



House of Assembly
Nova Scotia

HALIFAX, TUESDAY, MARCH 26, 2024

SUBCOMMITTEE OF THE WHOLE ON SUPPLY

3:44 P.M.

CHAIR

Lisa Lachance

THE CHAIR: Order, please. The Subcommittee on Supply will come to order. It is now 3:44 p.m. The Subcommittee is meeting to consider the Estimates for the Department of Service Nova Scotia as outlined in Resolution E38.

Resolution E38 - Resolved, that a sum not exceeding \$181,457,000 be granted to the Lieutenant Governor to defray expenses in respect of the Department of Service Nova Scotia, pursuant to the Estimate.

THE CHAIR: I will now invite the Minister of Service Nova Scotia to make opening comments up to an hour and, if they wish, to introduce their staff to the committee.

The honourable Minister of Service Nova Scotia.

HON. COLTON LEBLANC: It's my pleasure to be here with all of you today to speak to the budget of Service Nova Scotia. Joining me at the table today from my department are Deputy Minister Joanne Munro as well as Executive Director of Financial Services Adam Rainforth.

In the room behind us we have a few staff including Associate Deputy Minister Gary O'Toole; Chris Mitchell, who is Chief Procurement Officer; Arilea Sill, Chief Information and Privacy Officer; as well as Rodger Gregg, who is Executive Director of Business and Consumer Services. Other members of our team are also watching online to help us answer any of your questions, if we can't do so in the room, and we'll be striving to do so as quickly as we can.

The work of Service Nova Scotia underpins a lot of the critical programs and services government offers on behalf of Nova Scotians. Unlike many other departments, our name doesn't even begin to describe what we do. Some might say we're the busiest department you've never heard of. I know that my colleagues who sit at the Treasury and Policy Board table will agree with that statement.

Most Nova Scotians know us as the place where you go when you need a driver's licence or to complete a land registry transaction. People who've had a birth, a marriage, or a death in their lives recently may be familiar with Vital Statistics. And if you've had a dispute with a landlord or a tenant, you're probably familiar with our Residential Tenancies Program. In today's rental market that program gets a fair amount of public attention and attention from the Opposition as well.

But we do so much more than that. If you've met a friend at a bar to celebrate an occasion or sold raffle tickets to fundraise for youth sports, staff from our Alcohol, Gaming, Fuel and Tobacco Division are involved in regulating and inspecting those activities. If you've booked a road test to get your driver's licence, our staff were involved in that scheduling process. If you live in a condominium, Service Nova Scotia is responsible for the rules that govern how your condominium board operates.

If you've received a rebate from the province - our Heating Assistance Rebate Program, the Property Tax Rebate for Seniors, or the Seniors Care Grant - we delivered it. If you called the province's toll-free number for information about a program, you spoke to someone from our Provincial Contact Centre team. If you get a paycheque from the province, we process those too. We also license and regulate funeral homes, register businesses, and collect debts.

Our mission at Service Nova Scotia is to deliver quality, responsive programs and services that are meaningful to Nova Scotians. We have 10 divisions responsible for everything from petroleum policy to residential tenancies, regulation of payday lenders, and public safety and field communications, just to name a few.

Service Nova Scotia carries out broad legislative mandates. Our team administers 38 pieces of legislation and the regulations that support them. We provide government-wide services, including internal audit and government's fraud reporting, information access and privacy support for all departments, insurance and risk management, continuous improvement and innovation, procurement services, public safety and field communications, and geographic information services.

We maintain registries of births, deaths, land, lobbyists, businesses, not-for-profit organizations, and the Nova Scotia Provincial Tax Commission. We license and regulate alcohol and gaming activities, including fuel, tobacco, and vape product taxation, compliance, and enforcement, and we collect debt on behalf of the Crown, municipalities, universities, the Nova Scotia Health Authority, and the IWK Health Centre. We are with

Nova Scotians from the day they're born until the day they die and for most of their major milestones.

We are the engine running behind the scenes, helping government run, and like that engine, we do not want Nova Scotians to have to worry about whether it will start when they want it to. Their interactions with us should be reliable, safe, simple, and efficient.

Nova Scotians are at the heart of everything we do. Our goal is to make it as easy as possible for them to apply for our programs and services. We take great pride in that citizen focus, and we're always looking for ways to improve. Whether it's a program we are responsible for or one we are delivering on behalf of another department, our focus is always on creating a positive experience for Nova Scotians.

Our guiding principles are focused on people - focused on Nova Scotians. We put people first. We do user testing and surveys. Our staff have visited people's homes and met with people in community centres in an attempt to better understand their needs. We design programs and services with our clients with Nova Scotians in mind. We embrace inclusivity. We serve the needs of all Nova Scotians. To do that, we need to consider the needs of a growing and diverse population.

We keep current with the needs of Nova Scotians. Those needs change quickly, as I am sure everyone in this room is well aware from their work as an MLA. You simply can't be focused on people if you don't know what they need.

We build relationships. That's crucial for our department, which works together with so many others to deliver programs and services. We work across our own organization with municipalities and the federal government, universities, and stakeholder groups. We do that to ensure we can anticipate any problems that may arise and to try to correct them before they do.

It's also important to note that we are data-driven, agile, and flexible. We act on facts. We collect data and use it to inform our decision-making. Because we know our end goal is to support Nova Scotians, we manage and allocate our resources strategically. If our contact centre is experiencing long wait times, for example, we work to improve those waits by cross-training other staff and having them help in times of need. We did the same when our Heating Assistance Rebate Program application volumes skyrocketed in the Fall.

Our mission and our guiding principles demonstrate what's important to us, but it's the people who make Service Nova Scotia the strong and responsive department it is. Our people are smart, strategic, and empowered. They know our mission and our values, and they put them into practice every single day. I believe Service Nova Scotia has exceptionally talented and experienced team members who exemplify what it means to be in service to the public. I am grateful for their wisdom, advice, and expertise every day.

We are one of the largest departments in government, with over 1,000 employees located from one end of the province to the other. Given the breadth of the work we do, it's easy for some of it to be overlooked. Our staff work hard, often behind the scenes, to make sure our programs and services operate smoothly. They are focused on delivering excellent customer service.

I'd like to take a moment to acknowledge each of our divisions for the important work they do and for the significant contribution they make to our province and to our people. The divisions are Corporate Services, Citizen Services, the Internal Audit Centre, Procurement, Financial Services, Government Services, and the Program Modernization Branch. The latter includes Registries; Business and Consumer Services; Alcohol, Gaming, Fuel and Tobacco; and Information Access and Privacy. These divisions play an essential role in not only the department but in how government as a whole functions. I'd now like to take a few minutes to dive a bit deeper and highlight a few of our divisions and tell you what they do.

The Citizen Services division is one that most people are probably not familiar with. They're responsible for delivering programs and services to Nova Scotians through five interactive channels: digital, in-person, mail, phone, and the processing centre. In-person services are offered through our 13 access centres and six part-time offices. Among other things, every licence plate renewal and every accessible vehicle placard in the province is handled by this team.

Our very busy Provincial Contact Centre is a single point of contact for citizens and businesses to get information on government programs and services. Every year, we take over 500,000 calls, which is a very significant number. This includes calls about the Heating Assistance Rebate Program, driver's test scheduling, the Seniors Care Grant, and pretty much anything and everything you can think of. Often, they're answering questions about new government services immediately after they are announced.

Our Business Registration unit provides services to citizens and businesses for more than 30 programs across departments, commissions, boards, and agencies. If you applied for our Heating Assistance Rebate Program, a hunting or fishing licence, a provincial tax refund, or deal with the International Fuel Tax Agreement, this is the team that helps you.

Our Corporate Services division supports the department overall. This team makes sure that we are working to support government direction, that we're engaging and developing our staff so they can better support our growing and diverse population. Our Internal Audit Centre helps government evaluate our programs, identify risk, investigate fraud, and review operations overall.

Government Services includes various backbone services to government, including insurance and risk management, printing and postal services, business continuity planning,

public safety and field communications, geographic information systems, and an outpost dedicated to innovation in the public sector. I should take a moment to recognize the records management group that is part of the Government Services division. Records management is a quiet but vital part of the functioning of government and this group keeps it running smoothly.

Procurement Services supports government in an advisory capacity. They provide advice and support to all government departments, agencies, boards, commissions, the regional centres for education, the CSAP, the Nova Scotia Health Authority, and Crown corporations. There are international trade agreements that set out how we procure goods and services, and our Procurement staff provide advice to departments and agencies on those rules.

We work with departments involved to help them get the best value that they can. Last fiscal year, our Procurement group supported over 800 contracts worth \$1.35 billion - billion with a b. This shared services model saves money for government, over \$90 million last year alone.

Our Program Modernization Branch is responsible for legislation, regulation, policy development, and program implementation. It includes our registries - the Land Registry, the Registry of Joint Stock Companies, Vital Statistics, and the Provincial Tax Commission. It includes Information Access and Privacy, which handles Freedom of Information and Protection of Privacy requests across government as well as our Alcohol, Gaming, Fuel and Tobacco team. This branch also includes Business and Consumer Services, which handles both the Residential Tenancies Program and the Heating Assistance Rebate Program.

I know that the Residential Tenancies Program and the Heating Assistance Rebate Program are very important to Nova Scotians, especially given the housing and cost of living issues that we are facing, so I'd like to take a few minutes to dive a bit deeper into those.

Our growing population has brought pressure on our housing supply. We've seen rent increases across the country, but in Nova Scotia that's compounded by a very low vacancy rate. Of course, that creates issues in the rental market. The rules of supply and demand are working against us. Ultimately the answer is to create more housing, including affordable housing. That's something my colleague the Minister of Municipal Affairs and Housing is working hard on.

In the meantime, our Residential Tenancies Program works. It works to balance the needs and the responsibilities of landlords and tenants. It is a delicate balance to strike in the housing environment we're in. Every change we make to the Residential Tenancies Act has an impact, sometimes one we did not intend. For this reason, we take any proposed changes very seriously. We know there are hard-working tenants who are struggling to find

places to live and afford rent. On the other hand, there are landlords who are also facing increased costs. If you're a small landlord with long-term tenants, that could be hard to absorb.

[4:00 p.m.]

Starting in January, our rent cap increased from 2 per cent to 5 per cent. We know many Nova Scotians are struggling with the cost of rent. The rent cap is meant to help provide them with stability. We also know that there are landlords who need to maintain their properties and that the cost of that, too, is going up. We want to preserve our existing housing supply. Increasing the rent cap was meant to provide that balance.

Our Residential Tenancies Program is all about balance too. We received 4,992 applications to the program last year and our staff conducted 4,694 hearings. Despite these numbers, this team is managing to keep wait times to a minimum, which makes a difference for tenants and landlords who need to have their disputes resolved. We deal with all kinds of issues. If people are having a dispute with their landlord or with their tenant, it can be incredibly stressful. If you received an eviction notice, if you're being told your rent is going up, it causes so much worry.

