

# New Brunswick Paint Stewardship Program 2016 Annual Report

Submitted to: **Recycle New Brunswick**

Submitted by: **Product Care Association of Canada**

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## 1.0 About Product Care Association

Product Care Association of Canada (“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 has an approved paint stewardship program plan with Recycle NB under the Regulation. The New Brunswick Paint Stewardship Program (“Program”) began in April, 2009.

PCA’s members are the “brand owners” (manufacturers, distributors and retailers) obligated by the *Designated Materials Regulation 2008-54* (“Regulation”) under the category of architectural paint.

### 1.1 Reporting Period

This report covers the 2016 calendar year (January 1 to December 31, 2016). All content has been prepared in accordance with section 45(1) of the Regulation.

### 1.2 Program Summary

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) and other containers such as drums. The Program contracts with a hauler to deliver empty collection containers to 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 recycling. Additional Program elements managed by PCA include revenue management, communications and administration.

## 2.0 Brand Owner Sales Information

Program members reported the sale of 4,654,046 litres of program products in New Brunswick for the reporting period. 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.

### 3.0 Collection

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

#### 3.1 Total Amount of Waste Paint Collected

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

**Table 1: Total Amount of Waste Paint Collected in 2016**

Item	Number of Tubskids <sup>1</sup>	Residual Paint Volume (L) <sup>2</sup>	Number of Aerosol Drums <sup>3</sup>	Residual Aerosol Paint Volume (L) <sup>4</sup>	Total Residual Paint Volume (L) <sup>5</sup>
Volume Collected	2,127	296,504	143	751	297,811

Table 2 provides the 2016 recovery rate; the volume of paint collected as a function of volume of paint sold in New Brunswick in 2016.

**Table 2: 2016 Paint Sales, Residual Recovery Volume and Recovery Rate**

	Total
Sales (litres)	4,654,046
Residual Recovery Volume (litres)	297,811
Recovery Rate	6.4%

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

<sup>1</sup> Each collection bin measures 42" x 42" x 48" 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

<sup>2</sup> Based on a rounded conversion rate of 139.4L per collection bin derived from the number of tubskids processed and the total residual volume of material generated.

<sup>3</sup> Each drum holds approximately 175 aerosol containers.

<sup>4</sup> Based on a conversion rate of 5.25L per drum.

<sup>5</sup> Includes reuse volume through the Paint Reuse program.

**Table 3: Collection containers Collected by Region in 2016**

Region	Paint (tubs/kids)	Aerosols (drums)	Total
Acadian Peninsula	103	2	104
Chaleur	183	10	186
Fredericton	400	5	402
Fundy	390	19	393
Greater Miramichi	66	1	66
Kent	49	0	49
Kings	67	4	68
Northwest	75	11	78
Restigouche	27	3	28
Southeast	656	84	681
Southwest	50	1	50
Western Valley	61	3	62
<b>TOTAL</b>	<b>2,127</b>	<b>143</b>	<b>2,170</b>

### 3.2 Collection Sites

As of December 31, 2016, 62 collection sites were participating in the Program, an increase of one collection site over 2015. See Table 4 for the breakdown of collection site changes in 2016. The numbers provided include collection sites that closed down prior to 2016, but reported as closed to PCA in 2016.

**Table 4: Collection Site Changes in 2016**

	# of Collection Sites	Collection Sites Closed
2015	61 <sup>6</sup>	2
2016	62	1

Appendix 1 provides details on the collection sites, including location and participation in the Paint Reuse program. In addition to the contracted collection sites listed in Appendix 1, the Fire Department of Saint François de Madawaska and the Edmundston Fire Department accepted paint products for the Program. These collection sites were not advertised as an official collection site. These two sites will no longer be accepting paint in 2017.

Materials collected at this location were delivered to the Cogerno SWC facility in Riviere- Verte, a contracted collection site.

<sup>6</sup> Restated 2015 number of collection sites

### 3.3 Regional Service Commission Events

According to information available to PCA, 45 household hazardous waste (HHW) collection events were held in 2016 by the Regional Services Commissions (RSCs) (see Table 5). The Program managed all waste paint collected from these events.

**Table 5: HHW Collection Event Locations and Dates in 2016**

Location	Date
Allardville	15-Oct-16
Alma	17-Oct-16
Bathurst	14-May-16
Bathurst	29-Oct-16
Beaubassin-Est	19-Oct-16
Belledune	30-Apr-16
Beresford	07-May-16
Campbellton	10-Sep-16
Cap-Pele	12-Oct-16
Caraquet	25-Jun-16
Clair	26-Apr-16
Cocagne	22-Oct-16
Dalhousie	11-Sep-16
Dieppe	15-Oct-16
Doaktown	04-Jun-16
Dorchester	27-Sep-16
Edmundston	23-Apr-16
Edmundston	08-Oct-16
Grand Falls	30-Apr-16
Grand Falls	29-Sep-16
Hillsborough	06-Oct-16
Lac Baker	01-Oct-16
Lamèque	25-Jun-16
Memramcook	18-Oct-16

Location	Date
Miramichi	04-Jun-16
Miramichi	01-Oct-16
Miramichi/Doaktown	04-Jun-16
Moncton	25-Oct-16
Moncton	26-Oct-16
Moncton	27-Oct-16
Néguac	26-Jun-16
Petitcodiac	03-Oct-16
Pointe-Verte	22-Oct-16
Port Elgin	11-Oct-16
Riverview	01-Oct-16
Sackville	28-Sep-16
Salisbury	13-Oct-16
Shediac	29-Sep-16
St-Leonard - Arena	28-Apr-16
St-Quentin	03-May-16
St-Quentin	27-Sep-16
Sussex	05-Nov-16
Sussex	28-May-16
Sussex	29-Oct-16
Tracadie	25-Jun-16

## 4.0 Processing

This section of the report sets out:

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

### 4.1 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. In 2016, a total of 2,147 tubskids of leftover paint were delivered to Laurentide facility for processing, which includes tubskids collected in 2015 and held at the Hebert's Recycling consolidation facility.

During the reporting period, Laurentide processed (i.e., opened, sorted and bulked into shipping containers) 2,165 tubskids, which includes tubskids that were in their inventory from 2015.

Table 6 shows the volume of waste paint shipped to processors and the volume processed by collection container (tubskids and drums) and by residual volume (litres). Volumes collected but not shipped, or shipped but not processed, were managed in the following Program year.

**Table 6: Total Amount Waste Paint Processed in 2016**

Item	Number of Tubskids <sup>7</sup>	Residual Paint Volume (L) <sup>8</sup>	Number of Aerosol Drums <sup>9</sup>	Residual Aerosol Paint Volume (L) <sup>10</sup>	Total Residual Paint Volume (L)
<b>Volume Shipped to Processor</b>	2,147	299,292	161	845	300,137
<b>Volume Processed</b>	2,165	301,842	161	845	302,687

Information on the number of paint containers processed in 2016 at Laurentide Re-sources and the percentage of non-program materials collected is found in Table 7.

