

# 2022 ANNUAL REPORT

May 1st 2023

## Newfoundland and Labrador Paint Program

Submitted by:



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# 1 About Product Care

Product Care Association of Canada (“Product Care”) is a federally incorporated, not-for-profit product stewardship association formed in response to stewardship regulations and governed by a multi-sector industry board of directors. Product Care has managed paint and other household hazardous and special waste industry stewardship programs since 1994.

Product Care has an approved paint stewardship plan with Multi-Materials Stewardship Board (MMSB) under the *Newfoundland and Labrador Waste Management Regulations, 2003 as amended by Regulation 100/10 (O.C. 2010-290)* (“Regulation”) enacted pursuant to the *Environmental Protection Act* (O.C. 2003-226). The Newfoundland and Labrador Paint Recycling Program (“Program”) began in April 2012. Revisions to the original program plan covering 2012-2015 were approved by MMSB on November 1, 2018. The revised program plan covers the period December 1, 2018 – November 30, 2023 (“2018 – 2023 Program Plan”). A revised program plan will be submitted to MMSB for approval on August 30, 2023.

Product Care’s members are the “brand owners” (manufacturers, brand owner, and distributors) obligated by the Regulation under the category of architectural paint.

## 1.1 Reporting Period

This report covers the 2022 calendar year (January 1 to December 31, 2022). All content has been prepared in accordance with section 31.12 of the Regulation.

## 1.2 Program Summary

The Program offers collection services throughout the Province where consumers can bring leftover household paint. Collection services are offered through retail locations, green depots, local government waste facilities and collection events. The Program supplies collection sites and events with standard reusable collection containers (“tubskids” and 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 Product Care include revenue management, public education and administration.

This annual report addresses the performance of the Program in 2022.

Table 1 summarizes the Program’s performance against regulatory requirements and commitments made in the 2018-2023 Program Plan.

Table 1: Summary of Key Performance Indicators

Commitments & Requirements	2022 Performance
Achieve at least a 70% reuse rate	Reuse rate of 80.9% was achieved.
The Program will maintain permanent collection sites in or near the 17 prescribed communities	21 permanent collection sites were operating in 16 prescribed communities. Deer Lake, a prescribed community, did not have a permanent collection site in 2022, but collection service was provided through a collection event. The program continues to focus on establishing a permanent collection site in this community.
Maintain collection service in additional 31 target communities	Of the additional 31 targeted communities, <ul style="list-style-type: none"> <li>13 communities had a total of 17 permanent collection sites;</li> <li>Of the 12 communities that have collection events every other year, 6 were serviced through collection events in 2022 (Charlottetown, Hopedale, La Scie, Pasadena, Robert's Arm and Rocky Harbour). Rocky Harbour was also serviced by a permanent collection site).</li> <li>4 other communities hosted events in 2022 (Botwood, Cartwright, L'Anse au Loup and New-Wes-Valley). An event will be held in Gambo in 2023.</li> <li>2 communities (Black Tickle and Postville) were gap communities in 2022 - The Program continues to evaluate and seek opportunities to provide collection service to these communities.</li> </ul>
Average 0.25% annual increase per year from 2016 baseline (4.7%), resulting in a 6.2% annual recovery rate by 2022.	The Program achieved a recovery rate of 3.9 % in 2022 as compared to the targeted 2022 recovery rate of 6.2%.

## 2 Brand Owner Information

As of December 31<sup>st</sup>, 2022, 64 Brand Owners were registered under the Program (see [Appendix 1](#) for a complete list). Program members reported the sale of approximately 3,389,080 litres<sup>1</sup> of paint in Newfoundland and Labrador for the reporting period. "Paint" is defined by the Regulation as *"a tinted or untinted water- based, oil or solvent-based architectural coating used for a commercial or household purpose, and includes stain and 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 or industrial applications..."*. A detailed list of products accepted by the Program can be found on Product Care's website ([www.productcare.org](http://www.productcare.org)).

<sup>1</sup> Sales data is reported to Product Care in units. For the purpose of this report, sales units are converted to litres sold using coefficients based on the volume of the most common container size in each product category.

### 3 Collection

In accordance with section 31.12(a,f), this section provides a summary of the total amount of waste paint collected in the province in 2022 and the location of all collection facilities for waste paint.

#### 3.1 Total Amount of Post-Consumer Paint Collected

Table 2 below shows the total amount of post-consumer paint collected by the Program for the reporting period. Table 3 provides volumes collected by collection site type. Not all paint that was collected in 2022 was processed. The estimation of residual paint volume assumes that all the collected paint in 2022 was processed in the same year and utilizes conversion factors.

*Table 2: Total Amount of Post -Consumer Paint Collected*

	Number of Paint Tubskids <sup>2</sup>	Number of Aerosol Drums <sup>3</sup>	Residual Paint Volume (L) <sup>4</sup>	Residual Aerosol Paint Volume (L) <sup>5</sup>	Paint Share Volume (L)	Total Residual Paint Volume (L)
<b>Amount Collected</b>	1226	16	131,031	93	1775	132,898

*Table 3: Percentage of Post-Consumer Paint Collected by Collection Site Type in 2022*

Type of Collection Site	% of Collection
Green Depot	24.2%
Retailer	17.4 %
Collection Events	7.1 %
Local Government Waste Facilities	51.3%
Total	100%

Table 4 provides the approximate number of litres of paint sold into the Province, the amount recovered (collected) and the Program's recovery rate, calculated based on the volume of paint collected as a function of volume of paint sold in the Province in 2022.

<sup>2</sup> Tubskid dimensions (42" x 42" x 48") with a nominal capacity of 108 one-gallon paint containers. Tubskids are collected in depots and unpacked into boxes. The actual number of paint containers per tubskid varies depending on the mix of paint container sizes, ranging from 250ml – 18.9L capacity.

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

<sup>4</sup> To determine the residual volume of paint collected from tubskids, the number of tubskids collected is multiplied by a conversion rate of 106.9 L per tubskid. This conversion rate is derived by dividing the total residual paint extracted, which includes both water-based and oil-based paints, by the number of boxes processed in the same year. The resulting figure is then converted to tubskids using the ratio of tubskids packed into boxes. The 106.9 L conversion rate includes actual volumes for water-based paints and an estimation for oil-based paints that applies the 2021 residual volumes of oil-based paint per tubskid to 2022 tubskids.

<sup>5</sup> Based on a conversion rate of 5.25L per drum.

*Table 4: 2022 NL Paint Sales, Residual Recovery Volume and Recovery Rate*

	<b>Total</b>
Sales (litres)	3,389,080
Residual Recovery Volume (litres collected)	132,898
Recovery Rate	3.9%

### **3.2 Collection Network**

The collection network of the Program is comprised of contracted permanent collection sites and collection events.

### **3.3 Collection Sites**

#### **Prescribed Communities**

As of December 31, 2022, the Program's collection network included 52 collection sites (see [Appendix 2](#) for a complete list). The Program Plan commits to maintain permanent collection sites in 17 prescribed communities identified by MMSB. The Program maintained 21 permanent collection sites in 16 of the 17 prescribed communities (see Table 5). The Program originally had permanent collection sites in all 17 prescribed communities, however, the collection site in Deer Lake left the Program in August 2020. The Program has since been actively approaching potential collection sites, including multiple retailers, green depots, and the local government. The Program is in discussions with a potential collection site for 2023 in Deer Lake. As a means of providing continued service for Deer Lake residents in 2022, a collection event was held in Deer Lake in May 2022.

*Table 5: Permanent Sites in the 17 Prescribed Communities at the end of 2022*

	<b>Prescribed Community</b>	<b>Collection Site</b>
1.	Bay Roberts	Bay Roberts Green Depot
2.	Carbonear	Carbonear Green Depot
3.	Clarenville	Clarenville Home Hardware
4.	Conception Bay South	Handyman Home Hardware
5.	Corner Brook	Corner Brook Green Depot
		Western Regional Waste Management Wild Cove Transfer Station
6.	Deer Lake	No site in 2022. Collection event held in May 2022.



	Prescribed Community	Collection Site
7.	Gander	Aylwards Home Hardware Building Centre - Gander
8.	Grand Falls-Windsor	Paint Shop - Grand Falls
9.	Happy Valley-Goose Bay	Happy Valley-Goose Bay Green Depot
10.	Labrador West	Labrador West Regional Landfill (Hodge Brothers)
11.	Lewisporte	Pritchett's Building Supplies
12.	Marystown	Aylwards Home Centre - Marystown
13.	Mount Pearl	Mount Pearl Green Depot
		Paint Shop-Mount Pearl
		P.S. Atlantic Ltd.
14.	Channel-Port Aux Basques	Western Regional Waste Management - Southwest Coast Transfer Station
15.	Port Aux Choix	Hawkes Bay Landfill
16.	St. John's	Paint Shop Home Decorating Center
		Smith's Home Hardware
		St. John's Landfill - Robin Hood Bay
17.	Stephenville	Stephenville Green Depot

### Additional Communities

In addition, the Program committed to providing collection services in or near 31 "additional communities". Of the 31 additional communities:

- 13 communities had permanent collection sites (total of 17 permanent collection sites in 13 communities). One of these communities, Dunville, was serviced by two permanent collection sites established in the neighbouring community of Placentia.
- 4 communities held events (Botwood, Cartwright, L'Anse Au Loup and New-Wes-Valley) in order to provide collection service.

