Saskatchewan Waste Paint Management Program 2020 Annual Report

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Submitted by:

Product Care Association of Canada



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1.0 Introduction

The Saskatchewan Waste Paint Management Program ("Program") is operated and managed by Product Care Association of Canada ("Product Care"). Product Care 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.

This annual report is prepared in accordance with the requirements outlined in *The Waste Paint Management Regulations Chapter E – 10.21 Reg 3* ("Regulation") issued under *The Environmental Management and Protection Act, 2010*, and the commitments set out in the Saskatchewan Waste Paint Product Management Program Plan ("Program Plan") approved by the Saskatchewan Minister of Environment on May 7, 2005. This report provides information for the period covering January 1 – December 31, 2020.

Product Care operates product stewardship programs for paint in seven other Canadian provinces:
British Columbia, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island and
Newfoundland & Labrador. Product Care also operates programs for household hazardous waste in
British Columbia, Manitoba, Ontario and Saskatchewan; lamps in British Columbia, Manitoba, Quebec
and PEI; and alarms in British Columbia. See the Product Care website at www.productcare.org for more information.

2.0 Program Summary

As stated in section 2(c) of the Regulation, the Program accepts the following categories of products ("Program Products"):

- i. Any latex, oil or solvent-based architectural coating;
- ii. Any architectural stain, varnish, lacquer or other wood or masonry treatment product; and
- iii. Any type of paint sold in a pressurized aerosol container.

The Program offers collection services throughout the province where consumers can bring leftover Program Products. Collection sites include SARCAN's 73 depots, as well as various retail locations. The Program also offers the PaintShare Program, whereby better-quality paint collected at SARCAN depots is offered to the public for reuse at no charge. SARCAN, under contract, manages the collection and shipment of collected paint from its own depots to a processor for recycling. Product Care manages the collection and shipment of collected paint from retailers to a processor for recycling.

Additional program elements managed by Product Care include revenue management, communications and administration.



3.0 Collection System

Product Care does not directly own or manage any collection sites, but rather contracts with SARCAN to provide the collection services for leftover paint at its 73 depots across Saskatchewan. Product Care also contracts and partners with 13 retail locations throughout the province to provide additional collection sites. Product Care meets regularly with SARCAN to ensure smooth operations.

Consumers are able to drop off leftover paint at no charge at all collection sites throughout the province. Several SARCAN locations are also designated to accept large volumes of paint. Product Care also provides free pickup from very large generators of leftover paint and paint containers.

In addition to the established collection network, Product Care participated in 20 one-day collection events around the province in 2020, in partnership with municipalities and First Nations, as part of their Household Hazardous Waste Day events.

4.0 Program Products Collected

4.1 Tubskids Collected

The Program utilizes tubskids (approximately 4'x4'x3' plastic boxes) for the collection and transportation of leftover paint. Table 1 provides the number of tubskids collected in 2020. The number of tubskids collected were impacted by the temporary closure of SARCAN depots due to the pandemic.

Table 1: Tubskids Collected in 2020

| | Tubskids Collected |
|---------|--------------------|
| Paint | 2040 |
| Aerosol | 87 |
| Total | 2,127 |

4.2 Residual Volumes Collected

Residual volume refers to the volume of paint collected, including volumes reused through the PaintShare program.



| Table 2 provides the estimated residual volumes of paint collected in 2020. | | |
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Table 2: Estimated Residual Volumes of Paint Collected in 2020

| Paint Collected | Volume ^{1,2} (L) |
|-------------------|---------------------------|
| Water-based paint | 191,258 |
| Oil-based paint | 105,897 |
| Total Collected | 297,155 |

4.3 Recovery Rate

Recovery rate compares the volume of products collected by the Program during the year with the volume of products sold over the same period. In the context of Program Products, using recovery rate as an indicator of program performance should be treated with caution, as it is not necessarily an accurate measure of success for the following reasons:

- Paint is designed to be consumed. Therefore, it is arguable that a low recovery rate could indicate strong program performance, suggesting consumers are being efficient with the use of the consumable products they purchase. Indeed, Product Care actively promotes reduction by promoting campaigns highlighting the BUD rule: "Buy what you need, Use what you buy and Dispose of leftovers safely." This rule serves to reduce the amount of waste generated, which further drives down the recovery rate.
- The relationship between volumes of Program Products purchased and recycled is not linear.
 Program Products have a long shelf life and leftover product may be stored by the consumer for long periods of time with the intention of later use.
- The time span between the purchase of a product and the decision by a consumer that it is no longer needed varies considerably and is heavily dependent on consumer habits.

