

Newfoundland and Labrador Paint Program Annual Report

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Submitted by:

Product Care Association of Canada



productcare.org

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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”).

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 2021 calendar year (January 1 to December 31, 2021). 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 2021.

Table 1 summarizes the Program’s performance against regulatory requirements and commitments made in the 2018-2023 Program Plan. In 2021, there were some temporary closures of collection sites due to the ongoing COVID-19 pandemic.

Table 1: Summary of Key Performance Indicators

Commitments & Requirements	2021 Performance
Achieve at least a 70% reuse rate	Reuse rate of 73.5% was achieved.
The Program will maintain permanent collection sites in or near the 17 prescribed communities	24 permanent collection sites were operating in 15 prescribed communities. Two prescribed communities, Clarenville and Deer Lake did not have a permanent collection site in 2021, but collection service was provided in both communities through collection events. The program continues to focus on establishing permanent collection sites in these two communities.
Maintain collection service in additional 31 target communities	Of the additional 31 targeted communities, <ul style="list-style-type: none"> 13 communities had a total of 17 permanent collection sites; Of the 12 communities that have collection events every other year, 7 were serviced through collection events in 2021 (Bonavista, Charlottetown, Mary's Harbour, Pasadena, Port Hope Simpson, Rigolet, St. Alban's/Milltown and Rocky Harbour). Rocky Harbour was also serviced by a permanent collection site), 5 other communities hosted events in 2021 (Botwood, Cartwright, Gambo, L'Anse au Loup and New Wes Valley). 2 communities (Black Tickle, and Postville) - The Program continues to evaluate and seek opportunities to provide collection service to these communities.
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 3.7 % in 2021 as compared to the targeted recovery rate of 6.0%. The collection volumes were somewhat impacted by the pandemic.

2 Brand Owner Information

As of December 31st, 2021, 61 Brand Owners were registered under the Program (see [Appendix 1](#) for a complete list). Program members reported the sale of approximately 3,854,086 litres¹ 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).

¹ 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 2021 and the location of all collection facilities for waste paint. In 2021, there were higher collection volumes and an increase in recovery rate in comparison to 2020.

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.

Table 2: Total Amount of Post -Consumer Paint Collected

	Number of Paint Tubskids ²	Number of Aerosol Drums ³	Residual Paint Volume (L) ⁴	Residual Aerosol Paint Volume (L) ⁵	Paint Share Volume (L)	Total Residual Paint Volume (L)
Amount Collected	1,312	33	141,171	190	2,535	143,896

Table 3: Percentage of Post-Consumer Paint Collected by Collection Site Type in 2021

Type of Collection Site	% of Collection
Green Depot	26.3%
Retailer	15.1 %
Collection Events	5.4 %
Local Government Waste Facilities	53.2%
Total	100%

Table 4 provides the approximate number of litres of paint sold into the Province, the amount recovered 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 2021.

² 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.

³ Each drum holds approximately 175 aerosol containers.

⁴ Residual paint volume in each tubskid was calculated by applying a rounded conversion rate of 107.6 L per tubskid derived from the number of tubskids packed into boxes, the number of boxes processed, and the total residual volume generated. The total collected volume represents the total paint volume generated less volumes generated from the previous year stockpile.

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

Table 4: 2021 NL Paint Sales, Residual Recovery Volume and Recovery Rate

	Total
Sales (litres)	3,854,086
Residual Recovery Volume (litres collected)	143,896
Recovery Rate	3.7%

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, 2021, the Program's collection network included 53 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 23 permanent collection sites in 15 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 Clarenville left the Program in February 2019 and 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 the process of establishing a collection site in Clarenville in 2022. As a means of providing continued service for Deer Lake and Clarenville residents in 2021, collection events were held in Deer Lake in May 2021 and Clarenville in June 2021. Soliciting help from the local government, brand owners and community, the Program continues to search for a permanent collection site in Deer Lake.

Table 5: Permanent Sites in the 17 Prescribed Communities at the end of 2021

	Prescribed Community	Collection Site
1.	Bay Roberts	Bay Roberts Green Depot
2.	Carbonear	Carbonear Green Depot
3.	Clarenville	No site in 2021. Collection event held in June 2021. In the process of establishing a site in 2022.
4.	Conception Bay South	Handyman Home Hardware

	Prescribed Community	Collection Site
5.	Corner Brook	Corner Brook Green Depot
		Western Regional Waste Management Wild Cove Transfer Station
6.	Deer Lake	No site in 2021. Collection event held in May 2021.
7.	Gander	Aylwards Home Hardware Building Centre - Gander
		Broadening Horizon Recycling Inc.
8.	Grand Falls-Windsor	Grand Falls-Windsor Green Depot
		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.	Port Aux Basques	Port Aux Basques Green Depot
		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.
- Events were held in five communities (Botwood, Cartwright, Gambo, L'Anse Au Loup and New Wes Valley) in order to provide collection service.

