

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

PUBLIC ACCOUNTS

Wednesday, January 10, 2024

COMMITTEE ROOM

Heating Assistance Rebate Program

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Public Accounts Committee

Hon. Kelly Regan (Chair)
Nolan Young (Vice Chair)
Tom Taggart
John A. MacDonald
Melissa Sheehy-Richard
Danielle Barkhouse
Hon. Brendan Maguire
Susan Leblanc
Lisa Lachance

In Attendance:

Kim Adair
Auditor General

Kim Langille
Committee Clerk

Gordon Hebb
Chief Legislative Counsel

WITNESSES

Department of Service Nova Scotia

Joanne Munro - Deputy Minister
Gary O'Toole - Associate Deputy Minister
Rodger Gregg - Executive Director of Business and Consumer Services
Adam Rainforth - Executive Director (for SNS), Finance and Treasury Board



HALIFAX, WEDNESDAY, JANUARY 10, 2024

STANDING COMMITTEE ON PUBLIC ACCOUNTS

9:00 A.M.

CHAIR
Hon. Kelly Regan

VICE CHAIR
Nolan Young

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

A reminder to everyone here at the committee to place your phones on silent. I will ask committee members to introduce themselves, beginning with MLA Young.

[The committee members introduced themselves.]

THE CHAIR: I will note that officials from the Auditor General's Office - in fact, the Auditor General herself - as well as Legislative Counsel Office and Legislative Committees Office are in attendance as well.

On today's agenda, we have officials with us from the Department of Service Nova Scotia with respect to the Heating Assistance Rebate Program. I will ask the witnesses to introduce themselves, beginning with the witness on the far right, Mr. O'Toole.

[The witnesses introduced themselves.]

THE CHAIR: Now, Deputy Minister Munro, I invite you to make your remarks.

JOANNE MUNRO: Thank you and good morning, Madam Chair and committee members. Before we start, I do want to introduce two other special colleagues with us today - key staff in the audience: Melissa Mosher, Director of Consumer Programs, and Barry MacCarthy, Manager of Consumer Protection.

We are all pleased to be here to discuss the Heating Assistance Rebate Program - or HARP, as we call it - and to answer questions. HARP is an excellent example of the mission behind everything that we do at Service Nova Scotia, which is to deliver quality, responsive programs that help Nova Scotians. We have 10 divisions responsible for 34 pieces of legislation, 71 sets of regulations, 13 Access Nova Scotia centres offering public services, land registry services, contact centre, business licensing and permitting, and so much more, plus many internal services for our government partners.

Our Business and Consumer Services team, which oversees programs like HARP, is committed to putting Nova Scotians first. They work hard to make sure programs like HARP will help Nova Scotians as much as possible. We take great pride in how these programs are delivered, whether it's in person through our Access Nova Scotia Centres or online.

We all know how important heating is, and we know that the cost of heat continues to be a challenge for many Nova Scotians. Nova Scotia has a long history of offering rebate programs for home heating. There were two programs that preceded HARP, starting in 1999 with the Low Income Fuel Assistance Program, which offered a \$50 rebate for oil heat. In 2004, it was replaced with the Keep the Heat program, which increased the size of the rebate and expanded on the types of heating fuel that were covered.

This Heating Assistance Rebate Program was first launched in 2008. For most of its existence, HARP has offered a \$200 rebate for all types of home heating fuel. Last year, recognizing the challenges that Nova Scotians were facing, the Province announced a one-time top-up, making HARP a \$1,000 rebate for the 2022-23 fiscal year. It also increased the income eligibility to \$85,000 as a one-time measure. This year, government approved a \$600 rebate and changed the income thresholds to \$55,000 for single-income households and \$75,000 for families.

Each year, we reassess the program to ensure that it meets the needs of Nova Scotians. We do the same with all our rebate programs. We deliver a number of programs on behalf of the Province, and over the years we've learned a lot about how to deliver them more effectively, and in ways that are easy to access.

In recent years, we've created a simple online application that includes the ability to check the status of your application to see if you've been approved. We offer direct deposit. Nearly 85 per cent of our applicants use this and they get their rebate faster. We've also given seniors the ability to opt in to the program via the Property Tax Rebate for Seniors. If an applicant has questions that can't be resolved by our contact centre, we

escalate their inquiry to our support staff because we want to ensure that they get the answers that they need.

Our staff also conducts a range of surveys, user testing, and data analysis to better understand the experiences of applicants, all in an effort to improve the process and experience.

To ensure that Nova Scotians know when to reapply, we reach out to the applicants using methods we've used to communicate with them in the past previously to let them know when the program is open for applications. To ensure that all Nova Scotians have access to information about the program, we provide fact sheets in seven different languages, including English, French, Arabic, Spanish, Farsi, Mandarin, and Mi'kmaq. If people have questions in English and French, we can provide information through our contact centre.

To date, for the 2023-24 season, we've had an unprecedented number of applications, with 103,920 total approved applicants and counting, including over 41,000 who were first-time applicants to the program, as of January 8th.

The sheer volume of applicants has resulted in some processing delays. Some applications can be approved quickly when all information is filled in properly. Other times, our staff may need to follow up. This happens when someone's income isn't verified by the Canada Revenue Agency, for example. Next year, we hope that the processing speed will be quicker, given that many who are applying under our new income thresholds will be in their third year, and their application may be auto-approved.

As we move forward, we'll continue to evaluate all aspects of the program to ensure that we're giving Nova Scotians the help they need when they need it, and that we're delivering rebates as efficiently and effectively as possible.

We are happy now to take your questions. The team and I look forward to the discussion.

THE CHAIR: Each caucus will have 20 minutes, and then we'll divvy up the remaining time. We will be cutting off questions at 10:30, because we actually have quite a bit of committee business to deal with.

We will begin with the Liberal caucus. MLA Maguire.

HON. BRENDAN MAGUIRE: Thank you for being here today, everyone. When it comes to the HARP, we saw a decrease in almost 50 per cent from this year to last year. It was \$1,000, and then it's \$600 - sorry, 40 per cent. It's pretty simple math - a 40 per cent decrease in the HARP.

The cost of food in Nova Scotia in 2022-23 has gone up 13.1 per cent - one of the highest in the country. On January 1st - the beginning of January - all Nova Scotians across this province got a good kick in the backside with a 14 per cent increase in power rates. People are now getting their assessments on their homes, and we're seeing them online. I'll give you an example of a lady from my community, Leslie, whose home was assessed at just around \$300,000. Nothing was done to her home. She received a \$110,000 increase in her assessment, so we know the property taxes are going up.

Over the holidays, I ran into some of the senior bureaucrats from HRM. One of the things that was said to me was that the property taxes need to go up double digits every single year. What this individual told me - who's involved in this - is it's close to 20 per cent a year. That's what they need to do. This is just in HRM. We're seeing this right across the municipalities where the property taxes are going up. I would argue that services aren't going up 20 per cent. I just heard on the radio in here today that we have the lowest police officers per capita in Canada now. We are in the middle of another snowstorm and another snowstorm and another snowstorm, and we're now seeing that the service levels for snow removal from the Province and the municipalities have gone up. It used to be that your roads would be plowed within 24 hours. Now we've got this 48-hour thing.

The reason I say this is, among all these increases, the cost of food is out of control. I do the grocery shopping in my home, for the most part, and the cost has gone through the roof. The cost of power has gone up 14 per cent. How can you reasonably and ethically decrease the HARP by 40 per cent for people whose money is not going as far as it used to, for whom every single bill that's coming into their home is going up? What was the reasoning and the rationale with decreasing it 40 per cent?

THE CHAIR: Deputy Minister Munro.

JOANNE MUNRO: First, I'd like to say we understand that many Nova Scotians are challenged with the affordability crisis and obviously energy costs. In fact, the affordability crisis is right across the country. As I said earlier, we certainly review the program annually. Last year, \$1,000 was offered as a one-time boost during, again, a very difficult time - and we're still in a very difficult time. I do get that. Nova Scotians are struggling.

Our job is to provide options as part of that review - options to government. I can say that the \$600 - again, it's one-time. Every year we're reviewing the program, but it is three times what it has been for 17 years prior to that.

BRENDAN MAGUIRE: I don't mean to interrupt - well, I do mean to interrupt, but I want to debunk some of these things that you're saying here. When we talk about cost of living in Nova Scotia, when we talk about programs in Nova Scotia, some of the things that we constantly hear from people who sit in this committee and appear before us is: Right across the country. You are not the Deputy Minister of Service Nova Scotia of Canada;

you're the Deputy Minister of Nova Scotia. Every single person around this table represents Nova Scotians. The Premier himself has said: I'm all about Nova Scotia. Rightfully so. He should be. Nova Scotia should be his number one priority.

You said this year is worse than the last year we did this, because last year was so terrible. We've heard this time and time again. This year is worse than last year. This year is actually more expensive than last year. Things didn't go down, they went up. The rationale that last year was so bad that we had to give a one-time \$1,000 rebate doesn't hold water, because this year, by your own logic and by the logic of this government - and I know you put options forward - it should actually be more. The other thing is that we put options to government. I just want to keep this simple and quick. Did you actually put an option forward to government to keep the HARP program at \$1,000 or increase it? Yes or no.

