



New Brunswick Paint Stewardship Program

2017 Annual Report

Submitted to: Recycle New Brunswick

Submitted by: Product Care Association of Canada

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1.0 About Product Care Association of Canada

The New Brunswick Paint Stewardship Program (“Program”) is administered and operated by Product Care Association of Canada (“PCA”). PCA, on behalf of its members, oversees the administration, collection, transportation and recycling of all regulated post-consumer paints and aerosols.

PCA is a federally incorporated, not-for-profit product stewardship association formed in response to stewardship regulations and is governed by a multi-sector industry board of directors. PCA has developed and managed paint, household hazardous waste and special waste stewardship programs since 1994.

PCA’s members are the “brand owners” (manufacturers, distributors and retailers) of “consumer paint products” as defined pursuant to the *Designated Materials Regulation 2008-54* (“Regulation”) under the category of architectural paint.

1.1 Reporting Period

This report covers the 2017 calendar year (January 1 to December 31, 2017). All content has been prepared in accordance with section 45(1) of the Regulation.

1.2 Program Summary

PCA has an approved paint stewardship program plan with Recycle New-Brunswick (“RNB”) under the Regulation since 2009.

Program products are defined by the Regulation as “a tinted or untinted latex, oil or solvent-based architectural coating used for commercial or household purposes, including stain, and includes the coating’s container” or a “coloured or clear paint or stain sold in an aerosol container and includes the paint’s or stain’s container, but does not include coatings intended for marine antifouling, industrial or automotive applications”. A detailed list of products accepted by the Program is found on PCA’s website.

Environmental handling fees (EHFs) are applied to each container of Program Products covered under the Regulation sold in or into the Province, providing funding to operate and manage the Program.

The Program offers collection sites throughout the Province where consumers can bring leftover household paint. Collection services are offered through redemption centres, retail locations, local government waste facilities and collection events. The Program supplies collection sites with standard reusable collection bins (“tubskids” and drums). The Program contracts with a

hauler to deliver empty collection containers and pick up full ones from collection sites and events, and consolidate the full collection containers into loads, which are shipped to a processor for processing. Additional Program elements managed by PCA include revenue management, communications and administration.

2.0 Brand Owner Sales Information

Program members reported the sale of 4,799,118 litres of program products in New Brunswick for the reporting period.

3.0 Collection

The following section provides the total amount of waste paint collected in New Brunswick, as well as the location of collection sites.

3.1 Total Amount of Waste Paint Collected

Table 1 below shows the total amount of waste paint collected by the Program for the 2017 reporting period.

Table 1: Total Amount of Waste Paint Collected in 2017

Item	Number of Tubskids ¹	Residual Paint Volume from tubskids(L) ²	Paint Reuse volume (L) ³	Number of Aerosol Drums ⁴	Residual Aerosol Paint Volume (L) ⁵	Total Residual Paint Volume (L)
Volume Collected	2,479	332,505	1,131	208	1,092	334,728

Table 2 provides the 2017 recovery rate; the volume of paint collected as a function of the volume of paint sold in New Brunswick in 2017.

¹ Each collection bin measures 42" x 48" x 30" with a nominal capacity of 108 one gallon containers. The actual number of paint containers per bin varies depending on the mix of paint container sizes, ranging from 250ml – 18.9L capacity

² Based on a rounded conversion rate of 134.1L per collection bin derived from the number of tubskids processed and the total residual volume of material generated.

³ Paint Reuse volume are calculated assuming that containers are 75% full.

⁴ Each drum holds approximately 175 aerosol containers.

⁵ Based on a conversion rate of 5.25L per drum.

Table 2: 2017 Paint Sales, Residual Recovery Volume and Recovery Rate

	Total
Sales (litres)	4,799,118
Residual Recovery Volume (litres)	334,728
Recovery Rate	7.0%

Table 3 shows the total amount of paint tubskids and aerosol drums collected by the individual regions of New Brunswick.

Table 3: Collection Containers Collected by Region in 2017

Region	Paint (tubskids)	Aerosols (drums)
Acadian Peninsula	85	2
Chaleur	196	36
Fredericton	431	9
Fundy	514	26
Greater Miramichi	73	4
Kent	69	4
Kings	91	5
Northwest	84	12
Restigouche	36	4
Southeast	759	100
Southwest	74	4
Western Valley	67	2
TOTAL	2,479	208

3.2 Collection Sites

As of December 31, 2017, 60 collection sites were participating in the Program. See Table 4 for the breakdown of collection site changes in 2017.

Table 4: Collection Site Changes in 2017

	# of Collection Sites	Changes
2016	62	
2017	60	2 sites closed

Appendix 1 provides details on the collection sites, including location and participation in the Paint Reuse program.

3.3 Collection Site Visits

A PCA representative visited 54 collection sites in 2017 (see list in Table 5 below), providing in-person support to the collection sites, delivering informational brochures and providing any necessary training.

Table 5: Collection Sites Visited in 2017

Depot Name	Date of visit	Municipality	County
Beresford Recycling	26-Jun-17	Beresford	Gloucester
Boyd Brothers Home Hardware	17-Aug-17	St George	Charlotte
Brooks Redemption Centre	27-Sep-17	Hartfield	York
Caraquet Home Hardware	27-Jun-17	Caraquet	Gloucester
Carpet Ranch	26-Jun-17	Beresford	Gloucester
Centre de Remboursement Lamèque Inc.	27-Jun-17	Savoie Landing	Gloucester
Clark's Redemption Centre	01-Jun-17	Chipman	Queens
COGERNO	18-Sep-17	Rivière-Verte	Madawaska
Centre de Remboursement Gaetan Bossé	18-Sep-17	Saint-Quentin	Restigouche
Centre de Remboursement le Recyclage	18-Sep-17	Rivière-verte	Madawaska
Dupuis Home Hardware Building Centre	06-Oct-17	Memramcook	Westmorland
Fredericton Solid Waste	27-Sep-17	Fredericton	York
Friendly's Bottle Exchange	19-Sep-17	Lower Brighton	Carleton
Fundy Region Service Commission	23-Sep-17	Rothsay	St John
G.M.Rioux et Fils Ltee	19-Sep-17	Grand Falls	Victoria
Golden Mile Redemption Centre	22-Aug-17	Saint John	St John
Gorbers Bottle Exchange	06-Sep-17	Moncton	Westmorland
Grand Bay Redemption Centre	22-Aug-17	Grand Bay - Westfield	Kings
Hampton Recycling Centre	01-Jun-17	Hampton	Kings
Hillsborough Recycling Depot	06-Sep-17	Hillsborough	Albert
Home Hardware	27-Jun-17	Tracadie	Gloucester
Horsman's Bottle Exchange	06-Sep-17	Salisbury	Westmorland
J&L Bottle Exchange	18-Sep-17	Edmundston	Madawaska
Southern Valley Transfer Station	19-Sep-17	Woodstock	Carleton
Keith's Building Supplies	17-Aug-17	St Stephen	Charlotte
Société Cooperative de Lamèque Limité (BMR)	27-Jun-17	Lamèque	Gloucester
Loch Lomond Redemption Centre	22-Aug-17	Loch Lomond	St John
Mapleview Redemption Centre	19-Sep-17	Weaver	Carleton
Marina Bottle Exchange	26-Jun-17	Athville	Restigouche

Depot Name	Date of visit	Municipality	County
Neguac Home Hardware	27-Jun-17	Neguac	Northumberland
Nepisiguit-Chaleur SWC	26-Jun-17	Allardville	Gloucester
Norrad's Express & Redemption Centre Ltd.	01-Jun-17	Sussex	Kings
Pub's Transfer & Bottle Exchange	22-Aug-17	Saint John	St John
Recyclage Chaleur	26-Jun-17	Petit-Rocher	Gloucester
Regional Service Commission #- 12	19-Sep-17	Centreville	Carleton
Roblynn Home Hardware	27-Sep-17	Oromocto	Queens
Rogersville Home Hardware	04-Aug-17	Rogersville	Kent
RONA Le Rénovateur	18-Sep-17	Saint Francois-de-Madawaska	Madawaska
RONA Le Rénovateur	18-Sep-17	Edmundston	Madawaska
RONA Le Rénovateur (# 7200)	18-Sep-17	Saint-Quentin	Restigouche
Shediac Redeem Centre	06-Oct-17	Shediac	Westmorland
South West Service commission (Landfill)	17-Aug-17	Lawrence Station	Charlotte
Southside Redemption Centre	17-Aug-17	Hanwell	York
Tediche Home Hardware Building Centre	06-Oct-17	Cap-Pele	Westmorland
Topmar	27-Sep-17	Fredericton	York
Vail's Redemption Centre	19-Sep-17	Woodstock	Carleton
Valle Glass Recycling	06-Sep-17	Dieppe	Westmorland
Valley Glass - Collishaw	06-Sep-17	Moncton	Westmorland
Valley Redemption - Toombs	06-Sep-17	Moncton	Westmorland
Valley Redemption Centre	22-Aug-17	Quispamsis	Kings
Watson's Store Ltd.	17-Aug-17	Harvey	York
Westmorland-Albert Solid Waste Corporation	01-Nov-17	Berry Mills	Westmorland
Wheaton's All-In-One	06-Oct-17	Sackville	Westmorland
Wiebe's Home Hardware	19-Sep-17	Centreville	Carleton

3.4 Regional Service Commission Events

According to information available to PCA, 49 household hazardous waste (HHW) collection events were held in 2017 by the Regional Services Commissions (RSCs) (see Table 6). The Program managed all waste paint collected from these events.