**Table 7: Number of Paint Containers Processed in 2016 at the Laurentide Re-sources Atlantic Facility**

	# of Containers
<b>Paint containers</b>	258,107
<b>Non-program containers</b>	11,643
<b>Total containers</b>	269,750
<b>% of non-program containers</b>	4.3%

The amount of metal and plastic containers recycled in 2016 and their respective processors are found in Table 8.

<sup>7</sup> Tubskid dimensions (42" x 34" x 48") 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.

<sup>8</sup> Based on a rounded conversion rate of 139.4L 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.

<sup>9</sup> Each drum holds approximately 175 aerosol containers.

<sup>10</sup> Based on a conversion rate of 5.25L per drum.



**Table 8: Metal and Plastic Containers Collected and Recycled in 2016**

Container Type	Collected and Recycled (tonnes)	Processor	Management Process
Metal	72.3	Tri-Province Recycling, NB	Mixed with other scrap metal and sold as a commodity that is eventually sent for smelting
Plastic pails (HDPE 2)	4.2	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)	13.6	Laurentide Re-sources Atlantic	Processed and managed as a commodity for plastics recycling

#### 4.2 Disposal Method Descriptions

The following sections describe each method the Program used to reuse, recycle, or otherwise treat or dispose of 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 29 collection sites in 2016, representing almost half of all sites across the province (see Appendix 1 for a list of sites offering Paint Reuse). An estimated 556 litres of paint was given away to consumers at no charge through the Paint Reuse Program, a decrease of 230 litres over last year. 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	196,748	86.5%
Alkyd paint	30,586	13.5%
Total	227,334	100.0%

\*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, 25,333 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 50,020 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 10 shows the breakdown of waste paint collected that was reused, recycled, recovered for energy, disposed of in an engineered landfill, contained, or otherwise treated or disposed of. Each amount is shown in litres and as a percentage.

**Table 10: Waste Paint by Management Method**

Method	Volume (litres)	Percentage
Reuse	556	0.2%
Recycle	227,334	75.0%
Energy Recovery	25,333	8.4%
Landfill	50,020	16.5%
<b>Total</b>	<b>303,243</b>	<b>100.0%</b>

### 4.3 Design for Environment

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, 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.

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 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.

#### 4.4 Location of Processing and Containment Facilities

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

<b>Hebert’s Recycling Inc.</b> 53 Walsh Avenue Miramichi, NB E1N 3A5	Containment Facility
<b>Laurentide Re-sources Atlantic Inc.</b> 100 Main Street Springhill, NS B0M 1X0	Processing Facility
<b>Laurentide Re-sources Atlantic Inc.</b> 9322 Rue Main Richibucto, NB E4W 4C7	Storage Facility
<b>Société Laurentide Inc.</b> 345 Bulstrode Street Victoriaville, QC G6T 1P7	Processing Facility
<b>Clean Harbors Environmental Services</b> 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 2016 to educate consumers in accordance with regulatory requirements. The following describes the various communication and education tactics employed.

### **5.1 Program awareness**

An awareness survey conducted in 2015 showed that 53% of consumers are aware of the Program, exceeding the target by 5.5%. The next consumer awareness study will be conducted in 2017. The Program targets to have program awareness levels of 55% by 2017.

### **5.2 Websites**

PCA operates a consumer-facing brand, ReGeneration, through which it engages end-users through 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).

An estimated 90,074 unique visitors accessed regeneration.ca during the 2016 calendar year. The Program page specific to New Brunswick received 3,009 page views, while the collection site finder page received 845 page views. Additionally, ReGeneration.ca is linked to (and from) the Recycle New Brunswick website.

Productcare.org launched in May 2016. The new site allows Program members, services providers and regulators to interact relevant materials and resources, while consumers continue to navigate to ReGeneration.ca for their day-to-day recycling needs.

### **5.3 Program Hotline**

Recycle NB and PCA continue to operate a toll-free, bilingual “hotline” by which consumers were able to obtain information about the Program.

#### **5.4 TV Campaign**

A province-wide campaign with Global TV restarted (having run for 26 weeks in 2015) on January 25th, 2016 and aired for the entire 2016 calendar year. Community PSAs, with local talent voiced 15 second “info-mercial” style spots educating viewers on paint recycling. The Program also featured a rotation of 30-second traditional commercial spots airing on prime time during high viewership programming. The TV campaign made use of regional TV station and affiliate of Global.

#### **5.5 Radio Campaign**

Thirty-second, English advertisements ran daily on K94.5 FM Moncton from February 2 to 21. Additional radio advertisements ran throughout the 2016 calendar year, in French and English, in Saint John, Fredericton, Dieppe and Moncton.

#### **5.6 Direct Mail Campaign**

In November of 2016, bilingual postcard size flyers were sent out to northern communities. A total of 23,411 households received flyers promoting PaintRecycle and warned against leaving materials at collection sites after operating hours. This initiative was done in partnership with RecycleNB.

#### **5.7 Digital Advertising**

PCA ran a four-week, 15-second, in-store digital advertising campaign in Tim Horton’s restaurant locations across New Brunswick. Tim Hortons enjoys a vast and strong loyal following from a diverse demographic base across the country. PCA also partnered with Cineplex Odeon Theatres on a digital advertising campaign: lobby and pre-show in-theatre ads ran in Fredericton and Moncton.

#### **5.8 Yellow Pages**

PCA ran an Atlantic Canada targeted digital campaign via YP Group, including syndicated Facebook posts, targeted digital display ads, and smart digital display (re-serving impressions to a pre-qualified audience). Digital ads were specifically generated to Internet users who performed online searches related to the purchase, use and disposal of paint products in New Brunswick. Additionally, our Facebook advertising campaign pursued a “gated” strategy, which is to say, content viewable by residents of New Brunswick was relevant to that audience specifically, and was not necessarily seen by audiences in other provinces. An example of a Facebook post is displayed on Appendix 3.

### **5.9 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, via mail-out. Similarly, retailers were supplied with materials free of charge on request. Appendix 4 illustrates 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

### **5.10 Recycle New Brunswick Partnership**

Product Care Association continued to partner with Recycle New Brunswick. 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 Recycle informational brochures.

### **5.11 Collection Site Visits**

A PCA representative visited 45 collection sites in 2016 (see list in Table 11 below) for the purpose of providing in-person support to the collection sites, delivering informational brochures and provide any necessary training.

