Stewardship Plan for the Recycling of Newspapers in Manitoba

2017 to 2022

Submitted to meet requirements of Packaging and Printed Paper Stewardship Regulation under the Waste Reduction and Prevention Act (C.C.S.M c.W40)

Regulation 195/2008

Prepared by:



Submitted to: Manitoba Conservation and Climate

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1. Introduction and Background

This document outlines an individual stewardship plan developed by the newspaper industry in Manitoba represented by News Media Canada (NMC), who would be the stewardship agency to meet their stewardship obligations under Regulation 195/2008.

NMC members in Manitoba include three daily newspapers and 47 community newspapers. (See Appendix A for a complete list.)

The three daily newspapers are published either 7 times/week (*Winnipeg Sun, Winnipeg Free Press*) or 6 times/week (*Brandon Sun*).

Forty-seven (47) community newspapers are NMC members in Manitoba. These community newspapers reach into almost every community in Manitoba. Most community newspapers are published once per week.

The plan is presented in this document under the general headings recommended in *Manitoba Conservation and Climate WRAP Guideline 2008-01* (dated November, 2008) addressing requirements for plans for Packaging and Printed Paper Stewardship.

2. The Unique Role of Newspapers

In Canada, newspapers voluntarily agreed to join producer responsibility plans as long as contributions could be made in advertising space. Currently in all provinces with producer responsibility regimes, newspapers contribute advertising space. Arrangements in different provinces vary and are as follows:

- In Ontario, newspapers currently contribute \$6.9 million in advertising space to municipalities. Newspapers pay administration fees to Stewardship Ontario and the Resource Productivity and Recovery Authority (RPRA). The system is managed by newspapers and municipalities along with RPRA. Advertising is allocated to each municipality based on a formula which guarantees that all municipalities have access to some newspaper advertising of recycling messages.
- In Nova Scotia, newspapers provide \$10/tonne in advertising space to the Nova Scotia Resource Recovery Board. The advertising is used by the Board to promote Blue Box programs.
- BC has full extended producer responsibility, and industry funds and manages the recycling system. The provincial government pays stewardship fees on behalf of newspapers to RecycleBC. The government contribution is offset by government advertising in member newspapers in the amount of \$40/tonne.
- In Quebec, program costs are higher than in other Canadian provinces. Industry pays 100% of stewardship program costs in Quebec. Newspapers pay \$3.8 million in advertising space and the

remaining \$5.3 million in cash. About \$5 million is reimbursed by the provincial government. Fees are paid to Recycles-Médias and Recyc-Québec.

While the paper newspaper is in decline, newspapers state that they have a business problem, not a readership problem. An estimated 85% of Canadians read a newspaper on one or more platforms each week, and in fact, six in ten Canadians are still reading in print. However, with the loss of advertising revenue due to a movement of advertising to Facebook and Google, newspapers have closed throughout the country, only publish a paper a few times a week or on the weekend in some cases, and publish much smaller and lighter papers. While print readership is higher in rural and remote communities, and community newspapers are still very popular, overall, print-based circulation is in decline.

3. Proposed Program Approach

Newspapers in Manitoba Meet Their Obligations through Advertising Credits (Print and Digital where available)

The success of any recycling system relies on changing consumer behaviour, as well as reinforcing recycling behaviour messages. As requirements of recycling programs change, newspapers are an essential component of getting the message out to Manitoba consumers and households. Newspapers remain the most effective way of connecting with Canadians in general, through both digital and print formats.

Newspapers in Manitoba (through NMC - News Media Canada¹) will meet their stewardship obligations by providing municipalities with advertising space credits. The advertising space will be used to promote stewardship programs and drive up recycling rates for all materials in all municipalities in Manitoba regardless of size. In addition, the advertising space can be used by municipalities to promote a broad range of environment-related programs. Municipalities are supportive of this approach through negotiations which have taken place between newspapers in Manitoba represented by NMC, and the Association of Manitoba Municipalities (AMM).

