

Annual Report by the Director

1999 Reporting Period

Synopsis

The Post-Consumer Paint Stewardship Program Regulation (B.C. Reg. 200/94) came into effect September 1, 1994. This regulation requires the producers of **consumer paint products** to take responsibility for the management of their products that contribute to the household hazardous waste stream. Since September 1, 1994, leftover paint has been collected from B.C. householders through a province-wide depot network.

In response to the regulation, brand-owners of consumer paint products formed a non-profit industry association, PPC Paint and Product Care Association (PPC) - formerly B.C. Paint Care Association. This private sector association has established, and now operates, a provincial network of paint collection depots and manages the leftover paint in an environmentally responsible manner.

To maintain a "level playing field" amongst paint producers, the paint regulation was amended effective June 26, 1997, to include all paints sold in pressurized containers (aerosols). As a result, some producers of industrial paint aerosols formed a second non-profit association, the Tree-Marking Paint Stewardship Association (TSA), to establish a closed loop, return-to-distributor collection system for tree marking and road marking paints. TSA distributors will accept returns of all regulated consumer architectural paint products from B.C. householders as well.

The regulation does not cover un-pressurized coatings formulated for marine anti-fouling, industrial or automotive applications.

Performance

There are over 100 permanent PPC paint collection depots currently available to the public throughout the province. In addition, 26 distributors of industrial aerosols accept paint returns under the TSA program. The associations reported the following paint collection results:

TIME PERIOD	PAINT & PRODUCT CARE (PPC) elcs*	TREE-MARKING ASSOCIATION (TSA) elcs*
1999	3,900,000	81,000
1998	3,702,000	32,000
1997	2,889,000	-
1996	2,111,000	-
1995	1,099,000	-
1994	284,000	-
TOTAL	13,985,000	113,000

* **elcs** - equivalent litre containers. Due to concerns for public and worker safety, handlers at the PPC collection depots do not open the paint containers. The individual containers are placed in a secondary containment unit (called a tubskid) and returns are measured by totalling, in litres, the volume of all the containers.

Over the years since the inception of the paint program, PPC has successfully moved up the pollution prevention hierarchy to the point that in 1999 there was no leftover paint sent to landfills. PPC reports that 77% of paint returns were recycled, 8% was reused for its original purpose and 15% was fuel blended and utilized for the recovery of energy. Recycled paints are used as a raw material for the production of new consumer/industrial goods, such as specialty concrete products, roofing materials and caulking compounds.

In addition, 410 tonnes of scrap steel and 24.5 tonnes of plastic from paint containers were recycled.

Collected paint by PPC that is suitable for re-use, for example as graffiti cover, is offered free of charge to non-profit groups and community organizations. The PPC has partnered with the Recycling Council of B.C. in its province-wide materials exchange program which matches those with larger quantities of left-over paint with others who can re-use it, thereby eliminating that paint from the waste stream. In 1999, approximately 80,000 litres of paint were re-used in this manner.

TSA currently contracts with a licensed waste management company to fuel blend oil based paint returns for energy recovery at cement kilns. A re-use and/or recycling protocol has been developed by TSA in order to improve its 3R management of collected paint. While TSA is committed to an ultimate recovery rate in excess of 80%, their stewardship plan stipulates a recovery rate of 40% by the end of the year 2000. As of June, 2000, TSA reported a return of 28% for the last twelve months.

Funding

The regulation does not permit brand-owners to charge consumers for the return of consumer paint products. As a result, to recover their stewardship program costs the brand-owners, through their respective associations, have elected to charge consumers an "eco-fee" at the retail point of sale on new paint and show the "eco-fee" as a separate line item on consumers receipts.

"Eco-fees" are product price increases by the paint brand-owners. "Eco-fees" are set, collected and administered by the industry associations, **not government**. Because they are part of the product price, and provide a service to consumers, PST and GST are assessed on "eco-fees" just the same as if the "eco-fee" was internalized into the total product price.

"Eco-fees" assessed for paint are based on container size/type and are as follows:

- 250 ml or less - \$0.10
- 251 ml to 1 litre - \$0.25
- 1.01 litre to 5 litres - \$0.50
- 5.01 litres to 23 litres - \$1.00
- aerosols - \$0.10/can (PPC and TSA)

PPC reports the following revenue and expenditures for its paint stewardship program:

YEAR	Revenues (000's)	Expenditures (000's)		
		OPERATING	ADMINISTRATION	TOTAL EXPENSES
1999	\$3,171	\$2,476	\$498	\$2,974
1998	\$ 4,200	\$2,600	\$400	\$3,000
1997	\$ 3,200	\$2,400	\$600	\$3,000
1996	\$ 2,800	\$1,800	\$1,000	\$2,800
1995	\$ 2,800	\$1,300	\$1,100	\$2,400

1994	\$ 500	\$400	\$500	\$900
Total	\$16,671	\$10,976	\$4,098	\$15,074

Notes to PPC Financial Report:

- Capital expenditures total \$663,000 since the inception of the program.
- Administration expenses for 1995 and 1996 include association and collection depot start-up costs.
- Effective January 1, 1998, PPC expanded its stewardship program to include paint aerosols, as required by the amended regulation. The costs incurred for aerosol evacuation and management during the reporting period were significantly lower than anticipated, primarily as a result of innovative technological advances. Effective January, 1999, "eco-fees" on aerosol paint were reduced from \$0.40 to \$0.10 per unit.

The TSA reports the following revenue and expenditures for its paint stewardship program:

	REVENUES	EXPENDITURES		
YEAR		OPERATING	ADMINISTRATION	TOTAL EXPENSES
1999	\$53,137	\$9,099	\$21,877	\$30,976
1998	\$ 47,907	\$5,385	\$48,499	\$53,884
Total	\$101,044	\$14,484	\$70,376	\$84,860

New Developments

In 1999, the British Columbia Paint Care Association and the British Columbia Solvent Care Association amalgamated to form the PPC.

In order to improve consumer awareness of the left-over paint collection program, PPC has partnered with the Recycling Council of BC to provide accessible, toll-free information on paint depot locations and stewardship programs province-wide.

Additional Consumer Information

For paint collection depot locations or distributor locations, contact:

[RCBC Recycling Hotline](#) - 1-800-667-4321 (Vancouver 732-9253)

For information regarding "eco-fees" contact:

PPC - toll-free Consumer Information Hotline at 1-800-505-0139 (Lower Mainland 878-8700).

TSA - Colin McKean - Secretary (250) 479-0853

For further information regarding the Post-Consumer Paint Stewardship Program Regulation, refer to the ministry's website.

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