The Residential Tenancies Program works. As mentioned, we are always working hard to ensure wait times are kept to a minimum. If you believe your landlord or your tenant isn't abiding by the Residential Tenancies Act, apply to the program. It's designed so that you don't need a lawyer, you can fill out the forms on your own, and our staff conduct hearings by phone at flexible times.

The other thing I want to remind Nova Scotians of is that, ultimately, it's up to them to know their rights and responsibilities. That's why we've done extensive and broad public education and awareness campaigns to encourage Nova Scotians to read their lease and keep it handy so they can refer back to it. Our Residential Tenancies Program is there for people when they need it, but it's also up to Nova Scotians to know what they've agreed to and to know their rights and responsibilities.

Another topic that's gotten a great deal of public attention this year is our Heating Assistance Rebate Program, or HARP, which is just one of the provincial government rebates we offer. For most of its existence, HARP was a \$200 rebate. Nova Scotians could only get this help with the cost of heating if they made less than \$29,000 for single-income households or less than \$44,000 for families. In January of 2023, our government announced a one-time increase for the HARP program, making it a \$1,000 rebate for that year. We also increased the eligibility to \$85,000 as a one-time measure.

This year, we recognized that the cost of living remains a challenge for Nova Scotians, so we set the rebate to \$600. Income thresholds were set at \$55,000 for single-income households and \$75,000 for families. Increasing the rebate amount and the

income threshold means that the rebate is more popular than it's ever been. As of March 25th, we have issued more than 126,000 rebates to Nova Scotians. Over 53,000 of those people are seniors.

Our government will continue to respond to the needs of Nova Scotians as we have over the last couple of years. HARP is just one of the rebates we deliver to Nova Scotians. We also deliver the Property Tax Rebate for Seniors. This program helps low-income seniors afford to stay in their homes longer. Eligible seniors receive a 50 per cent rebate on their municipal property taxes paid during the previous tax year to a maximum of \$800. Seniors who apply for this rebate can opt into HARP in one easy online application. We offer direct deposit for those rebates, and 85 per cent of applicants use it. They get their rebates faster.

We also deliver the Seniors Care Grant on behalf of our colleagues in the Department of Seniors and Long-term Care. Seniors can get up to \$750 to help with the cost of household chores, health care, and home heating.

Every one of our staff takes the service mandate of Service Nova Scotia very seriously. They are always looking for ways to make our programs and services easier and more convenient to access. Their focus and their dedication may not always be apparent to the public, but I really appreciate it, and I hope you all join me in thanking them for their work.

Chair, our department has a broad mandate, as you can see. While Residential Tenancies and the Heating Assistance Rebate Program get a lot of media attention, we've had a number of exciting announcements in other areas of our work that I'd like to share with you now.

Our Alcohol, Gaming, Fuel and Tobacco Division licenses and inspects bars, restaurants, and other licensed premises. It also licenses lottery and gaming activities. Last May, I was pleased to announce new rules that require all bar security staff working at late-night bars to have security training and a responsible beverage service training program. They must also provide a criminal record check on request. At least one manager or supervisor who has completed security training and the responsible beverage service course must be on-site during all opening hours.

We chose to put these new rules into place at the province's five cabarets first because they are open late. Sometimes they involve heavy drinking, and we felt they were where these new rules would be most helpful to improve safety for the public.

Moving to the lottery side of the Alcohol, Gaming, Fuel and Tobacco Division, I was delighted to be able to welcome counterparts from Ontario, Attorney General Doug Downey and Minister of Long-Term Care Stan Cho, to Halifax just last month to announce an exciting expansion of the Jays Care Foundation charitable lottery to our province of

Nova Scotia. This Spring, for the first time, Nova Scotians will be able to buy tickets to the very popular Jays Care 50/50. People from our province will be eligible to win the main Jays Care jackpot, which has gone as high as \$5.9 million. It's not in my speech, but I'll add a Go Jays Go. Their home opener is next week. Most importantly, all the proceeds from Nova Scotia ticket sales will support kids in Jays Care programming here in Nova Scotia.

Randy Crouse, the national coordinator for Challenger Baseball Canada, was moved to tears when he talked about the impact Jays Care funding has had on his athletes here in Nova Scotia. Challenger Baseball offers kids with cognitive, sensory, or physical disabilities to play organized baseball. Jays Care has supported their work. Mr. Crouse spoke about one child who, at 11 years old, had never had anyone outside of his family attend his birthday parties. After he joined Challenger Baseball, his next birthday party was full of friends.

I don't think there was dry eye in the room in Cole Harbour that afternoon. When we talk about lottery licence regulations, it's sometimes a little dry, but this is the kind of impact on people's lives that we can have. I'm proud to be part of that announcement, along with my colleagues from Ontario and folks from the Jays Care Foundation.

Another part of the broad mandate of Service Nova Scotia is public safety and field communications. I'm particularly fond of this division. As you may remember, I'm a former paramedic and volunteer firefighter, so this is an area of special interest to me.

In December, I was happy to announce a \$7.5 million investment in nearly 2,000 new mobile radios for volunteer emergency responders. These new encrypted radios will go to more than 300 volunteer firefighters, ground search and rescue teams, and other organizations, addressing a recommendation of the Mass Casualty Commission. There are about 6,000 volunteer firefighters and about 1,200 ground search and rescue volunteers in our province. These are the people who are volunteering their time to help their neighbours and their communities. We rely on them in our most stressful moments, and this investment gave them more radios, making it easier for them to do their important work that so many of our communities across the province rely on. I want to extend my appreciation and gratitude to all our volunteer first responders.

One more item I'm proud of comes from a registry, specifically our Vital Statistics registry. For far too long, female couples who wanted to start a family had to endure some frustrating and expensive hurdles to be legally recognized as parents to their new baby. If a couple conceived using a known sperm donor, one member had to adopt their own child to be legally considered a parent. Our staff were put in the strange position of having to ask them intrusive and uncomfortable questions about how they conceived. It wasn't right, it wasn't fair, and we fixed it. Last month we changed the birth registry regulations so female couples intending to have a baby with a known sperm donor could apply - can apply now - to Vital Statistics to have both parents named on the birth registry if they have a

pre-conception parentage agreement in place. That applies retroactively to any family that has such an agreement.

Families using a surrogate to conceive can now apply to Vital Statistics to replace the surrogate's name with that of the intended parents on the birth registration without a court order if they have a surrogacy agreement in place.

Being named on the birth registration isn't just a formality. It also allows both parents to apply for social insurance numbers, make medical and legal decisions on behalf of their child, and apply for passports. Most importantly, it recognizes that parents are parents. It allows these families to get on with the most important work of all: raising their child.

I chose these examples as a way of illustrating the breadth of the work we do at Service Nova Scotia and the ways we can make a real difference in the many phases of people's lives. It is our focus on service excellence that brings our team to work every day with their best ideas and their drive to make things better for Nova Scotia. That's true whether our staff are working in Alcohol, Gaming, Fuel, and Tobacco, in our registries, in internal audit, or on setting policy. Maybe they're answering calls at our Provincial Contact Centre or front and centre at our access centres. No matter what their area of expertise, the Service Nova Scotia team brings an incredible amount of skill, expertise, and empathy to work every single day. I'm proud to work with them, and I look forward to the challenges and the opportunities ahead in the new fiscal year.

With that, I'm happy to answer your questions.

THE CHAIR: According to the practice that has developed in this Legislature, the Opposition caucuses will take turns asking questions for approximately one hour each. During a caucus's turn, the members within the caucus may take turns examining the minister on the Estimates resolution, and only the minister may answer questions. Caucuses are also expected to share time fairly with the Independent member.

To begin the examination, I recognize the Official Opposition and the member for Bedford South.

BRAEDON CLARK: Thank you, Minister, for being brief. You didn't go as long as you said you would, so thank you for that. I want to thank all your staff who are here, as well.

I agree with you that Service Nova Scotia does a ton of really important work that is often not seen or appreciated. It's kind of like a really good referee: with a really good referee, you don't notice that they are there. I think the department does a ton of really important work that often goes unappreciated. I just wanted to begin by saying that.

[4:15 p.m.]

I wanted to ask first about residential tenancies. The minister and I and others have been talking about it and the possibility of an enforcement division for some time. I know the department has a report that was commissioned on what that might look like. The last time we talked about this in Question Period, the minister made comments to the effect of, perhaps the impacts might not be as clear as you might think.

I wonder if the minister could give us the latest on what the department's position is on a residential tenancies enforcement division. Is that going to be created within the mandate of this government?

THE CHAIR: The honourable Minister of Service Nova Scotia.

HON. COLTON LEBLANC: The first question I was expecting. Some time ago now our department commissioned that report on what a compliance and enforcement unit could look like. There have been some references as to what exactly it should look like; there was a recommendation to move forward with. Again, I would caution that report is still within government, and materials that have perhaps made their way to the public domain and other channels - I'd take those with a grain of salt.

Governments of all stripes commission reports on advice. There was the Fitch & Associates report that the previous government commissioned when I was advocating for that, and we have seen system changes. Finally we're in government and we're doing some of those system changes. But also we're acknowledging that these are very complicated and complex changes that can have a real impact on Nova Scotians' lives. We're talking 300,000 tenants and 6,000 landlords, all with different needs, different individual situations.

What has troubled me a bit is that the creation or the implementation of a CEU would be the silver bullet to solve all problems within the Residential Tenancies Program: that it would solve homelessness; that it would address and help fix the low vacancy rate that we have in our province; that it would bring immediate satisfaction to both tenant and landlord organizations.

I certainly recognize that there is support, expressed support from both tenant and landlord organizations for the intent of the creation of a compliance enforcement unit. That said, feedback that I've heard is that it may not address perhaps what these organizations are hoping for. For example, if a landlord is trying to evict a tenant for rental arrears, the landlord wants the director's orders to be enforced. That is not necessarily going to be the case for a compliance enforcement unit. If a tenant is faced with a broken toilet and the landlord is not fixing it, it's not necessarily a situation where that would be addressed.

What I would also caution is that we look at jurisdictions where there are compliance enforcement units, and there are two primary ones - Ontario and B.C. As of late it's not the true solution to the housing crisis. They themselves have low vacancy rates, and they too have actually much longer wait times for hearings for residential tenancies. Back in September, I believe we were around eight weeks for a hearing time; we're having around four weeks, as I've noted in my opening remarks, when there are pressures for service delivery. And if it's wait times or if it's hearing times, we strive diligently to address those. I do want to commend the staff for their work there.

It is not a process that we necessarily want to rush through. It's one of those situations where we're hearing on one hand "take your time" on some things and "go faster" on the other.