Table 6: HHW Collection Event Locations and Dates in 2017

Location	Date
Alma	16-May-17
Bathurst	13-May-17
Bathurst	28-Oct-17
Beaubassin-Est	31-May-17
Beresford	15-May-17
Campbellton	09-Sep-17
Cap Pele	24-May-17
Clair	25-Apr-17
Dalhousie	10-Sep-17
Dieppe	03-Jun-17
Doaktown	03-Jun-17
Doaktown	30-Sep-17
Dorchester	17-May-17
Edmundston	10-Jun-17
Edmundston	16-Sep-17
Florenceville	23-Sep-17
Grand Falls	06-May-17
Grand Falls	14-Oct-17
Hillsborough	03-May-17
Janeville	14-Oct-17
Kedgwick	16-Sep-17
Keswick Ridge	16-Sep-17
Lac Baker	05-Oct-17
Memramcook	06-Jun-17
Minto	19-Aug-17

Location	Date
Miramichi	03-Jun-17
Moncton	18-May-17
Moncton	25-May-17
Moncton	01-Jun-17
Nackawic	10-Jun-17
Nigadoo	21-Oct-17
Perth-Andover	23-Sep-17
Petitcodiac	09-May-17
Petit-Rocher	29-Apr-17
Port Elgin	23-May-17
Richibucto	17-Jun-17
Riverside-Albert	16-May-17
Riverview	27-May-17
Rothsay	22-Sep-17
Rothsay	23-Sep-17
Sackville	02-May-17
Salisbury	11-May-17
Shediac	10-May-17
St Francois de Madawaska	10-Oct-17
St. Antoine	06-May-17
St-Leonard	27-Apr-17
St-Quentin	02-May-17
Sussex	13-May-17
Woodstock	24-Sep-17

4.0 Processing

This section of the report sets out:

- a) A description of the efforts to redesign paint products to improve reusability and recyclability; and
- b) The total amount of waste paint processed or in storage;
- c) The percentage of waste paint collected that was reused, recycled, disposed of in an engineered landfill, recovered for energy, or otherwise treated or disposed of;
- d) A description of the types of processes utilized to reuse, recycle, dispose of, recover energy from, contain, or otherwise treat or dispose of waste paint;
- e) The location of processing or containment facilities for waste paint.

4.1 Design for Environment

Chemical Management Plan

The paint and coatings industry is continually pursuing innovations in product formulations that strike a balance between sustainability, health and safety and product performance. This is done working in concert with key agencies such as Health Canada, Environment Canada and numerous standard-setting organizations. An example of industry's sustainability initiatives includes involvement with the federal government's Chemicals Management Plan (CMP). Assessing chemicals in commerce for all industry sectors including paint and coatings. This comprehensive federal government initiative evaluates risks associated with substances contained in products and intended uses or applications of the product. These risk assessments are done with a view to banning the highly toxic substances that are considered dangerous to human health and the environment or managing the risks in the ones that are deemed to be less harmful. The CMP entered its third phase and identified 1,550 substances being risk assessed for potential to cause harm to human health or the environment. Over five hundred of those chemicals are implicated in the paint and coatings industry. Over the next five years, the coatings industry will provide detailed information on all the substances used in order for the Government to make a determination as to whether or not they need a risk management regime or an outright ban. This will further enhance the sustainability of the products once the assessment is completed and action taken where needed.

Where toxicity in chemicals is considered potentially harmful to human health or the environment, a risk management approach is required to permit continued use of the substances contained in products like paint and coatings. This may result in regulations, pollution prevention plans, codes of practice or compliance agreements and ultimately reformulation or re-design of products for the marketplace, which reduces or eliminates

negative impacts. In some cases, this has led to less toxic and more environmentally friendly alternatives or substitutes for product formulations that still ensure product performance demands of the customer. We have seen these measures lead to important benefits, such as the reduction of low-level emissions from Volatile Organic Compounds (VOC) in paints with most paints now containing low or no VOC content.

VOC Emissions Reductions in the Paint and Coatings Industry

Almost all ground-level ozone and about two-thirds of particulate matter are formed in the atmosphere through the reactions of precursor substances, with VOCs being one of the most significant. Consequently, Canada's approach to reduce atmospheric levels of particulate matter and ozone is to reduce the precursor emissions, including VOCs. In 2009 the federal government implemented VOC Concentration Limits for Architectural Coatings Regulations for all architectural and automotive paint and coatings in 54 product categories. Since that time there has been tremendous success in the emissions reduced in all paint and coatings used in Canada as follows:

- 93 per cent of the sales volume of all architectural coatings in Canada is now water-based, up from less than 50 percent ten years ago.
- In 2015, based on comprehensive and random testing conducted by Environment and Climate Change Canada (ECCC), 99+ per cent of the sales volume for architectural waterborne coatings in Canada, traditionally associated with high VOC content, are now fully compliant with the lower VOC limits required by the VOC Concentration Limits for Architectural Coatings Regulations.
- Compared with 2002 levels, the architectural paint and coatings sector has achieved 74 per cent reduction in overall VOC emissions due to lowering of the VOC content in waterborne products and by eliminating most of the solvent borne product lines completely. These industry efforts greatly exceeded the government's own expectations, which was projected to be a 28 per cent reduction.

Industry Leadership

Many companies now have sustainability goals and targets. Those are put in place for environmental reasons, but they also make good business sense as efficient use of natural resources has been shown to reduce operating costs. As a result, many firms now have regular sustainability reporting as an ongoing part of their business planning, allowing them to integrate the addressing of environmental challenges into their long-term development strategy. Some of the ways in which paint and coatings companies address the alignment of sustainability with capital allocation decisions include:

- Setting and updating long-term green house gas reduction targets and linking those with environmental compensation and sustainable product innovation
- Using life cycle assessment to set business goals when expanding product offerings and risks management
- Developing metrics to factor in the social and environmental impact of their suppliers along the supply chain to determine true business costs

- Making investments in new environmental research and innovation
- Ensuring R&Ds projects are aligned with the sustainability policy of the company
- Some companies now have Chief Sustainability Officers, who are one of the decision makers for large internal capital budget requests, signing-off with the controller on capital budget requests to ensure sustainability is evaluated and included in decision making

Customer preference

Many initiatives are also driven by customer preferences. Companies now focus attention on answering consumer preferences for products that reduce fuel use, limit real estate footprints, improve water and wastewater management while ensuring customers get the same product performance. For example, paint and coatings companies develop products that help businesses and their customers to reduce their environmental footprint, while creating value. These product lines include architectural paints being now more durable, lasting longer and protecting valuable assets;

4.2 Waste Paint Processed

All paint collected through the Program is sent to the Laurentide Re-sources Atlantic Inc. facility in Springhill, Nova Scotia for processing. Volumes collected but not shipped, or shipped but not processed, are managed in the following Program year.

In 2017, a total of 2,512 tubskids of leftover paint were delivered to the Laurentide facility for processing, which includes tubskids collected in 2016 and held at the Hebert's Recycling consolidation facility.

During the reporting period, Laurentide processed (i.e., opened, sorted and bulked into shipping containers) 2,517 tubskids, which includes tubskids that were in their inventory from 2016.

Table 7 shows the volume of waste paint shipped to processors and the volume processed by collection container (tubskids and drums) and by residual volume (litres).

Table 7: Total Amount Waste Paint Processed in 2017

Item	Number of Tubskids ⁶	Residual Paint Volume (L) ⁷	Number of Aerosol Drums ⁸	Residual Aerosol Paint Volume (L) ⁹	Total Residual Paint Volume (L)
Volume Shipped to Processor	2,512	336,931	211	1,108	338,039
Volume Processed	2,517	337,601	211	1,108	338,709

Information on the number of paint containers processed in 2017 at Laurentide Re-sources and the percentage of non-program materials collected is found in Table 8.

Table 8: Number of Paint Containers Processed in 2017 at the Laurentide Re-sources Atlantic Facility

	# of Containers
Paint containers	303,361
Non-program containers	13,244
Total containers	316,605
% of non-program containers	4.2%

The amount of metal and plastic containers recycled in 2017 and their respective processors are found in Table 9.

⁶ Tubskid dimensions (48" x 42 x 30") with a nominal capacity of 108 one gallon containers. The actual number of paint containers per bin varies depending on the mix of paint container sizes, ranging from 250ml – 18.9L capacity.

