

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

STANDING COMMITTEE

ON

HUMAN RESOURCES

Tuesday, April 25, 2023

Committee Room

**Impact of Low Wages on Labour Shortages
and
Appointments to Agencies, Boards and Commissions**

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HUMAN RESOURCES COMMITTEE

Chris Palmer (Chair)
Melissa Sheehy-Richard (Vice Chair)
Dave Ritcey
John A. MacDonald
Nolan Young
Hon. Tony Ince
Ali Duale
Kendra Coombes
Suzy Hansen

[Kendra Coombes was replaced by Gary Burrill.]

In Attendance:

Gordon Hebb
Chief Legislative Counsel

Judy Kavanagh
Legislative Committee Clerk

WITNESSES

Department of Labour, Skills and Immigration

Ava Czapalay, Deputy Minister
Marjorie Davison, Senior Executive Director
Kim Kennedy, Chief Operating Officer, Nova Scotia Apprenticeship Agency

Minimum Wage Review Committee

Collette Robert, Employee Representative

Canadian Federation of Independent Business

Louis-Philippe Gauthier, Vice-President Atlantic



House of Assembly
Nova Scotia

HALIFAX, TUESDAY, APRIL 25, 2023

STANDING COMMITTEE ON HUMAN RESOURCES

10:00 A.M.

CHAIR

Chris Palmer

Vice Chair

Melissa Sheehy-Richard

THE CHAIR: Order. I call this meeting to order. This is the Standing Committee on Human Resources. I'm Chris Palmer, MLA for Kings West, and Chair of this committee. Today, in addition to reviewing appointments to agencies, boards, and commissions, we will hear from witnesses from the Department of Labour, Skills and Immigration, the Minimum Wage Review Committee, and the Canadian Federation of Independent Business regarding the impact of low wages on labour shortages.

At this point, I'd like to ask everybody to please put your phones on silent. I ask all committee members to introduce themselves for the record by stating their name and constituency. We'll begin with Ms. Sheehy-Richard.

[The committee members introduced themselves.]

THE CHAIR: For the purposes of Hansard, I also recognize the presence of Chief Legislative Counsel Gordon Hebb and Legislative Committee Clerk Judy Kavanagh.

I'd like to welcome all of our guests this morning. The protocol of our committee is that we do a bit of business at the beginning involving appointments to agencies, boards, and commissions. Our committee will move forward and do that, and then we'll move forward with our guests.

For committee business, I will ask for a motion on the agencies, boards, and commissions. MLA MacDonald.

JOHN A. MACDONALD: For the Department of Advanced Education, I move to recommend that Vinciane Mabialah be appointed Member of the Women in Engineering Scholarship Selection Committee.

THE CHAIR: There's a motion on the table. Is there any discussion?

All those in favour? Contrary minded? Thank you.

The motion is carried.

MLA MacDonald.

JOHN A. MACDONALD: I'm going to apologize for the names on this thing that I'm probably going to do bad. For the Department of Finance and Treasury Board, I move to recommend that Deogratias Dushimumukiza and Darrell Evasuk be appointed Members of the Nova Scotia Credit Union Deposit Insurance Corporation.

THE CHAIR: There's a motion on the table. Is there any discussion?

All those in favour? Contrary minded? Thank you.

The motion is carried.

MLA MacDonald.

JOHN A. MACDONALD: For the Department of Fisheries and Aquaculture, I move to recommend that Stefanie Colombo and Leah Lewis-McCrea be appointed members of the Nova Scotia Fisheries and Aquaculture Loan Board.

THE CHAIR: There's a motion on the table. Is there any discussion?

All those in favour? Contrary minded? Thank you.

The motion is carried.

MLA MacDonald.

JOHN A. MACDONALD: For the Department of Health and Wellness, I move to recommend that Simran Kaur be appointed as a Public Representative of the Board of the Nova Scotia College of Dieticians and Nutritionists.

THE CHAIR: There's a motion on the table. Is there any discussion?

All those in favour? Contrary minded? Thank you.

The motion is carried.

MLA MacDonald.

JOHN A. MACDONALD: For the Department of Health and Wellness, I move to recommend that Betty Thomas be appointed Public Representative of the Board of Directors of the Nova Scotia College of Dispensing Opticians.

THE CHAIR: There's a motion on the table. Is there any discussion?

All those in favour? Contrary minded? Thank you.

The motion is carried.

MLA MacDonald.

JOHN A. MACDONALD: For the Department of Health and Wellness, I move to recommend that Judith Durdle be appointed Public Representative of the Board of the Nova Scotia College of Nursing.

THE CHAIR: There's a motion on the table. Is there any discussion?

All those in favour? Contrary minded? Thank you.

The motion is carried.

MLA MacDonald.

JOHN A. MACDONALD: For the Department of Health and Wellness, I move to recommend that Nena Snyder be appointed Public Representative Member of the Board of the College of Occupational Therapists of Nova Scotia.

THE CHAIR: There's a motion on the table. Is there any discussion?

All those in favour? Contrary minded? Thank you.

The motion is carried.

MLA MacDonald.

JOHN A. MACDONALD: For the Department of Justice, I move to recommend that Fred Colaiacovo and Wanda MacDonald be appointed as Part-time Directors of the Nova Scotia Legal Aid Commission.

THE CHAIR: There's a motion on the table. Is there any discussion?

All those in favour? Contrary minded? Thank you.

The motion is carried.

MLA MacDonald.

JOHN A. MACDONALD: Last but not least, for the Department of Labour, Skills and Immigration, I move to recommend that Stacia Baldwin be appointed Member, Employer Representative of the Board of Directors of the Workers' Compensation Board of Nova Scotia.

THE CHAIR: There's a motion on the table. Is there any discussion?

All those in favour? Contrary minded? Thank you.

The motion is carried.

MLA MacDonald, I'm going to recommend a big bonus for you after all that. Very good, sir.

Welcome to our guests this morning. As I stated earlier, our topic is the impact of low wages on labour shortages. I'd like to ask you all to introduce yourselves at the table, and then we will go into opening statements.

[The witnesses introduced themselves.]

THE CHAIR: Welcome to all of you. Looking forward to the discussion this morning.

We'll begin with opening statements. I believe, Deputy Minister Czapalay, that you'd like to offer some comments.

AVA CZAPALAY: Thank you very much. It's a pleasure to join you for today's committee meeting. Joining me from the department are Marjorie Davison, Senior Executive Director of Skills and Learning, and Kim Kennedy, Chief Operating Officer of the Nova Scotia Apprenticeship Agency. Behind me is Cynthia Yazbek, Executive Director of Labour Services. Thanks to the team for being here to support me today.

I'm also happy to join this committee with Minimum Wage Review Committee member Collette Robert. This committee played an important role in monitoring and providing recommendations on Nova Scotia's minimum wage, and I'd like to thank Collette and the other committee members for their ongoing work.

Also, it was a pleasure to meet Louis-Philippe with the Canadian Federation of Independent Business. In our work, we are always focused on understanding perspectives of both workers and businesses, and we look forward to other conversations with you.

We know that with inflation and the rising cost of living, there's no question that this is a challenging time for Nova Scotians, especially those living on a lower income. We understand the pressure this is putting on families who work hard and who are trying to make ends meet. Helping people by providing free training, skills development, and employment resources to find new opportunities could mean higher pay, benefits, and a path to future advancement. Now is a good time for people to pursue those opportunities.

As the Nova Scotia economy continues to grow, there's an increased need for workers to fill jobs, particularly in health care and skilled trades - and the unemployment rate is at near-historic lows. Clearly, this is a marketplace that favours workers, requiring employers to be more creative and competitive in attracting the talent they need.

At the Department of Labour, Skills and Immigration, we are constantly monitoring our programs and services to ensure we are responding to the needs of workers, businesses, industry sectors, and communities. We are focused on supporting people as they look for work, upskill for new opportunities, and train for emerging labour market needs.

We are also equally focused on filling Nova Scotia's labour shortages. We have been updating immigration streams and we have been a national leader in how we utilize immigration programming to meet the needs of employers and to attract skilled workers. We've also adapted labour market programs to meet the needs of sectors, communities, and impacted groups, and to help Nova Scotians attach to the labour force and find success in their careers.

In some cases, we work with committees to help inform our work, such as the Minimum Wage Review Committee. The committee is made up of employee and employer representatives. They meet annually to make recommendations to the minister in relation to minimum wage rate adjustments. This is no easy task, and we appreciate the thoughtful and careful consideration of the committee members.

Earlier this year, the government accepted recommendations on a faster pathway to a \$15 per hour minimum wage. The recommendations provided a balanced approach that considered both the perspectives of businesses and of workers. On April 1st, the minimum wage increased to \$14.50. It will increase again to \$15 per hour on October 1, 2023. Then,

starting in April, the minimum wage will see a CPI plus 1 per cent rate adjustment beginning in 2024.