Again, it's been referenced that this would solve the Residential Tenancies Program, perhaps painting a picture that the Residential Tenancies Program is broken. I fundamentally disagree that the program is broken. Are there ways to modernize and strengthen it? Absolutely. Have we taken steps early on in our mandate? Absolutely. That was the first piece of legislation I brought forward as minister.

Whether it be renovictions - and that was getting a lot of attention from Opposition and from media. When I hear comments that the program is broken and that the process doesn't work, in my humble opinion, it's instilling a sense of fear and breaking trust with Nova Scotians. I want Nova Scotians to know the program does work and the processes work. Are they always perfect? No. That's why we have a dedicated team looking at several ways to deliver these programs in a more efficient and expedient way.

If it's renovictions, I haven't - maybe I'm opening Pandora's box here - heard too much of that this session. I've called on Opposition MLAs, and I've called on government MLAs. We're working with our stakeholders to get that information into their hands. As I've noted, it's up to tenants and landlords to know their rights and responsibilities. That is the foundation of a compliance and enforcement unit. If you look at the continuum from enforcing and laying down penalties, issuing summary offence tickets, or whatever a model would be, there is a process before that that starts with education.

I made a reference to that in Question Period one day, and my words got twisted. I'll say it here because I have a bit more time. If you want to go for your driver's licence, you need to know the rules of the road. As a responsible driver, you need to study the rules of the road and study the *Nova Scotia Driver's Handbook*. I'll put in a plug for this: You can do your knowledge test online now - before you get on the road and before you're at risk, if I can say it that way, of being pulled over and going through that compliance enforcement with law enforcement.

That's why we've put a significant amount of effort into working with our stakeholders and doing a targeted public education awareness campaign. My intention is

that will continue. Again, I do not want the creation or the concept of a creation of a CEU - compliance enforcement unit - to look like or to be portrayed as the silver bullet that's going to solve the issues within housing. We know the solution to the housing crisis is more housing. I acknowledge that what we're seeing in today's rental market is likely being compounded by a low vacancy rate.

We're taking our time. Even though we have that report, we're taking our time to understand it and understand that whatever solution we bring forward for Nova Scotians - for tenants and landlords in Nova Scotia - is the right solution. I cannot provide at this time a definitive timeline.

BRAEDON CLARK: I want to be clear about this too. I certainly don't think, and I hope I've never said - check with Hansard, because I don't believe - that a compliance unit would be a magic bullet. I don't think that, but there's a big difference between perfection and progress, and I think it would help in terms of progress. I appreciate that the minister can't give me a timeline, but I'm wondering if the minister can answer if it is his intention and the department's intention to create this unit or not. Does the department have a position on that question?

COLTON LEBLANC: I cannot provide a definitive timeline or a specific answer. Government is still reviewing its options and what's in the breadth of solutions that can be implemented here. Again, the report wasn't a "must do this to achieve that." It was "what it could look like." The housing market is changing ever so quickly, and the needs of tenants and landlords in Nova Scotia are changing. I've seen that in my time as minister.

For me personally - and these are discussions we've had at the department - how do we address the most urgent of these cases that are brought forward to the Residential Tenancies Program? Some of them may not necessarily be addressed through a compliance and enforcement unit.

When we hear of situations where a landlord has opted to turn off someone's electricity - therefore a deletion of services - when that violates the lease and the tenant applies to the program, we'll look at how we can prioritize those and bump those up to the top of the hearing list. Those types of egregious cases certainly weigh on my mind. No Nova Scotian should have to go through that.

I'm giving that one tenant-based example, but there are likely some for landlords as well. We're looking at how we can expedite that through a process we refer to as early adjournment. That's a practice we already have under way. We're looking at how we can improve that to help improve, modernize, and strengthen the program.

BRAEDON CLARK: I also wanted to ask about the rent cap, which obviously is a big issue. I've said this before, but I'm one of the few members, I would suspect, who has more renters than homeowners in their constituency. It's something I hear about often.

As the minister well knows, the rent cap is at 5 per cent now and due to expire on December 31, 2025. I heard in Question Period today about punting things down the road. It was the Minister of Natural Resources and Renewables. Nevertheless, that was what happened here. The moving of a decision on the rent cap beyond the next scheduled date for a provincial election isn't a good measure, because a date has no bearing on the housing market. There are much more important factors, like affordability, vacancy, et cetera. I know New Year's Eve 2025 feels like a long way away, but the housing market does not change that quickly.

[4:30 p.m.]

Is the department doing analysis now? How is the department considering what to do when we get to that point? I'm sure we all hope the housing market is much more affordable and stable at that time, but that seems unlikely at this point. What is the department's analysis or ongoing conversation around what to do with the rent cap once we reach that point at the end of next year?

COLTON LEBLANC: Our position remains the same pertaining to the rent cap. It was implemented - rather extended - under our government as a temporary option and solution. Our position, which will differ from other political affiliations, is that the true solution to the housing crisis is more housing supply.

Recognizing that we needed a greater runway to move forward with housing across the spectrum, recognizing that 2 per cent - originally extended for 2021-22, and how the world had changed since then, and trying again to balance the most delicate of balances within the Residential Tenancies Program for landlords and tenants. Often, I fear, and it's unfortunate that when we hear landlord, we think big corporate landlord. There are corporate landlords in this province, and there will always be for the rest of our days. But there are also some mom-and-pop landlords in this province, some that have had long-term tenants, where perhaps the rent that was being charged was not market rent at that time. When the initial rent cap was implemented and then subsequently continued and compounded with the increase of the cost of living, inflation, increasing utilities and property taxes and whatnot, these smaller landlords were being significantly impacted, and in some cases, disproportionately impacted.

We need all landlords - whether they're small mom and pops who have a basement unit or somebody who has a couple of units in their community, a couple of duplexes, or if there's a larger landlord with 15 units or 100 units - we need all landlords to be part of the solution. That's the fact. We cannot afford, in this market, to lose any units. We cannot afford to have folks leave that marketplace. That's why, again, it's part of that balance - walking on a tightrope in one way. We want to provide some flexibility to landlords, but we also want to be able to protect tenants from significant increases in their rents, recognizing that we are living in unprecedented times, faced with global economic

challenges, the cost of living that we haven't seen increase like this in years. The government is responding with a number of initiatives and targeted resources and supports.

Tying that back to - we need time, as a government, to address the housing crisis. As a province, we're faced with unprecedented growth. Typically, as a province, we welcome about 5,000 new people to Nova Scotia per year. I think last year alone it was 40,000 people. Sure, it's a challenge, but the reality is that with that challenge we have opportunities. We have new vacancies in skilled trades and health care and whatnot. We need newcomers. We're a small province, but we need newcomers to come, whether they're from inside Canada or outside our national borders, to help us address some of these challenges in skilled trades and build homes and build schools and build hospitals. Yes, there's the challenge, but it is also the opportunities and the opportunities of growth within our province.

All that said, we continue to remain engaged with our stakeholders. We also remain connected with many government departments. One thing that I've tried, and we're doing a very good job at, is improving collaboration and coordination and discussions amongst all departments. Even though residential tenancy is the tenant-landlord relationship for, say, 300,000 Nova Scotians, we're close to our colleagues and friends at the Department of Municipal Affairs and Housing and recognize that there's also a branch that extends to the Department of Community Services and the clients whom they serve. It's an across-government initiative and folks are coming to the table.

I'm proud of the work that is being done on the housing file. The Minister of Municipal Affairs and Housing is putting his best foot forward. Our investments in housing and our housing plan, \$1 billion over five years to build over 41,000 homes, investing in modular housing, investing in student housing, removing the provincial portion on the HST for new builds, investing in new, affordable housing, public housing. These are all steps in the right direction and how that fits into the rent cap question, it's all part of the supply. As a government, we remain committed to those discussions and part of those discussions and we'll continue to go through those discussions with our colleagues across government.

BRAEDON CLARK: I'm wondering if the minister thinks it would be responsible to remove the rent cap if the vacancy rate was at or near 1 per cent, which it is in much of Nova Scotia. Would that be a responsible decision to make, to remove the rent cap at that point in time if the vacancy rate were still at 1 per cent?

I recognize that we are building a lot of new housing. We are, but the likelihood of vacancy being 3 or 4 per cent - which is considered healthy - at the end of next year is pretty slim, so I am curious: Would it be responsible to remove the rent cap if we were still at 0.8, 0.9, 1.3 per cent?

COLTON LEBLANC: We're obviously seeing the impacts of a 1 per cent vacancy rate in Nova Scotia. It's obviously, I think, everybody around this table's hope that we can move as quickly as possible to get to a place where we have a higher vacancy rate. That would indicate that we are moving in the right direction, that Nova Scotians would have more choice in the availability of housing. I'm a firm believer that that would alleviate some of the other stressors and challenges that we're seeing within the residential tenancies landscape.

Even though we're a small province - I believe it was the member who introduced legislation earlier in this session about removing the rent cap and basing it on a particular level of vacancy - I think it was 3 per cent - in the moment I don't know what a perfect value would be.

What I would caution, in that same breath, is that you could have a 5 per cent vacancy rate in Halifax and you could have a 1 per cent vacancy rate in Yarmouth and a 2 per cent rate in Cape Breton. Does that balance out to 3 per cent? I guess it's difficult to assess a true vacancy rate if you're looking at how Statistics Canada would evaluate that. I think there's a challenge to look at things through regions and having that analysis, but we are very cognizant of the low vacancy rate in Nova Scotia. These are all factoring into the conversations that we're having within my department and with our colleagues across our government.

BRAEDON CLARK: That was good. I think the minister and I are making real-time improvements to legislation so that's good. I take the minister's point and yes, I mean I assume the vacancy rate would probably be the lowest in the HRM, generally speaking. That's where we see 80 per cent of the population growth. I still feel that is a good metric and if we were to look regionally, we could do that too. I think that would make sense.

If we looked at Cape Breton and northern Nova Scotia and the HRM and the South Shore and then down through the Valley, that would make sense to me. I think that's a more logical approach than a date, but the date is where we will be for the time being, so I will leave that.

The minister mentioned in his opening remarks there were 4,694 hearings. That's a big number. Obviously, I don't have a ton of context. That's about 13 hearings per day over the course of a year. I'm wondering - 4,694 - is that for last year? For 2023? How would that compare to, let's say maybe, 2019, if you have that data? Kind of pre-pandemic, if that's a good comparison. I'm just trying to get a sense of whether there's been a massive amount of growth in terms of demand on the system or not. If you don't have 2019, then 2022, or whatever the most recent comparison would be.