In 2020, a surge in the number of home renovations led to increased sales during the pandemic. In contrast, the Program collected lower volumes of paint compared to 2019 because SARCAN depots were temporarily closed for 84 days in 2020, and most consumers also chose to avoid public areas during the pandemic. This resulted in a decrease in the recovery rate.

¹ Residual volume collected is estimated using rounded conversion rates of 88.4 litres/tubskid of water-based paint, 49.1 litres/tubskids of solvent-based paint and 57 litres/tubskid for aerosol paint based on historical volumes.

² Includes PaintShare volume as reported in Section 5.1.



Table 3 sets out the volume of paint sold, paint collected and recovery rate for 2020.

Table 3: Recovery Rate for 2020

| | 2020 |
|------------------------------|-------------|
| Sales | 6,199,558 L |
| Total Collected | 297,155 L |
| Recovery Rate ^{3,4} | 4.8% |

5.0 Product Management

The Program employs a number of methods for managing recovered paint including reuse, recycling (both paint and containers), energy recovery, landfill, and incineration. These approaches are described in greater detail below.

5.1 Reuse (PaintShare Program)

Through the Program's PaintShare Program, higher quality leftover paint dropped off at SARCAN locations is made available for consumers to pick up and use free of charge. The PaintShare Program was offered through all 73 SARCAN depots for the first three months of 2020, but was put on hold for the remainder of the year due to the pandemic. In 2020, approximately 11,729 litres of paint collected by the Program were reused by members of the public through the PaintShare Program. This consisted of approximately 10,907 litres of water-based paint and 822 litres of solvent-based paint. Volumes are estimated based on the assumption that the average paint container is 75% full. Aerosol paint is not included in the PaintShare program.

5.2 Recycling

In 2020, 108,494 litres of water-based paint were processed by the Program into new paint, and 65,051 litres were recycled as a raw material in cement manufacturing. The limited market for solvent-based paints and regulatory limits on VOCs made solvent-based paints difficult to recycle. Consequently, they were sent for energy recovery.

³ Recovery rate includes volumes of paint reused through the PaintShare program.

⁴ Recovery rate is calculated by dividing the volume of residual paint collected by the volume of paint sold each year.



5.3 Energy Recovery

Solvent-based paint is often not suitable 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, Federal VOC Regulations require 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 their high solvent content, these products are suitable for energy recovery as an alternative energy source in applications such as permitted incinerators.

In 2020, 103,783 litres of solvent-based (alkyd) paint and paint from aerosol containers were blended with other fuels and utilized as an alternative energy source in waste to energy applications, such as licensed / permitted incineration.

5.4 Incineration

In 2020, 205 litres of solvent-based paint exhibiting PCB contamination were incinerated at a permitted incinerator.

5.5 Landfill

The Program recovered 4,950 litres of water-based paint that could not be reused or recycled. This paint was solidified and sent to a permitted landfill.

5.6 Container Recycling

In 2020, 83.5 tonnes of metal paint cans were sent to scrap metal dealers for recycling. In addition, 17.3 tonnes of plastic paint containers were sent to plastics brokers for recycling. This represented 100% of all containers processed by the Program.

5.7 Summary of Volumes Processed by Processing Method

Table 4 below summarizes the various processing methods employed to manage program products and the volumes processed in 2020, as reported by the processors. Processed volumes do not necessarily align with volumes collected. Processed volumes may include Program Products received in the 2019 calendar year, but processed in the 2020 fiscal year and may exclude volumes collected in the 2020 fiscal year that were not processed as of December 31, 2020.