- Of the 12 communities where Product Care holds biannual events⁶ (see section on Collection Events below), 7⁷ were serviced in 2021 and 6 (Charlottetown, Hopedale, La Scie, Rocky Harbour, Robert's Arm, St. Lewis) are scheduled for 2022.
- Two communities, Black Tickle and Postville, were gap communities in 2021. 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 2021.

Table 6: Collection Services in the 31 Additional Communities at the End of 2021

Community		Collection site	Status
1.	Baie Verte	White Bay Home Hardware and Furniture	Permanent Site Established
2.	Black Tickle	N/A	Gap Community
3.	Bonavista	Bonavista Firehall	Biannual event held in 2021
4.	Botwood	Botwood Fire Department	Event held in 2021
5.	Burgeo	Burgeo Green Depot	Permanent Site Established
		Western Regional Waste Management - Burgeo Transfer Station	Permanent site
6.	Cartwright	Cartwright Volunteer Fire Department	Event held in 2021
7.	Charlottetown	Charlottetown Firehall	Biannual event held in 2020.
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 Established
10.	Gambo	Town of Gambo	Event held in 2021
11.	Glovertown	Glovertown Green Depot	Permanent site
12.	Hopedale	Hopedale Firehall	Biannual event held in 2020
13.	La Scie	La Scie Firehall	Biannual event held in 2020
14.	L'Anse Au Loup	L'Anse Au Loup Fire Brigade	Event held in 2021

⁶ Some communities choose to hold extra events in addition to the recommended biannual schedule.

⁷ 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.

Community		Collection site	Status
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 2021
19.	New World Island	Regional Site - CWMN Norris Arm - New World Island / Twillingate	Permanent site
20.	Pasadena	Pasadena Fire Hall	Biannual event held in 2021
21.	Port Hope Simpson	Port Hope Simpson Firehall	Biannual event held in 2021
22.	Postville	N/A	Gap community
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 2020
26.	Rocky Harbour	Rocky Harbour Firehall	Biannual event held in 2020
		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
31.	Twillingate	The Paint Shop Home Decorating Center - Twillingate	Permanent site
		Twillingate Green Depot	Permanent site

Other Communities

Table 7 below presents the 13 other permanent sites established outside of prescribed and additional communities.

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

#	Community	Collection Site
1.	Buchans Junction	Regional Site - CWMN Norris Arm - Buchans Junction
2.	Burin	Burin Peninsula Regional Service Board
3.	Davidsville	Regional Site - CWMN 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.	Indian Bay	Regional Site - CWMN Norris Arm - Indian Bay
8.	Norris Arm	Regional Site - Norris Arm - North Access Rd
9.	Paradise	Paradise Green Depot
10.	Point Leamington	Regional Site - CWMN Norris Arm - Point Leamington
11.	St. George	Western Regional Waste Management - St George Waste Station
12.	St. Lawrence	Aylwards Home Hardware - St. Lawrence
13.	Terra Nova	Regional Site - CWMN Norris Arm - Terra Nova

Table 8 below presents the total number of tubskids and aerosol drums collected by all permanent collection sites and EWMB collection events.

Table 8: Tubskids Collected by All Permanent Collection Sites and Collection Events⁸

Collection Site/Event	Paint Tubskids ⁹	Aerosol Drums
Aylwards Home Centre - Gander	41	0
Aylwards Home Centre - St. Lawrence	2	0
Bay Roberts Green Depot	20	0
Botwood Green Recycling Depot	6	0
Botwood (Event)	5	0
Broadening Horizons Recycling Inc	0	1
Burin Peninsula Regional Service Board	16	0
Carbonear Green Depot	15	0
Cartwright (Event)	1	0

⁸ This table does not include biannual events. See Table 9.

⁹ Events reporting zero tubskids generally collected less than 15 cans of paint.

Collection Site/Event	Paint Tubs/kids ⁹	Aerosol Drums
Chester Dawe - Fortune (RONA Store #00162)	2	0
Corner Brook Green Depot	75	20
Deer Lake (Event)	7	0
Dulux Paints	4	1
Eastern Waste Management Board (Events only) ¹⁰	33	0
Gambo (Event)	TBD	TBD
Glovertown Green Depot	15	1
Grand Falls-Windsor Green Depot	5	0
Green Bay Wholesalers Ltd.	14	0
Handyman Home Hardware	20	1
Happy Valley Goose Bay Green Depot	10	0
Labrador West Landfill (Hodge Brothers)	18	0
L'Anse au Loup (Event)	0	0
Mount Pearl Green Depot	93	2
New Wes Valley (Event)	4	1
Norpen Waste (Landfill Site - Subregion 1)	2	0
P.S. Atlantic Ltd.	2	0
Paint Shop Home Decorating Center - Grand Falls	26	0
Paint Shop Home Decorating Center - Placentia	10	0
Paint Shop Home Decorating Center - St John's	51	1
Paradise Green Depot	32	0
Port Aux Basques Green Depot (PAB)	30	0
Pritchett's Tim-Br Mart Building Supplies - Lewisporte	4	0
Regional Site - Norris Arm - North Access Rd	90	0
Riverhead Green Depot	3	1
Smiths Home Hardware	4	0
St. John's Landfill - Robin Hood Bay (LVEU)	525	0
Stephenville Green Depot	20	3
The Paint Shop - Mount Pearl	31	1
Twillingate Green Depot & Auto	2	0
Western Regional Waste Management - Wild Cove Transfer Station	51	0

¹⁰ Clarenville had collection service provided through an EWMB event.