COLTON LEBLANC: We're looking for the pre-pandemic data, if that's available. What I can say is, I have data that compares calendar years. January of 2023, we had 465

applications; 2024 we had 506, so it was an 8.8 per cent increase. February to February was 407 to 423, so it was a nearly 4 per cent increase. For March, and we're near the end of March already, we had 435 last year and in this calendar year we had 254. It fluctuates at times. We've got the 2021 numbers. We had 3,492 applications and in 2022 we had 4,225.

BRAEDON CLARK: An overall trend of an increase of maybe 5 to 10 per cent. I'm wondering, for whatever the most recent data that we have for this: What is the average time between application to the Residential Tenancies Program and resolution? Obviously, that can vary between a protracted dispute and one that's resolved quickly, but what is the average resolution time for the most recent reporting period?

COLTON LEBLANC: On average, our hearing wait times fluctuate between four to six weeks. Right now, they're leaning much closer to the four-week wait time. Again, as I indicated, we do strive to accelerate and prioritize the more egregious cases, like the deletion of services or cutting off of utilities, for example. Then after the hearing, the director's orders are issued within 14 days. I don't know - it could be quicker. It could be within a few days. It could be closer to the 14 days.

BRAEDON CLARK: The minister talks often about balance. That is an important component, and it's something that we would strive for; however, I wonder if, when you're dealing with Residential Tenancies application disputes, the minister would agree that in many cases - not in all cases, but in many cases - there is an imbalance in terms of access to resources and knowledge of the system, perhaps, between tenants and landlords. I'm sure we've all - I recall being in disputes with landlords when I was going to Dalhousie University, and I didn't know what I was doing. I didn't know how to go about the process and what might be done. Obviously, you can learn, but I think there is a discrepancy there. I wonder if the minister would agree that there is oftentimes an imbalance between access to resources, availability of information, and general comfort with the process between tenants and landlords.

COLTON LEBLANC: There's a lot to unpack in that question. To start with questions around university students, we do outreach with that community. During Students Nova Scotia Advocacy Week, I offered to facilitate some dialogue within my department and with them to get those resources and those fact sheets to them and help circulate that within the student community. I'd also add that we do recognize and appreciate that there are a few organizations that support both tenants and landlords - primarily tenants - who go through the hearing process.

I do want to reiterate that the program is designed in such a way as to be easy to apply for and to go through the process. Any time there's a dispute between a tenant and a landlord, it does create a lot of stress and likely some frustration. In any type of dispute, we feel those heightened emotions. Particularly when we're talking about a roof over your head and talking about housing and that uncertainty, the individual put in that situation would be experiencing a lot of stress.

[4:45 p.m.]

At times we hear that the program is broken and it doesn't work. Lawyers are involved. It's made to sound almost like a ramped-up judicial process, which it's not. I know it's a daunting process if you're a tenant and faced with a dispute with your landlord and you're concerned about the unknown, whether it be retaliation or whatnot. Again, it's a program that's designed to be easy and straightforward, so you do not need legal representation, while recognizing that there are some - both tenants and landlords - who do seek that legal opinion and engage with a lawyer, and there are some who opt not to. Also, the hearings are by phone. There are several hearings that are done by phone, which makes it easier for both tenants and landlords.

To the member's point about knowledge, that's why we put a lot of time and effort into our education and awareness campaigns: to help inform Nova Scotians of their rights and responsibilities. In one way, it's good to be talking about it in Question Period and reminding our colleagues they can be part of that advocacy and getting the right information into the hands of other constituents. I'd rather they be doing that than saying it doesn't work, it's broken, you need a lawyer, renovations are going to happen.

I get the sensitivity around renovations, and I'll speak briefly on that. If a tenant gets a notice for an eviction pertaining to renovations, it's important for the tenant to know it doesn't mean they're being immediately renovated. If they dispute that, and if they have any desire to dispute it, they should. They should apply to the program, and it stops the clock. They would go through the Residential Tenancies Program and go through the process that we've passed through this Legislature, which started back in - the process was implemented back in March 2022. There have been a number of them that have been dismissed and a number of them that have been withdrawn - of the applications - and a handful that have been approved.

There is a time and a place for renovations to happen. If you own a vehicle - if you're fortunate to own a vehicle; if you're fortunate to own a home; if you're a business owner; if you're the head of Nova Scotia Health Authority, responsible for hospitals, this is all infrastructure that you need to maintain, and there is a time and a place where significant renovations and upgrades have to take place. That also applies to homes and housing units. It's not a process where a landlord can say, Oh, I just want to change the bathroom tile; sorry, you've got to get out.

That's where I'd ask that our colleagues across the aisle and government side, all of the parties, help share accurate information about the processes of the Residential Tenancies Program and help their constituents and help dispel any myths. If there are any questions about the program, I know the program staff are very dedicated and eager to help answer questions. We cannot provide any advice, but again, if there's any concern pertaining to disputes, tenants or landlords should be applying to the program to have that dispute resolved.

BRAEDON CLARK: I know the minister referenced earlier the enforcement division or unit that's in place in Ontario. One of the things about the Ontario system that I think is interesting, and I'm curious to hear the minister's opinion on, is in Ontario there's a public database of landlords where you can see if a landlord has had violations of whatever the Residential Tenancies Act equivalent would be called in Ontario. If you're considering renting from this person or this company, you can find out very quickly in a public, transparent way: Okay, this person has had six violations in the last year, so maybe I shouldn't move in there.

To me, that makes a lot of sense. Those who are acting appropriately are reflected well. It's like Google reviews for restaurants. You look it up and say, Okay, it's 4.7 stars. I want to go eat there. It's two stars? No, thanks.

I'm just curious - that would be a better system than a tenant having to go through message boards or other unofficial means to try to figure out if the person they're renting from is trustworthy or not. I'm wondering if the minister and the department have a position on that kind of system where bad behaviour is punished, as it were, in the court of public opinion, and good behaviour on the landlord's side is rewarded. What's wrong with that system?

COLTON LEBLANC: On that, I guess anything that the department would look at for landlords would also be reciprocal for tenants, potentially. If you do something for one, you're also looking at the other side of the coin.

Again, it goes back to that balance. If the member is looking for an answer pertaining to a landlord registry, that's not something that's on the Province's radar. That's something HRM might be looking into.

It's been brought forward by our stakeholders that the publication of Orders of the Director could be something that could be beneficial, so we're examining that as part of our efforts within the Residential Tenancies Program. What would that look like?

I guess, hearing the member's arguments about the difficult landlords, also recognizing that there are difficult tenants, to balance that. I'm just cautious of the risk and the outcomes of naming and shaming. It's not a straightforward yes, no. I think there is a broader discussion and a broader analysis of what's required to move forward with such an initiative.

BRAEDON CLARK: I appreciate that, and I realize there are complications on the tenants' side as well. Do we want to be publicly shaming tenants or landlords? I think it's more complicated on the tenants' side, so I appreciate that, but I'm glad to hear that it's something that the Department is aware of and the minister is considering because I think there's value there. More transparency, more openness, is always a good thing, generally speaking.

I want to switch gears a little bit if I could, to HARP, the Heating Assistance Rebate Program. As the minister alluded to, the amount for this year was cut from \$1,000 to \$600. I'm wondering what it would have cost the department to maintain it at \$1,000. Do we have a dollar figure for that?

COLTON LEBLANC: We'd have to crunch some numbers because the program is not apples to apples for last year. Last year, we had one-time changes brought in mid-term, or mid-program rather, to increase the income threshold to \$85,000 and increase the rebate amount to \$1,000. This year we've changed the program for income thresholds to be \$55,000 for single-income households and \$75,000 for family households, and then the value of the rebate itself is \$600. We'd have to extrapolate those values. Our budget last year was \$158 million of grants, rebates given to Nova Scotians, and this year - so, this year our current budget is \$83 million, so a difference of \$72 million.

[5:00 p.m.]

One thing I do want to and did speak about in my opening remarks is how we get to decisions on programs and services. I spoke briefly about making informed decisions based on data, and this is no different for the Heating Assistance Rebate Program. We looked last year at data for previous years and worked with colleagues at the Finance and Treasury Board to understand some of the financial situations of single and family households to get us to that point. This year we looked at our data for the program for last fiscal year, and what we saw is applications started to dwindle and decrease; the volume of applications decreased based on the \$55,000 single-income threshold and the \$75,000 family household.

That's how we got to those thresholds. Of course, we're always looking at the programs. We will make further decisions pertaining to next year's program, even though this year's program has not yet wrapped up. We will make those decisions after the program is wrapped up at the end of this month, and I encourage Nova Scotians who haven't applied yet to do so.

As I noted in my remarks, we have a significant number of Nova Scotians who have benefited from this rebate. It's one of the many targeted supports that we offer. We recognize it as an important one, together with the Property Tax Rebate for Seniors, which we have increased the budget for this year, and the Seniors Care Grant that we administer on behalf of seniors in long-term care, that our government brought in and has since expanded. These are all programs that are always being examined.

One that even I - and I think many members - don't realize and pay attention to is the Your Energy Rebate Program, YERP. We will get the monetary value, but I believe it is over \$100 million in rebates for Nova Scotians. It's seamless. It happens automatically on your power bill. If you see the rebate amount there, if you pay close attention - it is probably not the number most Nova Scotians look at when they see their power bill - but

the provincial portion of HST is removed on energy sources. That applies to other sources of heat as well. If Nova Scotians themselves pay for wood and if there is tax paid on their firewood, then they can go and fill out a paper-based application to get their provincial portion of the HST back in that rebate. That is an important one that benefits all Nova Scotians, but certainly will - recognizing the importance to HARP, we will continue to evaluate it.

BRAEDON CLARK: I find some of the decision-making a bit odd. This is the same argument I make about the rent supplement program when the Minister of Municipal Affairs and Housing talks about that and says, Well, the demand was so high, so we had to cut it or change the eligibility in that case.

If the demand for a program is high, that is an argument to increase funding, not decrease funding, so that is a bit backwards. In the case of the rent supplement program, the federal government is funding a portion of that, so at least there is that argument to be made. In this case, this is a purely provincial program, so to essentially cut the budget by close to 50 per cent is strange to me, given the obvious demand and the increasing amount of demand as we continue to deal with cost of living, especially as it relates to energy and increasing power rates.

To clarify, on this program - obviously, this year it is \$600 for HARP. Is that the expectation, that that will be the amount going forward, or is this going to be something where people are left in the dark on a year-by-year basis, and the amount could change year over year? What is the plan going forward for HARP, and will there be certainty on that amount?

COLTON LEBLANC: I know the member tried to dismiss some of what I said, but I will do my little rebuttal and try to dismiss some of what he said. Again, we were clear in January 2023 that the program was a one-time top-up. That was made clear. I can find the press release and table the press release if need be, but that was clear. I want that to be on the record. We've again made program changes to HARP this year. We have allotted \$33 million for HARP in this year's budget. I know the member wants to say it was cut in half from last year. Again, it was a one-time top-up.