Table 4: Material Processing Methods and Volumes Processed

| Material Processing Method | Total |
|----------------------------------|-----------|
| Reuse (PaintShare Program) Total | 11,729 L |
| Water-Based Paint | 10,907 L |
| Oil-Based (alkyd) Paint | 822 L |
| Recycling | 173,545 L |
| Energy Recovery | 103,783 L |
| Incineration | 205 L |
| Landfill | 4,950 L |
| Total Litres Processed | 294,212 L |
| Metal containers recycled | 83.5MT |
| Plastic containers recycled | 17.3 MT |
| Total Tonnes Recycled | 100.8 MT |

6.0 Public Education and Communications

Product Care maintains a comprehensive communications program to raise awareness of the Program amongst Saskatchewan consumers, to encourage consumers to minimize leftover paint and to dispose of leftover paint safely and responsibly at authorized collection sites. In 2020, Product Care implemented a number of different strategies and tactics to raise consumer awareness of the Program, in accordance with regulatory requirements. The following section provides details regarding the Program's communications and public education activities in 2020.

Communications and education activities were impacted by the pandemic—most advertising was paused between March and June 2020 due to lock down restrictions and/or closed collection sites.



6.1 **Program Awareness**

In September and October 2020, an online survey was conducted among adult Saskatchewan residents. The survey revealed that 81 per cent of residents are aware that they can recycle household paint in the province. The next consumer awareness study will be conducted in 2022.

6.2 Website

The Product Care website includes the following content for the Program:

- "Find a Recycling Location" tool (a searchable map displaying collection sites and drop-off events throughout the province)
- Collection site hours and operations
- Accepted and not accepted products
- Program member support section with news and updates
- Consumer videos showing the product management approach for paint
- Other information (e.g., a description of the PaintShare program, information about environmental handling fees (EHFs), frequently asked questions, information about buying and storing paint)

An estimated 233,065 unique visitors accessed ProductCare.org during the 2020 calendar year. The Saskatchewan section (including sub-sections for accepted products and fee information) received 3,039 total page views. In addition, there were a total of 2,373 unique visits to the "Find a recycling location" tool by consumers in Saskatchewan.

In March, to address the impacts of the pandemic, a web banner was put up on the Product Care website advising consumers to contact collection sites directly to confirm hours of operation and safety protocols. The banner remained up through 2020.

6.3 **Program Hotline**

Product Care continued to operate a toll-free "hotline" where consumers obtained information about the Program.

6.4 Television

Television commercials aired on Global TV from August to October 2020, resulting in approximately 8,388,800 impressions.



6.5 **Print Advertising**

An inside cover print ad was featured in CPCA Insight Trade Publication. The full-page advertisement informed those in the paint and coatings industry about Product Care paint programs, with seven thousand copies distributed to industry members.

6.6 Events

The Program attended events (in limited capacity, due to COVID-19) with the goal of educating businesses, municipalities and the general public about the importance of waste diversion and recycling, including the Municipalities of Saskatchewan (MoS) annual tradeshow and presentations for Recycle Saskatchewan. A representative for the program also engaged with stakeholders at:

- MoS paint program webinar
- Saskatchewan Waste Reduction Council virtual conference
- Association of Regional Waste Management Authorities of Saskatchewan (ARWMAS)
 Regional Roundup virtual conference
- Recycle Saskatchewan meetings
- Conference calls with ARWMAS members

6.7 Digital Advertising

While digital advertising continued throughout the year, between March and June messaging was tailored to reflect the status of COVID-19 in the province.

6.7.1 Google Search Advertising Campaign: January to December 2020

A search advertising campaign served paint ads to provincial residents based on an extensive list of keyword searches relevant to the Program. Saskatchewan's ads collectively generated 1,522 impressions and 222 clicks.

6.7.2 Google Display Advertising Campaign: January to December 2020

A Saskatchewan-specific display advertising campaign served paint-related ads to provincial residents, collectively receiving 1.9 million impressions and 5,088 clicks. Ads were specifically targeted to internet users who performed online searches related to paint purchasing, usage, and disposal in Saskatchewan. Secondary targeting focused on individuals searching for home improvement, moving house, and DIY-related terms, in order to reach a wider, but still relevant, population.