Collection Site/Event	Paint Tubskids ⁹	Aerosol Drums
White Bay Home Hardware and Furniture	2	0
Total	1,291	33

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 continue to collect low volumes.

The 7 of the 13 communities that hold bi-annual events and that held an event in 2021, netted a total of 22 tubskids of paint in 2021 (see Table 9). Promotion for paint collection events included social media (Facebook, Twitter, and Product Care's website) and printed posters or banners sent to host communities in advance of the events for distribution throughout the communities.

Table 9: Tubskids Collected at Product Care Collection Events in 2016-2021

Collection Event Location	Tubskids Collected ¹¹					
	2016	2017	2018	2019	2020	2021
Bonavista	0.5	2		2		3
Charlottetown	0		1		1	
Hopedale	2.5	0			0	
La Scie	0		1		1	
Mary's Harbour	0	0.5		1 ¹²		1
Pasadena	2.5	2		11	15	10
Port Hope Simpson	1	0		2 ¹³	1	TBD
Rigolet	0		0	0		2
Rocky Harbour*	2	2		5	5	7
Robert's Arm	1		2		0	
St. Alban's/Milltown	0		1			TBD
St. Lewis	1		1		0	
Total	10.5	6.5	6.0	21	23	23

¹¹ Events reporting zero tubskids generally collected less than 15 cans of paint.

¹² The tubskid collected in Mary's Harbour was reported as collected in 2019, but was not accounted for in the total tubskids reported for 2019. This is included in the total tubskids reported for 2020.

¹³ The Tubskids collected in Port Hope Simpson were reported as collected in 2019, but were not accounted for in the total tubskids reported for 2019. They are included in the total tubskids reported for 2020.

EWMB-Led Collection Events

The Program also participated in collection events in 17 additional communities conducted by Eastern Waste Management Board (EWMB) as part of their household hazardous waste (HHW) program (see Table 10). PCA provided transportation and processing services for these events, which collected a total of 33 tubskids.

Table 10: EWMB-Led Collection Events

	Community Serviced	Event Date
1.	Adam's Cove	5-Jun-21
2.	Arnold's Cove	19-Jun-21
3.	Carbonear	5-Jun-21
4.	Clareville	19-Jun-21
5.	Colinet	18-Sep-21
6.	Conception Harbour	5-Jun-21
7.	Fermuse	18-Sep-21
8.	Fox Harbour	18-Sep-21
9.	Placentia	18-Sep-21
10.	Random West	19-Jun-21
11.	Smith Sound	19-Jun-21
12.	St. Joseph's	18-Sep-21
13.	Trepassey	18-Sep-21
14.	Upper Island Cove	5-Jun-21
15.	Whitbourne	18-Sep-21
16.	Whiteway	5-Jun-21
17.	Winterton	5-Jun-21

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 2021, Product Care visited a total of 22 collection sites in the western 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;
- A description of the types of processes utilized to reuse, recycle, contain, or otherwise treat or dispose of waste paint;
- A description of efforts to redesign paint products to improve reusability and recyclability; and
- 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 Springhill, Nova Scotia¹⁴, or 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 2021, a total of 728 boxes of post-consumer paint were delivered for processing and 1,174 boxes were processed, including carryover volumes from 2020 (see Table 11). Due to labour shortages and periodic stoppages in operations due to the pandemic, the processor was not able to process all boxes received in the calendar year.

Table 11: Total Amount of Post-Consumer Paint Processed in 2021

	Number of boxes	Number of Aerosol Drums ¹⁵	Residual Paint Volume (L) ¹⁶	Residual Aerosol Paint Volume (L)	Total Residual Paint Volume ¹⁷ (L)
Volume Processed	1,174	22	213,814	132	213,946

4.2 Percentage of Post-Consumer Paint by Disposal Method

Table 12 below shows the breakdown of waste paint managed by the different product management methods.

¹⁴ This facility closed in the first quarter of 2021.

¹⁵ Each drum holds approximately 175 aerosol containers. Based on a rounded conversion of rate of 5.25 per drum.

¹⁶ Based on a rounded conversion rate of 182.1 L per box.

¹⁷ Total residual paint volume does not include paint reuse volumes.