This stewardship plan is efficient and effective for both municipalities and Manitoba newspapers. It is also expected to result in higher recycling rates in Manitoba, as the additional newspaper advertising will encourage residents to participate in recycling programs at higher levels than currently. Constant reminders to recycle in newspapers are expected to bring about some positive behaviour change. It is expected that the additional advertising will encourage and support improved environmental behaviour change.

¹ News Media Canada is a national organization that is incorporated under the federal Not-for-profit Corporations Act. The organization was formed in 2016 as the result of the amalgamation of the Canadian Newspaper Association and the Canadian Community Newspapers Association and has approximately 750 members from Canada's daily, weekly and community newspapers.

The proposed plan has been developed by NMC and the Manitoba Community Newspapers Association, which covers all of the newspapers that are currently stewards in the province. One of the significant advantages and benefits of the plan is that it is clear and transparent. All member newspapers are involved regardless of size.

Under the new plan, all Manitoba newspapers—dailies as well as community newspapers—will provide credits for advertising space to municipalities to promote recycling and other environmental messages and details of the local and provincial recycling program. The broader environmental messaging could relate to waste management programs including garbage, organic or bulky waste management, waste or litter reduction, water, wastewater, air quality or other environmental issues or programs. Using advertising credits for a broad range of environmental messages was agreed upon following consultations with the Association of Manitoba Municipalities (AMM). Advertising space will be allocated based on where newspapers are delivered.

The advertising credit allocation to each newspaper will be based on the dollar amount **per tonne of newsprint that is put into the system (i.e., sold into the Manitoba market).** Newspapers believe that this is the most transparent and efficient way of allocating stewardship responsibility among the 50 members of the stewardship plan.

Under the proposed plan, an allocation of \$50/tonne of newsprint in advertising credits will be used to provide advertising space to municipalities in newspapers across Manitoba, starting on 1st January, 2020. Meetings will be held between NMC and municipalities throughout the Province after that time to assess specific municipal needs and determine if this level of funding is appropriate.

Over a two -year period, starting from 1st January, 2020, credits dating back to August, 2017 will be given to all Manitoba municipalities so that by the end of 2021, credits will be provided to each municipality to fully compensate them dating back to August, 2017. Additional levies will be charged so that municipalities are fully compensated back to August, 2017 by the end of 2021.

The advertising credit arrangement is currently in place in all Canadian provinces that have producer responsibility legislation that includes newspapers (BC, Ontario, Quebec and Nova Scotia), as described in the earlier section. News Media Canada encourages Manitoba Conservation and Climate to reach out to these provinces to discuss how the arrangements have worked there.

Minimum Advertising Credit Allocation Regardless of Community or Newspaper Size

There will be a minimum allocation of advertising credits to the local municipality by each newspaper, regardless of size. Each newspaper will commit to a minimum credit of \$500/year of advertising space regardless of circulation. This ensures that small municipalities will have access to effective advertising. If there is more than one newspaper serving a municipality, the tonnage (and the resulting value of free recycling-related advertising) will be shared among the newspapers based on their relative circulation in the municipality. Where newspapers serve multiple municipalities, the advertising credit will be allocated among the municipalities.

The proposed plan will ensure that recycling messages are delivered through daily and community newspapers throughout the province, in both digital and print formats, and in fact to all communities that have a newspaper, regardless of size, as the new plan does not have a *de minimis* provision: all newspaper stewards, regardless of the size of the business, are involved in the plan and will contribute advertising credits to meet their stewardship obligation.

4. Reason for Stand-Alone Stewardship Plan for Newspapers

News Media Canada has found that it is more efficient for the newspaper industry to run its own plan, which is permitted in the legislation in most provinces. Newspapers run their own plans in BC, Ontario, Quebec and Nova Scotia already. News Media Canada has long-standing relationships with newspapers across the country which make the placing and administering of in-kind advertising more efficient.

The newspaper industry has found in other provinces that an independent plan results in administrative ease for the industry and municipalities.

Newspapers believe the stand-alone plan is more transparent and efficient and will result in more resources flowing directly to Manitoba municipalities.

