



News Media Canada
Médias d'Info Canada

B.C. Stewardship Plan Annual Report 2017



Required Information Page

Stewardship plan approval date: October 19, 2017

Product category: Schedule 5 – Printed Paper and Packaging [Newsprint]

Stewardship agency and/or program name: News Media Canada

Primary contact (name and email): John Hinds, jhinds@newsmediacanada.ca

Stewardship program website: None

Stewardship plan website: <https://nmc-mic.ca/public-affairs/newspapers-and-recycling/bc-stewardship/>

Annual report website: <https://nmc-mic.ca/public-affairs/newspapers-and-recycling/bc-stewardship/>

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Message from the President

As the President and CEO of News Media Canada (NMC), I am pleased to provide the first annual report for our stewardship plan for residential newspaper in British Columbia. This report is the culmination of a great deal of work amongst our members and the Government of British Columbia to develop a plan that worked for all parties and guaranteed a clear and seamless transition for BC residents who consume and recycle newspapers in their homes. Looking back at the first few months following our plan being approved, I am confident we have achieved just that.

Newspaper publishers in BC are working hard in an ever-changing world of communication and technology to remain relevant, provide the highest standard of journalism possible, and contribute to and serve our diverse communities. This includes both the big cities and small towns, in which we are often the only source of local news. Regardless of where one lives, newsprint continues to be one of the most recyclable materials found in Blue Box, and an easily recognizable material in a world of ever-changing and increasingly complex paper and packaging. Through the comprehensive Recycle BC collection network, our product continues to be easy and convenient for residents to recycle across the province, and one they can be confident is properly and responsibly recycled. This has and will no doubt be a persistent reality, even as other materials face unprecedented challenges.

With a year's worth of distribution data now available from our members and collection data from Recycle BC we are able to report an excellent recovery rate across BC, well in excess of the required 75%. We were highly confident from the outset that our product had long been one of the best performing materials in the Blue Box, and this finding solidified that beyond any doubt. We very much look forward to maintaining this high level of performance for 2018 and beyond.

Sincerely,

A handwritten signature in black ink that reads "John Hinds". The signature is written in a cursive, flowing style.

John Hinds

President & Chief Executive Officer, News Media Canada

Program Overview

A Brief History of Newspaper Stewardship in BC

On October 19, 2017 the British Columbia Ministry of Environment and Climate Change Strategy officially approved NMC's Stewardship Plan, bringing our BC members into compliance with Section 4 of the *Recycling Regulation*. This plan was the product of many months of work, including enlisting the effected BC newspaper publishers as members and gathering their input, working with the BC Government on a funding model that worked for all parties, and preparing, consulting on, revising and publishing an approved Stewardship Plan.

The plan is quite unique in terms of its cooperative, indirect reliance on the Recycle BC Stewardship Plan and collection system. Through an arrangement with the Government of BC, NMC and its member newspapers provide both cash and value-in-kind advertising to the Government, in an amount commensurate with the funds required to collect and recycle the newspaper that the publishers distribute in BC. The government in turn provides funding to Recycle BC to carry out the actual collection, processing, and sale of the newsprint materials. Within this arrangement, NMC retains certain responsibilities such as data tracking, managing members' contributions, and certain communication and promotion activities.

News Media Canada is pleased to be able to say that, as expected, the transition to the new plan has been seamless, with BC residents continuing to recycle their newspapers in essentially the same way as they always have.

Stewardship Agency Membership & Governance

News Media Canada (NMC) is the organization assigned as Stewardship Agency for newspaper publishers in BC and is responsible for the plan. NMC is a national association for the print and digital media industry in Canada. NMC has members from across the country including daily publications, weekly city newspapers, and home town publications serving small rural communities.

NMC is a not-for-profit organization, incorporated under the federal *Not for Profit Corporations Act*. It was formed in 2016 following amalgamation of the Canadian Newspaper Association and the Canadian Community Newspapers Association and has approximately 800 total members. Together our members account for the vast majority of BC newspapers.

