

**HANSARD**

**NOVA SCOTIA HOUSE OF ASSEMBLY**

**COMMITTEE**

**ON**

**PUBLIC ACCOUNTS**

**Wednesday, February 9, 2022**

**VIDEO CONFERENCE**

**Review of Crown corporations**

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## **Public Accounts Committee**

Hon. Kelly Regan (Chair)

Nolan Young (Vice-Chair)

Dave Ritcey

John A. MacDonald

Melissa Sheehy-Richard

Trevor Boudreau

Hon. Brendan Maguire

Claudia Chender

Susan Leblanc

### **In Attendance:**

Kim Langille  
Legislative Committee Clerk

Gordon Hebb  
Chief Legislative Counsel

Kim Adair,  
Auditor General

### **WITNESSES**

#### **Department of Economic Development**

Scott Farmer,  
Deputy Minister

#### **Department of Public Works**

Peter Hackett,  
Deputy Minister

#### **Department of Communities, Culture, Tourism and Heritage**

Justin Huston,  
Deputy Minister

Darlene MacDonald,  
Acting Executive Director - Tourism Nova Scotia



**HALIFAX, WEDNESDAY, FEBRUARY 9, 2022**

**STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**9:00 A.M.**

**CHAIR**

Hon. Kelly Regan

**VICE CHAIR**

Nolan Young

**THE CHAIR:** I call the Standing Committee on Public Accounts to order. My name is Kelly Regan. I'm the MLA for Bedford Basin, and I'm the Chair of this committee.

Just a few reminders before we start. Keep your video on during the meeting, keep your mics muted until you are called upon to speak, and wait until after the Chair has recognized you to unmute your mic. I know that it's been difficult because we can't see each other as we would normally in committee. Ms. Langille.

**KIM LANGILLE:** I'm just noticing that we are missing someone, and that's Deputy Minister Hackett. There he is. I was looking over the people and I didn't see him, so he has logged in.

**THE CHAIR:** So yes, please keep your mics muted until you are called upon to speak, and wait until after the Chair has recognized you to unmute your mic. I know it's difficult for people to tell when I've seen you when you put your hand up, so I may just interject a little more than I usually do, because people are sitting there for three and four minutes with their hands up. I know it's tough on that, so you may hear me interject a little bit more. Please do indicate that you wish to speak by raising your hand. I would remind all of us to place our phones on silent or vibrate.

I would ask our committee members to introduce themselves, and I will begin with MLA Young.

[The committee members introduced themselves.]

THE CHAIR: On today's agenda, we have officials with us from the Department of Economic Development, the Department of Public Works, and the Department of Communities, Culture, Tourism and Heritage to discuss the review of Crown corporations. I'm going to ask the witnesses to introduce themselves.

[The witnesses introduced themselves.]

THE CHAIR: Deputy Minister Huston, I will invite you now to make your opening remarks.

JUSTIN HUSTON: Good morning and thanks everybody for the opportunity to be here with my colleagues, Deputy Minister Farmer and Deputy Minister Hackett, to answer your questions about Crown corporations.

The Department of Communities, Culture, Tourism and Heritage is involved in the corporate review of 20 agencies, boards, and Crown corporations, with five that are directly connected to our department. I believe some of you, or all of you, have a specific interest in tourism, so the bulk of my opening comments are going to focus there.

As you know, my department has led the transition of Tourism Nova Scotia into the Department of Communities, Culture, Tourism and Heritage. I'm pleased to say that since the announcement last August, everyone involved has approached this change with openness and optimism.

Tourism Nova Scotia had been governed by a board of directors. I want to thank the former board members for their dedication and strategic guidance over the years. The growth of the industry during their leadership has been remarkable.

I'm impressed by the passion and focus of the Tourism Nova Scotia team. My colleague Darlene MacDonald is also joining us here today if there are any specific questions that come up. They have worked very hard to support tourism operators through this pandemic. They know they are doing important work for the industry and the economy of Nova Scotia. This work will continue with Tourism Nova Scotia as a division here at the Department of Communities, Culture, Tourism and Heritage.

As many of you know, the overarching mandate of our department is to support communities across the province to be welcoming, inclusive, and accessible, providing a great quality of life for Nova Scotians and a memorable experience for visitors. We value the collective diversity of our heritage and our people, and believe this rich culture helps

create healthy, active, growing communities. I believe one of our greatest opportunities is to collaborate across the Department of Communities, Culture, Tourism and Heritage to better promote the attractions, experiences, and community assets that motivate travel to and within Nova Scotia.

Prior to COVID-19, the tourism industry had been working toward the Ivany goal of \$4 billion in annual tourism revenues by 2024. Unfortunately, the pandemic has made that timeline impossible to achieve. It's also highlighted what's important for sustainable tourism industry - things like year-round tourism, labour supply, air access, quality, accessibility, digital knowledge, and of course, marketing.

We will continue to work with our partners across government, as well as tourism businesses and organizations, to rebuild tourism in every region of our province. One of our first priorities is to work with industry to envision what success looks like in the future and to press forward. While the past two years have been incredibly difficult for the tourism industry, we are confident Nova Scotia is poised for a strong return in visitation and tourism spending.

Just last week, you may have noticed online and in other media that we launched a new Winter tourism campaign called "Show Your Local Love - Stay Safe and Support Local This Winter." We want to encourage Nova Scotians to explore what's here in Nova Scotia, knowing that many are still choosing to stay close to home.

We are also very close to launching our 2022 tourism marketing campaign in the Northeast U.S., the U.K., Germany, Ontario, and Quebec - all our key markets. This is the earliest that Nova Scotia will be in these markets with tourism advertising, which is good because as you can imagine, competition is stiffer than ever and travellers from farther away are making their plans now for travel in the Summer.

Overall, growing tourism is a mandated priority for our minister, Honourable Pat Dunn, and we continue to work on each action item in his mandate letter. I'm pleased to say that the transition of Tourism Nova Scotia moved quickly and has been seamless with no disruption in program delivery.

I'll close my comments for now, and I'll hand over to my colleague, Deputy Minister Farmer.

THE CHAIR: Deputy Minister Farmer.

SCOTT FARMER: I'm happy to be here today with my colleagues from a couple of different departments. I'd like to start by providing a bit of background on the Crown corporations that fall under the Department of Economic Development. The Department of Economic Development currently has three Crowns that we work with: Nova Scotia Business Incorporated or NSBI, Develop Nova Scotia, and Innovacorp. Additionally, we

have Invest Nova Scotia and Events East, which are special operating agencies. Each of these entities have different mandates with the overall goal of advancing our province's economic agenda.

NSBI's work ranges from helping businesses grow exports to attracting innovative, globally competitive companies to establish in Nova Scotia. Innovacorp works to find, fund, and foster innovative Nova Scotia start-ups that can help drive provincial growth. Develop Nova Scotia aims to lead the sustainable development of economic and social infrastructure across the province. Invest Nova Scotia is a fund overseen by a board of directors that supports innovative and collaborative projects that drive economic, community, and social impact. Events East is a partnership between the Province of Nova Scotia and the Halifax Regional Municipality to manage and operate the Halifax Convention Centre, the Scotiabank Centre, and Ticket Atlantic.

As you know, there's a review of Crown corporations under way. This review is outlined in government's ministerial mandate letters and is being led corporately. It's an opportunity to look at the role and effectiveness of agencies, offices, and Crown corporations across government with the goal of ensuring the most efficient and accountable methods to achieving results. Departments across government have been working on the review for a few months now, gathering information and data to look at whether their structures, programs, and governance models are where they need to be to best serve Nova Scotians.

It's still very much under way, and no decisions have been made. While I cannot speculate on the outcome of this review, I can speak to the current Crown operations under the Department of Economic Development. Thank you, and I look forward to your questions.

THE CHAIR: Thank you, Deputy Minister Farmer. My understanding is that Deputy Minister Hackett will not be making remarks.

I should, of course, introduce Ms. MacDonald, who is here with us. Ms. MacDonald, would you like to introduce yourself?

DARLENE MACDONALD: Good morning, everyone. Darlene MacDonald, Acting Executive Director of Tourism Nova Scotia. It's a pleasure to be here.

THE CHAIR: Thank you so much. The time is now 9:11 a.m. We'll begin our first round of questioning. Each party will receive 20 minutes. We will start off with the Liberals, then the NDP, and then the PC party.

I should just note for witnesses that when the time elapses, I interject. I'm not being rude. That's just what we have to do.

We'll begin now with the Liberals and Mr. Maguire.

HON. BRENDAN MAGUIRE: I have a lot of questions, so I'd just ask that we direct the witnesses just to be very direct with their answers, because I have a lot of questions in regard to this topic. Just quickly, to Ms. MacDonald: What's your background?

DARLENE MACDONALD: I have been working in the provincial tourism department since 1995. That is after I graduated from Mount Saint Vincent with a bachelor's degree in tourism and hospitality management. My career with tourism throughout the years started off as a tourism development officer, advancing to manager of tourism development and then on toward director of sector development. As of May 2021, I assumed the acting role as acting CEO and then transitioned as acting executive director.

The majority of my career has been with the Public Service and working with the tourism sector - predominantly on the product development side - where we work with businesses and communities in developing all the great products and experiences that we have to offer as a province.

[9:15 a.m.]

