

Indicators (Planned for 2015-16)	Actual Performance for 2015 -16
Partnerships with regional waste management authorities and industry stakeholders have been strengthened to promote sustainable waste management practices.	With a focus on supporting the information needs of residents and businesses on regional waste management services and programs, MMSB in partnership with Western Regional Waste Management developed a regional waste authority corporate website. The site is designed as a template to be tailored to meet the regional needs of each waste management authority and also leverages the Rethink Waste strategy to further reinforce the message of sustainable waste management. With the goal to provide insights and best practices on new and emerging online technologies that can help provide timely and targeted communications outreach at the regional level, MMSB created and delivered a digital media workshop to all regional waste management authorities. MMSB has also commenced planning of in-depth training on strategic planning and content development for multiple digital channels. MMSB developed and delivered a media and communications training session to members of the Western Regional Waste Management Board and operations teams to support ongoing public engagement and outreach. The session was designed to be adapted to meet future needs of other regional waste management authorities.
Integrated marketing, communications and public education initiatives have been implemented to support MMSB's existing and new waste diversion initiatives and promote the waste management hierarchy (reduce, reuse and recycle).	**Integrated marketing, communications and public education initiatives have been implemented to promote the waste management hierarchy (reduce, reuse and recycle) and support the Used Beverage Container Recycling Program, Used Tire Management Program as well as new partnerships and funding initiatives.** The following activities have been developed in an integrated manner that ensures sustainable waste management messages are strategically connected and consistently delivered across multiple channels such as online, television, radio and through public education outreach.

Goal	By March 31, 2017, MMSB will have increased public awareness, knowledge and participation in modern waste practices and available programs.
Objective 3.2	By March 31, 2016, MMSB will have advanced implementation of its revised integrated marketing, communications and education plan.

Measure 3.2 Implementation of the revised integrated marketing, communications and education plan has been advanced.

Indicators (Planned for 2015-16)	Actual Performance for 2015 -16
Integrated marketing, communications and public education initiatives have been implemented to support MMSB's existing and new waste diversion initiatives and promote the waste management hierarchy (reduce, reuse and recycle).	With a continued focus on educating and motivating youth across the province to change their daily waste management behaviours, MMSB delivered public education presentations to pre and public schools, youth and community groups, and businesses. In 2015-16, MMSB delivered 156 presentations in 22 schools. MMSB continued to build awareness about the Used Beverage Container Recycling Program and encourage Newfoundlanders and Labradorians to recycle more with the launch of a new video featuring a local musician. Using the tagline, That Reminds Me, the video is part of an integrated public awareness campaign that celebrates the environmental, financial and community benefits of recycling beverage containers. Additional campaign elements included online and print media. MMSB continued to build awareness about the Used Tire Management Program through a province-wide advertising campaign that included community and daily newspapers and online media during the peak winter and spring tire changeover seasons. MMSB and Newfoundland and Labrador Crime Stoppers announced a new partnership to encourage the public to take an active role in protecting their communities and report suspicious activity related to illegal waste dumping. As part of the partnership, MMSB launched a public awareness campaign to deter potential offenders from dumping their garbage at unauthorized sites throughout the province. The integrated campaign included media sponsorship, social media outreach and illegal dumping signage. Crime Stoppers received 25 tips in the inaugural year of the partnership.

Goal	By March 31, 2017, MMSB will have increased public awareness, knowledge and participation in modern waste practices and available programs.
Objective 3.2	By March 31, 2016, MMSB will have advanced implementation of its revised integrated marketing, communications and education plan.

Measure 3.2 Implementation of the revised integrated marketing, communications and education plan has been advanced.