- In 12 communities Product Care holds biannual events<sup>6</sup> (see section on Collection Events below), 6<sup>7</sup> were serviced in 2022 and 6 (Bonavista, Mary's Harbour, Port Hope Simpson, Rigolet, St. Alban's/Milltown, St. Lewis) are scheduled for 2023.
- Two communities, Black Tickle and Postville, were gap communities in 2022. The Program continues to evaluate and seek opportunities to provide collection service to these communities.

Table 6 sets out the service provided in the 31 additional communities in 2022.

*Table 6: Collection Services in the 31 Additional Communities at the End of 2022*

Community		Collection site	Status
1.	Baie Verte	White Bay Home Hardware and Furniture	Permanent site
2.	Black Tickle	N/A	Gap Community
3.	Bonavista	Bonavista Firehall	Biannual event held in 2021
4.	Botwood	Botwood Fire Department	Event held in 2022
5.	Burgeo	Burgeo Green Depot	Permanent site
		Western Regional Waste Management - Burgeo Transfer Station	Permanent site
6.	Cartwright	Cartwright Volunteer Fire Department	Event held in 2022
7.	Charlottetown	Charlottetown Firehall	Biannual event held in 2022
8.	Dunville	Paint Shop Home Decorating Center - Placentia	Permanent site in neighbouring town Placentia
		Aylward's Home Hardware	Permanent site in neighbouring town Placentia
9.	Fogo Island	Regional Site - CWMN Norris Arm - Fogo Island	Permanent site
10.	Gambo	Town of Gambo	Event held in 2021 (Next event scheduled for 2023)
11.	Glovertown	Glovertown Green Depot	Permanent site
12.	Hopedale	Hopedale Firehall	Biannual event held in 2022 <sup>8</sup>
13.	La Scie	La Scie Firehall	Biannual event held in 2022

<sup>6</sup> Some communities choose to hold extra events in addition to the recommended biannual schedule.

<sup>7</sup> Rocky Harbour is only counted once, although it is one of the 13 communities that have permanent collection sites and one of the 12 communities that hold bi-annual events.

<sup>8</sup> No paint was collected during the one-day event that took place in October 2022. However, the event organizer will retain the tubskid so that paint can be gathered from the community continually until the summer of 2023.



Community		Collection site	Status
14.	L'Anse Au Loup	L'Anse Au Loup Fire Brigade	Event held in 2022
15.	Makkovik	Makkovik Landfill	Permanent site
16.	Mary's Harbour	Mary's Harbour Firehall	Biannual event held in 2021
17.	Nain	Nain Inuit Community Government	Permanent site
18.	New-Wes-Valley	New-Wes-Valley Fire Dept.	Event held in 2022
19.	New World Island	Regional Site - CWMN Norris Arm - New World Island / Twillingate	Permanent site
20.	Pasadena	Pasadena Fire Hall	Biannual event held in 2022
21.	Port Hope Simpson	Port Hope Simpson Firehall	Biannual event held in 2021
22.	Postville	N/A	Gap community. At present, there are ongoing discussions with Inuit Community Government.
23.	Rigolet	Rigolet Fire Hall	Biannual event held in 2021
24.	Riverhead	Riverhead Green Depot	Permanent site
25.	Robert's Arm	Robert's Arm Firehall	Biannual event held in 2022
26.	Rocky Harbour	Rocky Harbour Firehall	Biannual event held in 2022
		Western Regional Waste Management - Long Range Transfer Station	Permanent site
27.	Springdale	Green Bay North Green Depot	Permanent site
28.	St. Alban's/Milltown	Milltown Firehall	Biannual event held in 2021
29.	St. Anthony	St. Anthony HHW Site, Landfill Subregion 1	Permanent site
		St. Barbe Landfill	Permanent site
30.	St. Lewis	St. Lewis Firehall	Biannual event held in 2020 <sup>9</sup>
31.	Twillingate	The Paint Shop Home Decorating Center - Twillingate	Permanent site
		Twillingate Green Depot	Permanent site

<sup>9</sup> Due to weather, collection event was not able to be held in 2022 as scheduled and is now planned for Spring 2023.

## Other Communities

Table 7 below presents the 14 other permanent sites established outside of the required prescribed and additional communities.

*Table 7: Other Permanent Collection Sites Outside of Prescribed and Additional Communities*

#	Community	Collection Site
1.	Buchans Junction	Regional Site - CNWM Norris Arm - Buchans Junction
2.	Burin	Burin Peninsula Regional Service Board
3.	Davidsville	Regional Site - CNWM Norris Arm - Gander Bay
4.	Fortune	Chester Dawe - Fortune (RONA)
5.	Grand Bank	Aylwards Home Centre - Grand Bank
6.	Hampden	Western Regional Waste Management - White Bay South Transfer Station
7.	Harbour Breton	Town of Harbour Breton
8.	Indian Bay	Regional Site - CNWM Norris Arm - Indian Bay
9.	Norris Arm	Regional Site - Norris Arm - North Access Rd
10.	Paradise	Paradise Green Depot
11.	Point Leamington	Regional Site - CNWM Norris Arm - Point Leamington
12.	Bay St. George	Western Regional Waste Management - Bay St. George Waste Station
13.	St. Lawrence	Aylwards Home Hardware - St. Lawrence
14.	Terra Nova	Regional Site - CNWM Norris Arm - Terra Nova

Table 8 below presents the total number of tubskids and aerosol drums collected by all permanent collection sites and Eastern Regional Service Board (ERSB) collection events.

*Table 8: Tubskids Collected by All Permanent Collection Sites and Collection Events*

Collection Site/Event	Paint Tubskids <sup>10</sup>	Aerosol Drums
Aylwards Home Centre - Gander	32	0
Aylwards Home Centre - Marystown	3	0
Aylwards Home Centre - St. Lawrence	6	0
Bay Roberts Green Depot	30	1
Botwood (Event)	4	0
Broadening Horizons Recycling Inc	3	1
Burin Peninsula Regional Service Board	20	0
Carbonear Green Depot	10	0

<sup>10</sup> Events reporting zero tubskids generally collected less than 15 cans of paint.

Collection Site/Event	Paint Tubskids <sup>10</sup>	Aerosol Drums
Clarenville Home Hardware	8	0
Cartwright (Event)	2	0
Corner Brook Green Depot	78	6
Deer Lake (Event)	16	0
Eastern Regional Service Board (Events only)	32	0
Gambo (Event)	4	0
Glovertown Green Depot	11	0
Green Bay Wholesalers Ltd.	1	0
Handyman Home Hardware	19	0
Happy Valley Goose Bay Green Depot	4	0
Hawke's Bay Landfill	2	0
Labrador West Landfill (Hodge Brothers)	12	0
L'Anse au Loup (Event)	2	0
Mount Pearl Green Depot	74	2
New Wes Valley (Event)	4	0
Norpen Waste (Landfill Site - Subregion 1)	2	0
P.S. Atlantic Ltd.	4	0
Paint Shop Home Decorating Center - Grand Falls	33	1
Paint Shop Home Decorating Center - Placentia	10	0
Paint Shop Home Decorating Center - St John's	54	0
Paradise Green Depot	29	1
Port Aux Basques Green Depot (PAB)	24	1
Pritchett's Tim-Br Mart Building Supplies - Lewisporte	3	0
Regional Site - Norris Arm - North Access Rd	98	0
Riverhead Green Depot	3	0
Smiths Home Hardware	7	0
St. Barbe Landfill	1	0
St. John's Landfill - Robin Hood Bay	464	0
Stephenville Green Depot	25	3
The Paint Shop - Mount Pearl	34	0
Western Regional Waste Management - Wild Cove Transfer Station	32	0
Labrador Straits Green Depot	1	0

Collection Site/Event	Paint Tubskids <sup>10</sup>	Aerosol Drums
New-Wes-Valley Green Depot	2	0
Biannual Collection Events <sup>11</sup>	23	0
<b>Total</b>	<b>1226</b>	<b>16</b>

### Collection Events

The Program Plan provides that the Program will assess the need for maintaining collection services in additional communities in remote areas that have experienced low historic collection volumes. Until 2016, Product Care organized annual collection events for 12 of the communities within the 31 additional communities that did not have a permanent collection site. There was very little volume collected at these events which demonstrated little demand for the service from the residents in these communities. Following consultation with the Program's Advisory Committee in 2017, Product Care proposed to MMSB to conduct collection events in these communities on a rotating basis every two years given historically low collection volumes (see Table 9). As of 2019, the Program reverted to annual collection events for those communities that demonstrated higher collection volumes from their events and maintained bi-annual events for communities that continued to collect low volumes.