**Table 11: Collection Sites Visited in 2016**

Depot Name	Date of Inspection	Municipality	County
Airport General Store	21-Jun-16	Saint John	St John
Baie Ste Anne Building Supplies / Castle Building Center	10-Nov-16	Baie Ste Anne	Gloucester
Sainte Antoine Home Hardware Building Centre	14-Jun-16	Saint-Antoine	Kent
Boyd Brothers Ltd.	27-Jul-16	Saint George	Charlotte
Caissie Building Supplies	11-Sep-16	Rogersville	Gloucester
Caraquet Home Hardware	5-Jul-16	Caraquet	Gloucester
Carpet Ranch / Grange a Tapis	4-Jul-16	Beresford	Gloucester
Centre De Remboursement le Recyclage	22-Aug-16	Riviere Verte	Madawaska
Clark's Bottle Exchange	29-Jul-16	Chipman	Queen
Cogerno	22-Aug-16	Riviere-Verte	Madawaska
Doran's Recycling Ltd.	10-Nov-16	Miramichi	Northumberland
Dupuis Home Hardware	1-Jun-16	Memramcook	Westmorland
Friendly's Bottle Exchange	23-Aug-16	Lower Brighton	Carleton
Gilbert M Rioux et fils Ltee.	23-Aug-16	Grand Sault	Victoria
Golden Mile Redemption Centre Ltd.	21-Jun-16	Saint John	St John
Gorbers Bottle Exch. Ltd.	6-Sep-16	Moncton	Westmorland
Grand Bay Redemption Centre	21-Jun-16	Grand Bay-Westfield	Kings
Hebert's Bottle Exchange	10-Nov-16	Miramichi	Northumberland
Hillsborough Recycling Depot	15-Sep-16	Hillsborough	Albert
Horsman's Bottle Exchange Inc.	7-Sep-16	Salisbury West	Westmorland
J&L Warehousing Inc.	22-Aug-16	Edmundston	Madawaska
Keith's Building Supplies Ltd.	27-Jul-16	Saint Stephen	Charlotte
Mapleview Redemption Center	23-Aug-16	Weaver	Carleton
Marina Bottle Exchange	4-Jul-16	Campbellton	Gloucester
Neguac Home Hardware / Centre de Renovation Home Hardware	5-Jul-16	Neguac	Northumberland
Nepisiguit-Chaleur SWC (REDPINE) (District 3) - CSR3	4-Jul-16	Allardville	Gloucester
Norrad's Express and Redemption Centre Ltd.	29-Jul-16	Sussex	Kings
Pub's Transfer & Bottle Ex Ltd.	21-Jun-16	Saint John	St John
Recyclage Beresford Recycling Ltee.	4-Jul-16	Beresford	Gloucester
Recyclage Chaleur	4-Jul-16	Petit-Rocher	Gloucester
RONA Le Renovateur -	22-Aug-16	Edmundston	Madawaska



Depot Name	Date of Inspection	Municipality	County
Edmundston (Store #8379)			
RONA Le Renovateur (Store #2125)	22-Aug-16	Saint-Francois-de-Madawaska	Madawaska
RONA Le Renovateur (Store #7200)	23-Aug-16	Saint-Quentin	Restigouche
RONA Le Renovateur (Store #7786)	23-Aug-16	Kedgwick	Restigouche
Shediac Redeem Center / Eastern Propane	14-Jun-16	Shediac	Westmorland
South West Solid Waste Commission (District 10)	27-Jul-16	Lawrence Station	Charlotte
Tediche Home Hardware Building Centre	14-Jun-16	Cap-Pele	Westmorland
Tracadie Home Hardware	5-Jul-16	Tracadie	Gloucester
Vail's Bottle Exchange	23-Aug-16	Woodstock	Victoria
Valley Glass - Juniper/Collishaw (formerly Tri Province Enterprises (1984) Ltd.)	6-Sep-16	Collishaw	Westmorland
Valley Glass - Toombs (formerly Tri Province Enterprises (1984) Ltd.)	8-Sep-16	Moncton	Westmorland
Valley Redemption Centre Inc.	21-Jun-16	Saint John	St John
Wheaton's All in One	14-Jun-16	Sackville	Westmorland
Wiebe's Home Building Centre	23-Aug-16	Centreville	Victoria

## 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, 2016**

Depot Name	City	Paint Reuse
Nepisiguit-Chaleur SWC	Allardville	No
Marina Bottle Exchange	Atholville	Yes
Baie Ste Anne Building Supplies / Castle Building Center	Baie Ste Anne	No
Carpet Ranch / Grange a Tapis	Beresford	No
Recyclage Beresford Recycling Ltee.	Beresford	Yes
Tediche Home Hardware Building Centre	Cap-Pele	No
Caraquet Home Hardware	Caraquet	No
Wiebe's Home Building Centre	Centreville	No
Clark's Bottle Exchange	Chipman	Yes
Miramichi City Surplus Inc.	Derby Junction	Yes
Valley Glass Recycling Ltd.	Dieppe	Yes
Betts Home Hardware	Doaktown	No
J&L Warehousing Inc.	Edmundston	Yes
RONA Le Renovateur - Edmundston	Edmundston	No
Fredericton Region Solid Waste Commission	Fredericton	No
Topmar Building Supplies	Fredericton	No
Grand Bay Redemption Centre	Grand Bay-	No
Grand Manan Redemption Centre	Grand Manan	No
Gilbert M Rioux et fils Ltee.	Grand Sault	Yes
Hampton Recycling Centre - Satellite Depot	Hampton	No
Southside Redemption Centre	Hanwell	Yes
Brooks Redemption Center	Hartfield	Yes
Watson's Store Ltd.	Harvey York Co	No
Hillsborough Recycling Depot	Hillsborough	Yes
RONA Le Renovateur	Kedgwick	No
La Societe Cooperative de Lameque Ltee	Lameque	No
South West Solid Waste Commission	Lawrence Station	No
Friendly's Bottle Exchange	Lower Brighton	Yes
Dupuis Home Hardware	Memramcook	No
Doran's Recycling Ltd.	Miramichi	No
Greater Miramichi Regional Service Commission	Miramichi	No
Hebert's Bottle Exchange	Miramichi	Yes
Gorbers Bottle Exch. Ltd.	Moncton	Yes
Southeast Regional Service Commission	Moncton	No
Valley Glass - Juniper/Collishaw	Moncton	Yes
Valley Glass - Toombs	Moncton	Yes
Neguac Home Hardware / Centre de Renovation Home	Neguac	No

Depot Name	City	Paint Reuse
Roblynn Home Hardware & Home Furniture	Oromocto	No
Recyclage Chaleur	Petit-Rocher	Yes
Richibucto Home Hardware	Richibucto	No
Centre De Remboursement le Recyclage	Riviere Verte	Yes
Cogerno	Riviere-Verte	Yes
Caissie Building Supplies	Rogersville	No
Wheaton's All in One	Sackville	Yes
Fundy Solid Waste - Crane Mountain Landfill	Saint John	No
Golden Mile Redemption Centre Ltd.	Saint John	Yes
Pub's Transfer & Bottle Ex Ltd.	Saint John	Yes
Valley Redemption Centre Inc.	Saint John	Yes
Sainte Antoine Home Hardware Building Centre / Ledger	Sainte-Antoine,	No
RONA Le Renovateur	Saint-Francois-de-	No
RONA Le Renovateur	Saint-Quentin	No
Horsman's Bottle Exchange Inc.	Salisbury West	Yes
Shediac Redeem Center / Eastern Propane	Shediac	No
Airport General Store	St John	No
Boyd Brothers Ltd.	St. George	No
Keith's Building Supplies Ltd.	St. Stephen	Yes
Centre de Remboursement Gaetan Bosse	St.Quentin	Yes
Norrad's Express and Redemption Centre Ltd.	Sussex	No
Tracadie Home Hardware	Tracadie	Yes
Mapleview Redemption Center	Weaver	Yes
Southern Valley Transfer Station	Woodstock	Yes
Vail's Bottle Exchange	Woodstock	No

## APPENDIX 2 – Collection Site Locator

Below is a snapshot of the collection site locator tool found at [regeneration.ca](http://regeneration.ca).