These new recommendations were in response to the unanticipated rate of inflation and the increased cost of living in 2022-23. Government heard from both business and employees before making the decision to go to \$15 an hour faster.

Still, it's important to understand that wages are just one part of the equation when it comes to filling labour needs. Providing flexible programming and wraparound supports to help businesses attract and retain talent, help people train or upskill for new opportunities, and help communities better welcome people into safe and accessible work environments all play critically important roles as well.

I would also like to note that Nova Scotia's population has experienced tremendous growth in these past few years. This is an exciting time for our province, as we now have well over one million residents calling Nova Scotia home. Our work in growing the population is seen as a way to help us respond to labour shortages in key sectors - key sectors like the skilled trades, where we know that the demand has never been greater.

Earlier this month, government opened applications for More Opportunity for Skilled Trades. You'll know that as the MOST program. For those under the age of 30, this program will return their provincial income tax paid on the first \$50,000 of income earned in eligible skilled trades and occupations. The skilled trades are vital to our overall economic growth, and offer a rewarding and viable career path. This will help attract and retain more of these workers, and entice more young people to choose a career path in the skilled trades - most of which provide a very good wage.

With more skilled workers choosing Nova Scotia comes opportunities to address labour shortages and grow our economy. But it's not enough to only attract more workers to the province to fill labour gaps. We need to also provide wrap-around supports to retain workers and enable workers to transition to new opportunities when the labour market need is there. Supports like:

- modernizing apprenticeship training and continuing to grow a strong, diverse, and highly skilled workforce;
- having a Community Navigator team that helps newcomers connect to work opportunities, communities, and other supports throughout Nova Scotia;
- programs that help people find employment or gain funding for occupational training that also includes living allowances, childcare benefits, and other supports to help them be successful;

- wage subsidy and business support programs to help employers recruit post-secondary students and develop the talent they need to be successful; and
- programs like the Nova Scotia School for Adult Learning, the Workplace Education Initiative, the Workplace Innovation and Productivity Skills Incentive, and SkillsonlineNS that support Nova Scotians in their continued learning and ever-changing work environments.

These are just a few of the many examples in how the Department of Labour, Skills and Immigration works to create a thriving province that welcomes and retains greater numbers of people, and contributes to a competitive workforce. We will continue to listen, monitor our programs and services with the latest information, and respond in ways that will help Nova Scotians thrive.

THE CHAIR: Thank you, Deputy Minister Czapalay. Ms. Robert, would you like to share some comments?

COLLETTE ROBERT: Absolutely. Good morning, everyone. Again, my name is Collette Robert. I'm just going to start off by saying a little bit about my background, and then the position of the committee itself and a bit of my own perspective.

I grew up in Cole Harbour. Since then, I've also lived in Eastern Passage, and for the last 12 years, Halifax has been home for me. I went to SMU. I earned a Bachelor of Science and a Master of Science. I'm personally passionate about striving to achieve equity, so I understand that everyone comes from a different background, and we don't start out life the same. Some of us have to work much harder than others if we're not born into generational wealth. Even the race, gender and sex that we're born into impacts our quality of life due to variables like earning potential. All these different playing cards determine who is most likely set up to "win in life" - whether that's living longer, making more money, or other outcomes attached to socio-economic status.

I currently work two inconsistent, part-time jobs. One pays minimum wage, and the other one doesn't pay much beyond that. Statistically, we know that 46 per cent of people who work minimum-wage jobs have higher education. For those who are looking to upgrade their education, it is nearly impossible to work part-time, minimum-wage jobs and support themselves while also going to school. I will also be looking for housing again shortly - which is beyond my budget for what I earn - which I know is also a stress point for a lot of other Nova Scotians. I share this with you not looking for sympathy, but to provide an idea of how my opinion and viewpoint are shaped - as are many other Nova Scotians.

Being on the Minimum Wage Review Committee is a volunteer role for me. I tend to take on more of those than paid opportunities because I know the influence that these positions have on our community, and it is worth investing my time to speak on behalf of

others who can't advocate for themselves. I also sit on the Nova Scotia Advisory Council on the Status of Women, and the board of the Canadian Mental Health Association, Nova Scotia Division. However, today I can share my opinions of either the Minimum Wage Review Committee as a whole or my own as an individual. I will try to be clear before I share from either perspective. I acknowledge it is a privilege to be here, and I'm looking forward to learning from others in the room today.

[10:15 a.m.]

I've sat on the Minimum Wage Review Committee for a total of almost six years now. When I began, I was the Chair of Students Nova Scotia, so I represented most of the students in the province, and now as an employee representative working my minimum wage jobs and that type of thing.

Each year, we release a report with recommendations on how and what the minimum wage rate should be. On one side of the committee table, you have two employer reps who represent business owners, and on the other side of the table you have the employee representatives.

The business reps have serious concerns about being able to pay their employees, should the minimum wage rate dramatically increase. There could be solutions to this problem, such as wage subsidies from the government for businesses that demonstrate hardship should the wage increase substantially and become unaffordable for them.

As Ava mentioned, the minimum wage is scheduled to increase to \$15 in October 2023. Nova Scotians have been asking for years for it to be at this rate. Now it is no longer a livable wage as we see inflation rise, our current housing market crisis, and our health care crisis. As you can imagine, it's a hard negotiation between both sides on the Minimum Wage Review Committee table. We have several skilled economists to also help us inform us of our decision-making.

Another important point brought up by the Minimum Wage Review Committee is Nova Scotians' take-home pay. We can set the earning wage higher but the actual take-home pay at the end of the day may be much less based on our high taxation rates. We would like this to be looked at very critically. That's all I have to say.

THE CHAIR: Mr. Gauthier, would you like to offer some comments?

LOUIS-PHILIPPE GAUTHIER: Thank you, Mr. Chair, and thank you for the invitation today. As the Atlantic Vice-President for CFIB, I represent 4,000 small- to medium-sized businesses in Nova Scotia. As you can appreciate on this topic of wages and government policy affecting wages, we hear a lot from our members. For over 50 years, the CFIB has advocated for what our members want to see as policy of government. From

that perspective we come to you, generally always, for those who have experienced it before, with data - in other words, what are actually members' thoughts on a specific topic.

To the committee's central question of, are the low wages in Nova Scotia affecting the ability of businesses to find labour, my initial comment would be no. The reality is, if you look at the labour market right now - in the words of the deputy minister - the province is experiencing one of the tightest labour markets. We are basically at full employment. From that perspective, wages play one component, but the reality is it is not the only component.

If we look at the average wage in Nova Scotia - even with the information that was provided to the committee in the briefing note - is Nova Scotia at comparable levels with provinces of a comparable size, with New Brunswick and Manitoba, one would say yes. The reality is that we can't compare provinces of different sizes and different economic makeup with provinces that don't fit. For example, Nova Scotia is not Alberta. That's just a reality of the land. There are more jobs in Alberta, for example, where the productivity of those jobs is higher on average, than the jobs that are available in Nova Scotia or New Brunswick or Manitoba.

There are discrepancies, no question, but Nova Scotia is not at the lowest rung of the ladder in Canada. I would say that the premise for me is one that I put aside. From that perspective, I would say that if we look at our data that we gathered during the last year, we asked our members, what are you doing to attract labour? Of course, some of our members say that they increased salaries. It is clear also from other pieces of data that the wage pressure is up. It continues to be up. Normally it is around 2 to 2.5 per cent. We're still above 4 per cent at this point in time, so wages are going up, there's no question.

Businesses that increased wages were only met with some success. The reality is that even when you post a job in some positions, in some corners of the province, nobody is answering the call for that position. That's a reality that businesses have to deal with from the northern end from the CBRM, all the way to the southern part of the province.

Having said this on the minimum wage - because I do believe the conversation is probably going to shift around that - if we look at inflation in Nova Scotia over the last 10 years, inflation has been around 22 per cent. Of course, everybody's preoccupied with what's happening now. If we look at real wages, the average wage in Nova Scotia has gone up 32 per cent over the last 10 years, but minimum wage has gone up 41 per cent in the same period of time. Minimum wage right now is disconnected from CPI. It's disconnected from the real wages in Nova Scotia. From that perspective, one would hope that would eventually lead to a conversation about how Nova Scotia compares to other countries and other provinces in Canada when it comes to where the minimum wage lands, compared to the median wage in the province.

At this point, at \$14.50, you're at 61 per cent of the median wage. When it's at \$15 in October, it will be much higher than that. The OECD average is 54 per cent. When we compare to the rest of Canada, the number is anywhere from the low mid-50s pushing to the 60s. The reality is that there's a point where a decision should be made to make minimum wage reflective of what's actually happening in the labour market. I would submit to you in closing that the legislation should be changed and that, essentially, the minimum wage should be pegged to the percentage of the median wage in Nova Scotia. Essentially, you set it, you review it every two years, and then you forget it. That way, at least, minimum wage would reflect what's happening within the job market.