JOANNE MUNRO: We gave many options. What I'd like to say is the options are infinite. We gave every option, and in fact, we have a tool that you can use to actually look at all the options. That's been very helpful. At the end of the day, government makes the decision. What I would say is that we had a lot of data last year. We had over 150,000 people apply for that program last year. There are a lot of data that are very helpful. At the \$75,000 salary mark, we could actually see the dwindle of people applying. That was helpful for us to understand where in the threshold, how we maximize our help to Nova Scotians. That was a data point that was very helpful.

At the end of the day, we provide options and government needs to make the decision, which they have.

BRENDAN MAGUIRE: Which I can appreciate. I feel like a senior. I've been doing this for quite some time now, so I understand how everything works for the most part. The question was: Yes or no? I know you said there were all kinds of options that were put forward. I'm just trying to find out: Did you put the option forward of keeping the HARP program at \$1,000 or increasing it for this year?

JOANNE MUNRO: That would have been one of the options, yes.

BRENDAN MAGUIRE: In the time of the highest inflation we've ever seen, the highest housing prices we've ever seen, the highest power rates we've ever seen, the highest assessments on homes we've ever seen, monster property tax increases coming down the pipeline, what was the rationale for not keeping it at \$1,000 or increasing it? What was the rationale for decreasing it? One of the things we've heard is it allows more people to use it, but the truth is if more people are accessing this or wanting or needing to use it, then that should show to everybody that the \$1,000 or increasing it was needed. What was the rationale of saying: Let's decrease this by 40 per cent?

[9:15 a.m.]

JOANNE MUNRO: I would say that obviously, the options were put forward to government and the decision to come back with \$600 - I'd also like to say that there are other programs for affordability that are out there. We have the PTRS Program that we use for seniors. They can opt into the HARP program. We have the Seniors Care Grant, which we deliver on behalf of, but the program is owned by the Department of Seniors and Long-term Care. There is the Home Energy Assistance Top-up Fund for emergency that is funded but offered by the Salvation Army. There is a list of programs that help people on the affordability side. HARP is one. We review it every year, but it's a one-time rebate. We don't want it taxable at all, so we follow the rules of the CRA.

BRENDAN MAGUIRE: Do you ever watch the show *Mythbusters*? This is what I feel like I'm doing right now. Again, I understand where you're coming from, but you just quoted a whole bunch of programs that, for the most part, when people take advantage of those programs it's because they're at their most desperate, because they can't pay their power bill anymore, or they're about to lose the roof over their head.

HARP is not one of those programs. The HARP program is kind of like: We understand you need help. We understand that you could use a boost. The rest of those programs are emergency programs. How do I know? Because I represent a community where we do thousands and thousands of those applications every year.

I want to say that when I sit here and I hear people say, well, we have the Salvation Army - the Salvation Army is a one-time thing you can use if your power is about to be shut off. It's not one of those things where you can go back to the well over and over again. For people to say that these are the programs that people need and can use over and over - it's not true. The HARP was one of those programs that they could apply to, and they could depend on.

The other thing that was kind of cruel about all this - to be frank, if we're going to talk openly here - is that a lot of people expected the \$1,000. A lot of people budgeted for the \$1,000. I got calls from all across Nova Scotia - no exaggeration - from Cape Breton to Yarmouth, where people were saying: Where's my other \$400? I need that. I need that for food. I need that for clothing. I need that - where is it?

People weren't told that. They weren't told that this was a one-time thing, or it wasn't communicated properly. Was there a note that went out, or was there information given directly to every single applicant when they received the \$1,000 that this was a one-time thing and next year this was going to be cut back to \$600? Were they made aware of that?

JOANNE MUNRO: Could I ask my colleague, Rodger Gregg, to chime in on the question?

THE CHAIR: Mr. Gregg.

RODGER GREGG: You're correct that the HEAT Fund from the Salvation Army is more of an emergency program. You can't even access the program unless you have arrears with your heating company. It's not designed to be something that's accessed regularly. It's to help in urgent situations.

The PTRS program - that's a rebate of half the property tax that you would pay.

BRENDAN MAGUIRE: I know the programs. I just need - about the communication around the . . .

TOM TAGGART: Point of order.

THE CHAIR: MLA Maguire.

TOM TAGGART: It would be nice if the witness could answer the question.

BRENDAN MAGUIRE: That wasn't a question I asked.

THE CHAIR: Thank you, MLA Taggart.

I will just say that we do allow MLAs to indicate when they have heard enough. I do that for both sides.

MLA Maguire.

BRENDAN MAGUIRE: I'll allow you to finish. Sorry.

RODGER GREGG: Obviously, we don't know - it's year to year, so when we're sending out the \$1,000 rebate, we can't say that it's going to be \$600 next year. It's year to year. It's a one time. We were very clear in our communications that go out that this is a one time. It was a bump up - especially where it happened mid program, which was a little unique for HARP. It wasn't that this was set up as a normal thing. It was coming mid program. The team did a lot of work to be able to give bump ups to people who had already received the rebate.

It was very much communicated that this was a one-time program. That's what goes through with communications. At the same time, we will reach out to previous-year recipients. Anyone who received the \$1,000 last year, we reached out to them directly to try to get them to apply again.

Again, the information is always that as soon as we know what the rebate amount is going to be, that's communicated directly to the recipients from the previous year. At no point are we going to make commitments that we can't make, that set expectations.

I definitely understand that some people may still think that, or that it still feels like a loss for some people, for sure.

BRENDAN MAGUIRE: In 2022-23, 155,800 people applied for this rebate. How many people applied for it - the \$1,000 rebate?

JOANNE MUNRO: This year?

BRENDAN MAGUIRE: This year.

JOANNE MUNRO: This year - today, that's of January . . .

THE CHAIR: Deputy Minister Munro. Folks, you've got to go through the Chair, okay? Thanks.

JOANNE MUNRO: As of January 8th, we've had 125,783 applicants. To date, 103,920 have been approved. We've processed around 111,000.

BRENDAN MAGUIRE: I know one of the things that's going to be said here today - and actually, Deputy Minister, you did say, well, it wasn't increased for so many years and this and that. The truth is that 10 years ago, things were much cheaper. Ten years ago, if you were in my community, you'd get a two-bedroom for \$700. It's now \$1,900 for a one-bedroom apartment in that community. Ten years ago, you could get a single for \$535. People on income assistance were living in the community because they could afford to live in that community. That does not exist anymore. So \$300 went a long way, but when rent goes from \$535 to \$1,900 and this program goes from \$300 to \$600, it's good but it's like saying we increased income assistance by a dollar and saying that's the largest increase that this province has seen in 10 years.

With the cost of living the way things are going right now, this program should be much more. I understand that it costs money, but when people live in poverty, when people live with housing that's not adequate, that has an impact on our health care system. That has an impact on all our systems. If you're looking at this from a dollar and cents standpoint, when people aren't eating, when children aren't eating, when people can't get power, when people are struggling, we know statistically that it can lead to health care outcomes that impact our health care system, that impact our income assistance system, that do cost us money. Instead of being reactive, I think these types of programs should be proactive. We should be looking at making sure that this money and this program fit the expenses of today's families, and I don't think it does. Do you think that \$600 is enough?

JOANNE MUNRO: If we go back, the program is for heating assistance, and I am proud to say that it is three times what it had been for 17 years prior to that. Remember, last year it was a responsive measure. It came midstream. It was announced in January. We turned it around very quickly to get the \$1,000 out the door as a measure because Nova Scotians are struggling. We know that. Again, it's reviewed every year. Every year we put options forward. Decisions then get made, and we put the machine in motion.

BRENDAN MAGUIRE: I will give you, your department, and this government credit for the \$1,000. It was a great thing to do. It was the right thing to do at the time. You said 17, it was . . .

JOANNE MUNRO: I haven't checked that.

BRENDAN MAGUIRE: You said 17 years ago, it was \$300.

JOANNE MUNRO: In 2008, it was . . .

THE CHAIR: Sorry folks. Again, I'm going to remind committee members: through the Chair. Please do wait until you're recognized. Deputy Minister Munro.

BRENDAN MAGUIRE: No, it was on . . .

THE CHAIR: Well, it's hard to tell, isn't it? MLA Maguire.

BRENDAN MAGUIRE: My final question for this round is - again, we're going to hear this referenced a lot here today about this first time in 17 years. It's doubled. What was the cost of rent 17 years ago? What was the average cost of groceries 17 years ago? What were the power rates 17 years ago? Ten years ago? I am passionate about this because we deal with this non-stop.

Like I said, I will give credit for the \$1,000 and I will give credit for some of the housing initiatives that are coming out of this government. I'm not here just to bash government, but this is a program that is vital. To people around this table, \$400 may not seem like much. I don't know when the last time people around this table made less than \$70,000, but when you take \$400 out of the pocket of a family that is struggling, that means this year they're not going to get Winter boots or a Winter jacket. That means they can't afford groceries. That means their kids can't afford to play hockey. That means they can't afford to pay the power bill. That's what that means.