**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.

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


- 1 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
- 2 Clark's Bottle Exchange** 60.69 km  
137 Lilloette Drive  
Chatham, NB, E4A 1N0

The map displays numerous numbered pins across New Brunswick, indicating the locations of 58 collection sites. Major cities and regions shown include Doaktown, Tracadie, and Miramichi.




### APPENDIX 3– Sample Facebook Post


 **ReGeneration**  
Published by Gain [?] · September 13, 2016 · ✱

"Je ne veux pas protéger l'environnement. Je veux créer un monde où l'environnement n'a pas besoin d'être protégé."  
[See Translation](#)






6,429 people reached [Boost Post](#)

 Like  Comment  Share

 Freddy Landreville, Ross la Haye and 28 others

11 shares

 Write a comment...  

## APPENDIX 4 – PoS & PoR Materials

### Rack Card Front and Back - 5" x 8"

Illustration of two people, one holding a paint can and the other holding a paintbrush, standing in front of a house.

## 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](http://ReGeneration.ca).

**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

### Posters - 11" x 17"

Illustration of four people, one holding a paint can and the other holding a paintbrush, standing in front of a house.

## 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](http://RecycleNB.com) or call 1-888-322-8473

Illustration of four people, one holding a paint can and the other holding a paintbrush, standing in front of a house.

## 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](http://RecycleNB.com)  
ou appelez au 1-888-322-8473.

### 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**  
Special waste recycling by Product Care

Product Care  
ReGeneration is owned by Product Care Association, Ltd. For more information.

### Floor Decal

**Leftover Paint? Recycle It!**

Visit [ReGeneration.ca](http://ReGeneration.ca) to find your nearest collection site

**PaintRecycle**

### Paint can stickers

[ReGeneration.ca](http://ReGeneration.ca)

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

**PaintRecycle**

## APPENDIX 5 – Financial Statements



**APPENDIX 6 – Report of Independent, Third Party Auditor of Program Annual Report**

# **New Brunswick Paint Stewardship Program**

## **2016 Program Performance Review**

Prepared by  
Kim Hughes BSc.  
April 21, 2017

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## 1.0 INTRODUCTION

This report presents the results of an independent assessment, carried out by an independent reviewer, of the performance of the New Brunswick Paint Stewardship Program for the year 2016. This assessment is an annual undertaking to satisfy Section 39(g) of the *Designated Materials Regulation* 2008-54 under the *New Brunswick Clean Environment Act* requiring that the paint stewardship plan shall provide the assessment of the performance of the brand owner's plan by an independent auditor.

The New Brunswick Department of Environment and Local Government introduced the *Designated Materials Regulation* under the *New Brunswick Clean Environment Act* by Order-in-Council 2008-180 dated April 25, 2008. The Regulation is administered by a multi-material stewardship board (Recycle New Brunswick). Architectural paint, referred to as paint in this report, was added as a designated material for the purposes of section 22.1 of the Act.

Stewardship programs in Canada have been developed on the basis of a Producer Responsibility model where the responsibility for the end-of-life management rests with the organization producing the product. These programs aim at driving the producer to consider and include the end-of-life management of a product into the front-end decision-making. This approach will affect the decision making process during the design stage of a product where emphasis will be directed at cost effective and environmentally sound means to manage the product at the end of its use. The implementation of 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 Regulation requires every Paint Brand Owner operating in the Province to register with Recycle New Brunswick and to submit or have its agent submit a paint stewardship plan for approval by the Board. The paint stewardship plan shall apply to the manufacture, storage, collection, transportation, recycling, disposal or other means of handling paint that is sold, offered for sale or distributed within the Province. Reuse and recycling shall be considered as the top means for managing waste paint. The plan shall also provide a description of the process to be used for achieving a reuse/recycle rate of 70%. The reuse/recycle rate is derived by dividing the amount of paint reused, recycled or used for energy recovery under a paint stewardship plan by the amount of paint collected, expressed as a percentage. A communications program for informing consumers of the brand owner's paint stewardship plan and the location of return depots shall also be included in the plan.

The *Designated Materials Regulation*, under Section 45, also requires that every Paint Brand Owner operating in the Province, or its agent, submit an annual report on the New Brunswick Paint Stewardship Program to Recycle New Brunswick. The annual report shall present the total amount of waste paint collected and processed in the Province and details on the means of managing waste paint. The annual report shall describe the types of consumer information, educational materials and strategies adopted by the brand owner. Annual financial statements, as prepared by an independent auditor, of the revenues received and the expenditures incurred by the paint stewardship plan shall also be included in the annual report.

Under Section 45(1)(j) of the Regulation, the annual report must include an assessment of the performance of the brand owner's annual report by an independent auditor. This review and assessment of the New Brunswick Paint Stewardship Program for 2016 was carried out by an

independent reviewer to satisfy the requirements of the *Designated Materials Regulation* 2008-54 under the *Clean Environment Act*.

The 2016 review and assessment of the New Brunswick Paint Stewardship Program was carried out by evaluating the 2016 annual report and by comparing outcomes with the previous six annual reports (2010-2015) which were produced by Product Care (the agent of Paint Brand Owners) in accordance with Section 45(1) of the *Designated Materials Regulation*. The reviewer has also considered additional information collected through discussions with staff of Product Care, staff of Recycle New Brunswick and staff of Environment New Brunswick in the assessment of the program's performance.

## **2.0 NEW BRUNSWICK PAINT STEWARDSHIP PROGRAM**

The New Brunswick Paint Stewardship Program plan 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 has been administering the Paint Stewardship Program in New Brunswick for the last seven years and has been managing paint and other household hazardous waste stewardship programs in other jurisdictions since 1994. The Association is currently involved in Stewardship and Recycling programs in the Provinces of British Columbia, Saskatchewan, Manitoba, Ontario, Newfoundland and Labrador, Prince Edward Island, and Nova Scotia.

As of December 31, 2016, there were 61 Brand Owners registered under the New Brunswick Paint Stewardship Program. The program was operated through a network of 62 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. The collection sites in the Province include paint retailers, Regional Service Commission Solid Waste facilities and bottle redemption centers, as well as some fire departments. The New Brunswick Paint Stewardship Program provides collection sites with standard reusable collection bins and other containers such as drums. The filled bins are then collected from the collection sites by a hauler contracted to the program, and at the same time empty bins are dropped off by the hauler. The filled bins are then consolidated at the hauler's warehouse into full loads to be shipped to processors for recycling.

The New Brunswick Paint Stewardship Program manages a Paint Reuse component where better quality paint returned to collection sites are made available for the public to take free of charge. The Program also aims at reclaiming 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* identifies the reuse and recycling of waste paint as the top options for managing waste paint in the Province. Accordingly, over the last seven years Product Care has placed significant efforts in focusing on improving and increasing the level of reusability and recyclability of the waste paint in the Province.