THE CHAIR: Thank you, Mr. Gauthier. We will begin our question and answer session. As per the practice of the committee, I will recognize members by a show of hands. That's how we'll get the questions to you. We would remind our guests, when you do answer, to wait until the light comes on and I identify you to speak. We will begin our question and answer period.

The honourable MLA Burrill.

GARY BURRILL: Ms. Robert, you brought up the important point of a liveable wage, as you described it. I think that all that has happened since the review committee's December recommendations - the February adoption, and the accelerated move towards \$15 - has brought that concept onto the screen, into the public conversation, in a way that it wasn't before. That's probably especially true because of the pressure of inflation. There is this great gap for so many people between what they're able to bring in - even with an accelerated minimum wage - and the place of a liveable wage, we'll say, what a person could live on.

In your opinion, do the minimum wage and a liveable wage - or a living wage - do these two things need to be on a path to come together?

COLLETTE ROBERT: To answer your question, Gary, I believe there shouldn't be as large a discrepancy in it - absolutely.

THE CHAIR: As per the practice of our committee, I will allow for a quick follow-up to your original question, as long as it pertains to the original question. It's not a chance to sneak in a second question. If it's a follow-up, we will allow that.

MLA Burrill for a follow-up.

GARY BURRILL: Well, if we think about the need for them then to move together, do you have some sense of - based on your experience with these issues, of weighing them in the review committee - how long that ought to take, in rough terms? Is this a goal that we should be moving to in the reasonably near future - the alignment of the minimum wage with a living wage?

COLLETTE ROBERT: It's a difficult balance. As much as it would be ideal to aggressively increase the minimum wage so that it's closer to a liveable wage, we also have to think about our small business owners and people who are paying those wages - and whether or not they can afford to pay their employees. If they can't, what type of solutions would we have around that to support them? We see a lot of businesses closing, which is very unfortunate. I think that would also catalyze that trend as well.

In an ideal world, yes, we would have those numbers merge so that the minimum wage and the liveable wage would be closer together, but I think that's not the reality, just based on the circumstances right now. Could there be solutions to that? Absolutely, but we would need to put those into practice and look at the data before jumping the number up, I think.

THE CHAIR: MLA Young.

NOLAN YOUNG: My question will go to the Department of Labour, Skills and Immigration. In your opening remarks, you mentioned historic unemployment rates in Nova Scotia. Through some of my research before this committee - I did some Googling - when you have more jobs and fewer people, it generally pushes up either wages or perks. I'm wondering if you could speak a bit about the current unemployment rates, and maybe elaborate a bit about the trends you may be seeing?

AVA CZAPALAY: Thank you very much for that question. It has been pointed out that we do have historic unemployment rates. When I checked just before coming here today, it's around 5.7 per cent unemployment. That's a low - based on, February 2023, I think. It means that we also have record-high employment.

We have almost 500,000 Nova Scotians attached to the workforce right now - so that's a record high. Yet, as has been mentioned earlier, we also have people without jobs and jobs without people. That is the important role of Labour, Skills and Immigration: How can we continue to help people connect to the labour market, and how can we continue to help employers connect to the people who are available to work?

I mentioned in my opening remarks that part of the solution, of course, is to bring in people who meet our labour market needs, who have the skills already, and are ready to work. Our economic immigration programs bring in people who have job offers and they connect to work. I've mentioned to this committee before, our focus has been on skilled trades and health care, but we know that many other sectors are looking for labour.

We also know that there are many people here in Nova Scotia looking for work, so what can our different support systems do to help them connect to work? Our Nova Scotia Works offices in 53 communities throughout Nova Scotia help people in community identify their skills, identify what they need to do in order to attach to work. Also, now our

Nova Scotia Works officers are looking at how we can help employers find the labour they need in those communities.

We have lots of work to do, even with our historic unemployment rates. None of us are relaxing for a moment. We know there's much more to be done.

THE CHAIR: MLA Ince, you're next.

HON. TONY INCE: My question is for the Canadian Federation of Independent Business. Just before the last session, you sent us a letter highlighting the challenges that many of your members are facing. You highlighted that there were about 12,600 jobs needed, I think, and that the pandemic had a real effect on their earning potential. Can you give us an idea of what your membership is dealing with now, and maybe the supports needed now to help them get over that hurdle?

LOUIS-PHILIPPE GAUTHIER: The reality is that the impact is still there. When we look at our data regularly every month and ask our members, "Where are you at now?" there's still a substantial number of businesses that have not recovered, from a revenue perspective. Automatically, what does that mean? They're not making the money they're supposed to make. On top of that, they literally - certain sectors have not regained 100 per cent operational ability, if you will, because of the labour situation.

If you look at the average debt that's been collected by Nova Scotia businesses over the last few years, that's another concern - either debt from the federal government programs or the funds that they procured from other means. That ability to operate is still, for some businesses, a reality. Right now, I would say that the question of debt and the question of labour supply are the top elements that are part of their reality.

Shortage of labour is number one and has been number one for many months at this point, as you can imagine, as the economy re-kickstarted after being shut down by the various health orders of government. That's the reality that they face. On top of it, over the last three years, unfortunately, businesses have - understanding the government's position as to the realities of inflation over the last year and a half, but minimum wage used to be set on April 1st once a year. Now various governments across Atlantic Canada, including in Nova Scotia, have decided to up it twice a year at this point.

The question of where we're really going and can we actually hold true a decision of government telling us, "Well, starting next year it will be like this," it seems as if "starting like this, it will be like this next year" is something that we're hearing often. For us, it's a question of knowing where things are going.

To quickly address the question from MLA Burrill a few seconds ago - should minimum wage be aligned with a living wage - our position would be "no" at this point. It should be aligned with a proportion of what the median income in the province is and have

minimum wage move at the same levels as average wages in the province. Wages over the last year and a half have increased substantially. The pressure has been from an inflation perspective. Of course, employees want more, and businesses have responded to that. The data is clear, either from our end or from Statistics Canada's end.

[10:30 a.m.]

There's no question that there are some businesses still living under the impact of the pandemic.

THE CHAIR: MLA Sheehy-Richard.

MELISSA SHEEHY-RICHARD: Deputy Minister Czapalay, I just want to go back to something that Ms. Robert said in her opening remarks. I just want to talk about women, in particular, making up a significant portion of the minimum-wage earners. Can you talk a little bit about what work the department is doing to correct or manage some of this imbalance?

THE CHAIR: Deputy Minister Czapalay.

AVA CZAPALAY: I think you probably know that's a particular passion of mine. The department is highly focused on ensuring that women and underrepresented groups participate at a higher capacity in the labour market.

We do know, and we've shared with this committee before, that COVID has had an impact on women and women's place in the workforce, and also on underrepresented groups. It's important for us to listen and to understand what is hampering the recovery of women and underrepresented groups in our current labour market. To someone at face value, if you look at our labour market, you see a historically low unemployment rate. People might think that everyone is employed, but our efforts continue to be focused on helping women and underrepresented groups both upskill and re-skill.

We also focus on talking with communities to better understand what is needed to help people connect to the workforce. It may be the wraparound supports that we've chatted about before. That can be anything from helping with child care to helping with transportation, whatever it is that's needed. That's the value of having the Nova Scotia Works offices in those 53 communities. People can go in and talk about any barriers that they may face in terms of attaching to work.

I would like to also say that we have a focus on retention, as you know, and helping people stay in the workforce once they're there. For people in non-traditional jobs, like the skilled trades, if the workplace isn't welcoming - if people don't feel safe and well-supported by their employer - they may not stay. Or they may hear stories from other people and choose not to engage in the first place. Skilled trades, of course, offer a huge

opportunity for Nova Scotian women and underrepresented groups. It's a pathway to a great career. If people are feeling like they might not be welcome in a trade, they might not see themselves in that area, then they might not choose to engage there.

We have a number of programs through the Apprenticeship Agency and through our Skills and Learning branch to help connect women and underrepresented groups to the skilled trades - and to help educate employers on what a safe and welcoming workplace looks like.

THE CHAIR: MLA Ritcey.

DAVE RITCEY: This question is directed to the deputy minister. Given the significant population growth in Nova Scotia that we're experiencing currently, can you speak to the trends you're seeing in immigrants choosing Nova Scotia? Can you elaborate on the impact that the Atlantic Immigration Program has had on small businesses?

THE CHAIR: Deputy Minister Czapalay.

AVA CZAPALAY: Thanks for that question. Immigration - my favourite topic here. The population has grown by about 44,000 people. Many of you remember in 2014 when we heard the Ivany report and the necessity to grow our population. I was in that audience too, and I thought, well, there's a tall order, because back in the day, our population was declining. If we did nothing, our population would still be declining - our natural population.

Adding 44,000 people to our population since December 2021 is the equivalent of adding a Sydney and a Bridgewater to our population. We've significantly grown our population. We see our population continuing to grow.