Indicators (Planned for 2015-16)	Actual Performance for 2015 -16
Integrated marketing, communications and public education initiatives have been implemented to support MMSB's existing and new waste diversion initiatives and promote the waste management hierarchy (reduce, reuse and recycle).	MMSB recognized International Compost Awareness Week from May 3 to 9 by launching free Learn to Compost workshops that took place in select communities throughout the province in May and June 2015. Public education sessions took place in Bay Roberts, Corner Brook, Grand Falls-Windsor, Happy Valley-Goose Bay, Labrador City and Springdale. To date, MMSB has delivered 138 presentations to community groups, municipalities, businesses and schools. MMSB also continued to provide public education training and resources to support eight communities and one regional waste management authority participating in the Backyard Compost Bin Program. Feedback from participating municipalities continues to show an increase in demand among residents to learn more and engage in backyard composting – to date, more than 28,500 compost bins have been distributed through MMSB's program. MMSB, in partnership with Memorial University's Harris Centre hosted a news media event to announce a $345,000 investment in Harris Centre's - MMSB Waste Management Applied Research Fund to support research into Newfoundland and Labrador. MMSB renewed its initial funding commitment of $300,000 through the Waste Management Trust Fund and Product Care Association contributed $45,000 on behalf of the paint industry in Newfoundland and Labrador. The event was attended and reported on by all major television, radio and print outlets. MMSB hosted a media event at the Elaine Dobbin Centre for Autism to announce recipients of the Solid Waste Management Innovation Fund and the Community Waste Diversion Fund. Print and television media attended and reported on the announcement.

Objective 3.3	By March 31, 2017, MMSB will have continued to implement its updated integrated marketing, communications and public education plan to achieve an increase in awareness, knowledge and participation of modern waste practices and programs.
Measure 3.3 Completed development and sustained implementation of the updated integrated marketing, communications and educations plan.	
Indicators (Planned for 2016-17)	• Continued implementation of the updated integrated marketing, communications and public education campaign has increased awareness and encouraged participation in sustainable waste management programs and practices as measured through campaign analytics. • Partnerships with regional waste management authorities have been further strengthened to increase access to public education resources that promote sustainable waste management programs and practices. • Continued implementation of integrated marketing, communications and public education initiatives support MMSB's existing and new waste diversion initiatives.

OPPORTUNITIES AND CHALLENGES AHEAD

The complex nature of waste management presents challenges and opportunities that require cooperation and collaboration between multiple partners in a shared effort to achieve sustainable waste management and ensure a healthy and clean environment. In addition, identifying economically viable and environmentally sound solutions are essential in addressing waste generation and diversion issues, and in encouraging Newfoundlanders and Labradorians to actively engage in waste management practices that will help us reach our provincial 50 per cent diversion goal. Therefore, the following factors and trends have been identified as opportunities and challenges in the advancement of MMSB's mandate.

Operational Efficiencies

Through its waste diversion programs, MMSB must continue to identify strategies that maximize operational efficiencies in order to achieve further cost savings, increase recovery volumes, improve customer service and reduce environmental impacts. This requires continuous improvements in the Green Depot network, the identification of sustainable end-market solutions for recyclable materials collected through the Used Beverage Container Recycling Program and Used Tire Management Program, along with research on emerging trends and innovations in waste management. MMSB will continue to publish online quarterly progress reports on collection results for these programs at www.mmsb.nl.ca.

Waste Diversion

While significant increases in waste diversion rates have been achieved, reaching a 50 per cent goal requires the implementation of province-wide infrastructure to manage organic waste and recyclable materials, along with the introduction of disposal bans and new diversion and recycling programs. Therefore, MMSB, regional waste management authorities and provincial and municipal governments must continue to collectively work towards establishing province-wide waste management infrastructure along with recycling and composting programs in all regions of the province. Furthermore, through improved access to waste generation and diversion data, MMSB must also work with regional waste management authorities and stakeholders to provide insights and guidance on opportunities to increase waste diversion.

Attitudes and Behaviour

Achieving sustainable waste management in Newfoundland and Labrador requires a fundamental shift in attitudes and behaviours towards waste management. To affect change, MMSB must continue to partner with regional waste management authorities to strengthen public education activities that will motivate residents and businesses to participate in waste diversion programs. In addition, as advancements in technology continue to change the way Newfoundlanders and Labradorians receive, consume and interact with information, digital and social media strategies must be explored to reach an increasingly connected and mobile audience. Additional strategies and guidance may be identified through collaboration and shared experience with other Canadian jurisdictions.

APPENDIX A

BOARD OF DIRECTORS 2015-16

MMSB is a statutory Crown Agency established in 1996 that operates arms-length from government with an independent Board of Directors appointed by the Lieutenant Governor in Council.