### 3.0 EVALUATION METHODOLOGY

The assessment of the performance of the New Brunswick Paint Stewardship Program was carried out by evaluating six separate components of the program. The components considered in this evaluation are listed below:

1. **Paint Brand Owners:** What were the communication tools used to involve and engage Paint Brand Owners?
2. **Collection:** What volumes of waste paint were collected in relation to the volume of paint sold in the province and what was the recovery rate as compared to that in previous years?
3. **Processing & Recycling:** How did the program perform in relation to the ultimate goals of the Paint Stewardship Program and the requirements of the *Designated Materials Regulation*?
4. **Communications:** What were the means of communications used to increase public awareness of the program?
5. **Operations:** How effective were the collection, transportation, processing and recycling components in achieving the objectives of the Paint Stewardship Program?
6. **Financial:** How well did the Program budget relate to the various components of program expenditures?

## 4.0 EVALUATION

### 4.1 Paint Brand Owners

Paint Brand Owners of the paint manufacturing and retailing industry who are selling, offering for sale or distributing paint within the Province of New Brunswick have appointed Product Care Association as a mean of achieving effective communication on the management of paint and waste paint in the province. This arrangement provides an opportunity to discuss the ultimate goals of the New Brunswick Paint Stewardship Program 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 Product Care and the Paint manufacturing and retailing industry and the support of industry representatives on the Product Care Board, all the Paint Brand Owners registered under the regulation in 2015 continued to operate in 2016. As of December 31, 2016, there were 61 Paint Brand Owners registered under the New Brunswick Paint Stewardship Program, an increase of one additional participant. The number of Paint Brand Owners registered under the New Brunswick Paint Stewardship Program in the last seven years is shown in Table 1.

**Table 1      Number of Paint Brand Owners**

Year	2010	2011	2012	2013	2014	2015	2016
Number of Registered Paint Brand Owners	43	47	55	56	60	60	61

The data presented in Table 1 shows that there is a continued interest of the Paint Brand Owners in the New Brunswick Paint Stewardship Program. This continued interest can be attributed to the role of the industry representatives on the Product Care Board and through consultations with an extended network of Brand Owners. It is also an indication of the support of the Paint Manufacturing towards the New Brunswick Paint Stewardship Program.

#### **Recommendation:**

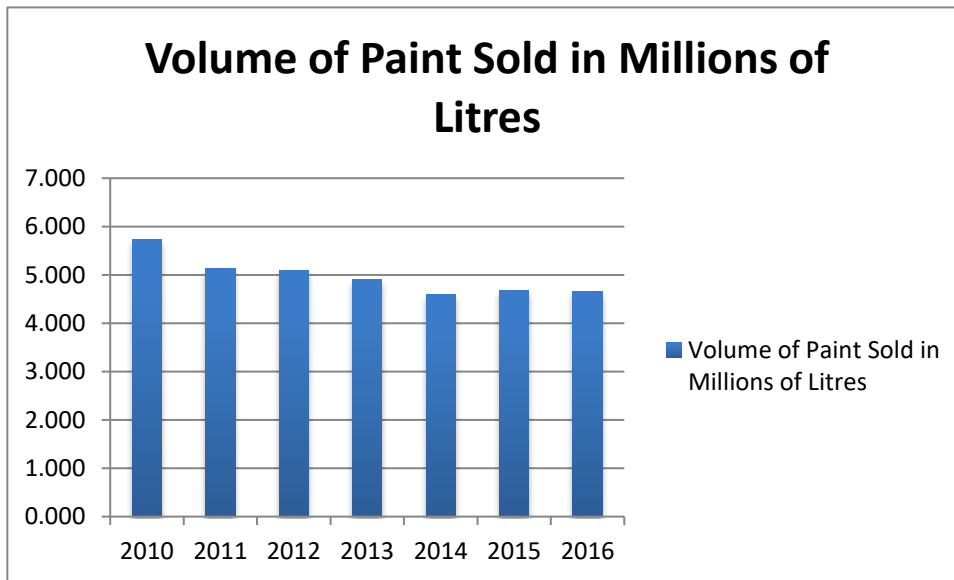
- Product Care should continue to maintain its contacts with key Paint Brand Owners and Paint Brand Owner associations in order to have firsthand knowledge of expected paint supply in the Province.

## 4.2 Collection

Program members reported the sale of 4,654,046 litres of program products in New Brunswick from January 1 to December 31, 2016, a slight decrease from the 4,674,974 litres sold in 2015. 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 seven years (2010-2016) are presented in Table 2 and 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 2016 the total amount of waste paint collected was 297,811 litres representing a residual recovery rate of 6.4%, the highest recovery rate achieved since the program was implemented.

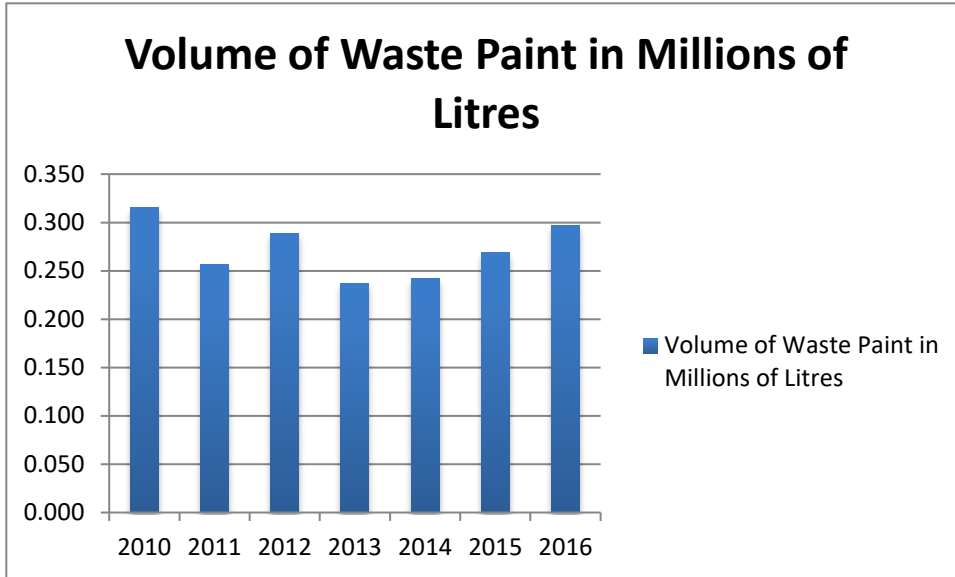
**Table 2 Total Volumes of Sold Paint and Collected Waste Paint**

Item	Units	2010	2011	2012	2013	2014	2015	2016
Volume of Paint Sold in NB	Litres	5,725,316	5,129,399	5,101,094	4,906,169	4,598,000	4,674,947	4,654,046
Volume of Collected Waste Paint	Litres	315,481	256,963	289,202	236,749	242,287	268,880	297,811
Recovery Rate	%	5.51	5.00	5.67	4.83	5.27	5.75	6.4%