6.7.3 YouTube Video Advertising Campaign: June to September 2020

During summer months, paint recycling and PaintShare explainer videos were run as pre-roll and skippable in- stream ads on YouTube. In Saskatchewan, these ads received a total of 506,552 impressions and 101,321 views.



6.7.4 Facebook and Instagram Content Strategy: January to December 2020

Content on Facebook and Instagram focused on paint recycling, special waste and the recycling community in general. Content was shared specifically with Saskatchewan residents when appropriate.

6.7.5 Targeted blog posts: January to December 2020

Blog posts were targeted at relevant audience members including, but not limited to, homeowners, heads of households, and environmentally-conscience individuals in Saskatchewan. Topics included specific information on paint recycling, "do it yourself" ("DIY") content, renovation tips, and sustainability best practices. All posts included a call-to-action to find a collection site or interact with the brand on social media. Collectively, these posts received 31,898 views.

6.7.6 The Weather Network Display Campaign: July to September 2020

Display ads ran on the Weather Network app, collectively generating 370,347 impressions and 409 clicks.

See Appendix 3 for examples of digital advertising activities.

6.7.7 Point of Sale (PoS) and Point of Return (PoR) Materials

In 2020, Product Care distributed both PoS and PoR materials as requested by retailers and collection sites. The following materials are available for reorder through the online order form:

- General paint program awareness posters
- Return to Retail (R2R) and Return to Product Care posters
- Bifold paint brochures

7.0 Financial Information

A summary of the Program's financials for 2020 is provided in







Table 5: Financial Summary 2020

| 2020 Revenue and Expenses | \$'000 |
|--|------------------|
| Total PaintRecycle Revenue | 1,298 |
| Program Operations | 636 |
| Program Administration | 64 |
| Education, Public Awareness & Communications | 48 |
| Total Operating Expenses | 749 ⁵ |
| Surplus / Deficit | 550 |
| Cumulative Surplus (Reserve) | 1,552 |

Any surplus in revenue is retained as a reserve to cover any deficits in future years, subject to Product Care's Reserve Policy. The Program Plan stipulates that surplus funds will be used only for Program costs and may not be used to cross-subsidize other programs. In addition to insurance coverage, the accumulated surplus also functions as an element of the Program's environmental risk management system.

The Program is funded by environmental handling fees (EHFs) paid by Product Care's members on the sale of each unit of Program Product into the Province. The Program's environmental handling fees (EHF) for each product category are set out in Table 6.

Table 6: Current Environmental Handling Fees

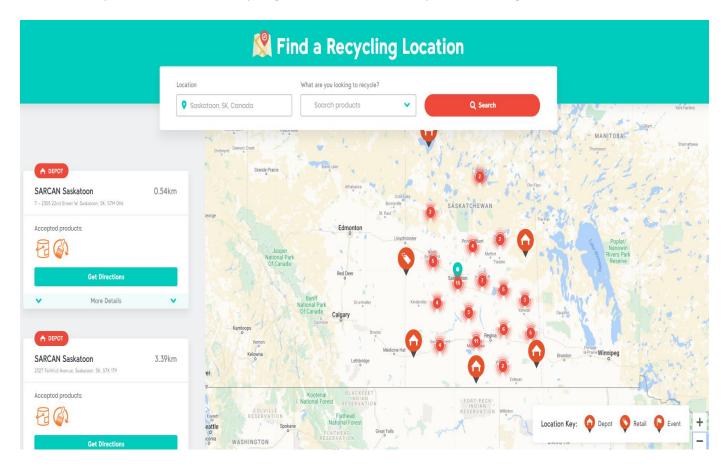
| Container Size | Current Fee |
|--------------------------|-------------|
| 100 ml to 250 ml | \$0.20 |
| 251 ml to 1 litre | \$0.35 |
| 1.01 litres to 5 litres | \$0.75 |
| 5.01 litres to 23 litres | \$1.95 |
| Aerosol Paint (any size) | \$0.25 |

⁵ Discrepancies in totals are due to rounding.