As of March 31, 2016, the Board was comprised of the following 13 members:

Leigh Puddester*	Chair
Colleen Janes	Department of Environment and Conservation
John Patten	St. John's, Beverage Industry Representative
Edward Delaney	Bay Roberts, Member-at-large
Catherine Barrett	Goulds, Member-at-large
Derm Flynn	Appleton, Member-at-large
Don Hann	Port Aux Basques, Member-at-large
Hal Cormier	Corner Brook, Member-at-large
Neville Greeley	Municipal Representative
Maisie Clark	Campbellton, Consumer Representative
Reg Bowers	Labrador, Member-at-large
Jocelyn Perry	Conception Bay South, Member-at-Large
David Robbins	Newfoundland Environmental Industry Association (NEIA) Representative

*Effective August 18, 2016, under the authority of the *Waste Management Regulations* and the *Independent Appointments Commission Act*, the Deputy Minister of the newly established Department of Environment and Climate Change was appointed as Chairperson of MMSB on an interim basis until the position is filled in accordance with the *Independent Appointments Commission Act*.

APPENDIX B

FINANCIAL STATEMENTS

Consolidated Financial Statements of

MULTI-MATERIALS STEWARDSHIP BOARD

Year ended March 31, 2016

Statement of responsibility

The accompanying consolidated financial statements are the responsibility of the management of the Multi-Material Stewardship Board (the "Board") and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Board of Directors met with management and its external auditors to review a draft of the consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized consolidated financial statements.

KPMG LLP as the Board's appointed external auditors, have audited the consolidated financial statements. The auditor's report is addressed to the Board of Directors and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the financial statements are free of material misstatement and present fairly the financial position and results of the Board in accordance with Canadian public sector accounting standards.

Board Chair

Director

KPMG LLP
TD Place
140 Water Street, Suite 1001
St. John's Newfoundland A1C 6H6
Canada
Telephone (709) 733-5000
Fax (709) 733-5050

INDEPENDENT AUDITORS' REPORT

To the Directors of Multi-Materials Stewardship Board

We have audited the accompanying consolidated financial statements of Multi-Materials Stewardship Board, which comprise the consolidated statement of financial position as at March 31, 2016, the consolidated statements of operations, changes in accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of Multi-Materials Stewardship Board as at March 31, 2016, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

The financial statements of Multi-Material Stewardship Board as at and for the year ended March 31, 2015 were audited by another auditor who expressed a unqualified opinion on those statements.

KPMG LLP

Chartered Professional Accountants

June 17, 2016

St. John's, Canada

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.
KPMG Canada provides services to KPMG LLP.

MULTI-MATERIALS STEWARDSHIP BOARD

Consolidated Statement of Financial Position

March 31, 2016, with comparative information for 2015

	2016	2015
Financial assets:		
Cash and cash equivalents (note 4)	$ 14,197,820	$ 14,181,436
Accounts receivable	530,510	724,063
Other receivables (note 5)	2,691,197	2,389,111
HST receivable	249,044	138,954
Notes receivable at amortized cost of non-interest bearing notes, repayable over the next four years, utilizing an interest rate of prime plus 1%	39,620	49,029
Inventory for resale	79,347	68,466
Long-term investments	425,622	377,410
	18,213,160	17,928,469
Liabilities:		
Accounts payable	$ 544,534	$ 923,625
Other payables and accrued liabilities (note 7)	1,717,439	2,098,041
Grants payable	875,040	710,599
Unearned revenue (note 8)	2,554,326	2,654,703
Performance bonds payable	428,775	422,544
	6,120,114	6,809,512
Net financial assets	12,093,046	11,118,957
Non financial assets:		
Tangible capital assets (schedule 3)	875,259	1,034,959
Prepaid expenses	89,494	78,705
	964,753	1,113,664
Commitments (note 11)		
Subsequent event (note 13)		
Accumulated surplus	$ 13,057,799	$ 12,232,621

See accompanying notes to consolidated financial statements.

On behalf of the Board:

Chairperson

Director

MULTI-MATERIALS STEWARDSHIP BOARD

Consolidated Statement of Operations

Year ended March 31, 2016, with comparative information for 2015

	2016 Actual	2016 Budget	2015 Actual
Revenue:			
Used beverage program deposits	$ 22,498,134	$ 23,124,624	$ 22,387,101
Used beverage container by-product revenue	2,095,197	2,553,280	2,517,814
Used tire program deposits	2,915,547	2,734,360	2,836,378
Waste Management Trust Fund Program	10,435	-	-
Provincial Solid Waste Management Strategy	251,755	-	362,287
Interest income	104,679	107,500	135,817
Handling fees	94,037	147,299	211,410
Miscellaneous income	69,930	90,000	41,178
	28,039,714	28,757,063	28,491,985
Expenses:			
Used beverage container program	20,931,268	21,514,186	20,526,231
Used tire program	2,376,513	2,194,562	2,267,819
Administrative expenses (schedule 1)	2,235,472	2,676,639	2,436,342
Public education expenses (schedule 2)	862,184	1,080,000	673,386
Grant disbursements	485,994	2,705,000	767,708
Provincial Solid Waste Management Strategy	251,755	-	362,287
Program operations	70,906	195,000	-
Other recycling programs	444	90,000	10,570
	27,214,536	30,455,387	27,044,343
Annual surplus (deficit)	$ 825,178	$ (1,698,324)	$ 1,447,642

See accompanying notes to consolidated financial statements.