Of the 12 communities that hold bi-annual collection events, 6 communities held an event in 2022. These collection events netted a total of 17 tubskids of paint collected in 2022 (see Table 9). Promotion for paint collection events included Facebook event ads, the Collection Site Locator on Product Care's website and digital poster files sent to host communities in advance of the events to be printed and distributed throughout the communities.

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<sup>11</sup> See Table 9 for number of tubskids collected at each biannual event.

Table 9: Tubskids Collected at Product Care Collection Events in 2017-2022

Collection Event Location	Tubskids Collected <sup>12</sup>					
	2017	2018	2019	2020	2021	2022
Bonavista	2		2		3	
Charlottetown		1		1		1
Hopedale	0			0		TBD <sup>13</sup>
La Scie		1		1		0
Mary's Harbour	0.5		1		1 <sup>14</sup>	
Pasadena	2		11	15	10	9
Port Hope Simpson	0		2	1	2 <sup>15</sup>	
Rigolet		0	0		2	
Rocky Harbour*	2		5	5	7	6
Robert's Arm		2		0		1
St. Alban's/Milltown		1			3 <sup>16</sup>	
St. Lewis		1		0		TBD <sup>17</sup>
<b>Total</b>	<b>6.5</b>	<b>6</b>	<b>21</b>	<b>23</b>	<b>28</b>	<b>17</b>

### Eastern Regional Service Board (ERSB)-Led Collection Events

Program products are also collected at events in additional communities conducted by the Eastern Regional Service Board (ERSB) as part of their household hazardous waste (HHW) program. Product Care provided processing services for these events, which collected a total of 32 tubskids.

### 3.4 Collection Site Visits

As part of the management of the collection network, Program representatives visit collection sites to provide in-person support, deliver informational brochures and provide training about program requirements. In 2022, Product Care visited a total of 32 collection sites in the eastern and central region of the island.

## 4 Processing

In accordance with section 31.12(b,c,d,e,g) of the Regulation, this section of the report sets out:

- The total amount of waste paint processed or in storage,
- The percentage of waste paint collected that was reused, recycled, contained, or otherwise treated;

<sup>12</sup> Events reporting zero tubskids generally collected less than 15 cans of paint.

<sup>13</sup> No paint was collected during the one-day event that took place in October 2022. However, the event organizer will retain the tubskid so that paint can be gathered from the community continually until the summer of 2023.

<sup>14</sup> The tubskids collected were reported as collected in 2021, but were not accounted for in the total tubskids reported for 2021. This is included in the total tubskids reported for 2022.

<sup>15</sup> See footnote 14.

<sup>16</sup> See footnote 14.

<sup>17</sup> Due to weather, event was not able to be held in 2022 as intended and is now planned for Spring 2023.

- c) A description of the types of processes utilized to reuse, recycle, contain, or otherwise treat or dispose of waste paint;
- d) A description of efforts to redesign paint products to improve reusability and recyclability; and
- e) The location of processing or containment facilities for waste paint.

#### 4.1 Post-Consumer Paint Processed

Paint collected by the Program was received from collection sites and collection events and consolidated into boxes at the hauler's warehouse. Boxes of paint were then shipped to the Program's paint processor's facilities, Laurentide Resources Atlantic Inc., in Richibucto, New Brunswick, or Victoriaville, Quebec. Paint aerosols were sent to GFL Environmental's facilities in Saint John's or Foxtrap, Newfoundland for processing and energy recovery.

In 2022, a total of 700 boxes of post-consumer paint were shipped for processing and 684 boxes were processed, including carryover volumes from 2021 (see Table 10).

*Table 10: Total Amount of Post-Consumer Paint Processed in 2022*

	Number of boxes	Number of Aerosol Drums <sup>18</sup>	Residual Paint Volume (L) <sup>19</sup>	Residual Aerosol Paint Volume (L)	Total Residual Paint Volume <sup>20</sup> (L)
Volume Processed	684	25	117,720	140	117,860

#### 4.2 Percentage of Post-Consumer Paint by Disposal Method

Table 11 below shows the breakdown of waste paint managed by the different product management methods.

*Table 11: Percentage of Waste Paint by Management Method in 2022*

Method	Volume (litres)	Percentage
Reuse - Paint Reuse Program	1,775	1.5%
Reuse - Paint Recycling	94,965	79.4%
Energy Recovery	1,575	1.3%
Landfill	21,320	17.8%
Incineration	0	0.0%
<b>Total</b>	<b>119,634<sup>21</sup></b>	<b>100%</b>

<sup>18</sup> Each drum holds approximately 175 aerosol containers. Based on a rounded conversion of rate of 5.25 per drum.

<sup>19</sup> Actual volume of residual paint recovered from processed boxes, including both water-based and oil-based paint; does not account for any stored oil-based paint that was not processed.

<sup>20</sup> Total residual paint volume does not include PaintShare volumes.

<sup>21</sup> The values shown do not add up to the total value due to rounding.

## Metal and Plastic Containers Collected, Processed and Stored

Table 12 lists the amount of metal and plastic containers recycled or temporarily stored in 2022 and their respective processors.

*Table 12: Metal and Plastic Containers Collected, Recycled and Temporarily Stored in 2022*

Container Type	Collected (tonnes)	Recycled (tonnes)	Temporarily stored (tonnes)	Processor	Management process
Metal	41.1 <sup>22</sup>	41.1	-	DR Metal Recycling, NB Nova 4 Metals, NS Aim Metal, NB Copal Metal, QC	Mixed with other scrap metal and sold as a commodity that is eventually sent for smelting
Plastic (HDPE 2)	1.4	-	1.4	Laurentide Re-sources Atlantic/ Société Laurentide Inc.	Temporary storage
Plastic (polypropylene)	13.5	-	13.5	Laurentide Re-sources Atlantic/ Société Laurentide Inc.	Temporary storage

Metal containers (paint containers and paint aerosol containers) were managed by scrap metal recyclers, which take empty metal paint containers that have been baled and mixes them with other metals. The bales of scrap metals are then sold as a commodity and eventually end up being recycled at a smelter.

For plastic containers, the standard process is for the primary processor to bale the empty plastic paint containers and send them for recycling to secondary processors and to be sold as a commodity. In the 2021 annual report, Product Care reported that 19.0 tonnes of the polypropylene empty plastic containers collected were processed and managed as a commodity for plastics recycling. However, the reported amount was instead placed in inventory due to some challenges with downstream recyclers and market conditions. It was anticipated that the problems would be resolved in 2022 but unfortunately have not and the program had to temporarily store the plastics as the Program continues to work with the primary recycler to find a solution. Should the issue not be resolved in 2023, the Program will explore other product management alternatives, such as energy recovery and/or disposal.

<sup>22</sup> Metal weight for aerosol paint cans is calculated using a conversion factor of 35.5 kg per aerosol drum.



### 4.3 Management Methods

The following section describes each method the Program used to reuse, recycle, or otherwise treat or dispose of post-consumer paint.

#### Reuse (PaintShare Program)

The PaintShare Program makes better quality returned paint available to the public free of charge at participating collection sites. The collection sites record and report the number of containers given away. This is a highly efficient way to achieve reuse as the paint does not require transportation and reprocessing. An estimated 1,775 litres of paint were given away to consumers through the PaintShare Program in 2022. Reuse volumes are estimated by assuming that each container is 75% full on average.

#### Recycling

At the Laurentide Re-sources processing facilities in Richibucto, paint containers were removed from the collection bins, inspected, opened, sorted by type, colour and quality, and poured into shipping containers according to management options.

Table 14 provides the quantities of water-based paint and solvent-based paint reprocessed and recycled into paint. The diminishing market for solvent-based paint has made it increasingly difficult to recycle. Consequently, while a limited amount of solvent-based paint continues to be recycled, a large portion of the volume is sent for energy recovery.

*Table 14: Type and Quantity of Paint Recycled in 2022*

Type	Litres	Percentage of Paint Recycled
Water-based paint	94,965	100%
Solvent-based paint	0 <sup>23</sup>	0%
Total	94,965	100%

The Regulation requires 70% of paint collected be “reused”, where reuse is defined as a combination of both reused (PaintShare Program) and recycled paint. In 2022, the Program surpassed its target, achieving an 80.9% reuse rate (see Table 11 above).

#### Energy Recovery

Not all solvent-based paint collected is of suitable quality for paint recycling. In some cases, the paint may be in the form of skins or sludge, of an undesirable colour, contaminated or of the wrong chemistry for paint. In addition, regulations, such as Federal VOC Regulations, require more stringent limits on

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<sup>23</sup> Not all the collected solvent-based paint was processed in 2022.

certain chemical constituents, which tend to be found in higher concentrations in older paints making them difficult to recycle. Finally, the market for recycled solvent-based paint is significantly smaller than that for water-based products, with demand continuing to decline.

Due to the high solvent content of solvent-based paints, these products are suitable for energy recovery. Through the process of fuel blending, solvent-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, 1,575<sup>24</sup> litres of solvent-based paint and paint from paint aerosols processed were blended with other fuels and utilized for energy value at licensed facilities.