⁷ Based on a rounded conversion rate of 134.1 L per collection bin derived from on the number of tubskids processed and the total residual volume of material generated. Reuse volume is not included in calculation.

⁸ Each drum holds approximately 175 aerosol containers.

⁹ Based on a conversion rate of 5.25L per drum.

Table 9: Metal and Plastic Containers Collected and Recycled in 2017

Container Type	Collected and Recycled (tonnes)	Processor	Management Process
Metal	67.5	Tri-Province Recycling, NB	Mixed with other scrap metal and sold as a commodity that is eventually sent for smelting
Plastic pails (HDPE 2)	4.7	Laurentide Re-sources Atlantic	Combined and baled with other plastics and managed as a commodity for plastics recycling or sent for reuse
Plastic paint containers (polypropylene)	19.5	Laurentide Re-sources Atlantic	Processed and managed as a commodity for plastics recycling

4.3 Disposal Method Descriptions

The following sections describe each method the Program used to manage waste paint.

Reuse (Paint Reuse Program)

The Paint Reuse Program, previously “Paint Exchange”, makes better quality paint returned to collection sites available to the public to take and use at no cost. Paint Reuse was offered at 27 collection sites in 2017, representing almost half of all sites across the Province (see Appendix 1 for a list of sites offering Paint Reuse). An estimated 1,131 litres of paint was given away to consumers through the Paint Reuse Program; an increase of more than 100% over 2016. Reuse volumes are estimated by assuming that each container is 75% full on average.

Recycling

At the Laurentide Re-sources facility, paint containers are removed from the collection bins, inspected, opened, sorted by type, colour and quality, and poured into shipping containers. Bulked paint of recyclable quality is then transferred to Laurentide Re-sources, Richibucto storage facility, where it is distributed to an affiliated processor, Peintures Recupérées du Québec (PRQ) in Victoriaville, QC or transferred to other international recyclers. Table 9 provides the quantities of latex paint and alkyd paint that were recycled. The diminishing market for alkyd paint has made it increasingly difficult to recycle. Consequently, while limited amounts of alkyd paints continue to be recycled, a large portion of the volume is sent for energy recovery.

Table 9: Quantity and Type of Paint Recycled

Type	Litres	Percentage
Latex paint	212,280	86.4%
Alkyd paint	33,402	13.6%
Total	245,682	100%

*Note: Paint Reuse volume is not included in table 9.

Energy Recovery

Not all oil-based paint collected is of suitable quality for recycling. In some cases, the paint may be in the form of skins or sludge, of an undesirable color, contaminated or of the wrong chemistry for paint recycling. In addition, regulations such as the Federal VOC Regulations, require more stringent limits on certain chemical constituents, which tend to be found in higher concentrations in older paints, making it difficult to recycle. Finally, the market for recycled solvent-based paint is significantly smaller than that for water-based products and demand continues to decline.

Due to the high solvent content of oil-based paints, these products are suitable for energy recovery. Through the process of fuel blending, some of the oil-based paint collected by the Program that is not suitable for paint recycling is used as an alternative energy source in applications such as permitted incinerators. During the reporting period, 30,093 litres of alkyd paint and paint from paint aerosols were blended with other fuels and utilized for energy value at licensed facilities.

Landfill

The sorting and bulking of the latex paint by Laurentide Re-sources generated 62,935 litres of non-recyclable latex sludge/solid which were solidified and disposed of at a synthetic-lined landfill cell with leachate collection.

Incineration

No material was incinerated during the reporting period.

Table 11 shows the breakdown of waste paint collected that was reused, recycled, recovered for energy or disposed of in an engineered landfill. Each amount is shown in litres and as a percentage.

Table 11: Waste Paint by Management Method

Method	Volume (litres)	Percentage
Reuse	1,131	0.3%
Recycle	245,682	72.3%
Energy Recovery	30,093	8.9%
Landfill	62,935	18.5%
Total	339,841	100%

4.4 Location of Processing and Containment Facilities

The following is a list of facilities contracted by the Program to handle and process paint.

Hebert's Recycling Inc. 53 Walsh Avenue Miramichi, NB E1N 3A5	Containment Facility
Laurentide Re-sources Atlantic Inc. 100 Main Street Springhill, NS B0M 1X0	Processing Facility
Laurentide Re-sources Atlantic Inc. 9322 Rue Main Richibucto, NB E4W 4C7	Storage Facility
Société Laurentide Inc. 345 Bulstrode Street Victoriaville, QC G6T 1P7	Processing Facility
Clean Harbors Environmental Services Rang 5 East 400 Galipeau Street Thurso, QC J0X 3B0	Processing Facility

5.0 Communication and Education

PCA continued its communication and public outreach in 2017 to educate consumers in accordance with regulatory requirements. The following describes the various communication and education tactics employed.

5.1 Program awareness

In November 2017, an online survey was conducted among 800 adult New Brunswick residents. The survey revealed that 66% of residents are aware of a recycling program for paint in the province, an increase of 13% over 2015 and surpasses the awareness target of 55% for 2017, by 11%. The next consumer awareness study will be conducted in 2019.

5.2 Website

PCA continued to operate a consumer-facing brand, ReGeneration, through which it engages end-users utilizing numerous communications platforms. The central consumer information hub for ReGeneration is the website, *ReGeneration.ca*, which is home to the following bilingual content for the Program:

- Collection site finder (a searchable map displaying locations of the collection sites – see Appendix 2)
- Tips for storing and buying the correct amount of paint
- Collection sites hours of operations
- Accepted and non-accepted products
- Consumer videos showing the product management approach for paint
- Other information (e.g., a description of the Paint Reuse Program).
- A fillable form for ordering promotional materials like rack cards and floor decals

An estimated 89,576 unique visitors accessed *ReGeneration.ca* during the 2017 calendar year. The New Brunswick section (including sub-sections for accepted products, EHF information, Paint Reuse, and large volume generator information) received 1,934 total page views. In addition, there were a total of 3,806 searches for New Brunswick collection sites using the Regeneration collection site locator. Additionally, *ReGeneration.ca* and Recycle New Brunswick's website share links.

5.3 Program Hotline

Recycle NB and PCA continue to operate a toll-free, bilingual "hotline" where consumers can obtain information about the Program.

5.4 Radio Campaign

Thirty second French radio advertisements aired on 92.9 and 94.1 La SuperStation from September to November 2017.

From April to August 2017, 227 thirty second English radio advertisements aired through K100 (C1OK-FM) and Kool98 (CJYC-FM) in Saint John, Sussex, and Windsor. These spots targeted homeowners, age 25 and up. Three of these spots per week were part of the station's Summer Cruisers program. In addition to radio advertisement, two Summer Cruisers ambassadors attended nearly 30 events and spoke with consumers about paint recycling while handing out ReGeneration-branded marketing collateral.

5.5 Digital Advertising

PCA ran a New Brunswick targeted digital campaign, including syndicated bilingual Facebook posts, targeted digital display ads, and smart digital display (i.e. retargeting or re-serving ads to pre-qualified users who had engaged with ReGeneration’s website at some previous point in time).

Digital ads were specifically generated to internet users who performed online searches related to paint purchasing, use, and disposal of paint products in New Brunswick. Additionally, our Facebook advertising campaign pursued a “gated” strategy, meaning content viewable by residents of New Brunswick was relevant to that audience specifically, and was not disseminated to audiences in other provinces. An example of a Facebook post is displayed in Appendix 3.

5.6 Point of Sale (PoS) and Point of Return (PoR) Material

PCA redesigned and distributed both PoS and PoR materials. Collection sites throughout the Province received updated program materials, free of charge. Similarly, retailers were supplied with materials free of charge on request. Appendix 4 provides examples of the materials made available for reorder, free of charge, through the Program’s online order form:

- Rack Cards
- Posters
- Depot signage
- Floor decals
- Paint Can stickers

5.7 Recycle New Brunswick Partnership

PCA continued to partner with Recycle New Brunswick in 2017. The two organizations collaborated through the sharing of in-market promotional and educational activities to ensure maximum audience reach and synergies. Recycle New Brunswick also assisted in the distribution of updated paint recycling informational brochures.

6.0 Financial Information

The Program’s audited financial statements are provided in Appendix 5 of this report.

7.0 Audit of NB Paint Stewardship Program

This annual report was reviewed by an independent, third-party auditor. The auditor’s report is attached in Appendix 6.