Table 12: Percentage of Waste Paint by Management Method in 2021

Method	Volume (litres)	Percentage
Reuse - Paint Reuse Program	2,535	1.2%
Reuse - Paint Recycling	156,513	72.3%
Energy Recovery	5,567	2.6 %
Landfill	51,865	24.0%
Incineration	0	0.0%
Total	216,480	100%¹⁸

Metal and Plastic Containers Collected and Recycled

Metal and plastic containers were managed by two processors contracted by Product Care. D.R. Metal Recycling is a scrap metal recycler, which takes empty metal paint containers that have been baled and mixes them with other metals. Similarly, Aim Metals, and Copal Metal, processes the metals from paint aerosol containers. The bales of scrap metals are then sold as a commodity and eventually end up being recycled at a smelter. Laurentide shreds the plastic paint cans, sends them for recycling and sells the product as a commodity. Table 13 summarizes the weight and management options for metal and plastic containers.

Table 13: Weight of Metal and Plastic Containers Consolidated by Processors in 2021

Container Type	Recycled (tonnes)	Processor	Management Process
Metal	48.8 ¹⁹	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 pails (HDPE 2)	0.2	Laurentide Re-sources Atlantic/ Société Laurentide Inc.	Combined and baled with other plastics and managed as a commodity for plastics recycling or sent for reuse
Plastic paint cans (polypropylene)	19.0	Laurentide Re-sources Atlantic/ Société Laurentide Inc.	Processed and managed as a commodity for plastics recycling

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

¹⁸ Total may not equal 100% due to rounding.

¹⁹ Metal weight for aerosol paint cans is calculated using a conversion factor of 35.5 kg per aerosol drum.

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 2,535 litres of paint were given away to consumers through the PaintShare Program in 2021. Reuse volumes are estimated by assuming that each container is 75% full on average.

Recycling

At the Laurentide Re-resources processing facilities in Richibucto and Springhill²⁰, 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 2021

Type	Litres	Percentage of Paint Recycled
Water-based paint	149,487	96%
Solvent-based paint	7,026 ²¹	4%
Total	156,513	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 2021, the Program surpassed its target, achieving a 73.5% reuse rate (see Table 12 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 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

²⁰ See footnote 12.

²¹ Includes volumes processed from carried over inventory from 2019 due to processor relocation.

incinerators. During the reporting period, 5,567 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 51,865 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 is proud to provide products that protect, sustain, and add value to buildings, infrastructure, vehicles, and the objects we depend on every day. This is achieved with products that are safe to handle and increasingly eco-efficient. The industry evaluates the impacts of products along their entire life cycle and continuously develops offerings to reflect the latest available science. At the same time, the industry works hard to ensure sustainable production processes, which includes the health and safety of their workforce. Beyond their basic feature of protecting our built infrastructure, coatings are essential components to the production processes of many different industries. Functional coatings can provide additional properties to materials, paving the way to upgraded infrastructure, innovative products, and resource efficiency.

The move towards a circular economy is a central concern and opportunity for the paint and coatings industry. Compliance with regulations on the management of chemicals and waste is considered a basis for doing business.

According to industry members, the paint and coatings industry has been working to reduce the use of volatile organic compounds (VOC) and associated emissions in paint production. Over the past decade, the industry has seen a significant drop in VOCs used within the industry, with a 75% decrease reported in VOC emissions. Many paint products today contain either zero VOCs or a very low percentage. High-percentage solids coatings ensure that almost no gas emission is produced during the drying process and lasts for a very long time after application.

Additionally, companies are increasingly evaluating resource efficiency along the entire life cycle of their products, starting from the raw materials that serve as ingredients for the industry's products to the management of water, energy, and waste in production processes. A waste management practice observed in the manufacturing of paint is to reuse wash water to reduce the amount of make-up water needed in the process. Wash water and wash solvent can be redirected into low-grade products and paint can also be reworked into new batches, reducing waste and the usage of raw materials in the manufacturing process.

In terms of packaging, many paint manufacturers today are continuously researching more sustainable alternatives. As a result, we are more frequently seeing packaging on the market that is made up of up to 100% post-consumer materials.

Many companies have set sustainable goals to be achieved within the next 10 years, while some manufacturers have aligned their goals with the targets set out in the UN Sustainable Development Goals. For example, one manufacturer has reported a 24% reduction in GHG emissions in paint and coatings manufacturing since 2017. Some manufacturers are setting renewable energy goals and are exploring a variety of renewable energy mechanisms, such as onsite renewable energy production and the use of renewable energy credits. Overall, continued innovation in manufacturing processes has led to energy and material efficiency in production.

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
Hebert's Recycling Inc. 14 Clyde Avenue, Mount Pearl, NL A1N 4S1	Containment Facility
Laurentide Resources Atlantic Inc. 100 Main Street Springhill, NS B0M 1X0	Processing Facility ²²
Laurentide Re-sources Atlantic Inc. 9322 Rue Main Richibucto, NB E4W 4C7	Storage & Processing Facility
Société Laurentide Inc. 345 Bulstrode Street Victoriaville, QC G6T 1P7	Processing Facility
GFL Environmental 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 2021 to promote the program.

