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BM²A

ISSUE #81

JANUARY 31, 2018

BUSINESS MANAGEMENT, MARKETING AND SALES ALERT

Focusing on Management, Sales & Marketing

FOR MEMBERS ONLY



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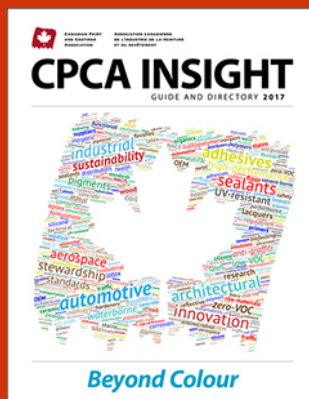
CPCA regularly publishes several important publications to ensure members are fully informed of ongoing issues and actions impacting the paint and coatings industry in Canada. These include:

- **Business Management & Marketing News:** monthly newsletter addressing relevant issues for those involved in management, sales and marketing in member companies
- **Regulatory News Alert:** monthly publication detailing comprehensive legislative and regulatory actions at all levels of government
- **Prime Time News:** publicly available monthly newsletter sent to members, important stakeholders and governments to provide a window onto the industry for those with an interest or role in the sector
- **CPCA INSIGHT:** Guide & Directory published annually to report on CPCA's work on behalf of members, key trends in the industry, raising awareness of the issues important for the sector and a guide of CPCA members supporting the important work done to sustain a long-standing and viable Canadian industry
- **Regular Bulletins, Updates, Memoranda and Press Releases:** sent to members regularly to ensure CPCA members are fully informed and can have direct input on actions taken by CPCA's board, technical committees and staff to ensure industry is represented at the table when decisions are made affecting them

All past issues of Business Management & Marketing News and Regulatory News Alert are archived in the Members Only section of www.canpaint.com.

CPCA Adhesives and Sealants Advisory Council

For members and role of the council, please visit [CPCA A&S Advisory Council](#)



Get More Insight from CPCA's Annual Guide and Directory

CPCA Insight: Guide and Directory 2017 is now available. Get a digital copy of this annual bilingual publication for the Canadian paint and coatings industry today.

CPCA members and important stakeholders will receive copies in their mailboxes.

[Download the electronic version.](#)



4TH ANNUAL ISSUE CPCA INSIGHT

Coming May 2018

Featuring:

- Industry news and technological advances
- Comprehensive CPCA directory
- Distribution to a national database, various levels of government and at key industry events

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IPPIC Publishes Global Market Analysis for the Paint and Coatings Industry (2015–2020)

The International Paint and Printing Ink Council (IPPIC) has published a new, expanded edition of its well-respected Global Market Analysis (GMA): the Global Market Analysis for the Paint & Coatings Industry (2015-2020). It provides comprehensive market research covering the global paint and coatings industry, addressing topics of relevance to coatings manufacturers, end users, raw materials suppliers, and others interested in the industry.

The report covers three primary categories of coatings: Decorative, Original Equipment Manufacturers and Special Purpose, as well as the many sub-segments within those categories. Research focuses on sector analysis, market trends and drivers, and competitive landscape. Packed with insightful information, content is delivered in an easy-to-read format with charts, tables, and other illustrations that highlight the study's most pertinent data.

IPPIC is pleased to partner with The ChemQuest Group, Inc., a leading consulting firm to the specialty chemicals and coatings industries, to conduct the in-depth market research and develop this single-volume resource document.

Corporate Member Price: Members of the associations that comprise IPPIC may purchase a digital download at a special members' only price of US\$2,750 (Contact your IPPIC member association for the required special DISCOUNT CODE).

Global License Price: IPPIC Members can also purchase a "global licence" for US\$10,000. A global licence entitles a purchaser to place an electronic copy of the study on a corporate intranet server on which employees of the licensee can view the study. Such a licence would not entitle the licensee to place the

study on an extranet server or web page where it would be accessible to persons not employed by the licensee.

Non-member List Price: A digital download may be purchased for US\$4,500 per copy.

Order online. For more information, contact IPPIC's Steve Sides at (202) 462-6272.

CPCA's Latest Regulatory News Highlights

(available in Members Only section)

- Proposed Federal Amendment to Reinstate the Use of CBI Concentration Ranges in WHMIS 2015 Hazardous Products Regulations Now Being Challenged by Labour Groups
- CPCA Working with Pest Management Regulatory Agency Officials on "Cluster Analysis" of Preservatives Set for Risk Evaluation until 2022
- CPCA to Work Jointly with Pest Management Regulatory Agency on Compliance with Treated Articles
- CPCA Gathered Information on Copper Compound Uses in Canadian Paint and Adhesives Products
- CPCA Automotive Refinish Council Addresses VOC Emissions Reduction Scenario Expected from Metro Vancouver's Proposed By-law 1086
- Government Publishes Updated Two-year Rolling Plan for Phase 3 of Chemicals Management Plan
- Information Disseminated to Members on Federal Asbestos Regulations Targeting the Import, Manufacture and Sale of Products Containing Asbestos
- Government to Consult Industry in 2018 on Implementation of Aspects of Recommendations from the Parliamentary Environment Standing Committee Report on CEPA Review
- Consultation on First Phase of Transition for Packaging and Printing Paper Management for Ontario Producers

NOTE: If you would like access to the Members Only section of CPCA's website, please contact [Micheline Foucher](#) for new access coordinates.

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If you would also like to receive CPCA Regulatory News Alerts, click here to subscribe.

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CANADIAN PAINT AND COATINGS ASSOCIATION