NMC is governed by a board made up of a minimum of 10 and maximum of 17 directors. The current board consists of 16 people, reflecting the geographic and community diversity of the overall membership.¹ NMC has an office located in Toronto which is staffed by our CEO and a small number of supporting staff. There have been no significant changes to the structure or board membership-affiliation of NMC since our plan was approved in the fall of 2017.

NMC operates a centralized website with industry news, as well as information for newspaper publishers and the public. This website acts as the host for important documentation around product

¹ A full list of the current board of directors, including their roles and affiliations, can be viewed on our website here: <https://nmc-mic.ca/about-us/board-of-directors/>

stewardship operations and activity in different provinces. This is where the original BC stewardship plan and this report are publicly available.²

Product Stewardship Role

NMC provides services to our many members across the country on things ranging from marketing, to public affairs, and issue advocacy, including on the issue of Extended Producer Responsibility (EPR) and product stewardship. The BC Stewardship Plan is the most recent EPR initiative we have taken charge of, but was by no means our first foray into this issue area, having been preceded by multiple other provinces including Ontario and Manitoba. Throughout the expansion of EPR program across Canada, NMC has focused on raising awareness about the critical role that newspapers play in our society and culture ensuring freedom of speech and information, and advocating for the important interests of newspapers in the context of EPR.

Although NMC is a subscription based organization with a set list of members, when preparing the Stewardship Plan we decided to open it up to any and all effected BC publishers, including non-members. The intention was to ensure that all newspapers had an opportunity to join the plan at any time and get into compliance. This policy was both for the benefit of the industry as a whole and to ensure a robust membership that can accurately account for as much recovered BC newsprint as possible.

We are pleased that multiple new publishers took advantage of this opportunity following plan approval: Aberdeen Publications Ltd. Partnership, Continental Newspapers, and TC Publications Ltd. Partnership. In addition, at the time of writing NMC was also in discussions with multiple other publishers about joining on. A complete list of the current signatories to the plan can be found by referring to Appendix A.

Materials Included

NMC's Stewardship Plan and this annual report cover exclusively residential newspaper distributed by plan members. *Recycling Regulation* section 5(1)(d) specifies that producers of PPP are responsible for collecting material from "residential premises" and "municipal property that is not industrial, commercial or institutional property." NMC developed a methodology to specifically account for newspaper and other applicable PPP³ that our members distributed into the residential market, while excluding material that was distributed to commercial locations such as hotels, airports, schools, transit stations, etc. And, while they are recycled at very high rates, NMC has also excluded any material generated out of printing or distribution facilities such as start-up waste, offcuts, misprints, and over-issue papers.

Beyond the residential parameter, the plan also includes newsprint and like products only, in terms of the physical material covered. This means we include just the newsprint material, to the exclusion of any flyers or paper advertisements (which are the responsibility of the respective advertisers), as well as any samples, merchandise, or promotional products distributed with the newspaper.

² These documents can be found at this link: <https://nmc-mic.ca/public-affairs/newspapers-and-recycling/bc-stewardship/>

³ Other PPP included material such as magazines and other bound periodicals distributed by members

For collection data, this report relies on the tonnage of newsprint collected, as provided by Recycle BC. Recycle BC is also governed by the *Recycling Regulation*, so its collection system includes residential and “streetscapes” only. Significant efforts are made, particularly at the depots, to keep commercial and other non-residential material out of the Recycle BC collection network. NMC can therefore be confident that we have a residential-only, “apple-to-apples” comparison in tonnes distributed versus collected.

Program Performance

Having been approved on October 19th 2017, the plan has only officially been in place for just over eight months. This is a limited amount of time to make significant progress in certain areas, however we are generally very pleased at how things have developed over this short time.