I mentioned before the pillars of growing our population. It's attracting immigrants, for sure. Our best year ever was last year, and that followed the best year ever. We attracted about 13,000 immigrants and their families - then also attracting newcomers from the rest of Canada, and then retaining people, especially retaining our youth.

We had a marketing campaign that targeted Alberta and Ontario. It really focused on marketing opportunities in the skilled trades and in the health care sectors. Those campaigns were so successful that I think Alberta started advertising here to correct the trend.

We have also been looking at retention. Retention comes down to two things. It comes down to matching people to work that they want to do and are qualified to do. It also comes down to ensuring that employers are ready to work with newcomers, and create a welcoming and safe workplace so that people stay. The trends that we're seeing really are focused on more people are coming to Nova Scotia and more people are staying.

THE CHAIR: I have MLA MacDonald, then MLA Burrill, and then MLA Hansen.

MLA MacDonald.

JOHN A. MACDONALD: Thank you, Ms. Robert. As you're the employee representative for the Minimum Wage Review Committee, could you explain to the committee how your committee wound up dealing with the recommendations? Like how they got to the negotiation to finally get the recommendations - how the committee works, total? I know you kind of highlighted it, but I figured I'd give you a chance - I'm sure I'm one of many who don't understand it.

THE CHAIR: Ms. Robert.

COLLETTE ROBERT: Absolutely. Depending on how much is needed to discuss to settle our negotiations, to form a recommendation, and have at least the majority of us all on the same page, it normally takes at least two to three meetings a year - if not more - of all of us meeting, sharing our perspectives, re-evaluating what we have done in the past and where we stand compared to the other provinces in Canada.

There's a lot that goes into the decision-making. Then we typically have at least three economists who run a bunch of data for us and will come back with questions, and different shareholders coming to us and saying, well, what about this and that? So we'll take that, and instead of having to calculate that stuff ourselves, again, we get the economists to do that. Then we use all of that information - all of the data, the different perspectives - to try to come up with an agreement on where minimum wage should be.

We do want it to be predictable for Nova Scotians, especially businessowners, so that they know how much they're paying. But at the same time, again, there's that strain of Nova Scotians who can't live on minimum wage. It's really a back-and-forth. It's a tough negotiation at the tables. It usually takes at least a few full days of meetings, and then a bunch of research and data collection outside of that, to form the recommendations.

We don't always agree. I should say that. You'll see in past reports that sometimes there are dissenting opinions and that type of thing from committee members. Sometimes committee members will withdraw themselves because they can't all come to an agreement together on the committee. I myself have stayed on the committee despite not always agreeing, because I think it's important to still have that voice there, but yes. Lots of negotiations and trying to find some type of balance.

THE CHAIR: MLA MacDonald for a follow-up.

JOHN A. MACDONALD: Ms. Robert, you mentioned - and I think it's a valid point because anybody who is watching is going, oh, it's a meeting. Our meetings are two hours and yours are a day long. It's not that you're coming in for an hour or two. You are

in for eight to ten hours - that's what I'm catching. I think the work that you and the other members are doing should be - people should realize it's not three times a year for an hour and a half or two hours. I do want to thank you for staying on the committee because you don't always get your way when you are on committees. I've been at the point where people just think I'm crazy for the ideas I come up with. Then eventually, they find out I'm right, but that's okay.

THE CHAIR: MLA MacDonald for your follow-up. (Laughter)

JOHN A. MACDONALD: Thank you. The follow-up is: Those meetings you have are full eight- to ten-hour days, not two hours.

COLLETTE ROBERT: I should clarify, they can be. Starting out - yes, absolutely. Then once we meet that full day and think about what data we need to inform our decisions, often times it does end up being another full day or so. After the data is collected and the economists present that data to us, we interpret it and all of those other things. It could end up being four or five meetings if we still haven't reached a decision, and we need more data collected to inform our decision-making.

THE CHAIR: MLA Burrill.

GARY BURRILL: Ms. Robert, I wanted to go back and think a little bit more about this question of the relationship of the minimum wage to a livable wage. It seems to me that one of the things that's compelling - as people are talking more and more about a living wage - is its point of reference. Its point of reference is not what anybody else is making anywhere else - it's what your household would require in order to have the basic necessities. That's why, across Nova Scotia, it is being calculated all the time in different sub-regions of the province.

We know a living wage is \$20-something in some parts of the province, and it's \$22-something in other parts of the province. The key thing that distinguishes it, I think, is that measuring and calculating what is required - in terms of food, shelter and utility prices in different parts of the province - to have the basic necessities.

I am thinking about the work of the Minimum Wage Review Committee. Can you speak to us about that matter of people having the basic necessities - of what shelter is costing, what's happening with rental housing, what's happening with power bills. Can you speak about how that's factored in when the minimum wage is calculated in comparison? As I've said, it's not quite the same as the living wage, obviously, but surely it must be taken into the calculation. Could you speak about how?

COLLETTE ROBERT: Absolutely. To expand a bit further, it was mentioned not too long ago that the minimum wage is scheduled to increase twice this year instead of once, as was in the past - and that is quite unpredictable and stressful for people. Part of

those negotiations was that we really want to increase it faster than it's already projected to be, based on the formula that we use. The business owners did negotiate with us somewhat and say: Okay, you know what - that is a bit more of an aggressive jump. Can we at least break it into two parts, so some people have some predictability there?

[10:45 a.m.]

We definitely recognize that the minimum wage isn't high enough. But I feel like people have been open-minded to the fact that it needs to be higher and to different ways we could do that without shocking the system too much - if that makes sense. I'm not sure if that answered your question.

THE CHAIR: MLA Hansen.

SUZY HANSEN: Thank you, Mr. Chair. My question is to the deputy minister. I'm always going to talk about housing because you know that's top of mind, especially in my constituency. We know there is a housing crisis here in Nova Scotia and we have some of the worst vacancy rates across the province. We have also heard from employers that access to affordable housing is a key barrier to recruiting and retaining folks here in this province.

We are excited about a growing population because we have been an aging population in previous years. We want to be able to have some growth so that folks will understand the true meaning of being a Maritimer. We want to attract immigrants here, but I am hearing from a number of folks that it is really hard to stay here because the housing prices are either too high or there is not enough supply. Even if we have trained nurses or we have trained folks who are coming in here with those skilled trades, they have nowhere to live.

I know we've had this question before. I am curious to know if there are any updates or data on what that looks like now, as opposed to the beginning of the year, when we had a discussion on housing and immigration previous to this. Are there any huge jumps? I know you mentioned that there are some wraparound supports - there are navigators and folks who are doing this work. We can have so many people doing work, but when there's nothing there to give, it's really hard to keep that going.

I'm just curious to know where we are with that. Are we finding that is still a barrier for folks to stay?

AVA CZAPLAY: Thank you for your focus on housing. Housing is definitely a critical issue, similar to many other jurisdictions in Canada. It is one that we need to keep a sharp eye on. So thank you for that.

The Department of Labour, Skills and Immigration is part of a multi-government department focus on housing. Our piece of that complex issue relates to labour, of course.

Part of our thinking is that if we can attract skilled workers - construction workers and people who are skilled in building housing stock - that will help alleviate some of the restrictions on the housing challenge.

I will have mentioned to you, and others before, that we have just had two successive campaigns targeting skilled workers from the rest of Canada in terms of coming here to support the construction of new homes, and the renovation of existing properties.

In addition to that, one of the things we are focused on as well in terms of our population growth - you mentioned the navigators - is really working to ensure that population growth happens in communities throughout Nova Scotia. Our navigators are working hard to ensure that people coming to Nova Scotia understand the opportunities in communities all around this province. That not only includes job opportunities, but it also includes opportunities for housing, for schooling, and for services as well.

Our population growth has resulted in about 60 per cent growth in Halifax, and 40 per cent growth outside of HRM. We are very close to where we had hoped to be in terms of our growth. We continue to encourage creative solutions as well.

It's normal for groups to phone and indicate that they have a solution in their community for temporary housing. We know about conference centres. We know about hotels. We know about people who have renovated homes, and found other solutions to local housing needs that perhaps wouldn't necessarily be something we would think of when we don't have a shortage of housing. There are a number of creative solutions in place.

We will continue our efforts to attract people. We will continue our efforts to work with communities throughout Nova Scotia to help people settle well and settle here permanently.

THE CHAIR: Our next three questions will come from MLA Young, MLA Ince and MLA Sheehy-Richard. MLA Young.

NOLAN YOUNG: I'll direct my question to the CFIB. Considering the current employee-centred labour market environment, what are the factors that businesses have to consider to provide employees with competitive opportunities?

LOUIS-PHILIPPE GAUTHIER: The reality is that everything under the sun would be the answer. From a business perspective, you try to differentiate yourself from your competitor next door, from the competitor in the next county. You try to differentiate yourself how? Either through salaries or through the benefit package, or through what the reality is within the business - what type of life you will have within the enterprise.