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CPCA REPORT

WHMIS 2015 Compliance Update

- **Reminder:** The next deadline for full conversion by manufacturers and importers is **May 31, 2018**. For distributors, the deadline is **August 31, 2018** and for employers, **December 1, 2018**.
 - A compliance promotion package, prepared by Health Canada (HC), is being disseminated to establishments across Canada that conduct activities regulated under the Hazardous Products Act (HPA) or the Hazardous Products Regulations (HPR) by all provinces and territories.
 - In the springtime, HC will intensify inspections of establishments to verify compliance with the HPA and/or the HPR all across Canada.
 - HC will collaborate with provinces and territories to analyze the inspection results and determine if there are any increased educational needs for compliance in some sectors and/or for some groupings/types of hazardous products. This may prompt further compliance promotion and/or targeted inspections.
- Industry has proposed to have means to protect the concentrations or concentration ranges of ingredients (as opposed to their identity) without having to use the HMIRA (CBI claims) application process. The related proposed HPR amendment was published last fall. The labour groups, initially in agreement with the proposal, have recently expressed disapproval with the proposal, mainly because of the use of 3 combined ranges in the lower ranges (preferring only 2). CPCA and other CIC industry members formally responded to HC by mid-January, in an effort to quickly resolve this last-minute issue raised by labour. At the last CPCA Paint and Coatings Working Group (PCWG) meeting, HC appeared to be confident to publish the final HPR amendment before the first WHMIS 2015 deadline.
- Additionally, the HC CIC (Current Issues Committee) formed a subgroup that met on January 18 to discuss the fall notice of another amendment of the HPR that proposes to remove the actual consumer products exemption. This followed Labour's concerns that workers are exposed to consumer products in a manner that is different than intended for consumers in general and for which related appropriate hazard information is not available. CPCA submitted comments to ensure the consumer products exemption to remain. Development of this subgroup's recommendations will be communicated later.
- The Rev. 7 of UN GHS Purple book was published in 2017. HC, in conjunction with OSHA, will work this year on updating WHMIS 2015/HCS 2012 to align with the latest GHS version.

Pest Management Regulatory Agency (PMRA) Update

- This winter, PMRA will launch outreach to stakeholders to increase awareness on regulatory requirements and to communicate key messages on imported treated articles, which do not require pesticide registration, but must be treated with a pesticide that is registered for that use in Canada. PMRA will collaborate with CPCA to validate its message.
- CPCA/ACA signed a joint letter to insure the Regulatory Cooperation Council (RCC) will add this new topic to their next Joint Plan: Non-alignment of US-Canada with respect to their biocides re-evaluation process. The Joint Plan will soon be finalized.
- Over the past few months, CPCA collaborated with the ACC Antimicrobial Exposure Assessment Task Force (EATF) to submit to a complete dossier on OIT exposure to PMRA. CPCA's contribution was a comprehensive paint and coatings use report on the Canadian market (Architectural & Industrial/ Automotive uses). Both CPCA and EATF reports will be submitted this week or next week, hoping this will help PMRA refine its risk assessment of active preservatives in paint and coating uses, not only with regard to OIT and CMIT/MIT but with other biocides in future re-evaluations until 2022.

CPCA Members in the News

- **AkzoNobel Announces 2018 Imagine Chemistry Challenges**
First launched in 2017, Imagine Chemistry is an opportunity for startup and scale-up firms and researchers to [solve real industry challenges and create sustainable business opportunities in chemistry](#).
- **Two CPCA Members Launch Research Partnerships in Quebec**
 - **NSERC/CANLAK/Laval University Launch a Unique Industrial Research Chair in Finishes for Interior Wood Products**
"The decision to invest in the [NSERC-CANLAK Research Chair](#) is in line with our company's mission: Focus our efforts towards the development of high quality and innovative products, enabling Canlak to maintain its position as leader in the Wood Coatings Industry," [said Normand Guindon](#), President & CEO at Canlak Inc.
 - **Société Laurentide Welcomes Its Partner the National Center for Electrochemistry and Environmental Technologies (CNETE) and Shawinigan College's CCTT**
Société Laurentide has furthered its already successful ten-year research partnership with the CNETE by hosting the CNETE during its \$6.7 million expansion project, thereby creating in Shawinigan a new niche of technological excellence dedicated to coatings and post-consumer paint. This synergy will accelerate current research to improve reclamation practices for post-consumer paint residues and their transformation into other products.
- **Dow FASTRACK Technology Helps Pave the Road to PyeongChang 2018**
At the Olympic Winter Games, those travelling on the Yeongdong Expressway will benefit from a newly striped marked road, [thanks to a highly reflective, durable waterborne traffic paint](#) powered by technology from The Dow Chemical Co.
- **[3M, PPG and DowDuPont Vie to Supply Car Makers of the Future](#)**
- **Axalta's StarLite is Automotive Color of the Year 2018**
Its optical properties [provide a functional benefit for driverless vehicles](#) since lighter colours are more easily detectable by Light Detection and Ranging systems.

- **Chemical Management Services Market Report: [Intertek Listed among the Dominating Key Players](#)**

CPCA Highlights of Events

- **ChemCon The Americas 2018**
Set for [February 5-9, New Orleans](#), it is an excellent opportunity to gain the latest information on chemical control legislation in the USA, Canada, Latin America, Europe and Asia and on best practices in achievement compliance.
- **Reminder: Don't Miss Out the American Coatings Show**
[April 10-12, 2018 in Indianapolis](#). The event will feature Dr. Barry Snyder of Axalta Coating Systems as a keynote speaker.
- **PRA's 11th International Woodcoatings Congress**
[October 23-24](#), Amsterdam.
- **EC Technology Forum: Enhancing Automation in Paint Production**
[March 14-15](#), Berlin.
- **Smart Coatings 2018**
[February 28 - March 2](#), Orlando
- **Internal Auditor Conference (Ontario Certification)**
[March 29](#), Mississauga
- **PaintExpo 2018**
[April 17-20](#), Karlsruhe, Germany

CPCA Highlights of Publications

- **[New Year New Hues: 2018 Architectural Trends](#)**
- **Market Studies 2017-2022**
 - [Water Resistant Coatings](#)
 - [High Reflectivity Coatings](#)
 - **Global Automotive Coatings**
[Volumes will grow at a CAGR](#) of 2.4 per cent from 2016 to 2024. The use of solvents and the demand for high-performance will continue to increase. Demand for series coatings (to grow by 3.7/year) will be considerably stronger than the refinishing coating segment.

Consolidation in the Coatings Industry Continues

The North American coatings industry has been consolidating for decades, to the point that in certain end market segments, [fewer than ten players control over 90 per cent of the market](#), and in most other markets, the level of concentration is at least 75 per cent.

Continued Consolidation in Architectural Coatings in 2018

[M&A activity in the coatings industry is heating up again](#) with only three companies (SW/Valspar, PPG and Masco/Behr) now controlling 70 per cent of the North American Architectural paint and coatings market. As many wonder whether the end is in sight for independent decorative coatings companies, it is believed that paint contractors tend to be loyal to strong mid-tier companies like Kelly-More, Cloverdale, California Products and Diamond-Vogel. In fact, consolidation presents an opportunity for the smaller others.

Harmonized Reporting Obligations for Hazardous Mixtures in Europe

A new Annex VIII to the CLP regulation was published that effectively starts a countdown to [start notifying hazardous mixtures in a harmonized way across the EU](#). The reporting deadline for hazardous mixtures supplied to consumers

will be January 1, 2020. The reporting deadlines for professional and industrial mixtures will follow on January 1, 2021 and 2024 respectively.