APPENDIX 1 – Collection Site Details as of December 31, 2017

Collection Site Name	City	Paint Reuse
Airport General Store	Saint John	No
Baie Ste Anne Building Supplies / Castle Building Center	Baie Ste Anne	No
Betts Home Hardware	Doaktown	No
Boyd Brothers Ltd.	Saint George	No
Brooks Redemption Center	Hartfield	Yes
Caissie Building Supplies	Rogersville	No
Caraquet Home Hardware	Caraquet	No
Carpet Ranch / Grange a Tapis	Beresford	No
Centre de Remboursement Gaetan Bossé	Saint Quentin	Yes
Centre De Remboursement le Recyclage	Rivière Verte	Yes
Clark's Bottle Exchange	Chipman	Yes
Cogerno	Rivière -Verte	Yes
Doran's Recycling Ltd.	Miramichi	No
Dupuis Home Hardware	Memramcook	No
Fredericton Region Solid Waste Commission (District 11)	Fredericton	No
Fundy Solid Waste - Crane Mountain Landfill	Saint John	No
Gilbert M Rioux et fils Ltee.	Grand Sault	Yes
Golden Mile Redemption Centre Ltd.	Saint John	Yes
Gorbers Bottle Exch. Ltd.	Moncton	Yes
Grand Bay Redemption Centre	Grand Bay-Westfield	No
Greater Miramichi Regional Service Commission	Miramichi	No
Hampton Recycling Centre - Satellite Depot	Hampton	No
Hebert's Bottle Exchange	Miramichi	Yes
Hillsborough Recycling Depot	Hillsborough	Yes
Horsman's Bottle Exchange Inc.	Salisbury West	Yes
Island Waste and Recycling	Grand Manan	No
J&L Warehousing Inc.	Edmundston	Yes
Keith's Building Supplies Ltd.	Saint Stephen	No
La Société Cooperative de Lamèque Ltee	Lamèque	No
Mapleview Redemption Center	Weaver	Yes
Marina Bottle Exchange	Atholville	Yes
Neguac Home Hardware / Centre de Renovation Home Hardware	Neguac	No
Nepisiguit-Chaleur SWC (REDPINE) (District 3) - CSR3	Allardville	No
Norrad's Express and Redemption Centre Ltd.	Sussex	Yes
Pub's Transfer & Bottle Ex Ltd.	Saint John	Yes
Recyclage Beresford Recycling Ltee.	Beresford	Yes
Recyclage Chaleur	Petit-Rocher	Yes
Richibucto Home Hardware	Richibucto	No
Roblynn Home Hardware & Home Furniture	Oromocto	No
RONA Le Rénovateur - Edmundston (Store #8379)	Edmundston	No

Collection Site Name	City	Paint Reuse
RONA Le Rénovateur (Store #2125)	Saint-Francois-de-Madawaska	No
RONA Le Rénovateur (Store #7200)	Saint-Quentin	No
RONA Le Rénovateur (Store #7786)	Kedgwick	No
Shediac Redeem Center / Eastern Propane	Shediac	Yes
South West Solid Waste Commission (District 10)	Lawrence Station	No
Southeast ECO 360 Regional Service Commission	Moncton	No
Southern Valley Transfer Station	Woodstock	Yes
Southside Redemption Centre	Hanwell	Yes
Sainte Antoine Home Hardware Building Centre / Ledger General Store	Sainte-Antoine	No
Tediche Home Hardware Building Centre	Cap-Pele	No
Topmar Building Supplies	Fredericton	No
Tracadie Home Hardware	Tracadie	No
Vail's Bottle Exchange	Woodstock	Yes
Valley Glass - Juniper/Collishaw (formerly Tri Province Enterprises (1984) Ltd.)	Moncton	Yes
Valley Glass - Toombs (formerly Tri Province Enterprises (1984) Ltd.)	Moncton	Yes
Valley Glass Recycling Ltd.	Dieppe	Yes
Valley Redemption Centre Inc.	Saint John	Yes
Watson's Store Ltd.	Harvey York Co	No
Wheaton's All in One	Sackville	Yes
Wiebe's Home Building Centre	Centreville	No

APPENDIX 2 – Collection Site Locator

Below is a snapshot of the collection site locator tool found at regeneration.ca.

Select product

Paint

Enter a city or postal code

New Brunswick, Canada

Refine distance

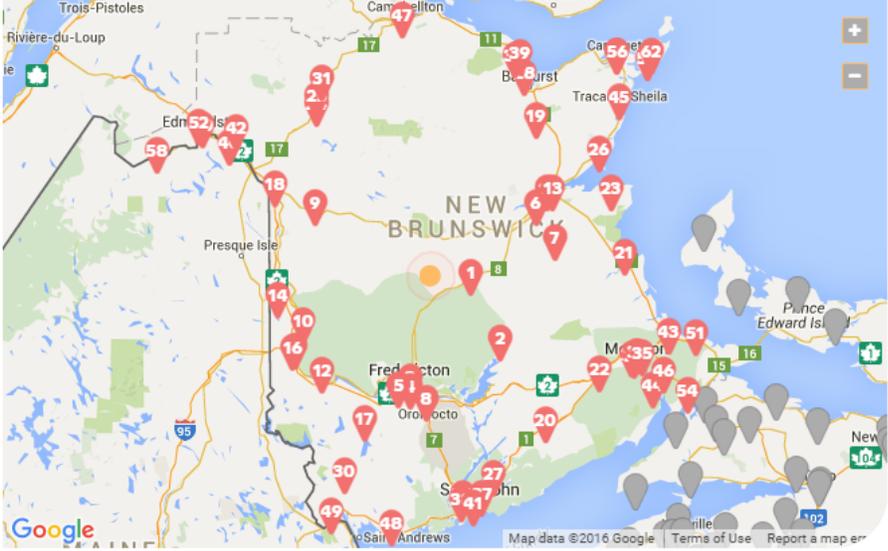
0km 50km 100km

There are 58 paint location(s) near you

- Bett's Home Hardware** 25.62 km
420 Main Street
Doaktown, NB, E9C 1E7
Mon - Thurs 8:00am - 5:30pm
Fri 8:00am - 9:00pm
Sat 8:00am - 5:30pm
506-365-7888
- Clark's Bottle Exchange** 60.69 km
137 Lilloette Drive
Chatham, NB, E5A 1A9

Collection Site Locator

Our collection sites are here to help you recycle your unwanted, leftover and broken products. Make sure to select the category and collection option that best suits your needs.



APPENDIX 3– Sample Facebook Post

 **ReGeneration**
Sponsored · · ·

We distill exceedingly complex recycling challenges down into transparent, palatable, and achievable programs.



Easy to find, free to use!

We distill exceedingly complex recycling challenges down into transparent, palatab...

 Like Page

APPENDIX 4 – PoS & PoR Materials

Rack Card Front and Back - 5"x8"



Got Leftover paint?
Recycle It!

Getting rid of leftover paint is easy and it's free!
For more information on accepted products and to find a collection site near you visit ReGeneration.ca.

 **PaintRecycle**



Who Runs PaintRecycle?

PaintRecycle is brought to you by ReGeneration, a Canadian leader in special waste recycling. ReGeneration helps consumers safely and responsibly manage their special waste products through a network of more than 1,000 conveniently located, free to use collection sites across the country.

Accepted products:

Paint must be properly sealed in its original container with the label intact. Maximum Container Size 25 Litres

- Interior and exterior: water-based (e.g. latex, acrylic) and oil-based (e.g. alkyd, enamel) consumer paint
- Deck and floor coating (including elastomeric)
- Varnish and urethane (single-component)
- Concrete and masonry paint
- Drywall paint
- Undercoats and primers (e.g. metal, wood etc.)
- Stucco paint
- Marine paint (unless registered under Pest Control Products Act)
- Wood finishing oil
- Melamine, metal and anti-rust paint, stain and shellac
- Swimming pool paint (single-component)
- Stain blocking paint
- Textured paint
- Block filler
- Wood, masonry, driveway sealer or water repellent (non-tar based or bitumen based)
- Already empty paint containers
- Paint aerosols of all types, including automotive, craft and industrial products

 **ReGeneration.ca**
Special Waste Recycling by Canadians

Posters - 11" x 17"



 **PaintRecycle**

Got Leftover Paint?
Recycle It!

Getting rid of leftover paint is easy and it's free!
For more information on accepted products and to find a collection site near you visit RecycleNB.com or call 1-888-322-8473.

  **ReGeneration.ca**



 **PaintRecycle**

De la peinture inutilisée?
Recyclez-là

Se débarrasser de restes de peinture est gratuit et facile! Pour une liste des produits acceptés, visitez RecycleNB.com ou appelez au 1-888-322-8473.

  **ReGénération.ca**

Depot Sign – 4'x3'

PaintRecycle Collection Site

Accepted Paints & Coatings
Maximum container size is 25 L.

- Interior and exterior: water-based (e.g. latex, acrylic) and oil-based (e.g. alkyd, enamel) consumer paint
- Deck and floor coating (including elastomeric)
- Varnish and urethane (single-component)
- Concrete and masonry paint
- Drywall paint
- Undercoats and primers (e.g. metal, wood etc.)
- Stucco paint
- Marine paint (unless registered under Pest Control Products Act)
- Wood finishing oil
- Melamine, metal and anti-rust paint, stain and shellac
- Swimming pool paint (single-component)
- Stain blocking paint
- Textured paint
- Block filler
- Wood, masonry, driveway sealer or water repellent (non-tar based or bitumen based)
- Already empty paint containers

Aerosol Paint
Aerosol paint spray cans 660 grams or 24 oz.