We can sit here and pat ourselves on the back, whether it's a Progressive Conservative, Liberal, or NDP, I don't care. We can sit here and pat ourselves on the back and say: We doubled it. Listen, the Liberals did the same thing and said the same kind of stuff when they were in power, and the NDP said the same kind of stuff when they were in power. I understand the position it puts you in.

I just don't get how we don't realize that when you take that \$400 out of the pockets of individuals, you're taking it out of something. Usually it's food, power, clothing - and quite frankly, that's cruel. Again, I know that's not you. I know that you put the options on the table. I just hope that this is revisited, and those who are in power are able to look at this and say: We have to do something, because Nova Scotians are struggling. They really are struggling, and that \$400 can go a long way. That's not really a question.

THE CHAIR: Does the member have a question? You have 30 seconds.

BRENDAN MAGUIRE: I'll just let her respond if she wants.

JOANNE MUNRO: I just want to clarify that the actual rebates for 14 years before last year were \$200, and had remained at \$200 for that period of time. The first change to the rebate was last year, which bumped it to \$1,000. Again, we communicated very clearly it was a one-time payment, and again this year we have communicated it's a one-time payment of \$600. Still very proud that it's three times what it had been for 14 years prior.

THE CHAIR: Order. The time for Liberal questioning has elapsed. We now move on to the NDP caucus. MLA Lachance.

LISA LACHANCE: Certainly, you've talked about it being an unprecedented year in terms of the total number of applicants, as well as the number of new applicants. I understood there were more than 100,000 applicants, and 41,000 of those are new applicants. It was unprecedented, but was it unexpected? When you were planning HARP for this year, what did you expect in terms of total number of applications, and how many staff were allocated to manage this program?

JOANNE MUNRO: We know more stats in our province around our salary income through Statistics Canada and so forth, and our colleagues at the Department of Finance and Treasury Board. Once the threshold was understood, we did know that we were going to be somewhere north of 130,000 people, but the interesting part is we don't know who pays for heat. When you do the estimates around volume, we don't know what the uptake is going to actually be. That's kind of where we are tracking weekly as to what the numbers are.

From an FTE perspective, I know that we have our business registry processing unit, which does all permits and licensing, and we do some temporary hiring for programs like HARP, PTRS, Seniors Care Grant. They do have different start times, so we have to bring on staff. I'd want to check my number, but I do believe that our director of the Business Registration Unit hired about 36 temps to do the processing for HARP. There were others who were in the other programs as well.

As part of that, I must say that staffing is a challenge. When we had the onslaught of - when the program was opened on October 16th, definitely there was a real swath of

applicants, which is great, all coming in at the same time. It does take time to process. With staffing challenges and the volume, that did lead to processing delays, which none of us like to have. We're very proud around the service we provide, and we like to meet our service standards and our turnarounds. It was longer than we wanted, but we took action. We cross-trained people. We offered overtime and weekend work. They worked very hard over the holidays to process as many applications as we could.

[9:30 a.m.]

I call it eating the elephant. We need to eat the elephant. We need to get the dollars out the door, and we've been very efficient over the years - especially with 85 per cent uptake on direct deposit. People are getting their money very quickly once we get it through the processing.

I did mention in my opening remarks, if everything is tickety-boo with their application coming in, the turnaround is very quick. But when there's follow-up - when something happens at the CRA end because they have to validate the salary levels - it does take a little follow-up, obviously, from our staff to the citizen.

I am happy to say that we are close to 90 per cent of processing all applications that have arrived within our department. We have had some success in eating the elephant, even though we were not happy, of course, being somewhat delayed and not meeting our service standards at the start. We did take action, and I'm very proud of what the team was able to accomplish over the holidays and over time.

LISA LACHANCE: In terms of the service standards, I was going to ask that. Normally it's an eight-week service standard, as I understand it. Is that set to include any clarifications or back-and-forth that is needed? Last month, we heard reports about a lot of delays - a lot of people struggling with those delays because their applications needed some follow-up. Have you been tracking how long people have been waiting and the percentage by which you've exceeded your service standard of eight weeks?

JOANNE MUNRO: I'm not sure I have all those numbers with me. I do know that obviously, eight weeks is really to complete the whole application, whether you have follow-up or not. The issue was the volume that came in. I don't know if my colleagues have the volume of the initial applications that came in, but that eight-week turnaround is a commitment with particular follow-up.

We are now back, obviously, within our eight-week time frame. I don't know what the longest time frame has been for a citizen. Could I ask if any of my colleagues might be able to come in with specific detail for MLA Lachance?

THE CHAIR: Mr. Gregg.

RODGER GREGG: It's a very unique situation. HARP has been around for a long time. I've been around the program for a long time. It's usually a fairly steady program that runs quite smoothly. We can usually issue about 44,000, 45,000 rebates each year. That's over the span of the program, October to March. Last year, there was the mid-program injection, which was able to help a whole lot of people, so our 44,000-applicant program ballooned up to a 155,000-applicant program. The budget went from \$10 million up to about \$155 million. So lots of really big increases and lots of firsts for us for dealing with the program.

Where it was a mid-program increase last year, the flow of what applicants would do wasn't quite known. This was the first year where we were starting fresh with a way larger applicant base. We estimated it to be about 135,000 applicants who would take that up this year. What we saw was 80,000 applications in the first week relative to what was doubling our whole program that we've run every year, each year previously. So a significant bump, and the ability to help a whole lot of people, which is great. We're always looking at measures that we can auto-approve as best we can, while still making sure we're compliant with CRA and making sure the right people get the money.

It was a lot for us to deal with, and there's been a lot of great work to get us to where we are now. We usually . . .

THE CHAIR: MLA Lachance. Sorry, the MLAs do indicate to me they've heard enough, so if I interject, that's what's going on. MLA Lachance, 13 minutes.

LISA LACHANCE: I would say it's not about hearing enough; it's just about making the best use of our time. I'm wondering if I could ask if you could provide to the committee as follow-up the percentage of applications that were outside your service standard - what the outliers were in terms of some of the longest waits. We're also interested in seeing the communication that was provided back and forth to folks in anticipation of launching the program, and also during the program - the standardized communication.

I appreciate 80,000 applications in the first week is a huge amount, but again, I think we could all stand by the idea that while it's unprecedented, it wasn't unexpected. It was what you had planned for, and people are really struggling.

I know that you take your service standards - the reason for which they exist - seriously, but given the times that we're in, we need to be able to respond quicker and respond within our service standards as government. A little bit of understanding of the percentage outside of service standards would be helpful.

I want to ask about, in terms of supports, what do you offer to support folks who need help with their forms or in terms of follow-up? Is it a standard letter that goes back to folks? How are people supported in filling out the application?

THE CHAIR: I just want to make sure that I understand, MLA Lachance. You had a list of things there that you would like provided to the committee if you don't have it here today, and you expect they probably don't, but if we could get that sent back to us in a letter of response to the committee? That's what you're looking for? (Interruption) Okay.

But then you had a question.

JOANNE MUNRO: I'm trying to remember the question.

LISA LACHANCE: What supports do you offer to folks who need help filling out the forms?

JOANNE MUNRO: To add to the last question, we know that the outside was 10 weeks, from my colleague. We'll provide other information as we have it.

As for supports, online is a very important tool for the citizens of the province to apply for HARP. There is something called digital assist. First and foremost, our Access Nova Scotia centres are available to help and assist, but really, our MLA offices are absolutely crucial and critical with people who may not be quite so digitally savvy. We've really appreciated the help. I know there are consent forms and requirements that are needed by the MLA offices, but I know that's where citizens like to go as well.

We also have online contact centre help, and we have consent requirements through our contact centre so we can help people on the phone. Family members, I know, step in and help people who need help and assistance in completing online.

We do really encourage people to apply online. It's simple, fast, and easy, and they get their rebate quicker than doing the paper route. I think now we're up to 80 per cent of our penetration where people are applying online versus the paper. That's a shift, and it's an important shift. We need to encourage that, but we also need to make sure that our process is simple, fast, and easy online, and understandable.

THE CHAIR: MLA Lachance.

LISA LACHANCE: Could you go to MLA Leblanc for a couple minutes?

THE CHAIR: MLA Leblanc.

SUSAN LEBLANC: Just a quick question about the communication - the communicating very clearly the one-time thing. I sat with many constituents last year and helped them fill out the online application. I get it confused with this one and the Seniors Care Grant. On one of them, there's a line that says, like, I understand that blah blah blah. So when I'm helping them fill it out, I say: So this is the thing, and I just want to be really clear that you understand this thing. Yes, I do. Then I check the box or whatever.

Is there something like that on the form for this one that says: I understand that this is a one-time-only payment, and I shouldn't expect to always get it or whatever? When you can say one-on-one to an applicant - look them in the eye or on the phone and say: This is the thing about this program. I don't remember that about this program. I don't remember feeling very sure - knowing in my soul that this was a one-time payment. The way that you were talking about it right now, I don't feel that was communicated. I'm pretty up on those things, and I want to make sure that people who come into my office are up on those things.

If that is not the case - if I'm misremembering - that's fine. You can let me know that. But I just want to say, is there a way to add that to the form - a very clear checkbox?

JOANNE MUNRO: The attestation you're talking about is: I actually pay for my own heat, and I have my heating bill in my name for my property or the rental unit. That's the attestation, because we don't require people at this point to attach their heating bill.