In 2021, 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 2021.

5.1 Consumer Awareness

In fall 2021—per the commitment outlined in the program plan—an online survey was conducted

²² See footnote 12.

among residents, representative of Newfoundland and Labrador’s adult population. The survey revealed that 74% of residents are aware that they can recycle paint in the province. This is an increase of seven percentage points over 2019 awareness levels (67%).

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 372,774 users accessed ProductCare.org in 2021. The Newfoundland and Labrador section (including sub-sections for accepted products and fee information) received 23,078 total page views. In addition, there were 5,481 visits to the collection site locator by provincial residents.

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 from August to October 2021, resulting in approximately 13.4 million impressions.

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

In 2021, 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 seven thousand copies distributed to industry members. (See [Appendix 4](#))

5.7 Digital Advertising

All digital campaigns (excluding tactic targeted blog posts and organic social media posts via Product Care Recycling Facebook, Instagram, and Twitter feeds) reached the entire province. See [Appendix 5](#) for examples of digital advertising activities.

Google Search Advertising Campaign: January to December 2021

A search advertising campaign served paint ads to provincial residents based on an extensive list of keyword searches relevant to the Program. Newfoundland and Labrador's ads collectively generated 423 impressions and 118 clicks.

Google Display Advertising Campaign: January to November 2021

Specific display advertising campaign served paint-related ads to provincial residents. Several iterations of the ads were run, collectively receiving 2.5 million impressions and 8,624 clicks through to the website. Ads were specifically targeted to internet users who performed online searches related to paint purchasing, usage, and disposal in Newfoundland and Labrador. Secondary targeting focused on individuals searching for home improvement, moving and DIY-related terms, in order to reach a wider, but still relevant, population.

YouTube Video Advertising Campaign: April to September 2021

During summer months, paint recycling and PaintShare explainer videos were run as pre-roll and skippable in-stream ads on YouTube and across Google's video partners. In Newfoundland and Labrador, these ads received a total of 290,982 impressions and 66,764 views.

Facebook / Instagram Advertising Campaign: February to October 2021

Explainer videos and promoted blog posts about our paint program were displayed across Facebook, Instagram and Facebook's audience network. These ads received 360,681 impressions and 4,987 clicks in Newfoundland and Labrador.

The Weather Network Display Campaign: August to October 2021

Display ads ran on the Weather Network app. Newfoundland and Labrador's ads collectively generated 902,282 impressions and 2,890 clicks.

6 Financial Information

In accordance with section 31.12(i) of the Regulation, the Program's audited financial statements for 2021 are provided in [Appendix 6](#) of this report.

APPENDIX 1 – Brand Owners as of December 31,2021

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. Costco Wholesale Canada Ltd.
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. Peintures MF Inc.	40. PPG Architectural Coatings Canada Inc.
41. Princess Auto Ltd.	42. Produits de Plancher Finitec Inc.
43. RENUE RECYCLING LTD.	44. RONA Inc.
45. Rust-Oleum Canada	46. Saman Corporation (3777472 Canada Inc.)
47. Seymour of Sycamore, Inc.	48. Sherwin-Williams Canada Inc
49. Sika Canada Inc.	50. Soprema Inc.
51. TENAQUIP Limited	52. The Houtshop Inc.
53. The North West Company LP	54. The Sansin Corporation
55. The Sherwin-Williams Company	56. Timber Pro Coatings Ltd.
57. UAP INC.	58. UCP PAINT INC
59. Wal-Mart Canada Corp.	60. Wood Essence Distributing
61. Wurth Canada	