BRENDAN MAGUIRE: Excellent. Did you feel that the Crown corporation - the board - did a good job when it came to tourism and promoting Nova Scotia?

DARLENE MACDONALD: Yes, certainly. The members of the board of directors throughout my experience with Tourism Nova Scotia as a Crown corporation were very committed, dedicated, enthusiastic, and passionate about tourism in Nova Scotia and the work that we did. They were very supportive, ensuring that we were doing good work and doing the best we could on behalf of all Nova Scotians in the tourism sector.

BRENDAN MAGUIRE: Thank you very much. My question is to Deputy Minister Huston. You said that we'd seen unprecedented growth within the tourism industry. Were you surprised to see the dismantling of the Crown corporation? What's the rationale behind that? What benefits do you perceive going from a diverse board that has had unprecedented historical success in the tourism industry to a singular person controlling the tourism industry now?

JUSTIN HUSTON: I'll see if I can respond to that answer. This was a decision of government, so I can't speak to the why in that decision, but certainly embraced the transition. I have to say, working with the board, I went down and met with the board immediately. I can attest, and I can agree with Darlene - a great bunch of individuals there who had their best interests of industry in mind and provided a lot of good support and feedback over the years to tourism.

I think what we're excited about here is the transition into the Department Communities, Culture, Tourism and Heritage. Tourism Nova Scotia really has the marketing expertise and the proven experience, data-driven, in terms of working in key markets to attract people from around the world and around the country to Nova Scotia.

What I think we have uniquely here at CCTH is that connection with the communities and those community assets that communities know best and can really market and highlight for the rest of the province, for the rest of Canada, and the world. So there are some really good synergies also happening for example with film, also with African Nova Scotian Affairs, and Acadian Affairs. There are some really good linkages there that we're really excited about and we're already starting to see some of those synergies start to happen.

BRENDAN MAGUIRE: Are you implying that those connections and the synergies weren't happening under the previous board?

JUSTIN HUSTON: I think they were happening - I just think that we have the ability to leverage those even more. It's just a great opportunity.

BRENDAN MAGUIRE: How do you have the ability to leverage even more? That's a pretty strong statement, considering that tourism was at an all-time high before the pandemic and we were on our way to smashing the goals in the Ivany report. Specifically, in what way are we able to leverage that even more?

JUSTIN HUSTON: I think we were doing well towards the Ivany goal. I don't think we were actually going to be able to hit that \$4 billion mark, but we were on our way. We had seen an increase from up to - I think before the pandemic, it was about \$2.6 billion. Then following the pandemic, we're down to about \$1 billion in revenue, so there's a significant drop. I just wanted to provide a little bit of that context.

I don't think it's an either/or, I don't think it's necessarily black and white. I think there was some of that work happening. I think we just have the ability now closer in. For example, we're having meetings - our staff are integrated in and talking to each other a little bit more. Darlene has met with the executive directors of the different divisions. We're also connecting closer into some of the local community organizers and community organizations with the tourism organizers, which as you know in communities are sometimes the same people - it's the same folks, so it's good conversations happening.

We're already starting to see some of that, but again, it's early days. If you recall, the Act really came into effect January 1<sup>st</sup>, and a lot of our work has been bringing tourism into our department, and we're looking forward to the next several months.

BRENDAN MAGUIRE: Not to continuously question Mr. Huston, but he is the deputy of this. Obviously you said we're at \$2.6 billion at the pandemic, we were on our way to reaching specific goals, but obviously the pandemic put a monkey wrench in that.

What I'm concerned about is, we're spending months integrating or reintegrating tourism into the department, when those resources and time could be used for other things - and should be used for other things. We had a board that was extremely successful. The Crown corporation was set up so that they could make decisions which were best for Nova Scotians - free from political interference and free from political ideology and mandates. Now we have that completely dismantled, and they are now under the guidance of politics and political parties.

When we were in government, one of the things we looked at was the importance of keeping the tourism industry - which is extremely important to the success of Nova Scotians - free from political interference. Now they're going to be mandated by government. My question to you is, how much time are you spending integrating Tourism Nova Scotia into the department, and is there a cost to do that?

JUSTIN HUSTON: I don't think I can quantify. Bringing a Crown corporation with 100 staff over, it's a bit of work required, obviously. I can say that the delivery to the tourism industry, to operators, hasn't changed and that it's been seamless in that regard - what's been happening behind the curtain in terms of the governance structure. There has been a bit of work in bringing folks over. There has not been any additional cost.

We're not losing any of the positions either. I want to be clear about that as well. The Windsor office remains, and the Halifax office remains. There are some efficiencies that have been created, for example, on policy and corporate services and some of that where we're combining our efforts. It's been a bit of work, but I don't think that's affected in terms of the delivery out to industry. In fact, I think the meetings that we've been having with industry have been very positive in that regard.

Regarding your question around whether it's a Crown or it's within government, I think there are arguments probably on both sides in terms of where best situated. I know we were tasked with bringing it into the department. We're excited about that, where there are some really good opportunities.

Other jurisdictions have different models. For example, Newfoundland and Labrador and New Brunswick, tourism is also within a department of government. In other jurisdictions, such as P.E.I. or B.C., they have different models than a Crown corporation. As you'd probably be familiar as well, tourism was previously with government - it had different forms over the while. I think the key is, are we serving industry and Nova Scotians as best as we can?

BRENDAN MAGUIRE: Within the minister's mandate letter, it says: Within the first 90 days of the mandate, the department was to work with the Department of Economic Development to transition Tourism Nova Scotia to a Crown agency - which we are doing. Also:

- “Develop a province-wide identity program that markets our existing assets, including: national parks, winter sports, summer sports, food and culture.
- Work with local leadership, increase the tourism marketing budget with a focus on local operators and homegrown tourism, leveraging other markets as appropriate.
- Work with local air authorities, including Sydney, to develop an integrated airport marketing plan, using an upgraded, world-class Halifax International Airport as the hub.
- Leverage the incredible work that our film industry already does . . .” to come up with a plan;
- “Implement the Rink Survival Fund. Allocate funding based on a formula that takes into account age, state of repair . . .”

There's a lot of work that was supposed to be done within the first 90 days, and a lot of plans that were supposed to be developed. How many of these things have been done? I mean, obviously, all of it has to be done - it's right in your mandate letter - but how many of these things can you say with certainty have been completed?

JUSTIN HUSTON: With certainty, we have met the - the thing that was with 90 days was around creating a timeline, or the action plan for them fulfilling the other items in the mandate letter. That work has been done. The transition, obviously, from Tourism Nova Scotia into a division of CCTH has taken place as well.

The other piece is this is a mandate letter that's going to expand over several months, if not years. We're starting to make progress on those items, but those items have not been completed by any means, and there's a lot of work still to do. The Rink Fund has been established, so that's done.

Right now, in terms of the items you identified around the province-wide identity program, we're working with local leadership, so we're starting to do that work. Particularly, we're doing some research and analysis internally. We think it's important to come to the table and come to our partners with good information and some initial ideas. It's critical that we're going to be working closely with operators, with local governments, with key communities such as Mi'kmaw, African Nova Scotian communities around identifying what the best plan is and focus going forward to build on our strengths and build on the work that we're already doing.

There are already conversations happening with meetings to be set up with airport authorities. Conversations have already happened, particularly with Halifax International Airport. There are already some good conversations and key conversations happening between Tourism Nova Scotia and Film Nova Scotia and with our staff, who have taken over the film fund. Work is under way, but I can say for sure that the first two items on that mandate letter are finished, because those are the ones that can be checked off and done in short order.

BRENDAN MAGUIRE: When specifically did you meet with the folks in Sydney? Around the airport?

JUSTIN HUSTON: The airport. I don't know in terms of Sydney yet, the conversations yet with Sydney. I can find that out in terms of when staff had some of those conversations.

BRENDAN MAGUIRE: If you could get us that information around when you met with Sydney and with the Halifax International Airport folks, and send that information to the Public Accounts Committee, that would be great.

Also specifically when did you meet with our federal counterparts around national parks and the strategy around national parks?

JUSTIN HUSTON: I have not met personally with anybody there, and I don't think that work is really under way. Right now, we're focusing provincially in pulling together some analysis information so that we can have those key conversations. I do talk with my counterpart with Canadian Heritage and Parks Canada on a regular basis, but we haven't had conversations on this item yet.

BRENDAN MAGUIRE: That was part of the 90-day mandate, and our national parks are an integral part of tourism and bringing people to the province. We've seen specifically around the parks being closed in the Wintertime, and there has been some blowback from some people that you and I both know, Deputy Minister Huston, who are encouraging Winter camping and Winter activities. Obviously the department has not been able to meet the 90-day time frame on that. When are meetings set up to speak to our national counterparts about resources and timelines on our national parks?

JUSTIN HUSTON: I commit for sure we'll start having those conversations in the coming months with the parks. Just to clarify, the 90-day is around creating the work plan. We're not being asked in the mandate letters to achieve all of those items in the mandate letters within the 90 days. I just want to be clear about that. Certainly, within the coming weeks and months, I'll make sure that we reach out and talk with our Parks Canada colleagues on this item.

BRENDAN MAGUIRE: You've said that some of the work has been done behind the scenes, obviously for all of this stuff, so I'm just requesting that your department, along with the Department of Public Works and the Department of Economic Development forward their 90-day plans, the work that's been done on it, to the Public Accounts Committee.