There is not a box that says that you clearly understand that this is a one-time, non-reoccurring payment - which is required from the CRA to ensure it's not taxable. That is an idea that we should take away and have a look at. It would have been in the communications. I might want to ask - if okay by the Chair - if there's any input from my colleagues.

SUSAN LEBLANC: Thanks for that. That's right, the attestation is something different. What I was going to say earlier to Mr. Gregg when you were answering another question is that I would love for you to follow up - and Chair, this is another follow-up request - to table those communications where it says: This is a one-time payment. If it's in a Communications Nova Scotia release, let's face it, most people in the public are not reading Communications Nova Scotia releases. Our MLA offices might read them, but we get 15 a day. If it's all over the website, that's a different story. I would just love to see what you consider well-communicated, and what the public might consider it - not to suggest that they differ, but just to see if there is a difference.

The other thing I want to ask is about the energy poverty task force. Is your department involved in the energy poverty task force?

JOANNE MUNRO: We're not on the task force, but we certainly have relations as a stakeholder with the energy task force. (Interruption) Could I ask Rodger Gregg to answer that question?

RODGER GREGG: We do participate on the energy task force, but not as a lead. We sit on the committee. We're very interested in the work that's being done, but that's not something that we're having a leadership role in from our department.

SUSAN LEBLANC: Did this decision - when you were reviewing how much to offer as a heating assistance rebate this year, was it brought to the task force? Was the task

force involved in any of the decision making? Were there recommendations from the task force that the amount should stay the same or change? Can you speak to any of that?

JOANNE MUNRO: No, the decision was not brought to the task force. To clarify, I just want to share on your last question, MLA Leblanc, we just sent to the committee a news release from January 2023, and it clearly says it's a one-time payment. That's one bit of the communication that we have been proactive to send to the committee.

No, the decision around the HARP was not brought to the table. We certainly take all the information from our stakeholders as part of the ongoing discussions and briefings, but specifically not brought to the task force.

RODGER GREGG: Understanding too that the task force wasn't fully established at a time when decisions would have been made for that period.

SUSAN LEBLANC: That's a good question. When was the decision made? This program rolled out October 16th. That was the opening day. When was it decided how much - did you say? No, that press release was January. (Interruption) Oh, last year. When was it decided for this year's program that the change would be to \$600?

JOANNE MUNRO: We know that we have lead time required to ensure all the system's requirements are done and changed. So the decision for us to then to start to implement would have been early September.

SUSAN LEBLANC: Clearly, things financially in the province weren't - I mean, not the province necessarily, but in households was not better. We weren't seeing a drop in interest rates yet, or we haven't really seen one yet. Things were still very bad financially for homes, so it is surprising that the decision was made, and unfortunate.

I want to ask, Deputy Minister Munro, you said something at the very end of your opening statement about people getting to know the new income thresholds so they could auto-apply for next year. Is that suggesting that you're committing to keeping the level the same for next year and the income thresholds the same?

JOANNE MUNRO: No, not committing, but with that swath of new applicants, depending on where that threshold goes, it could be that a portion of those citizens are going to be in their third year, which is where the auto-approval process kicks in. Not guaranteed, but there could be improvement in our processing of those large volumes because of that. No, not committing to those thresholds.

SUSAN LEBLANC: Lastly, have you assessed the impact of last year's program - the top-up from \$200 to \$1,000? Have you assessed that impact on reports or levels of energy poverty in the province?

[9:45 a.m.]

JOANNE MUNRO: No, I have not.

SUSAN LEBLANC: Is that something that can happen by next year to double your impact?

JOANNE MUNRO: I would say that I'm not sure that fits within the mandate of Service Nova Scotia. Our job is to deliver rebate programs, and this one is a long-standing, very popular program, the Heating Assistance Rebate Program. I would look to colleagues who have other information that might apply to our program to share, but that's not the role of Service Nova Scotia.

THE CHAIR: MLA Leblanc, you have 10 seconds.

SUSAN LEBLANC: Thank you very much.

THE CHAIR: We will now move on to the Progressive Conservative caucus and MLA Young.

NOLAN YOUNG: I just want to clear up some of the record for some of the premise the honourable member had said. We're a government that's here to actually help Nova Scotians. The Liberal government could have increased the amount from \$200. They had ample opportunity since 2013, and didn't even increase it one bit to help Nova Scotians. We're able to help over 100,000 Nova Scotians who are having issues with affordability. To paint a narrative that we're not doing enough, I totally disagree with it. What do we get from the Opposition? All we get is a carbon tax. That's what they give to address the affordability issue.

I disagree with my honourable member. In fact, I'd give the Opposition a couple of minutes right now if they'd like to stand in support against the carbon tax. Crickets. Okay, I'll pass it on. (Interruptions)

THE CHAIR: MLA Young, are you giving some of your Progressive Conservative time over to the NDP right now?

NOLAN YOUNG: They can have their minute to rebut, but I'll pass it on to the honourable member for Colchester North. We know you support a carbon tax.

THE CHAIR: MLA Taggart.

TOM TAGGART: I welcome the response on the carbon tax when their next time comes around. I have to say that I'm disappointed in the way my honourable colleague across the way questioned our bureaucrats here. In this political game, elected officials are

fair ball. I believe that the respect that is owed to bureaucrats in Nova Scotia - and the honourable member generally starts his conversations with how he respects how much everybody does. I just have to say that wasn't very respectful. I'm hoping when he comes back, he'll take the opportunity to clear some of those things up.

I want to speak about some of the things that were said here so far. Across the way, the honourable member talked about the calls that he received from all over Nova Scotia with respect to the home heating rebate plan. We received some calls too, and those calls were about confusion. It's my opinion that the confusion was sowed in an attempt to discredit the program and the government. All it really did was make it difficult for some seniors - in particular seniors - to understand what was going on.

My staff works very, very, very hard to make sure that all the constituents of Colchester North are able to apply to all these wonderful programs that come out. Just for example, on the back of my Christmas card - which is not a picture of me, trust me - all that was there was a list of the programs that they could access. That went out a few days before Christmas. The number of applications that we filled out from that day to the end of the year was unbelievable. That's where we got the calls about confusion. It was steady.

Every challenge my colleague spoke about, every challenge under the sun - rent, cost of food, you name it - just another case of muddying the waters. That's all it was. HARP has always been a great program. It was originally brought in by a PC government. I'll go over all that in a minute. I'll ask you guys questions, and you can clarify it. But again, that was just to muddy the water.

With respect to muddying the water, the member talked about somebody - and I don't remember the number - whose property tax was increased by an insane amount. I don't know what it was. But I'm going to tell you something. I spent 12 years in municipal government. Property taxes are capped. He indicated that they hadn't done any repairs. Property taxes are capped in Nova Scotia, number one. Number two, in 12 years I never heard tell of somebody bringing out a tax rate in January. Tax rates tend to come out just before the assessment is capped. I don't know how we figured this number because the tax rates aren't out yet. Again, that's muddying the water.

He talked about how much cheaper things were 10 years ago. Well, certainly rent has changed, but I've got to tell you something. Ten years ago, factual, the price of home heating oil was \$2.92 when the member was first elected. I think the rate at that time - but you'll clarify this later - it was \$2.92 in 2013, and in 2023, it's very high: \$2.47. So we've got to bring things into perspective here. I welcome the opportunity to have those cleared up.

This is where I really get to talk about my favourite thing: the carbon tax. Most of these folks struggle with the heating bill in the Wintertime. They like to fill their tank up in the Summertime. That way they've got it paid for, and their next bill - so they pay a carbon

tax on that heating fuel. The members across the way sat on their hands when we asked them to support not having a carbon tax. We asked them. They sat on their hands. It wasn't until the poll numbers crashed that the feds then came out and said: Well, we're not going to put it on in Nova Scotia and Atlantic Canada - we're not going to put it on fuel oil.

We need to talk about facts. Anyway, I'm going to go to the question I'm supposed to ask here. I need to be clear, okay: Don't muddy the waters. Facts are facts, and yes, there is no question that this year's program is less. Everybody knows that. Don't muddy the waters.

Deputy Minister Munro, I understand that HARP was launched in 2008 and replaced the previous heating assistance programs such as low-income fuel assistance programs, keep the heat programs. They spanned successive PC governments. I understand that HARP then changed the following year, in 2009, after an election. Could you shed some light on the original program parameters and how they were changed by the then-NDP government of 2009?

JOANNE MUNRO: The income eligibility thresholds remained unchanged from 2009 until 2017. In 2017, we raised the thresholds by \$2,000. In 2009, the rebate was changed to a range of \$100 to \$200, whereas beforehand, there was a combination of a \$450 rebate for heat with oil, propane, or natural gas. For those who heated with electricity, wood, or coal, depending on your fuel, it was \$150. It became a little bit more consistent with a range of payment depending on your type of fuel and your use between \$100 and \$200, but there was a change in the threshold amount.

TOM TAGGART: I understand there were also some changes made to the HARP eligibility in 2017 under the then-Liberal government. Could you elaborate on these changes?