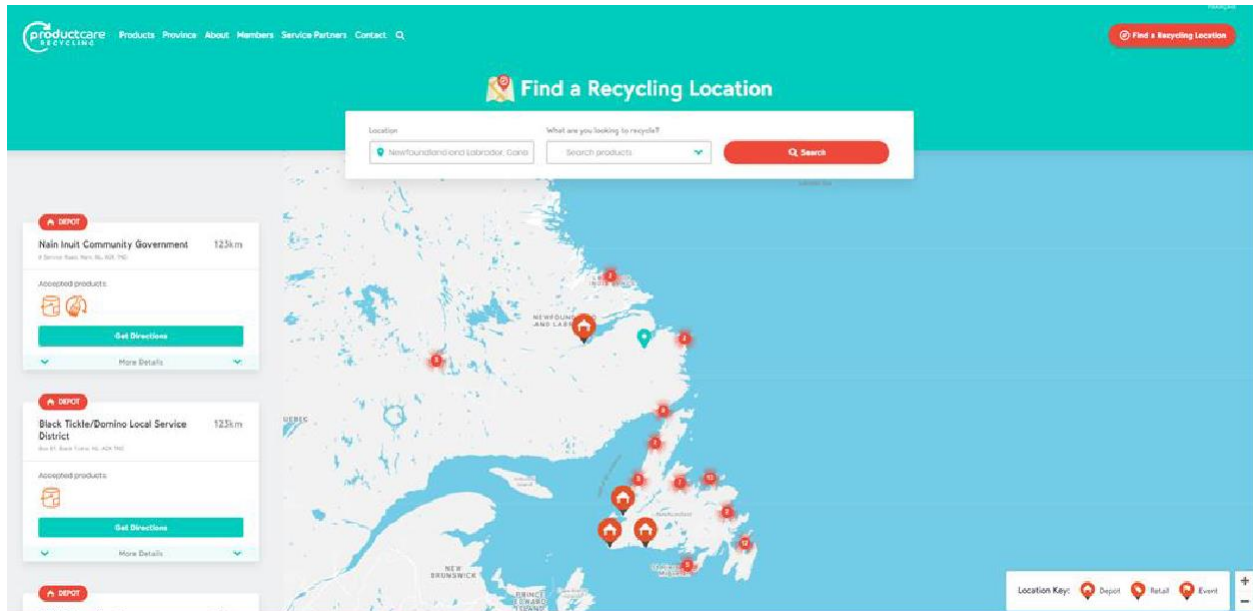
APPENDIX 2 – Collection Sites as of December 31, 2021

	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.	Regional Site - CWMN Norris Arm - New Wes Island/ Twillingate	Chapel Island	Government	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.	Broadening Horizons Recycling Inc	Gander	Green Depot	Yes
17.	Glovertown Green Depot	Glovertown	Green Depot	Yes
18.	Aylwards Home Centre - Grand Bank	Grand Bank	Retailer	No
19.	Grand Falls-Windsor Green Depot	Grand Falls-Windsor	Green Depot	Yes
20.	Paint Shop Home Decorating Center - Grand Falls	Grand Falls-Windsor	Retailer	No
21.	Western Regional Waste Management - White Bay South Transfer Station	Hampden	Government	No
22.	Happy Valley Goose Bay (HVGB) Green Depot	Happy Valley Goose Bay	Green Depot	Yes
23.	Regional Site - CWMN Norris Arm -Indian Bay	Indian Bay	Government	No
24.	Labrador West Landfill (Hodge Brothers)	Labrador West	Government	No
25.	Pritchett's Building Supplies - Lewisporte	Lewisporte	Retailer	No
26.	Makkovik Landfill	Makkovik	Government	Yes
27.	Aylwards Home Centre - Marystown	Marystown	Retailer	No
28.	Mount Pearl Green Depot	Mount Pearl	Green Depot	Yes
29.	The Paint Shop - Mount Pearl	Mount Pearl	Retailer	No
30.	P.S. Atlantic Ltd.	Mount Pearl	Retailer	No
31.	Nain Inuit Community Government	Nain	Government	Yes
32.	Regional Site - Norris Arm - North Access Rd	Norris Arm	Government	No
33.	Aylwards Home Centre – Placentia	Placentia	Retailer	No
34.	Paint Shop Home Decorating Center – Placentia	Placentia	Retailer	No
35.	Regional Site - CWMN Norris Arm - Point	Point Leamington	Government	No

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

APPENDIX 3 – Collection Site Locator

The image below provides a snapshot of the Program's collection site locator tool available at 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

Always remember the BUD Rule:
Buy no more than you need
Use the paint you buy
Drop off the leftovers for recycling

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 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 to find a recycling location near you.

productcare.org
1-877-962-2972
In BC: 1-800-667-4321

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.

#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.

Leftover paint?

Recycle it for free!
Visit productcare.org to find a recycling location near you.



Recycling paint for 27 years

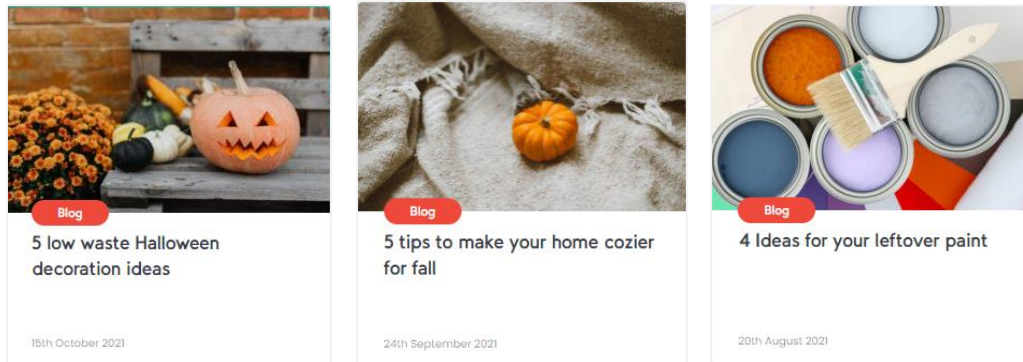
Since 1994, Product Care Recycling has worked with coatings manufacturers, fulfilling their paint recycling obligations in 8 provinces.