IPPIC Update

- **TiO₂ Update**

ACA (American Coatings Association) and CEPE (European Council of the Paint, Printing Ink and Artists' Colours Industry) continue to actively raise concerns and provide strong evidence on the impact of a cancer hazard classification for titanium dioxide (Cat 2) on international trade implications of such classification. Since the beginning, not only is the basis of this new TiO₂ classification on animal studies questionable, but all epidemiological studies concluding no clear association of cancer with TiO₂ have been ignored completely. Industry will soon finalize and submit updated epidemiological information. In parallel, ACA has contacted the US Department of Commerce and International Trade seeking its engagement on this file in an effort to communicate global scale concerns and explore possible exemptions to the CLP. The publication of a draft ATP (Adaptation to Technical and scientific Progress) is expected soon, which will be followed by discussions at CARACAL (Competent Authorities for REACH and CLP) meetings in early spring. Currently, it appears that any potential implementation of this new classification in the EU may not take place before May 2020.

- **IPPIC's Industry Stewardship Committee Discusses Future Actions Regarding:**

- Lead in Paint Alliance

Even though 95 per cent of global decorative paint sales volume is lead-free, the remaining 5 per cent is still problematic. As many as 67 countries have implemented legally binding controls of lead in paint, while still 70 others still have no rules. IPPIC will [continue to support the adoption of the UN model](#) in all remaining countries located in four main regions (Africa, Middle East, South America and Asia Pacific). IPPIC will consider appointing IPPIC regional champions and coordinating their efforts and committing funding and seeking matched funding from the UN to further raise the importance of legislation and enforcement in each country.

- Responsible Mica Initiative

The [Responsible Mica Initiative \(RMI\)](#) counts 39 members around the world, including IPPIC and individual company engagement (e.g. AkzoNobel, Axalta and BASF). The Legal Framework and Advocacy Action Group of RMI will aim for 100 per cent of mica collection in North Eastern India benefits from a CLEAR LEGAL FRAMEWORK and associated control systems. IPPIC will strive to secure more paint representation and a paint subgroup at RMI and will reach out to paint manufacturers and suppliers of raw materials, especially in the automotive paint sector, to emphasize the importance of the mica issue in their national/regional supply chain.

- Draft Policy on Microplastics

Last November, ECHA posted a scope document on microplastics and intends to propose REACH restrictions later this fall. The overall strategies will focus on waste management of primary and secondary ("wear and tear") releases. CEPE and other industry associations in Europe are working with ECHA to establish a clear definition of microplastics, and the mixtures that contain them, with a clear focus on those likely to be released in water only. Preliminary assessments of the contribution of down-the-drain releases of microbeads from waterborne paint would appear to be insignificant as compared to releases from other consumer product sources. There is also no evidence of decorative paint polymers being implicated in secondary release types (weathering degradation and polymer dissolving). Paint manufacturers are not

intentional users of microbeads contained in resins, but companies supplying resins are watching with great interest.

Canadian Manufacturing Coalition Writes to Finance Minister Morneau Ahead of Budget 2018

CPCA was among the signatories of a CMC industry Coalition [letter sent to the minister](#) urging a range of tax forms to boost investment and growth in the manufacturing sector. Manufacturing is a critical driver of innovation, prosperity and jobs in Canada, as it represents 30 per cent of all economic activity, over 25 per cent of employment, 35 per cent of all private-sector R&D, and 75 per cent of all exports. Manufacturing is now at a critical juncture, with capital investment and foreign direct investment having fallen, resulting in weakening productivity and global competitiveness, and fewer new innovations. In the US, manufacturers invest on average eight times more than an equivalent Canadian company. The CMC proposed a combination of actions to restore balance between Canada and the US for manufacturing, such as:

1. **Reducing federal and provincial general corporate taxes to a combined 20 per cent.**
2. **Expanding and improving the Accelerated Capital Cost Allowance depreciation rules to mirror the new US rules:** The ACCA depreciation should also be expanded to cover other related value-added activities, including those in natural resources, services, software and essential advanced technologies.
3. **Introducing an Investment Tax Credit on purchases of new equipment and software of between 10 and 15 per cent to help companies, especially SMEs.**
4. **Introducing a “patent box” innovation support that would reduce taxes on profits from new products and product mandates:** This tool has been recently introduced in Qc and Sask.
5. **Lowering the top marginal personal income tax rate from 33 per cent to 31 per cent:** It is increasingly difficult to attract or retain top talent with a growing income tax gap between Canada and the US, hence causing a brain drain challenge.
6. **Reforming the Scientific Research and Experimental Development program to lower administrative burden and support a broader range of corporate innovation needs, especially product commercialization.**

Three Quality Management Predictions in 2018

- **The [Pace of Automation Accelerates](#):** Companies will invest even more in automation by creating deeper integrations between their QMS and other critical systems.
- **Products Will Start to Manage Their Own Life Cycles:** Smart devices have become ever more pervasive in both the consumer and commercial space.
- **Quality as a Culture Will Become the Norm:** Companies seek to rout out adverse events that can affect their bottom-line and consumer safety. More will put in place tools and technologies that empower the culture of quality.

Free of Charge Access to the BEST of European Coatings Show 2017, Plus the Latest Product News

The ECS offers the chance to get a free-of-charge access to the best of ECS and Conference 2017 in Nuremberg with more than 50 videos, 60 technical, and 80 product updates. The [platform is open](#) from **March 14 to 21**.

NSF: Supply Chain Sustainability - Implications for Retailers and Manufacturers

A [recent NSF white paper](#) examines retailers' approaches deployed in pursuit of sustainability goals and to align with emerging consumer demands. Retailers are increasingly feeling the effect of sustainability-driven industry disruptions and pinched margins. Retailers are among the first to gain or lose a competitive advantage from changing consumer demands for sustainable products and industry leaders are aligning with changing consumer demands as much as possible.

Paint Companies Rate Their Performance in 2017

[24 paint companies self-assessed their performance](#) on a scale from 1 ("very good") to 6 ("very poor"). The average rating was 2.7, between "good" and "satisfying". The major challenge was the sky-rocketing prices and availability of key raw materials.