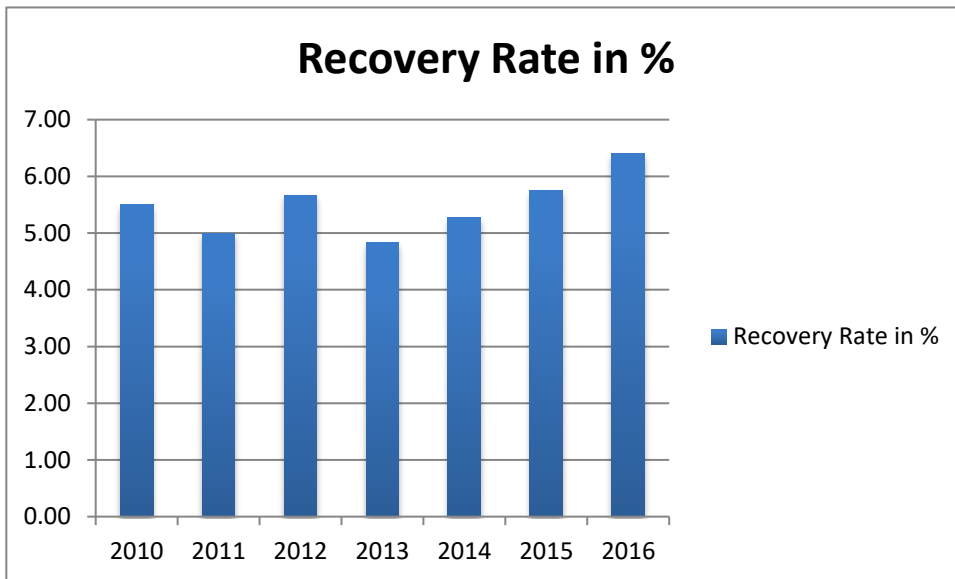


**Figure 1 Volume of Paint Sold in New Brunswick**





**Figure 2 Volume of Collected Waste Paint**



**Figure 3 Recovery Rate of Waste Paint in NB**

Table 2 shows that the volume of paint sold in the Province in 2016 was almost the same as that sold in 2015. However, the volume of collected waste paint in 2016 was about 10% higher than that collected in 2015 and about 20% higher than that collected in 2014. The increase in the volume of collected waste paint can be attributed to the ongoing efforts to increase consumer awareness of the Paint Stewardship Program. This increase in consumer awareness is certainly a result of the extensive communication and education programs delivered by Product Care and Recycle New Brunswick.

As noted in Section 2 above, all waste paint collected through the Program is sent to the Laurentide Resources Atlantic Inc. facility in Springhill, Nova Scotia for initial processing. There was a total of 2,147 tubskids of leftover paint delivered to Laurentide facility in 2016. This total included residual tubskids collected in 2015 and held at the Hebert's Recycling consolidation facility. During 2016, Laurentide processed (i.e., opened, sorted and bulked into shipping containers) 2,165 tubskids, including the 2016 tubskids and those from the 2015 inventory.

There were 62 collection sites participating in the program in 2016. Paint Reuse was offered at 29 collection sites in 2016, 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 2016 it was estimated that 556 litres of paint was used by consumers as a result of the Paint Reuse program. There were two new collection sites joining the program in 2016 and one collection site was closed. Therefore, there was an increase of one collection site in 2016 compared to the number of collection sites in 2015.

There are also two fire departments accepting the return of leftover paint in the Province. Materials collected at these two fire departments are delivered to the Cogerno Solid Waste Commission facility in Riviere-Verte which is a collection site under the program. This service will not be provided in 2017.

It should also be noted that there were 45 household hazardous waste (HHW) collection events held throughout the Province in 2016. All waste paint collected at these events was managed by Product Care under the New Brunswick Paint Stewardship Program.

**Recommendations:**

- It was observed that the return rate for some regions in the province was very low. Product Care should focus on those regions with extensive communication and education programs to increase consumer awareness of the benefits associated with the use of leftover paint and the reuse of recycled paint.

### 4.3 Processing & Recycling

Laurentide Resources Atlantic Inc. facility has processed 297,811 litres (2,147 tubskids) of leftover paint in 2016, which represents a recovery rate of 6.4%. This total is about 10% higher than that processed in 2015 (268,880 litres). This highlights 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.

The ultimate goal of the Paint Stewardship Program is to direct the collected waste paint towards environmentally accepted uses; such as reuse, recycling, and use for energy recovery. The disposal of waste paint in a landfill or its use in incineration is considered as the last means of disposal of waste paint.

In 2016, 75.2 % of waste paint was reused or recycled. The New Brunswick Paint Stewardship program managed waste paint as follows;

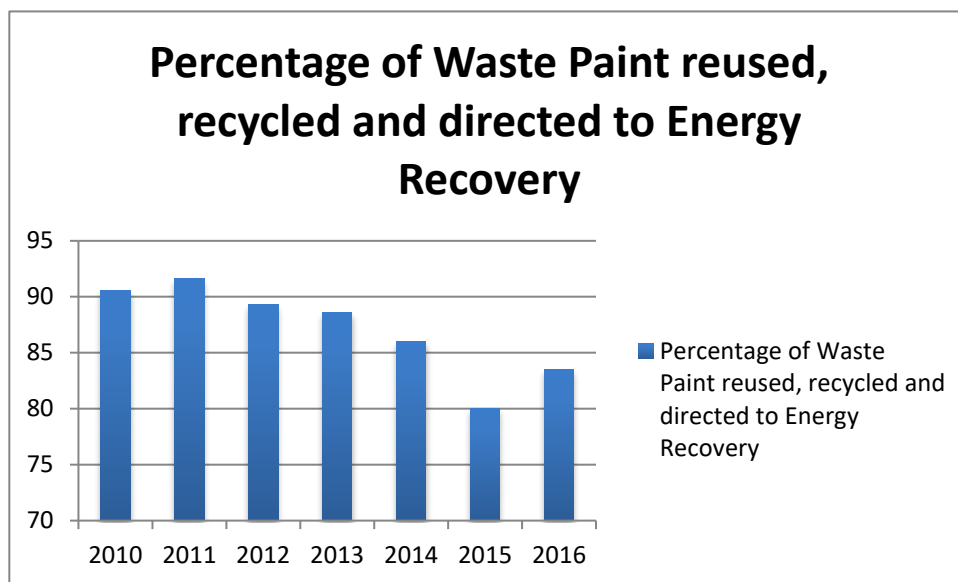
- \* reuse 556 litres
- \* recycling 227,334 litres
- \* energy recovery 25,333 litres

representing 83.5% of the volume of paint in the Paint Stewardship Program. The remainder of paint in the program, 50,020 litres or 16.5% was securely disposed of in engineered landfill sites. No incineration of waste paint took place.

For comparison purposes, Table 3 (below) shows the volumes and percentages of waste paint collected and managed from 2010-2015. It is worth noting that the efforts of Product Care and Recycle NB continue to meet program objectives.