MULTI-MATERIALS STEWARDSHIP BOARD

Consolidated Statement of Changes in Accumulated Surplus

Year ended March 31, 2016, with comparative information for 2015

	Actual 2016	Budget 2016	Actual 2015
Accumulated surplus, beginning of year	$ 12,232,621	$ 12,232,621	$ 10,784,979
Annual surplus (deficit)	825,178	(1,698,324)	1,447,642
Accumulated surplus, end of year	$ 13,057,799	$ 10,534,297	$ 12,232,621

See accompanying notes to consolidated financial statements.

MULTI-MATERIALS STEWARDSHIP BOARD

Consolidated Statement of Changes in Net Financial Assets

Year ended March 31, 2016, with comparative information for 2015

	Actual 2016	Budget 2016	Actual 2015
Annual surplus (deficit)	$ 825,178	$ (1,698,324)	$ 1,447,642
Acquisition of tangible capital assets	(55,839)	(449,000)	(249,535)
Amortization of tangible capital assets	215,539	284,736	222,291
Increase in prepaid expenses	(10,789)	(758)	(12,783)
Increase (decrease) in net assets	974,089	(1,863,346)	1,407,615
Net financial assets, beginning of year	11,118,957	11,050,491	9,711,342
Net financial assets, end of year	$ 12,093,046	$ 9,187,145	$ 11,118,957

See accompanying notes to consolidated financial statements.

MULTI-MATERIALS STEWARDSHIP BOARD

Consolidated Statement of Cash Flows

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Cash provided by (used in):		
Operations:		
Annual surplus (deficit)	$ 825,178	$ 1,447,642
Items not involving cash:		
Amortization	215,539	222,291
	1,040,717	1,669,933
Changes in non-cash operating working capital:		
Decrease in accounts receivable	193,553	181,077
Increase in other receivables	(302,086)	(148,931)
Increase in HST receivable	(110,090)	(9,543)
Decrease (increase) in notes receivable	9,409	(8,071)
Increase in prepaid expenses	(10,789)	(12,783)
Increase in inventory for resale	(10,881)	6,587
Decrease in accounts payable	(379,091)	(76,587)
Decrease in other payables and accrued liabilities	(380,602)	(254,454)
Increase (decrease) in grants payable	164,441	(42,210)
Decrease in unearned revenue	(100,377)	(221,951)
Increase (decrease) in performance bonds payable	6,231	(211,450)
	120,435	871,617
Capital:		
Tangible capital asset purchases	(55,839)	(249,535)
Investing:		
(Increase) decrease in long-term investments	(48,212)	253,362
Increase in cash and cash equivalents	16,384	875,444
Cash and cash equivalents, beginning of year	14,181,436	13,305,992
Cash and cash equivalents, end of year	$ 14,197,820	$ 14,181,436

See accompanying notes to consolidated financial statements.

Multi-Materials Stewardship Board (the "Board") is a statutory corporation established pursuant to The Environmental Protection Act. The Board manages the Used Beverage Container Recycling Program, the Used Tire Management Program and the Newfoundland and Labrador Waste Management Trust Fund in the Province of Newfoundland and Labrador and is mandated to support and promote the protection, enhancement and wise use of the environment through waste management programs. The Board is a government organization and reports to the Minister of Environment and Conservation. The Board is exempt from income taxes under Section 149(1)(d) of the Canadian Income Tax Act.

1. Financial statements:

These consolidated financial statements include the accounts of the Multi-Materials Stewardship Board and the Newfoundland and Labrador Waste Management Trust Fund.

The Multi-Materials Stewardship Board Newfoundland and Labrador Waste Management Trust Fund is a restricted fund, managed by the Board, and its accounts have been grouped in these financial statements for consolidation purposes. Separate audited consolidated financial statements have been issued for this Trust Fund, with an audit report date of June 14, 2016.