Recognizing that many Nova Scotians appreciate and need the Heating Assistance Rebate Program, I do want to remind the member that when we came into government in 2021, the program then was increased to \$350, and the budget was \$16.5 million. The year before that, when the previous government was in power, there was a \$200 rebate, and the budget was \$10.2 million. The year before that when the same party was in power, it was a \$200 rebate and a \$10 million budget. The year before that it was probably \$10 million, and the year before that it was \$10 million, and it wasn't changed until our government came into office.

We are not shying away from changing the programs, and we are not shying away from being transparent with Nova Scotians. Again, we have increased the budget this year, and we will certainly be taking the data from this year's program into consideration when we have more to say on the program as it gets closer to the program launch. I know, through my constituency office and hear it speaking to my constituents, they are very grateful for this program, very grateful for the support that we are offering as a government through this program, through heating assistance, through the Seniors Care Grant, and, probably, tax rebates.

It is not necessarily true that the budget was cut. It was not identical for a one-time top-up, but we have made changes. Even, I guess, this program went through additional appropriations, which I know was a hot topic in the last few weeks. If that's the pathway that we need to take to support Nova Scotians, we are not going to shy away as a government from supporting Nova Scotians through additional appropriations.

BRAEDON CLARK: I want to ask the minister about procurement. Obviously, another one of those things that doesn't - although lately it has been in the news - it doesn't always get in the news, but it is incredibly important. And I know Service Nova Scotia handles a lot of procurement on behalf of many other departments. I am wondering if procurement at Service Nova Scotia raised any issues about the alternative procurement contract with Think Research to develop the YourHealthNS app.

COLTON LEBLANC: Of course, yes. Procurement has percolated as a prominent topic in the last number of months, I guess. The division of procurement within my department is responsible for strategic sourcing and conducting fair, open and transparent procurement processes. We offer advice to departments, so I can - and the member's question pertaining to health - we provide advice to the Department of Health and Wellness. We also provide advice to the Department of Natural Resources and Renewables, to the Department of Agriculture, to all departments. Particularly when it comes to international trade agreements now, we as a division, or Chris Mitchell and his team as a division, can best support our respective departments: how to meet their goals and to get the best value that they can - "they" meaning departments - to understand their needs and their objectives better than we do.

That said, through that advisory role there are a number of valid and legitimate reasons for alternative procurements. It seems like "alternative procurement" has become sort of a taboo phrase being spun as not part of the process, that it is illegal, and that there is no role for it. Quite the contrary. There are 23 valid reasons - accepted reasons - that are allowed in our trade agreements, and they are described as a defined process to be utilized when it is deemed not beneficial for government to go to market. These 23 examples are all accepted by the provinces and territories. Again, I want to reassure the members and reassure Nova Scotians that, yes, there is a place for alternative procurements. They are not taboo. They are not illegal. They are part of the procurement and accepted, and part of our trade agreements with the provinces and territories.

On the member's question pertaining to Think Research, there were extensive discussions with the Department of Trade and external legal to validate the appropriateness of using the exemption under health and social services, and this alternative procurement was supported by my department. One thing I'd like to add - that's the answer, but I'll add that there's a difference between supported and approved. "Supported" means at the procurement level, procurement says supported under alternative procurement, we support that reason, or it's not supported. Ultimately the decision to approve or not approve lies with the deputy minister and the department.

We provide that advice, but if the deputy minister of X department says, Great, it's not accepted, they make that decision not to approve or to approve. Those are discussions that happen between my department and my division and those respective departments that we support. I'd say there's been - I don't have the exact number - 240 ALTPs last year, none of which have seen any legal or trade disputes. I've asked staff when's the last time there was a trade or legal dispute on an alternative procurement, and I don't think there's been one since Shared Services came together in 2015-2016.

Again, there is a time and place for alternative procurement, but it is up to the respective departments, and in this case and to the member's question, the Department of Health and Wellness, to move forward and justify that, which it was, and supported by procurement at Service Nova Scotia.

BRAEDON CLARK: Again, maybe I'll have to dig out the Hansard transcripts, but I doubt that I've ever made the argument that alternative procurements are illegal or always inappropriate. That's not the case and I understand that. I commend the minister for his efforts, but I accept that they exist, and they should exist at times, not always, and there might be better alternatives.

I know I have maybe two minutes left, but if the minister could just explain to me: You cited an exemption in this case for health and social services. I think you said, Minister - could you explain what that exemption means? Is it just because it's for a health program it's automatically exempted, or how does the department make that determination that an exemption in that case is appropriate?

COLTON LEBLANC: I want to apologize and reassure the member that sometimes when I speak, it's not necessarily directed to the member or another member. It's more broadly amongst all MLAs, or perhaps what's being shared in the media. My apologies for that.

The health and social services exemption has been used only a few times. There's still work that's ongoing to actually define a set of criteria that will be applied to particular circumstances seeking to utilize the exemption, and that work is ongoing with folks from the Department of Intergovernmental Affairs and external legal. It will mirror the existing ALTP circumstance guide, so all those 23 examples that . . .

THE CHAIR: Order. That would conclude the first round of questioning for Liberal colleagues. We will move on to the New Democratic Party.

The honourable member for Halifax Chebucto.

GARY BURRILL: Just before we start, Minister, would you like to stand up and stretch for a minute or two?

THE CHAIR: We're going to take a one-minute recess.

[5:15 p.m. The committee recessed.]

[5:17 p.m. The committee reconvened.]

THE CHAIR: Order. The Subcommittee on Supply will resume with our NDP colleagues.

The honourable member for Halifax Chebucto.

GARY BURRILL: First, I wanted to say that I'm disappointed to hear anybody from Quinan use their opening remarks to speak about the Blue Jays when we know that the home team in Yarmouth County is the Boston Red Sox. (Laughter) But I'm willing to overlook that and proceed to the matter at hand.

I wanted to ask a question under the Consumer Reporting Act related to the data breach last Summer. In our constituency offices around that time, we were contacted by some people who, in that whole process where people were being offered the credit monitoring and so on, contacted their credit agencies and were looking to be able to put what people often refer to as a "freeze" on the distribution of their credit information. They discovered that in Nova Scotia, this is not something that is compulsory for a credit agency to offer and, in fact, is as a rule not offered.

In looking into this, people discovered that this is uneven across Canada. In Quebec you can't operate a consumer information agency without offering this service. In Ontario, there's been a lot of discussion about it. A law has been passed, although not yet in operation. I'm wondering if out of all of the experience, particularly from last Summer's events, the minister and the department are giving any consideration to making this change so that credit information agencies in Nova Scotia would be required to offer this service.

THE CHAIR: The honourable Minister of Service Nova Scotia.

HON. COLTON LEBLANC: I want to thank the member for Halifax Chebucto for the brief break. I'll probably be able to answer more questions faster after that quick pause.

I do want to recognize the role that the Department of Service Nova Scotia played in the response to the MOVEit breach. I could speak much more broadly and in depth to the breach response in my capacity as Minister of Cyber Security and Digital Solutions. The team at Information Access and Privacy certainly had a role in the aftermath of the breach. I'd say that we did a very good job. We're certainly looking at lessons learned. There are always lessons to be learned when it comes to these types of incidents.

I'll say that we're not immune. I spoke about this before in the Chamber. The risk of cyber threats is not going anywhere. It's an unfortunate reality of living in a digital world. Living in a digital world comes with plenty of opportunities, but it comes with some different risks, and these risks are ever-evolving. I'd say that in the next 20 years we'll see more change. I went to an NSCC graduation last Fall, and it was noted that we'll see more change in the next 20 years than we have seen in the last 200 years. It's quite scary, in a way, what we'll be experiencing when speaking of the pace of change.

We see the introduction of artificial intelligence in the world, and what does that mean? How does that play a role in how not only Nova Scotians, but Canadians and folks around the world live and work? I think there's also an expectation of living in this digital world. We are in a Netflix society, and we can't afford to be a Blockbuster government.

We do not want to be the Blockbuster government. We have to be successful and meet the expectations and needs of Nova Scotians. That includes an online presence and digital solutions. It speaks volumes to the fact that our government is only one of a few across the country that has a dedicated department responsible for this.

Pivoting back to the member's particular question on credit bureaus, consumer reporting, and the ability to freeze. I believe that situation there is quite unique in Canada. It's only taken place in Quebec at the moment. Folks within the Consumer Protection division are always looking at different ways of strengthening consumer protection in Nova Scotia, the member's question being one.

We do not have a firm timeline on whether that's something that government will be doing or when government would be doing such an initiative. It would require, as is my understanding, some legislative changes. Again, any ways that we can bolster consumer protection in response to our changing society is something that we strive to do at the Department of Service Nova Scotia.

GARY BURRILL: I did want to ask a couple of questions about HARP. The first has to do with a letter. I'll give you a copy of it, but you've received it already. It comes from a housing co-op, High Hopes, who own quite a number of units in peninsular Halifax. I can kind of summarize it for you. It has to do with the impact of HARP, as it is presently structured, on the non-profit housing sector.

In their co-op, the heating costs are part of the rent. This is part of an overall ethos in the co-op that is a way of addressing energy poverty. It's a way of keeping rents as low as possible, which are considerably below market. Yet they find - and this is the argument that's made in the letter, and it seems to me entirely reasonable - that as HARP is presently set up, excluding tenants whose heating costs are included in the rent, it prevents the program from providing the support to people who live in housing co-ops, whom perhaps the government would actually wish to.

In a time when we know we need all hands on deck on housing expansion, as the minister often says, one of those hands on deck is the non-market sector and the co-op sector. High Hopes, the authors of this letter to the minister, have identified the exclusion of co-ops - the exclusion of anyone who keeps the heat within the rent - as a real impediment for them being able to provide affordable housing.

I'm wondering - the request they make - if it's something that the minister and the department could give some consideration to either making special provisions for the non-market sector within HARP or making some provision outside of HARP so that the support that's provided through HARP would not be excluded to this sector that we know we need to be providing support and help to. I wonder if the minister could speak to that issue.

COLTON LEBLANC: I want to thank the member for the question and for sharing a copy of that correspondence. I'm actually going through the process of responding to the organization, to the co-op, so I appreciate the opportunity to speak briefly about this.

The way that the Heating Assistance Rebate Program is structured - it's structured to be a rebate for those who pay for their heat directly, including situations beyond what the member is asking here. If a landlord were to pay for their heat and the tenant doesn't pay for it, then the tenant can't apply for the rebate and such. It's designed as such to be a rebate.