Aerosol paint of all types, including:

- Automotive
- Craft
- Industrial

Paint products not accepted

- Unidentifiable or unlabelled containers
- Brushes, rags and rollers
- Paint in glass containers
- Improperly sealed paint containers
- Paint containers with poor integrity (e.g. badly rusted or leaking cans)
- Bulging containers
- Industrial paints & finishes (e.g. baked-on, heat resistant etc.)
- Paints or wood preservatives that are registered as a pesticide under the Pest Control Products Act (has a P.C.P. Registration number on label)
- Craft paint (non-aerosol)
- Automotive paint (non-aerosol)
- Two-part or component paints containing catalyst or activator
- Roof patch or repair
- Tar or tar/bitumen-based products
- Traffic or line marking paint
- Quick drying paint
- Resins
- Paint thinner, mineral spirits or solvents
- Deck cleaners
- Colorants and Tints
- Caulking compound, epoxies, glues or adhesives
- Other household chemicals

ReGeneration.ca
National network supported by Product Care

Product Care
Partnership is supported by Product Care Association, and the paint industry association.

Floor Decal

**Leftover Paint?
Recycle It!**

Visit ReGeneration.ca to find
your nearest collection site

PaintRecycle

Paint Can stickers

ReGeneration.ca

**RECYCLE ME
FREE OF CHARGE
RECYCLEZ-MOI
GRATUITEMENT**

PaintRecycle

APPENDIX 5 – Financial Statements

APPENDIX 6 – Report of Independent, Third Party Auditor

New Brunswick Paint Stewardship Program

2017 Program Performance Review

Prepared by
Kim Hughes BSc.
April 30, 2018

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1.0 INTRODUCTION

This report presents the results of an independent assessment of the performance of the New Brunswick Paint Stewardship Program for the year 2017. This assessment is an annual undertaking to satisfy the *Designated Materials Regulation (2008-54) - Clean Environment Act* requiring that the paint stewardship plan shall provide for the assessment of the performance of the brand owner's plan (New Brunswick Paint Stewardship Plan 2016-2021) and the New Brunswick Paint Stewardship 2017 Annual Report by an independent auditor.

Stewardship programs in Canada have been developed on the basis of an Extended Producer Responsibility (EPR) model where the responsibility for the end-of-life management rests with the organization producing the product. The implementation of such product stewardship programs will ensure that the management of the product after its use will include various alternatives such as reuse, recycling, energy recovery and environmentally sound disposal options.

The 2017 review and assessment of the New Brunswick Paint Stewardship Program was carried out by evaluating the 2016-2021 New Brunswick Paint Stewardship Plan, 2017 Paint Stewardship Program Annual Report and by comparing outcomes with the previous Annual Reports (2010-2016) which were produced by Product Care Association (PCA), the agent of Brand Owners. The reviewer has also considered additional information collected through discussions with staff of Product Care Association, Recycle NB and the New Brunswick Department of Environment and Local Government in the assessment of the program's performance.

2.0 NEW BRUNSWICK PAINT STEWARDSHIP PROGRAM

The New Brunswick Paint Stewardship Plan 2016-2021 identifies Product Care Association as the administrator acting on behalf of the paint Brand Owners selling, offering for sale or distributing paint products in the province. Product Care Association is a federally incorporated non-profit industry association incorporated under the laws of Canada. Product Care Association has been administering the Paint Stewardship Program in New Brunswick for the last eight years and has been managing paint and other household hazardous waste stewardship programs in other Canadian jurisdictions since 1994.

As of December 31, 2017, there were 60 Brand Owners registered under the New Brunswick Paint Stewardship Program. The program was operated through a network of 60 collection sites across the province for the collection of used paints and coatings in liquid and aerosol form as well as empty containers from consumers in the Province. This information is available on the Product Care web page and is linked to the Recycle NB web page.

The New Brunswick Paint Stewardship Program provides a Paint Reuse component where better quality paint returned to collection sites is made available for the public to take free of charge. The Program aims to reclaim the majority of the collected waste paint to produce new paint. The collected paint is sent to Laurentide Resources Atlantic Inc. facility in Springhill, NS for initial processing and from there to Peintures Recuperees de Quebec in Victoriaville, QC for recycling. Clean Harbors Environmental Services in Thurso, QC handles the treatment of

aerosols. The waste paint that is not suitable for manufacturing new paint is considered for energy recovery or for disposal in an environmentally sound manner. Metal and plastic containers are directed to the appropriate recycling facilities.

The *Designated Materials Regulation* and the New Brunswick Paint Stewardship Plan (2016-2021) identify the reuse and recycling of waste paint as the top options for managing waste paint in the Province. Accordingly, over the last eight years PCA and the paint industry have placed significant efforts in focusing on improving and increasing the use of paint and the level of reusability and recyclability of the waste paint in the Province. Ongoing steps are clearly outlined in the Design for Environment section (4.1) of the New Brunswick Paint Stewardship Program 2017 Annual Report.

3.0 EVALUATION METHODOLOGY

The assessment of the performance of the New Brunswick Paint Stewardship Program was carried out by evaluating five separate components of the program. They are as follows:

1. **Paint Brand Owners**
2. **Collection**
3. **Processing & Recycling**
4. **Communications**
5. **Operations**

4.0 EVALUATION

4.1 Paint Brand Owners

Paint Brand Owners have appointed PCA to effectively manage waste paint in the province. This arrangement provides an opportunity to discuss the ultimate goals of the New Brunswick Paint Stewardship Program, develop multi-year stewardship plans and enables ongoing communication and consultations with the organizations representing paint Brand Owners, including the Canadian Paint & Coatings Association, the Retail Council of Canada and the Atlantic Building Supply Dealers Association.

As a result of the active communication between PCA, the paint manufacturing and retailing industry and the support of industry representatives on the Product Care Association Board there were 60 Paint Brand Owners registered under the New Brunswick Paint Stewardship Program in 2017.

Recommendation

- Product Care should continue to maintain its contacts with the industry in order to maintain first hand knowledge of paint products in the province, as well as to continue to maintain the high levels of success in managing the paint stewardship program.

4.2 Collection

Program members reported the sale of 4,799,118 litres of program products in New Brunswick from January 1 to December 31, 2017, an increase from the 4,654,046 litres sold in 2016. The reported volume of paint sold in New Brunswick and the total volumes of waste paint collected from paint containers and from aerosol containers as well as the recovery rate over the past eight years (2010-2017) are presented in Figures 1, 2 and 3. The recovery rate is calculated by dividing the volume of waste paint collected by the volume of paint sold in NB. In 2017 the total amount of waste paint collected was 334,728 litres representing a residual recovery rate of 7.0 percent, the highest recovery rate achieved since the program was implemented.

Figure 1.

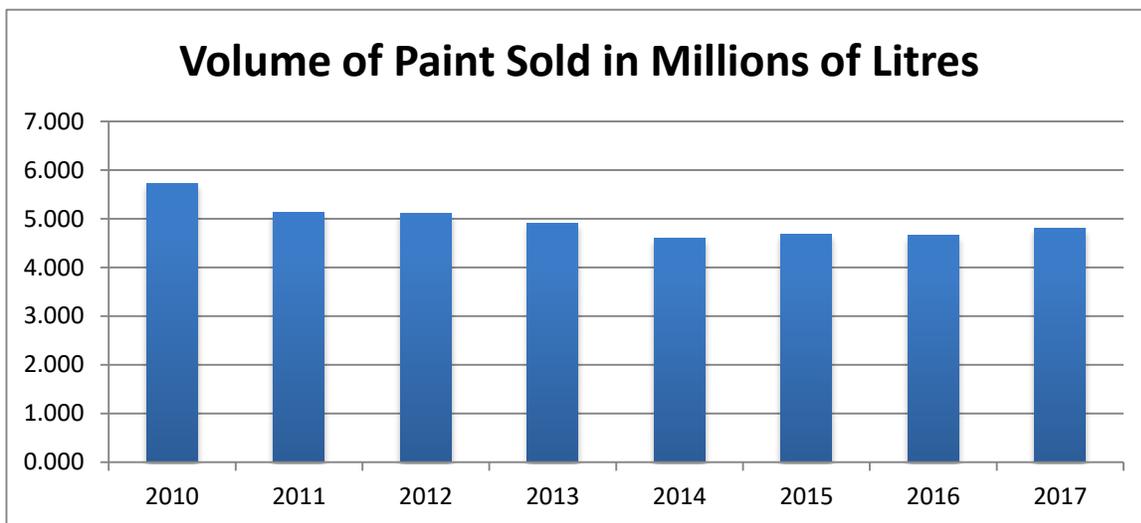


Figure 2.