5. Administration of the Manitoba Newspaper Stewardship Plan

News Media Canada will be the steward on behalf of the Manitoba newspaper industry, and will determine the annual advertising credit allocation to each municipality to be used at the local newspaper based on the tonnes of newsprint sold into the municipality. The most recent data available is presented in Appendix A.

News Media Canada is based in Toronto and is supported by a CEO and a small contingent of staff. The management of stewardship plans has been one of the functions of NMC and its predecessor associations for many years. The organization is currently the steward for the BC newspaper stewardship plan and has been managing the newspaper industry's Ontario plan since its inception in 2002.

Administration of the program and allocation of the advertising credits among municipalities will be carried out by a Program Manager who will be resident in Manitoba and working out of space donated by one of the member newspaper offices, or by the Manitoba Community Newspapers Association. News Media Canada will determine the amount of advertising that will run in each newspaper, and will share the calculations with the provincial government and the AMM.

About News Media Canada

News Media Canada is a national organization that is incorporated under the federal Not-for-profit Corporations Act. The organization was formed in 2016 as the result of the amalgamation of the Canadian Newspaper Association and the Canadian Community Newspapers Association and has approximately 750 members from Canada's daily, weekly and community newspapers.

News Media Canada is governed by a board made up of a minimum of 10 and maximum of 17 directors who are appointed by the membership. The board reflects the diversity of the industry and the communities it represents by striking a balance between daily and weekly, small and large, corporate and independent newspapers, as well as taking into account linguistic and geographic diversity. Rules around the organization's governance and operations are clearly laid out in its bylaws, which are available for review here: https://nmc-mic.ca/about-us/bylaws/.

6. Types of Advertising Covered in the Plan

The advertising credits can be used on a broad range of topics **as long as there is some environmental connection**, as this plan is being developed in response to environmental legislation, and environmental protection is at the core and is the intent of the legislation. As such, this agreement is an excellent opportunity for Manitoba municipalities to promote environmental stewardship on a broad ranging list of environmental issues such as litter, waste reduction, water conservation, leaf and yard waste collection opportunities, managing bulky waste, etc., as well as all messages related to recycling.

Advertising credits can be used for print as well as digital advertising, depending on the capacity of the individual newspaper.

7. Management of Newsprint

The program includes newspapers only. Other printed papers such as flyers, catalogues and magazines are not included and are the responsibility of the designated brand owners.

A convenient recycling infrastructure is already in place across Manitoba, serving over 90% of Manitoba residents. It is estimated that the newsprint recycling rate was 87.8% through the current recycling infrastructure in 2016.

Newsprint will continue to be collected through the current municipal Blue Box collection infrastructure, which is a combination of curbside service and drop off locations throughout the province. Starting in 2020 the amount of newsprint recycled annually will be reported directly to NMC by Manitoba municipalities.

Litter abatement will be provided through free advertising of recycling, litter reduction and other environmental² messages in newspapers throughout the province.

Recycled newsprint will be sold into domestic paper and containerboard mills in Canada and the US. The destination of recycled newsprint varies depending on the amount for sale and revenue options and quality standards offered by a number of newsprint and containerboard mills throughout North America.

The environmental footprint of recycled newsprint is positive as use of recycled newsprint rather than virgin pulp to make newspaper and containerboard reduces the need to cut down trees to make paper products. Each tonne of newsprint recycled saves 3.3 tonnes of CO₂ equivalent³.

8. Targets and Measurement

The estimated recovery rate⁴ for newsprint varies from one year to the next, and between 2011 and 2016, it varied from 87% to 98% depending on the year. Newspapers were recovered in Manitoba at an average estimated recovery rate of over 92% over the last six years, which is by far the highest recovery rate of any material in the printed paper and packaging program.

Some newsprint losses occur as people use newspapers for other purposes (kindling for fires, wrap fish, gardening, etc.), so in general, the high recovery rates are comparable to those found in other provinces.

The high recovery rate is expected to continue under the new plan, and given that current recycling rates are above 85%, specific targets are not considered necessary. In addition to high recovery rates for newsprint, it is anticipated that more advertising messages being delivered to residents throughout Manitoba will, in fact, increase recovery for all materials with the additional promotion and education provided through this plan.

