

# **HANSARD**

**NOVA SCOTIA HOUSE OF ASSEMBLY**

**COMMITTEE**

**ON**

**PUBLIC ACCOUNTS**

**Wednesday, March 9, 2022**

**LEGISLATIVE CHAMBER/VIDEO CONFERENCE**

**Economic Impact of Homelessness and  
Return on Investment of Housing Provision**

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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

[Hon. Kelly Regan was replaced by Braedon Clark.]  
[John A. MacDonald was replaced by Kent Smith.]

### In Attendance:

Kim Langille  
Legislative Committee Clerk

Gordon Hebb  
Chief Legislative Counsel

Andrew Atherton,  
Assistant Auditor General

**WITNESSES**

**Affordable Housing Association of Nova Scotia**

Jim Graham,  
Executive Director

**Department of Community Services**

Tracey Taweel,  
Deputy Minister

Joy Knight,  
Director - ESIA

**Department of Municipal Affairs and Housing**

Paul LaFleche,  
Deputy Minister

Stephan Richard,  
Executive Director - Housing Solutions and Development

Ed Lake,  
Executive Director - Housing Authorities



**HALIFAX, WEDNESDAY, MARCH 9, 2022**

**STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**9:00 A.M.**

**CHAIR**

Hon. Kelly Regan

**VICE CHAIR**

Nolan Young

**THE CHAIR:** Order. I call the meeting to order. This is the Standing Committee on Public Accounts. I'm Nolan Young. I will be chairing the meeting in the absence of the honourable Kelly Regan.

Just a reminder to place all your cell phones on silent or vibrate and keep your mask on except when you're speaking. I will ask the committee members to introduce themselves, starting with Mr. Ritcey.

[The committee members introduced themselves.]

**THE CHAIR:** I would also note that officials from the Auditor General's Office, Legislative Counsel Office, and Legislative Committees Office are in attendance as well.

On today's agenda, we have officials with us virtually from the Affordable Housing Association of Nova Scotia, the Department of Community Services, and the Department of Municipal Affairs and Housing to discuss the economic impact of homelessness and the return on investment of housing provision. I will ask the witnesses to introduce themselves, beginning with Mr. Graham.

[The witnesses introduced themselves.]



THE CHAIR: I would invite our witnesses to make their remarks, beginning with Mr. Graham.

JIM GRAHAM: Thank you for the opportunity to be with you today. For those who do not know, the Affordable Housing Association of Nova Scotia, or AHANS, has been the third-party contractor for the federal government's homelessness investments in service and supports since 2012. These investments from the federal government started over 30 years ago with a program called Supporting Community Partnerships Initiative. It morphed into something called the Homelessness Partnering Strategy, and in 2019 to Reaching Home, which is finishing its third year of an eight-year commitment.

Over this period of time, the federal government's requirements for the funding have moved from simply counting inputs and activities to data-driven measurement on positive impacts that their investments are having on the lives of the most vulnerable. It's quite different in terms of expectations for the funding received.

It would be remiss of me not to acknowledge the financial commitments that the Province has made over the past 18-24 months to permanently address homelessness, firstly, with very specific investments, and now with the Minister of Community Service's current mandate to address chronic homelessness through permanent supportive housing. This is a very significant change, and I believe we are poised to make even more progress in the direction of ending homelessness.

There's been another change over this period as well, and that is the relationship between the federal homelessness programs and provincial investments in similar activities. I've been around long enough to remember what I would call a very frosty attitude that some provincial officials took to these federal investments in the early years of SCPI. I am pleased to say that this gradually changed over time, but most dramatically during the last two pandemic years. During this time, provincial and Reaching Home funding collaborated as never before to achieve the best possible support and outcomes for the most disadvantaged during the pandemic.

I'm here speaking with you now. My AHANS colleagues are currently meeting with Service Canada officials to learn the terms and conditions of incremental Reaching Home funding that's coming over the next two years. AHANS will receive \$5.4 million for HRM in supplemental funding, rural Nova Scotia will receive \$1.7 million. CBRM and the Indigenous community will also receive increases.

I think I'm here today with two - and may I use the word colleagues - that together with Reaching Home, we can actually achieve even greater collective impact on the collective social problem of homelessness. We have the opportunity to build a common agenda. We have a tool for shared information progress: the Homelessness Individual and Families Information System that's used by over 40 service provider agencies from Yarmouth to Sydney. We can ensure that our independent activities reinforce, rather than

conflict, with the overall goal of ending homelessness, and we can commit to the dialogue and communication that is necessary to keep us on the right track.

I remember many years ago when I was still a civil servant, meeting a retired deputy minister from British Columbia. In the course of the conversation, he said to me: in this business when the stars line up, you run as far and as fast as you can because you never know when it will happen again. I believe that this is such a time, and we will do ourselves and everyone we serve a great disservice if we do not make the most of this opportunity. Thank you.

THE CHAIR: Deputy Minister Taweel.

TRACEY TAWHEEL: Thank you very much. There is no question that having a place to live brings with it stability, security, and a sense of belonging. Having a place to call home is something most of us take for granted. For others, the struggle to find a safe, dignified place to sleep is a daily challenge. The reasons for homelessness are varied and complicated. They may include uncertain physical and mental health challenges relating to addiction, lack of affordable housing, and community/family breakdown. Nova Scotians experiencing homelessness deserve to be safe, feel supported, have shelter and to be treated with dignity.

We pride ourselves on being solutions-oriented, creative, always seeking to find local solutions to local problems, and we endeavour to work with community and partners, such as AHANS and the Department of Municipal Affairs and Housing, when we craft our path forward. Homelessness and lack of affordable housing is a problem too significant and too complex for one level of government, one private sector organization, or one non-profit group to fix on its own. Rather, it will take a focused and sustained commitment to make real change, that seeks to address the root causes of the housing issues we currently face: homelessness and poverty. That calls upon us all to take up this challenge.

The provincial government - including the Departments of Community Services, Municipal Affairs and Housing, Addictions and Mental Health, Service Nova Scotia and Internal Services, Justice, and others - have been working collaboratively and will continue to work with all levels of government, community organizations, and private organizations to address this urgent issue. Housing and homelessness are related issues, and we all work together on an integrated response.

Many people experiencing chronic homelessness have challenges that make it difficult for them to live in housing without additional supports. They may be unable to find an apartment or arrange for food and utilities. They may need mental health or substance abuse counselling or simply need help interacting with others.

Over the past several years, DCS has recognized the need to move away from a crisis-driven system to one that is preventative and responsive. Our goal is to provide more

supportive permanent housing for people across our province, and we are beginning to see progress.

In October, we announced over \$10 million to help build a firm foundation for our work with Nova Scotians experiencing chronic homelessness. This investment provides additional supports for those most at risk, such as those leaving correctional facilities or those leaving unstable family situations with children.

As we speak, a first-of-its-kind project for Atlantic Canada is also unfolding in Halifax. With an investment of \$3.5 million, the Province worked with HRM and the federal government to buy the former Travelodge hotel in Dartmouth, now known as the Overlook. The Department of Community Services has committed \$1.5 million annually to our partners at the North End Community Health Centre to provide wraparound supports to those living at the Overlook.

DCS is also supporting a project led by HRM to put 64 modular units in place in Halifax and Dartmouth. The Out of the Cold Community Association is doing a tremendous job providing wraparound supports at the Dartmouth site, and we are in discussions with HRM on the Halifax site.

In addition, we are funding community projects that address specific cultural needs. We have provided \$350,000 to the North End Community Health Centre to operate a supported housing project for men from the African Nova Scotia community, and we are proud to contribute \$1.8 million for the Mi'kmaw Native Friendship Centre to develop the Diamond Bailey House. This project will have 21 supportive-housing units and 32 emergency beds for the Mi'kmaw community.

As we work on more longer-term solutions, we will continue to expand wraparound services through the shelter diversion support program in HRM and through one-time funding provided to eight rural communities to support emergency hotelling during the Winter months.

In addition, we recently announced a partnership with HRM to operate a temporary overnight shelter at the Pavilion on the Halifax Common until March 31<sup>st</sup>. This shelter will ensure that anyone in the Halifax region who needs warm shelter during the cold Winter evenings has a place to go any night, regardless of the weather.

We know that the outcomes of homelessness are very serious. Homelessness ultimately may result in increased use of the health care system, an increase in substance misuse, danger of abuse and violence, and an increased chance of entering or re-entering the criminal justice system. All of these outcomes come at serious cost to both the individual and to society in general.



Having a home means stability. It means you can focus on your other needs, whether it's maintaining a job or obtaining the services you need to get a fresh start in life. We are determined that this should be attainable for all Nova Scotians, no matter what their circumstances are today.

I would like to thank our dedicated community partners who are alongside us in this work. Nova Scotians are known for their kindness, compassion, and generosity. Nowhere are those characteristics more evident than within the people and organizations who work with our province's most vulnerable citizens. It is difficult and often emotional work, yet the commitment and tenacity of our community partners is unwavering.