### **Landfill**

The sorting and bulking of water-based paint by Laurentide generated 21,320 litres of non-recyclable water-based sludge/solid, which were solidified and disposed of at a landfill.

### **Incineration**

Incineration is typically utilized when solvent-based paint is contaminated with PCBs and therefore not suitable for energy recovery. During the reporting period, no material was contaminated with PCB and hence there was no material sent for incineration.

## **4.4 Design for Environment**

### **Product Environmental Impact Reduction, Reusability and Recyclability**

The paint and coatings industry has been working tirelessly to make their products safer for the environment. This effort is driven by the growing awareness of the negative impact of chemical products on the environment. In recent times, the industry has made significant strides towards reducing the environmental impact of their products. The industry's offerings are not only safe to handle but are increasingly eco-efficient, reflecting the latest available science. The industry evaluates the impacts of their products along their entire life cycle and continuously develops new offerings. Sustainable production processes are top priorities for the industry. Beyond their primary function of protecting built infrastructure, coatings are also essential components in the production processes of various industries. Functional coatings provide additional properties to materials, leading to upgraded infrastructure, innovative products, and resource efficiency.

Here are some measures that the industry is taking to make their products more environmentally friendly:

- Using sustainable raw materials, such as bio-based resins and binders that have a lower environmental impact than their petroleum-based counterparts.
- Reducing volatile organic compounds (VOCs) in their products by using low-VOC and zero-VOC formulations.
- Implementing programs to recycle or reuse leftover paint and hazardous products, reducing waste and conserving natural resources.

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<sup>24</sup> See footnote 23.

- Working to reduce the amount of packaging used and the environmental impact of transportation, including the development of more efficient packaging and transportation methods.
- Collaborating with regulatory agencies to ensure that their products meet the required environmental and safety standards, leading to the development of guidelines and regulations designed to protect the environment and human health.

In addition to these measures, the industry is also shifting towards the use of water-based paint products over solvent-based paint products, as they are more recyclable. They are also researching and implementing improvements in packaging design, with the goal of finding more sustainable solutions. While plastic containers still prevail over metal ones due to cost and limited availability of post-consumer materials, industry members are determined to find more sustainable solutions, whether it's by using recyclable materials such as metal or containers made from recycled post-consumer materials. Some of the industry's long-term goals include improving education on eco-friendly offerings to drive consumer choice and actively conducting research into more sustainable alternatives, including bio-based and recyclable raw materials.

The paint and coatings products industry has made significant progress in making their products more environmentally friendly. While there is still much work to be done, the industry is committed to reducing the environmental impact of their products. The industry has realized that these efforts are not only good for the environment and people but also for the long-term sustainability of the industry.

#### 4.5 Processing and Containment Facilities

Table 15 lists all the paint processing or containment facilities used by the Program.

*Table 15: Processing & Containment Facilities*

Facility	Facility Type
<b>Hebert's Recycling Inc.</b> 14 Clyde Avenue, Mount Pearl, NL A1N 4S1	Containment Facility
<b>Laurentide Re-sources Atlantic Inc.</b> 9322 Rue Main Richibucto, NB E4W 4C7	Storage & Processing Facility
<b>Société Laurentide Inc.</b> 345 Bulstrode Street Victoriaville, QC G6T 1P7	Processing Facility
<b>GFL Environmental</b> 349 Incinerator Rd, St. John's, NL A1H 0B4	Processing Facility

## 5 Promotion and Education

In accordance with section 31.12(h) of the Regulation, this section details the types of consumer information, educational materials and strategies adopted in 2022 to promote the Program.

In 2022, Product Care implemented several strategies and tactics to raise consumer awareness of the Program. The following section provides details regarding communications and public education efforts for the Program in 2022.

### **5.1 Consumer Awareness**

In fall 2022, an online survey was conducted among residents, representative of Newfoundland and Labrador's adult population. The survey revealed that 76% of residents who purchased paint are aware that they can recycle paint in the province. This is an increase of two percentage points over 2021 awareness levels (74%). The next survey will be conducted in 2024, as per the program commitment.

### **5.2 Website**

The Product Care website includes the following content for the Newfoundland and Labrador paint recycling program, which is one of the commitments in the program plan:

- Recycling locator (a map displaying collection sites and drop-off events)(see [Appendix 3](#))
- 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, frequently asked questions, information about buying and storing paint)

An estimated 587,264 users accessed ProductCare.org in 2022 of which 29,533 sessions were from Newfoundland and Labrador.

### **5.3 Program Hotline**

Product Care continued to operate a toll-free consumer “hotline” to obtain Program information.

### **5.4 Television**

Television commercials aired on CBC – CBNT and CJON from April to June and August to September 2022, resulting in approximately 14 million impressions.

### **5.5 Point of Sale (PoS) and Point of Return (PoR) Materials**

In 2022, Product Care distributed both PoS and PoR materials at no cost to retailers and collection sites upon request. The following materials were available for reorder through the online order form (see [Appendix 4](#) for examples):

- General paint program awareness posters
- PoS and PoR program awareness posters
- Bifold paint brochures

## 5.6 Print Advertising

An inside cover print ad was featured in CPCA Insight Trade Publication. The full-page advertisement focused on paint and coatings member recruitment for Product Care paint programs, with an estimate of 1,500 copies distributed across Canada to industry members. (See [Appendix 4](#))

## 5.7 Digital Advertising

All digital campaigns were set to reach the entire province. Together they achieved a total of more than 7 million impressions and more than 40,000 clicks to visit the province section of Product Care's website all year long.

Campaign Type	Description	Duration	Impressions	Video Views	Clicks
Google Search	Text ads shown on Google & other search engines	Jan-Dec	936	NA	192
Google Video	Skippable video ads displayed across YouTube and Google's video partners	Feb-Oct	1,179,120	287,613	1,911
Google Display & Discovery	Responsive banners displayed across the Google display network, discovery, YouTube and Gmail	Feb-Oct	1,869,930	NA	14,928
Facebook Ads	Responsive ads displayed across Facebook and Instagram & Event ads optimized to showcase the main features of an event to get attendees	Feb-Oct	1,810,346	481,008	17,481
Native Display	Responsive native and display ads	Apr-Jun Aug-Sep	1,132,448	NA	2,232
TWN Display ads	Banner ads displayed throughout the Weather Network app	Apr-Jun Aug-Sep	1,389,804	NA	4,079

See [Appendix 5](#) for examples of digital advertising activities.

## 5.8 Community Events

In 2022, a Product Care representative attended an event held at Robin Hood Bay for Waste Reduction Week. Approximately 200 people of all ages attended this event. Product Care was able to share information with the public about the paint recycling program and distribute brochures and posters.

# 6 Financial Information

In accordance with section 31.12(i) of the Regulation, the Program's audited financial statements for 2022 are provided in [Appendix 6](#) of this report.

## APPENDIX 1 – Brand Owners as of December 31,2022

Brand Owner Name	
1. 1439174 Ontario Ltd (NLS Products)	2. 3M Canada Company
3. Acklands - Grainger Inc.	4. Alexandria Moulding
5. Amazon.com.ca, Inc.	6. Avanti Sports Group Inc.
7. BASF Canada Inc.	8. Behr Process Corp.
9. Benjamin Moore & Co. Ltd.	10. Bestbuy Distributors Ltd
11. Canadian Building Restoration Products, Inc	12. Canadian Tire Corporation, Limited
13. Cansel Survey Equipment Inc.	14. Class C Solutions Group, MSC Industrial Supply LLC
15. Cloverdale Paint Inc.	16. Consolidated Coatings Corporation
17. Country Chic Paint Ltd.	18. Denalt Paints Ltd.
19. Diamond Vogel Paints Inc	20. Ducan Products Inc.
21. Dynamic Paint Products Inc. DBA Lancaster Canada	22. Farrow & Ball Canada Ltd.
23. Fastenal Canada Ltd.	24. General Motors of Canada Company
25. Henry Company Canada, Inc.	26. Home Depot of Canada Inc.
27. Home Hardware Stores Limited	28. Jaguar Land Rover Canada ULC
29. John Deere Canada ULC	30. Kent Building Supplies
31. Kleen-Flo Tumbler Industries Ltd.	32. Kubota Canada LTD
33. Laurentide Re-sources Inc.	34. Lawson Products, Inc.
35. LPS Canada - Division of LPS Laboratories	36. Michaels Stores Inc.
37. Motion Industries (Canada), Inc.	38. Orgill Canada Hardlines ULC
39. Peavey Industries LP	40. Peintures MF Inc.
41. PPG Architectural Coatings Canada Inc.	42. Princess Auto Ltd.
43. Produits de Plancher Finitec Inc.	44. RENUE RECYCLING LTD.
45. RONA Inc.	46. Rust-Oleum Canada
47. Saman Corporation (3777472 Canada Inc.)	48. Seymour of Sycamore, Inc.
49. Sherwin-Williams Canada Inc	50. Sika Canada Inc.
51. Soprema Inc.	52. Techniseal
53. TENAQUIP Limited	54. The Houtshop Inc.
55. The North West Company LP	56. The Sansin Corporation
57. The Sherwin-Williams Company	58. Timber Pro Coatings Ltd.
59. UAP INC.	60. UCP PAINT INC
61. Vallen Canada Inc.	62. Wal-Mart Canada Corp.
63. Wood Essence Distributing	64. Wurth Canada