Recovery Rate and Third Party Audit

The material recovery rate for newsprint in BC is no doubt the most significant performance-based achievement of this Stewardship Plan thus far. As stated in the original plan, newspaper has a long history of recycling in BC, having been the original material collected at the residential curbside. People have been recycling it for a long time, and have gotten very good at it. In addition, newsprint is very easy to recognize, and tends to be very clean, unlike many of the more confusing and contaminant-prone materials that have begun to fill the Blue Box in recent years.

The Recovery Rate is stated as a percentage collected versus that distributed. Although never directly measured before, based on the above, NMC was confident that we were at or above the 75% recovery rate required by the *Recycling Regulation*. And indeed, comparing the tonnes distributed and collected proved this beyond any doubt.

In April of 2018, a reputable third party firm was engaged to conduct the required third party audit to verify the tonnage information tracked by NMC for 2017.⁴ The objective of this audit was to assess the accuracy and completeness of the NMC reported figures, and to fulfill the audit requirement under the *Recycling Regulation*. The audit produced figures on the distribution of applicable residential PPP in BC amongst our members. These numbers are detailed on the following pages.

⁴ The information on tonnages collected was provided by Recycle BC to the Ministry and was not directly verified by the auditing firm, however would be subject to Recycle BC’s own audit as part of their annual report.

2017 Estimated Tonnages

<i>GROSS PRODUCTION VOLUMES (GPV)</i>	<i>Black Press</i>	<i>Glacier Media</i>	<i>Globe and Mail</i>	<i>Postmedia</i>	<i>Sing Tao</i>	<i>TC Pub. Ltd.</i>	<i>Continental Group</i>	<i>Aberdeen</i>	<i>Total</i>
Reported GPV for 2017	14,673.00	5,473.00	1,404.00	8,407.94	3,044.00	3,207.64	842.90	551.91	37,604.39
Adjustments	(8,305.93)	(1,508.89)	-	-	(312.00)	-	-	-	(10,126.82)
Revised 2017 Estimates	6,367.07	3,964.11	1,404.00	8,407.94	2,732.00	3,207.64	842.90	551.91	27,477.57

<i>RESIDENTIAL PRODUCTION VOLUMES (RPV)</i>	<i>Black Press</i>	<i>Glacier Media</i>	<i>Globe and Mail</i>	<i>Postmedia</i>	<i>Sing Tao</i>	<i>TC Pub. Ltd.</i>	<i>Continental Group</i>	<i>Aberdeen</i>	<i>Total</i>
Reported RPV for 2017	6,116.71	3,549.05	1,091.93	5,196.52	1,556.00	2,814.13	654.47	520.72	21,499.53
Adjustments	-	-	-	-	-	8.59	-	-	8.59
Revised 2017 Estimates	6,116.71	3,549.05	1,091.93	5,196.52	1,556.00	2,822.72	654.47	520.72	21,508.12

<i>CATEGORIES OF PPP</i>	<i>Black Press</i>	<i>Glacier Media</i>	<i>Globe and Mail</i>	<i>Postmedia</i>	<i>Sing Tao</i>	<i>TC Pub. Ltd.</i>	<i>Continental Group</i>	<i>Aberdeen</i>	<i>Total</i>
I) NEWSPRINT									
Reported in 2017	6,116.71	3,549.05	1,049.79	5,152.85	1,032.00	2,734.69	627.51	520.72	20,783.32
Adjustments	(178.48)	(232.77)	-	-	-	-	-	-	(411.25)
Revised 2017 Estimates	5,938.23	3,316.28	1,049.79	5,152.85	1,032.00	2,734.69	627.51	520.72	20,372.07
II) MAGAZINES									
Reported in 2017	-	-	36.98	43.67	524.00	62.95	26.96	-	694.56
Adjustments	178.48	232.77	-	-	-	-	-	-	411.25
Revised 2017 Estimates	178.48	232.77	36.98	43.67	524.00	62.95	26.96	-	1,105.81
III) PLASTIC FILM AND LAMINATES									
Reported in 2017	-	-	4.80	-	-	0.50	-	-	5.30
Adjustments	-	-	-	-	-	19.89	-	-	19.89
Revised 2017 Estimates	-	-	4.80	-	-	20.39	-	-	25.19
IV) OTHER PRINTED PAPER									
Reported in 2017	-	-	0.36	-	-	15.99	-	-	16.35
Adjustments	-	-	-	-	-	(11.30)	-	-	(11.30)
Revised 2017 Estimates	-	-	0.36	-	-	4.69	-	-	5.05
V) OTHER PACKAGING									
Reported in 2017	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Revised 2017 Estimates	-	-	-	-	-	-	-	-	-