Appendix 1 – Collection Site Locator

Below is a snapshot of the "Find a Recycling Location" tool found at productcare.org.





Appendix 2 – CPCA Insight Print Advertisement

This CPCA ad was featured in the CPCA Insight Trade Publication.



For 26 years, Product Care Recycling has worked with paint and coatings manufacturers to fulfill their EPR obligations—diverting over 10.3 million litres of paint from Canadian landfills in 2019.

Website: productcare.org/cpca
Toll Free: 1-877-592-2972
Email: contact@productcare.org

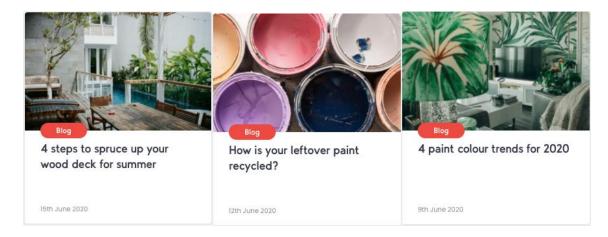




Appendix 3 – Digital advertising activities

Examples of digital advertising employed by Product Care in 2020 across multiple platforms are shown below.

Website Blog posts



Google Search Ad

Ad · www.productcare.org

Recycle Your Leftover Paint | Find a Recycling Location | Paint Recycling Saskatchewan

Keep paint out of Saskatchewan's landfills and recycle it through our free-to-use program. Drop off leftover paint today at locations across Saskatchewan.

Google and TWN Display Ads





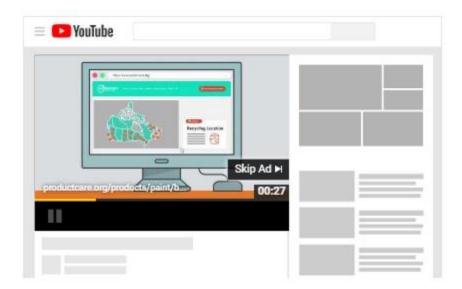




Recycle Later ad (March - June)

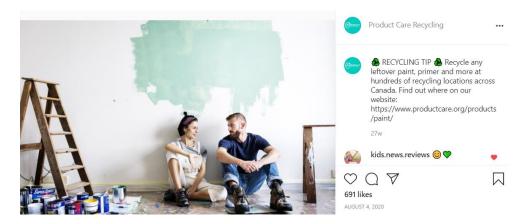


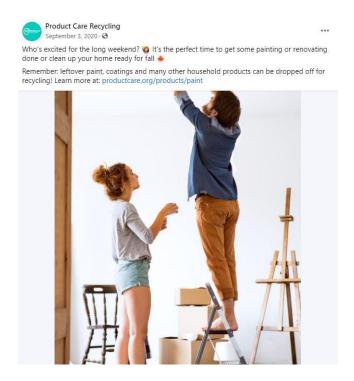
YouTube Video Ad





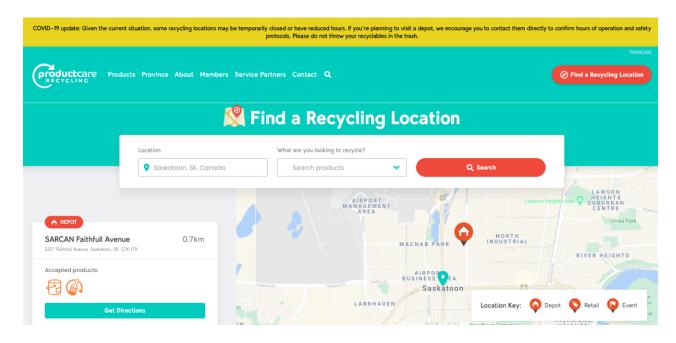
Sample Facebook and Instagram Posts







COVID-19 website banner





Appendix 4 – PoS and PoR Materials

Examples of PoS and PoR materials circulated in 2020 are shown below.

PoR/PoS Posters









Bifold brochure