Canadian-led AI-powered Supply Chain Initiative

More than 120 industrial firms, organizations and world-class research institutions [joined forces to create SCALE.AI](#) (Supply Chains And Logistics Excellence.AI), a Canadian industry-led Innovation consortium. Together they committed \$700 million in support of collaborative transformation projects leading to the accelerated development and early integration of next-generation AI-powered supply chains.

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SAVE THE DATE!

CPCA's 105th Annual Conference and AGM

Wednesday, May 23rd & Thursday, May 24th, 2018

Toronto Marriott Downtown Eaton Centre Hotel

525 Bay Street, Toronto, Ontario



CPCA Annual Conferences and AGM

105th Annual Conference and AGM

May 23-24, 2018

Marriott Downtown Eaton Centre Hotel
Toronto, Ontario

Other CPCA Dates to Save

CPCA Coatings Webinar

Winter 2018

CPCA Board of Directors Meeting

March 2018

CPCA Paint and Coatings Working Group Meeting

April 24, 2018

CPCA/AQIP Golf Tournament

July 9, 2018

PCWG Webinar on Enhanced NSN Program

January-February 2018

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GOVERNMENT NEWS

BDC: Canada's Economy to Grow By 2.2 Per Cent in 2018

Alberta, B.C., Saskatchewan and Ontario will be the [engines of growth](#), with above 2 per cent rates.

NAFTA/Canada's Revised TPP Deal

- **As NAFTA Talks Drag, Mexico Suggests Extended Timeline**
Initially scheduled to finish in March to avoid clashing with Mexican presidential elections in July, all parties recognize a slow progress and extra weeks of talks are set for later this month. [Canada welcomed Mexico's idea of an 3-, 4- or 6-month extension](#), since no arbitrary deadline should compromise a good deal for all three countries.
- **Cautious Optimism in NAFTA Talks**
Important decisions about NAFTA's future are now in the [hands of Trump's administration](#).
- **Impact on NAFTA Negotiations of Canada's New Deal on Revised Trans-Pacific Partnership**

Japan managed to pull off an agreement with 10 other Trans-Pacific Partnership (TPP) countries in 2018 to resurrect the free trade pact after the pullout of the US and despite Canada not being initially in favour of a fast implementation of the TPP in its proposed form. Fearing a done deal without its participation, [Canada finally signed a current version of the TPP on January 23](#), after making gains on labour and environment chapters, intellectual property and dispute settlement provisions. Canada's decision to sign onto a major multinational trade agreement without the US added a [dramatic new wrinkle to the NAFTA negotiations process](#), as it allows more content into automobiles from China, at the very moment that the US is trying to achieve the exact opposite in NAFTA.

Note: An [EU-Japan trade deal](#) should also take effect in early 2019.

[Reminder: Canada's Legalization of Cannabis Comes Into Force on July 1, 2018, Is Your Company Ready?](#)

Government Funding

- **Venture Capital Catalyst Initiative**
The [Venture Capital Catalyst Initiative](#) funding of \$1.5 billion supports innovation. It matches every dollar with every additional dollar from the private sector—possibly more than two dollars—
- **[Innovative Solutions Canada Program Partnering with Eligible Canadian SMEs to Facilitate Early Development, Testing and Validation of Prototypes and Preparation to Commercialization](#)**

Court of Appeal Opens Door to Full Compensation of Trademark Litigation

The absence of pre-trial discovery could potentially hamper the ability of the plaintiff to recover damages in simple cases of trademark infringement. A [decision of the Federal Court of Appeal](#) streamlined the litigation procedure.

SMEs' Tax Changes Now in Effect

The [SME federal tax reduction is lowered](#) from 11 to 10 per cent since January 1 and will be lowered to 9 per cent effective January 1, 2019. The government will continue to terminate income shifting to lower-income family members who do not contribute to the business and introduce "reasonableness tests." Please see also [important 2017 tax reporting deadline reminders](#) for employers.

New Parental Leave Benefits in Canada

New parents are now [able to opt for either 12 or 18 months](#) of combined maternity and parental leave.

\$290.5M in Compensation in Volkswagen, Audi and Porsche Emissions Case

If approved, the [proposed Canadian class action settlement agreement](#) benefits to buyers or lessees of certain 3.0 litre diesel vehicles.

New National Initiative to Develop Training Standards for the Transportation of Dangerous Goods

A [new CGSB Committee](#), composed of government and industries' TDG experts, was kicked off in December to develop a standard for required competencies in Transport Canada. The job performance standard will define a uniform set of skills, knowledge, training, experience and abilities for employees at all levels, including TDG inspectors. Canadian employers will benefit from this standard by implementing and adapting in-house training and operations.

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NATIONAL NEWS

24th Edition of the CE Code Launched on January 2

[It has over 260 updates and revisions.](#)

Deloitte's Force of Changes: Industry 4.0 Collection

[Smart, connected technologies transforms how parts and products are designed, made used, and maintained.](#)

Major Security Flaw Exposed

A [glitch in ubiquitous Intel processing chips](#) put data on millions of computers at risk.

Global Safety Standard ANSI/RIA R15.06-2012 (Industrial Robot Safety Standard) Revised

This [standard](#) is a national adoption of ISO 10218-1 and ISO 10218-2 for Industrial Robots and Robot Systems.

Transportation Update

- [Autonomous Trucks Moving Quickly to Commercial Reality Down Canadian Highways Despite Job Threat](#)
- [Cross Border Emergency Response Guide Available on the TDG Website](#)

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CPCA has partnered with ICC Compliance Center to offer training on GHS* to its members.

Members of CPCA receive 15 per cent off ICC's in-person training classes across Canada for GHS Supervisor Manager and GHS Classification.

Visit CPCA's online store for easy access to ICC's online courses on GHS and other topics. Click [here](#) to start training today!

* CPCA strongly recommends that its members start training their employees as early as possible in the new year prior to the official coming into force of GHS in Canada on June 1, 2015.



CANADIAN PAINT
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VISIT membersbenefitprogram.com/cpca



CANADIAN PAINT AND COATINGS ASSOCIATION

PROVINCIAL ACTIVITIES

ONTARIO

Reminder: Accessibility for Ontarians with Disabilities Compliance Report Due December 31 for All Businesses

Compliance Check with the New ESA Requirements

Since January 1, the [following new \(or revised\) employment standards are in effect in Ontario](#):

- General minimum wage of \$14.00/hour to increase to \$15/hour in 2019
- Paid vacation: 3 weeks per year after 5 years of service
- New formula for calculating public holiday pay
- Employees who work in more than one position must be paid overtime calculated on the rate for the position that they are working in during the overtime period

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QUEBEC

Minimum Wage Raised to \$12 on May 1

The [75-cent hike](#) is the largest increase in Quebec's history.