JOANNE MUNRO: The income eligibility remained unchanged in 2017. Then the government of the day raised them by \$2,000 to \$29,000 for individuals and families at \$44,000. About 1,500 new applicants were approved under those new criteria, so we added 1,400 citizens to that, and we're always around 45,000 individual citizens applying. Again, the rebate amount stayed between the \$100 and \$200 threshold, depending on the application.

TOM TAGGART: That was the year that the previous government had a \$150 million surplus. I guess they weren't too concerned. Anyway, were there no further changes in HARP between 2017 and 2022? Is that correct?

JOANNE MUNRO: Yes, there were some changes, because I actually came on the scene in 2014, so now we're talking when I was in the chair. The eligibility thresholds did not change during that time, but what we did do is we added the opt-in option for HARP when we put the application process online. We were starting our digital journey at the

time. That was the exciting time when we started what we called the bundle, where the property tax rebate senior citizen could opt-in to the HARP. That's when we actually started to see a bit of increase - about 3,000 new applicants coming into the fold at that time.

In the Spring 2022, government announced a one-time top-up payment of \$150 to all in the 2021-22 HARP year. That was rising fuel costs and cost of living scenario as well.

TOM TAGGART: I think you just indicated that you were in the chair, and I'm not sure what the chair means, but you were fairly involved in the process at that time. Because similar questions were asked about the decision making in the past year, I have to ask: Why did the rebate stay the same - between \$100 and \$200 for close to 14 years? Is there any rationale? Was that discussed - why Nova Scotians didn't deserve more then?

JOANNE MUNRO: Sorry, I have to qualify - I was the CEO of Service Nova Scotia at the time, coming into the role at Service Nova Scotia. Again, the review would have happened, and the government of the day would have made the decisions on what the rebates were and what the thresholds were.

TOM TAGGART: You weren't involved in any of those discussions, I guess - is that right?

JOANNE MUNRO: Yes, I would have been.

TOM TAGGART: No rationale given for not increasing it or anything like that? That was just a decision the government made, which they have a right to do, correct?

JOANNE MUNRO: Our job is to provide the options and then government makes the decision.

TOM TAGGART: You also mentioned in your opening statements - and I wonder if you could reiterate - how many applications have been approved so far and how many, if you know, are first-time applicants.

JOANNE MUNRO: We have received 125,783 as of January 8th. We've approved 103,920, and we are over 41,000 new applicants with this program this year.

TOM TAGGART: Final question, and I'm going to pass it on to my colleague, MLA Sheehy-Richard. Would you be able to contrast the difference between the program today and how it impacted Nova Scotians with what it was back in 2017? Can you give us a picture of that, without including all the other wonderful programs that you administer, like the Seniors Care Grant and the Salvation Army one that was referred to as - I forget what the wording was but - not very valuable. That's not the right wording, but could you maybe give us a little information on that?

[10:00 a.m.]

JOANNE MUNRO: The budget back in 2017, including the grant that we give to the Salvation Army, I believe was around \$11 million. I'm looking at my colleague from Finance. We would have been supporting and helping through applications about 45,000 citizens of the province. When you fast forward to last year and then this year, our budget is around \$82 million, and we're supporting our target - or our guesstimate, is around 130,000-135,000 citizens. Last year, the budget was even more, obviously around \$155 million to \$150 million, and we supported and approved close to 150,000 citizens' applications.

THE CHAIR: MLA Taggart, anything . . .

TOM TAGGART: I just want to comment. It's interesting. You just commented the total budget in that year was \$10 million or \$11 million, and I'm reading here that in 2022, we topped up a one-time top-up payment to the HARP of \$150. Am I right about that? The top-up came to \$13.2 million. This idea that we're not doing as much as we can - I know more is needed, but this idea, this muddying the water thing, needs to be clear.

THE CHAIR: Four minutes, MLA Sheehy-Richard.

MELISSA SHEEHY-RICHARD: I just wanted to get a little more information on the opt-in for the seniors. The 80,000 applications that you had in the first week is amazing, actually. When they opt in, are they processed quickly? When do they get processed? Were they part of that 80,000?

JOANNE MUNRO: With the PTRS program, it actually starts earlier than October 16th. When our seniors apply for PTRS and they opt in to the HARP, we actually approve them or review their file at the time, and we hold them until such a time as the HARP is launched. In fact, we had 10,000 seniors at the front of the queue who were processed first, and the rebates were given to them in short order. We kind of front-end load that PTRS opt-in program, so it's nice to have that many seniors paid first.

MELISSA SHEEHY-RICHARD: Thank you for that because that makes sense. There was some confusion about some who thought they'd already gotten it. I'm like, it just opened, but that would make sense for that. Thanks for clarifying.

Also, I'm from rural Nova Scotia, so those who may not heat with oil or electricity, what - for the committee and for the members in the room - what is some of the access to other programs? What is access for other heating?

JOANNE MUNRO: Actually, all types of heating fuel. Everything from propane to pellets, to people who may chop their own wood are eligible for the Heating Assistance Rebate Program. We do cover all heating fuels, and that answers your question.

MELISSA SHEEHY-RICHARD: I guess the question is: Do you ever stop using HARP rebates if the program runs through its budget that's been allocated?

JOANNE MUNRO: No, we do not. Nova Scotians who are in need are in need, and we would work, obviously, with our colleagues at the Department of Finance and Treasury Board to ensure that we are able to meet the need.

MELISSA SHEEHY-RICHARD: I'll keep going with some quick ones here. Can you tell me what the program is doing to protect applicant information and prevent fraud? I noticed you said that at this point they're not required, and I know from the office experience that they're not required to submit them, but what are some protections that you have in place?

JOANNE MUNRO: Obviously, as part of a CRA program, we want to make sure it's non-taxable. We work under a program where they have to meet the threshold. We do what we would call audits. We do a random audit where we actually connect with citizens, and we ask them for their heating bill and some other information. There is a process for audit, which is a requirement of CRA, in fact.

When it comes to information, certainly when we work with CRA, we've also worked with our IAP to ensure that our systems are tight and controlled, and that we're taking care of people's information very clearly. There is an audit process.

As part of the application process, we only get one application per household. The address of the citizen is actually cross-referenced to the Nova Scotia address database, which is obviously used for 911 as well, so it's very accurate. So there are checks and balances. We also check with no duplicates coming from the same household. There are a lot of processes built into the online system, as well as then there are after-the-fact sporadic and random audits to ensure that those Nova Scotians in need and those who are eligible are getting the dollars.

THE CHAIR: Order. The time for PC questioning has elapsed. We'll now move on to the second round. Each caucus will have eight minutes. We'll begin with the Liberal caucus.

MLA Maguire.

HON. BRENDAN MAGUIRE: I would just like to start by thanking you for being here today. I know that you're in a tough position. I will say that the department and everybody who works there does a great job. I know it's an impossible task. Let's be frank. I do appreciate the programs that are coming out of there.

I will say - I didn't want to get into the back and forth, but I feel like I have to defend myself a little bit, so bear with me for a second. I find it puzzling and troubling that

the government side would spend 20 minutes defending their party instead of defending the people who they were voted in to defend. Instead of asking questions to help the people they were voted in to represent, they just pointed fingers.

To be frank, I have been critical of all parties. I was critical of my own party when we were in power. You just have to do a little bit of research to see that. No party is perfect. No party has done everything that was supposed to be done or could have been done, but to sit here and spend 20 minutes saying: You did this, you did this, we're better, you did this - and not being offended over people's struggles, but being offended that the Opposition is doing their job and fighting for people who are struggling, is mind boggling to me.

I understand that they want to carry the party flag and they want to be rah-rah-rah, but the truth is that's what people hate. That's what Nova Scotians hate. That's what people are sick of. They're sick of, when you're in a moment in time when you have the ability to be a leader and you have the ability to effect and make change, and instead of doing that, you take your position to carry the water - it is kind of offensive. Anyway.

I will say that another program that was decreased, that had a massive impact - and I know this isn't on you, but it does have an impact when it comes to the HARP. I'm wondering if this was taken into consideration: the rent subsidies. It used to be, under the previous governments - if we want to go that way - 30 per cent of your income made you eligible for rent subsidies. Now it's 50 per cent. It was increased to 50 per cent.

I've said this several times around this table. I wonder how many people around this table are spending 50 per cent of their income on their mortgage payment or their rent payment. I would be willing to say zero, very few people.

Did the department look at other programs outside of their jurisdiction or outside of their department, like the rent subsidies, when putting recommendations forward on the HARP? It had a massive impact on individuals. There were people who were depending on the rent subsidies who are no longer eligible for it, and there are people who are barely getting by who are no longer getting rent subsidies. Was that taken into consideration for the formula for decreasing the HARP?

JOANNE MUNRO: What I can say is that government does apply the affordability lens in all its decisioning. No, Service Nova Scotia did not go and have discussions with the Department of Municipal Affairs and Housing, so those questions around supplements could be asked of them, but I can say that government, in making its decisions, has the affordability lens in their discussions. Again, our job is to provide them with options and the decisions are then made.

BRENDAN MAGUIRE: Two point five million dollars is the number that's owed to Maritime Fuels customers - \$2.5 million in fuel. Individuals all around this province got screwed when Maritime Fuels went under.