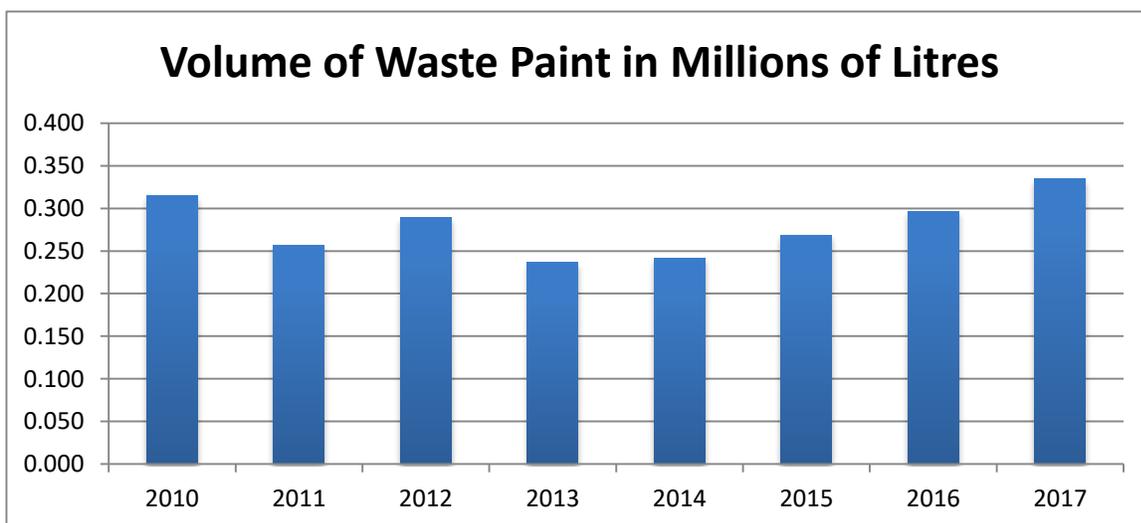
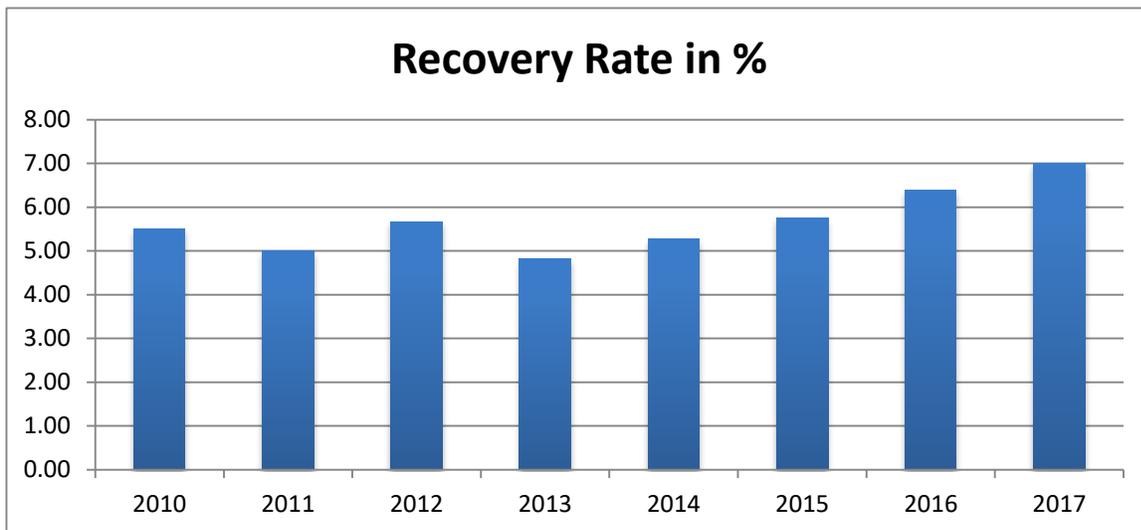


Figure 3.



The increase in the volume of collected waste paint can be attributed to the ongoing efforts of PCA and Recycle NB to increase consumer and retailer awareness about efficient paint use, recycling, and the management of waste paint as identified in the New Brunswick Paint Stewardship Plan (2016-2021).

There were 60 collection sites participating in the program in 2017. Paint Reuse was offered at 27 collection sites in 2017, representing almost half of all sites across the province. The Paint Reuse program offers better quality returned paint for reuse at no charge to the consumer. In 2017, 1,131 litres of paint was used by consumers as a result of the Paint Reuse program. This is approximately twice as much as was reused in 2016. A significant improvement as a result of the continuing efforts of Product Care Association, Recycle NB and the participating collection sites.

It should also be noted that there were 49 household hazardous waste (HHW) collection events held throughout the Province where waste paint was collected in 2017, along with regular household hazardous waste collection at regional waste management facilities. All waste paint collected at these events was managed by PCA under the New Brunswick Paint Stewardship Program.

Waste paint is collected and transported in a recovery unit known as a “tubskid” that effectively provides secondary containment to the waste paint from collection to subsequent processing or disposal.

Recommendation:

- Product Care Association continue efforts to support and improve awareness at collection sites and at the point-of-sale level to support the Reuse program
- Product Care Association and Recycle NB continue communication efforts to increase overall program awareness for the public

4.3 Processing & Recycling

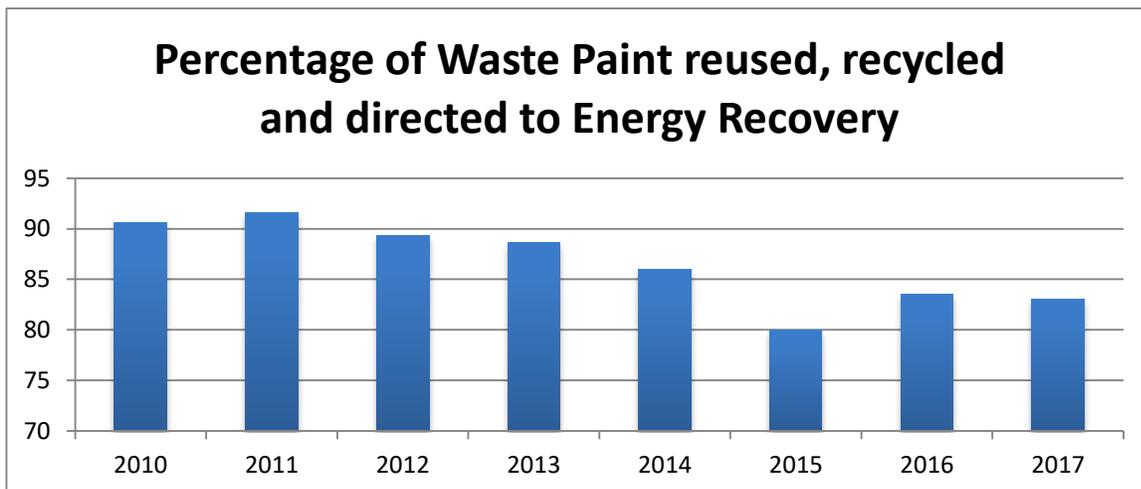
While there was 334,728 litres of paint collected in 2017, Laurentide Resources Atlantic Inc. facility processed 338,709 litres of paint which included residual volumes from 2016. This total is about 12% higher than that processed in 2016 (297,811 litres). Overall this continues to highlight the success of the New Brunswick Paint Stewardship Program resulting from the public communication and education programs delivered by Product Care and Recycle New Brunswick.

In 2017, 81.5% of waste paint processed (338,709 litres) was reused or recycled. The New Brunswick Paint Stewardship Program managed waste paint as follows;

* reuse	1,131 litres
* recycling	245,682 litres
* energy recovery	30,093 litres

This is consistent with the volumes associated with the program in 2016 and reflects the ongoing efforts of PCA and the paint industry to achieve their stewardship goals.

Figure 4



The reuse rate (the volume of paint reused plus the volume of paint recycled to produce paint/energy divided by the volume of waste paint collected) in 2017 was 81.5% (2016 was 75.2%); exceeding the requirement of the *Designated Materials Regulation*. Section 44 of the Regulation requires that the reuse/recycle rate for waste paint shall be at least 70%. This requirement has been achieved over the past 8 years.