CÉGEP of Rimouski Develops Basic Training Course in Industrial Mechanics to Respond to Manufacturing Needs

Canada and Quebec Support Project to Improve Water-related Infrastructure in Montreal West

Quebec's 2017–2027 Infrastructure Plan [calls for \\$7 billion](#) in investments in municipal infrastructure. When combined with contributions from the Government of Canada and municipalities, this means \$15 billion will be invested over the next 10 years.

Employers' Declaration of Wages for 2017 Due to CNESST on March 15

Use clicSÉCUR – Entreprises and for [further information](#), click on monespaceemployeur.ca.

ALBERTA

Carbon Levy Raised to Keep Diversifying Alberta's Economy

The carbon levy is increasing to \$30/tonne from \$20/tonne. Revenues [will be invested](#) through green infrastructure, renewable energy, bioenergy and innovation.

STEP 2018 Helps Employers

The [Summer Temporary Employment Program](#) helps employers hire students.

BRITISH COLUMBIA

OSFI Sets New Mortgage Rules Since January 1

Canada's banking watchdog OSFI confirmed that [starting in 2018](#), all borrowers will need to qualify for mortgages that are two percentage points higher than the rates at which they are applying. This has the potential to "rock the market" since non-insured mortgages represent 45 per cent of all mortgages.

Competition Bureau and Consumer Protection BC Join Forces to Protect Consumers

Both agencies [signed a MOU](#) to help foster a fair and competitive marketplace.



Business Facts and Opportunities

Canada & US Chemical Industry's Growth to Rebound in 2018

Canadian industrial [chemical shipments rose by 7 per cent](#) to hit \$20.8 billion in 2017 and are ripe for 1-2 per cent growth in 2018. Meanwhile, US chemical industry's output [should expand 3.7 per cent this year](#) following a 0.8 per cent gain in 2017.

[A Return to Economic Growth Expected in Latin America](#)**New Automotive Mobility Tech to Drive 40 Per Cent of Industry Profits by 2035**

Emergence of self-driving electric vehicles, shared on demand, will likely [shift profits away from incumbents to new fields](#).

The Effect of Grain Size on TiO₂ Grade 2 Surface Properties

The [grain size influences](#) the wettability and surface free energy.

Brominated Graphene as a Versatile Precursor

The [brominated few-layer graphenes \(FLG-Br\)](#) provide a liquid-phase precursor for the synthesis of a variety of functionalized graphenes.

[Lexus and VIAVI Solutions Crack the Code on Bioinspired Color](#)**Paints and Coatings****Oriental Yuhong Center Establishes Global Excellence R&D for Waterproof Coating in US**

The Philadelphia center will help implement the company's "Product Leading Strategy," "research in US and development in China" principle, and further broaden international perspectives and [global competitiveness of the company's water-based waterproof coatings](#).

Indispensable Use of Flame Retardants

[Construction](#) is most important market for FR (30 per cent of global demand).

Innovation/Technology

- [Canada-based Graphene Innovation & Technologies Begins Graphene-based Coatings for Marine Applications in Nova Scotia](#)
- [Waterborne PU Acrylate Coatings with Low Gloss Effect](#)
- [Influence of Inorganic Binder on the Photocatalytic Oxidation of Acrylic Latex](#)
- [Aerobrick: Better Thermal Building Insulation with Microscopic Bubbles](#)
- [Paints and Varnishes Based on Potato Starch](#)

Market Studies

- [Global Top 10 High Growth Paints & Coatings Market 2017-2021: Elastomeric, UV, Polyurea, Insulation, Ceramic, Automotive coatings, Medical, Silicone, Fluoropolymer, and Epoxies](#)
- [Global & North American Paint and Coatings Market 2018-2023: A CAGR Growth of 4.58 Per Cent \(3.8 Per Cent in North America\)](#)
- [US Additives for Coatings Market](#)
- [Global Roof Waterproof Coatings Market](#)

- [Global Wood Coatings Market 2017-2021](#)
- [Solar Control Coatings Market in 2017](#)
- [Industrial Coatings to Reach US\\$41.682B in 2022](#)
- [ACE Coatings: “Tonnage Consumption is Dropping”](#)
- [Sol-Gel Coatings Market Research to 2022](#)
- [Lower Profit Challenges China Coatings Industry Due to RM Price Increase](#)

Adhesives and Sealants Markets

[Global Automotive Adhesives to Reach US\\$7B by 2022](#)

[Global Aerospace Adhesives and Sealants: A 5.4 Per Cent CAGR for the Next 10 Years](#)

[Global Dental Adhesives to Grow at a CAGR of 5.96 Per Cent from 2017 to 2021](#)

[Global Light Cure Adhesives to 2023](#)

[Global Spray Adhesives Profile](#)

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Marketing Corner

PPG DULUX Paints Announces Colour Trends for 2018

PPG [named two Colours of the Year](#): Black Elegance and LIQUID METAL Golden Goose.

New Year New Hues: 2018 Architectural Trends

[A shift toward warmer colours and even bolder colors](#) after a long stretch of cool and pale hues.

[2018-2023 Global Trend Research in Architectural Paints and Coatings](#)

Emerging Trends in Real Estate 2018®, PwC

[Looking forward](#), it's not a clear blue sky—but there are no storm clouds coming, either.

5 Commercial Construction Trends to Watch in 2018

[Sustainability is one of them.](#)

[5 Ways to Achieve Sustained Growth](#)

[Thoughts for the C-suite: Business Integrity, Your First Priority for 2018](#)

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INC Magazine

9 Strategies to Finally Get Your Email Under Control

Learn [how to limit](#) how many legitimate emails you get every day.

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TED Talk

The Business Benefits of Doing Good

"The only way we're going to make substantial progress on the challenging problems of our time is for business to drive the solutions," says social impact strategist Wendy Woods. Learn more about how executives can move beyond corporate social responsibility to "total societal impact" -- for the benefit of both a company's bottom line and society at large.