[9:30 a.m.]

I think it's very important. Premier Houston was very specific in his mandate letters, and I read them all, and you know what? They were great mandate letters, but he set some very strict timelines, and I think they're very important timelines, especially around where the departments go next, specifically some of these departments that have had some upheaval and some change, and have had new people brought in.

What I'm asking of you and I'm asking of Deputy Minister Hackett and - he's going to kill me because I used to work with ...

THE CHAIR: Farmer.

BRENDAN MAGUIRE: Farmer. That the progress made on all of these items - we have all the mandate letters - all of these items in your mandate letters for the 90-day timeline be sent to the Public Accounts Committee and to the Auditor General for us to review.

We'll talk to Deputy Minister Hackett here: What do you perceive as the advantage of going from these Crown corporations to having the Crown corporations dismantled and the authority now placed under the department? Does it impact accountability?

PETER HACKETT: You're asking that question with regard to my department or, just in general, my opinion?

BRENDAN MAGUIRE: Both. You've been around for quite a while, I think, so I didn't want to leave you out over there. In regard to your department, you have a few Crown corporation agencies over there. I'm just wondering what you see as the advantage of having a Crown corporation or bringing it under the fold of the department.

PETER HACKETT: Well, we have a couple of Crown corporations. I guess we have several. Halifax Harbour Bridges is a Crown corporation. It works well. It collects tolls ...

THE CHAIR: The time for the Liberal caucus questioning has now elapsed. We'll now move on to the NDP caucus. Ms. Leblanc.

SUSAN LEBLANC: Thank you very much, and thanks, folks, for being here with us this morning. I'm just going to ask a couple of overarching questions about the review process to begin.

As my colleague Mr. Maguire has referred to many times this morning, the mandate letter from the Minister of Economic Development states that the minister is tasked to work with the Premier to review the role and effectiveness of agencies, offices, and Crown corporations. The language of finding efficiency is in that mandate letter and in this task, and finding efficiency is a bit of a hallmark of austerity politics, which can often result in privatization and a lot of public money ending up in the hands of big companies.

My first question is: What are the criteria for the review of the agencies and boards and Crowns, and how will those who are doing the reviews be measuring efficiency? Like, what is "efficient" according to the review process?

THE CHAIR: Ms. Leblanc, I'm assuming your question is directed to Deputy Minister Farmer?

SUSAN LEBLANC: Yes, please.

SCOTT FARMER: Thank you. The review has what I'll call an internal component to it, and it has an external component to it as well. Recently, there was a public survey that was released with invitations to respond with input as it relates to the various Crown corporations. It's broken into three parts. The first part, the public piece, is around roles and responsibilities of the organization. The second piece is around accountability and governance. The third looks for inputs on efficiency.

Specifically, when it talks about efficiency, it's getting into things like alternative ways to deliver the programs or services. Could the programs that are offered be adjusted in some way to better meet the end user needs? Are there programs or services that you receive from the organization that did or did not achieve the expected result? So there's a user focus on it, from an efficiency perspective: are they delivering the kinds of outcomes that users would expect?

Then internally, as we go through the review, we're looking at things like what the original mandate said, so what's in the legislation that establishes these and what's the delivery against those? The delivery against those is often reflected in the accountability reports that are filed, but it's really about efficient delivery of the mandates that they've been tasked with. There's also a good question to ask around the currency of the mandate, because a number of Crown corporations have been set up at different times.

It's not about financial efficiency per se. That could be an aspect of it, but it's about efficiency and effectiveness, I would say, in delivering on the mandates they've been asked to meet.

SUSAN LEBLANC: Thanks for that. Do you have a sense of whether jobs are on the line when this review is taking place? Are jobs part of the equation?

SCOTT FARMER: I paid close attention to my colleague Mr. Huston on responding. What I will say is the focus is really on effective delivery. There's not a conversation that I've been in where a desired outcome is a reduction of employment, but rather making sure that we're being as effective as we can.

Of course, across a portfolio of the 20 or so Crown corporations that are under review, some may be in a position where no change is required, and some may be in a position where there might be some changes that would be beneficial in the delivery of the mandate. But there's not been any emphasis on FTE reduction or cost effectiveness - or cost efficiencies, rather - for the sole purpose of budget reduction.

SUSAN LEBLANC: Would you agree that if the sole purpose is not budget reduction, it is a possibility?

SCOTT FARMER: I wouldn't speculate on the outcomes of any particular Crown or review, but there's a wide range of decisions that could be made. There could be decisions that are made where something was constructed to be larger than it needed to be and therefore ought to have a change of some sort, but until the review's complete, I couldn't speculate on what that might be.

SUSAN LEBLANC: Has there been any discussion about if efficiencies can be found by privatizing the Crown corporations, or any of the Crown corporations or agencies?

SCOTT FARMER: I've not been party to any discussions along those lines.

SUSAN LEBLANC: Has there been any commitment communicated to you that review of the Nova Scotia Liquor Corporation will not set the stage for it to be privatized?

SCOTT FARMER: I should have never made a comment about Deputy Minister Huston. The Nova Scotia Liquor Corporation falls under the responsibility of the Minister of Finance and Treasury Board, so I've not been part of discussions around NSLC.

SUSAN LEBLANC: So we can ask the Department of Finance and Treasury Board those questions. I just wanted to ask again an overarching question: is there a sense of why these reviews are happening now? I know it's a change of government, but we are in the middle of a global health pandemic and the Public Service is undergoing a lot of stress across the board. Public servants are basically working their butts off to get us through the pandemic in their various departments. I'm wondering if there's any sense of why this is happening now, and if it might not be a better idea to wait, given that it could be demoralizing and also taking away the focus from recovering from the pandemic.

SCOTT FARMER: Just to touch on one of the items there around the Public Service and the extraordinary work over the last two years: I've been in various roles over that period of time in different places and have seen just absolutely extraordinary efforts by staff and departments. I would agree that has been something that's been very significant.

The Crowns exist to deliver on a public policy objective. It's prudent at a point in time to review and make sure those objectives are being met and pursued in the most effective way. I think it's particularly prudent at the beginning of a mandate to see how those are aligning with the mandate objectives. It's an opportunity, of course, for the Crown corporations to demonstrate the contribution that they make and how they align to the mandate.

In conversations that we've had with Crown CEOs and boards that we've been engaging with as a part of this, we've been emphasizing the fact that they should lean into this and really tell the story of the Crown corporation and the contributions that it makes, and urging them not to look at it in a way that's threatening.

SUSAN LEBLANC: Madam Chair, how much time do I have?

THE CHAIR: You have 11 minutes.

SUSAN LEBLANC: Just turning to an example of this type of review from the past, something that is very personal to me. I was on the streets protesting when this happened, but you may remember: in 2002, the Progressive Conservative government shut down the Nova Scotia Arts Council.

The Nova Scotia Arts Council had been the result of 20 years of advocacy in the arts community. It was an arms-length funding organization for professional artists. There was some significant underfunding and then one day the offices were locked. That's how it felt at least from the outside. I'm sure there was a little more that went into it. The efficiency found from the closing of the Nova Scotia Arts Council was \$270,000.

Mr. Huston might have some thoughts on this, but I dare say that the professional arts community is still recovering from that shift and that change. The rug was effectively pulled out from underneath professional artists in the province. I would even say a similar thing happened when the Nova Scotia Film Industry Tax Credit was cut quite suddenly, especially when the Premier at the time had promised that it would be retained for several years. The film community had the rug pulled out from underneath it.

In the context of that type of review/slashing of an agency, how will the review criteria and findings be communicated to the public and also to the people who are directly affected by the changes? Will the public have a chance to give input when it's more clear what is possibly on a chopping block of some kind?

THE CHAIR: Ms. Leblanc, is your question for Deputy Minister Farmer or Deputy Minister Huston?

SUSAN LEBLANC: Either one, I suppose. I'm going to give Deputy Minister Hackett the day off.

JUSTIN HUSTON: Why don't I start, and then if Deputy Minister Farmer wants to add anything there, he can. Thanks for that background. I was not aware of that, actually. That was well before my time here in the department and in government.

I think I'll cut it back a little bit what Deputy Minister Farmer was saying as well - we're in close conversation with the CEO and the boards of these organizations. The way that we're approaching it internally, and the way that we're working with our partners, is around working together to find some ways about being able to possibly change the way that we're structured. We may not change anything at all, but it's just to have a check in terms of, are we meeting the mandate that we're looking to achieve?

I know that some of the organizations have been seeking change from us for a number of years around working better, so there might be an opportunity actually for a win-win here. I can speak to that end of it. I can just say that I don't know in terms of the process going forward, in terms of the outcome, if there is a plan for an opportunity in terms of that communication. But that's certainly something I'll take back and share with folks and take into consideration, because I certainly understand that perspective and share those concerns too - particularly for those organizations that really represent the sector.

THE CHAIR: Ms. Leblanc, do you want to now ask the same question of Deputy Minister Farmer?

SUSAN LEBLANC: That's okay, Madam Chair. I'm going to turn the rest of my time over to my colleague, Ms. Chender.

THE CHAIR: Ms. Chender.

CLAUDIA CHENDER: Thank you. I do want to follow along the lines of some of the things my colleague was discussing. One of the things that we were concerned with as a caucus just before the change in government was the announcement by the then-government that they were looking for somewhere in the neighbourhood of \$200 million in the budget that had been proposed.