[9:15 a.m.]

We know finding a home is life changing. We know there's a lot to do, and there are many Nova Scotians looking to us collectively for solutions. As I mentioned earlier, this is a complex problem, but I am confident that over time and working together, we can address this challenge and make positive, lasting change. Thank you.

THE CHAIR: Deputy Minister LaFleche, do you have some opening remarks?

PAUL LAFLECHE: Yes, I do. Thank you for inviting us here to speak with you about the economic impact of homelessness and the return on investment of the provision of housing.

My name is Paul LaFleche, I'm deputy minister for both the Departments of Municipal Affairs and Housing, and Seniors and Long-Term Care. I would like to introduce my two staff members: Stephan Richard, who was here last week, executive director of Housing Solutions and Development; and Ed Lake, executive director, Housing Authorities.

We are facing many challenges in housing in Nova Scotia. The impacts are varied, and for many, they are quite severe. Rents are under a lot of pressure and escalating in some cases, and the cost of real estate is rising faster than many of us have experienced in our lifetime.

There is no simple solution to the pain that could be felt by many individuals as a result of these pressures. We're working closely with all of our partners - and Mr. Graham referred to that earlier - on a number of fronts in order to address the diverse housing needs of Nova Scotians.

Last October, the government released its comprehensive housing plan to increase housing supply and support those experiencing homelessness. I would encourage all of our listeners to read that plan. We're investing more than \$35 million this year to create over 1,100 new affordable housing units. That includes funding more than 700 new construction

units and 425 rent supplements to help reduce the gap between what people can afford and what the average market rental prices are at this time.

We've created the HRM housing task force, which is working hard to identify ways to approve real estate developments faster and address the barriers impacting housing in Nova Scotia. We are investing nearly \$27 million in our public housing units across the province, maintaining them, making them more energy efficient, and making them more accessible. We're continuing to advance the recommendations of the Nova Scotia Affordable Housing Commission, which I co-chaired with Dr. Ren Thomas.

Long term, we know that the only way to improve affordability is to achieve a reasonable balance between housing demand and supply, but we also know that we need to protect tenants while we do that. As I said last Fall, government introduced legislation to extend the rent cap past the state of emergency. It will now end December 31, 2023. I know that many landlords find that frustrating, but we know too that many tenants were facing significant rental increases, which they couldn't afford.

This temporary measure means that tenants will be able to continue to afford their rent while we work to increase the overall supply. The government also introduced and passed legislative changes to provide tenant protection from renovations.

Part of today's topic is the return of investment on housing. Building more housing units creates jobs. It creates jobs for tradespeople, sales in all types of industries, tax revenue for municipalities, and other spinoff benefits. It also uses a lot of local products such as local lumber produced by our own mills and from our own sustainable forests.

It's easier for students to come here, it's easier to recruit workers, it's easier to recruit health professionals when we have a supply of housing which they can easily move into. Nova Scotia's a wonderful place to call home. All of our residents need a warm and safe place to live. We are working to help that. Thank you, and we'll be happy to answer your questions.

THE CHAIR: We'll get into the question period. It should be 20 minutes each, starting with the Liberal caucus, then the NDP and the Progressive Conservatives. The time now is 9:20 a.m. We'll begin with the Liberal caucus. Mr. Maguire.

HON. BRENDAN MAGUIRE: I'd just ask that - we get a lot of questions, and that was one of the longest openings I've ever experienced in Public Accounts Committee history, which is fine. I have a lot of direct questions, and I feel like I have to repeat this often, but just to keep our answers direct so that Nova Scotians can get the answers they want. I'd also like to say hi to Joy Knight, who was not introduced. Joy is actually one of the witnesses, so good to see her here today.

My question is for any of the panel members. It's just a quick question: Do we know what the temperature was last night in HRM, in Nova Scotia? Does anyone know?

PAUL LAFLECHE: I recorded it as a low of -7, but probably, according to 95.7, if I'm off more than three degrees, I'll owe Brendan money.

BRENDAN MAGUIRE: It was actually -12 with the wind chill. I don't know if this is for the Minister of Community Services or the Minister of Municipal Affairs and Housing: How many people are experiencing homelessness here in HRM and all of Nova Scotia right now?

THE CHAIR: Who is your question to, Mr. Maguire?

BRENDAN MAGUIRE: Who wants to answer?

THE CHAIR: Deputy Minister Taweel.

TRACEY TAWHEEL: According to the by-name list data that we have for HRM, there are 487 people experiencing homelessness as of March 8<sup>th</sup>. That is not province-wide, as I believe members would be aware. The by-name list really takes into account HRM, and we do Point-in-Time Counts in other parts of the province, so I can't provide you with a current number for the rest of the province, but in HRM, we're sitting at about 487.

BRENDAN MAGUIRE: So, 487 people last night were in -12 degree weather. We have no idea how many people across Nova Scotia are homeless. I find that frustrating. The government announced \$10 million to tackle homelessness, and in fact, one of the comments that Premier Houston and the Minister of Community Services made was: Winter was coming, we will deal with this issue. They stood here in the Legislature and patted each other on the back and said this issue was going to be dealt with. How do we expect to deal with homelessness when we have no clue how many people are homeless in Nova Scotia?

TRACEY TAWHEEL: I'd like to start first by saying of the 487 individuals who are on the by-name list, our unofficial count from street navigators is that fewer than 20 individuals are actually sleeping rough at this point in time. Don't get me wrong - that number is still far too high. Other individuals on that list have and are actively receiving shelter, whether it is in a shelter bed, whether they're receiving support through the shelter diversion support program. There's a variety of shelter options that are available to those individuals. I would not want to leave anyone with an impression that there are 487 people sleeping rough, because that is simply not accurate.

With regard to numbers in other parts of the province, we work very closely with our partners, with our community delivery partners, which is why we've provided additional investments in rural parts of the province to support them. They know their local

communities best, they know who is in need of support, and they are actively providing that support.

We work very closely with them on having a handle on a weekly basis on what the situation looks like and how the situation is evolving. Jim may actually have some further comments that he'd like to provide about this question, but I thank you for asking it. Again, I just would not want the committee to believe or Nova Scotians to feel that 487 people are sleeping on the street. That is not accurate.

**BRENDAN MAGUIRE:** It is accurate to a certain extent here. There are 487 people in shelters. I did a quick count over the weekend and easily counted over 20 people in tent cities. Many of these are being torn down and I don't hear anything, not a peep, from the provincial government as Halifax Regional Police moved in to take down a kitchen and vital supplies. Not a peep from this government.

Just doing a quick count of walking around, there are more than 20 people living in tents in HRM. The 487 people not living on the street, they're in a shelter, and what's not being said here today is that during the day, if they're in a shelter, for the most part they're on the streets. They're walking around the streets, they're trying to find food, and there are all kinds of different issues they're dealing with. It's not like they have a permanent home over their head. They have a spot at night. They are fighting to get into these shelters. These shelters are jam-packed.

The question I have could be for either minister. Budget season is here. How much money has been requested from your department to expand beds for shelters, and how many new shelter beds can we expect from this upcoming budget?

**TRACEY TAWHEEL:** As the member would be aware, I am not able to share any requests that may have been made through a budget process. What I will say is that if the member looks at our most recent forecast update, in December 2021, you would note that the investment in homelessness has increased significantly, which I think is a reflection of this department, the Department of Municipal Affairs and Housing, and many others who are working to solve this complex problem.

It is a really complex problem. It is one that we take very seriously and are investing heavily in. The investments that have been made both in HRM and also CBRM and other parts of this province really underscore how seriously the departments involved in this work take this issue.

During the day, there are options for individuals to visit warming centres to secure some level of programming and support. It's not ideal - absolutely not. Do we want people to have permanent, stable housing? We absolutely do. That is what our focus is on. It is on creating permanent, stable housing, and in instances where it's required, providing that

wraparound support so that when individuals do move into this permanent housing, they can maintain that housing.

BRENDAN MAGUIRE: I do appreciate all the hard work that's being done by the department - I just want to get that on the record. I know it's not easy, and I know there are a lot of great people in that department who are up all hours of the night, and this keeps you up at night, so I do appreciate that. But what really keeps people up at night is -12-degree weather. What really keeps people up at night is trying to find a shelter bed.

What isn't complicated is this article here from *The Globe and Mail* which says that the average single-bedroom apartment in Halifax is \$1,602. In order for somebody to afford that, they have to make \$70,000 a year for that to be 30 per cent of their actual pay. That's what we're facing here in Nova Scotia.