The final calculated figure for residential PPP distributed in BC in 2017 by plan members was 21,508 metric tonnes. Recycle BC reported tonnage collected for newsprint specifically at 20,596 metric tonnes for 2017. This calculates to a recovery rate for the year of 96%.

This recovery rate⁵ puts the NMC plan amongst the highest performers for different EPR product categories in BC, a fact we are very proud of. With such a high level of recovery achieved, the challenge we must take on now is ensuring we continue to maintain it over the years to come.

Communication and Consumer Awareness

NMC is committed to using our newspaper communication platform to promote the recycling of our product. This promotion is intended as a newspaper-targeted supplement to the more general communication done by Recycle BC through various media channels. It is something our members have done historically by running the recycling symbol and similar advertisements in our papers, and something we will continue to do.

In the months immediately following plan approval, we did less recycling-specific communication than originally intended, however our members ramped things up significantly in 2018. NMC produced a number of clear recycling-related advertisements that were provided to members to use in their publications. The advertisements are clear and straight to the point about newspaper recyclability. Some examples of the ads used to date, as well as some actual layouts that show how the ads are featured, are provided on the next page.

These ads have been run continuously by our members since late March 2018, on a weekly or even daily basis depending on the frequency of the publication. They have been run in every corner of the province, including in non-English language newspapers. They will continue to be run throughout 2018, and we hope to incorporate new content from time to time as well.

⁵ NMC notes that since our plan does not include 100% of BC newspapers, the 96% recovery calculation inevitably includes some material collected from other producers, whereas all the material distributed is from our members only. The 96% figure therefore may be slightly overestimated, however this calculation methodology is consistent with most all BC stewardship plans, as is likely close to reality given that this plan encompasses the vast majority of the newspaper market in BC.

Environmental Management

NMC is proud to be managing a product with a strong environmental track record, something we look forward to continuing and advancing. 96% recovery for newsprint is no doubt the BC Plan's most important environmental achievement as it means a very limited amount of our product is being discarded in landfills. However, there are a number of other important areas of note where our membership has led in environmental management as well.

Recyclability & Sustainable Life Cycle

There are a few key areas where newsprint excels in terms of environmental performance. One is its recyclability and sustainable production cycle. It is a single, consistent material that can be directly recycled with no pre-processing such as washing or de-labelling required. Publishers have worked hard in this area by keeping difficult to recycle materials like glossy paper-plastic laminates out of our product, and by transitioning almost wholly to renewable, plant based, water soluble inks.

Newsprint also performs well when it comes to environmentally sound collection and transportation. It is a particularly efficient material to collect as it is often higher volume (for example a household with a daily newspaper will have a box full of them by pick-up time), is fairly heavy per cubic metre resulting in reduced cost per kilogram to transport, and compacts naturally – unlike other packaging which is three-dimensional, and therefore creates wasted space and increased collection costs. Newsprint remaining integrated with the Recycle BC collection network also means that only one vehicle is required to pick-up all recycling. All this results in an efficient system that minimizes greenhouse gas emissions and other environmental impacts related to transportation.