**Table 3 Volume and Percentage of Waste Paint by Management Method (2010-2015)**

Method	2010		2011		2012		2013		2014		2015	
	Litres	%	Litres	%	Litres	%	Litres	%	Litres	%	Litres	%
Reuse	1,157	0.4	1,244	0.5	1,229	0.4	673	0.3	903	0.4	786	0.3
Recycle	260,917	87.4	212,346	87.2	233,653	72.0	164,499	74.5	189,031	76.5	191,578	70.0
Energy Recovery	8,405	2.8	9,550	3.9	54,883	16.9	30,340	13.8	22,340	9	24,342	8.9
Landfill Disposal	27,800	9.3	20,500	8.4	34,645	10.7	25,215	11.4	34,850	14.1	56,785	20.8
Incineration	284	0.1	0	0	0	0	0	0	0	0	0	0
Total	298,563	100	243,640	100	324,410	100	220,726	100	247,124	100	273,491	100



**Figure 4 Percentage of Waste Paint Re-used, Recycled and Used for Energy Recovery**

In 2016, there was a decrease in the percentage of collected waste paint (16.5%) that was disposed of in engineered landfills from 20.8% that was disposed of in 2015. While this reduction to 16.5% was positive from a program perspective it remains higher than the volumes disposed of from 2010-2014. This is probably due to consumer's lack of awareness that contaminated waste paint is non-recyclable and is directed to landfills. It should be noted that there was no waste paint directed to incineration since the beginning of the program.

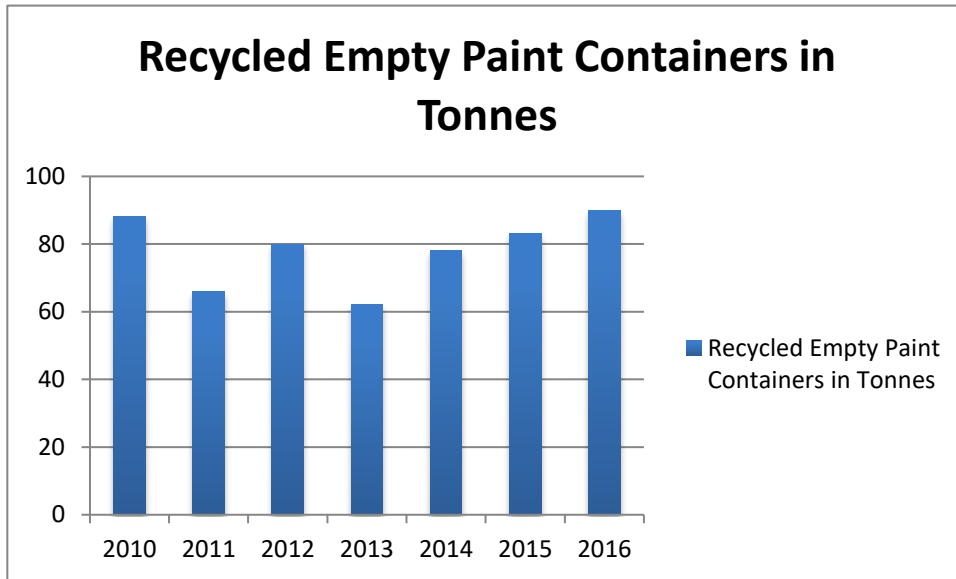
The reuse rate (the volume of paint reused plus the volume of paint recycled to produce paint/energy divided by the volume of waste paint collected) in 2016 was 75.2% (2015 was 70.3%); exceeding the requirement of the *Designated Materials Regulation*. Section 44 of the Regulation requires that the reuse/recycle rate for waste paint shall be at least 70%. This requirement has been achieved during the last seven years.

The continued issue of non-program containers being returned by the consumer to collection sites has again been observed in 2016. There were a total of 11,643 non-program containers returned in 2016 (11,276 in 2015); accounting to 4.3% of all collected containers (269,750). 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 seven years of the program.

In 2016, a total of 72.3 tonnes of empty metal paint containers were generated and sent for metal recycling, 4.2 tonnes of plastics pails (HDPE 2) and 13.6 tonnes of plastic paint cans (polypropylene) were sent for plastics recycling. This represents a total of 90.1 tonnes and is an increase of 6.64 tonnes of all recycled containers in 2016 over those recycled in 2015. The

increase of the weight of recycled containers is a result of the continued efforts of Product Care in identifying the appropriate recycling facilities for these containers and its focus in ensuring that the containers are directed to these recycling facilities.

The recycled empty metal paint containers, plastic paint pails and plastic paint cans over the last seven years are presented in Figure 5.



**Figure 5 Recycled Empty Paint Containers by Weight**

## **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.
- Product Care should continue its efforts in identifying opportunities to support paint recycling R&D activities that would lead to greater market demand for recycled paint products and identify wider markets for recycling paint containers.
- Product Care should initiate discussion with Recycle NB and the Department of Environment and Local Government to investigate opportunities to better manage non-program containers and materials.

## **4.4 Communications**

Product Care has continued 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 on this component of the program resulted in a collaborated effort in delivering the public communication and education program in the province. 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 2015, a survey was conducted to determine consumer awareness. This showed that 53% of consumers were aware of the New Brunswick Paint Stewardship Program.

Other communication and education programs in 2016 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 re-designed 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;
- the continuation of utilizing yellow pages ads and syndicated Face book posts, targeted at internet users;
- a TV campaign with Global TV;

- the utilization of a radio campaign to raise awareness of the paint recycling program and promote the locations of collection sites.
- in collaboration with Recycle NB a direct mail delivery to 23,411 households promoting paint recycling was undertaken;
- partnered with Cineplex Odeon theatres in Fredericton and Moncton to promote program;
- the utilization of Tim Horton's in-store digital advertizing system. This venue ran for four weeks at about 100 Tim Horton Locations; and
- the continuation of carrying out regular visits to collection sites to provide for the training of 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 exchange program and Program product lists. There were about 3,000 visitors who utilized the website in 2016; while the collection site finder page received about 845 page views.

Product Care has continued to strengthen its relationship with the New Brunswick Regional Service Commissions during 2016. 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 45 household hazardous waste (HHW) collection events held by the Regional Service Commissions in 2016. All waste paint collected at these events was managed by Product Care under the New Brunswick Paint Stewardship Program.

Collection sites visits by the local representative of Product Care continued in 2016, where the local representative visited 45 collection sites (about 80% 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 several of the paint retailers throughout the Province to ensure that they have enough brochures and that the brochures are given to the public when buying paint. The continued efforts of the local representative would certainly improve the efficiency of the program and would provide greater understanding of the goals of the Paint Stewardship Program among those using and selling paint and those collecting waste paint in New Brunswick.

Furthermore, Product Care continued communication with the retailers and collection site operators regarding the distribution of program information to the public. 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 should consider hiring a second local representative (bilingual) to be responsible for the northern and Eastern communities in New Brunswick.

- 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.

#### **4.5 Operations**

The presentation in the above sections demonstrates that the operation of the program has been successful in 2016. The success of the program's operation is largely attributed to the experience of the program manager in managing paint stewardship programs in several provinces. As noted above, Product Care has managed paint and other household hazardous waste stewardship programs since 1994 in Canada and in the United States.

Product Care carries out regular training visits to 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 Paint Stewardship Program stipulated in the *Designated Materials Regulation*.

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. These inspection visits provides a level of comfort that the operations of the collection sites are continuing to improve. It has been demonstrated that 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.

It has been noted that a number of non-program containers have been 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 Product Care representative were directed towards educating the collection sites operators regarding the non-program containers making their way into the collection and processing stream. The non-program containers present an economic drag on the program and a potential risk to retailers and collection sites operators handling the returns. Further to the recommendation contained in Section 4.3, 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 2016 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). Further, the above sections indicate that the public awareness of the Paint Stewardship Program has been increasing, as demonstrated by the increase of used paint returned by the consumers, as noted in Section 4.2.