² The advertising credits include broader environmental messages at the request of AMM during consultations when developing this draft plan.

³ Torrie Smith, Sonnevera and Kelleher Environmental: GHG Emissions and the Ontario Waste Management Sector: Report to the Ontario Waste Management Association, December, 2015.

⁴ expressed as % recovered, which is calculated as the tonnes recycled divided by the tonnes sold into the Manitoba market

9. Financial Arrangements

The financial and other arrangements included in the plan will be implemented by News Media Canada. The plan will be managed and administered by a dedicated News Media Canada staff person located in Manitoba.

Amounts of newsprint introduced into the Manitoba market annually will be reported to the News Media Canada Project Manager by each of the 50 newspapers who are participating in the plan. The advertising credit each newspaper owes will be calculated based on a rate of \$50/tonne of newsprint introduced into the Manitoba marketplace by that newspaper based on its reported circulation in Manitoba.

Office space for the Newspaper Stewardship Plan Program Manager will be donated by one of the Winnipeg newspaper publishers and the staff person will be located at their office. Alternatively, the program may be administered through the Manitoba Community Newspapers Association, which will volunteer office space and back office support for the Program Manager.

News Media Canada will provide both newspapers and municipalities with the allocated advertising credit information and will work with both municipalities and the newspapers to administer the advertising credit.

In consultations carried out during the preparation of this draft plan, municipalities asked for the option to use the advertising credit for digital advertising and flyers as well as print advertising. The request for digital advertising will be accommodated to the extent possible, depending on the availability at individual newspapers (e.g., some may have a limited digital presence, etc.).

10. Consumer Education and Awareness

Consumer education on waste reduction and recycling will be provided through advertising of recycling, litter reduction and other environmental messages in newspapers throughout the province. Advertising will run in all member newspapers in the province, including those not currently stewards. The advertising will promote the recycling of newspapers, and raise awareness of the importance of recycling newspapers as well as all other materials included in the recycling program. The advertising will specifically address the recycling of newspapers to meet the requirements of this plan. Examples of the types of advertising used in similar programs in other provinces with similar arrangements to that proposed in Manitoba, are included in Appendix B to this plan.

News Media Canada already manages similar programs in BC and Ontario and understands the needs of municipalities, particularly small ones that do not have a lot of advertising experience.

News Media Canada will provide municipalities with stock ads and creative ideas so that the advertising space can be used effectively to increase consumer education and awareness. The ads will be tailored where needed to suit local municipal needs. The News Media Canada Project Manager will work with

municipalities to effectively use the advertising space provided, and will provide advertising copy if needed.

Ideally, the ads will be part of a coordinated ad campaign so that they are more effective than random, one-off ads in consumer education and promotion.

In addition, each newspaper will run ads encouraging the reader to recycle the newspaper.

11. Performance Indicators and Reporting Requirements

Performance indicators for the program plan include:

- Recovery rate for newsprint (reported as estimated % diversion) and
- Advertising credits allocated to municipalities by location.

All municipalities will report the tonnes of newsprint recycled annually to the News Media Canada Program Manager as a condition of receiving advertising credits. The newsprint amount will be verified through bale audits at MRFs, paid for by NMC. The amount of newsprint recycled will be verified through receipts from the downstream markets – generally paper mills – where the recycled newsprint is sold. The amount will be consolidated annually to calculate the annual newsprint recycling rate.

Performance of the program will be addressed in an annual report to the Minister of Conservation and Climate documenting the advertising credits allocated to each municipality and how they were used. The annual report will include an audited financial statement of the program, similar to the audited statements prepared for programs in other provinces.

12. Consultation during Plan Development

The newspaper industry worked with the Association of Manitoba Municipalities (AMM) and the City of Winnipeg on development of this plan which involves an advertising credit stewardship program for the newspaper industry. AMM has been supportive of the approach presented in this plan. A positive response has been received from other parties.