Expansion of the Recycle BC Program

The Recycle BC program that manages the on-the-ground collection, processing, and marketing of residential newsprint material distributed in BC by NMC members began operations in May 2014. Recycle BC's system was originally set-up with municipalities being given the choice to opt-in to the program by a set deadline. Many did, however, there were others that did not for various reasons, some of which later expressed interest in joining and were put on a waiting list. Recycle BC has since progressively added these wait-listed communities to their program.

Approval of the NMC stewardship plan resulted in a significant infusion of funding into the Recycle BC program via the arrangement with the Government of BC. This additional funding has subsequently allowed Recycle BC to add more waitlisted communities to the centralized, BC-wide stewardship program. A notable addition that followed the NMC plan being approved, for example, was the Township of Langley, scheduled to be integrated in mid-2018. Adding communities to the Recycle BC plan brings a number of environmental benefits, including: an expanded list of accepted materials in the Blue Box and Depot system in those communities, and increased economics of scale and operational efficiencies. In addition, there is the non-environmental benefit of a reduced burden on the newly enlisted municipalities and their residents of no longer having to fund a curbside recycling system through tax dollars.

State of the Industry

To say that this report comes at a tumultuous time in the recycling industry would be an understatement. Over the years, the industrialization and growth of manufacturing in China has led to huge increases in demand for a variety of raw materials. This seemingly insatiable demand has led the world recycling sector to rely heavily on the Chinese market.

The growing trend towards single stream collection of recyclables in particular, combined with historically high contamination tolerances, has resulted in a less clean recycling material shipped to end markets such as China. Motivated to improve the environmental performance of its recycling sector, the Chinese government has begun to adopt policies like “National Sword”, which strictly restrict what categories of materials it will accept, and what contamination levels will be permitted in those that are allowed.

This change in policy has thrown the global recycling industry into upheaval, with stories abounding across North America about recyclable material being stockpiled with nowhere to go, recycling programs being suspended or rolled-back, and the economic challenges of plummeting material prices combined with increased processing costs required to get materials up to spec. Newsprint, however, has weathered this storm relatively well.

Newspaper is unique in a number of ways that have consistently made it both a high environmental and economic performer, and is still in active demand in China and other export and domestic North American markets. Compared to other grades like mixed paper, newsprint has become sought after by processors as it can be collected in its own pure stream and easily processed and sold, or sorted out of mixed paper grades, thus reducing the amount of mixed material that is difficult to market. In addition, the stable high value of newsprint means that its commodity revenues have helped to soften the financial impact of the sharp and unpredictable declines in other commodities like certain plastics and low-grade papers.

NMC is therefore very proud that our product is such a strong environmental performer in an otherwise challenged industry, and one that will no doubt continue to provide some stability for the years to come.

Reliance on Recycle BC

It is important to emphasize the important role played by Recycle BC in the successful recycling of BC newsprint. The key operational elements of the province wide system – the collection containers residents use, the depots they visit, the truck fleets that collect material at the curb, the processing facilities that consolidate and process the materials for the end markets – are all the responsibility of Recycle BC infrastructure and contracts. Recycle BC operates a complex collection system covering all corners of the province, ensures equal and reasonable accessibility for residents, communicates on important issues like contamination, and manages system costs – all of which allows NMC’s newsprint to be recycled. We therefore encourage readers to also review the Recycle BC 2017 Annual Report, which includes more detail on their PPP operations, including those affecting newsprint.

Looking Forward

NMC is very pleased with our plan's performance over the first few official months that it has been in effect. That said, many of the requirements placed on our members were new and historically unfamiliar, so challenges did arise. The final report from the auditor in particular, included analysis of plan performance and out of that came some recommendations on how NMC could improve on delivery of certain requirements.

One area identified was the inconsistent methodologies used by various publishers to account for their "Gross Production Volume" and "Residential Production Volume" – important elements of the recovery rate calculation. This was largely due to the youth of our plan and the fact that this is the first time our members have had to do this type of tracking and reporting. Improved definitions and general consistency in this area is therefore something that NMC will be working on with members over 2018 to ensure that everyone is tracking the required information in the same way.