Last week, we had a conversation about affordable housing being built by the private sector, and the answer we got from Mr. LaFleche was that it's 20 per cent below market value. That's \$320, if my math is correct. I'll be the first to admit, I did graduate high school but I only got Grade 10 math when I graduated. That's about \$1,280 for a single-bedroom apartment in HRM. The prices in Kentville are similar. The prices in Wolfville are similar. The prices in Sydney are similar.

Real, affordable housing is public housing. We have a government that has said they're going to tackle this. They've patted themselves on the back. They stood here, they said this issue is gone. We're going to deal with this. Don't worry about it, we got it. How much money and how many public housing units are being built to help Nova Scotians as the price of everything goes through the roof?

I know we can't talk about budgets, we can't talk about requests. Deputy Minister LaFleche, a quick answer: How many new public housing units are you expecting to be built over the next four years?

THE CHAIR: Deputy Minister LaFleche.

PAUL LAFLECHE: I think last week, MLA Maguire, you were referring to an answer regarding a federal program that Minister Richard - sorry, I'm calling everybody minister now, it's slipping. Monsieur Richard replied, so I'll let him answer the question.

THE CHAIR: Mr. Richard.

STEPHAN RICHARD: What we could say is public housing is if not the largest program that the department offers to Nova Scotians, I believe Mr. Maguire refers to the affordability level that we refer to rent geared to income, which is essentially rent that is either 25 per cent or 30 of household income, whether they're seniors or families.

[9:30 a.m.]

Really, we need to recognize that what needs to happen here in the situation that we're now facing is really related to phenomenal population growth and the fact that our supply of housing is not keeping pace with the strong demand. We need to build more housing, and we're investing \$35 million this year alone to build more than 1,100 units or create 425 in affordable housing. So far this year, we've announced just over \$10 million worth of projects that will create more than 260 units.

There's also the federal program called the Rapid Housing Initiative, which the Province is a part of, and the Rapid Housing Initiative offers rent geared to income to vulnerable populations, so those who are at the lower end of the income spectrum. There have been some announcements recently. You probably heard about the project from Akoma Holdings that will serve African Nova Scotians, and also the Souls Harbour Rescue Mission project in HRM.

We do offer programs for affordable housing that have 80 per cent of market or 75 per cent of market. We have almost 5,000 rent supplements right now benefiting Nova Scotians that can further reduce or create deeper subsidy or deeper affordability.

BRENDAN MAGUIRE: I have to say I have a great deal of respect for Stephan and all the hard work he does, but that was a long non-answer. That was not the question I asked. I didn't ask about the private sector, I didn't ask for rent subsidies, which the current government in Opposition was very critical of and said that it was not an answer, and now they're doubling down on it.

I would like a quick answer to this question: How many public housing units are being built over the next five years? Not in cooperation with the private sector, but public housing - truly affordable housing units are being built over the next five years?

PAUL LAFLECHE: As the member would know - and I think Deputy Minister Taweel referred to it earlier - we can't really say what our budget plans are. The budget will be presented, I think, at the end of March on a magic date, and at that time the member will see what we're planning. Any units that would have been built now would have been part of the last budget of the last government. Maybe I just leave it at that, and you'll have to look forward to see what's done in the next budget.

BRENDAN MAGUIRE: That's cold comfort for people living on the streets, so what I'll tell people that are being evicted from their homes now that the renovation is being lifted, now that the price of everything's going through the roof, I'll tell them there's a magic date in March, and hopefully you'll find out when.

To blame the previous government because we know that affordability and putting a roof over someone's head is politics. People don't want to hear that. I'm not asking you

for the amount of money that you've requested. This government should have a five-year plan to build. If you don't, then there's something very wrong.

I'm asking you how many units does this government plan to build over the next five years? I'm not asking for dollars and cents. I'm asking right now: How many units are you projecting to build over the next five years?

PAUL LAFLECHE: The last part of that question, I think we can answer some of it, subject to changes on budget day. I'll allow Mr. Richard to address that.

STEPHAN RICHARD: It is difficult, as Deputy Minister LaFleche has mentioned, to plan or to give you an accurate answer in terms of the number of more affordable housing that will be created because that is dependent on new budget. We all know that it takes time for real estate development to go through the process and reach occupancy. The investments that we're making today are taking time, and that's why we have different solutions to meet the housing needs of Nova Scotians.

I'll go back - and I know not everyone likes the answer - but rent supplements, preserving affordable housing is key. We're looking at supporting non-profit organizations that are looking at acquiring some properties, converting some properties through different programs. We're working closely with our federal partners to leverage every single penny that the federal government is making available, so there are different solutions.

We can certainly speak to the projects that were announced recently that will come and become available in probably 12 to 18 months from now. That's also why there's an HRM panel, a task force to make sure that not only do we build more housing, but we go through the process a lot faster. Stay tuned for new budget when the time comes, and we'll provide more details in terms of how many new units we're going to be able to support with this new budget.

BRENDAN MAGUIRE: The issue that I have here today is - and over the last few sessions that we've talked about this - that they want to talk about everything but public housing. They want to talk about private sector investment. They want to talk about rent ops. And when they're talking about affordability in housing, they never mention public housing. We have about a minute left, and I have a very direct question, so I only need a 20-30 second answer: Define affordability.

PAUL LAFLECHE: I'll allow Mr. Richard to answer that.

STEPHAN RICHARD: The quickest measure that I can explain is the concept of core housing need, which is really looking at the affordability level which is considered 30 per cent of someone's gross household income in the area where they live. There's also a concept of suitability and adequacy to make sure that the unit is in good condition and adequate for the family size, but typically we look at 30 per cent of income.

BRENDAN MAGUIRE: By that standard, the homes that you're building with the private sector fail miserably because \$78,000 is actually the amount for a one-bedroom apartment in Halifax, and 20 per cent of that - we're looking at about \$60,000 somebody has to make.

THE CHAIR: Order. The question time has elapsed for the Liberal party. I will move on to the NDP, starting with Ms. Chender.

CLAUDIA CHENDER: I want to just start by picking up where we left off. This is sort of a strange and jarring process, Public Accounts Committee, where people get cut off, but I think my colleague Mr. Maguire was raising an important issue about affordability.

I'll just follow up to ask directly of Mr. Richard. How many of the affordable projects planned - aside from the quick-start program and Akoma, which is important but a very small number of units - are rent geared to income?

STEPHAN RICHARD: Most of our rent geared to income would be provided through the public housing program, so we currently have just over 11,000 units serving seniors and families for the most part. The average rent is around \$450 a month. We're serving 18,000 or so households.

As I mentioned, the Rapid Housing Initiative is a specific initiative targeting vulnerable populations, and those rents are also geared to income. When it comes to the Affordable Housing Development Program, as I mentioned, typically we aim for at least 80 per cent below market. Obviously, there's a range of income among Nova Scotians and there's also a range of market rates, but that's our default position.

When we support a project, we aim to achieve at least 80 per cent. In some cases, we can achieve deeper subsidies, and when that doesn't work, because obviously projects need to be viable, otherwise there won't be maintenance, there are all kinds of costs associated to running a multi-family building.

In some cases, that's where rent supplements come into place, to serve those who have lower income. We have not necessarily a rent geared to income for affordable housing development programs, but we do offer options for those who are at the lower end of the income spectrum.

CLAUDIA CHENDER: I just want to point out a contradiction that we're hearing today. When the department is asked what the definition of affordable is, we talk about poor housing need and we talk about rent as a percentage of income. However, when we ask about the projects currently in the pipe for affordable housing, we talk about a percentage of market rate.



Those two metrics have nothing to do with each other necessarily, especially when we're in an incredibly overheated market, which we're in at the moment. The public housing units listed all exist and have years-long waiting lists to get in. I think we'll come back to that, but I just want to point out that there's a real dissonance here.

I want to pick up on that by just asking about some of the introductory remarks that we heard. We know that the Department of Community Services is working hard on the mushrooming, I would say, homeless population - not just in HRM but right across this province. When I was in CBRM last weekend, someone said to me that when they first heard the term "couch surfing" just a couple of years ago, they didn't know what that meant. Now they know what that means, because so many people they know are couch surfing. That's another form of homelessness - these are people who don't have homes.

I'll point out that the Nova Scotia Affordable Housing Commission progress report says Recommendation No. 2 is "Recognize housing as a right and a key strategic sector for economic development, health, and social equity." We're not recognizing housing as a right if we're talking about affordable housing as a percentage of the market, because that market is totally separate from government. When we talk about viability of a housing project, that housing project should be viable for the people who need to live there and for the people of Nova Scotia first and foremost.

As we talk about these issues of housing and homelessness, they always fundamentally remain separate. I would suggest that they are not separate. In fact, housing and homelessness exist on a continuum and the only reason that we speak about them separately is because of a fundamental bias that we have in government and in society around who is homeless. If people are homeless, it must be their fault - therefore they need a different special program.