Now I know that we're going to have a new budget soon. I'm sure the deputies are working on that. There was a proposition that we were going to find \$200 million - I don't think the word "efficiencies" was used, but I do think it's the same theory which is probably why so much of our questioning is in that realm because this has been floated. Again, why

it's so concerning, because we are still in a pandemic, we're still suffering the financial effects of that pandemic.

[9:45 a.m.]

I guess I'll ask you each to answer that. Does that mandate to find those efficiencies with dollar amounts attached, particularly given that we've been told this budget will run a deficit around health care spending - are you being asked to find financial efficiencies in your departments, and is there a dollar amount attached?

SCOTT FARMER: As you noted, we are in the midst of a budget process. It's unfolding as budget processes typically do, where departments will make submissions in terms of where there are budget pressures or opportunities for go-forward spending. At the same time, we'll identify where there are mitigations - a program that's coming to an end, as an example.

In terms of an overall target reduction, there'd been some in the past where departments were asked to find 10 per cent of their FTE's, or five per cent of their budget. We're not working within any kind of a constraint like that.

PETER HACKETT: In our department, we haven't been asked to look at those. Similar to Deputy Minister Farmer, we haven't been asked to look at any reductions or changes. We're really just basically doing the work that we normally do. Obviously, we're out ploughing snow and things like that right now so we have to do that. Any of the reviews with these Crown corporations, they're just under review and we haven't been given any direction to do any differently. We're basically status quo, as far as that goes.

JUSTIN HUSTON: I'll just echo my colleagues. There's nothing like that happening at CCTH.

CLAUDIA CHENDER: How much time do I have left, Chair?

THE CHAIR: Four minutes.

CLAUDIA CHENDER: Okay, thank you. I want to pick up a little bit on what Deputy Minister Farmer suggested as the budget process because one of the things our caucus has been suggesting since 2020 is an economic recovery task force. Mr. Huston would certainly feel this in his department, I think my colleague spoke to it: The pandemic still has some pretty deleterious effects, particularly on business and everything connected in the ways that we make a living, in the ways that we show up in the world. That would be Economic Development, that would be CCTH, that would be all the departments.

My concern is that if we're doing these line items of efficiency, we might miss the forest for the trees. I think, Mr. Huston, you spoke about the ways in which you're being

able to communicate more as things are being brought in, but we often don't see that between departments. Are there ways that you're actually being asked to invest around impacts of the pandemic that are cross-departmental?

We know that there are certain impacts, like women's employment has gone down 28 per cent. Is that something that's being looked at in a cross-department or cross-Crown way as we think of these reviews, as we work toward budget? Are the three of you able to do that?

I see Mr. Huston, so maybe I'll ask him, and then if the other deputies have a thought, that would be great.

JUSTIN HUSTON: Yes, I can respond in a general sense that, absolutely, there's a lot of focus. We try to work very horizontally across departments, and at the deputy level and the senior management teams, across departments.

We're in pretty regular conversation around key things. COVID-19 recovery is a good example. My staff are in constant conversations with Public Health, with Deputy Minister Farmer, and staff around what are some of the areas where we can draw focus, put our collective resources and attention toward in responding back to concerns from industry, and concerns from community groups. I think the key is looking for those solutions.

We all know there are not unlimited resources, so what are those things that we can do to have the most bang for the buck or - pardon the expression - kill a couple birds with one stone, that can lift up communities but also create vibrant areas for business. That really is based on hearing directly from community organizations and businesses about what's needed most.

Obviously, we're not always able to do everything for everybody, but the key is those conversations. Without those conversations across - you're absolutely right, we wouldn't be able to be as effective and efficient. In a general sense, absolutely, and I'll defer if my colleagues want to add anything.

THE CHAIR: Order. The time for the NDP questioning has elapsed. We'll now move on to the PC caucus. Mr. Young, are you up first?

NOLAN YOUNG: Thank you, everyone, for being able to attend today and answer some of the questions. My first round of questioning is around the general overview of Crown corporations. There's a wide variety of Crown corporations in Nova Scotia that are representing different sectors and services. For each of your departments, could you talk a little bit about the relationship between the department and the Crown associated with them? Is there a lot of engagement?

THE CHAIR: This time we'll do reverse alphabetical, so we'll start off with Deputy Minister Huston first.

JUSTIN HUSTON: There are 19 boards, Crown corporations and agencies that are associated with the Department of Communities, Culture, Tourism and Heritage - five of which are in this current round of review. As you pointed out, they vary significantly in terms of their scope, their focus, their size, and their scale. I would say the level of engagement from our department staff, myself, or the minister would vary accordingly.

I can give you some examples, and I can tell you a little bit about some of the things that we do to support those boards, commissions, and agencies. In some cases, I sit as de facto board member on some of these boards. In other cases, staff do as well and participate regularly and are ex officio members. In some cases, the boards are supported by our staff, play secretariate service and help provide meeting organization, so support there.

In other cases as well - I'll give a great example of some of the work that we're doing around equity, diversity, and inclusion. Our department has created an EDI toolkit, which we've piloted with the Museum Board of Governors. We're starting to share that with other boards that we work with the aim of sharing that across government. There is some good work that we do to help support that capacity and other professional development opportunities as well.

Our job, we feel, is to be responsive to those boards, because as some of your colleagues have noted, they're the folks who are often closest to the ground or know their business well. We feel our job is to really help provide those supports and where necessary provide that direction, too, in terms of we are that linkage to the mandate of government and direction of government as well as where the boards want to go. It's that kind of constant conversation.

PETER HACKETT: I reiterate the same as Deputy Minister Huston. In our department, we only have a few boards and agencies, but we have a very good relationship with them. If the Halifax . . .

THE CHAIR: Order, the time for the NDP caucus has elapsed, I think. We will move on now to the PC caucus. (Interruption) I'm sorry, I didn't tick it off on my box. Deputy Minister Hackett, please continue.

PETER HACKETT: The few boards and agencies that we have share a very similar mandate as the Department of Public Works. They're Public Works types of entities, so Nova Scotia Lands does Public Works types of things in Nova Scotia Lands. Halifax Harbour Bridges looks after two major bridges here in the city. The Highway 104 Western Alignment Corporation looks after the Cobequid Pass.

We all have very mutual interests together, and very similar mandates. We also keep in contact with all those agencies quite frequently. I'm actually chair of the board for Nova Scotia Lands, so I kind of have both hats going on here and kind of understand both groups, as well as Halifax Harbour Bridges. I'm in touch with the CEO quite often.

We share some resources. We share a lot of ideas. Even things like, as I say, sharing resources - we shared some of our engineering, some of our engineering background, just to help each other out with efficiencies. Anything that any of those agencies need we try to help out with, and sometimes in our department, we reach out to those agencies to help us do some of the things that we do here as well, if it makes it more efficient.

To answer your question, we are in constant contact and we do have a very good relationship with our ports and agencies.

SCOTT FARMER: Very similar to what my deputy colleagues have described, we've got presence at the board meetings in an ex officio capacity, for the most part. We've got bi-weekly meetings that we hold with the CEOs, so that we're in very close contact. On an ad hoc basis there's conversation very regularly with the CEOs as it relates to particular files.

Of course, the minister is ultimately responsible for approving the business plan on an annual basis, so there's a level of oversight there, and then we do a detailed quarterly review with each of the Crown corporations as well. There are a number of mechanisms in place to ensure coordination between the department and the Crowns.

NOLAN YOUNG: I know there's a wide variety of Crown corporations in Nova Scotia and that might make it difficult to answer this in general terms, but could you talk a bit about how Crown corporations work with the private sector groups that exist in the same industry or service area? Hang on one second here, sorry.

Crown corporations seem to be very public-facing or stakeholder-facing. Could you talk a bit about how the Crown corporations work with the private sector groups that exist in the same industry or service area?

THE CHAIR: Mr. Young, is that question for a specific deputy?

NOLAN YOUNG: In the same way that all three had an opportunity to briefly speak up.

THE CHAIR: Excellent. This time we'll start with Mr. Hackett.

PETER HACKETT: The agencies that work with us, or under our minister, they're sort of independent, I guess, of how they work with the stakeholders and the private sector, but they do follow similar procurements, similar tendering work, that sort of thing. When

they deal with contractors, when they deal with the public, they have somewhat of their own staff to deal with communications and how private companies may work with them.

We don't really get that involved, as a department, with how they do their work. They do their work similarly or the same as - the same sort of mandates under government. They have to do procurements under government similar to what the government would do. When they reach out to the private sector, they do it in the same sort of fashion as the department would do.

So in that case, they kind of create their own relationships. They build their own stakeholder groups. What I get from working with them is they do a great job of working with those groups and the people who are interested in their assets. Basically, it's an independent way they work, but they certainly have a good way of doing it and they seem to do it quite independently.

I haven't heard much from anybody in the private sector who has really had any complaints about the operations of our agencies. I guess we have two, when you look at the harbour Big Lift. During that period of time, the bridge commission looked after their own communications. They looked after the traffic flow. But they worked with our department, ensuring to let us know. They worked with HRM to let them know when the bridge was going to be shut down and how traffic was going to be rerouted.

They looked after those things independently, but they did a good job. I'm sure that there was lots of communication back and forth from the public to them.