2. Significant accounting policies:

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the CPA, Canadian Public Sector Accounting Board (PSAB) and reflect the following significant accounting policies.

(a) Use of estimates:

In preparing the Board's consolidated financial statements in conformity with the Canadian public sector accounting standards, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates include the accrual for deposits outstanding at year end, useful life of tangible capital assets, rates of amortization and impairment of long-lived assets, accrued stockpile costs, unearned revenue and accrued severance pay.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

2. Significant accounting policies (continued):

(b) Foreign currency translation:

Transactions denominated in foreign currencies are recorded in Canadian dollars at exchange rates in effect at the related transaction dates. Monetary assets and liabilities denominated in foreign currencies are adjusted to reflect exchange rates at the year end date. Exchange gains and losses arising on the translation of monetary assets and liabilities are included in the determination of income.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less. Cash and cash equivalents also include a balance of $3,154 and $425,195 (2015 - $5,948 and $697,922) in restricted cash related to the performance bonds payable and funds received for the Provincial Waste Management Strategy respectively.

(d) Long-term investments:

Long-term investments include guaranteed investment certificates with original maturities greater than one year. At March 31, 2016, $425,622 (2015 - $377,410) of these investments are restricted to repay performance bonds at the end of the contracts if all conditions have been met by the parties involved.

(e) Inventories for sale:

Inventories, which are comprised of aluminium beverage containers and PET beverage containers, are valued at the lower of cost and net realizable value, with net realizable value being current market prices.

(f) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives generally extending beyond the current year and are not intended for sale in the ordinary course of operations.

2. Significant accounting policies (continued):

(g) Tangible capital assets:

Tangible capital assets are stated at cost, less accumulated amortization. Amortization is provided using the following methods and annual rates:

Asset	Basis	Rate
Used beverage equipment	Declining balance	30%
Office furniture and equipment	Declining balance	20%
Leasehold improvements	Straight line	5 years
Computer Hardware	Declining balance	30%
Computer software	Declining balance	30%
CRM software and development	Declining balance	10%
Infrastructure assets	Straight line	20 years
MIS software	Declining balance	30%
Bags and tubs	Declining balance	30%
Infrastructure assets	Straight line	20 years

(h) Impairment of long-lived assets:

When a tangible capital asset no longer has any long-term service potential to the Board, the excess of its net carrying amount over any residual is recognized as an expense in the Statement of Operations.

(i) Unearned revenue:

Unearned revenue consists of deposits on containers yet to be returned for redemption and recycling. The amount recorded by the Board as unearned revenue consists of sixty days of deposits received from distributors, adjusted by an estimated recovery rate of 65% (2015 - 63%).

Unearned revenue also includes funds received in relation to the Provincial Waste Management Strategy related to expenditures for strategic communications development, the Green Depot Management Information System (MIS) related to customization, installation, training, licences and support for the system, and restricted grant contributions. The funding is recognized as revenue as the expenditures are incurred and repayable if not fully spent on the projects.

(j) Accrued severance pay:

Severance pay is accounted for on an accrual basis and is recognized when an employee joins the Board, and is calculated based upon years of service, current salary levels and assumptions with respect to retention. Severance pay is payable when the employee ceases employment with the Board and has achieved nine years of continual service.

2. Significant accounting policies (continued):

(k) Revenue recognition:

Deposit revenue (both beverage and tire) is recognized when remittances are collected plus an estimated accrual based on subsequent receipts, as well as historical data.

By-product revenue is recognized upon shipment and when all significant contractual obligations have been satisfied and collection is reasonably assured.

Other income is recognized as earned.

(l) Expenses:

The Board recognizes expenses on an accrual basis. The cost of all goods consumed and services received during the period is expensed. Grant disbursements to third parties are accounted for as government transfers. Grant disbursements that are financing arrangements are recorded as expenses when they are approved by the Minister. Grant disbursements that are reimbursement arrangements are recorded as expenses when the expenditures have been incurred by the recipient and the eligibility criteria have been met.

(m) Financial instruments:

The Board considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Board accounts for the following as financial instruments: cash and cash equivalents, receivables, notes receivable, long term investments, payables and accruals, grants payable and performance bonds payable.

A financial asset or liability is recognized when the Board becomes party to contractual provisions of the instrument.