Often, people who are experiencing chronic homelessness do need wraparound supports. There is a higher incidence of issues around addiction and other things, but why do people become homeless? Well, often it's because they don't have enough money, they don't have enough social supports. When we talk about how to solve that, we have to talk about higher wages, we have to talk about higher income assistance rates, we have to talk about a school food program. There's a whole host of things.

I'd love a comment from Mr. Graham: Do you see housing and homelessness as separate or do you see them as on a continuum, and do you think that our government departments might be better organized if they also reflected that?

JIM GRAHAM: Yes, it's very much a continuum, for sure, but I think the point about the most vulnerable and the support system is critical. Those who are living with trauma and those who are trying to deal with mental health issues do need those wraparound supports to be successfully housed.

[9:45 a.m.]

Housing poverty is an income issue, that's for sure. Thirty per cent of income's a bit of a blunt instrument. I think we need to be a little more nuanced in how we approach it. Thirty per cent of your income if you're living in an apartment where all of your services are paid for - heat, water, hot water, electricity - is a far better deal than 30 per cent of your income in an apartment where no services are paid for. We need to start to think about that aspect of things as energy costs continue to increase.

Sometimes I think using Market Basket Measures is a better way to look at general affordability, particularly when inflation is starting to drive up transportation costs and food costs. Just separating housing from other basic needs like food and transportation to get back and forth to work is perhaps not as good an approach as it might be. Sometimes I think when we get to fully implementing the new daycare program, that is going to have a big impact on housing affordability for lower incomes. I just think the conversation needs to be a little more nuanced, sometimes.

CLAUDIA CHENDER: Thank you, Mr. Graham. That's really helpful. Absolutely, I would agree that having that child care program implemented will make a huge difference. Obviously, inflation is on everyone's mind.

The topic today is return on investment of housing provisions. What we know is that the average monthly cost of a shelter bed is \$1,932. The average monthly cost of social housing is less than \$200. We know public infrastructure projects can create good well-paying jobs. We can have publicly owned assets. We also know - even just 49 minutes into this committee - that this government isn't even entertaining the provision of more public assets for housing in any way, shape, or form, but I would say community housing also has benefits in terms of supporting the community sector.

We also know that in spite of those arguments, we've had Liberal and Progressive Conservative governments who have spent millions on shelters, hotel rooms, rent supplements - and still not enough - but not making that investment in whatever our measure is. Whether it's non-market, whether we're looking at a more holistic measure, as Mr. Graham suggests - housing that can genuinely be accessed by the folks who need it most.

Mr. Graham, you mentioned in your opening that there had been a sort of negative attitude within government toward this issue of core housing need previously. That seems to be shifting. Why do you think these necessary investments have not been made over the past eight or nine years?

JIM GRAHAM: I was really referring to the relationship between federal investments in ending homelessness with provincial activities in the same area.

If the question is simply about housing, we've done very little over the past 30 years. We've done very little since 1990. So the scope of the challenge before us is huge, and we need to appreciate that we can't turn this on a dime.

CLAUDIA CHENDER: Yes, we can't turn it on a dime. I guess that's a little bit what I was trying to get to with my question. We in the NDP caucus have been continuously and consistently asking questions about the provision of genuinely affordable housing for at least six years - much longer than that. Up until about two years ago, I would say, we were met with derision from our colleagues across the aisle. As the homelessness issue has become more acute, as it touches more people, as it becomes more visible, we're able to actually have this conversation, which is a good thing, but I would say it's been largely ignored for far too long

We know that income assistance rates - notwithstanding a transformation, notwithstanding the addition of some funding to that program - are set at a level that keeps families in deep, deep poverty. I think it's important to note that 100 per cent of families that rely on income assistance live in poverty. It's really important that everyone understands that. That amount of support falls way below the poverty line. We have the lowest support incomes in Canada for single people and for single-parent families with one child.

I guess I'll ask Deputy Minister Taweel: What role do you think this plays in the number of people experiencing housing insecurity, especially where people living in deep poverty can't access affordable rents?

TRACEY TAWHEEL: Certainly, I would agree with regard to income assistance rates. While they have increased by approximately 19 per cent over the last three years-ish, our income assistance rates do remain some of the lowest in the country based on the categories that you laid out.

Absolutely, income assistance rates remain a challenge, which is part of the reason why we have put other supports in place, such as eviction-prevention supports. Diversion funding has been provided to community-based organizations to help support individuals from moving into shelter. The committee would probably be aware of investments made to increase the number of housing support workers working at the local level: diversion workers, housing locators. My colleague Mr. Richard referenced rent supplements earlier. We're also developing a partnership with landlords through IPOANS to talk about what some of the creative ways are that we can support lower-income tenants to ensure that they remain stably housed.

I would say that the other piece - and it is not the total focus of today's conversation - but I do think that in general, tenants need to better understand what their rights are. I think tenancy education, particularly with some of the changes with the rent cap that's in place, with the changes that will come into effect when the state of emergency ends with

regard to the renoviction changes, and the changes to the Residential Tenancies Act - I'm not certain that tenants fully understand what all of their rights are and what all of these changes are. I believe colleagues in the Department of Service Nova Scotia and Internal Services are aware of that and will be looking to roll out more education.

I think affordability is a challenge that none of us are here to deny. It's a challenge for individuals who are on income assistance. It is also a challenge for other lower income Nova Scotians who are not on the income assistance case load, and our work working across departments is to come up with supports and lever everything that we have at our disposal to support those individuals so that they remain stably housed.

CLAUDIA CHENDER: There's a lot to respond to there. I'm going to start with a meme that's been going around social media for a long time. It's called "Adulting is Really Hard." Being a grownup - yesterday I spent an hour and a half on hold with the bank, and I spent another hour at the passport office. Getting anything done - especially in this current moment - is almost impossible, and I am a person who is stably housed, has a good income, has all the supports that I need.

The idea that the issue right now with housing is that tenants need to understand their rights better, whether or not that's true - I would suggest that is a fault of government, not of tenants. The Residential Tenancies office needs to actually do their job properly. I know there are lots of good people working there, they're trying to, but that feels like a red herring to me frankly.

Hopefully there's more education that happens around that, but the notion that if only tenants understood their rights better - and I think we will ask about the changes with the end of the provincial state of emergency, but with the lifting of the renoviction ban, tenants knowing their rights means maybe they'll get a cheque for a few hundred bucks and then they'll get kicked out.

It's not that they're going to know their rights enough. Any MLA in this province will tell you, having dealt with tenants who are on the verge of homelessness and having to help navigate Residential Tenancies - even the entire resources of an MLA's office often get frustrated and have to give up at a certain point.

The idea that a person living in deep poverty facing attendant social challenges from living in that deep poverty and trying to be an adult and just trying to function in the world, has the bandwidth or ability or capacity or time, frankly, to try and navigate the labyrinthine systems built to see them fail in many ways - I would say that is a challenging concept.

A report prepared for the federal government identifies several policy changes that can prevent the rise in homelessness that we're seeing. At the provincial level, it recommends increases to social assistance benefit levels, which we've spoken about a little

bit, reinstatement of social assistance eligibility for folks who got kicked off because of CERB, and operators of emergency shelters working to move shelter residents into permanent housing. I know Deputy Minister Taweel has spoken of this, but in a situation where we have less than 1 per cent rental vacancy, it doesn't matter how many housing support workers we have - it becomes an incredibly challenging job.

[10:00 a.m.]

The report also states that high median rents, low rental vacancies, households paying more income can expect to see numbers of homelessness. We're seeing all of that, and I want to ask, and maybe I'll ask Deputy Minister LaFleche: Are we ready to invest what we need to get people living in shelters into permanent housing? If Ms. Taweel wants to comment on social assistance, and Deputy Minister LaFleche as the co-Chair of the Nova Scotia Affordable Housing Commission.

PAUL LAFLECHE: You made a lot of great comments in the last 15 minutes or so. I'll go right back to your continuum comment. We do believe in the continuum, and the question you just put to me is about one end of the continuum. We work very closely with the Department of Community Services. Mr. Richard has given some examples this week and last week of that.

THE CHAIR: Order. The question period for the NDP has elapsed. I'll now pass it over to the PCs, starting with Mr. Boudreau.

TREVOR BOUDREAU: Thank you, Mr. Chair, and thank you to the witnesses for appearing today on this important topic. I'm going to start off my questions with something that's already been discussed a little bit both today and last week.

Maybe we can elaborate a little bit more about the 2 per cent cap on residential rent increases as well as the increased number of rent supplements that helped. How has that helped people who are at risk of becoming homeless? Maybe you can elaborate a little bit more on that for me, Deputy Minister LaFleche.

PAUL LAFLECHE: The 2 per cent cap which was put in place during the state of emergency, and we've now extended it to December 31, 2023 - that will ensure that there's no spike due to rising evaluations and ensure that people who are in apartments can continue to afford those apartments. It's a move, but it's a temporary move because the real issue is supply. There are a lot of other things that Ms. Chender mentioned earlier - factors that are very, very important we have to work on - but the thing I've got to work on with my team is supply of affordable housing.