It runs the gamut, and it depends on the sector and the type of business. For some, it might be the benefits that are more interesting. It might be the number of days off that are available, the number of sick days, et cetera. It might be the contribution to the pension plan. You name it - the whole gamut of benefit packages. For others, it's the salary. There are some employees who job-shop based on purely salary alone. But it's not the only factor. That's a reality we see through our data based on how successful you are at attracting your labour and what you are doing.

You've seen a lot of interesting approaches that have been done by businesses to sell their wares, if you will, to be able to attract labour and retain labour. I don't think anybody in Nova Scotia who's running a business is not aware that they have to be competitive, and they have to be really differentiated from their competitors.

NOLAN YOUNG: I'm just wondering: Are you able to share any creative stories or something that you may have heard as an example from businesses that have been competitive in this manner?

LOUIS-PHILIPPE GAUTHIER: Adjusting vacation times to hunting times would be one. (Laughter) The reality of the type of worker that you have, the type of business environment. There's a lot of creativity that you can have as a business owner to be able to deal with your workforce. There's no question that on the smaller side, you have to be creative. The majority of our members are 10 employees and down, out of over 4,000 members we have in Nova Scotia. So the reality is that you have to be creative. On top of it - all the data show it - it becomes a little bit of a family, et cetera.

If somebody has to go to a medical exam or take care of a kid, it's not an automatic punch out. You're losing hours, and things like that. There's a lot of flexibility within small businesses, and all the research would bear that out over the last decades.

THE CHAIR: MLA Ince.

TONY INCE: My question will be both for the CFIB and the Department of Labour, Skills and Immigration. Do any of you have a breakdown of what sectors or services are having the most shortages - for example, retail versus the restaurant industry?

THE CHAIR: Who is that for?

TONY INCE: For either. Both can answer.

THE CHAIR: Okay, well we'll start with Mr. Gauthier, and then anyone else who would like to answer that question.

LOUIS-PHILIPPE GAUTHIER: Just quickly, because the deputy minister will have a lot of data as well. The major constraint would be in the skilled labour. You're

talking about trucking and about the trades, and the trades relating back to housing, and the ability to just build things in the province. We can provide you a full, detailed breakdown, just basically based on what our members are telling us for Nova Scotia. I'll let the deputy minister answer.

AVA CZAPALAY: We're aware that several industries are still recovering from where they were pre-COVID, so I'll just list a few of the sectors that are not quite where they were in terms of employment levels before COVID. Agriculture and fisheries are still recovering. Construction, as you mentioned, and all aspects of construction. You mentioned truck drivers. We'd include that in the construction sector. Accommodation and food services is still down quite a lot. It's down by about 21 per cent from where it was pre-COVID. Then the retail sector is still recovering.

I just need to underscore, of course, that employment of women and underrepresented groups is still recovering in all sectors.

THE CHAIR: MLA Ince, is there a follow-up? No, okay.

MLA Sheehy-Richard.

MELISSA SHEEHY-RICHARD: Jumping right back in. I just wanted to go back, because you said that Alberta is now advertising here. It's funny that you should say that because I had a whole bunch of people saying, "What's going on? Why is Alberta trying to promote their province and maybe take from ours?" I said, "Not to worry, we've probably got ads similar to that going on there and everywhere else."

Having said that, can you give us a little bit of an update on the Live in Nova Scotia marketing campaign that the department launched to attract skilled trades workers?

AVA CZAPALAY: Yes, we did run a Live in Nova Scotia marketing campaign. It had two phases. I've spoken about the campaign to this committee before, but we were really strategic with the campaign - really targeting skilled workers in the trades, and also health care workers. Yes, we did focus in on Ontario and Alberta. Before the campaign, we did extensive research to find out who would be likely to relocate to Nova Scotia. The campaign was very targeted at those who indicated through research that they would be more likely to relocate here.

The campaign had about 39 million impressions. That means people visiting different aspects of the campaign - a really big number and a success by any standards in terms of exposure. So Alberta knew about our campaign, and people were commenting on the campaign. We had 115,000 unique visits to our Live in Nova Scotia website. Clearly, not all my mom checking out the website and making sure I was doing the job. (Laughter)

We had over 1,000 inquiries. You can imagine what it would take for someone to see a campaign, see a website thing flick up, and then take the time to write an email. Those people who took the time to write an email got a personal response. There are over 1,000 individuals who said, I saw what you were advertising, I do such-and-such for work, I'm interested in relocating to Nova Scotia. Or they picked up the phone and called. I will say that the Premier and Minister Balsev also called people. We were very appreciative of that, and you can imagine the shock on the other end of the line when someone said, hi, I'm the Premier calling to encourage you to follow through with your interest.

We got them to write, we got them to call - so then what do we do? We connected them immediately. A real person answered the call, found out what it is they wanted. Most people started off with their job or their skill: I'm a carpenter, my partner is an accountant, what do you have here in Nova Scotia? We worked with the sector associations. We worked with different community organizations - local Chambers, local employment groups - to help connect people directly to work opportunities in that community. From there, the discussion would go to housing. It would go to: I have kids and these are their hobbies or interests and that kind of thing.

It was all really about a targeted approach - helping people find the best match that could be for their family in Nova Scotia. Our thinking is that if people are matched well to a community, then they will settle well. Someone here actually used that phrase, "settle well," and I've adopted it now, because having people settle well is the goal. We can attract lots of people. We can get the 39 million inquiries, but at the end of the day, we want people to settle well.

Was the campaign a success? Yes. Our population continued to grow. We can see that our population grew, not only with immigrants, but it also grew with people from the rest of Canada moving to Nova Scotia.

MELISSA SHEEHY-RICHARD: I do have a very quick follow-up. Is there any data to show what the percentage or maybe what the interest was of folks who maybe were originally from here and felt they needed to leave for work? Was there an upskill of people who were maybe coming back from Alberta, coming home to Nova Scotia?

AVA CZAPALAY: Of course, with Canadians moving back and forth across the border, we don't really have a way of tracking them, other than anecdotes, but we do know that our youth retention increased. We also know that our average age in Nova Scotia decreased last August for the first time ever. Those indicators tell us that more young people are seeing opportunities here at home and they're either staying or they're returning home. We have anecdotes around both.

THE CHAIR: I neglected to mention at the beginning of the meeting that our question and answer period will go until 11:45 a.m. We will have about 45 minutes left for questioning. Then I'll allow you to offer some closing statements, if you'd like, after that.

MLA MacDonald.

[11:00 a.m.]

JOHN A. MACDONALD: This one will be for the deputy minister. Can you elaborate a little more on the Welcoming Workplaces toolkit that the department helps employers support and attract workers?

THE CHAIR: Deputy Minister Czapalay.

AVA CZAPALAY: Certainly, I've spoken before on the importance of retention, and the importance of the role that safe and welcoming workplaces play in retention. It's really important to provide employers with the assets that they need to create a welcoming and safe work environment. It's a free, online resource that's available for employers. It includes things like information that's available, as well as community contacts.

I'm just going to check with my colleagues to see if they have anything on the Welcoming Workplaces toolkit they'd like to elaborate on.

THE CHAIR: Ms. Davison.

MARJORIE DAVISON: The Welcoming Workplaces toolkit is designed not just for employers who are receiving international people into their workplace, but also women in non-traditional occupational areas, and trying to grow welcoming workplaces for equity-deserving groups.

The toolkit is very easy to use. It doesn't take a lot of time. It's really a beginning point. Hopefully, it will spur employers to further learning about how to create welcoming workplaces.

The department does have additional resources to add to that, which employers can access so they can further their learning. It's all about the starting point of developing cultural competency in those workplaces.

THE CHAIR: MLA Ritcey, then MLA Burrill, and MLA Hansen will be the next three.

MLA Ritcey.

DAVE RITCEY: This question is for the deputy minister. It's sort of a follow-up to my first question. Could you elaborate on the impact that the Atlantic Immigration Program can, and has, helped our small businesses?

THE CHAIR: Deputy Minister Czapalay.

AVA CZAPALAY: Certainly, a program that we're very proud of is the Atlantic Immigration Program. You'll remember that it was a pilot for five years. It was a very successful pilot that Immigration, Refugees and Citizenship Canada and the Atlantic Provinces engaged in. Then it became a permanent program a year ago January.

Part of the permanent program has been to designate employers so that they are able to participate in the program. That process requires the employers to apply to participate in the Atlantic Immigration Program. I'm pleased to report that we've had almost 800 employers designated in one year. That's a lot of employers. The employers are about, again, 60 per cent in Halifax, and 40 per cent are outside of HRM, mainly in rural Nova Scotia.

The program supports employers to make job offers to immigrants where they have a need, and they can't fill that need locally. It's been reported back to us that the program is very easy to use. It's very straightforward. Employers like it and employees like it. The program is very, very active, and we're continuing to designate new employers to use the program. We're starting to see a lot of employees coming to Nova Scotia as a result of job offers by employers who use the program.