Same thing on the Cobequid Pass. When we have to shut the pass down due to snowstorms, and anybody who has been in Cumberland County or Colchester County this Winter, we've had to do it. It's a process that's in place, and it's something we do that is well done by their staff and our staff, and it's a mechanism that's done to shut it down. They do a great job at communicating that and moving traffic to another highway where they can get the pass closed off. They do a really good job on their own working with the public and the stakeholders, but like I said, we don't get too many complaints on how those things operate.

SCOTT FARMER: If I think about the Department of Economic Development Crown corporations, they work really collaboratively with the organizations that are in a similar space, I'll say. The intention is that no one's competing with private industry but rather working collaboratively.

For NSBI, it's often working with firms that want to come to Nova Scotia or firms that are in Nova Scotia in terms of how they can become more efficient and productive and grow their export base. For example, for an organization like Innovacorp, they're filling a gap around the access to early stage venture capital and working within the system that exists to help identify those companies and help them grow so that they can get private

investment as they grow and proceed. They would work with private venture funds and others to help these companies thrive and succeed.

Develop Nova Scotia works with a number of private entities, so if we think about the Internet for Nova Scotia Initiative, they're working with providers like Bell and Eastlink as they roll out services. Of course, Events East would be working with any number of private-sector partners to bring them into the Convention Centre or bring events to the Scotiabank Centre, so it's a complementary role that they play in trying to drive economic development.

JUSTIN HUSTON: Of the 19, I don't think all are that relevant to the question, but there are a couple. Of the 19, for example, nine are library boards, so it isn't quite relevant, or the Museum Board of Governors.

I think the two that are probably the most relevant to your question would be Arts Nova Scotia and the Creative Nova Scotia Leadership Council, with very close connection to businesses, organizations, and individuals in the cultural and artistic community and economy. They are composed of representatives from that sector and really do a lot of work to make sure that voices are heard from that sector and are communicated effectively to government. That is the key focus.

As well, in some cases - say with Arts Nova Scotia, for example - they administer funding grant programs that go to individual artists, so they have a direct connection in terms of supporting individual artists to conduct work.

NOLAN YOUNG: My last question with this: are there any best practices for Crown corporations, or do they tend to vary based on the area of operation? I'll just throw that out to anybody who may be able to answer that.

JUSTIN HUSTON: I'll start just because my mic wasn't on mute. I really think it's that old adage that form follows function. There are well north of over 300, maybe closer to 350 agencies, boards, and commissions across government that are tied to the Crown. We joke - I'm sure it serves a very good purpose, but there's the Apple Maggot Control Board that has existed for I don't know how long, all the way to something like Innovacorp. There's a whole range of things.

I don't think it's safe to say there's a best practice, but I think what's helpful with this review that's being undertaken is we're able to look at some of those across - I can tell you from even those that I work with, they're different in terms of the size, the number of board members or the reporting through to the minister or representation of the department.

I would caution to say this is not about making square pegs fit into round holes or making a cookie cutter to this. This is actually trying to make sure that what we're trying to achieve in the mandate that they're trying to achieve, they're able to work as effectively

and efficiently as possible. I think there are some best practices across, but I don't think there's universal, and I'll just leave it at that. I know that was kind of a non-answer, but it was an answer in the sense of the answer is essentially "there are," but it's really pretty specific to what you're trying to achieve.

THE CHAIR: Mr. Young, would you like the other deputies to answer as well?

NOLAN YOUNG: I saw Mr. Farmer's hand go up there.

SCOTT FARMER: One of the items that was in the research package that actually proved to be a good reference, I think, for a lot of corporation boards going forward is the Ivany piece around best practice principles for corporate governance and Crown corporations. It talks about things like the purpose of the Crown corporations should be clearly stated in the legislation, mandates should be reviewed regularly, the size of the board should be appropriate to the level of responsibilities, board members should receive an orientation - and it goes on.

There are a number of things, but regardless of the domain that a Crown corporation is operating in, there's a lot of good advice there in terms of how a board might operate.

PETER HACKETT: I'm just going to go back to a little bit to what Deputy Minister Huston said. They're kind of broad in range and what they do and how they operate, so it's kind of hard to say which ones work better than others or how they're more efficient than others. It depends on what you're looking at.

Like I mentioned earlier, we have a couple that collect tolls, and those tolls go back toward the entity and helping that entity ensure that it gets good service, like the bridge commission. That is a decision that was made a long time ago to do it that way, and it's actually kept those bridges alive, and it's kept good infrastructure for the city. People get back and forth to work every day, and it seems fairly seamless. That's just one entity that works that way, but it's under this review as well.

On our other side is Nova Scotia Lands, and what they do is a little different. They don't collect any funds, and so on and so forth, but they have a different type of efficiency, and they do good things for our department as well. It's a bit of a broad question, and I guess that's what we're heading into to look at for this review. As far as these, we're looking at those right now.

THE CHAIR: Thank you, Mr. Hackett. Mr. Young, you indicated that was the end of your questioning. Is that accurate?

NOLAN YOUNG: Yes. To my colleague, MLA MacDonald.

THE CHAIR: Mr. MacDonald, you have four minutes left.

JOHN A. MACDONALD: My questions are for Deputy Minister Hackett. You mentioned tolls. Since the Cobequid Pass is no longer getting tolls for Nova Scotians, what's the plan for the Highway 104 Western Alignment Corporation?

PETER HACKETT: I'm assuming you're meaning the agency itself? With the transfer of tolls to out-of-province vehicles, it took the time over the Fall to get there, but it's relatively seamless for what we're doing up there. Things are pretty much business as usual. We just happen to be collecting tolls for out-of-province motorists.

As far as the agency is concerned, it's the same thing. We've got the same amount of staff working and the same contractors working, and the same people in our agency, which is quite small. Right at this moment, it's working quite fine. However, we'll have to look at the legislation for the past, now that the bondholders have been paid out, and does it still apply in its current role.

As it speaks right now, the legislation would be the only thing we're probably going to have a look at - whether it still applies to the current paths. For the other parts, it's pretty much business as usual.

JOHN A. MACDONALD: You've answered my other question - any changes to it requires legislation. It's not something that's under a regulation.

PETER HACKETT: Correct. It's under the Highway 104 Western Alignment Act. For the most part, if you've read the Act, it pretty much applies to what's there today, but there would have to be a review of that just to ensure, going forward, that it still meets the requirement of what the agency's set up to do. We'll be starting that shortly.

JOHN A. MACDONALD: I'll defer any time left to MLA Ritcey. Thank you.

THE CHAIR: Mr. Ritcey, you have one minute.

DAVE RITCEY: This question is for all of the deputy ministers. Do all Crown corporations approach accountability in the same way, and do they have similar governance structures?

THE CHAIR: Deputy Minister Farmer, we'll start with you. You have less than a minute.

SCOTT FARMER: I would say that there are certainly some commonalities and generalities that you can apply. Most often, the minister needs to approve a business plan. Most often, there's a requirement to file an accountability report. They're certainly subject to FOIPOP and budget processes and a variety of things in common, but there are nuances between all of the Crown corporations based on what's in the legislation that created them

in the first place, so you'll find differences in the way that boards are composed, what the minister needs to assent to or not within the organization, and some of those are...

THE CHAIR: Order. The time for questioning for the PC caucus has elapsed. We will now move into our second round of questioning, beginning with the Liberal caucus, and each caucus will have eight minutes. Mr. Maguire.

BRENDAN MAGUIRE: Again, I just want to keep our answers direct. This is to Deputy Minister Farmer. In the minister's mandate letter, it specifically talks about the Nova Scotia Loyal program, and that within the first 90 days there are to be timelines and structure for this program. What is the timeline to roll out the loyalty program, and what is the structure of this program, and when can Nova Scotians expect to see this program?

SCOTT FARMER: There is work under way on the Nova Scotia Loyal program, but in terms of the ultimate design of it and the ultimate timing, those are decisions for government to make, and I couldn't indicate what that timing might be at this point.

BRENDAN MAGUIRE: In the mandate letter, it talks about how the minister - who is government, who runs the department - is to bring forward and work on the timelines. Has your department worked on timelines to roll out this program?

SCOTT FARMER: We have done work around timelines to do the preparatory work and bring forward some recommendations. At this point, those are essentially advice to minister and advice to the Executive Council.

BRENDAN MAGUIRE: What is the advice and the timelines for this program from your department? What advice have you given government to roll this program out?

SCOTT FARMER: We're into an area here where it's advice to the minister that if we were in a FOIPOP situation it would be held back. I'm just looking for a little bit of guidance in terms of what ought to be disclosed in this forum. Perhaps Mr. Hebb has some guidance for us.

GORDON HEBB: The committee has an ability to insist upon an answer despite what Mr. Farmer has said, but that does not mean that the committee should insist. The committee should act accordingly.

BRENDAN MAGUIRE: I would insist on the answer. I've asked a very specific question that is in a public mandate letter, to Deputy Minister Farmer. The Premier has put in the mandate letter that these mandate letters are public. They're public information. It's a loyalty program which this government ran on. Your minister was mandated by the Premier of Nova Scotia to have this information after 90 days.

I'm asking you once again: What is your department's rollout? What is the advice for the rollout of this program? These questions are not anything out of the blue or unprecedented. We've asked lots of questions like this to deputies over the eight years I've been on this committee.