Let me put aside the definition. We can argue about that forever. The definition probably should be whatever people can realistically afford, given their income level. That's probably the best definition, because if they can't afford something, it doesn't matter

if you create an artificial number. We have to work on supply throughout the spectrum, all the way through the spectrum. Getting that supply, right now, the going is tough. We've had many, many changes in how things are handled in planning in the last 30, 40 years, and it's more difficult now than ever before to get approvals.

One of the things we did was create the Halifax housing task force. That task force - which, I agree, has not yet publicly been seen to do a lot - has done a lot privately and will be seen to do publicly a lot shortly to increase supply. We desperately need new supply because without supply, we've got no place for people to have those, affordable or not. The number one job is to increase supply - that will take pressure off increases in evaluation, which then take pressure off rent.

Hopefully, we'll be in a better situation in a couple of years. Housing supply takes longer than ever, as I said, to build. It takes several years to build. If we wanted to have started something like public housing - I said this at the end of the last meeting - or other measures, we probably should have started five years ago. That's not blaming any government.

A lot has been said about public housing. We have not built any public housing in 30 years since we got the public housing from another level of government. Successive governments of all stripes have not built public housing. Whether this government will build more public housing or not, for the reasons I articulated earlier, I cannot tell you today, but you will find out in the near future. I don't know if I fully answered your question, Member Smith - oh, sorry, it was Boudreau. I screwed that one up.

TREVOR BOUDREAU: That's okay - I've been called worse before. Maybe I'll follow up with Mr. Richard just a little bit. Maybe elaborate a bit more on what the Department of Community Services is doing to ensure that both market and non-market housing, like affordable housing stock, continues to grow?

STEPHAN RICHARD: We all agree that housing is a key social determinant to health, and we need various and a broad range of solutions to help Nova Scotians who are struggling right now. We are working with partners on several fronts to help more Nova Scotians find safe, affordable places to live. This starts with increasing the supply of affordable housing, as Deputy Minister LaFleche has mentioned. We're investing more than \$35 million right now to create 1,100 new affordable housing units. That includes funding for 700 new construction and 525 rent supplements, which we achieved just recently.

We're also working with my colleague Ed Lake and his team to protect and preserve and improve our 11,000 or so public housing units. We're supporting the community housing sector. I can tell you as of fiscal year 2021-2022, we've invested almost \$6 million to support capacity building, infrastructure renewal, and transformation of the sector to support long-term sustainability and growth, and government, as the

committee is likely aware, has committed \$2.5 million in a new community housing growth fund to further support growth of the sector, which is going to lead to more affordable units, and especially helping our vulnerable population.

This is an all-hands-on-deck approach. We're very committed and dedicated to helping Nova Scotia in housing needs across the spectrum and working also with our colleagues at the Department of Community Services. Some of the options we're looking at that were mentioned previously are more supporting housing, but also rooming houses and new innovative models that can lead to cheaper housing, building faster - like tiny homes or backyard suites, secondary suites. Those are all options that are on the table, and we're going to continue to work hard to meet current and future demand.

TREVOR BOUDREAU: I'll ask another question to Deputy Minister LaFleche. It's around the affordable housing program for developers, up to \$50,000 towards capital contributions. It's my understanding the period to submit proposals has closed, but are we offering a second round of funding for this program, and could you share a bit more about this program?

PAUL LAFLECHE: First of all, I'll make a couple of comments on that. We would hope that the program will continue. I can't speak to that again for a bunch of reasons right now, and also it's in co-operation with the federal government. Stephan Richard could get into the details of the program.

I want to make a general comment. The \$50,000 is great for some densely populated urban areas, but it is not great for rural Nova Scotia in many areas. As we talked about last week, the data that are used to determine the amount of subsidy is not sufficiently detailed in a lot of the smaller areas or rural areas of Nova Scotia to allow us to set a good rate.

We're struggling with that one. We know that in many cases - I've been to some locations where they would need \$100,000 a door to make the project viable, so it's something that we're going to have to address as part of the program, and we will be looking at that in the near future.

Maybe I'll ask Stephan to give you some more details about how the program, as it is today - not as we wish to make it, which I just talked about - but as it is today works.

STEPHAN RICHARD: To answer the first part of the question, in terms of the open call for proposals, that is closed. I don't have the number in front of me, but we received a significant number of good proposals from everywhere in the province, and that really is exciting. If both private and non-profit developers are interested in our program, that bodes well for the future, because as we've mentioned several times this morning already, we need more supply and we need partnership with both the private and non-profit sectors.

Right now, that call for proposals is closed because we anticipated - based on the proposals that we've received and reviewed - that we will be fully allocating this funding, and we have made some conditional funding approvals to some projects. We've announced some already and more to come when all the conditions have been met. It's a long process to achieve a contribution agreement with a proponent from the time that they submit the proposal to a time where all the t's are crossed and the i's are dotted. We're going to continue to work on that. What comes from the next budget will determine how many more affordable housing units we'll be able to support.

Just briefly on the \$50,000 a door, that's the maximum contribution. Some of the projects that we support don't really require \$50,000 per unit, so it really depends on the project. Each one is different. It depends on the equity that the proponent brings to the table - maybe other support, whether from a municipality or the federal government. It could be cost of land, which in some areas is lower than others.

One of the things I will say is that what we have seen recently is that the cost of construction has gone up significantly. That's definitely a pressure that we're aware of. We're going to continue to monitor whether \$50,000 is sufficient right now, but we've had great success so far, and we hope that will continue.

TREVOR BOUDREAU: I'm going to pass the questions off to my colleague, MLA Sheehy-Richard.

THE CHAIR: Ms. Sheehy-Richard.

MELISSA SHEEHY-RICHARD: I want to talk a little bit about rural housing. Maybe we'll start with you, Deputy Minister Taweel. In November 2021, the government announced funding for the Portal Youth Outreach Association to upgrade three of their youth homeless shelters, one of which is in my own home community of Windsor.

Rural communities have in the past lacked formal support to deal effectively with youth homelessness in particular. Can you comment on actions taken by this government to address youth homelessness in rural Nova Scotia?

TRACEY TAWHEEL: I'm going to ask my colleague Joy Knight to respond.

THE CHAIR: Ms. Knight.

JOY KNIGHT: It's really important as we build our supportive housing strategy that we think about what kind of affordable housing we're focused on. Developing in partnership and in conversation with housing is the different unique needs of the people we're trying to support and serve.



I'm really pleased that you've mentioned youth, because we understand that youth have very specific needs. When we develop supportive housing and services, they need to be youth-focused and address the unique barriers that youth are facing - particularly those living in poverty.

[10:15 a.m.]

You mentioned the investments made in the Valley in partnership with the Portal: a wonderful partnership with ourselves, the federal government, and local community. There are the 14 units developed in Middleton, Windsor, and Kentville. There are three houses built there. I'm really pleased that young people are living there right now very successfully, and we've seen a wonderful community response wrap their arms around those houses, providing lots of in-kind supports and donations.

There was also a recent investment made in Pictou County to support the Pictou County Roots for Youth shelter, recognizing that it is a volunteer-run organization, and as I mentioned, you really do need specific supports tailored to meet the unique needs of youth. Having a volunteer-run organization, we wanted to make sure they had trained, skilled staff in place to help those young people access the services they need and to achieve independence. A provincial investment of \$62,000 was recently made there to support them, particularly through the challenging winter months. We also provide ongoing support to SHYFT in Yarmouth for that shelter organization supporting young people.

Then, of course we continue to have conversations - I know your question was focused on the rural area. In particular, we're looking at CBRM, recognizing that Cape Breton faces some significant youth challenges. We're actively engaged with our partners up there around how we can take these really nice models that we've seen developed in the Valley, and thinking about how we can expand them across the province.

MELISSA SHEEHY-RICHARD: Thank you for that. I'm excited to see more development in particular with youth. Being a mum of three, it really hits home when you see youth struggling. Thank you for the investments that have been made.

Mr. Lake, I wanted to talk to you, if I could, about the 2021 Nova Scotia Affordable Housing Commission report. It indicated that both urban and rural areas have challenges in housing but often differ in their needs. How is the government's approach on housing varied between the rural and urban communities to ensure the best possible outcomes for both?

ED LAKE: There is a marked difference between urban and rural housing. Speaking specifically about the public housing portfolio, the public housing portfolio is split primarily into family and seniors' housing. When the portfolio was developed over 30 or 40 years, the emphasis for housing for seniors was in both the urban areas, but also in rural Nova Scotia.

What you'll find is that for families, the concentration of family units is primarily in the downtown core of HRM - I'll say Halifax and Dartmouth, primarily - and in the Sydney area and areas outside of Sydney. The effect of that is that where you have seniors and families. If you are a senior, you are likely to be better served in rural Nova Scotia, and also in the urban areas. If you are a family, it becomes much more difficult to find affordable housing.