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Report on the Canadian Economy

CBoC Publishes Economic Outlooks for Several Industries

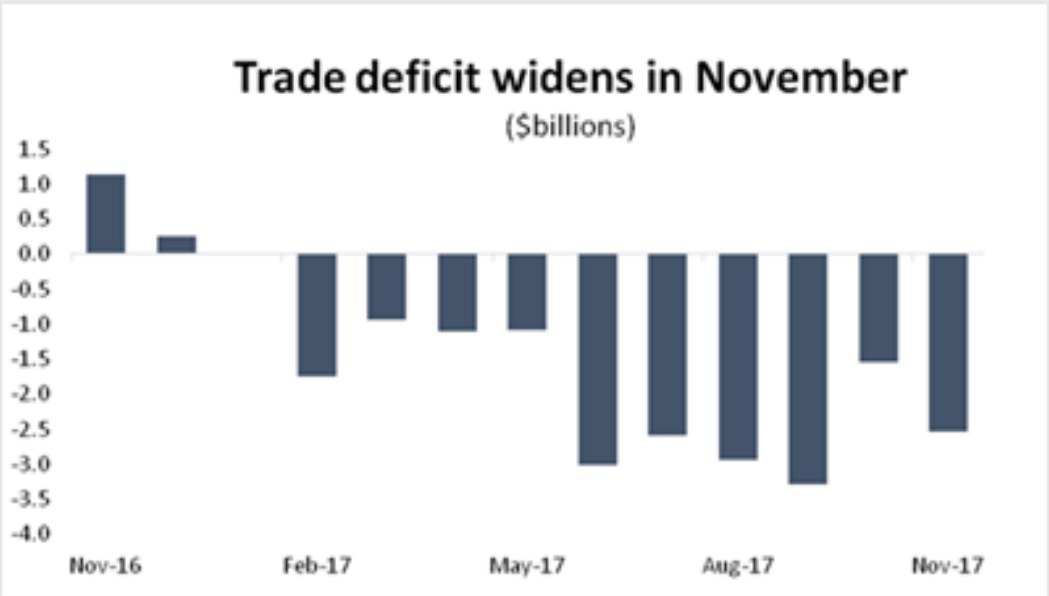
The [latest available publications](#) are for the wood, aerospace, motor vehicle manufacturing and electronics industry.

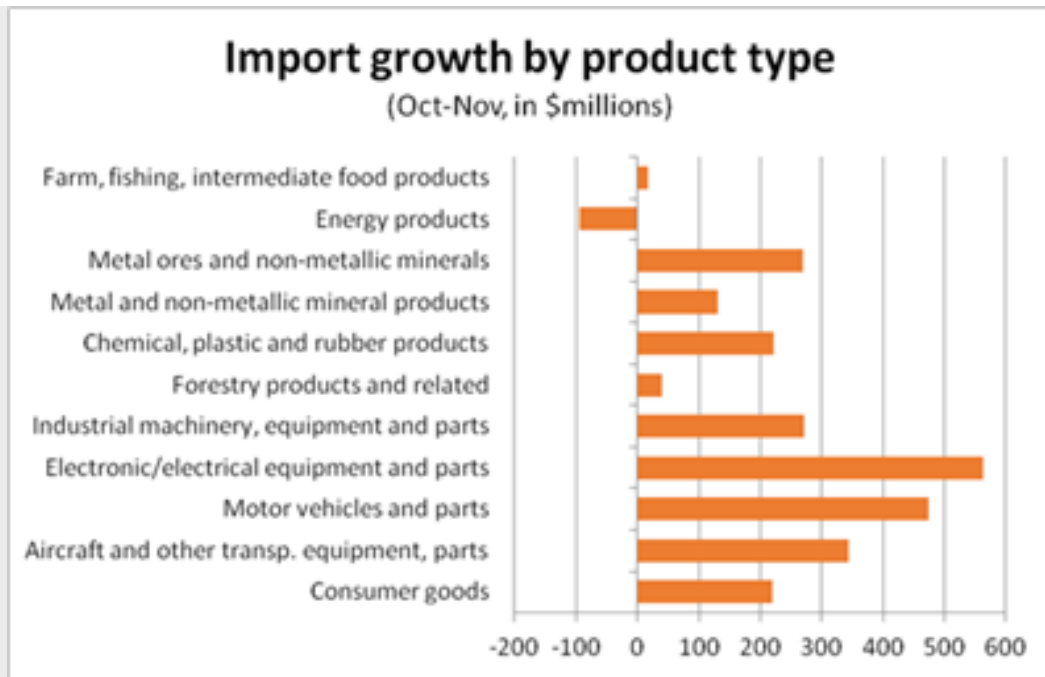
More Than Two Million Vehicles Sold in Canada for the First Time

[New vehicles sold in 2017 hit a high for](#) a fifth consecutive year and reached a new record at 2,038,798 units (+4.6 per cent vs 2016). It is the eighth year in a row of sales increases. [Light trucks continuing to be the bestseller](#).

CMC's Merchandise Trade Analysis, November 2017

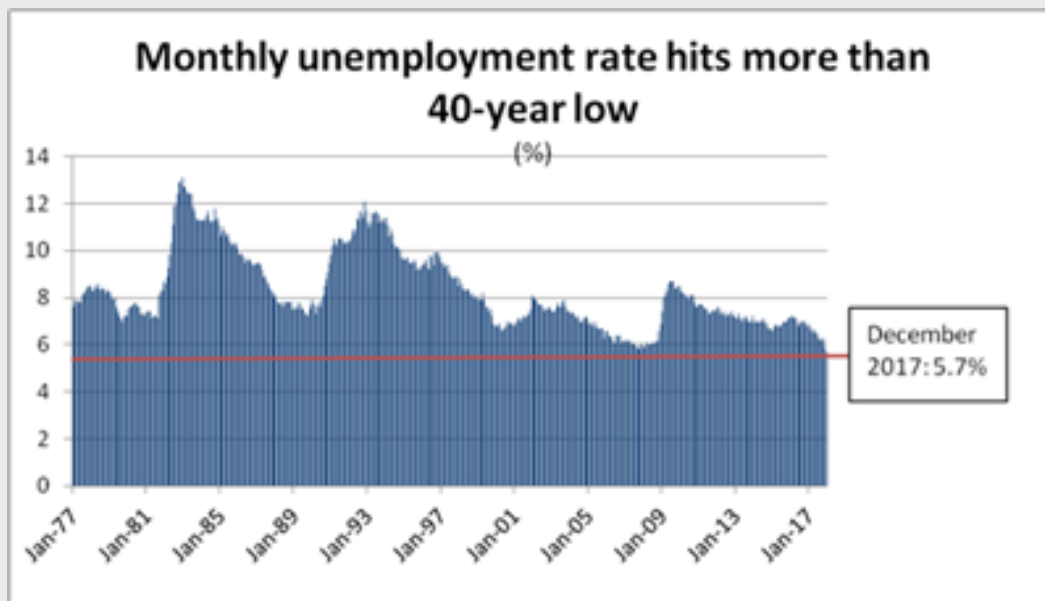
[Trade deficit widened in November](#) in spite of strong Canadian exports. Total sales reached \$46.2 billion and export prices jumped by 1.4 per cent. However, a larger spike in imports eclipsed those gains as they rose 5.8 per cent to hit \$48.7 billion. As a result, Canada's trade deficit reached \$2.5 billion compared to \$1.6 billion in October.