#### **Recommendation:**

- Product Care should continue to carry out regular collection site visits/inspection and operators' training and to continue working with the collection sites operators in an effort to improve their operational effectiveness.
- Product Care should continue and enhance its efforts during site visits to educate the operators about the accepted program containers in order to reduce the volume of non-program containers coming into the program.

#### **4.6 Financial**

The financial statement for the New Brunswick Paint Stewardship Program for the year ending on December 31, 2016 showing the revenues, expenses and accumulated surplus was prepared by Rolfe, Benson LLP Chartered accountants. The financial statement shows that the total revenue of the program was \$ 919,720.00. This represents an increase of \$ 22,763 from the 2015 budget.

The statement also indicated that the operating expenses (collection, processing and transportation) were \$ 742,112. This value was consistent with program costs in 2015 even though 2016 saw an increase in collection and processing of waster paint.

The general and administration expenses for the N.B. Paint Stewardship Program in 2016 were 26% of the total program budget consistent with what has been reported in the past six years. The review of the administration expenses over the years demonstrates that Product Care has been successful in maintaining the administration costs.

The 2016 financial statement indicated that there was a deficiency of revenues over expenses amounting to \$86,167 at the end of the fiscal year. Considering the 2016 deficiency and a prior period adjustment, the accumulated surplus over the last six years of the program amounted to \$595,515. It should be noted that Product Care has a reserve fund policy in place, which should allow for unexpected circumstances that may increase the costs of operation and/or administration of the program.

## Recommendations:

- Product Care should utilize the reserve funds, if it becomes in excess of the reserve fund policy, as necessary and appropriate to meet recommendations noted throughout this report.
- Product Care should utilize some of the surplus funds to increase the number of local representatives within the province. Local representatives would be great asset in promoting the program and in increasing public awareness.
- Product Care should consider the establishment of a financial reserve fund and appropriate policies to govern the management of these funds. Product Care should discuss this issue with their financial advisors.

## 5.0 OVERALL PROGRAM ASSESSMENT & CONCLUSION

In 2016, there were 61 Paint Brand Owners registered under the New Brunswick Paint Stewardship Program and a network of 62 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. There were two collection sites added to the New Brunswick collection system in 2016. The collection sites in the Province include paint retailers, Regional Service – Solid Waste Commission facilities and bottle redemption centers as well as some fire departments.

The evaluation and assessment of the performance of the New Brunswick Paint Stewardship Program for 2016 was based on the review of the 2016 annual report produced by Product Care and the audited financial statement for 2016 produced by a chartered accountant. The assessment also included comparison with the 2010 to 2015 reported quantities. During the assessment, the reviewer held meetings with the major stakeholders in order to get their views and input on the 2016 program. The major stakeholders included staff of Recycle New Brunswick, staff of The New Brunswick Department of Environment and Local Government and a representative of the program administrator (Product Care) located in New Brunswick.

For the last seven years, the New Brunswick Paint Stewardship Program has been operated by Product Care on behalf of Paint Brand Owners selling paint in the Province. It is clear from the review and assessment of the annual report that Product Care 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 mainly in paint reuse and recycling; as well as the collection and recycling of paint containers.

As noted in Section 4.2, the volume of paint sold in the Province in 2016 (4,654,046 litres) was almost the same as that sold in 2015 (4,674,947 litres). However, the volume of collected waste

paint in 2016 (297,811 l) was about 28,931 litres higher than that collected in 2015 (268,880 litres). The increase in the volume of collected waste paint can be attributed to the continued increase in consumer and program participant awareness of the New Brunswick Paint Stewardship Program. 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 has been a problematic item in the recycling business, Product Care has been working hard to identify appropriate recycling facilities for 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 2016 – 90.1 tonnes were collected and recycled. This represents an increase of approximately 6.5 tonnes of empty metal and plastic paint containers over 2015 and shows a consistent increase over previous years. 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 2016 was 75.2%; exceeding the requirement of the *Designated Materials Regulation*. It should be noted that this requirement has been achieved during the last seven years. The maintenance of the higher reuse rate is realized as a result of the ongoing communication and education programs delivered by Product Care and Recycle New Brunswick. Again, the higher reuse rate demonstrates the effectiveness of the program and shows a positive result of the efforts made by Product Care and Recycle New Brunswick in the Paint Stewardship Program in New Brunswick.

The financial statement prepared by a Chartered accountant for 2016 showed a deficiency at the end of the fiscal year of \$ 86,167, equivalent to approximately 8.5 % of the total program budget. The administration costs were consistent with previous years while the operational activities have increased. These observations demonstrate that Product Care has been successful in continuing to reduce and maintain the administration cost of the program while successfully operating the 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 2016 with outstanding performance. The efforts expended by Product Care have resulted in satisfying the objectives of the *Designated Materials Regulation*. It is also noted that Product Care continues to direct its focus on improving the efficiency and effectiveness of the program and on maintaining a firm control on the overall program costs.

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

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

**31 DECEMBER 2016**



**PRODUCT CARE ASSOCIATION  
NEW BRUNSWICK PAINT RECYCLING PROGRAM**  
**Statement of Revenues and Expenses and Accumulated Surplus**  
For the year ended 31 December 2016

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## INDEPENDENT AUDITORS' REPORT

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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 for the year ended 31 December 2016 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.



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## INDEPENDENT AUDITORS' REPORT - Continued

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### 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 for the year ended 31 December 2016 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'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's management and Recycle New Brunswick, and should not be distributed to other parties.

*Rolfe, Benson LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada  
22 March 2017

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**PRODUCT CARE ASSOCIATION  
NEW BRUNSWICK PAINT RECYCLING PROGRAM**  
Statement of Revenues and Expenses and Accumulated Surplus  
For the year ended 31 December 2016

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	2016
<b>Revenues</b>	<u>\$ 919,720</u>
<b>Program expenses</b>	
Processing	515,038
Transportation	137,159
Administration (Note 2(c))	94,560
Collection	89,915
Communications	89,215
Regulatory	80,000
	<u>1,005,887</u>
<b>(Deficiency) of revenues over expenses for the year</b>	(86,167)
<b>Accumulated surplus - beginning of the year</b>	<u>681,682</u>
<b>Accumulated surplus - end of year</b>	<u>\$ 595,515</u>

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Commitment (Note 3)

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



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**PRODUCT CARE ASSOCIATION**  
**NEW BRUNSWICK PAINT RECYCLING PROGRAM**  
**Notes to the Statement of Revenues and Expenses and Accumulated Surplus**  
**For the year ended 31 December 2016**

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**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 (the “Association”).

**2. 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 (“EHF”) are received from members of the Association 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. EHF revenues are recognized as individual members report and remit them as required by applicable provincial environmental legislation.

(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 significant estimates include revenue accruals, expense accruals, overhead allocation and processing commitments. Actual results could differ from those estimates.

(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 \$63,613 of overhead expense which has been allocated to the Program.

**3. 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 \$26,530 which will be incurred in 2017.