MELISSA SHEEHY-RICHARD: Thank you for that, Mr. Lake. I do see a lot of challenges in my community, but, also, I do find there's hope to address some of these. I do think that with the time remaining - my colleague, Mr. Ritcey.

THE CHAIR: Mr. Ritcey.

DAVE RITCEY: My question is directed toward Deputy Minister Taweel. Last March in Truro, a fire at a 16-unit apartment complex resulted in the displacement of many individuals. Thankfully, no one was injured, and the fire was able to be contained in one unit. Most residents were able to move back within a relatively short time frame, some into that evening, which was very fortunate.

What actions are the Department of Community Services taking to ensure that those who are displaced or homeless as the result of an emergency are cared for and supported?

TRACEY TAWHEEL: Yes, unfortunately there certainly are emergency situations that arise. There are a couple of points I would make in response to your question. When an emergency situation arrives, the Department of Community Services works collaboratively with organizations like the Canadian Red Cross to provide emergency support.

For the first 72 hours or sometimes a bit longer, through the agreement they have in place with the Department of Community Services, Red Cross moves in and provide supports to individuals, just to ensure that they are stably housed. If they need clothing, if they need food, whatever they need, Red Cross provides that on-the-ground, immediate support.

In that 72-hour period, the Department of Community Services and other provincial agencies step in to assess the individuals who have potentially - and thankfully, in the example that you provided, the displacement was very short lived. The Department of Community Services and other agencies step in to determine what other supports may be required.

In response to challenges like the short-term emergency situations, the Department of Community Services did provide investments across many communities in this province for diversion funds to actually be able to respond. To have community-based organizations, including some in Truro, be able to respond to emergency situations, organizations were

provided \$20,000 for diversion funds - all of these organizations - to support families and individuals. This is to ensure that for as long as they are displaced from their homes, that they are supported in an appropriate fashion until such a time as they can be stabilized and return to their permanent home, or new permanent housing can be secured for them.

THE CHAIR: Mr. Ritcey, you have 16 seconds.

DAVE RITCEY: I'll just pass it back to you, Mr. Chair.

THE CHAIR: We'll enter into our lightning round. We'll have six minutes for each of the caucuses, and we will be starting with Mr. Clark with the Liberals.

BRAEDON CLARK: I'll try to move quickly here with six minutes. I just want to go back to something that Deputy Minister LaFleche mentioned earlier around the definition of affordability. It might sound academic, but I actually think it's really important in this case because the system only makes sense if the underlying principles go with it.

To me, the definition of affordability - around 30 per cent of gross income that's being used - makes sense only if income and rent and housing prices are moving up in lockstep, which they're not. Rents and housing prices are far exceeding the rate of income growth.

My question to Deputy Minister LaFleche in this case would be: Do you think that the definition we're operating under is meaningful or useful based on the current context in HRM and Nova Scotia?

PAUL LAFLECHE: Great question, and welcome to MLA-ship, Mr. Clark. I think this is the first time I've talked to you since you were elected. I alluded to that in something I said a little earlier when I was trying to respond to MLA Chender's question, which didn't quite get finished on Mr. Boudreau's time.

Yes, you're quite correct. It's a good target to talk about. It's not something we invented. It's been invented by financial institutions and other policy makers. We generally adopt it, but you are quite correct. Every circumstance is individual, and that's what I tried to refer to earlier.

If I'm an individual, 30 per cent may work for me or it may not work for me. Forty per cent, 50 per cent might work for me if I'm two young - a doctor and a lawyer are living together, and I'm at the beginning of my career. I can see my income skyrocketing in the next decade. That could work. On the other hand, if I'm at the other end of a career or at risk, 20 per cent may be no good. It's all circumstantial. The 30 per cent is just a nice target that people cling to.

Obviously, what we want to make sure of is that every Nova Scotian in every circumstance can afford housing, and we wish to help them get there, whether it's my department or Deputy Minister Taweel's, whom we work closely with on the homeless file. I hope that answers your question.

BRAEDON CLARK: I guess I would just say that I appreciate your comments, and I would just say that if that benchmark is being used - and I agree with you, there are circumstances and obviously every individual is different. But if that benchmark is used to inform rents in "affordable housing developments," then we have a problem if that standard is the one that's guiding the rents and the prices that are being put forward. I'll just leave that because I know I don't have much time.

I did want to ask Deputy Minister Taweel a question going back to the issue of numbers of people who are experiencing homelessness. We have a decent handle on what's happening in the HRM, but more than half of the province lives outside of HRM and we don't have reasonable or reliable numbers in that case, which makes it very difficult to make policy in any effective way. Are there efforts under way to find those numbers, and if so, when might we be able to have them?

TRACEY TAWHEEL: I will start, but I would suggest this might actually be a question for Mr. Graham, if he would like to respond to this. Yes, you're quite correct. As I indicated, we have fairly solid numbers in HRM by virtue of the by-name list. In other parts of the province, we look to Point-in-Time Counts in order to get a read on what numbers are looking like.

Before I pass over to Mr. Graham - I see he has raised his hand - I do want to say that even in the absence of the Point-in-Time Counts in other parts of the province, we have made significant investments acknowledging that based on the information that we receive from our service providers, we do recognize that homelessness is a growing issue in all parts of the province. Even without a by-name list, if you will, in other parts of the province, that is not preventing us from taking action and listening to the really valuable data that's provided to us by our service providers on the ground.

JIM GRAHAM: As I mentioned in my opening remarks, there is software that's used across the province. We have shelters that use data from Sydney, New Glasgow, from Truro, and from Kentville, the Valley. We also have specific shelter use data from New Glasgow and Yarmouth that I can provide to the people that organize this meeting for distribution. That information is available - I don't have it at my fingertips, but it is available.

THE CHAIR: Order. The question time has expired for the Liberals. I'll pass it over to Ms. Leblanc with the NDP.

SUSAN LEBLANC: Acknowledging that there is not very much time left in this conversation, I just want first to ask a very direct question to Deputy Minister LaFleche. In the Nova Scotia Affordable Housing Commission progress report that was released in January, the number one recommendation is - or I guess from the original report - establish an arms-length independent provincial housing entity. Is that happening?

PAUL LAFLECHE: I know it's a direct question, and you know why I can't give you a direct answer, because the government has not made a final decision yet. The Premier and the minister have both said they would be implementing the Affordable Housing Commission report. That is about as much of a direct answer as I can give you, but maybe I can help you in another way. In order to get to that recommendation number one, we would have to first have Executive Council approval, and then we would have to pass legislation. I'll leave that with you.

SUSAN LEBLANC: Thank you for that. Based on that answer, I expect we will probably be seeing some legislation coming at the end of the month. Let's hope so. I also want to talk a little bit about Mr. LaFleche's comments earlier. We've heard today a lot about supply, and the issue with supply, and that is true. We need supply, we need units for people to live in. Also, Mr. LaFleche said we have to put aside the definition of affordable and we have to work on supply throughout the spectrum, which I also agree with.

What I don't see happening right now, is that we are actually concentrating on supply throughout the spectrum. If we agree that there's a spectrum of housing and homelessness, which is around deeply affordable, public- or community-offered housing, and we agree that there is housing that is market driven and done by private developers, what I am hearing today is that we are only seeing the upper end of that spectrum.

My question is for Mr. Richard. Given all of the projects that are happening right now - we've heard a number of them. You've mentioned Tacoma and you've mentioned the Travelodge project, The Overlook. What percentage of the current projects that are on the docket right now are private enterprises, meaning that there are private developers involved in the building of housing, and what percentage is public or community owned?

PAUL LAFLECHE: I think it was addressed to Mr. Richard, but percent would be percent of units, I assume. Not percent of projects, but percent of units. It's a minor point, but we could have 20 projects, and one project could be 50 per cent of the units.

STEPHAN RICHARD: I don't have a quick answer for you. We could look at all the projects that have been approved so far, but just very quickly looking at the list, I would say that the majority are private sector. There are some projects that we've announced recently that are led by some community groups, especially around rapid housing initiatives.

[10:30 a.m.]

Those are all led and will be operated by the community housing sector. I've named, as you mentioned, Akoma, Souls Harbour, AHANS. Mr. Graham here could speak to some of the projects that are under way, as well as Adsum and the Mi'kmaw Native Friendship Centre. We could provide a list and a percentage to the committee to answer the question.

SUSAN LEBLANC: Yes, that would be great. I would love for you to provide that list to the committee following the meeting. I appreciate that.

If, as you say, the majority are private developments, and if it is true what you said earlier - that largely private developments define affordability as 20 per cent below market value, but the other definition of "affordable" is 30 per cent around rent geared to income - if the Province is involved in the majority of developing private projects, then what's happening is actually that the Province is subsidizing private development with very little commitment or payoff to providing truly affordable units.