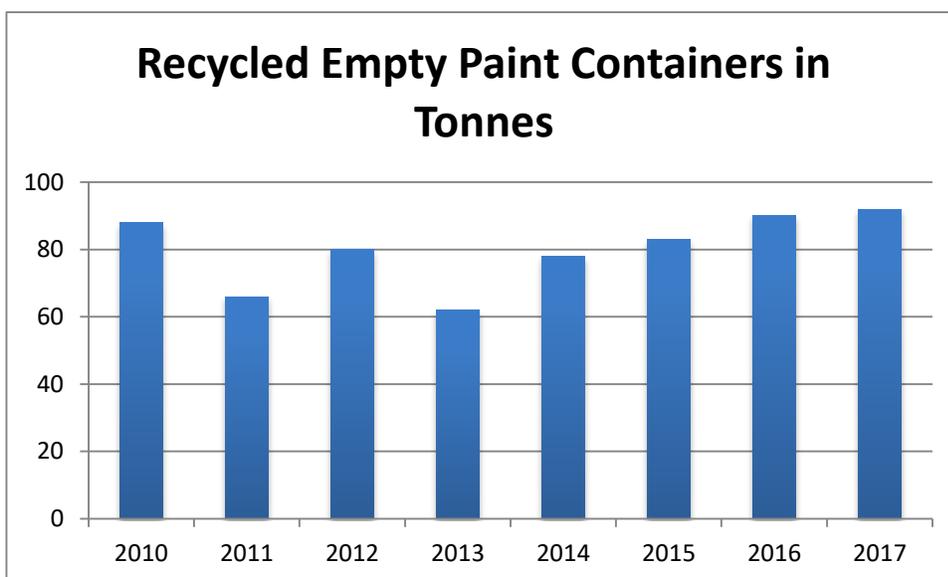
In 2017, there was an increase in the percentage of collected waste paint (62,935 litres -18.5%) that was disposed of in engineered landfills from 16.5% that was disposed of in 2016. While this represents a slight increase in volume it is consistent recent program trends.

It must be noted that there has been no waste paint directed to incineration since the beginning of the program.

In 2017, a total of 67.5 (72.3-2016) tonnes of empty metal paint containers were collected and sent for metal recycling, 4.7 (4.2 – 2016) tonnes of plastics pails (HDPE 2) and 19.5 (13.6-2017) tonnes of plastic paint cans (polypropylene) were sent for plastics recycling. This represents a total of 91.7 (90.1 – 2016) tonnes.

The recycled empty metal paint containers, plastic paint pails and plastic paint cans over the last eight years are presented below.

Figure 5



Non-program containers being returned by the consumer to collection sites continue to be a challenge. There were a total of 13,244 non-program containers returned in 2017, accounting for 4.2% of all collected containers (361,605 – 2017). The efforts made by Product Care in educating collection sites operators have resulted in maintaining the ratio of non-program containers around a 4% range during the last eight years of the program.

Recommendations:

- Product Care should continue its education program for the collection sites operators regarding the proper containers and materials to be accepted under the New Brunswick Stewardship Program.
- Product Care should also focus its public communication and education program towards educating the consumers about the proper containers and materials to be accepted under the New Brunswick Paint Stewardship Program.

4.4 Communications

Product Care continues to carry out the communication and education component of the Paint Stewardship Program in order to reach all those involved with the sale and use of paint as well as those involved with the collection of leftover paint. The partnership between Product Care and Recycle New Brunswick delivers a high quality public communication and education program. The combined efforts by Product Care and Recycle New Brunswick regarding the communication and education program have been effective in increasing consumer awareness of the New Brunswick Paint Stewardship Program.

In 2017, a survey was conducted to determine consumer awareness. This showed that 66% (53% - 2015) of consumers were aware of the New Brunswick Paint Stewardship Program. This reflects the ongoing efforts of Product Care and Recycle NB to engage and inform the New Brunswick public.

Other communication and education programs in 2017 included:

- the maintenance of web sites informing the public of the various components of the New Brunswick paint recycling program (ReGeneration.ca) and Productcare.org that services Program members;
- the distribution of brochures and posters promoting the New Brunswick Paint Stewardship Program at the point of sale and the point of return locations;
- the maintenance of a bilingual program hotline in association with Recycle N.B. to respond to consumer inquiries;
- a collection site finder on the web page;
- the continuation of utilizing yellow pages ads and syndicated Facebook posts, targeted at internet users;
- the utilization of a radio campaign to raise awareness of the paint recycling program and promote the locations of collection sites; and
- the continuation of regular visits to collection sites to provide training to collection sites operators in order to improve the efficiency of the program.

The bilingual website that is maintained by Product Care, and is linked to the Recycle New Brunswick website, provides the public with relevant information regarding the New Brunswick Paint Stewardship Program such as the location of collection sites, Depot hours of operation, information on the Paint Reuse program and Program product lists. There were 1,934 visitors who utilized the website in 2017, while the collection site finder page received 3,806 page views. This is a very valuable tool to engage and inform New Brunswick citizens.

Product Care has continued to strengthen its relationship with the New Brunswick Regional Service Commissions during 2017. Regional Service Commission – Solid Waste facilities have played a major role in the waste paint management through efforts directed towards increasing public awareness of the Paint Stewardship Program and through special events held by the commissions to collect household hazardous waste. There were 49 household hazardous waste (HHW) collection events held by the Regional Service Commissions in 2017. All waste paint collected at these events was managed by Product Care under the New Brunswick Paint Stewardship Program.

Collection site visits by the local representative of Product Care continued in 2017, where the local representative visited 54 collection sites (90% of all collection sites in the province). These site visits provided a face-to-face communication with collection site operators and allowed for the training of collection sites operators in order to improve the efficiency of the program. The representative also visited paint retailers throughout the Province to ensure that they have enough program promotion material and that the material is provided to the public when buying paint.

These communication efforts have played a major role in increasing public awareness of the program and have added to the continued progress of the New Brunswick Paint Stewardship Program.

Recommendations:

- Product Care and Recycle New Brunswick should continue to adapt their public communication and education programs to maximize the desired goals of the Paint Stewardship Program across the province.
- Product Care should continue to track consumer awareness of the New Brunswick Paint Stewardship Program through regular consumer surveys.
- Product Care should carry out an intensive program to visit retail stores selling paint in the Province to ensure that they are meeting their legal obligation by posting promotional material regarding the New Brunswick Paint Stewardship Program.
- Product Care should consider an expanded effort to inform the public how the industry “Design for Environment” goals are being accomplished. They are impressive!

4.5 Operations

The presentation in the above sections demonstrates that the operation of the program has been successful in 2017. The success of the program’s operation is largely attributed to the experience of the New Brunswick representative, the PCA program manager, and their collaboration with Recycle NB.

Product Care carries out regular training visits with collection site operators and follows up on any issues raised in the monthly collection sites reports. Data collection and analysis is carried out by Product Care in order to ensure that the operation of the program is focused on achieving the goals of the New Brunswick Paint Stewardship Plan (2016-2021).

Product Care also conducts regular inspection of collection sites in order to verify the data presented in the monthly reports and to stress the fact that data collection forms a basic element in the success of the program. Product Care strives to improve the overall data collection and analysis in order to ensure that the operation of the program is directed towards achieving the goals of the New Brunswick Paint Stewardship Program.

As noted in section 4.3, non-program containers continue to be returned by the consumers through the Paint Stewardship program’s collection system. These containers have been one of the components of the program that Product Care has been dealing with and trying to minimize the non-program containers ending up at the collection sites. Continued efforts by the Product Care representative were directed towards educating consumers and the collection site operators regarding the non-program containers making their way into the collection and processing stream. The non-program containers present a financial cost to the program and a potential risk to retailers and collection sites operators handling the returns. Product Care,

Recycle NB, and the New Brunswick Department of Environment and Local Government should examine opportunities to better manage non-program materials and containers.

The assessment of the 2017 New Brunswick Paint Stewardship Program's annual report indicates that there is a continued improvement in the major components of the program (communications, collection, and processing & recycling).

Recommendation:

- Product Care should continue to carry out regular collection site visits/inspections and continue working with the collection sites operators in an effort to improve their operational effectiveness, including the challenge of dealing with non-program containers.

5.0 OVERALL PROGRAM ASSESSMENT & CONCLUSION

In 2017, there were 60 Paint Brand Owners registered under the New Brunswick Paint Stewardship Program and a network of 60 collection sites across the province for the collection of used paints and empty containers from consumers in the Province. These 60 sites, along with household hazardous waste collection events coordinated with Regional Solid Waste facilities, provide an excellent opportunity for New Brunswick citizens to participate in the Paint Stewardship Program.

For the last eight years, the New Brunswick Paint Stewardship Program has been operated by Product Care Association on behalf of paint Brand Owners selling paint in the Province. It is clear from the review and assessment of the 2017 Annual Report that Product Care Association had successfully fulfilled the requirements of the *Designated Materials Regulation 2008-54* under the *Clean Environment Act* and achieved the objectives of the program regarding the collection and utilization of waste paint primarily through paint reuse and recycling. Product Care has also managed the collection and recycling of paint containers in a very successful fashion.

In 2017, 4,799,118 litres of paint were sold in New Brunswick, a slight increase over the 4,654,046 sold in 2016. Of this volume 334,728 litres or 7 % of the total volume sold was recovered in the Paint Stewardship Program. This continues to reflect an increasing trend by paint consumers to return their waste paint product to the collection depots for recycling or proper disposal. This increase is certainly a result of the extensive communication and education programs delivered by Product Care and Recycle New Brunswick.