The premise of the member's question would generate that the solution would be a completely different structure for the current Heating Assistance Rebate Program. It's not necessarily something that we're entertaining at this time. We believe that HARP is a well-greased machine. It's fairly quick to get the money out the door. This year we had a high number of applications in the first couple weeks of the program alone. I believe we had 83,000 in the first week when we, prior to our government coming in, had 49,000 applications. In one week we received double the application volume that we would have seen in an entire program year. I know, through questions that have come forward and correspondence, that there had been some delays. As I indicated in my opening remarks, we worked diligently to cross-train staff, offer overtime, and fill the staffing vacancies.

Again, as I have indicated in a previous response, I know that landlords and Nova Scotians - frankly, all Nova Scotians - are eligible for the rebate on the provincial portion

of their HST directly from their energy bills through the Your Energy Rebate Program, and got a firm number that is a \$130 million investment through government this year. If this organization, another organization, or Nova Scotians are not receiving that rebate, they should apply. I want to correct myself; there are also online applications. I said it was paper-based, but it is one of the digital solutions we are offering.

[5:30 p.m.]

Rental property owners like High Hopes could also reach out to our colleagues at Housing Nova Scotia. There are a number of programs there, including the Rental Residential Rehabilitation Assistance Program. There are also some programs through the Community Housing Transformation Centre. These are some of the initiatives that we are supporting as a government, but we believe HARP, the way it is currently structured, is best at meeting the needs of Nova Scotians, as is how we are implementing it.

GARY BURRILL: What about finding a way, outside of the structure of HARP, to extend this support to this sector, which - I am sure unintentionally - they and the residents are being excluded from?

COLTON LEBLANC: Again, HARP is structured in a way that, if you are eligible, it's not necessarily exclusively tenants. It could be folks who own their own home, so I don't want this program to be limited - in the context of the question - to the rental market. We do not, through Service Nova Scotia, necessarily have programs that are exclusively designated or directed to the housing market - the housing providers.

Community housing, like co-operatives, is supported through the Department of Municipal Affairs and Housing, through Housing Nova Scotia. To the member's question, it would require broader discussions, and perhaps would be something that would land within the Department of Municipal Affairs and Housing. Again, I remind the member that this organization would receive 10 per cent off their provincial HST on their energy bill.

GARY BURRILL: Continuing then to think about HARP: One thing I think all constituency offices experienced this year was a lot of distress about delays in the payments. What people want to know - if we have a HARP question - is: Is it going to be better this year?

COLTON LEBLANC: Certainly, as a government, we recognize the importance of HARP. As an MLA, I recognize the importance of HARP and the impact it has for many of our constituents. Up until we came into government, the budget was stagnant at \$10 million. The \$200 rebate - we increased that, and we provided a one-time top-up in 2021-22, so it brings the rebate amount to \$350, and the budget was \$16.5 million. We made subsequent changes, including a one-time top-up to the \$1,000 rebate for last year. Then this year we made the changes to threshold and rebate amount. We do have more

money allocated in Budget 2024-25. It's essentially triple the original rebate of the HARP. It was previously \$10 million. Now it's \$33 million for 2024-25.

As I indicated in a past response, we've not shied away from topping up and making the appropriate changes to the program mid-year. We use the data that we have from previous years to inform my department, to inform our government on how we should go forward with the program. We will do the same thing for the HARP program for 2024-25.

The threshold of \$55,000 for a single family, \$75,000 for a family household - those were values that were determined based on the data that we had from last year. We essentially saw a significant drop in the volume of applications based on the previous \$85,000 general threshold. That was for both individuals and for households. Again, we'll take the data from this year and if we have to take mid-year appropriations, or additional appropriations, we'll do it.

GARY BURRILL: I'm thinking here not so much about the fiscal power of the fund, but about its administration. I would say from a customer satisfaction point of view, my own experience of the fund this year was that there were more complaints. I've asked others about this. It seems to me this is a pretty broad feeling - not just about delays in the payments, but also, this year the application process seemed to generate more problems. People were getting more callbacks about more information. People were confused in ways they hadn't been before.

I wonder, does the minister acknowledge that there were problems of this sort this year that need to be straightened out, and where is the department on the straightening out process?

COLTON LEBLANC: I appreciate the opportunity to follow up and clarify. There are labour shortages in Nova Scotia, and that certainly applies even to some of the positions within government. We had some staffing challenges for the processing of this application. The fact is that with the program expansion, we received an unprecedented volume of applications - upwards of 100,000 applications in the first two weeks.

It wasn't a perfect process. Again, there is some digital enablement with online applications - certainly encourage constituents to do so online. It avoids errors. It avoids typos. It avoids things being lost in the mail, because every paper-based application that arrives has to be input into a computer system anyway. That may trigger some of the arguments of what the member is bringing forward. If a B is put as a D, or a P as an O, it causes issues because it doesn't line up with our CRA verification.

That leads me to the other part of my response, which is that there is an audit process that is mandatory, and that's mandatory through the CRA. Government is required to audit 5 per cent of our applications to avoid fraud, so there is a due diligence process

there. So yes, every year there is a requirement to contact at least 5 per cent of folks, at least for audit purposes, and they would be required to provide a power bill. Certainly, it is an extra step for Nova Scotians. Perhaps it is an inconvenience, but it is a requirement of our due diligence, and it's a normal function of the program. It's ultimately the role of government to make sure that our programs are administered in a responsible way.

What I would also say is that approximately 75 per cent of our applications are approved in less than eight weeks, and about 14.7 per cent were eight to nine weeks. The remainder were greater than that.

One of the challenges, which is not limited to the Heating Assistance Rebate Program, is that government - my department - may send out a notice to an individual and say, We need proof of your power bill. If it takes them three weeks or four weeks to get back to us, that skews our numbers as well.

We have worked very hard. I do want to recognize the staff who did come in from different units, worked on weekends, and took additional overtime to address the backlog. We did that as quickly as possible. Is it certainly something we want to avoid in the future? Absolutely. As I indicated in my opening remarks, customer service is top-of-mind service and excellence in service delivery. I think we could change the department name to the Department of Service Delivery and Service Excellence. It would speak to the mandate and the mission of Service Nova Scotia. The Premier's mantra of "more, faster" - well, if we can get more HARP rebates out faster, so be it. We'll do it as quickly as we can.

GARY BURRILL: With the questions of my Liberal colleague previously, we were talking about the change from \$1,000 to \$600. Most of your answers had to do with how this was a one-time change and not a cut, and so on.

I think what didn't get addressed - which would be useful to have addressed - is the rationale for the \$600. The deputy minister spoke earlier in the year about how there had been lots of options on the government's table, a lot of things being considered, but I don't think it has ever been explained when the change was made. Whether you call it a cut, as we do, or you call it a reversion to something it was before the one-off - either way, why \$600? Why not \$800? Why not \$750? Can the minister speak to this?

COLTON LEBLANC: I won't get into a back-and-forth on what we'll call it if it's tripling the original rebate, which I'll go with. As a government, whether it's the Heating Assistance Rebate Program, the Seniors Care Grant, or programs administered through the Department of Natural Resources or Public Works, there are always decisions to be made.

I believe the Premier spoke during this legislative session about the asks that were put forward on behalf of departments across government. I believe it was in the ballpark of \$1 billion, in addition to our \$16 billion budget. There's always going to be more to be done, and as a government, we always want to do more.

[5:45 p.m.]

When we looked at understanding that 2023 was a one-time change, and that we would have to look at this year's budget and this year's program, and factoring in the data from the 2023-24 program, we landed on tripling the original rebate. We remain agile in this program. We'll have more to say specifically on the Heating Assistance Rebate Program for 2024-25 later as the program comes closer.

We're always listening to Nova Scotians. We listened to Nova Scotians who said that the Seniors Care Grant was an important thing. That's why we invested more into the Seniors Care Grant. We listened to Nova Scotians about energy home retrofits - great thing. We're investing money there to help reduce their reliance on fossil fuels and help reduce their consumption of electricity and help them to reduce their overall energy demand.

What I'd also say is that we also listened to Nova Scotians through our budget process - that we should be indexing our income tax brackets. We're doing that in Budget 2024-25. We heard loud and clear from many Nova Scotians that we should be investing in a school lunch program. We're doing a universal school lunch program. We heard from many Nova Scotians that we should be investing in preventive care. That's why we're investing in continuous glucose monitors.

There is a breadth of supports. There is a breadth of initiatives. I just don't want to limit decisions of government being on one particular program. We are always listening to Nova Scotians and recognizing that, regardless of what government is in power, there will always be a desire and a need to do more. It is our commitment as a government that we'll be there to support Nova Scotians and strive to do more.

GARY BURRILL: I'm asking a bit of a more precise question about the rationale.

I don't think that the argument could have been put forward from anywhere - I don't think that the minister would put forward the argument - that the cost of living environment justified this change. I doubt that there has been a groundswell of opinion saying, Please make this change; six-tenths of what it was last year would be better. I don't think anyone has said that.

The government has had a rationale by which we have moved to the number six. Whatever you call that. Not seven. Not five. I think it's reasonable in the Budget Estimates process to ask: How did you get to six? Did you split the difference between 2 and 1,000? Is there, in fact, a rationale that can be presented?

COLTON LEBLANC: I think there are unlimited possibilities pertaining to this program. There are so many variables - not so many, but there are a number of variables, whether it be the income thresholds themselves or the rebate amount in this file. You can

calculate to your heart's content the budget impacts for this particular program. Ultimately, there were many options that were examined.

Part of the deliberations and discussions that were had led us to support Nova Scotians with \$600. An unprecedented number of households and individuals are being supported with \$600. Again, that's triple what was previously done for many, many years. In recognizing that we're always looking at the program, we're making program decisions based on data from previous years. That's where we ended up for this year.

As I noted to the member in a previous response, as HARP 2024-25 approaches, we'll have more information to say then. We have to wrap up this year's application process, which is wrapping up next week. If folks haven't applied yet, I encourage them to apply.

GARY BURRILL: I would like to direct our attention to fixed-term leases. We have, through FOIPOP channels, the jurisdictional scan the department conducted. I'm sure the minister's familiar with this. It explains how there are seven jurisdictions that are not doing what we do with fixed-term leases. They're doing more along the general lines of automatic offering of renewals.

In the course of looking at what is being done with fixed-term leases across the country, I want to ask: Has the minister's thinking on this question changed? When we began to have exchanges about this in the House, the minister's thinking was - he often would characterize it as a few bad apples - there were abuses, and we had a system for dealing with abuses. But I thought the minister generally rejected the idea that this was a pervasive or ubiquitous problem in the province. The situation has been changing a lot over the course of the time that the minister has been addressing this question. I wonder if your thinking about the problem of the proliferation of fixed-term leases has changed any in the course of the last year.

COLTON LEBLANC: I recognize that there is a role for fixed-term leases in Nova Scotia. They give tenants an option if they require short-term accommodation. I've spoken at length before about different situations, such as school or a term position - a term job. We are aware of some landlords using fixed-term leases for unintended purposes, whether it be putting tenants on a trial or whatnot.