THE CHAIR: Order. If the honourable member would use parliamentary language. I appreciate the intention there. If you could use another word - thank you. MLA Maguire.

BRENDAN MAGUIRE: Working-class, middle-class, and low-income Nova Scotians took a beating when Maritime Fuels went under. No one around this table was impacted, and yet the HARP, which would be ideal for this situation, would be perfect for this situation, was not even considered. That's what we heard. Not even considered.

Did your department put forward recommendations in response to the Maritime Fuels bankruptcy to help working-class, hard-working Nova Scotians right across this province who lost thousands and thousands and thousands of dollars because Maritime Fuels went under? Did you put forward a recommendation from your department to government to say, Let's include them in the HARP program?

JOANNE MUNRO: We are disappointed, like everyone, that citizens have been impacted by the bankruptcy of Maritime Fuels. The Heating Assistance Rebate Program eligibility criteria support Nova Scotians. What I would say is that it's focused on those most in need and based on income. Regardless of how they heat their homes, those individuals who have been impacted by Maritime Fuels - we welcome and encourage them to apply for HARP, because it is focused on those Nova Scotians in need based on income levels for their eligibility. We would encourage all Maritime Fuels customers, if they are within the eligibility criteria, to apply for the Heating Assistance Rebate Program this year.

BRENDAN MAGUIRE: That wasn't the question. The question was: Was there a recommendation to incorporate individuals who lost money to Maritime Fuels? There are people who made \$80,000 as a household who are not eligible for the HARP but lost \$2,000 or \$3,000. The question wasn't: If they're eligible, apply. The question was: Was there any recommendation put forward to do a one-time change like you did from \$600 to \$1,000 to include individuals who are impacted by Maritime Fuels?

JOANNE MUNRO: There would have been discussions. I'm trying to think of timing. When our decision was made in September - I'm not sure when Maritime Fuels actually went bankrupt, but at the end of the day, it's unfortunate that citizens are impacted. We have a program based on eligibility of income. To address losses of private companies is difficult, and really, is that government's role? I would have said the conversations would have been happening, but - do we have the date of when Maritime Fuels . . .

BRENDAN MAGUIRE: Respectfully, you said, ". . . is it government's role" for private industry? Throughout the history of this province, governments have helped and propped up private industry. They've given grants and money hand over fist. Millions and billions of dollars. You don't have to look any further than Northern Pulp and other institutions. Was there ever a direct conversation with yourself and the government to change the eligibility for Maritime Fuels?

[10:15 a.m.]

JOANNE MUNRO: No, there was not, and I'm understanding that the Maritime Fuels bankruptcy happened in November.

THE CHAIR: MLA Maguire, your time has elapsed. We'll now move on to the NDP. MLA Lachance.

LISA LACHANCE: I think I just want to start by going back to something around facts are facts, and a brief invitation to stand up around the issue of carbon tax. We have tabled a motion - I think we tried to table it more than once in this committee - around removing carbon tax from all heating sources. We have brought this to the table. We've been told it wasn't a subject for conversation. But if folks want to have that conversation, we're ready to go on that, so just let us know.

To turn back to HARP, at the end of the last round of our questioning, we were talking about evaluation and results from the HARP. I understand your department is able to talk about the outputs in terms of numbers of applications received, applications approved, amount of money out the door, and your service standards for your internal management.

Who is actually looking at the impact of this program, and how are they looking at it?

THE CHAIR: Deputy Minister Munro.

JOANNE MUNRO: In fact, I would say the person right behind me. We do actually have product management, when you talk about having a program that is online and serving citizens. In the business and consumer services team, that's part of what their job is. Our focus is continuous improvement. Our focus is: How do we get better? Our focus is: How do we do better for Nova Scotians? There's ongoing data analysis. There's ongoing survey and feedback loops around this program. It's a very popular program. I would say that we do have staff who are focused on measurement and impact of the program.

LISA LACHANCE: I'm wondering if you could be more specific in terms of what are the expected results. The outputs are your target numbers and your service standards, but if we start thinking about medium-term results and long-term impact, what are they, and how are they being measured specifically?

JOANNE MUNRO: I would like to defer the question to my colleague Rodger Gregg.

THE CHAIR: Mr. Gregg.

RODGER GREGG: I think you are kind of going back to the work of the Affordable Energy Coalition and how could funds best be spent to assist people on low income to help with heat or to have broader program outcomes. Would that be more accurate for your question?

LISA LACHANCE: Really, my question is fundamentally: How do we know this program is working?

RODGER GREGG: From our perspective, for when it's working, we'd be looking at the outputs. It would be the immediate money that goes out the door to help people, so we could say the number of people we have helped, the amount of rebate they've received. But it wouldn't go into a broader medium- or longer-term sort of metrics. There would be a lot of other factors that would funnel into those. With Service Nova Scotia, and with the role we do as far as the delivery of the program, that would be the extent of it.

LISA LACHANCE: Just to clarify, who in government, then, is actually assessing the medium-term and long-term results and impact of this program? The deputy minister referred to the data analysis group and surveys, and that sort of thing. If I was asked to evaluate the impact of this program, I could start thinking about things like some qualitative analysis and interviews with folks, looking at household spending after folks had received the HARP, understanding if people felt like their energy needs were met through the Winter. It would not be easy, but there are things that could be evaluated to understand the actual impact, not just the numbers. I was about to use an unparliamentary expression, but in evaluation, we often talk about bums in seats. That's not a result. That's an output.

Who in government knows if this is actually making a difference in people's lives?

JOANNE MUNRO: I would say let's go back to what the purpose of the program is. It's a one-time payment every year for those who are eligible. Our measure of impact is: Are we getting the dollars out the door?

It's never enough. We know that's the case. It's never enough, but our job - it's a very simple program. Do you pay for heat? Is your name on the bill? Are we getting it to you? Are we getting it to those who are eligible? We do it every year, based on the recommendations of government. All of the affordability conversations that happen are: We've got the Department of Community Services involved; we've got the Department of Municipal Affairs and Housing involved. I've got the portion of heating assistance rebate. Our job is transactional to get the dollars out the door to people in need, and to as many as we can based on the decision made by government.

LISA LACHANCE: The roles of Nova Scotia are clear in that. Now you've alluded to Department of Community Services and other departments. As government, we can't just keep sending money out the door without actually knowing if it's working, right? Is

this program working? Is it actually having a measurable impact on people's lives? If it's not - getting money in your bank account is really important. For a lot of people, I hope that it makes that month a whole lot easier. Are we achieving what we want to achieve as government with the investment that's being made year over year?

What I'm hearing is that there's no one in government actually looking at the results or impacts of this program. You're looking at your service impact outputs. That's great. Those are your measurements that you're accountable for, but I am asking for the bigger picture. Of this affordability measure or other affordable measures - but this one in particular that we keep doing year after year - if we're doing things year over year, we really need to know if they're making an impact on people's lives.

JOANNE MUNRO: I would say that under the leadership of Deputy Minister Langley, we are very much a systems approach when it comes to my other colleagues. I can't speak to that question at that level of the House, but I can say that we, as a deputy ministers table, are understanding and supportive of one another and have a systems approach when we talk about the citizen: how we do best for the citizen, the wraparound supports, affordability overall. We need to do what we can do, and we are connected as a table.

I would say that I am responsible for the effectiveness of this program. This program connects to all the other ones that are going with the table, and the Clerk of the Province overseeing our effectiveness and systems approach in trying to do better and better, and knock down the silos. We are not a siloed bureaucracy. We are doing more and more from a systems perspective. I would say in that space . . .

THE CHAIR: Order. Time has elapsed for NDP questioning. We'll now move on to the PC caucus. MLA Barkhouse.

DANIELLE BARKHOUSE: Deputy Minister Munro, if you'd like to finish or if you're fine, I can give you that time. You were right in the middle of a sentence when you were cut off.

JOANNE MUNRO: No, no.

DANIELLE BARKHOUSE: Okay. Just to clarify with respect to concerns about the efficiency of HARP and how many Nova Scotians are receiving support, how do the numbers of applications processed and new applications compare to previous years?

JOANNE MUNRO: As I've said previously, we've had applications around 45,000, but now we're up into 125,000, and we think we're going to be hitting the 135,000 mark. From that perspective, the volume is the story, and that means more Nova Scotians are getting supports.

THE CHAIR: Deputy Barkhouse - MLA Barkhouse.

DANIELLE BARKHOUSE: I love it when you give me a raise. (Laughter)

Okay, that's fair. I think earlier you had stated there was 80,000 within the first week.

JOANNE MUNRO: Yes.

DANIELLE BARKHOUSE: Yes, okay. There's been media coverage - and we've discussed it here today - about delays for people getting their rebates. Can you explain what your department has done to improve the processing times for HARP?

JOANNE MUNRO: I've mentioned this. A combination of volume, but also staffing shortages. Lots of different reasons for that, and I'm sure you're all aware. With that, and understanding that volume hit us, there was a very large focus on cross-training and bringing people in. We did do all the temp hires, as I said. We offered overtime to people who wanted it. We worked weekends. We worked well over the holidays. We also try to find a way to process quicker through our colleagues with CRA. We're trying to get better at doing this, so we don't have too much of a human touch. I would say that in that time frame, we did a lot to bring resources to bear and bring in the cavalry because we were obviously wanting to get that turnaround down.