THE CHAIR: MLA Burrill.

GARY BURRILL: Ms. Robert, I wanted to ask you a little about your thinking about the economic impact of the decisions, the work of the Minimum Wage Review Committee. It seems to me that minimum wage has become a bigger matter in the economy since we've got into this record-high inflation period. We used to have a kind of comparative advantage of a sort, I think, in Nova Scotia, in that although our wages weren't as high as some other places, our cost of living wasn't either. We have lost that comparative advantage now. It's as expensive to live here as it is in some very major cities, as everybody acknowledges.

I wanted to ask you: Isn't it true that in this situation, it's just a kind of economic common sense that a higher minimum wage is going to improve our capacity to recruit and retain workers, and put us in a stronger comparative economic situation in the province - and that therefore this work and these decisions are awfully important?

COLLETTE ROBERT: I'm not denying what you're saying, but I do think it's just one piece of the puzzle. I think we still need to keep our business owners in mind, and all of the other different impacts that come with increasing the minimum wage.

Of course, it would attract talent - but then are a lot of our businesses suffering and shutting down because of it? I think it's quite a complex puzzle with all these different pieces. I agree with what you're saying, but I also see the impact in other areas in Nova Scotia that it would have.

GARY BURRILL: I'm thinking about the basic economics of supply and demand, and that in our situation, if we have this in our list of assets - that we have a reasonably competitive minimum wage, that when we're competing, as we are with the average- and lower-wage jurisdictions, with other provinces where the cost of living may be lower or general incomes higher - that it would improve our position. That's all. I was interested in your thinking about the economic impact - not just the impact on those who are earning minimum wage, but the overall economic impact in the present situation, which I think is positive, of the upward pressure on the minimum wage that your review committee has recommended for the last year.

COLLETTE ROBERT: Could you clarify the question?

GARY BURRILL: Yes, certainly. I'm sorry to speak in a roundabout way. It's the same sort of thought. I'm just interested in your thinking about how the Minimum Wage Review Committee's work is having a positive effect in bringing the minimum wage up - on the operation of our economy as a whole.

COLLETTE ROBERT: I think in recent years, we have increased it at a faster rate than we were supposed to be, if you look back at the reports from previous years. We do absolutely understand that connection - that if people have more purchasing power, of course it's going to contribute to the economy. I do agree with you there. However, I'm also mindful of the businesses that can't afford to pay their employees more and will be forced to shut down. That also has an impact on the economy.

THE CHAIR: MLA Hansen.

SUZY HANSEN: I'm not sure who this would be directed to, but it would probably be the deputy minister or Ms. Robert. We talked earlier about how low-wage workers were more likely to be women, and more likely to be racialized. We know that you can't make ends meet on a minimum wage job, even if you tried - and people do a great job at trying their best, even with a full-time full-year job. If we do better for the poorest among us, we can lift up the entire economy.

Can any of the witnesses - which would probably be between the two of you - respond to the fact that raising the minimum wage will disproportionately impact racialized people, women, and the people that they care for in those positions?

THE CHAIR: Ms. Robert.

COLLETTE ROBERT: Absolutely. It would impact immediately the people who are making minimum wage. I think the statistics are 56 per cent of those are women. Then if you break it down further into different equity groups, it would have a substantial impact on those groups, increasing their purchasing power and quality of life overall, absolutely.

THE CHAIR: Deputy Minister Czapalay.

AVA CZAPALAY: Thank you for your question and your attention on that subject. It's a multi-factored approach. We know that it's not only what people are paid, but also their need for wraparound supports. It's also looking at programs that offer training, upskilling, reskilling and all of the things that people need. We continue to work with communities to listen and to understand what it is that people need - especially women and underrepresented groups to connect to work in their communities.

SUZY HANSEN: I'm grateful for the comments. I want to also say that I agree. A number of facets play into this, but as well - as Ms. Robert had mentioned - you have to look at all the other pieces of the puzzle because it's not just raising the wages. But we know that is a huge piece in lifting people out of poverty. We do need to recognize that there are other pieces to that puzzle as well, e.g., housing, health care, and the cost of living.

THE CHAIR: MLA Ince.

TONY INCE: My question is for the Department of Labour, Skills and Immigration. Is the department looking at other options or other ways to make the cost of living better for workers, such as maybe looking at bracket creep?

THE CHAIR: Deputy Minister Czapalay.

AVA CZAPALAY: Our department is really focused on labour, skills and immigration, and helping people connect to the work they want to do, and can do, in communities throughout Nova Scotia. It's also ensuring that people have access to the training they need to either reskill or upskill, and working with companies that may have a labour force they want to upskill or reskill to meet the current and future needs of their company.

Whatever we can do to help people connect to work, and help work connect to people, and let people stay in their communities - if that's what they want to do to do work - then we are here to help and support that.

THE CHAIR: Thank you very much. MLA Young, then MLA MacDonald, and then MLA Sheehy-Richard.

MLA Young.

NOLAN YOUNG: As you know, I have 20 years as a tradesperson, and I have taught in the trades at the NSCC. I am wondering what work the department may be doing with the Department of Advanced Education and the Department of Education and Early Childhood Development to promote the skilled trades and in-demand career paths.

AVA CZAPALAY: I'll start and perhaps my colleague, Kim Kennedy, with the Apprenticeship Agency, can also respond. Thanks for the question.

There's a lot happening in apprenticeship. It's part of our minister's mandate to modernize apprenticeship. There's a lot of engagement with both the colleagues within the Apprenticeship Agency, with Marjorie's Skills and Learning Division, with the Nova Scotia Community College, the sector associations, with a whole range of partners - and of course industry and employers - to determine what a modern apprenticeship program looks like.

We've started by taking a sharp look at the pre-apprenticeship program at the Nova Scotia Community College. Minister Balsler has set up a large panel consisting of a wide range of partners from the Nova Scotia Community College, from industry, from government, to take a look at the pre-apprenticeship program. Of course, the Department of Education and Early Childhood Development and the Department of Advanced Education are part of this panel. We're working with all our partners to say, how can we change the perspective of families and young people when it comes to apprenticeship? How can we help them recognize earlier that that is a great career path? Then how can we help them fast-track their way from that point of recognition - I want to go into a skilled trade - to actually following an apprenticeship pathway.

The committee has been absolutely fantastic. We'll have some recommendations from Minister Balsler in June. How can we streamline pre-apprenticeship, from both an attraction and awareness point of view, and getting to making some good, solid recommendations. Do we have time left for Kim?

THE CHAIR: We'd love to hear from Ms. Kennedy.

KIM KENNEDY: I would highlight some of the work that we've done in the last few years. We had two three-year marketing campaigns for apprenticeship. Many of you would have seen them on the sides of buses or on TV. That was two-fold. One is to attract youth to the skilled trades, but also to change the perception - primarily of parents, and sending their children into the skilled trades.

We also have a number of youth apprenticeship programs that we offer with industry in three of our sectors - motive power, construction, and service - that we deliver every Summer for youth in high school. We have an MOU with the Department of Education and Early Childhood Development where we look at programs that are within the high schools. We're happy to report that we are actually starting some of those experiential programs even earlier, at the elementary school and junior high school levels.

THE CHAIR: MLA Young for a follow-up.

NOLAN YOUNG: Just a comment. I'll eagerly wait until June, but with people who are already in the trades as well, if there's any way to recognize other trades and skills that overlap to transition in, I'll plant the seed now and we'll talk in the Fall, I guess.

[11:15 a.m.]

THE CHAIR: MLA MacDonald.

JOHN A. MACDONALD: Ms. Robert, this will be for you. Regarding your recommendation and the information that was taken in creating the annual review - I know you started - can you get into some of the details? You said you had numbers that went to economists. What numbers and what information was there? Is there anything specific to Nova Scotia? I know it's a big ask.

COLLETTE ROBERT: Just to clarify - basically, which data did we seek out to inform the decisions? The data that we sought out to inform our decisions had things we had requested. For example, right now in Nova Scotia: Who's earning minimum wage? What sectors are they in? What is the minimum wage across Canada? What formulas are they using to calculate the minimum wage rates? Have they followed them, or have they just put in a dramatic increase? If they did put a dramatic increase on that minimum wage rate, what happened in that province, and how did that impact their economy? So would it be realistic for us to do something like that?

We looked at everything from CPI to - there's so much data that we requested, so kudos to them for putting it all together for us. Those are some of the things that are top of mind, but I can definitely send you a more complete list if you would like.

THE CHAIR: We would maybe ask you, Ms. Robert, any of that information that comes about from this discussion today, if you could send the information to the clerk, and then that can be disseminated out. The clerk will write to you.

MLA Sheehy-Richard.