The Board initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Board subsequently measures its financial assets and financial liabilities at cost or amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in annual deficit.

Financial assets measured at fair value include cash and cash equivalents and long-term investments; financial assets measured at cost include receivables; and financial assets measured at amortized cost include notes receivable.

2. Significant accounting policies (continued):

(m) Financial instruments (continued):

Financial liabilities measured at cost include payables and accruals, grants payable and performance bonds payable.

The Board removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net annual surplus.

3. Future adoption of accounting policies:

Related Party Disclosures
The Board is currently in the process of gathering information for the adoption of PS 2200 - Related Party Disclosures, which is applicable to year-ends beginning on or after April 1, 2017. This new standard defines a related party and establishes disclosures required for related party transactions.

Inter-entity Transactions
The Board is currently in the process of gathering information for the adoption of PS 3420 - Inter-entity transactions, which is applicable to year-ends beginning on or after April 1, 2017. This new standard establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

It is not anticipated that any material changes will result from the adoptions of these standards.

4. Cash and cash equivalents:

	2016	2015
Cash and cash equivalents	$ 13,769,471	$ 13,477,566
Restricted cash deposits	428,349	703,870
	$ 14,197,820	$ 14,181,436

5. Other receivables:

	2016	2015
Accrued accounts receivable	$ 1,283,501	$ 613,697
Subsequent trade accounts receivable	1,380,935	1,755,087
Other accounts receivable	54,572	60,708
Allowance for doubtful accounts	(27,811)	(40,381)
	$ 2,691,197	$ 2,389,111

6. Inventory for resale:

	2016	2015
Aluminium beverage containers	$ 62,540	$ 48,539
PET beverage containers	16,807	19,927
	$ 79,347	$ 68,466

7. Other payables and accrued liabilities:

	2016	2015
Accrued liabilities	$ 721,148	$ 435,123
Tire stockpile accrual	262,009	879,130
Wages and benefits	319,057	274,526
MIS deferred handling fee	415,225	509,262
	$ 1,717,439	$ 2,098,041

8. Unearned revenue:

	2016	2015
Provincial Solid Waste Management Strategy	$ 402,649	$ 650,340
Used beverage container deposits	2,117,112	1,959,363
Grant contributions	34,565	45,000
	$ 2,554,326	$ 2,654,703

9. Stockpile costs:

In June 2004, the Board terminated its contract under the Used Tire Program with its previous contractor. Subsequent to this termination, the Board assumed responsibility for the Program and implemented a contingency plan for the storage of used tires. As of April 2010, growth of the stockpile was halted with ongoing generation of tires being shipped to Quebec. In February 2012, a contract commenced for the removal of the stockpile. As at March 31, 2016, management has estimated future stockpile removal costs to be $262,009 (2015 - $879,130), which has been accrued in the stockpile costs.

10. Employee future benefits:

The Board participates in the Government of Newfoundland and Labrador's Government Money Purchase Plan (GMPP) which is a defined contribution pension plan. The plan is mandatory for all employees, with the exception of the CEO, from date of employment. Employees contribute 5% of regular earnings and the Board matches these contributions. Contributions made prior to January 1, 1997 are fully vested and locked-in after the completion of 10 years of continuous service and the employee has attained the age of 45 or after the completion of 5 years of plan participation. Contributions made on or after January 1, 1997 are full) vested and locked-in after the completion of 2 years of plan participation. Contributions paid and expensed by the Board during the year totaled $62,471 (2015 - $56,540).

11. Commitments:

The Board is committed to minimum annual lease payments for property, equipment and service agreements for the next four years as follows: 2017 - $243,518; 2018 - $71,527; 2019 - $69,572; and 2020 - $10,110.

The Board is also committed to funding the following Waste Management Trust Fund projects for the next two years as follows: 2017 - $4,979,917; and 2018 - $150,000.

The Board has entered into the following agreements:

(i) processing and transportation of beverage containers up to July, 2019;

(ii) collection of used tires in Labrador West area to April, 2020;

(iii) collection and transportation of used tires in the island portion of Newfoundland and Labrador and the Labrador Straits to February, 2018;

(iv) collection of used tires in Happy Valley-Goose Bay area to February, 2020;

(v) transportation of used tires collected in Labrador to May, 2020; and

(vi) loading and transportation of stockpile tires to date of completion.

12. Financial risks:

(a) Market risk:

Market risk is the risk that the fair value of marketable securities or long-term investments will change as a result of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The Board is mainly exposed to currency risk and other price risk.