[10:15 a.m.]

SCOTT FARMER: What I can say is that work continues in the department to design the program. The design of the program will be informed through some consultation that will occur and will develop some options for government. The government will need to make decisions about the precise parameters of the program. We'll be bringing those forward on a timeline that the minister is comfortable with. I couldn't say that we're going to bring something forward in March or in June - I couldn't offer a date at this point.

BRENDAN MAGUIRE: So there have been no specific dates or timelines, is what you're telling me. In the mandate letter it did specify this type of things. You're telling me that the department has not come up with any specific date or timeline for this program?

SCOTT FARMER: We don't have a launch date that we've identified, but we've identified the work process to bring the options forward.

BRENDAN MAGUIRE: So what is the timeline on the work process to bring these options forward?

SCOTT FARMER: I don't have the timeline in front of me - I should say that - but we'll be bringing forward some options to government in Spring of this year.

BRENDAN MAGUIRE: Was any timeline or date submitted to the Premier or the Premier's Office?

SCOTT FARMER: In accordance with the instructions, we outlined what the process steps would be.

BRENDAN MAGUIRE: That's a non-answer. The question was, were any timeline or dates given to the Premier's Office or the Premier himself?

SCOTT FARMER: I don't have the dates in front of me, but we did break out when we anticipated doing research, when we anticipated doing stakeholder consultation, when we anticipated bringing options forward - the typical process that you would follow around program development.

BRENDAN MAGUIRE: So you're saying, yes, this was submitted to the Premier and the Premier's Office?

SCOTT FARMER: Yes, in accordance with the mandate letter.

BRENDAN MAGUIRE: Deputy Minister Farmer, I'm not trying to pick on you. I apologize. We're just trying to get some answers around these mandate letters.

The mandate letter says - to all the deputies - that the completion of all these tasks will happen within 90 days. Deputy Minister Farmer, your mandate letter says all of those tasks, including the timelines, will be completed within in 90 days. As per your mandate letter, have you fully completed the timelines?

SCOTT FARMER: Just as a point of clarity, the 90-day requirement was for the development of the timelines. It was not for the delivery of the program.

BRENDAN MAGUIRE: I just want to be very specific. I'm not asking you about the delivery. I'm asking you about what specifically it says, which is, within 90 days . . .

THE CHAIR: The time for the Liberal caucus has elapsed. We will now go to the NDP caucus. Ms. Leblanc.

SUSAN LEBLANC: I just wanted to go back on a comment that Deputy Minister Huston made about the arts sector in tourism. There has been a little bit of talk about film tourism in Nova Scotia and that a healthy arts sector is a leveraging tool for tourism and other investment in the province. I agree with that, and I just want to ask about that.

If the arts sector is a good leveraging tool, is there a plan to increase funding to the arts sector so that it can be more robust and healthier, and expand and be a better leverage for that type of investment?

JUSTIN HUSTON: This is something that we've talked about in the past. The short answer is, yes. We're working on our budgeting process now. We've had several meetings with key industry partners in the sector and looking at ways that we can support around the operating. Those conversations absolutely continue.

If I can, just to elaborate a little further on the point that I made and you made earlier, what makes Nova Scotia communities so special are those cultural hubs - both for community members, or travel within the province, or people visiting. There's the natural beauty, but then it's the people, and what makes the people, the people? It's those offerings that we can provide, whether it's a lobster dinner in a community hall, a community theatre, local artisans that are able to purvey their goods.

It's absolutely one of those key things that we look at from CCTH: what makes Nova Scotia, Nova Scotia? A key part of that is our culture and our heritage and our artistic communities. The short answer: yes, absolutely. I hope that answered your question.

SUSAN LEBLANC: It didn't really answer my question. I'd love to be more specific, but perhaps we can carry on this conversation during Budget Estimates.

The fact is, arts and culture often is used in this way and talked about, like a lobster dinner and the fiddler at the pub in Chéticamp - which, by the way, was a real thing for me, and it was Rodney MacDonald when I was touring Cape Breton in the early 1990s. We need to fully invest in that sector.

JUSTIN HUSTON: You're preaching to the choir there. It is a key part of our economy. The support that we're able to provide - emergency funding to industry, as well as federal dollars - really helped the sector through the pandemic. It's coming out of the pandemic that I think everybody is looking at. That sector was the first impacted and the longest to recover in many cases, and we still see that with some of the restrictions in place now. A key part to our economic recovery, as well as our communities, as well as making sure that that sector remains strong and can build back better, as the report outlines.

SUSAN LEBLANC: I'm going to pass it on to Ms. Chender.

CLAUDIA CHENDER: I was riveted by the last exchange with my Liberal colleague. I don't want to go back to it, particularly, because we are on Crowns, but I do just want to say when we did request that information, it was fully redacted. Just for the record, that's odd. If there's something in a timeline, it's public. We're asking what's the update, and we get pages of black ink, it sounds a lot like what we heard the Tories criticizing the Liberals around for eight years. I'll move on from that.

Since the Western Alignment Corporation was brought up by my colleague Mr. MacDonald, since we're reviewing the Crowns, and since the Halifax-Dartmouth bridge commission was mentioned - those of us on this side of the harbour do pay for the privilege to enter Halifax every single day that we have to do it. There's been very little discussion about that, but it's real, and it's not just Dartmouth South and Dartmouth North who you have here on the committee - it's everyone from points east of that. It is a real financial barrier - the tolls have just gone up.

I guess I want to ask whichever deputy could address this - maybe Mr. Farmer. Are there plans to review taxing the citizens of HRM for going back and forth to work everyday?

SCOTT FARMER: I don't have a connection to the bridge commission, and I've not been a party to any conversations along those lines.

CLAUDIA CHENDER: Perhaps Deputy Minister Hackett could address this?

PETER HACKETT: That isn't necessarily part of the review, but we're collecting information on that sort of thing as part of this process and we're looking at tolls. Tolls just

went up not that long ago, I think January 3<sup>rd</sup>, the first time in a number of years that's happened. That's going toward the capital program that the bridge commission has in order to keep those two bridges running efficiently and effectively.

Not to get into a lot of history here, but interestingly enough, they are two truss suspended span structures, which require a lot of maintenance and a lot of update all the time, so they're expensive things to operate. That's where the revenue from the tolls comes from. It's basically to keep those bridges operating and making sure that people can get back and forth between Dartmouth and Halifax and other places every day. It keeps them independent to ensure that the money from the tolls goes toward those two assets.

They're steel. Steel bridges over salt water is a difficult thing. They do take a lot of abuse and a lot of maintenance to make sure that they're sustained properly. That's why you've got what you've got, but it works. That group works well, but as far as the review on the tolls - haven't been told to look at them, but I'm sure it will be part of the overall review as we go through this.

CLAUDIA CHENDER: I'm quite familiar with those bridges, particularly having lived through the Big Lift - both my colleague Ms. Leblanc and I are proximate to those bridges on the Dartmouth side. Everything you say is true, and yet we see routinely often tens of millions of dollars in overruns on new interchanges or pothole filling. All that is expensive too, and yet we aren't charging the individual users of those interchanges and roads for the privilege of doing the work. However, we are charging the people who travel those bridges.

There may be a good reason for that, but I guess I just want to put a point on the fact that if you're doing a review, and we were told in the introduction that part of that review engages users and wants to understand why people . . .

THE CHAIR: Order. The time for the NDP questioning has elapsed. We'll now move on to the PC caucus. Mr. Ritcey.

DAVE RITCEY: I think about some of the Crown corporations like the Nova Scotia Liquor Corporation - it's been around for half a century. Others like NSBI, 20 years, and additionally right in my backyard, Perennia is even newer. From your experiences, what are the challenges that Crown corps face adapting to changing landscapes and environments? That's broadly for everyone.

THE CHAIR: We'll start with Deputy Minister Farmer.

SCOTT FARMER: Certainly, as circumstances evolve, the Crown corporations need to evolve with them. You mentioned NSBI was established in the year 2000, and the way that it operates in 2022 is different than the way that it operated then. That's in

response to changes in the economy, changes in the needs of Nova Scotia companies, and opportunities that are identified.

[10:30 a.m.]

For example, it had a program in place for the last few years, the Innovation Rebate Program, that provides a rebate of 25 per cent on capital investments up to \$15 million. That came from consultations with industry around how we can really spur more capital investment in our manufacturing industries for the most part. For every dollar that gets spent on that, there are three dollars or more of private capital investment that happens - but that's not a program that was in place in 2000.

Sometimes there's an amendment to the legislation itself to recognize a new role or responsibility in response to changing circumstances. Develop Nova Scotia once used to be the Waterfront Development Corporation. In 2018, it was changed to Develop Nova Scotia with a broader mandate and a broader focus. It's important that the Crowns keep up with the times, I would say. Whether that involves changes to their business plans or changes to their legislation, it's important that they continue to evolve.

Of course, over the last couple of years, like every organization, they've had to evolve dramatically in the way that they deliver services. While Events East is not a Crown corporation - it's jointly held by the Province and the city - it quickly had to adapt the way that it operated and move to find more local small events that it could host at the convention centre. It became a testing site and became as efficient as it could be in its operations while there was much less revenue coming in the door.