I think that's a serious problem. I think we have to get out of the practice of subsidizing private companies and get back into the practice of subsidizing and supporting Nova Scotians and Nova Scotians' needs.

I know I don't have very much time left, but I do want to ask this: What's the deal with the secrecy around budget asks? I don't understand. I understand why government officials wouldn't be able to tell us what the budget says at this point, but I don't understand why it's a secret what you're asking of the Executive Council in the budget.

THE CHAIR: Who's your question directed to?

SUSAN LEBLANC: Let's say Deputy Minister Taweel.

TRACEY TAWHEEL: I'll try to answer it briefly. Departments identify a number of budget asks within a particular kind of context in terms of . . .

THE CHAIR: Order. The time for questions from the NDP has elapsed. I'll move it over to the PC caucus, starting with Mr. Ritcey.

DAVE RITCEY: This question is directed, I guess, to both departments. Deputy Minister LaFleche or Deputy Minister Taweel can answer it.

Government's housing plan, *A Healthy Nova Scotia: Solutions for Housing and Homelessness*, identified that helping individuals transition from homelessness to having safe places to live involves co-operation across many sectors, as homelessness is a multi-faceted issue and is directly related to housing.

How are we engaging multiple sectors of government, such as collaboration between the Department of Community Services and the Department of Municipal Affairs and Housing, as well as other service providers, to address issues of housing and homelessness?

TRACEY TAWHEEL: Yes, absolutely. Our two departments, along with many other departments and AHANS - on the call today with us - as well as the Office of Addictions and Mental Health, Department of Health and Wellness, the Department of Justice - we all are working collaboratively on a number of initiatives to support individuals who are either precariously housed or are currently homeless, helping them transition into permanent stable housing.

I can give you a few examples where the Department of Community Services and Municipal Affairs and Housing have collaborated and continue to collaborate. We work together doing joint reviews of affordable housing proposals. We are also working collaboratively to jointly review the rent supplement program and perhaps alternative options for looking at and addressing the affordability gap. We're working together, along with a number of other departments and agencies, on developing a supportive housing model for the province, which will be the first of its kind for this province.

We're also looking at how we can streamline the process of acquiring properties in this very challenging and competitive market, sharing information and data. We meet very regularly to ensure that the location of supports for individuals who are homeless and the housing portfolio - the location of those files is really, if I might, just geography.

What is important is that we work together. We work together seamlessly and we recognize that individuals who require support, that they need our support, and we need to look at people in their entirety and provide them with supports from whatever department or agency is best positioned to provide that support.

DAVE RITCEY: How much time do I have left?

THE CHAIR: Just shy of three minutes.

DAVE RITCEY: I'm going to pass it over to my colleague, Melissa Sheehy-Richard.

THE CHAIR: Ms. Sheehy-Richard.

MELISSA SHEEHY-RICHARD: Mr. LaFleche, I'm excited to hear about the residence at NSCC - how that will affect students going to school. I'm wondering if you can talk a little bit about how it will reduce the overall housing shortage for students and help with the housing supply.

PAUL LAFLECHE: We were very excited when the government approved three new residences. We already have a few NSCC residences. In fact, one was built and opened in Lawrencetown in the Valley this last year. What we were seeing in several cases was that students were probably displacing the lower end of the housing spectrum, and we feel by getting them into residences, this would free up that end of the spectrum for affordability.

We're quite excited to see how that works. This is an initial approach to residences, and if it does work well, I'm sure myself and my minister and our colleagues at the Department of Labour and Advanced Education and Minister Wong and Deputy Minister MacLellan will be interested in looking at more possibilities here.

I can tell you that I was the principal in Lawrencetown for four years, and there was a desperate situation. We tried for 20 years to get a residence there, and this was the first success we've had. They're beautiful units and they will serve the students well, but they also allow us to do a lot of other things outside of the student season, like hold conferences, bring in people who are working on innovative new technologies for research, et cetera throughout the non-school year.

The residences have many uses. We feel the economic investment in them will be more than adequately repaid. Thank you for the question.

MELISSA SHEEHY-RICHARD: Where are the other three that are being built, and are they starting - what's the timeline on those?

PAUL LAFLECHE: I'd have to defer to my colleague, who is not here, at the Department of Labour and Advanced Education, but my belief was the timeline, when we originally approved them, would be this Summer they would start. When they're open, a lot depends on the tenders and construction, but one was at the Stellarton campus of the NSCC, and the two others were in Halifax.

THE CHAIR: Order. The time for questioning for the PC Party has elapsed. I would like to thank our witnesses and offer if you have any closing remarks, starting with Mr. Graham.

JIM GRAHAM: Thank you very much for the opportunity to participate, and thank you for the opportunity to say something at the end. This conversation was a lot about housing as well as homelessness, and I would be remiss not to say something about housing. I really think we need to ramp up our investment in non-market housing.

Investments in market housing can be short-term and shallow. Investments in non-market housing through non-profits stay non-profit for a long time, and historically, if people want to go back and look at some non-profit housing from the 1970s that has been



well-managed, well looked after, you will find that right now their rents are about 50 per cent or less of current market rents.

We need to take the long view, the very long view, in terms of creating affordable housing, and that long view is through non-market housing. (Applause)

THE CHAIR: Deputy Minister Taweel, did you have some closing remarks?

TRACEY TAWHEEL: I will just say thank you to the committee for the opportunity to talk about this really important issue. I would go back to a comment that Mr. Graham made at the beginning about the fact that we are working very collaboratively together - perhaps more so than ever in the past - and I am looking forward to our continued collaboration and to the support of members of this committee and all members of the House, in fact, to help us support those individuals who most need our support.

There is no time to waste on this issue, and we're committed to working quickly and collaboratively to make significant and meaningful progress on these important issues.

THE CHAIR: Deputy Minister LaFleche, did you have closing remarks?

PAUL LAFLECHE: I've got three quick points. One is, I would like to thank the members who contributed to clearing up the 30 per cent issue. That's not a magic number at all. It may be locked into a couple of federal agreements, but generally the Province can do what it wishes, and we have to ensure true affordability for whatever people's circumstances are.

The second point I'd like to make is that Mr. Graham was right on: We tend to get into a dichotomy between public housing and private housing. There's the non-profit sector which has traditionally been quite weak - I hope no one's insulted with that statement - quite small in Nova Scotia. The federal government is working with us very closely to dramatically increase the size of that sector, and we feel increasing the size of that sector, particularly in the urban areas, and providing economies of scale for them is a significant answer to our housing problem. We must not forget that there are actually three sectors, not two.

The last point is that I'd like to thank all the members for the great questions, and hopefully we've had a good debate here today. We remain able to answer further questions. I know there's some little frustration about Budget Day. We can get into that if someone wants to call us after, because we didn't finish answering the question. If you have specific questions, if you have projects in your area you wish to advance, any of the MLAs, please contact me or Mr. Richard. We'll be only too pleased to get on it as quickly as we can.

THE CHAIR: Once again, I want to thank all the witnesses for coming. We do have some committee business, so you're free to depart.

We received some correspondence that came from the Department of Economic Development, information that was requested on the 9<sup>th</sup> of February, and the Department of Public Works information that was requested on the 9<sup>th</sup> of February. Is there any discussion on those bits of correspondence?

[10:45 a.m.]

Seeing no hands, we also have heard back from Dr. Brendan Carr, and he's going to be out of the country and not able to attend the meeting on the 23<sup>rd</sup> of March. A motion had been passed to add Dr. Carr as witness, along with the Department of Health and Wellness and NSHA and the committee - we'll need to decide what we're going to do about Mr. Carr. Ms. Leblanc.

SUSAN LEBLANC: Given that the reason Dr. Carr can't attend this is because he's out of the country, I would like to make a motion that we reschedule that meeting. I think it's really important that he be here for the discussion, so we should be nimble and try to reschedule the meeting for when he can attend.

THE CHAIR: Mr. Maguire.

BRENDAN MAGUIRE: Seeing how this is the Liberal topic, I think communications - what we've learned with Dr. Carr is it's going to be difficult to get him in here because of his schedule. We just want to push forward with the witnesses minus Dr. Carr.

THE CHAIR: Mr. Boudreau.

TREVOR BOUDREAU: I would concur with Mr. Maguire and continue with meeting with the originally scheduled two witnesses who were put forward.

THE CHAIR: We have a motion on the floor, and the motion is Ms. Leblanc's motion, and that is to reschedule. Are we prepared to vote on that? Then I believe we'll probably need a second motion around Dr. Carr, so we'll vote on Ms. Leblanc's motion now.

All those in favour of a motion to reschedule this? Contrary minded? Thank you.

The motion is defeated.

Mr. Boudreau.

TREVOR BOUDREAU: Based on the fact that Dr. Carr is unavailable, I move to revert to our two original witnesses.