What I would shy away from is painting all landlords with the same brush. What I'd also shy away from is painting all tenants with the same brush. Sometimes I feel that some statements are made, and some reporting is done, that portray that this is every situation. I contrast that to discussions pertaining to renovictions - that renovictions were happening left, right, and centre - when we knew that was not necessarily the case and there was a process to follow. Frankly, we encouraged MLAs of all stripes to help inform their constituents, work with their constituents to apply to the program, and go through that process.

I don't want my words - as the member had referenced "a few bad apples" - to be characterized as not recognizing the challenges within the residential tenancies landscape. I certainly acknowledge them head-on. The fact that we have a 1 per cent or hovering around 1 per cent vacancy rate is creating real challenges for Nova Scotians - for tenants and for some landlords - and frankly, compounding some of the issues we're seeing. Would we be seeing some of the issues within residential tenancies if we had a 5 per cent vacancy rate? It's a hypothetical question, but I would say likely not.

I'd remind the member that we do not keep track of leases, whether they're fixed-term or periodic, so information we do have is based on what is presented by members or what we see in the media or in feedback - important feedback, I'd add - from our stakeholders. That said, where there are changes to fixed-term leases, changes to the rent cap, changes to the renoviction process, or any other change to the program - I know the member and I perhaps disagree on the weighing of the balance - the program is designed and exists to balance and protect the rights of both tenants and landlords. We strive to do that.

If we bring forward - if anybody brings forward a legislative package, nobody is ever happy. It's one good thing for one side and another good thing for the other side. It's always not enough. As the minister responsible, my commitment is still there, as always, looking at modernizing and strengthening the program but also being cautious about any unintended consequences.

I spoke briefly when I was answering a question from the member for Bedford South about changes to the rent cap. It is a tightrope I don't think many could walk across. The reality is that we need all landlords to be part of the solution and to remain part of the marketplace. There is caution to be taken within this landscape to not push any landlords out of that marketplace and convince them to sell their property or whatnot, because with a 1 per cent vacancy rate, we need all hands on deck.

We need all units that we need, and we need government investments, which we are doing, to build the supply, to build the capacity, and to build more Nova Scotians places to call home - give them more choice - which I think will have a greater impact in the long run on our housing market.

That said, my position to support the intended use of fixed-term leases has not changed. I'd be cautious of painting with a broad 10-inch brush all landlords or all tenants in any fashion or label them in any which way. There will always be difficult tenants, and there will always be difficult landlords, but it's about engaging with our stakeholders, hearing their feedback, and trying to get it right. We'll never get it perfect, but we'll continue to move in the right direction.

GARY BURRILL: What I am suggesting is that, over the minister's tenure in the department, there has been a change. As the minister has said, we don't track these

numbers. I think there's lots of evidence for people who work in this field that the fixed-term leases have become, while the minister has been serving, much more pervasive. I want to ask: Does the minister agree with me or acknowledge that there are virtually no residential leases available in Halifax today other than fixed-term leases?

COLTON LEBLANC: I would assume some of the information the member is receiving is likely from some of the same stakeholders that we engage with. I certainly appreciate their engagement and their insight into the rental market. That said, we do not have - we do not track periodic or fixed-term leases, so I cannot say with certainty if what the member is saying is entirely true or not.

[6:00 p.m.]

Again, what I would say to the member's point is that in today's market, if it's a 1 per cent vacancy rate with a number of fixed-term leases or a 1 per cent vacancy rate with 100 per cent periodic leases, the fact is that we need more housing. The fact is that Nova Scotians need more choice. The fact is that we need more availability across the spectrum, and that's why our government is taking action. We're investing in housing. We have our Action for Housing Plan, \$1 billion over five years for 41,000 new housing units.

It's across the continuum, whether it be affordable housing, public housing, modular housing for health care workers, student housing, and that's the direction of our government. I think it's in the right direction. We'll continue to move on that path.

GARY BURRILL: I've suggested that there has been a dramatic change in the most recent period, and the minister's response is, Actually, we don't have the data to support that view. Why not get the data? It's very important if, in fact, the position that the minister has, I think, rightly said that lots of stakeholders hold, that fixed-term leases have become across-the-board in the residential market, particularly in the city - if that's true, this ought to have a very major impact on government policy. If the government doesn't know whether it's true or not, isn't it important for the government to find out? Why not collect this data and, having collected it, why not make it available to the public?

COLTON LEBLANC: What the member is referring to could, in part, require the implementation of a landlord registry, which we're not interested in doing. It would also at least, bare minimum, require a lease registry. That's not something that government's entertaining. My initial thoughts are that it would add a level of burden to collect that data to pretty much inform the government of what we actually already know. We know there's a low vacancy rate, we know we need more housing, and that's the solution to housing. I'd rather have my staff support any other department whose focus on the solution to housing is all hands on deck, let's build housing.

If it's pounding on nails and that's what we had to do, if we're allowed to go through that process, I'd rather them be doing that and building housing than collecting

data on 300,000 tenants based on the type of their lease to say we have an issue compounded by low vacancy rates. If we had a higher vacancy rate, it probably wouldn't be as big an issue.

I'd also add that government doesn't collect data on private contracts. That's one thing I'd say. Speaking of data as a whole, there's an initiative under way at the department not to collect - not pertaining necessarily to the member's question on data of the types of leases, but we're actually modernizing the existing tenancy information management system. That's a system that was launched in 2005, and there have been enhancements that had been made previously, but no other enhancements were made available. It's been a legacy technology that we refer to, so it's become no longer supported by the existing vendor.

This system - it's a case management system - is being modernized. It's actually a multidisciplinary team that's working on this with new business processes. It started back last summer. We'll expect to have that completed next year at some point. I think that will help indirectly answer the member's question on using data to make further decisions on the program.

I'll give the member an example. Previously for a lot of questions and attention around the process and the volume of renoviction applications and number of approvals, my direction to my staff was: I want the data. Well, unfortunately for them, it meant going through paper-based applications and online applications and flipping through: yes, application, no, that's another one, yes, and actually manually going through that. This burden shouldn't happen. This investment in modernization will help address that.

It's approximately \$1.7 million in tangible capital asset initiatives, so it's one of our modernizations that are under way but I think will help support our priority as a government to address housing, working with our other departments as well.

GARY BURRILL: Well, related to the pervasiveness of fixed-term leases is the increasing problem in the residential tenancies world of evictions. Does the department know what the trend is in evictions? Are there more, less? Does the department know the types of evictions? Other provinces, many of them, collect this information. Not just the aggregate information about evictions, but the type of eviction. This would allow us, in fact, to relate or not relate it to fixed-term leases. Presently, do we have that data?

COLTON LEBLANC: The short answer is no. The long answer is my answer from the previous question. The modernization of the tenancy information management system will be able to enable my department to do just that: track hearing times, track some of the details that the member is referencing, the type of evictions and whatnot.

I guess I can answer specifically to the data that I have for evictions on renovictions. Since we started tracking applications in March of 2021, we've received 292

applications to date. We have 13 active applications. Ninety-seven of the 292 have been dismissed. Forty-nine have resulted in a mediated settlement and 13 have been withdrawn. If you're quick with your math, that leaves 44 that have been approved.

Just that one example that I shared with the member is labour-intensive, which will be expediated. I know that's something that our stakeholders have asked for, subject to FOIPOP - a request on different data. When we do get FOIPOPs for residential tenancies and it takes longer than 30 days, perhaps it's because it's a large volume of files. Perhaps I'll be able to talk about our FOIPOP process in a later question. Yes, that will be rectified in our modernization.

GARY BURRILL: One of the things that I contend demonstrates the ubiquity of fixed-term leases at the moment is the fact that the rent cap is so poorly reflected in average rent increases. It is quite striking, with a rent cap of 5 per cent, that we have average rental increases of more than double that.

You've heard me say before that I think this is related to the fact that fixed-term leases are being used to get around the rent cap. I understand that that's not the minister's view. But then in your view, what causes this discrepancy? How can we have an 11 per cent rent increase with a 5 per cent rent cap unless something is undermining the rent cap? If it's not fixed-term leases, what does the minister think it is?

COLTON LEBLANC: I certainly will not dismiss the fact that rents are increasing in Nova Scotia. I will not dismiss the fact that this is a source of struggle for a number of Nova Scotians and part of the arguments that are factored into our discussions and deliberations and how we work to balance the rights and the needs of both tenants and landlords.

To answer the member's question, CMHC - I'll talk about CMHC. There have been reports on rentals.ca, and I'm sure somebody could do an analysis on Kijiji.ca and compare last month to this month based on the number of units that are available, and they could wait another six months to do it. I'm sure those folks do great work. Those are taken from a limited source of data. CMHC - I tend to trust their reporting. What I would say is that their reporting, their statistics, represent current and existing tenancies, those that are protected and some that are not protected under the rent cap, as well as new units that have entered the marketplace.

What the recent CMHC report has also highlighted is that despite a low vacancy rate, we've seen a record-breaking number of new units come on to the market, which is probably in part due to the fact that government has supported the building - the construction - of new rental units through different initiatives. Probably the most significant one is the removal of the provincial HST and others - the granny suite option and others.

The fact that we're incentivizing Nova Scotians, whether it be Mary and Joe down the street or if it's a developer who wants to build new units and they're ready to be part of the solution and contributing to building more stock and more places that Nova Scotians can call home - the fact that we have those new units coming in at a certain value and coming in at market value, not Year 1 being protected by - or not subject to the rent cap, rather - that is probably contributing to the increase that the member is referencing too.

[6:15 p.m.]

What I'll also say - I mean, of course, as a government we're responsible for issues at hand in our province. We take action where we can and do the best that we can. There are some factors that are out of government's control, so when it comes to a labour shortage, it's not directly in our control, but we're doing what we can to increase the availability of skilled trades - More Opportunities for Skilled Trades, for example. We're trying to incentivize newcomers to come to Nova Scotia, trying to retain Nova Scotians here who do not have to pay the provincial income tax on the first \$50,000 for those under 30. I encourage, frankly, all members to share that program. It is a couple of years in and still digging some traction.

I think we have to do a better job to make sure that our youth see that they have a place to call home in Nova Scotia and see that they have an opportunity for themselves to grow and live and raise a family here in Nova Scotia, and that for the next 10, 15, or 20 years, there's not going to be any decrease in the necessity to have skilled trades and skilled tradespeople in our province.

I say that because the challenges we're experiencing, including rent increases, are not unique to Nova Scotia. They're not unique to other jurisdictions that have a rent cap in place or what the member is advocating for, longer term rent control. Those jurisdictions, as well, have seen increases in rent.

Again, I think the root cause and the major issue within the rental market is directly tied to our low vacancy rate. It validates why we as a government have to do more. We have a good foundation on our housing plan and confidence in the Minister of Municipal Affairs and Housing on the plan that he's announced and the investments that we're making across the continuum to offer Nova Scotians more places to call home, more supply, and more availability.