There are similar stories with the other organizations. NSBI really moved quickly to how to support virtual trade shows and how to help Nova Scotia companies become more digitally enabled so that they could do business without travelling. It's very important that they evolve with the times. I'd say the review is an opportunity to help them continue to evolve with the times.

THE CHAIR: Mr. Ritcey, did you want the other deputies to speak to this as well?

DAVE RITCEY: No, that's fine. Thank you, Deputy Minister Farmer, for the answer.

That leads me to my next question, and this is for all the deputy ministers. Are the Crown corporations set up with a great deal of flexibility, or do they often encounter situations that weren't contemplated when they were created?

JUSTIN HUSTON: Thanks for that question. Again, I think it depends on the nature and the way that the boards or commissions or agencies were set up. As Deputy Minister Farmer noted, sometimes it's clearly spelled out in the legislation what their mandate is or

how they need to operate. In other cases, it's a little bit more open. That's why in some cases, if we want to make changes, we have to go back and do an amendment to the Act - whether it's more than just a name change.

I can give you some examples of how things change. This kind of links back to your question that Deputy Minister Farmer answered. You can imagine with library boards, the nature of how libraries have changed over the years. Another good example would be the Public Archives of Nova Scotia Board of Trustees. Everything used to be paper; now we're all moving to digital.

As the world changes, we need to be able to be flexible. I think that's a part of this review: looking across the board at how we have set up these agencies, boards, and commissions to be successful and to be adaptive. We want them to be accountable to the minister and to the Legislature so we don't want to make them too open and flexible, but they have to be accountable to Nova Scotians. We're probably never going to be able to solve that completely, but wherever boards and agencies and commissions can be flexible, we want to enable that so that they can be responsive while still being accountable.

THE CHAIR: Deputy Minister Hackett.

PETER HACKETT: I don't really have much more to say than what Deputy Minister Huston said. I mean, it really depends on the agency and the board and how they're set up and how their mandates are. I don't have many under me, but the ones that are under me are fairly rigid. Like I said, when we talked about the Cobequid Pass and the bridge commission - they're rigid in structure. They're very defined in their mandate.

One thing that they get to do is work independently from the department but also - as we mentioned earlier in the conversation - rely on the department for certain collaborative work. But the way they're set up is rigid and they're done a certain way to make sure that they're accountable, in being rigid.

Nova Scotia Lands is a little more flexible. It started many years ago with working a lot at the Sysco cleanup, the tar ponds cleanup in Sydney. It kind of evolved from there. It's taken on many different roles over the years. It's taken on different assets and moved in and out of what they do. It's a little more flexible in the way it's set up, and it's worked that way for many years. That's one of the areas of review as well.

Going back to what Deputy Minister Huston said, depending on what agency you're looking at or what board you're looking at, it would really matter on how flexible they are.

THE CHAIR: Deputy Minister Farmer.

SCOTT FARMER: I would say the starting point on that question is often what the objects of the corporation are. That's set out in the legislation that establishes them.

Sometimes the objects are sufficiently broad to accommodate changes over time, and sometimes they're more narrow and it requires a legislative change.

We used the Develop Nova Scotia example before, but when there was a very significant change in mandate that went beyond the objects of the Waterfront Development Corporation, it required a legislative change to meet that.

THE CHAIR: Order. The time for the questioning - the second round - has elapsed. I would like to thank our witnesses today. Ms. MacDonald, thank you for joining us. Deputies Farmer, Huston, and Hackett, thank you for joining, as well. Does anyone want to make a closing statement before you're released?

JUSTIN HUSTON: Just to say thank you for the invitation to present here today, and for the questions.

PETER HACKETT: Thank you, everyone, for the questions and having us here today. Thank you.

SCOTT FARMER: I'll offer something similar. Thanks very much for the opportunity.

THE CHAIR: Thank you. You are free to go. You don't have to hang around for the rest of our committee business. Thank you very much.

Now we'll move on to committee business. We do have a motion on in camera meetings that was deferred from the February 2<sup>nd</sup> meeting - Mr. Maguire, I do see your hand. Members have been provided with the motion and the amendment from last week's meeting, as well as suggested wording for the motions that have been put forward by both the NDP caucus and the Liberal caucus.

I'd like to open the floor for discussion. It may be that the most appropriate way to deal with this is, if it is the will of the committee, to have Mr. Maguire and Mr. MacDonald rescind their motions from the February 2<sup>nd</sup> meeting. Then the committee can have a discussion on the wording of any motions that have been circulated, and come to agreement on wording. Then, one full motion can be put forward to a vote.

My question is, is it the will of the committee to have the previous motions withdrawn? If I could have an indication if that's what people are comfortable with? If you give me a thumbs up or a thumbs down if you'd like to have them withdrawn - and then have discussion about the other ones. I saw one, two thumbs up, three, four - Ms. Chender, I don't think I've seen anything from you. Okay, good.

With that, we will ask Mr. Maguire and Mr. MacDonald to rescind their motions. I just want to make sure I'm doing this correctly. I do believe that if you've made a motion,

it belongs to the House, but you can withdraw it with the committee's unanimous consent. We do have unanimous consent for that.

Mr. Maguire, would you like to withdraw your motion? He is nodding up and down signaling yes. Mr. MacDonald, would you like to withdraw your amendment?

JOHN A. MACDONALD: Mr. Hebb has his hand up, Madam Chair.

THE CHAIR: Yes, I can see him. Mr. Hebb.

GORDON HEBB: The motion's been passed, so you need to actually move a new motion to rescind the old motion. You're going to need two motions, then they just require a simple majority. You can't withdraw the motions now, once they've been passed.

JOHN A. MACDONALD: Just a point of clarification, Mr. Hebb: they haven't been passed. They've just been on the table.

GORDON HEBB: I misspoke then. If they haven't been passed, yes, they would require unanimity to being withdrawn. Yes, sorry.

THE CHAIR: What I have here is that we have to withdraw it with the committee's unanimous consent, and then a new motion can be made. Mr. Maguire, can you indicate to me verbally that you are withdrawing your motion?

BRENDAN MAGUIRE: I am withdrawing the motion, Madam Chair.

THE CHAIR: Mr. MacDonald, are you withdrawing your motion?

JOHN A. MACDONALD: I'm withdrawing my amendment, yes, Madam Chair.

THE CHAIR: With that, do we have the unanimous consent of the committee to approve that? I'm seeing thumbs up, so we have unanimous consent. Now we can discuss what we would like to do going forward.

We have two that have been circulated. Would anyone like to speak about theirs? Ms. Leblanc and then Mr. Maguire.

SUSAN LEBLANC: I guess I'll just make my motion that has been circulated: I move that all committee business be conducted at public meetings with the exception of the Auditor General Report briefings, subcommittee business, and committee training. In the event that there is a need to make a decision in a timely way, the committee could conduct business in camera with the unanimous support of the entire committee.

That's the motion that was circulated. Basically, I was trying to take what was already on the table and combine it into something that made sense and seemed to hopefully appeal to all of the folks who have been contributing to this conversation.

I would say that the way it differs from the motion that Mr. Maguire has circulated is that we would need to agree unanimously to conduct business in camera, whereas Mr. Maguire's suggestion is that an exception could be made without unanimous consent if something needed to be decided urgently. I'll just put that out there, and hopefully we can get this figured out.

THE CHAIR: Mr. Maguire, you did have your hand up, as did Mr. MacDonald. Mr. Maguire, do you want to speak on this motion, or was that to put forward your motion?

BRENDAN MAGUIRE: Ms. Leblanc is saying that we need full unanimous consent, not a majority to make this decision?

THE CHAIR: No, I don't think that's what she was saying.

BRENDAN MAGUIRE: I just need clarification on what you're saying. What's the difference? What we're saying is an exception can be made as long as we have the majority of the group, right? Sorry, Ms. Leblanc, I'm just trying to figure out what you're trying to say here.

SUSAN LEBLANC: What I'm saying is that in the NDP version of this motion, we would conduct committee business at public meetings. But if we were in an in camera meeting and there was a need to decide something urgently, with the unanimous consent of the committee, we could conduct that business during the in camera meeting. I think it's pretty clear in the motion that we've circulated.

What I was saying though, Mr. Maguire, is that in my view, the way it differs from the motion that you circulated, is that you are suggesting that if something needs to be decided in a timely manner, an exception can be made, but there's no qualification of how many people need to decide that exception. We just decide with a majority rule, or is it unanimous consent? Ours is suggesting unanimous consent to conduct business in camera; yours is suggesting that it could happen, but there's no qualification of what kind of consent we need.

THE CHAIR: Mr. MacDonald, you had your hand up.

JOHN A. MACDONALD: I can support the NDP motion because it's actually exactly what MLA Leblanc said. It's taking the Liberal motion and my amendment, and putting it together exactly worded. This is why I really love when we get the motions before. I want to thank you for it. I will be supporting the NDP motion because it does

exactly the intent, I believe, that MLA Maguire was doing. I know it does mine - and it's just been made better just by some wording. That's my only comment, Madam Chair.

THE CHAIR: Mr. Maguire.

[10:45 a.m.]

BRENDAN MAGUIRE: The difference between the two motions - what we were saying is that we'll leave those decisions up to the discretion of the Chair. That's what our motion was: to allow the Chair to decide if the exceptions to the rule are something that can move forward. What Ms. Leblanc is saying is that we're going to leave it up to majority rules, basically - unanimous consent - so we can all decide. I have it. I see everyone shaking their heads. I have it - so, unanimous consent. We'll leave it up to the members, with unanimous consent to decide.