MELISSA SHEEHY-RICHARD: I just want to go back, if it's okay, to Ms. Kennedy. The apprenticeship program - the work you're doing is pretty exciting for me. As Ms. Czapalay knows, I have already somebody in the trades. I have a child graduating who wants to be an electrician. I just wondered - not just personally - if you could for the committee, share a little bit more detail about the work that the Nova Scotia Apprenticeship Agency is doing to support apprentices, like my son, together with the employers, the industry and the current labour markets that we're seeing.

KIM KENNEDY: I think the first thing I would highlight is this past June, we changed what's called the ratio. In the apprenticeship system, most people are used to hearing as a teacher-student ratio. Ours was one-to-one - one certified journey person per

apprentice. Last June, we changed that to two-to-one to provide significantly more opportunities for individuals to enter the skilled trades. That - combined with some other initiatives that we were working on to attract people to the trades - resulted in a 36 per cent increase in the number of new apprentices we had last year.

I would also add to that that we do have sector-specific initiatives where we'll match employers to individuals who want to enter the apprenticeship system in areas where there's a significant labour market demand - construction being one.

We also have the promotion efforts, which I spoke about earlier. Once the apprentice is registered, there's a significant amount of financial support available to those apprentices while they move through their apprenticeship program. There are programs for each level of an apprenticeship. There are programs to provide financial incentives for tools and books, technology, et cetera, to support those apprentices to certification.

MELISSA SHEEHY-RICHARD: Very good. I think as he moves forward and finishes this year, he may be in contact with the department.

THE CHAIR: MLA Burrill.

GARY BURRILL: I'd like to ask you, Ms. Czapalay, about a similar question I was just asking Ms. Robert about the economic impact of minimum wage. It seems that thinking on this has changed a lot in the last couple of years. It wasn't very long ago, I think, when Ontario went to \$14. There was a lot of: The sky's going to fall, and the hospitality and retail will crash. It's turned out that the inflationary impacts, the job loss impacts in a lot of jurisdictions - as they have been a year or two ahead of us on this path, like in B.C., Alberta and Ontario - haven't, in fact, panned out, and that there have been benefits that hadn't been anticipated.

Can you say anything about the department's thinking about the general economic benefits for the provincial economy as a whole - of robustly moving forward with improvements in the minimum wage?

AVA CZAPALAY: Thank you for the question, and again, my appreciation to the Minimum Wage Review Committee. I think, through Ms. Robert's comments, it's very evident that the committee takes a very careful, well-considered, and balanced approach. As she mentioned, it's an employer and employee balance there.

Our perspective remains that minimum wage is just that - the minimum wage. Getting to \$15 an hour by October 1st will put us somewhere in the middle of the other jurisdictions. I think that Louis-Philippe mentioned that comparable to jurisdictions that are approximately the same size, we're very, very comparable.

We do know that we're in a competitive labour market position now. Also, we do know that companies will likely have to pay more or come up with a combination of benefits and pay that will attract and retain workers. I feel that's perhaps where the economic growth will come from.

I had taken a look at sectors that had grown the most. I knew you would ask me which sectors were still suffering, but I also took a look at the sectors that had grown the most. The sectors that had grown the most were health care and technical sectors like engineering, and that kind of sector.

As Nova Scotia's economy continues to grow, we'll be there to support all companies regardless of the sector they're in. We'll also be there to help all workers, regardless of the skillset that they have, to participate in the labour market. I do feel like our economy will see the growth that comes from our growth in the skilled trades - as Ms. Kennedy mentioned, 36 per cent into the apprenticeship system - and we'll see the growth from our health care sector. We'll see the results of that in our economy. We're going to continue our efforts on all fronts.

THE CHAIR: MLA Ritcey.

DAVE RITCEY: This question goes back to Deputy Minister Czapalay. The government has taken measures to reduce the red tape in an effort to mobilize our workforce here in Nova Scotia. Can you tell us a bit more about how addressing regulatory challenges can also help address the labour shortages?

AVA CZAPALAY: We're big fans of reducing red tape wherever we can. Of course, that also plays into supporting people to connect to work faster. Our Skills and Learning Branch has, under their responsibility, the Fair Registration Practices Act - otherwise known as FRPA. That Act governs the activities of 49 regulatory bodies. Those 49 regulatory bodies cover approximately 85 professional occupations - things like chartered accountants, doctors, nurses, and so on.

The regulatory bodies need to ensure that they have standards in place to regulate their professions. The idea is that when people come here, they register with their regulatory body. In doing so, being able to register means that they have the skillset necessary to practise. Assessing credentials is critical to ensure that people have the credentials necessary. The role of our department is to make sure that's done fairly and transparently. Also, we're providing financial support to help the regulatory bodies do that assessment as quickly as possible. That's where the red tape reduction piece comes in.

If the regulatory bodies identify and flag something for us that we feel we can act on, then we'll do that. For example, we offer a program that was recommended by the regulatory body for doctors, saying we're bringing in highly skilled physicians, we assessed their credentials - and then they go to their workplace, and they don't necessarily

find it welcoming. Welcoming workplaces are for everybody, right? It may be because of culture, or it may be because of assumptions being made that a doctor can just slide right into their role and not need the orientation. We provide funding now to help local organizations create the welcoming workplaces.

DAVE RITCEY: I just have a quick follow-up. How are we supporting immigrants and reducing red tape - more specifically for individuals wanting to go into the trades?

AVA CZAPALAY: I'm looking at my colleagues who will probably help me out with this question. It's really important for us to ensure that people who arrive here in Nova Scotia, who have a skilled trade, find themselves attached to work as quickly as possible. I've mentioned before that we have a number of employment trade shows for immigrants who are new to Nova Scotia, to help them attach to work. We invite employers and we invite newcomers. They go around and visit booths, and hear about the jobs that are available.

Minister Balsler and I were attending one of the employment fairs at Pier 21 and someone walked in and said, "I'm a carpenter and I'm looking for work." You could have heard a pin drop. Everyone suddenly went silent. It was like, okay, watch the stampede.

It's really important for us to help those folks connect to work. Not everyone arrives with documents, and not everyone arrives with documents that are readily assessable. So one of the programs we have through the Immigrant Services Association of Nova Scotia (ISANS) is to help employers connect with skilled immigrants and see what those skills are in real time. We send funding to the employer to help pay for the wages for the first three or four months, then the employee gets to demonstrate what their actual skill set is. If they don't have documents, they can write a challenge exam.

I am going to check with Ms. Kennedy to see if I left out anything.

KIM KENNEDY: I would just add that in the apprenticeship system, individuals can enter at any point, at any time - right from find a job, start from level one, to I've been working for five years in a specific trade to challenging a Red Seal exam.

As the deputy minister mentioned, documentation is not a must because we have partners to help us assess those skills. That's the beauty of the apprenticeship system. It's a skills-based system where employers teach the skills of the trade.

THE CHAIR: MLA Ince.

TONY INCE: My question is for the Department of Labour, Skills and Immigration. I know you've been doing some work in trying to get the information to the younger grades and so on. Can you share with me how you are able to address and reach the African Nova Scotian communities and the Indigenous communities with this?

AVA CZAPALAY: I'll probably ask Ms. Kennedy to help me out with the response. First, I want to say that we need everyone to help parents and young people understand that a skilled trade is a fantastic direction to go in. The average salary for someone going into the skilled trades is around \$60,000 a year. The wealth of opportunities, once they acquire a skilled trade - they can be self-employed, an entrepreneur, they can go in different divisions.

[11:30 a.m.]

You mentioned two different trades. They can acquire more than one trade. We're a huge fan of skilled trades. We are really going to work on helping parents see that opportunity.

I had the pleasure of going to the rebranding of the Africadian Empowerment Academy in East Preston a few Saturdays ago. They are doing fantastic work in helping people in the community see the value in skilled trades and directly connecting people to opportunities in the apprenticeship system. Working in community with partners, hearing what they have to say, hearing their advice on how we can do better to engage young people - and all people - in the skilled trades is really, really important. I am just going to check with Kim to see if she has some specifics to share.

THE CHAIR: Ms. Kennedy.

KIM KENNEDY: There are a couple of highlights I would add to that. We have a significant number of partnerships with equity communities across the province. The Aboriginal Peoples Training & Employment Commission helps us with retention supports. Right now, the number of apprentices in the system who identify as an equity-deserving group is at about 20.5 per cent. We've made some great strides in increasing the number of people who enter the system - but our focus now is on retention. That's where we partner with equity communities to help us with the retention and the completion to certification.

TONY INCE: I know there are many people in the African Nova Scotian community who have for generations worked in many skilled trades areas, but didn't have their tickets. Is there something the department is doing to try to bridge that so that those folks can get their tickets or their seals or whatever they need to make sure that they are exactly participating in the economy as well?

THE CHAIR: Ms. Kennedy.

KIM KENNEDY: As the deputy minister has mentioned, the Africadian Empowerment Academy - we've had a partnership with them since 2016 where we have what we call the Red Seal program. That essentially does exactly what you spoke of, and that is to prepare individuals who have been working in the trades for generations to write the Red Seal exam. While it's important to get people a ticket or a Red Seal certification,

it's also important because the individuals from community can now mentor the youth in the community to then also move to get their Red Seal certification. We're very proud of that effort and - I'm trying to remember the exact number - I believe we've certified 22 people now through that program.