The audit also identified shortcomings among member publishers on reporting of the various PPP categories. These categories include newsprint vs. magazines and bound periodicals, vs. plastic film and laminates, amongst others. While members pay close attention to paper products distributed, detail and consistency was lacking with regard to the latter category, which includes things like things like plastic sleeves to keep papers dry. This is another area where NMC will be working to improve consistency in tracking, as well as category definitions and standardized reporting templates, so members know exactly what materials are included where.

NMC will also continue to develop our communication and recycling promotion efforts in BC. In particular, we will be looking at doing promotion in a more systematic fashion, with different sets of advertisements being run on more a set schedule and with more consistency than was the case early on after plan approval. With such a high recovery rate achieved, NMC is committed to doing constant education to ensure the best chance at maintaining it over the years to come.

Finally, NMC will also continue to encourage obligated publishers currently outside the plan to join and get into compliance, while also helping to further consolidate BC newspaper publishers under a single Stewardship Plan.

Conclusion

With the first year now behind us, NMC is pleased with the program success achieved thus far. Thanks in large part to the BC Government and Recycle BC, the transition was seamless, with BC residents continuing to recycle newsprint much as they always have. With hard data being collected for the first time, we also confirmed our long-held belief about the excellent recovery performance of newsprint. And finally, due to the environmentally sound nature of our product, newsprint has fared well in a challenged time in the recycling industry, contributing to the sustainability of the entire BC residential program.

NMC is committed to supporting its membership by ensuring that their obligations under the *Recycling Regulation* continue to be met. Cost containment and environmental performance are incredibly important to the members of NMC BC program, and the changing world of media requires continuous focus on all factors that contribute to our members' success. We look forward to the year ahead.

Appendix A – List of Current Members

The following list shows all the newspaper producers and affiliates currently represented by the NMC Stewardship Plan. Our membership has grown since the original plan was approved in the fall of 2017, with new members added towards the end of the list.

- Postmedia Network Inc.
 - The Vancouver Sun
 - The Province
 - National Post

- The Globe and Mail Inc.
 - Globe and Mail

- Black Press Group Ltd
 - 100 Mile House Free Press
 - Abbotsford News
 - Agassiz-Harrison Observer
 - Alberni Valley News
 - Aldergrove Star
 - Ashcroft-Cache Creek Journal
 - Barriere Star Journal
 - Bella Coola Coast Mountain News
 - Boulevard – Okanagan
 - Boulevard Chinese Edition
 - Boulevard Mid-Island
 - Boulevard Vancouver Edition
 - Boulevard Victoria
 - Boundary Creek Times
 - Burns Lake / Lakes District News
 - Campbell River Mirror
 - Canadian Grapes to Wine
 - Castlegar News
 - Chilliwack Progress
 - Clearwater Times
 - Cloverdale Reporter
 - Courtenay / Comox Valley Record
 - Cranbrook Daily Townsman
 - Cranbrook Kootenay News Advertiser
 - Creston Valley Advance
 - Duncan Cowichan Valley Citizen
 - Fernie Free Press
 - Fort St. James Caledonia Courier
 - Golden Star
 - Goldstream News Gazette
 - Grand Forks Gazette
 - Gulf Island Driftwood