That means if one person decides against it, then it doesn't move forward, right? I just think that if we do it that way, nothing's going to move. Nothing's going to move. I would prefer that we allow the Chair, Ms. Langille, the clerk, and all of them to work behind the scenes to do this, rather than having every single person agree.

Listen, if we wanted to discuss a topic that the government doesn't agree with, they're going to vote no. If we wanted to discuss a topic that the NDP doesn't agree with, they're going to vote no. Nothing is going to be made - there's going to be no exceptions made. This is going to impact meetings outside - the public meetings. I think we want to be able to have this committee work more efficiently and effectively. I just don't think this does it.

THE CHAIR: Ms. Leblanc.

SUSAN LEBLANC: I just want to point out that in neither of Mr. Maguire's motions is there any reference to the Chair making the decision. I'm not really sure - it feels like that's coming out of left field.

I just want to point out that the motion that I have made is in keeping with Mr. Maguire's original wish, which was that we don't conduct committee business in private, in camera. I'll leave it there, and I hope that we can vote on this soon.

THE CHAIR: Mr. MacDonald.

JOHN A. MACDONALD: MLA Leblanc said it. I'm not going to eat up any more time. Thank you, Madam Chair.

THE CHAIR: Mr. Maguire.

BRENDAN MAGUIRE: What I'm trying to say to the members is the motion for unanimous consent - and I think they need to be aware of this - will basically ensure that if emergency situations come up, if changes come up before our witnesses, the meeting before, nothing is going to be done to address this. We've seen this already where we've tried to put witnesses through, and it just gets denied, denied, denied. This is what's going to happen if we need unanimous consent. If something comes up where we need to make a decision that's going to impact the next meeting, and if we need unanimous consent, it's going to be voted down time after time. I can guarantee you this.

What I'm saying is, just have a little bit of leeway here and allow the committee staff and the committee chair to oversee this, to take the politics out of it, and if something is of urgent need, that we make sure that there actually is a way for this to come forward. Nothing's going to come forward. Nothing's going to be approved with unanimous consent. I can absolutely guarantee.

THE CHAIR: I see you, Mr. Young. Mr. Maguire, I just wanted to let him know so he could put his hand down.

BRENDAN MAGUIRE: If this motion passes, I'm going to remind the member for Dartmouth North every single time something gets voted down because it's going to be voted down every single time, I can guarantee it. Like every other committee - and I apologize if my motion wasn't clear, but I can amend it - why not allow the staff and the Chair to make these decisions?

THE CHAIR: For clarity, in the case of a snowstorm or something like that, the Chair does have the ability to defer a meeting or something like that. I do want to make it clear to the committee that that is possible. I do believe Mr. Maguire's motion, which is not on the floor and which we are not debating - we are simply debating Ms. Leblanc's motion. Mr. Young.

NOLAN YOUNG: I just wanted to say, first our Liberal member says there's too much business happening in camera, and now it appears that he wants more business in camera. I would like to call the question on this motion.

THE CHAIR: Mr. Maguire.

BRENDAN MAGUIRE: Sarcasm is what it is, but let me be very clear for the member - I'm not saying that we need more in camera. I'm saying that we still need to have the ability to do stuff in camera if emergency situations come up. If witnesses cancel the week before, we have to have ability to make changes, and having unanimous consent from this committee is going to prevent that.

Mr. Young and Mr. MacDonald should know that. I see both of them raising their hands. You have voted against every single Liberal motion since you've been on this

committee. How can we expect anything to move forward? This may be the first time that they vote for an NDP motion.

All I'm asking for is that we do what every other committee does and allow the Chair and the staff of the committee to make these decisions and take the politics out of these decisions. I fully appreciate what Ms. Leblanc is saying. I appreciate the motion, but what's going to happen is the Progressive Conservatives are going to vote down every single thing we bring forward and every single change we try to make. There are going to be times that we're going to have to bring stuff up. I just see this as, instead of having unanimous consent, let's let the committee do what it's supposed to do.

THE CHAIR: I see hands up from Mr. MacDonald and Mr. Young. Mr. MacDonald.

JOHN A. MACDONALD: Mine is just quick, Madam Chair, and it's really to you. In the event that people can't come, that's already delegated to staff, or am I incorrect? They deal with the schedule in the event of that. We have deferred that. If the committee is next week, they can change it because of that reason, if you can confirm that. That's my only question.

THE CHAIR: I'm going to ask Ms. Langille to speak to this.

KIM LANGILLE: It would depend on who was approved. An example would be if the committee approved deputy so-and-so, and deputy so-and-so for some reason couldn't attend, it would then be up to the committee to say, are we going to proceed without that person or are we going to accept a replacement? If it's just the deputy, and let's say the deputy changes, that would be fine, then yes, I as the clerk would just have whoever, in this case the new deputy would be in that example.

If it's a specific person, then it has to come back to the committee, if that's what they've approved.

THE CHAIR: Mr. Young.

NOLAN YOUNG: I'm calling the question on this motion.

THE CHAIR: I'm going to ask Ms. Leblanc to read her motion again. We're calling the question, Mr. Maguire.

BRENDAN MAGUIRE: I'm requesting a recorded vote.

THE CHAIR: We're going to have a recorded vote on this. Ms. Leblanc, please read your motion once again.

SUSAN LEBLANC: I move that all committee business be conducted at public meetings, with the exception of the Auditor General Report briefings, subcommittee business, and committee training. In the event there is a need to make a decision in a timely way, the committee could conduct business in camera with the unanimous support of the entire committee.

THE CHAIR: We're going to have the clerk read off the names. Ms. Langille.

[The clerk calls the roll.]

[10:54 a.m.]

**YEAS**

**NAYS**

Nolan Young  
Dave Ritcey  
John A. MacDonald  
Melissa Sheehy-Richard  
Trevor Boudreau  
Claudia Chender  
Susan Leblanc

Hon. Brendan Maguire  
Hon. Kelly Regan

KIM LANGILLE: For, 7. Against, 2.

THE CHAIR: The motion is carried.

Mr. Young.

NOLAN YOUNG: I would like to make a motion. Could I move that the member for Halifax Atlantic please table any documents that indicate the completion of all government priorities will happen in 90 days that he referenced earlier in this meeting?

THE CHAIR: I'm sorry, Mr. Young. I think there was a little bit of a problem there with your audio. I couldn't hear it for part of it. Could you repeat that, please? Sorry.

NOLAN YOUNG: I'm just asking - I think it's a motion. I move that the member for Halifax Atlantic please table any documents that indicate the completion of all government priorities will happen within 90 days that he referenced earlier.

THE CHAIR: Mr. Maguire.

BRENDAN MAGUIRE: This is just a silly one. All you have to do is read your ministers' mandate letters that were actually written by your Premier. Literally, the first few paragraphs mention it. I'm not going to do Mr. Young's homework for him. If they

want to be silly here, I'm just not going to feed into it. There are a lot of FOIPOP's out there. There's a lot of information.

What I would recommend, Madam Chair, if the member is so keen on this stuff, he - like any other MLA - should have read the mandate letters. I would argue that if I asked Ms. Chender right now if she's read the ministers' mandate letters, I bet you Ms. Chender's read every single one of them. If I asked you, Madam Chair, if you've read the mandate letters, I guarantee you've read every single one of them.

In fact, I think if you go back to when the mandate letters were first released, there are news articles on it. I would advise the member to go to CTV or CBC or Rebel News or whatever they read.

Madam Chair, I just think this is a silly motion, and I just want to get into it a little bit. It's something that, again - it's the politics of this committee. The Auditor General talked about taking that out of there.

We're not playing politics with this 90 days. What we're doing is asking those departments. I was actually very happy when we read those mandate letters. When I read those mandate letters, I thought it was great to see the Premier put specific timelines in. I thought they were some of the better-written mandate letters I've seen in a long time. It really was about accountability. All of those mandate letters talked about accountability. The thread of accountability, the topic of accountability and the theme of accountability ran through those letters.

What I would say to the Vice Chair of this committee is, we talk about doing your homework. Well, do your homework.

Please don't make motions for me to hurry up, Mr. Young. I have the right to speak at this committee. I don't appreciate those types of motions. I don't do that to you, so please don't do it to me. It's very disrespectful.

The other thing is that we heard from the government side on this committee that motions coming forward should be emailed and sent to us in advance. I've seen Ms. Chender and Ms. Leblanc bring motions forward and the government side shoot them down immediately because they didn't have time to read them. Mr. MacDonald has made a big stink about this over and over - and yet you do exactly what you've railed against every single meeting.

What's the expression - "what's good for the goose is good for the gander"? If you want us to follow those rules and the policies that you want to put in place, then you do it yourself. As a parent of three children, I set the example. I don't do one thing and then tell my children they're not allowed to do that.

What I would request of Mr. Young is, instead of playing politics with this committee . . .

THE CHAIR: Order. We've now reached 11:00 a.m. with no further committee business. I just want to let folks know our next meeting is February 16, 2022. The witnesses are EMCI, the Department of Health and Wellness, Nova Scotia Health Authority, and IOUE 727, regarding the EHS contract and service delivery. If there is no further business, I'm going to adjourn the meeting.

[The committee adjourned at 11:00 a.m.]