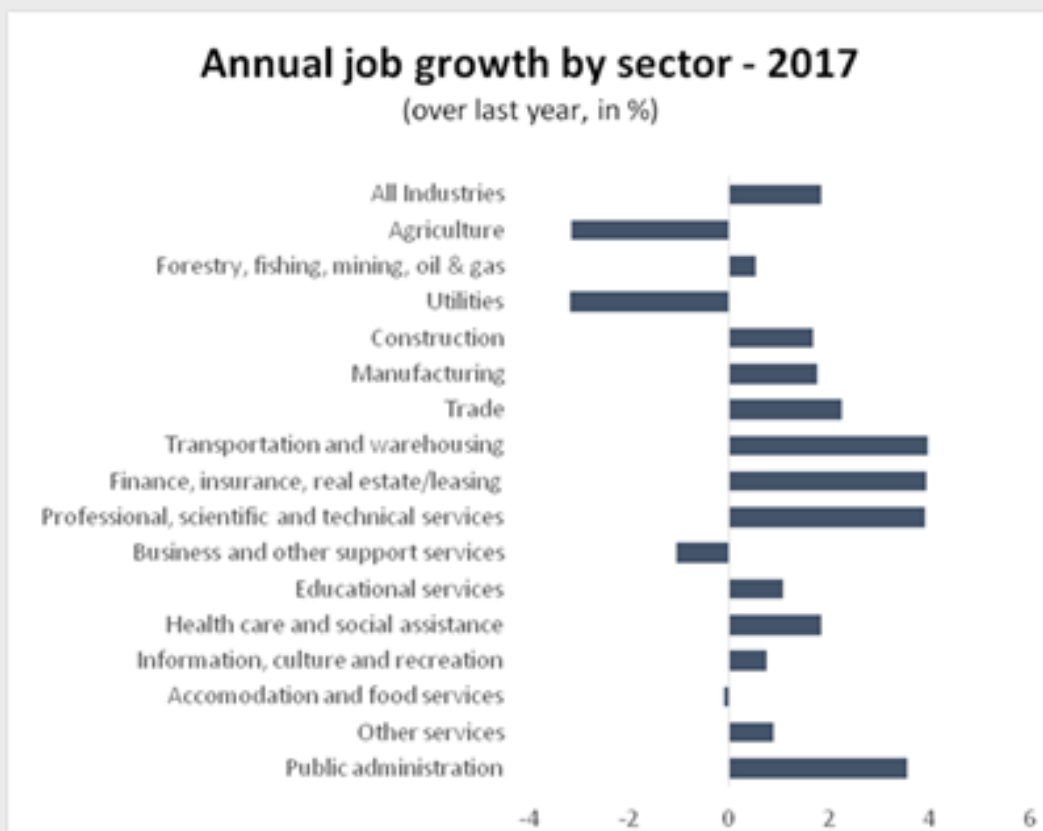
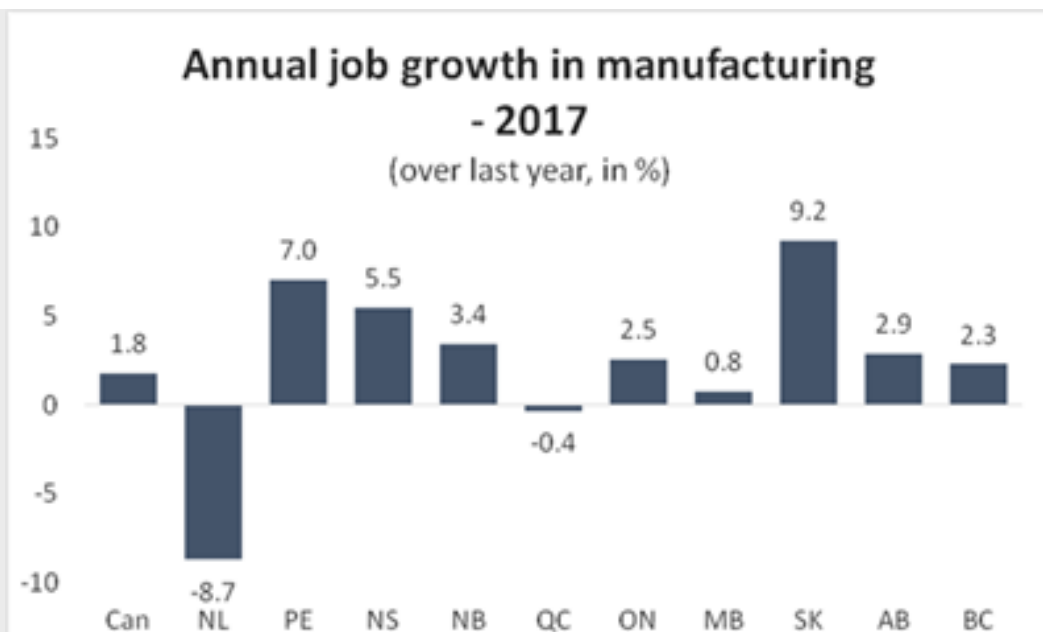


CMC's Labour Force Survey Analysis, December 2017

[Unemployment rate fell to historic lows in 2017](#) (5.7 per cent), the lowest point in more than 40 years. Job creation soared to 332,200 (+1.8 per cent versus 2016).



2017 was also an excellent year for manufacturing employment in Canada, with 30,000 new jobs and an unemployment rate of just 2.7 per cent, well below “full employment”. This is a sign that there are severe challenges in finding workers. Ontario leads Canada’s manufacturing jobs with 770,500 jobs, but B.C. leads in terms of growth (+3.6 per cent in 2017).


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Members Urged to Use Educational Materials for MEKO

Please note that all CPCA members are urged to use the educational materials provided for their use to inform customers about the issues related to MEKO in paint.

These materials are offered so as to communicate the information on the Code of Practice for MEKO to company staff, contractors, DIY consumers and the general public. This undertaking was required for the industry to secure a voluntary Code of Practice for MEKO instead of a regulation.