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

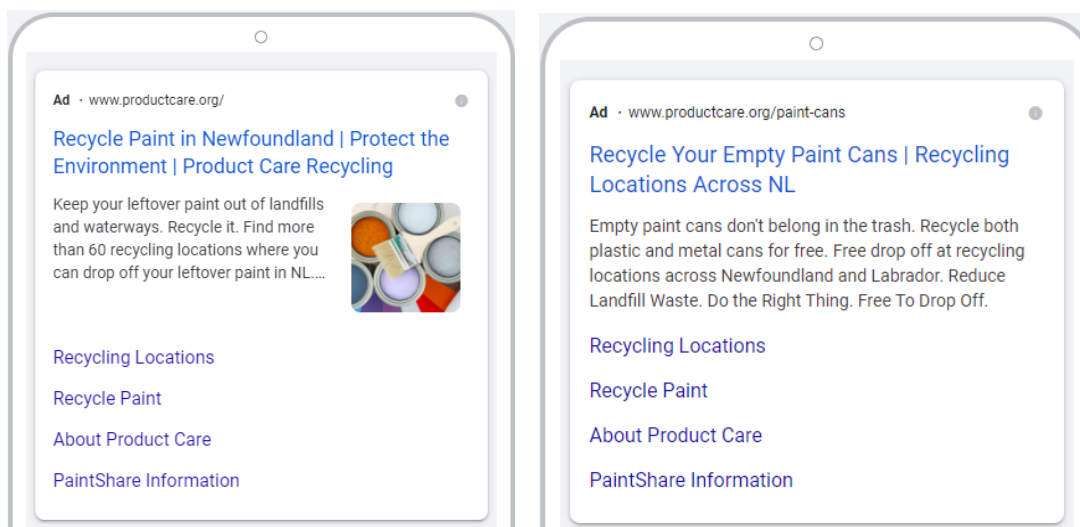


APPENDIX 5 – Digital Advertising


Website Blog Posts



Google Search Ads




Google Display Ads



Leftover Paint? Recycle it

Recycle your used paint in Newfoundland and Labrador. Find more than 60 locations


[>](#)



Paint Can Be Recycled

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

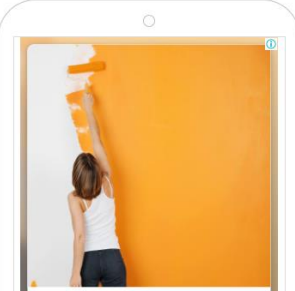
[>](#)



Where to Recycle Paint?

Find more than 60 recycling locations where you can drop...


[Open >](#)



Paint Can Be Recycled

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

[Close](#) [Open](#)




Recycle Paint in Newfoundland

Recycle your used paint in Newfoundland and Labrador. Find more than 60 locations

[Close](#) [Open](#)


The Weather Network Display Ads



Recycle your paint

[Find out where >](#)


productcare RECYCLING



Recycle your paint

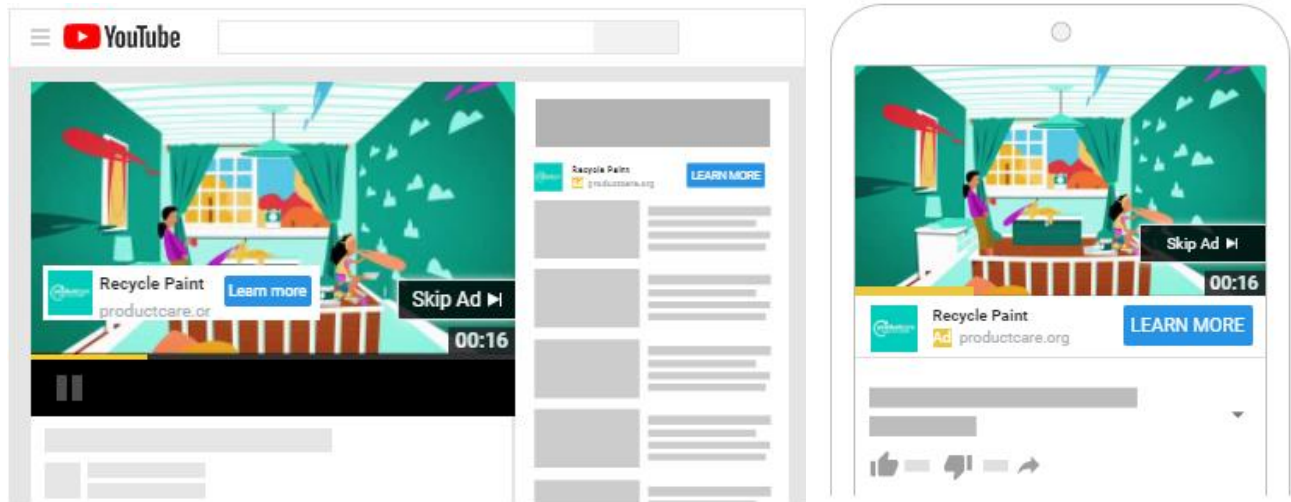
[Find a recycling location >](#)