THE CHAIR: Mr. Boudreau has a motion. Is there any discussion? Seeing no hands.

All those in favour? Contrary minded? Thank you.

The motion is carried.

The subcommittee met on agenda and procedures, and we have a record of decision. Has everyone had an opportunity to look at the record of decision? Is there any discussion? Mr. Boudreau.

TREVOR BOUDREAU: The PC caucus would like to make a motion, or several motions to have the witnesses that we originally put forward in our submissions for topics and witnesses be what is approved here by the committee for those three topics. I can do them in separate motions if we so choose.

The first motion would be on the Department of Public Works for gravel road program highway improvement plans. The only witness we recommended was the Department of Public Works. I believe that the subcommittee agreed to that, but I'd make a motion for that as well. If everybody is okay with that one, then I'll . . .

THE CHAIR: Mr. Maguire.

BRENDAN MAGUIRE: Just to be clear, which witness is being removed? When you do your amendments, can we just say, these are the witnesses on and these are witnesses off so the committee is clear? Thank you.

THE CHAIR: Just for clarity on that, that is the way it left the subcommittee, so we're all agreeing that nothing has changed. Mr. Boudreau.

TREVOR BOUDREAU: For our second topic, the population growth market campaign, I move that the witnesses be the Department of Labour, Skills and Immigration, the deputy minister for LSI, and the Department of Communities, Culture, Tourism and Heritage. In that case, we would be removing the Department of Education and Early Childhood Development representatives, Communications Nova Scotia, and Housing Nova Scotia.

THE CHAIR: Do we have discussion? Ms. Leblanc, then Mr. Maguire.

SUSAN LEBLANC: I think that there are a couple of issues here. Number one, it's tricky to articulate this, because it came from an in-camera meeting, but this is the record of decisions from the in-camera meeting, so one would assume that in that in-camera meeting, this is what was decided. That in-camera meeting was with the subcommittee, which is supposed to be a committee that puts in place the direction of the full committee.

I think I was really hoping that we would get this record of decisions and then just move it in the spirit of collaboration and non-partisanship and working together, which we talk about a lot, but still have a hard time putting into practice.

To the specific motion, Nova Scotia needs or wants to double its population in the next however many years it is. That is the plan. It's really important. There are lots of things that have to be done in order to meet that goal. When we talk about a marketing campaign to help make that happen, we need to include the folks who are going to be executing the marketing campaign, which is Communications Nova Scotia.

It does not make any sense at all to spend this committee's time and resources on bringing in witnesses who won't be able to speak to the marketing campaign. It's a marketing campaign about population growth, which is very important, and we need to have Communications Nova Scotia at the table.

Further to that, if we're going to have a robust conversation about population growth in Nova Scotia, then we do need to speak to, or we need to hear from, the holistic spectrum of civil servants who are working to make it possible to increase our population growth. For that I'm talking specifically about people in the Department of Education and Early Childhood Development. How can we possibly think about doubling the population of the province if we're not going to be talking about school capital planning?

How can we possibly talk about population growth, and doubling the population growth, if we're not going to be hearing from people from the Department of Municipal Affairs and Housing? Literally, we have just spent the last hour and 45 minutes talking about the serious housing crisis that we have in Nova Scotia, and if we are doubling the population to two million people, then we've got to do a lot more thinking about what's going on in housing and with housing and homelessness.

It doesn't make any sense to have this topic - which is an important topic, let me be very clear, and I fully support the idea of this coming forward - but if we can't have a conversation that includes Municipal Affairs and Housing, that includes Education and Early Childhood Development, and most importantly, that includes Communications Nova Scotia, then I just don't see the point in bringing this forward at all.

I think maybe my colleague Mr. Maguire wanted to say something too, so I'll stop and let him have a chance to speak.

THE CHAIR: Mr. Maguire.

BRENDAN MAGUIRE: I'm not very talkative, so I'll keep this short. I agree that at the bare minimum we should have Communications Nova Scotia here.

I'd just like to call for a recorded vote on this. That's it.

THE CHAIR: Ms. Sheehy-Richard.

MELISSA SHEEHY-RICHARD: I'd just like to make a comment that the topic that the PC caucus brought forward was our topic that we chose our witnesses for. We want to talk about the population growth marketing campaign that is being done through the Department of Labour, Skills and Immigration and through the Department of Communities, Culture, Tourism and Heritage. Our topic was not school capital planning.

We also know that 20 minutes goes by really fast, so if we bring in that many people, there's going to be not much opportunity to speak to the two departments that this topic covers.

THE CHAIR: Ms. Chender.

CLAUDIA CHENDER: I think, again, as my colleague Ms. Leblanc referenced, the challenge here - it shouldn't matter whose topic it is. We all agree that it's important, that we want to grow the population, and we just spent two hours talking about how there is literally not a single place to live. As I mentioned, just in CBRM last weekend, and nobody wants population growth more than Sydney. They want it. They need it. They're ready for it. They want us to give them more power over it. But they have a housing crisis, just like us.

We all know that we are at an all-time high of unattached primary care - people looking for primary care. We've got almost 80,000 people, last time I checked, who didn't have a physician. We have a dearth of child care spaces. These aren't just sort of, oh well, we'll talk about that another time. If we want more people, they need to be able to put their kids in school. They need to be able to have a place to live.

We know that this housing issue - we're talking about housing and homelessness today, but it affects every part of the spectrum. Unless we're talking about only bringing one million very wealthy people to Nova Scotia from around the world - which, even if we wanted to do that, seems unlikely and also not productive - we need to solve these problems. We need to be able to talk about it. If we don't, we will exacerbate the very real social challenges that we're talking about.

So no, the topic is not school capital planning, but any of us who have sat in this seat for any period of time will tell you the impact of school capital planning on our communities and our communities' ability to grow and thrive. With all due respect, this is the Public Accounts Committee. We want to talk about what the sense is of these investments, and let's get to the bottom of how we're planning for them.

If the PC caucus doesn't want to ask any questions of those public servants, they don't have to. If you guys want to focus your questions on the folks that you've called,

great. But I haven't heard a good reason for limiting the committee's ability to ask questions of other departments whose input is equally as important.

THE CHAIR: Mr. Maguire.

BRENDAN MAGUIRE: Quickly, two things. I'll remind the Progressive Conservative Party that it might be their topic, but it's Nova Scotia's issues and Nova Scotia's tax dollars that are being used. They may call the topic, but it is actually Nova Scotians who are impacted by decisions that are made here. Also, my question for you, Mr. Chair, is that this is supposed to go one topic, one topic, one topic to be voted on. We've already voted on a topic for the Progressive Conservative Party.

How this committee usually works is we'll go government, Opposition, third party, and right now we're just jamming through all the Progressive Conservative topics. What I would ask is that we revert back to that and go through the list, allow the Opposition to put a topic forward each, then go back to this topic.

THE CHAIR: I believe a recorded vote has been called.

[The Clerk calls the roll.]

[10:56 a.m.]

YEAS	NAYS
Dave Ritcey	Brendan Maguire
Kent Smith	Braedon Clark
Melissa Sheehy-Richard	Claudia Chender
Trevor Boudreau	Susan Leblanc
Nolan Young	

THE CLERK: For, five. Against, four.

THE CHAIR: The motion is carried.

BRENDAN MAGUIRE: Can we move forward with an Opposition topic now? I'd like to move some of the topics that were put forward in the subcommittee, and the one that I would like to put forward is the Nova Scotia Power proposed rate hikes. That would be a representative of NSUARB, the Deputy Minister of Natural Resources and Renewables, the Deputy Minister of Environment and Climate Change, and representatives as listed from Efficiency Nova Scotia and Nova Scotia Power.

THE CHAIR: Is there discussion? We have about 90 seconds left here.

TREVOR BOUDREAU: Just so I'm understanding, do we typically go through each individual topic, or do we typically - if the subcommittee has agreed to specific ones and everybody's comfortable with those, do we continue with those or do we need a motion, versus ones that if you want to change based on what was brought forward by the subcommittee, those are the ones that I would suspect would need a motion.

KIM LANGILLE: If there is no disagreement about the topics, you can do a motion moving them all, but if there's going to be discussion, it would be helpful to do them one at a time in that situation.

BRENDAN MAGUIRE: Just request that the committee be extended another 10 minutes to get through the topics. I'd like a vote.

TREVOR BOUDREAU: I'm not in favour of an extension, Mr. Chair.

THE CHAIR: All those in favour - you have a motion, but we've already accepted it.

All those in favour? Contrary minded? Thank you.

The motion is carried.

That concludes our meeting. Our next meeting date is on the 23<sup>rd</sup> of March, 2022, with the Department of Health and Wellness, the Nova Scotia Health Authority, and that is on the decision to dismantle the Health Authority board of directors. If there is no further business - and we're out of time - I move to adjourn.

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