A meeting took place with City of Winnipeg and Manitoba municipalities represented by AMM on Thursday 6th December, 2018. Comments received and actions planned to address the comments have been incorporated into this plan. A second meeting with AMM took place on 2nd May, 2019.

News Media Canada will conduct a webinar for interested municipalities and will document comments and responses in tabular format.

In addition, the draft plan will be posted for comments.

13. Ongoing Consultation after Plan Implementation

On a go-forward basis, after plan approval and implementation, consultation will occur through annual meetings between News Media Canada and AMM to review the program, assess the effectiveness of the program and make improvements as required. The annual consultation and review process with AMM will ensure coverage across the province and within municipalities. A local advisory committee (LAC) will be formed, comprising representatives from AMM, the provincial government and local MRF operators/processors. An annual meeting of this committee is expected to generate excellent feedback and insights on how to improve the program performance.

News Media Canada is also committed full transparency with AMM with regard to all calculations and formulas that determine the advertising credit and its allocation.

14. *De Minimis*, Free Riders, and Membership

One of the unique aspects of this plan is that there is no *de minimis* threshold. All Manitoba newspapers will be involved, regardless of size and distribution; therefore, all of the communities served by very small newspapers will still benefit from the provisions of the plan.

Given that all newspapers in Manitoba will be involved in the plan regardless of their size and distribution levels, a free ridership issue is not expected, as there is no confusion regarding thresholds. All members of the newspaper industry are fully on board. Letters are included in this plan confirming support and commitment from the *Winnipeg Free Press*, the *Sun*, and the *Brandon Sun*.

Participation in this plan was endorsed through a Board resolution of the Manitoba Community Newspapers Association on September 11, 2018.

15. Dispute Resolution Process

Should any dispute arise, NMC will work with concerned municipalities to resolve any issues in consultation with the AMM and the LAC. If this approach is not successful, an arbitrator/facilitator agreed to by both parties would be hired at NMC expense to resolve the dispute.

16. Research and Development

The newspaper industry continues to work on business models and methods to transition out of print media and to a fully digital format. If successful, this will reduce the amount of newsprint introduced into the Manitoba environment over time, and result in lower production of newsprint from wood pulp which results in cutting down trees. Research to date has shown that while younger demographics (Millennials

and iGen/Generation Z) are fully comfortable with digital newspapers, and receptive to the concept of fully digital newspapers, older demographics (Generation Y, Baby Boomers and older) continue to prefer paper formats, although they also like and consume digital formats. The transition is expected to take some time, as a trend currently experienced across North America and globally.

Appendix A: Participating Manitoba Newspapers

Table 1: Annual Tonnage of Newsprint Sold into the Manitoba Market by News Media Canada Newspaper Members is

Owner	Publication Type	Market	Newspaper	
Postmedia Network Inc.	Community Newspaper	Altona	Red River Valley Echo	
3229379 Manitoba Ltd.	Community Newspaper	Baldur/Glenboro	Baldur-Glenboro Gazette	
Clipper Publishing Corp.	Community Newspaper	Beausejour, Oakbank, Lac du Bonnet and Powerview	Clipper Weekly	
Boissevain Recorder Inc.	Community Newspaper	Boissevain	The Boissevain Recorder*	
FP Newspapers Inc.	Daily Newspaper	Brandon	Brandon Sun	
FP Newspapers Inc.	Community Newspaper	Brandon	Westman This Week	
FP Newspapers Inc.	Community Newspaper	Carberry	News-Express	
Postmedia Network Inc.	Community Newspaper	Carman	Valley Leader	
Cartwright Southern Manitoba Review	Community Newspaper	Cartwright	Southern Manitoba Review	
Canadian Forces Morale and Welfare Services (CFMWS)	Community Newspaper	CFB Shilo	Shilo Stag	
Canadian Forces Morale and Welfare Services (CFMWS)	Community Newspaper	CFB Winnipeg	Voxair	
Gilroy Publishing	Community Newspaper	Dauphin	Dauphin Herald	
Glacier Media Inc.	Community Newspaper	Deloraine	Times & Star	
The Southern Journal	Community Newspaper	Emerson	Southeast Journal	
Nesbitt Publishing Ltd.	Community Newspaper	Erickson/Onanole	South Mountain Press	
Glacier Media Inc.	Community Newspaper	Flin Flon	The Reminder	
Postmedia Network Inc.	Community Newspaper	Gimli	Interlake Spectator	
Big and Colourful Printing & Publ.	Community Newspaper	Gimli	The Express Weekly News	
FP Newspapers Inc.	Community Newspaper	Headingley	the Headliner	
Struth Publishing Ltd.	Community Newspaper	Killarney	Killarney Guide	
BKS Publishing Ltd.	Community Newspaper	Manitou	Western Canadian	
Glacier Media Inc.	Community Newspaper	Melita	Melita New Era	
The Minnedosa Tribune	Community Newspaper	Minnedosa	The Minnedosa Tribune	