productcare RECYCLING

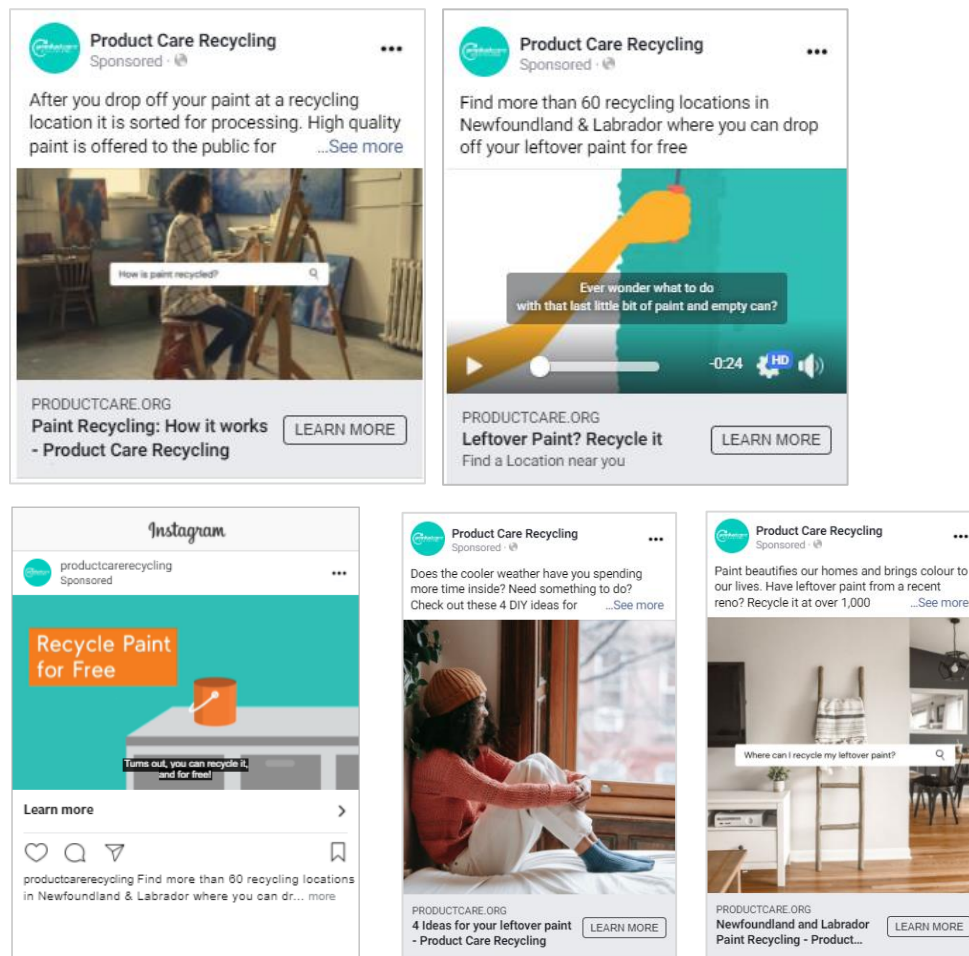


Why recycle paint? >>

YouTube Video Ad



Facebook and Instagram Posts



APPENDIX 6 – 2021 Audited Financial Statements

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

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

31 DECEMBER 2021

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 2021

Contents

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INDEPENDENT AUDITORS' REPORT

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 2021 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 2021 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.

INDEPENDENT AUDITORS' REPORT - Continued

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.

INDEPENDENT AUDITORS' REPORT - Continued

- 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
30 March 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 2021

	2021	2020
Revenues	\$ 761,240	\$ 765,237
Program expenses		
Transportation	260,265	228,616
Processing	468,685	185,698
Collection	95,794	61,614
Communications	64,897	58,999
Administration (Note 2(b) & 2(d))	88,154	51,221
Regulatory	31,063	30,208
	<u>1,008,858</u>	<u>616,356</u>
(Deficiency) Excess of revenues over expenses for the year	(247,618)	148,881
Accumulated surplus - beginning of the year	1,250,185	1,101,304
Accumulated surplus - end of year	\$ 1,002,567	\$ 1,250,185
Commitment (Note 3)		

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

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 2021

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 rates is as follows:

Depot equipment	5 years
-----------------	---------

Included in administration expense is \$Nil (2020 - \$550) of amortization expense related to tangible capital assets.

**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 2021

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 \$60,523 (2020 - \$34,680) 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 \$73,240 (2020 - \$184,784) which will be incurred in 2022.