Despite the fact that recycling paint containers continues to be a challenge in the recycling business, Product Care has been working hard to seek solutions for recycling of empty paint containers collected under the New Brunswick Paint Stewardship Program. The efforts expended by Product Care in this regard are acknowledged in this assessment. In 2017, 91.7 tonnes were collected and recycled. This demonstrates the effectiveness of Product Care in its efforts to achieve the goals of the New Brunswick Paint Stewardship Program.

Section 44 of the *Designated Materials Regulation* requires that the reuse rate for waste paint (the volume of paint reused plus the volume of paint recycled to produce paint divided by the volume of waste paint collected) shall be at least 70%. The reuse rate in 2017 was 72.6%; exceeding the requirement of the *Designated Materials Regulation*. When the volumes used in energy recovery are included the recycled paint in the program is 81.5% of all the waste paint that is managed. This demonstrates the effectiveness of the program and shows a positive result of the efforts made by Product Care and Recycle New Brunswick in implementing the Paint Stewardship Program in New Brunswick.

On the basis of this assessment, the independent assessor concludes that Product Care has successfully managed the Paint Stewardship Program in the province in 2017 with outstanding performance. The efforts expended by Product Care have resulted in satisfying the objectives of the *Designated Materials Regulation*.

EXECUTIVE SUMMARY

In 2017 the New Brunswick Paint Stewardship Program was successfully led by Product Care Association (PCA) on behalf of the 60 paint Brand Owners in New Brunswick.

The Program continues to meet regulated and Program Plan objectives. Ongoing efforts by PCA and Recycle NB have resulted in an increased level of consumer awareness and consistent or improving levels of waste paint management in the province.

Highlights from 2017 are as follows:

- 60 Brand Owners in New Brunswick represented by Product Care Association
- 66% consumer awareness of the New Brunswick Paint Stewardship Program
- 60 waste paint collection sites throughout the province that provide excellent public access to participate in the waste paint recycling program
- 54 waste paint collection sites inspected by Product Care Association in 2017
- 4,799,118 litres of paint sold in New Brunswick in 2017
- 334,728 litres of waste paint collected at collection sites and through household hazardous waste events
- 1,131 litres of paint reused by consumers
- 245,682 litres of waste paint recycled
- 30,093 litres of waste paint used for energy recovery
- this represents 81.5% of the waste paint from consumers being reused, recycled, or used for energy recovery (regulated target is 70%)
- 62,935 litres of waste paint, primarily in the form of dry paint and sludge, disposed of in secure landfills

Product Care Association, through the New Brunswick Paint Stewardship Program continues to advance the goal of recycling in New Brunswick. Program resources are allocated on an annual basis to ensure program goals are being met – waste material is being recycled and removed from the solid waste management system.

Product Care Association and Recycle NB collaboration is evident in program implementation and a critical factor in the program success.

The 2017 New Brunswick Paint Stewardship Program was very successful and all program objectives were achieved.

Attachment

Paint Stewardship Program 2010-2017

Table 1. Paint Sold (litres), Waste Paint Collected (litres) and Recovery Rate (%)

	2010	2011	2012	2013	2014	2015	2016	2017
Paint Sold	5,725,316	5,129,399	5,101,094	4,906,169	4,598,000	4,674,947	4,654,046	4,799,118
Waste Paint Collected	315,481	256,963	289,202	236,749	242,287	268,880	297,811	334,728
Recovery Rate	5.51	5	5.67	4.83	5.27	5.75	6.4	7

Table 2. Volume of Waste Paint Managed by Product Care Association by year (in litres)

	2010	2011	2012	2013	2014	2015	2016	2017
Reuse	1,157	1,244	1,229	673	903	786	556	1,131
Recycle	260,917	212,346	233,653	164,499	189,031	191,578	227,334	245,682
Energy Recovery	8,405	9,550	54,883	30,340	22,340	24,342	25,333	30,093
Landfill Disposal	27,800	20,500	34,645	25,215	34,850	56,785	50,020	62,935
incineration	284	0	0	0	0	0	0	0
Total	298,563	243,640	324,410	220,726	247,124	273,491	303,243	339,841

**PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM**

**STATEMENT OF REVENUES AND EXPENSES
AND ACCUMULATED SURPLUS**

31 DECEMBER 2017

PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM
Statement of Revenues and Expenses and Accumulated Surplus
For the year ended 31 December 2017

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1500 – 1090 West Georgia Street
Vancouver, B.C. V6E 3V7
Tel: 604-684-1101 Fax: 604-684-7937
E-mail: admin@rolfebenson.com

INDEPENDENT AUDITORS' REPORT

To: Recycle New Brunswick

As required by the New Brunswick Designated Materials Regulation - Clean Environment Act 45(1)(j), we have audited the Statement of Revenues and Expenses and Accumulated Surplus of the New Brunswick Paint Recycling Program (the "Statement") as reported by Product Care Association of Canada for the year ended 31 December 2017 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Statement

Management is responsible for the preparation of the Statement in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the Statement 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 Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the Statement 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 Statement.

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



INDEPENDENT AUDITORS' REPORT - Continued

Opinion

In our opinion, the Statement presents fairly, in all material respects, the revenues and expenses and accumulated surplus of the New Brunswick Paint Recycling Program as reported by Product Care Association of Canada for the year ended 31 December 2017 in accordance with Canadian accounting standards for not-for-profit organizations.

Restriction on Distribution

This report is prepared on the direction of Product Care Association of Canada's management and Recycle New Brunswick. As a result, the report may not be suitable for another purpose. Our report is intended solely for Product Care Association of Canada's management and Recycle New Brunswick, and should not be distributed to other parties.

Rolfe, Benson LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
21 March 2018

PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM
Statement of Revenues and Expenses and Accumulated Surplus
For the year ended 31 December 2017

	2017
Revenues	<u>\$ 982,639</u>
Program expenses	
Processing	609,942
Transportation	171,588
Collection	103,026
Administration (Note 3(c))	91,847
Regulatory	80,000
Communications	42,070
	<u>1,098,473</u>
(Deficiency) of revenues over expenses for the year	(115,834)
Accumulated surplus - beginning of the year, as previously stated	595,515
Change in accounting policy (Note 2)	<u>(38,725)</u>
Accumulated surplus - beginning of the year, as restated	<u>556,790</u>
Accumulated surplus - end of year	<u>\$ 440,956</u>
Commitment (Note 4)	

The accompanying notes are an integral part of this statement of revenues and expenses and accumulated surplus.

PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM
Notes to the Statement of Revenues and Expenses and Accumulated Surplus
For the year ended 31 December 2017

1. Basis of Presentation

The Statement of Revenues and Expenses and Accumulated Surplus (the “Statement”) only includes the revenues and expenses related to the New Brunswick Paint Recycling Program (the “Program”), a segment of the operations of Product Care Association of Canada (the “Association”).

2. Change in Accounting Policy

During the year, the Association changed its accounting policy for the recognition of revenue from Environmental Handling Fees (EHFs). In previous periods, the Association had recognized revenue from EHFs in the period that the related program materials were sold by the member. The Association has now decided to recognize revenue from EHFs at the end of the month following the reporting period that the program materials were sold by the member. Management believes that the new policy is preferable because it better reflects the requirements of the Association’s membership agreements which defines the members’ obligations under the various programs.

The Association has accounted for this change in accounting policy retroactively as a prior period restatement of opening accumulated surplus. As a result, accumulated surplus as at 1 January 2017 has decreased by \$38,725 which represents revenues that were previously reported in the 2016 fiscal year and are now reported in 2017 under the new accounting policy. As the Program’s Statement does not present comparative figures the adjustments impacting the previous year are not reflected in the Statement.

3. Summary of Significant Accounting Policies

The Statement is prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Revenue Recognition

Environmental Handling Fees are received from members of the Association making sales of designated program materials within the province of New Brunswick. The Association recognizes these fees as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Environmental Handling Fees revenues are recognized as individual members report and remit them as required by the Association’s membership agreement which is at the end of the month following the reporting period that the designated program materials were sold by the member.

(b) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses and disclosure of contingencies included in the Statement. Accounts subject to estimates include revenue accruals, expense accruals, overhead allocation and processing commitments. Actual results could differ from those estimates.

**PRODUCT CARE ASSOCIATION OF CANADA
NEW BRUNSWICK PAINT RECYCLING PROGRAM**
Notes to the Statement of Revenues and Expenses and Accumulated Surplus
For the year ended 31 December 2017

3. Summary of Significant Accounting Policies - continued

(c) General and Administrative Expenses - Overhead Allocation

A portion of the total general and administrative expenses of the Association, net of expense recoveries, has been allocated to the Program. The allocation of general and administrative expenses to the Program is determined using the percentage of program specific operating expenses as compared to total operating expenses for all the Association's programs. Included in administration expense is \$60,209 of overhead expense which has been allocated to the Program.

4. Processing Commitment

At year end, the Association had unprocessed program materials on hand related to the Program with an estimated cost to process, transport and recycle of \$18,452 which will be incurred in 2018.