7169.95 tonnes

Postmedia Network Inc.	Community Newspaper	Morden	Morden Times
3259545 (Manitoba) Ltd.	Community Newspaper	Neepawa	Neepawa Banner & Press
Sentinel Courier	Community Newspaper	Pilot Mound	Sentinel Courier*
Postmedia Network Inc.	Community Newspaper	Portage la Prairie & Central Manitoba Region	Central Plains Herald- Leader
Glacier Media Inc.	Community Newspaper	Reston	The Reston Recorder
3259545 (Manitoba) Ltd.	Community Newspaper	Rivers	Rivers Banner/Gazette Reporter
Gilroy Publishing	Community Newspaper	Roblin	The Roblin Review
Gilroy Publishing	Community Newspaper	Russell	Russell Banner
Big and Colourful Printing & Publ.	Community Newspaper	Selkirk	Selkirk Record
Postmedia Network Inc.	Community Newspaper	Selkirk	The Selkirk Journal
Nesbitt Publishing Ltd.	Community Newspaper	Shoal Lake/ Hamiota/ Birtle/ Rossburn	Crossroads This Week
Glacier Media Inc.	Community Newspaper	Souris	Souris Plaindealer
Presse-Ouest Ltée.	Community Newspaper	St-Boniface	La Liberté
FP Newspapers Inc.	Community Newspaper	Steinbach	The Carillon
Postmedia Network Inc.	Community Newspaper	Stonewall	Stonewall Argus & Teulon Times
Big and Colourful Printing & Publ.	Community Newspaper	Stonewall	Stonewall Teulon Tribune
Gilroy Publishing	Community Newspaper	Swan Valley	Star & Times
Gilroy Publishing	Community Newspaper	The Pas	Opasquia Times
Glacier Media Inc.	Community Newspaper	Thompson	Nickel Belt News
Glacier Media Inc.	Community Newspaper	Thompson	Thompson Citizen
3352391 Manitoba Ltd.	Community Newspaper	Treherne	The Times
Glacier Media Inc.	Community Newspaper	Virden	Empire-Advance
Postmedia Network Inc.	Community Newspaper	Winkler	Winkler Times
Big and Colourful Printing & Publ.	Community Newspaper	Winkler Morden	Winkler Morden Voice
The Globe and Mail Inc.	Daily Newspaper	Winnipeg	The Globe and Mail
FP Newspapers Inc.	Community Newspaper	Winnipeg	The Herald
FP Newspapers Inc.	Community Newspaper	Winnipeg	The Lance
FP Newspapers Inc.	Community Newspaper	Winnipeg	The Metro

FP Newspapers Inc.	Community Newspaper	Winnipeg	The Sou'wester	
FP Newspapers Inc.	Community Newspaper	Winnipeg	The Times	
FP Newspapers Inc.	Daily Newspaper	Winnipeg	Winnipeg Free Press	
Postmedia Network Inc.	Daily Newspaper	Winnipeg	Winnipeg Sun	
Total Tonnes			7	7,169. 95

Appendix B: Examples of Advertising in Other Provincial Stewardship Programs





Visit your municipality's website to learn what can go in your blue box.







