



Press Release

Environment Minister Directs all Environmental Fees be Returned to Program Operators for Waste Recycling in Ontario

April 22, 2020 Ottawa, ONTARIO: The paint and coatings industry is pleased with the recent decision by the Minister of Environment, Conservation and Parks (MECP), Hon. Jeff Yurek, to return a significant portion of the \$53 million in surplus funds accumulated from environmental fees charged by Stewardship Ontario over the past ten years for waste recycling. These funds were paid by industry stewards and were originally intended for waste recycling in Ontario, but were never used for that intended purpose. On April 2, 2020 the Minister directed that Stewardship Ontario, *"Ensure 100% of the surplus funds the Resource Productivity and Resource Recovery approved for fee reductions in December 2019 and February 2020 for stewards who are part of approved ISPs be returned in one-time lump-sum payments to the Industry Steward Organizations (ISOs) that operate the ISPs."* These surplus funds are expected to be returned to the ISOs on or about April 30, 2020.

"We are pleased that Minister Yurek has directed 100% of those environmental fees be returned to the independent program operators, the ISOs, now operating 80% of materials in the waste recycling programs in Ontario for Municipal Household and Special Waste (MHSW) for the benefit of the environment and all Ontarians," commented Gary LeRoux, President & CEO of CPCA. The other program operators include Automotive Materials Stewardship and Pesticides, Solvents and Fertilizers. All three independent program operators were designated as ISOs more than five years ago under relevant Acts for waste recovery in the Province, as approved by the Minister, and will continue as such for the foreseeable future. In addition to the surplus funds being transferred, the program operators were required to contribute approximately \$8 million to Stewardship Ontario for administration costs to wind up the remaining materials in their operating program.

CPCA's members make up 100 per cent of the paint and coatings stewards in Ontario with the recycling program run by an industry funding organization, Product Care, which also operates the Pesticides, Solvents and Fertilizers program.

Product Care has met and exceeded recycling targets in Ontario since 2015, achieving high levels of efficiency with strong governance and full transparency of program operations as demanded by the obligated industry stewards. *"We are most confident that the surplus funds being transferred to Product Care for program operations will be used to maximize environmental fee reductions for the benefit of the environment and Ontarians. The Minister can be assured administrative costs will be kept to an absolute minimum in the application of those funds for recycling in the coming months as the Government transitions to the new Resource Recovery and Circular Economy Act,"* said Mr. LeRoux.

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About CPCA

Since 1913, the Canadian Paint and Coatings Association (CPCA) has represented Canada's major paint and coatings manufacturers, and their industry suppliers and distributors in three primary product categories: architectural paints, industrial products and automotive coatings. In Canada, CPCA members have more than 261 paint manufacturing establishments, own more than 3,000 retail outlets, supply products to another 5,000 retail stores and more than 7,500 auto body shops. This represents annual retail sales of more than \$12.3 billion, employing directly and indirectly 86,300 employees.

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