We did have a big bump of around 18,000 applicants approved in December, but if I could ask my colleague to talk about what we did in that regard, that would be appreciated.

RODGER GREGG: Again, a unique situation where we have a whole bunch of applications. There's a bit of a backlog, so we're looking at new and different ways that we could relieve that backlog. There was a bit more of a manual approach that we could do, a run that would allow us to auto-approve a large number of applications based on if they've completed certain parts of their application correctly. I think at the time we maybe had 40,000 in our backlog, and this was right before Christmas. The thought was really: How can we try to get as many rebates out the door before the holidays, as we knew people were expecting them.

As a result of that one-time batch run, we were able to get almost half of those - that 40,000 backlog - out the door right before Christmas. That's something that the team worked really hard on and we're really happy with. That was able to give us a big bump in our numbers and get our wait times down for when we started the new year. We're pretty happy about that.

DANIELLE BARKHOUSE: That leads me to ask what the administrative costs are for this program.

JOANNE MUNRO: The total administrative costs make up close to about 1.4 per cent of the program's total cost, which is very low from a government program perspective. That means that 98.6 per cent of the dollars allotted by government of the \$82.5 million goes directly to Nova Scotians. Very proud of the large program at a 1.4 per cent administrative cost.

DANIELLE BARKHOUSE: Wow, thank you. We're hearing circumstances of more than two adults in a home. How does this program accommodate cases like this?

JOANNE MUNRO: The program is designed to assist those who pay for heat in any particular home. We presume all individuals named on the application do contribute. That said, there are some unique circumstances happening, obviously, in our province, and some of them are, of course, tied to affordability. Our staff work with applicants to try to find solutions that meet their needs. An example would be someone living on a property - family member or whatever - and they're in an RV. They have the same civic address. With that, our teams work with them to ensure that they actually are paying for their heat for their RV, and as such, how do we work the system to ensure they are provided a payment? It's unique.

There is a touch here with citizens who have complicated or scenarios that don't fit the status quo. We do our best to assist them, and that takes time and that takes conversations, and it's important to do.

DANIELLE BARKHOUSE: I understand that this program has to meet certain criteria, so that way people don't get taxed on the rebate they receive. Can you explain that to me, how that works?

JOANNE MUNRO: CRA, as part of the definition, it's a one-time non-reoccurring payment for heat that has been paid. That is the requirement of the eligibility of the program. It's as simple as that. As part of the requirement of CRA, we obviously do those audits that are required as well, but it's about heat that has been paid for, and it's a one-time, non-recurring payment.

DANIELLE BARKHOUSE: Just for clarification maybe to everybody - the millions who are watching - what is the mission of Service Nova Scotia and how does HARP align with that mission?

JOANNE MUNRO: I've now been with government for 10 years, and the mission has always been around being citizen-centric, being responsive, and making things simple and easy as best we can. I'm very proud to say that the maturity of the HARP is wonderful in that it is our most mature online system. It is simple, fast, and easy. We can always get better, but it aligns to our culture, which is around service and doing the best we can for the citizens of the province.

[10:30 a.m.]

DANIELLE BARKHOUSE: I just want to say thank you very much for coming. We truly appreciate you being in the hot seat and answering these questions for us.

THE CHAIR: Order. With that, I would invite Deputy Minister Munro to make any final remarks she would like to make.

JOANNE MUNRO: Thank you for the opportunity to speak with you about our Heating Assistance Rebate Program. I'd like to close by saying that we're very proud of this program. As of January 8th, we have received nearly 126,000 applications. Our staff have worked very hard, particularly over the holidays, to process as many applications as possible so people get their rebates.

We've also worked to make it easier for people to apply, and we're offering information in seven different languages to ensure newcomers know about HARP. We know many Nova Scotians are struggling with the increased cost of living, and we're working to ensure this rebate is delivered as quickly as possible to those who qualify. Service Nova Scotia is also looking for ways to better serve Nova Scotians, and we will continue to work to make this program and all our programs as efficient and accessible as possible. Thank you very much for your time.

THE CHAIR: The witnesses are now invited to leave. You are free to go out into the world. We will continue with committee business. I'm sure MLA Maguire doesn't want to go anywhere.

The first item on committee business is witness clarification regarding government procurement and practise. The committee had approved the executive director of Build Nova Scotia as a witness regarding this topic. When Build Nova Scotia was contacted to schedule their appearance, there was confusion regarding whom the committee actually wanted to appear. There are two executive directors at Build Nova Scotia: Donnie Burke and Ken Swain, who both deal with remediation-related issues. Does the committee want either of these individuals, both of these individuals, or do they want the President and CEO David Benoit as the witness? MLA Young.

NOLAN YOUNG: I think CEO David Benoit would be an appropriate witness.

THE CHAIR: Any other commentary from any of the members? I think we're good with that, so we have clarification for the clerk.

Food Insecurity - there was a possible witness omission here. When we reviewed the record of decision from December 13th, a discrepancy was noted in the witnesses listed for the Food Insecurity and School Food Initiatives topic. The record of decision had the Departments of Community Services, Education, and Agriculture listed twice as witnesses,

but when the transcript was reviewed, representatives from Nova Scotia Health Authority were also included as witnesses, but they weren't listed on the record of decision. Members have been provided with the corrected record of decision. Does the committee wish to have Nova Scotia Health Authority representatives as witnesses for this topic as well? I believe that is the case. Is that right? I'm seeing thumbs up around the table, so we will add Nova Scotia Health Authority.

Endorsement of Auditor General Recommendations, the 2023 Financial Report. The committee has a practice of endorsing Auditor General recommendations. This is a standard motion that is used. However, in this case, the recommendation has not been accepted. How does the committee wish to proceed? MLA Young and then MLA Lachance.

NOLAN YOUNG: I think the standard motion that we usually have is to move to endorse the recommendations of the Auditor General that have been accepted by the departments.

THE CHAIR: MLA Lachance.

LISA LACHANCE: I think I'd just like to clarify further that I would move a motion that the Public Accounts Committee formally accept and endorse the recommendations in the 2023 Financial Report of the Auditor General.

THE CHAIR: We have a motion on the floor. Further discussion on the motion? MLA MacDonald.

JOHN A. MACDONALD: Just for clarity, the motion removed the "as agreed to by the departments," which has been the practice for at least the two years I've sat on. My colleague has sat here for 10 years-plus. Was that a mistake, or was it intended? I'm just asking the member who moved it. Normally that's the end of it - that it was agreed to by the departments.

LISA LACHANCE: No, specifically my motion was intended to accept and endorse the recommendations in the 2023 Financial Report of the Auditor General.

THE CHAIR: Any further clarity? MLA MacDonald.

JOHN A. MACDONALD: Just to keep clarity as to what it is, I move an amendment to add to the end "that were agreed to by the department," which is the standard motion we've done.

THE CHAIR: Legal Counsel is indicating that it actually is not a legal motion because it would nullify the motion that MLA Lachance had, in fact, advanced. That's why we can't do that.

MLA Maguire.

HON. BRENDAN MAGUIRE: As the old person on this committee, the motion has always been that we accept the recommendations of the Auditor General's Report. I'm actually kind of confused as to what's going on here. MLA Lachance's recommendation is kind of what we've always done for - I mean, maybe - I don't know what the "department" thing is, but let's just make this simple and get it through.

THE CHAIR: MLA MacDonald.

JOHN A. MACDONALD: I get the intent. My motion is out of order because voting against it would be the equivalent of it, and clearly her intent was to leave it out. Can I just get two minutes? What I want to see is what we did every other time. Every other time I've seen the motion, that's how it's been worded. If it hasn't been, I'm okay with it.

THE CHAIR: We'll give you a two-minute recess. Thank you.

[10:38 a.m. The committee recessed.]

[10:40 a.m. The committee reconvened.]

THE CHAIR: Order. We will now call the committee back to order. The Auditor General is here. She is sitting in the seat where the deputy minister was - for LegTV. If we could perhaps ask the Auditor General about her recommendation.

Ms. Adair.

KIM ADAIR: In this case, the finance report that is being referred to, there was one recommendation and only one recommendation in the finance report. It was a very important recommendation. It was the one regarding additional appropriations where we recommended that the Minister of Finance and Treasury Board amend the Finance Act with respect to the additional appropriations issued to bring it in line with that of the rest of the country. That's kind of paraphrased; that's not exact wording, but that was the essence of the recommendation.

The Minister of Finance and Treasury Board disagreed with the recommendation. That being said, in this case, if the wording that has been used in recent motions to support the work of the office - in my view, effectively, it would be a non-support of the work of the Auditor General's Office. Fundamentally, the committee needs to decide: Do they support the recommendations from my office or do they not?

I have not spoken to that wording that has been used in recent motions and past reports because there were probably numerous recommendations contained in those reports, and there might have been one rare circumstance where a department disagreed

with our recommendations. I didn't raise concern, but in this case, it's much more significant where we're talking about one and only one recommendation. I'll stop at that.

THE CHAIR: Thank you, Ms. Adair. I have MLA Maguire and MLA Lachance who would like to speak on this motion.