## APPENDIX 2 – Collection Sites as of December 31, 2022

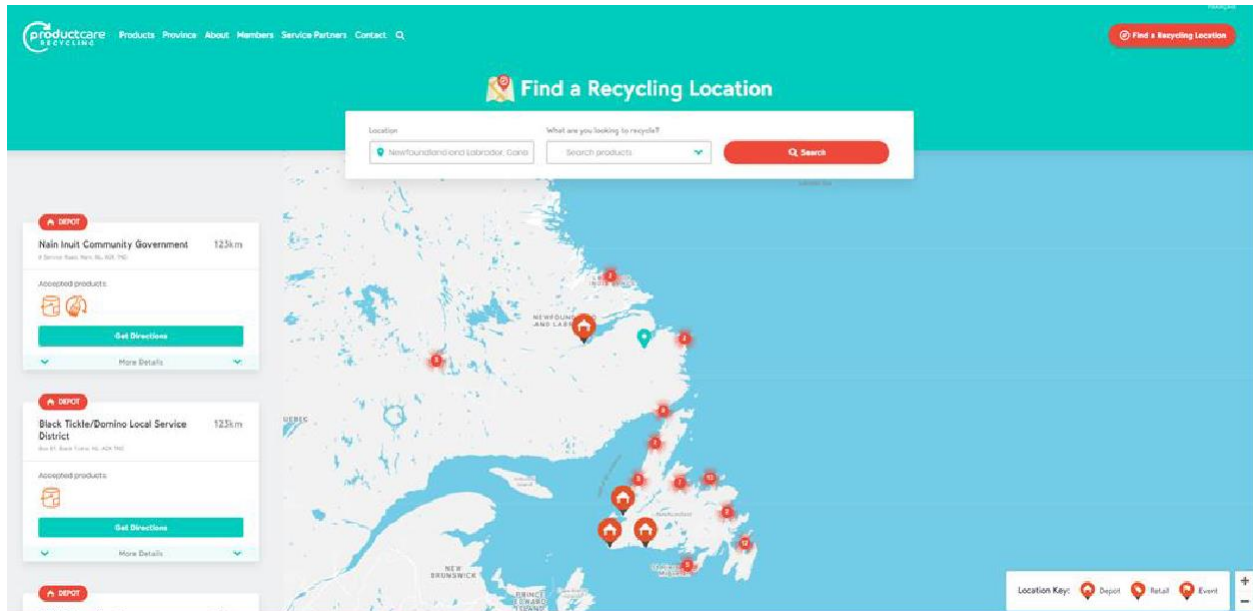
	Collection Site Name	Location	Collection Site Type	PaintShare
1.	Baie Verte Home Hardware Building Centre	Baie Verte	Retailer	No
2.	Bay Roberts Green Depot	Bay Roberts	Green Depot	Yes
3.	Regional Site - CWMN Norris Arm - Buchans Junction	Buchans Junction	Government	No
4.	Burgeo Green Depot	Burgeo	Green Depot	Yes
5.	Western Regional Waste Management - Burgeo Transfer Station	Burgeo	Government	Yes
6.	Burin Peninsula Regional Service Board	Burin	Government	No
7.	Carbonear Green Depot	Carbonear	Green Depot	Yes
8.	Clareville Home Hardware	Clareville	Retailer	No
9.	Handyman Home Hardware	Conception Bay South	Retailer	No
10.	Corner Brook Green Depot	Corner Brook	Green Depot	Yes
11.	Western regional Waste Management Wild Cove Transfer Station	Corner Brook	Government	No
12.	Regional Site - CWMN Norris Arm - Gander Bay	Davidsville	Government	No
13.	Regional Site - CWMN Norris Arm - Fogo Island	Fogo Island	Government	No
14.	Chester Dawe - Fortune (RONA Store)	Fortune	Retailer	No
15.	Aylwards Home Centre - Gander	Gander	Retailer	No
16.	Glovertown Green Depot	Glovertown	Green Depot	Yes
17.	Aylwards Home Centre - Grand Bank	Grand Bank	Retailer	No
18.	Paint Shop Home Decorating Center - Grand Falls	Grand Falls-Windsor	Retailer	No
19.	Western Regional Waste Management - White Bay South Transfer Station	Hampden	Government	No
20.	Happy Valley-Goose Bay (HVGB) Green Depot	Happy Valley-Goose Bay	Green Depot	Yes
21.	Town of Harbour Breton	Harbour Breton	Government	No
22.	Regional Site - CWMN Norris Arm -Indian Bay	Indian Bay	Government	No
23.	Labrador West Landfill (Hodge Brothers)	Labrador West	Government	No
24.	Pritchett's Building Supplies - Lewisporte	Lewisporte	Retailer	No
25.	Makkovik Landfill	Makkovik	Government	Yes
26.	Aylwards Home Centre - Marystown	Marystown	Retailer	No
27.	Mount Pearl Green Depot	Mount Pearl	Green Depot	Yes
28.	The Paint Shop - Mount Pearl	Mount Pearl	Retailer	No
39.	P.S. Atlantic Ltd.	Mount Pearl	Retailer	No
30.	Nain Inuit Community Government	Nain	Government	Yes
31.	Regional Site - Norris Arm - North Access Rd	Norris Arm	Government	No
32.	Aylwards Home Centre – Placentia	Placentia	Retailer	No
33.	Paint Shop Home Decorating Center – Placentia	Placentia	Retailer	No
34.	Regional Site - CWMN Norris Arm - Point Leamington	Point Leamington	Government	No
35.	Western Regional Waste Management – Southwest Coast Transfer Station	Port Aux Basques	Government	No
36.	Hawke's Bay Landfill	Port Aux Choix	Government	No
37.	Riverhead Green Depot	Riverhead	Green Depot	No



	Collection Site Name	Location	Collection Site Type	PaintShare
38.	Western Regional Waste Management - Long Range Transfer Station	Rocky Harbour	Government	No
39.	Springdale /Green Bay North Depot	Springdale	Green Depot	Yes
40.	Landfill Site - Subregion 1 (Northern Peninsula Regional Services Board)	St. Anthony	Government	Yes
41.	St. Barbe Landfill	St. Anthony	Government	No
42.	Western Regional Waste Management - Bay St. George Waste Station	Bay St. George	Government	No
43.	St. John's Landfill - Robin Hood Bay	St. John's	Government	No
44.	Paint Shop Home Decorating Center - St John's	St. John's	Retailer	No
45.	Paradise Green Depot	Paradise	Green Depot	Yes
46.	Smiths Home Hardware	St. John's	Retailer	No
47.	Aylwards Home Centre - St. Lawrence	St. Lawrence	Retailer	No
48.	Stephenville Green Depot	Stephenville	Green Depot	Yes
49.	Regional Site - CWMN Norris Arm - Terra Nova	Terra Nova	Government	No
50.	The Paint Shop Home Decorating Center – Twillingate	Twillingate	Retailer	No
51.	Twillingate Green Depot (and Auto)	Twillingate	Green Depot	Yes
52.	Regional Site - CWMN Norris Arm - New World Island/ Twillingate	Twillingate	Government	No

## APPENDIX 3 – Collection Site Locator

The image below provides a snapshot of the Program’s collection site locator tool available at [productcare.org](http://productcare.org).



## APPENDIX 4 – Print Materials

### PoR/PoS Posters



## Program Brochures

### Accepted Paint Products

- Interior and exterior water-based (latex, acrylic) and oil-based (alkyd, enamel) household paint
- Undercoat and primers (e.g. metal, wood, etc.)
- Concrete or masonry paint, block filler, drywall or stucco paint, deck and floor coatings/paint (including elastomeric)
- Varnish and urethane (only single component), wood finishing oil, melamine, stain, shellac, anti-rust paint, and stain blocking paint
- Marine paint and wood preservatives (unless registered under Pest Control Products Act)
- Swimming pool paint (only single component)
- Textured paint
- Wood, masonry, driveway sealer, and water repellent (not tar based or bitumen based)\*
- All types of aerosol paint
- Empty containers of accepted products



Max. paint container size:  
25 litres



Max. paint aerosol size:  
24 ounces or 680 grams

\* Tar and bitumen based paints and coatings are accepted in Ontario only

### Not Accepted Products

- Unidentifiable, unknown, unlabelled, and non-original containers
- Containers with poor integrity (e.g. badly rusted, leaking, bulging, improperly sealed)
- Non-aerosol industrial paints and finishes (e.g. baked-on, heat resistant, etc.)
- Roof patch and repair, tar or tar/bitumen based products\*
- Patching stucco and spackling compounds
- Caulking compound, epoxies, glues, and adhesives
- Non-aerosol traffic or line marking paint
- Non-aerosol craft or automotive paint
- Brushes, rags, and rollers
- Two-part or component paints containing catalyst or activator
- Colourants and tints
- Paint thinner, resins, mineral spirits, and solvents
- Waxes, polishes, sealants, and other household products
- Paint mixed with other products
- Products registered as a pesticide under the Pest Control Products Act (has a P.C.P. registration number on label)
- Paint for skating rinks and curling club floors
- Household cleaners

Note: Some products may be accepted through local household hazardous waste programs (check with your local waste authority)

\* Tar and bitumen based paints and coatings are accepted in Ontario only



### Have large volumes of leftover paint?

In select provinces, you may qualify for free pick up. Visit [productcare.org](http://productcare.org) for more information.