- Haida Gwaii Observer
- Hope Standard
- Houston Today
- Indulge (Chinese/English)
- Indulge Magazine
- Invermere, The Valley Echo
- Kelowna Capital News
- Keremeos, The Review
- Kimberly Daily Bulletin
- Kitimat, Northern Sentinel
- Ladysmith-Chemainus Chronicle
- Lake Cowichan Gazette
- Langley Advance
- Langley Times
- Maple Ridge-Pitt Meadows News
- Mission City Record
- Monday Magazine
- N2K Magazine
- Nakusp, Arrow Lakes News
- Nanaimo News Bulletin
- Nelson Star
- North Delta Reporter
- Northern Connector
- Oak Bay News
- Parksville/Qualicum Beach News
- Peace Arch News, White Rock/South Surrey
- Penticton Western News
- Port Hardy, The Norther View
- Princeton, The Similkameen Spotlight
- Quesnel, Cariboo Observer
- Real Estate Weekly Abbotsford
- Real Estate Weekly Langley
- Real Estate Weekly Surrey
- Revelstoke Times Review
- Rossland News
- Saanich News
- Salmon Arm Observer
- Salmon Arm, Shuswap Market News
- Sicamous, Eagle Valley News
- Sidney, Peninsula News Review
- Smithers, Interior News
- Sooke News Mirror
- Summerland Review
- Surrey Now
- Surrey, North Delta Leader
- Terrace Standard
- Tofino-Ucuelet Westerly News
- Trail Daily Times

- Vancouver Island Free Daily
- Vanderhoof, Omineca Express
- Vernon, Morning Star
- Victoria News
- Williams Lake Advisor
- Williams Lake Tribune
- Wine Trails
- Winfield, Lake County Calendar

- Glacier Media Inc.
 - Business in Vancouver
 - Western Investor
 - Real Estate Weekly
 - Alaska Highway News
 - Pipeline News North
 - The Mirror
 - Northern Horizon
 - Prince George Citizen
 - Vancouver Courier
 - North Shore News
 - Burnaby Now
 - New Westminster Record
 - Richmond News
 - Delta Optimist
 - Tri-City News
 - Westender
 - Bowen Island Undercurrent
 - Squamish Chief
 - Whistler Question
 - Whistler Pique
 - Bridge River Lillooet News
 - Powell River Peak
 - Coast Reporter

- Sing Tao Newspapers (Canada 1988) Ltd.
 - Sing Tao Daily
 - Sing Tao Real Estate Guide
 - Entertainment Insider
 - Sing Tao Weekly Magazine
 - Canadian City Post
 - Sing Tao Etel Directory

- Aberdeen Publications Ltd. Partnership
 - Kamloops This Week
 - Merritt Herald
 - Sunshine Coast The Local
 - Peachland View
 - Oliver Chronicle

- Osoyoos Times
- Columbia Valley Pioneer

- Continental Newspapers
 - Kelowna Daily Courier
 - Penticton Herald
 - Okanagan Saturday
 - Westside Weekly
 - Okanagan Advertiser

- TC Publications Ltd. Partnership
 - Victoria Times Colonist

Thank you





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July 3, 2018

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To Whom It May Concern:

As specifically agreed, we performed the following procedures with respect to the Recycling Agreement between the Province of British Columbia and Black Press Group Ltd., Glacier Media Inc., The Globe and Mail Inc., Postmedia Network Inc., Sing Tao Newspapers (Canada 1988) Limited, Aberdeen Publishing Limited Partnership, Continental Newspapers Ltd., and TC Publication Limited Partnership (collectively referred to as the "Participating Producers") and the Service Agreement between Canadian News Media Association ("News Media") and the Participating Producers.

- We reviewed the terms of the Recycling Agreement dated March 31, 2017 and the Service Agreement dated June 30, 2017.
- We reviewed the methodology and calculations made by News Media Canada and found the methodology and calculations to be consistent with the terms set out in the Recycling and Services Agreements for calculating the Participating Producers contributions to the Province's costs for the collection and management of newsprint for recycling for 2016 and 2017.
- We agreed the Residential Production Volumes and Provincial Cash Advertising amounts for each of the Participating Producers and found no exceptions.
- We reviewed the calculations of News Media as set out in Schedule B – Additional Procedures of the Service Agreement (copy of Schedule B attached) and found no exceptions.

We did not audit, review, or otherwise attempt to verify the accuracy or completeness of the calculations other than by performing the procedures listed above and as a result, the procedures performed we do not express an opinion or any form of assurance.

Yours sincerely,

KOSTER, SPINKS & KOSTER LLP