THE CHAIR: MLA Sheehy-Richard.

MELISSA SHEEHY-RICHARD: I just want to go back a little bit or talk more about if there are programs - I know in my community we have BIOVECTRA, for example. I think I spoke of them before, where they are looking for a significant number of chemists and scientists. We know that Dalhousie produces a great number of those. Are there any programs or initiatives that would connect international students with local employers like BIOVECTRA to provide them with opportunities that would, hopefully, keep them in the province?

THE CHAIR: Ms. Davison.

MARJORIE DAVISON: What I'll start to talk about is our Graduate to Opportunity program. We have a couple of wage supplement programs for employers to connect them into these higher-wage, higher-value types of jobs. Specifically within that sector, we have a significant take-up from employers who are agreeing to take on graduates for two years, paying salaries sometimes up to above \$60,000 a year. That is one of our key programs.

We actually start by connecting with employers in high school. We have the Student Summer Skills Incentive program, which connects non-profit employers to students. Then we have co-op with all the universities, where we're connecting co-operative students with employers with a wage subsidy. In terms of non-wage programs, our whole system is geared to support matching employers and their needs with the graduates that we have.

Our deputy minister has mentioned our Nova Scotia Works centres. We have over 50 locations across the province. In the centres, we have added youth liaison positions. These positions work directly with the high schools across the province. They are working with those Grade 12 students who want to go directly into work. Those students learn about what the career opportunities are in their areas or in the labour market.

We've also added employer engagement specialists across the province, and this group is working directly with employers. You'll see that with our digital channel, which was launched in 2020, we are now adding a job-matching service for employers. You'll see over the next couple of years our services for employers grow significantly. This is in response to the fact that there is a change in terms of who's accessing employment in our province, so we're seeing more people employed.

What we're seeing now is a need to focus on upskilling in our labour market, and helping our employers provide those opportunities, and then helping individuals who are in that workplace - who maybe want to go into higher-value wage opportunities - to have those connections.

THE CHAIR: MLA Young.

NOLAN YOUNG: Back to the labour shortages part. When we're talking about the Atlantic Immigration Program, say an employer is looking to take on X, Y, Z trade. What steps would they take in order to try to get a Red Seal or a journeyperson through that program? The back part of that is, if they get them here, then they can take apprentices on here and grow the market and stuff again. What would be the steps that the company would take to get them hired on?

THE CHAIR: Deputy Minister Czapalay.

AVA CZAPALAY: For employers participating in the Atlantic Immigration Program, they first of all need to be designated as eligible to participate in the program. Once they have been designated, then they are able to recruit employees. That comes with being able to say: We can't find the skillset locally - we need to go further afield. If they're participating in AIP, then they're looking at immigrants.

We offer employers the opportunity to participate in our formal outreach. We have an outreach program that involves - I think it's over 20 career fairs worldwide that we go to. It focuses mainly on recruitment of health care workers and skilled trades workers - but others as well - and offers employers the opportunity to recruit.

For example, we just came back from the Netherlands. We had a construction company with us on that trip, and they were specifically looking for skilled trades workers.

If we do have someone who is a Red Seal worker - I'm just going to consult with my colleague Ms. Kennedy to see if she can say what happens once they actually arrive here on the ground.

KIM KENNEDY: There are two pathways. We've been hearing from employers a lot that certified journeypersons are also in high demand. If somebody arrives here with a specific skillset and a length of time of experience, they apply through what's called a trade qualification process. Through that process, we do the assessment, and then the individuals can challenge the Red Seal exam. In the meantime, the other pathway is that they're issued temporary work permits to get through that process, so that on day one, folks can start working when they arrive in the province.

The other thing I would add is that that applies to the 13 compulsory trades, which means you must be certified. For the non-compulsory trades, there would be no restriction.

However, we would still offer that process to anybody coming in in the non-compulsory trades.

NOLAN YOUNG: Just to back it up, how does an employer become designated? What do they have to do?

AVA CZAPALAY: They have to show that their company is real - that they're real - that they exist. It's really just a background check. That's kind of the informal term for that. If everything checks out and they have a positive record for treating employees well, and the company is real and exists, and so on, then that's the designation process. They also have to take the cultural training that's required. That speaks to the Welcoming Workplaces that we've spoken about before.

THE CHAIR: MLA Ince, we're going to give you the last question this morning.

TONY INCE: Well, thank you so much, Mr. Chair. This question is for Ms. Robert.

Ms. Robert, you had said that the committee has garnered a lot of data and a lot of information. Within that data, is there anything that highlights or shows any improvement for those who are in African Nova Scotian communities or the Indigenous communities, in terms of wage?

COLLETTE ROBERT: A great question. Any improvement within a certain period of time - like within recent years?

TONY INCE: From 2016 until now.

COLLETTE ROBERT: I don't think they have that specific data. I think it is safe to say that when you look at socio-economic status and quality of life, those are very tightly intertwined and correlated - and knowing that higher portions of African Nova Scotians and Indigenous people are categorized to be in lower socio-economic status, that would be having an impact on their quality of life.

I can't give you hard data to say we've been watching these two populations over these years, and this has been the impact. I don't have that hard data, but I believe there is related data to show that would have an impact. I think in the future, it's definitely something we should track and try to measure the impact that we're having, based on wages and different things.

THE CHAIR: Seeing there are no further questions, we will now ask our guests to make some closing comments, if you'd like. We can begin on this side with Mr. Gauthier to offer any closing comments please.

LOUIS-PHILIPPE GAUTHIER: Mr. Chair, members of the committee, thank you again for the invitation. My closing comments would be this. Specifically on the question of minimum wage, I would invite everybody to consider that there are other tools in the tool box other than a hammer. A lot of the questions that were asked this morning make me feel that even as a Francophone, to the old English saying, when you believe that the only thing you have in your hand is a hammer, every problem looks like a nail.

The question here is, depending on what you try to achieve as legislators, whatever objective you are trying to achieve - for whatever group that is part of the group of people that earn minimum wage - I would invite you to look at all the tools available to you, as a government, to support the workers you want to support. Minimum wage is literally a shotgun approach. It captures a whole series of people.

When we either go in the conversation of a living wage or should minimum wage reach that or at what speed a living wage should be reached, essentially brings the foregone conclusion that minimum wage should be a living wage. The question should be: For what part of that cohort and which group are we trying to help at this time? That would be my closing comment. Again, a big thank you for the opportunity.

THE CHAIR: Ms. Robert.

COLLETTE ROBERT: In closing, thank you all for your time, your questions and listening to what we all had to say. We will be at \$15 by October, but I do not believe that this is a livable wage. To get to a livable wage, I think there could be solutions to this problem, such as wage subsidy from the government for businesses that demonstrate hardship should the wage increase substantially and be unaffordable to them. As MLA Hansen mentioned, and MLA Ince alluded to, it is the equity groups, gender, race, sex, et cetera that these changes would impact the most - and they need help from several angles, whether it be having a livable wage, housing, health and child care.

I would also ask that you take into consideration take-home pay and how that hourly wage does not reflect the take-home pay due to our high taxation rates, and what impact this could have for Nova Scotians.

THE CHAIR: Deputy Minister Czapalay, would you like to offer some closing comments?

AVA CZAPALAY: I'd just like to thank the committee for their interest and for their insightful comments and questions. Thank you very much for the opportunity to share the work of the Department of Labour, Skills and Immigration. We really also appreciate the perspective of the other witnesses. I just wanted to assure you that all efforts will continue on this front, with particular focus on labour market attachment for underrepresented groups. Thank you very much for your time.

THE CHAIR: We'd like to thank all of our guests for coming this morning. That was a great discussion. Thank you for your expertise and your insight.

We thank you for coming. You are now excused, and you can leave.

We might take a two-minute break to allow our guests to leave. Then we will come back to our committee right after that. Thank you.

[11:45 a.m. The committee recessed.]

[11:49 a.m. The committee resumed.]

THE CHAIR: Thank you, everyone. I neglected to ask at the beginning of our meeting if we had other committee business before we moved on with our meeting.

Is there any committee business? If not, our next meeting will be next Tuesday - as we make our change to the first Tuesday of the month - from 1:00 p.m. to 3:00 p.m. Our clerk is very happy she doesn't have any morning committee meetings anymore - very good.

The topic for that meeting will be Training and Educational Partnerships: Training Initiatives for Physicians, Nurses and CCAs. The witnesses will be the Department of Advanced Education, the Department of Health and Wellness, the Department of Seniors and Long-term Care, the Nova Scotia Community College, and the Health Association of Nova Scotia.

With there being no other business, adjourn this meeting.

[The committee adjourned at 11:49 a.m.]