### Who is Product Care?

Product Care Recycling is a federally incorporated, not-for-profit organization that responsibly manages products at end-of-life. We contribute to the local economy, keep hazardous materials out of our landfills and waterways, conserve resources, and protect the planet by recycling millions of litres of paint each year.

Visit [productcare.org](http://productcare.org) to find a recycling location near you.

[productcare.org](http://productcare.org)  
1-877-960-3972  
In BC: 1-800-467-4321



### Always remember the BUD Rule:




- B**uy no more than you need
- U**se the paint you buy
- D**rop off the leftovers for recycling

### Want free leftover paint for a project?

Product Care's PaintShare program allows you to pick up free leftover paint from participating recycling locations.

This puts paint where it belongs – art and DIY projects, buildings, walls, and fences – and diverts it away from our landfills and waterways. Leftover paint is given away on an as is, as available basis.

To find a PaintShare location near you, visit [productcare.org](http://productcare.org).

**#paintshare**

### How is Product Care funded?


Product Care Recycling programs are funded by environmental handling fees (EHFs), which are remitted to us by our paint industry members.


The fees are not a tax or a refundable deposit. The fees are used to operate the programs, including collection, transportation, and recycling of leftover paint, as well as program administration and consumer education. EHFs are sometimes itemized on sales receipts.


For specific product fees, visit [productcare.org](http://productcare.org).

## Leftover paint?

**Recycle it for free!**  
Visit [productcare.org](http://productcare.org) to find a recycling location near you.











## Helping Manufacturers & Brand Owners Comply with Provincial Paint Regulations

Product Care provides **convenient** and **efficient** paint waste collection in 8 provinces. Thanks to all the participating return-to-retail collection, **costs are reduced** for all paint producers. To find out more visit **productcare.org**



Architectural  
Paint



All Paint  
Aerosols



Empty Paint  
Containers

**British Columbia**  
bcpaintrecycle@productcare.org  
1.877.592.2972 ext. 364

**Saskatchewan**  
skpaintrecycle@productcare.org  
1.877.592.2972 ext. 226

**Manitoba**  
manitoba@productcare.org  
1.877.592.2972 ext. 366

**Ontario**  
ontario@productcare.org  
1.877.592.2972 ext. 239

**New Brunswick**  
nbpaintrecycle@productcare.org  
1.877.592.2972 ext. 233

**Prince Edward Island**  
peipaint@productcare.org  
1.877.592.2972 ext. 233

**Novascotia**  
nspaintrecycling@productcare.org  
1.877.592.2972 ext. 239

**Newfoundland & Labrador**  
nlpaintrecycle@productcare.org  
1.877.592.2972 ext. 233

## APPENDIX 5 – Digital Advertising

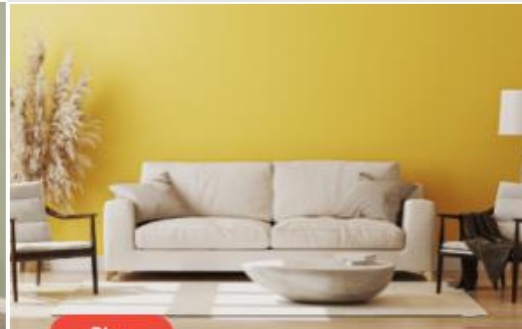
### Website Blog Posts



Blog

#### 5 Paint Colour Trends for 2022

24th January 2022

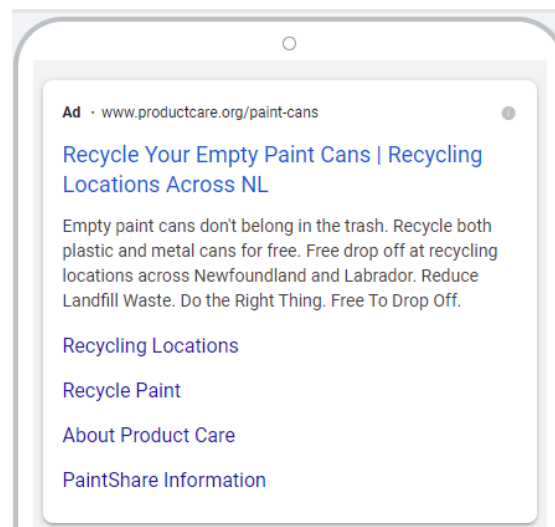
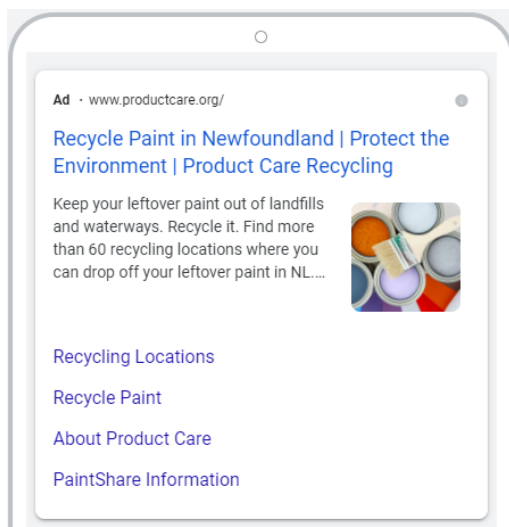


Blog

#### 5 Summer Paint Colours to Cool Your Home

15th July 2022


### Google Search Ads




## Google Display Ads

### Desktop Banners


Example of your image ad at 160×600



**You Can Recycle Paint**



We accept many types of paint, as well as empty paint containers. Find a location in NL




Example of your image ad at 300×250




**You Can Recycle Paint**



We accept many types of paint, as well as empty paint containers. Find a location in NL



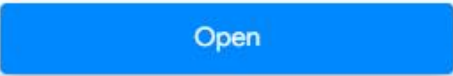
Example of your text ad at 300×250



**You Can Recycle Paint**

We accept many types of paint, as well as empty paint containers. Find a location in NL