HON. BRENDAN MAGUIRE: I guess I've been doing this for 11 years now, and I've never seen this before. This is what kind of caught me off guard. The reason why the government wants to use the wording of the previous motion is because the actual department does not agree with the recommendation. Therefore, this nullifies the report. It's kind of a roundabout way of voting no and voting against the Auditor General's recommendation, which I don't think, in my experience, has ever happened. The Auditor General's recommendations have always gone through.

We have to remember that the Auditor General is a non-partisan individual who looks at the expenses of the Province. What I will say is that we've gone back and forth in this committee a lot about the role of the Auditor General and the recommendations of the Auditor General, and the structure of this committee. At times, government has said, "We need to follow the Auditor General to the T. This is what the Auditor General does," and they fall back on it - and not just this government. All governments have done that, where they've said, "Well, the Auditor General has said this. Therefore, we have to follow it," or, "These are the rules that are put forward in the rule book." Then there are other times where it's the exact opposite.

What I would say is if this is just a way of undercutting the recommendations of the Auditor General, which it seems to be, I would just say put a motion on the floor. Show your true intent. Let's vote on it and let's get on with it. To me, it seems like this is just a way of looking like they're voting for the recommendations, but realistically, what you're doing is you're disposing of the recommendations because the department did not agree with it.

I kind of wish that members were a little bit more up front on their intent on this one and just come out and say, "Listen, we don't believe in the recommendations. It's clear that the department doesn't believe in these recommendations, so we're going to vote against it." That's what I would say.

LISA LACHANCE: I think the Auditor General used the word "significant." I think that's a really important word to use when discussing this. I think firstly, we have raised this issue of accountability and transparency in government spending to this government repeatedly. We are out of step and out of date in our Finance Act and how it's being used with the rest of the country. This has been raised many times. I don't feel that the government and the Minister of Finance and Treasury Board have given any kind of adequate response as to why we wouldn't bring our financial management practices in line with literally the rest of the country.

[10:45 a.m.]

The rest of the country has a greater level of accountability and transparency with financial management and its legislatures, and it still manages to function. I've heard too many times from the minister: You don't want me to spend money on natural disasters. That's not true. This is not what this is about. I wasn't around with the last formulation of government, but I understand that the Progressive Conservative caucus talked a lot about accountability and transparency. This really seems to be a fundamental issue where, instead of running and hiding from these changes, you could actually show some leadership. I would encourage members to take that back to the caucus and to your discussions.

I think perhaps most significantly is this implication that this committee isn't supporting the work of the Auditor General. That's very concerning. If the PC members of this committee are going to double down on not supporting increased accountability and transparency, are going to double down on not reviewing the Finance Act, then they're also doubling down on not supporting the work of the Auditor General. That's deeply concerning.

THE CHAIR: MLA Young and then MLA MacDonald.

NOLAN YOUNG: I fundamentally disagree with that premise. We have a lot of respect for the work of the Auditor General. There are times when we're all human, and people are going to have different opinions. I know during the previous government, the Liberals often - working with Michael Pickup and stuff, they didn't always agree. The standard practice of this committee has been to endorse the recommendations of the Auditor General that have been accepted by the department. I have no intent of deviating from the standard practice of this committee.

THE CHAIR: MLA MacDonald.

JOHN A. MACDONALD: I made it clear as I was wondering to see how it was in past practice, at least in these two and a half years. Although the member opposite who wanted a sound bite - and good for you - didn't actually say, whether over the last eight years of his government or before, that that was the standard. To be honest, I forgot there was only one recommendation. The thing says recommendations. The point is that it's been the standard practice.

The members opposite to tell me: Well, you need to vote this, otherwise you don't agree with the Auditor General. I'm sorry, the standard practice has been that. The departments haven't agreed to it, and over the previous governments - which probably includes the previous PC before the NDP - that's probably been how they've done it. If this was a big deal, I would have loved to have had this discussion two and a half years ago when we started, as opposed to going down two years, and we happen to have a report that

sadly has one recommendation, and the department doesn't agree with it. That's the bad part. There's one recommendation - the department doesn't agree. Again, I won't be deviating from how we've been doing it from the beginning of this.

THE CHAIR: I have MLA Maguire, and then MLA Lachance. MLA Maguire.

BRENDAN MAGUIRE: I just want to say that the last statement was a bit misleading. To say that we've always done it this way, yes, but what you're actually doing is voting for something that will actually throw out the recommendations of the Auditor General. We know that the department did not agree to the recommendations of the Auditor General, so you can't say that we're agreeing with the Auditor General, but at the same time the ultimate consequence of your vote is that it's going to get chucked out. That's what's happening here.

Listen, you're government, and you can do what you want. You can vote the way you want. I'm not offended by the way you vote. I know we did things the way we did it. Everybody does things differently. What I said was, just show a little transparency and a little bit of openness on this vote. You're not voting to accept the recommendations of the Auditor General. You're voting because you know that the department did not accept the recommendations of the Auditor General, and therefore it's going to get thrown out. That's all I'm saying here. Just be open with your vote. I wasn't critical of . . .

THE CHAIR: MLA Maguire, I think you're under a misunderstanding here right now. The motion that MLA MacDonald put forward, which would have done what you are saying . . .

BRENDAN MAGUIRE: I'm not misunderstanding anything.

THE CHAIR: We are talking about MLA Lachance's, which is simply to accept the recommendations of the Auditor General. That's all we're talking about right here.

BRENDAN MAGUIRE: Respectfully, Chair, I'm not confused. I know what the motions are. I'm responding to an accusation that was made to me in Public Accounts Committee, that I was doing this for a sound bite. I'm not doing it for a sound bite. What I'm saying is, vote the way you're going to vote. That's fine. Just be open about it. That's it. We know you're voting. You want to vote a certain way because you know that recommendation's going to get thrown.

This is something that continues to happen in this committee, where there are these personal things back and forth. There are these underhanded insults: the previous government did this, the previous government did that. Let's kind of bring it up to a point where we can agree and disagree without pointing fingers at each other, insulting each other, and insulting past people who aren't here to defend themselves.

LISA LACHANCE: I think I want to respond to MLA MacDonald's comments on a couple of points. One is around this idea that, again, for two and a half years things have been done a certain way. I think this is a unique situation, and I was disappointed that MLA MacDonald characterized only having one recommendation as that that was sadly, that that's the bad part. In essence, that is criticizing the work of the Auditor General. The Office of the Auditor General undertook their review and chose to make one recommendation, and I think that's their prerogative.

I take exception to characterizing one recommendation as the bad part, or as sadly, that's what happened. I think we're being warned about the implications, in a very serious way, of not supporting the recommendation that is contained within this report. Maybe that hasn't happened in the past two and a half years, but it's happening now. I think we actually need - I don't know that we should be - that this shouldn't have a deeper study based on what the Auditor General has said.

TOM TAGGART: I just want to be clear. I think the record will show that I have never at any time disrespected or discredited or whatever the Auditor General. I have great respect for the Auditor General. In this particular case, I disagree. Clearly, previous governments have disagreed with that as well.

I disagree on this one and I will vote no against it, but that in no way reflects the work of the Auditor General.

THE CHAIR: I will just say that refusing to endorse any recommendations from the Auditor General's 2023 Financial Report, in my view, undermines the Auditor General's work and has implications beyond this particular vote at this particular committee. I would urge the honourable members to think about that before they cast their vote.

Is there any further commentary?

All those in favour of the motion? Contrary minded? Thank you.

The motion is defeated.

THE CHAIR: Now we'll move on to decisions from the December 6th meeting. It was agreed to make public the decisions from the December 6th in camera meeting. This decision was not able to be put on the record at the December 13th or December 20th meeting. The following motion was passed: "that the subcommittee of Public Accounts shall meet following when the committee's regularly scheduled business has concluded."

I have just put that on the record. This was a motion, I think, that was moved by MLA MacDonald, and it was about our subcommittee for scheduling. From now on, the subcommittee meets following the regularly scheduled meeting as a result of that motion. That's now on the record.

MLA Barkhouse.

DANIELLE BARKHOUSE: Could you just repeat it one more time because I see a lot of puzzled-looking faces.

THE CHAIR: Sure, no problem: “that the subcommittee of Public Accounts shall meet following when the committee’s regularly scheduled business has concluded.”

JOHN A. MACDONALD: Just because, obviously, one member’s not here - it doesn’t mean it’ll happen immediately because sometimes it’s the Chair - it could happen 15 minutes later. That was discussed at that.

THE CHAIR: Yes.

JOHN A. MACDONALD: I just wanted to bring that up.

THE CHAIR: There might be a 15-minute break in the middle.

JOHN A. MACDONALD: Based on the Chair’s opinion, so thank you.

THE CHAIR: Okay, thank you. Correspondence: we received correspondence from the Department of Environment and Climate Change. This was information requested from the November 15th meeting. Is there any discussion on that particular piece of correspondence? Okay.

Our next meeting date is January 17, 2024, where the witness is the Department of Education and Early Childhood Development. The topic is the Canada-Nova Scotia Canada-Wide Early Learning and Child Care Agreement.

If there is no further business, the meeting is adjourned.

[The committee adjourned at 10:57 a.m.]