Other price risk is the risk that the fair value or future cash flows if a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Board is exposed to other price risk through its sale of by-products.

12. Financial risks: (continued):

(b) Credit risk:

Credit risk is the risk of loss if a customer or counterparty cannot meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure. The Board's credit risk is attributable to receivables. The accounts receivable represent a large number of small balances owed by its customers, and no one customer or group of customers represents a significant risk. Management reviews receivables on a case by case basis to determine if an allowance is necessary to reflect impairment in collectability.

(c) Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Board is exposed to this risk mainly in respect of its payables and accruals. The Board reduces its exposure to liquidity risk by monitoring its cash flows and ensuring that is has sufficient cash available to meet its obligations and liabilities. In the opinion of management the liquidity risk exposure to the Board is low.

There is no liquidity risk associated with the bonds payable as they are held in guaranteed investment certificates with a stated interest rate.

13. Subsequent event:

Subsequent to the year end, the Board approved a request made by the Government of Newfoundland and Labrador for a $1,000,000 grant to be used in the support of environmental initiatives as identified and authorized by the Minister of Environment and Conservation.

14. Comparative information:

The consolidated financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

MULTI-MATERIALS STEWARDSHIP BOARD

Schedule 1 - Consolidated Administrative Expenses

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Wages and benefits	$ 1,678,553	$ 1,605,403
Rent	155,935	149,195
Amortization	67,348	222,433
Professional fees	67,057	96,034
Staff travel	52,122	65,725
Software support	47,361	65,721
Board member expenses	44,363	40,765
Telecommunications	43,192	40,844
Vehicle expenses	23,247	21,849
Office supplies	15,150	19,954
Training	11,888	68,549
Insurance	7,343	6,912
Bank charges	6,265	6,557
Subscriptions, memberships and conferences	6,037	9,129
Equipment lease and support	4,682	5,124
Postage and courier	4,552	6,688
Miscellaneous	377	5,460
	$ 2,235,472	$ 2,436,342

MULTI-MATERIALS STEWARDSHIP BOARD

Schedule 2 - Consolidated Public Education Expenses

Year ended March 31, 2016, with comparative information for 2015

		2016		2015
Campaigns:				
Used beverage container program	$	574,324	$	479,187
Indiscriminate dumping		77,000		-
Used tire program		48,050		31,630
Backyard composting		14,857		-
Other		857		-
Total campaigns		715,088		510,817
Corporate:				
Owned Media		37,454		15,802
Media monitoring		32,307		17,329
Sponsorship		20,224		23,750
Account management and miscellaneous		15,720		105,688
Total corporate		105,705		162,569
Outreach		41,391		-
Total public education	$	862,184	$	673,386

Multi-Materials Stewardship Board
Schedule 3 - Consolidated Schedule of Tangible Capital Assets
Year ended March 31, 2016 with comparative information for 2015

	Used beverage equipment	Office furniture and equipment	Leasehold improvements	Computer hardware	Computer software	CRM software and development	MIS software	Bags and tubs	Infrastructure assets	2016	2015
Cost											
Cost beginning of year	$ 170,773	$ 150,080	$ 8,913	$ 166,362	$ 325,570	$ 445,488	$ 606,901	$ 478,497	$ -	$ 2,352,584	$ 2,103,049
Additions during the year	-	8,425	-	1,965	-	-	20,500	-	24,949	55,839	249,535
Cost, end of year	$ 170,773	$ 158,505	$ 8,913	$ 168,327	$ 325,570	$ 445,488	$ 627,401	$ 478,497	$ 24,949	$ 2,408,423	$ 2,352,584
Accumulated amortization											
Accumulated amortization, beginning of year	$ 146,853	$ 115,403	$ 7,116	$ 118,536	$ 274,947	$ 115,810	$ 116,557	$ 422,403	$ -	$ 1,317,625	$ 1,095,334
Amortization	6,267	7,101	328	12,426	15,172	32,320	127,228	14,697	-	215,539	222,291
Accumulated amortization, end of year	153,120	122,504	7,444	130,962	290,119	148,130	243,785	437,100	-	1,533,164	1,317,625
Net book value of tangible capital assets	$ 17,653	$ 36,001	$ 1,469	$ 37,365	$ 35,451	$ 297,358	$ 383,616	$ 41,397	$ 24,949	$ 875,259	$ 1,034,959