Product Care Recycling



Example of your native ad at 480×120



**Leftover Paint? Recycle it. Find a Location in Newfoundland and Labrador**



Product Care Recycling





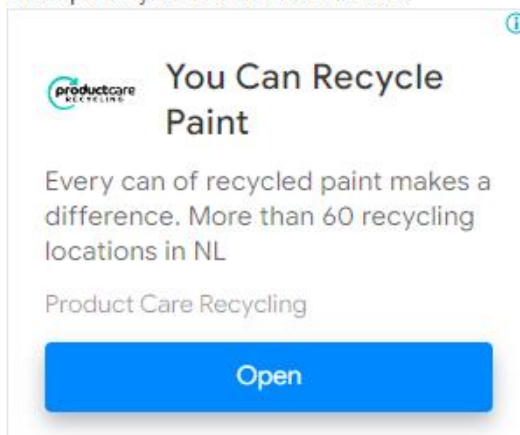
Example of your image ad at 160x600



Example of your image ad at 300x250



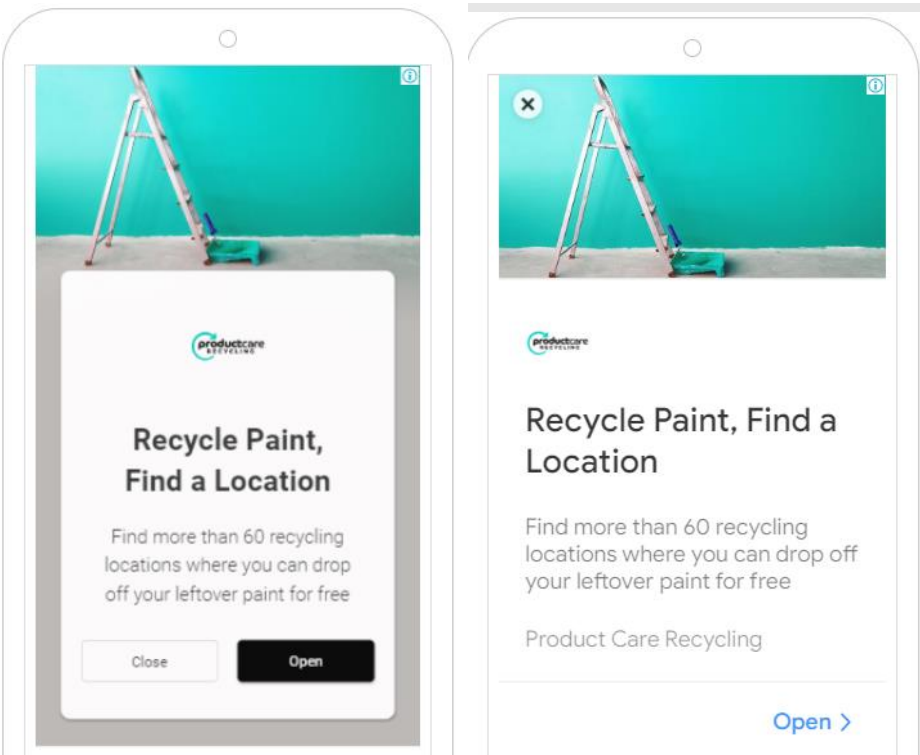
Example of your text ad at 300x250



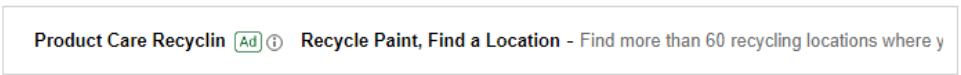
Example of your native ad at 480x120



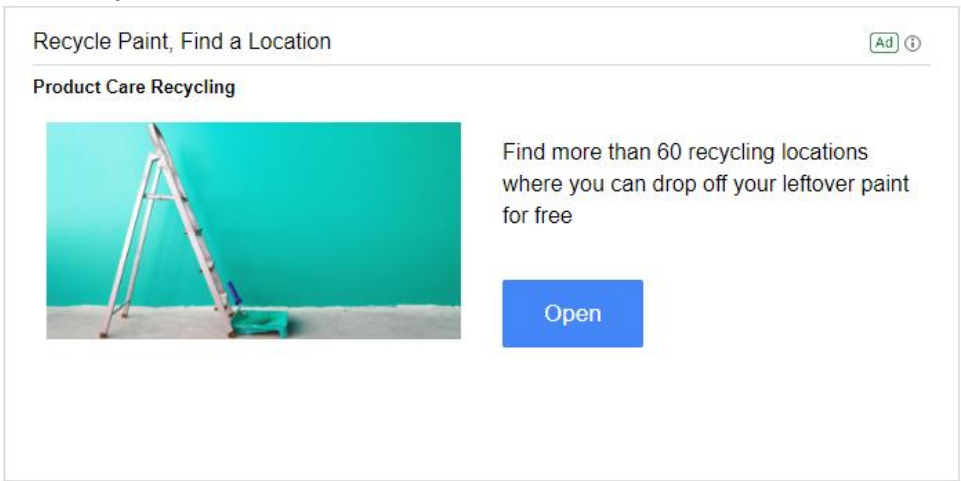
Mobile Apps

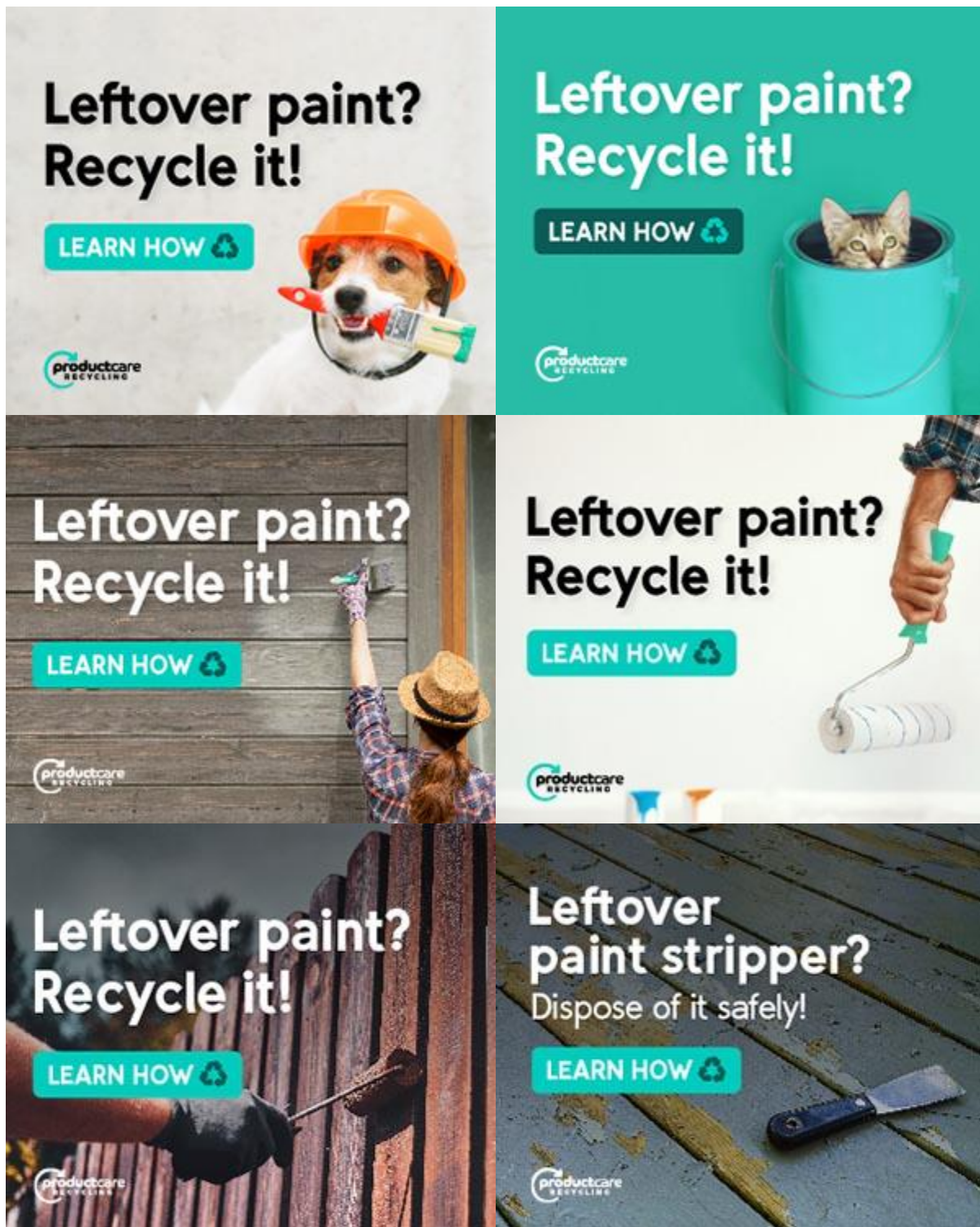


Gmail - Closed



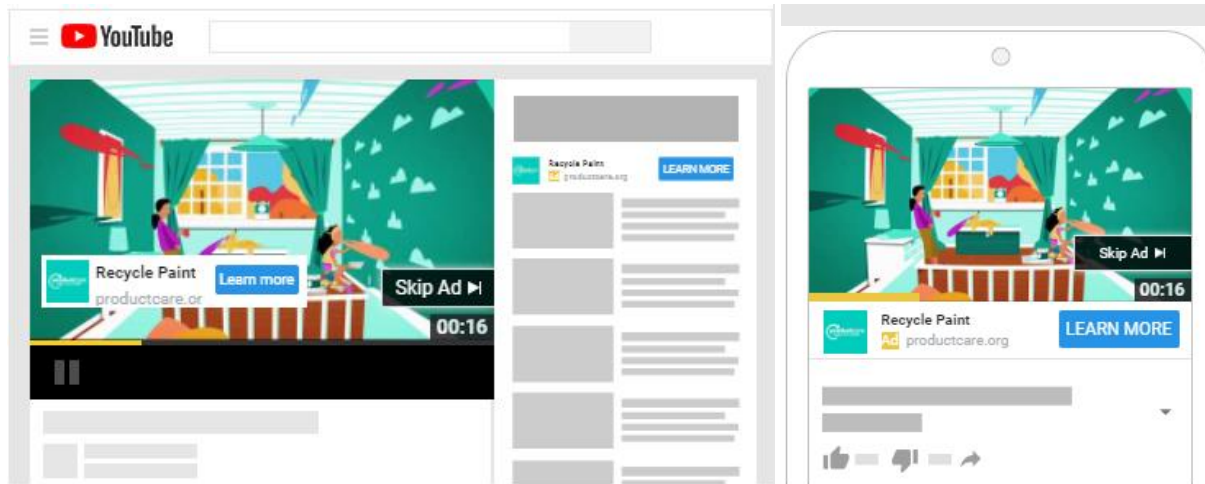
Gmail – open



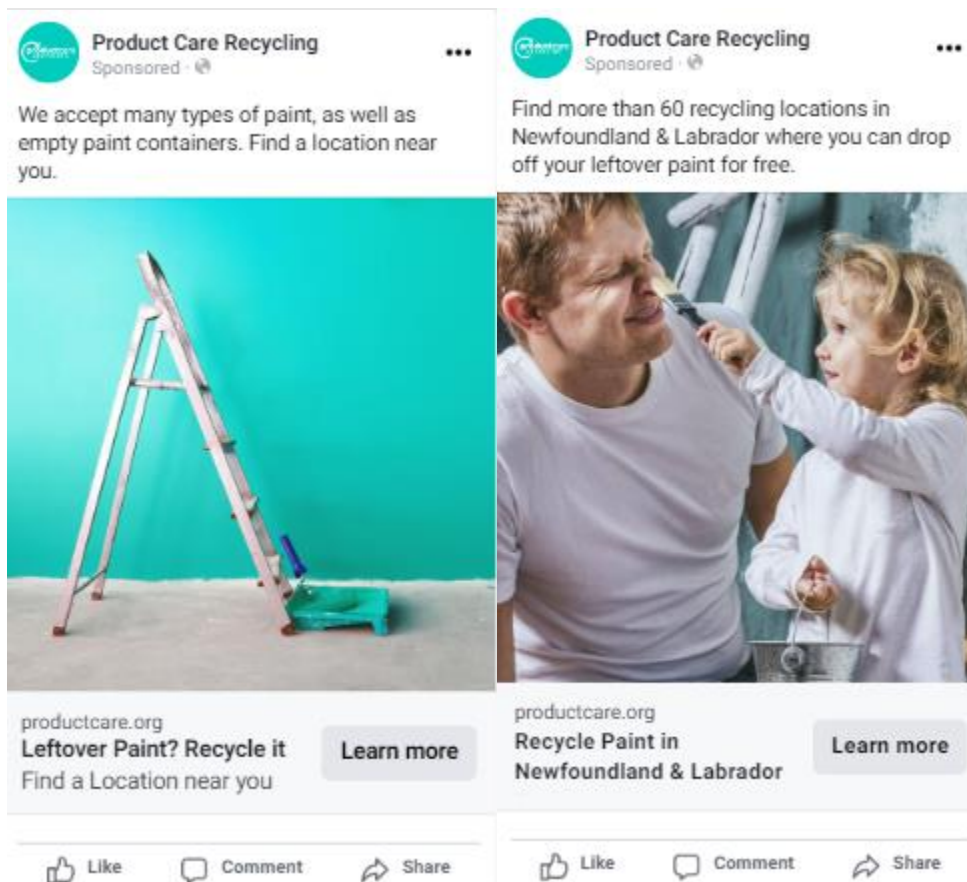




## YouTube Video Ad



## Facebook - Traffic Ads





**Product Care Recycling**  
Sponsored · 🌱

Find more than 60 recycling locations in Newfoundland & Labrador where you can drop off your leftover paint for free.



productcare.org  
**Leftover Paint? Recycle it**  
Find a Location near you

[Learn more](#)



Like



Comment



Share



**Product Care Recycling**  
Sponsored · 🌱

Every can of recycled paint makes a difference. Find a recycling location near you.



productcare.org  
**Leftover Paint? Recycle it**  
Find a Location near you

[Learn more](#)




Like



Comment




Share


**Product Care Recycling**  
 Sponsored ·

...

Every can of recycled paint makes a difference. Find a recycling location near you.




productcare.org  
**Leftover Paint? Recycle it**  
 Find a Location near you

Learn more

Like


Comment

Share


**Product Care Recycling**  
 Sponsored ·

...

Every can of recycled paint makes a difference. Find a recycling location near you.



productcare.org  
**Recycle Paint in Newfoundland & Labrador**

Learn more

Like

Comment

Share


**Product Care Recycling**  
 Sponsored ·

...

Every can of recycled paint makes a difference. Find a recycling location near you.



productcare.org  
**Recycle Paint in Newfoundland & Labrador**

Learn more

Like

Comment

Share


**Product Care Recycling**  
 Sponsored ·

...

We accept many types of paint, as well as empty paint containers. Find a location near you.



productcare.org  
**Recycle Paint in Newfoundland & Labrador**



Learn more

Like


Comment

Share

**Facebook – Event Ads**

**Product Care Recycling**  
Sponsored · 

Leftover Household Paint? Empty Aerosol Paint?  
Recycle it for free. Click to learn more:



**Recycle Leftover Paint  
for FREE**

Cartwright Fire Hall  
November 26

SAT, NOV 26, 2022

**Recycle Paint and Aerosols for FREE at  
Cartwright Fire Hall**

Cartwright Fire Hall, 150 Main Road, Cartwright, NL  
A0K 1V0...

☆ Interested



## **APPENDIX 6 – 2022 Audited Financial Statements**

**PRODUCT CARE ASSOCIATION OF CANADA  
NEWFOUNDLAND AND LABRADOR  
PAINT RECYCLING PROGRAM**

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

**31 DECEMBER 2022**

**PRODUCT CARE ASSOCIATION OF CANADA**  
**NEWFOUNDLAND AND LABRADOR PAINT RECYCLING PROGRAM**  
**Statement of Revenues and Expenses and Accumulated Surplus**  
For the year ended 31 December 2022

**Contents**

---

Independent Auditors' Report	
Statement of Revenues and Expenses and Accumulated Surplus	6
Notes to the Statement of Revenues and Expenses and Accumulated Surplus	7 - 8

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## INDEPENDENT AUDITORS' REPORT

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To: The Multi-Materials Stewardship Board

### **Report on the Audit of the Statement of Revenues and Expenses and Accumulated Surplus**

#### **Opinion**

As required by the Newfoundland and Labrador Waste Management Regulations (100/10 (31.12(1(I)))) we have audited the Statement of Revenues and Expenses and Accumulated Surplus of the Newfoundland and Labrador Paint Recycling Program (the “Statement”) as reported by Product Care Association of Canada (the “Association”) for the year ended 31 December 2022 and a summary of significant accounting policies and other explanatory information.

In our opinion, the Statement presents fairly, in all material respects, the revenue and expenses and accumulated surplus of the Newfoundland and Labrador Paint Recycling Program for the year ended 31 December 2022 in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the Statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matter - Restriction on Distribution and Use**