MEKO

**EDUCATIONAL RESOURCES
NOW AVAILABLE!**

The Canadian Paint and Coatings Association (CPCA) has developed educational communication tools to ensure that all consumers adopt recommended practices with regards to ventilation when using indoor alkyd paint products containing MEKO.

View, download or print copies of the **fact sheet**, **poster** and **video** or share a link to the materials on your social media networks and/or website.

www.canpaint.com/meko-educational-materials

 **CANADIAN PAINT
AND COATINGS
ASSOCIATION** **ASSOCIATION CANADIENNE
DE L'INDUSTRIE DE LA PEINTURE
ET DU REVÊTEMENT**

Canadian Listing of New Megaprojects

Merx Listing of Megaprojects

West

High-Rise Mixed-Use
969 Burrard St, Vancouver
4+Storeys
\$100M

High-Rise Mixed-Use Retail
618 Carnarvon St, New Westminster, B.C.
4+Storeys
\$25-50M

Quarters Hotel and Residences
Jasper Avenue (between 96 and 97 St), Edmonton
4+Storeys
\$50M

Tweddle Place Mixed-Use
2021 Millbourne Road West NW, Edmonton
4+Storeys
\$25-50M

Auburn Rise Development
101 Auburn Meadows Drive SE, Calgary
4+Storeys
\$25-50M

Blairmore Station Mixed Use
Hwy 14 - W of Betts Ave, Saskatoon
4+Storeys
\$25-50M

Bishop Heights Residential Complex
745-755 Ballantrae Drive, Winnipeg

4+Storeys
\$25-50M

Park City Plaza Mixed Use
1500 Plessis, Winnipeg
\$25-50M

Ontario

Mixed Use Residential Retail
1695 Weston Rd, Toronto
4+Storeys
\$25-50M

Barrie Central Residential
125 Dunlop Street West, Barrie
4+Storeys
\$25-50M

Rosehill Tower Residential
44 Jackes Avenue, Toronto
4+Storeys
\$25-50M

Southworks Development Residential
64 and 96 Grand Avenue South, Cambridge
4+Storeys
\$100M+

East

MUV Condos Phase 2
Boulevard Saint-Joseph Est, Montreal
4+Storeys
\$25-50M

Residential Square Candiac
STD, Candiac
4+Storeys
\$70M

Hyatt Place Hotel
Main Street, Moncton
\$15M-25M

First U.S.-Canada High Speed Rail Link

The infrastructure bank financing tool could provide vital funds for this multibillion-dollar project ([US\\$24-42 billion](#)) that could link three West Coast cities (Portland, Seattle and Vancouver) at 400 km/h.

Ex-refinery Shell Land in Montreal East Sold to Family Company Laganière

Laganière has been decontaminating 90 per cent of the land since 2012. The industrial/commercial [development will start](#) after 100 per cent of decontamination is completed. Two banks and Investment Quebec will support this development.

Quebec-New Hampshire Interconnexion to Begin in Eastern Townships & Hydro-Quebec Signs 20-year Contract with Massachusetts

Hydro-Québec is authorized to begin construction of its interconnexion project to export to New England and [signs a major power project with Massachusetts](#) to be completed in 2020.

Assembly Plant in Oakville to Build New Ford SUV

Ford [plans to export the vehicle](#) to 100 countries in 2019.

[Feds and Alberta Fund Water and Wastewater Projects for \\$16.3M](#)

[Inter Pipeline to Invest \\$3.5B in a World-scale Integrated Propane Dehydrogenation and Polypropylene Plant in Alberta](#)

[Feds Award Raytheon Canada \\$704M Contract for New Navy Weapons Systems](#)

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CPCA Funding Report: Government Funding Sources for Industry

The federal government has several funding agencies with very large budgets, totalling in the billions of dollars, which are available to companies doing business in Canada. These programs are based on established criteria with specific objectives that are clearly outlined and sometimes may coincide with certain industry objectives such as R&D or sustainability initiatives. Details of these programs are available in the [Members Only section](#) of www.canpaint.com.

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CANADIAN PAINT AND COATINGS ASSOCIATION

ASSOCIATION CANADIENNE DE L'INDUSTRIE DE LA PEINTURE ET DU REVÊTEMENT

For members of CPCA and employees of CPCA member companies.

CPCA Affinity Program Benefit for Member Companies

CPCA encourages its members to take advantage of savings on personal products via our Affinity Program.

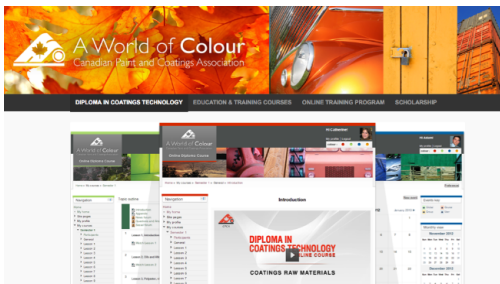
Please contact [CPCA](#) for more information.

Take advantage of your CPCA member benefits.

* Benefits are based on individual circumstances like age of autos, accidents, etc.

NOTE: Please provide email addresses of those in your organization who should be put on the mailing list for information provided herein. Contact [Micheline Foucher](#) for details.

Don't forget to take advantage of these CPCA resources:



Sign up for training courses:

- [Coatings Technology](#)
- [TDG and HSE Training](#)

Download member logo from CPCA website:



**CANADIAN PAINT
AND COATINGS
ASSOCIATION**



**ASSOCIATION CANADIENNE
DE L'INDUSTRIE DE LA PEINTURE
ET DU REVÊTEMENT**

Visit Member's Only section of [CPCA web site](#) regularly for additional resources.

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CPCA Coatings Technology Scholarship



CPCA annually awards a scholarship to deserving children of staff of member companies, continuing the long-standing tradition of the Toronto Society for Coatings Technology over many years. The award is made by CPCA's Education Committee and granted to high school students who have excelled in their final year and have been accepted for further post-secondary education. Granting the award is based solely on academic achievement.

HAVE YOUR SAY!

We welcome your views and comments on any of the topics raised in this e-newsletter or any topics you would like us to cover in future issues. Please contact the CPCA team at cpca@canpaint.com with your feedback.



Editor's Note: All financial information is in Canadian dollars unless otherwise stated.

CPCA BUSINESS MANAGEMENT, MARKETING AND SALES ALERT is for those involved in marketing, communications and general management in CPCA member companies. Please send any questions or comments to the [Editor](#).

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