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

#### **Responsibilities of Management and Those Charged with Governance for the Statement**

Management is responsible for the preparation and fair presentation 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.

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## INDEPENDENT AUDITORS' REPORT - Continued

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In preparing the Statement, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

### **Auditors' Responsibilities**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.

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## INDEPENDENT AUDITORS' REPORT - Continued

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- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada  
23 March 2023

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**PRODUCT CARE ASSOCIATION OF CANADA**  
**NEWFOUNDLAND AND LABRADOR PAINT RECYCLING PROGRAM**  
**Statement of Revenues and Expenses and Accumulated Surplus**  
**For the year ended 31 December 2022**

	2022	2021
<b>Revenues</b>	<b>\$ 661,569</b>	<b>\$ 761,240</b>
<b>Program expenses</b>		
Transportation	299,865	260,265
Processing	279,882	468,685
Communications	125,033	64,897
Administration (Note 2(b) & 2(d))	102,882	88,154
Collection	74,143	95,794
Regulatory	31,073	31,063
	<u>912,878</u>	<u>1,008,858</u>
<b>Deficiency of revenues over expenses for the year</b>	<b>(251,309)</b>	<b>(247,618)</b>
<b>Accumulated surplus - beginning of the year</b>	<u>1,002,567</u>	<u>1,250,185</u>
<b>Accumulated surplus - end of year</b>	<b>\$ 751,258</b>	<b>\$ 1,002,567</b>

**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 OF CANADA**  
**NEWFOUNDLAND AND LABRADOR PAINT RECYCLING PROGRAM**  
**Notes to the Statement of Revenues and Expenses and Accumulated Surplus**  
**For the year ended 31 December 2022**

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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 of the Newfoundland and Labrador Paint Recycling Program (the “Program”), a segment of the operations of Product Care Association of Canada (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 are received from members of the Association making sales of designated program materials within the province of Newfoundland and Labrador. The Association recognizes these fees as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Environmental Handling Fees revenues are recognized as individual members report and remit them as required by the Association’s membership agreement which is at the end of the month following the reporting period that the designated program materials were sold by the member.

Members are obligated to remit Environmental Handling Fees for all products sold from the earlier of the Programs’ start date or the date when member started selling obligated products. If, for any reason, a member omits reporting and remitting Environmental Handling Fees associated with sold program products, the Association will recognize those Environmental Handling Fees as revenue when the amounts are determinable by the Association.

(b) Tangible Capital Assets

Tangible capital assets are recorded at cost. The Association provides for amortization using the straight-line method at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rate is as follows:

Depot equipment	3 years
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Included in administration expense is \$1,791 (2021 - \$Nil) of amortization expense related to tangible capital assets.



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**PRODUCT CARE ASSOCIATION OF CANADA  
NEWFOUNDLAND AND LABRADOR PAINT RECYCLING PROGRAM**  
**Notes to the Statement of Revenues and Expenses and Accumulated Surplus**  
**For the year ended 31 December 2022**

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**2. Summary of Significant Accounting Policies - continued**

(c) Use of Estimates

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

(d) 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 \$48,660 (2021 - \$60,523) 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 \$52,799 (2021 - \$73,240) which will be incurred in 2023.