If Nova Scotians had 10 choices when looking for a place online - rentals.ca, Kijiji.ca, or whatever the source may be - if there were 10 choices to pick from instead of one place to choose from, I think some of the points the member is raising would not necessarily be as prominent in the market. I do not want any of this to diminish the fact that there are Nova Scotians who are struggling to find a place to call home. There are Nova Scotians who are struggling to make ends meet.

The member referenced that there's a lot that has changed in my tenure as minister - 150 per cent. A lot has changed since I was first elected in 2019. We've gone through a global pandemic. We've lived through some of the most difficult times, especially here in our province, and we're coming out of that with . . . (interruption).

THE CHAIR: Order. That will conclude the round for the NDP colleagues. I'll pass it back to the honourable member for Bedford South.

We're going to take a brief recess. We're now in recess.

[6:18 p.m. The committee recessed.]

[6:19 p.m. The committee reconvened.]

CHAIR: Order. The Subcommittee on Supply will resume.

The member for Bedford South.

BRAEDON CLARK: Thank you, Chair. Glad to be back in the saddle, as it were, but I am going to defer some of my time here to the Independent member from Cumberland North. I'll let her take it away.

The honourable member for Cumberland North.

ELIZABETH SMITH-MCCROSSIN: Thank you to the minister and everyone in the department. I'll just have a few moments to ask a few questions.

One of the questions that I had that has affected some of our hospitals up in Cumberland North is around procurement issues. I wonder if the minister might be able to answer a few questions around that. Of course, the very public situation was after Allison Holthoff's death, and it really highlighted the fact that the emergency department renovations had taken so long. One of the reasons I have been given was due to supply chain issues and the length of time for procurement of the materials to do the renovations, and now we are seeing sort of similar reasoning given for the delays of the opening of the hospital at North Cumberland, which is in Pugwash. I believe that community hospital was scheduled to be open last July; then it was delayed until December. Now it is further delayed. I think May is the new date, but again, the reasoning is procurement.

I am wondering if the minister of the department has given any consideration to changing the procurement right now. My understanding, and certainly the department can correct me if I am wrong, is that here in Nova Scotia everything is under one office. You have clinical, IT, construction, everything under one procurement office, whereas in most provinces there is a separate office for clinical procurement. It is a little more specialized, and many who work in the industry believe that may lead to greater efficiencies in getting

RFPs completed. I am wondering if the minister can comment on that. Has there been any discussion around creating a clinical procurement office here in Nova Scotia?

THE CHAIR: The honourable Minister of Service Nova Scotia.

HON. COLTON LEBLANC: A couple of elements to that question: The first, pertaining to renovations, I guess I'll state again, the Procurement division within the Department of Service Nova Scotia - we provide an advisory role to all government departments and agencies. We work with them and support them through their procurement processes and their pathway, if it is through an RFP or RFQ or RFI or ALTP, whatever it may be. But ultimately, they are responsible for the implementation or going through that process. Once it has gone through - and in this case, I don't know exactly if it would be DPW or if this is a project that is administered by the Nova Scotia Health Authority or a renovation that is being done by the Nova Scotia Health Authority in conjunction with DHW - it would be up to them to go through that.

I don't know if what the member is hearing is that procurement is being used as a synonym for acquisition of goods, because from my perspective we wouldn't be holding anything up - if it's studs or nails or whatever it may be - to finish the renovations. We would not be able to impact the market on that availability. I hope that answers that question there.

On the side of clinical services or procurement of clinical goods, it's a good question. Again, it validates why we recognize that each respective department understands their needs and their objectives better, and that's why we work with them very closely. There actually is a specialized team of 25 folks already, and my understanding is they focus exclusively on supporting clinical services. That team exists within the division already.

ELIZABETH SMITH-MCCROSSIN: To the minister: Is this something new or is this for the clinical procurement, or is this something that has just recently, like over the last year, been changed or has this always been the case? I am wondering if the minister has any data on what would be the normal for the procurement office, how many RFPs per staff per year on average would the staff be able to complete, and I am just wondering if there is any comparable analysis to other provinces.

COLTON LEBLANC: That clinical team has been in place since 2015, so that's that answer. Diving into more of the specifics of numbers, the numbers of contracts - I have numbers for fiscal 2022-2023 - there were 820 contracts established for goods, services, and construction. There were actually savings for that fiscal year in the range of \$95.6 million. The return on investment was nearly eight times the value. The contract - life savings for that fiscal since 2015 have been over \$544 million. The number of tenders posted on our portal in fiscal 2022-2023 was 517. We established contracts in fiscal 2022-2023 - there were 820 contracts for the value of \$1.35 billion.

I think it is really important to note how much money is actually invoiced to spend in Nova Scotia. Almost 74 per cent of our spend is here in Nova Scotia, and we are always looking to support Nova Scotia companies more and more. I don't have the specifics of year over year beyond that or other provinces, but those are sort of a summary of Procurement 101 in Nova Scotia.

ELIZABETH SMITH-MCCROSSIN: Thank you to the minister and staff. For example, in New Brunswick it is on average three to five RFPs per employee per year for the completed RFPs. I am just curious if we had any data - if we're comparable. The question I guess, especially when we are looking at delays in renovations specifically pertaining to Cumberland Regional Health Care Centre for the renovations from the flood. It was close to triple the length of time it took to get that work done. It certainly caused a lot of heartache for the staff and for the patients and now again we see delays in Pugwash.

What I am being told through people who work with these two projects - the concerns that have been shared with me are that, because we don't have a specific office of clinical procurement like other provinces, that we have a longer-than-average length of time to get RFPs completed. I am wondering if there has been any comparison of the efficiency here in Nova Scotia compared to other provinces that have specific legislative - like in our province there is one piece of legislation and everything falls under one office, whereas in other provinces there is actual legislation where there is a very clear, separate delineation of work for clinical procurement versus everything being done overall. Of course, I am asking these questions, Minister, just because of my concerns. We just want to try to get as much efficiency for our province as possible.

Is the minister able to provide any information around maybe what is the average length of time for completion of an RFP here in Nova Scotia? Clinical, specifically?

COLTON LEBLANC: Staff inform me that our numbers in Nova Scotia, similarly to New Brunswick's, vary year to year depending on what's going on in the province.

I can't speak specifically to the member's questions about the renovations ongoing at the regional hospital and direct the member towards two colleagues at the Nova Scotia Health Authority and DHW. It would be also very difficult to generalize timelines for RFPs because they vary in complexity and magnitude, the breadth of them, especially when we're talking about clinical projects. There's clinical input from clinicians. It also comes down to clinical availability to participate in that. That's just the RFP process. Then also, when we're talking about project delays and project timelines, it would perhaps be a little bit different than RFPs by themselves - they are also impacted by factors that are not controlled by government, whether it's the vendor availability or supply availability.

Those are real factors impacting many different elements that we have been talking about this evening. Housing and road work - we haven't talked about that. The Minister of Public Works is in the other chamber speaking at length about that. I would be hesitant to

say that any delays pertaining to that renovation are associated within the procurement shop at Service Nova Scotia.

[6:30 p.m.]

ELIZABETH SMITH-MCCROSSIN: I'm wondering: Is there any data available that the minister would be able to share where it shows where there is actual analysis looking at our efficiency for our procurement office? Is there anything that the minister would be able to share that could be made public just to be able to look clearly to see if we are on par with the rest of Canadian provinces when we're looking at clinical procurement? Of course, there are a lot of health projects on the go when we look at capital projects here in the province, so it is a really important topic. I'm just wondering if there is a real deep dive to look at our efficiencies in that department, in the procurement office specifically.

COLTON LEBLANC: We do track times, and that's something we could share with the member. Ever so briefly, lightly putting on my former hat of Minister responsible for Healthcare Redevelopment infrastructure, yes, there are a number of health infrastructure projects under way, clinical projects. That's likely varying across the country year to year. It might be difficult to aggregate that data and have a true comparable analysis in that fashion.

What I would say is that we're always looking at value for money. We're always looking at value for people. We're also looking at the return on investment. For fiscal year 2022-2023, our return on investment is almost 11 times the spend. That's what we track. We also track the money that's being invoiced and spent in Nova Scotia. As I noted, approximately 74 per cent of the invoice spend is in Nova Scotia. Can we do better? Absolutely. Are we going to try to do better? Absolutely, especially when we look at our big spenders: the Department of Public Works obviously, a big spender, one of the biggest ones I should say; the Department of Seniors and Long-term Care; the Department of Education and Early Childhood Development.

I'll finish by adding that 91 per cent of our RFPs are awarded to Nova Scotia-based companies. It's part of our strategic pathway to support Nova Scotians and support Nova Scotia companies: investing back in Nova Scotia companies, investing in the tax base of Nova Scotia, investing in revenue or income generated in Nova Scotia, and hopefully keeping businesses generating in our province.

ELIZABETH SMITH-MCCROSSIN: I know everything in the Procurement office is important. I do lean towards clinical - it's obviously something that is important to all Nova Scotians. Making sure we have as much efficiency - I have no doubt that all the staff in your department and the Procurement office do incredible work. I'm not doubting that, but I'm wondering if there's anything we might be able to do that would help them. When there's a more specialized office of clinical procurement, a lot of times we do see efficiencies around that. I'm wondering if the minister can comment around the health app

the Premier has been promoting around the province. Did that go through a procurement process? If yes, how long did that take? If no, what was the reasoning that it didn't go through procurement?

COLTON LEBLANC: I answered this in a previous response, but I'll say it again. I want to clarify the role of the Procurement division within the Province. We provide an advisory role to government departments - in this case it's the Department of Health and Wellness, but it could be other departments: Agriculture, Natural Resources and Renewables, or Public Works - on their procurement pathway. Ultimately, it's up to them to decide which path they want to go down - whether it be RFP, RFQ, or ALTP - because they know their needs. They know their outcomes and objectives better than folks in Procurement, although Procurement people are smart and intelligent folks who support this important work.

As I indicated before, ALTPs are a legitimate part of the process - it's become a taboo word, it seems, in the last few weeks and months - and they are recognized as being part of the procurement process when government decides it's not necessarily beneficial to government to go to the market. Alternate procurements are allowed under our trade agreements. There are 23 reasons for which an alternative procurement can be used. They are accepted and justified by the provinces and territories. I would add, as I noted before, that at least since 2015, I'm not aware that there has been a legal or trade dispute over the use of an alternative procurement.

I'll also add that "approved" and "supported" have become synonymous when we refer to alternative procurements, but they're two different things. The Procurement division will support or not support the decision of a department to entertain the idea of using alternative procurement. The decision to approve or not approve the alternative procurement lies with the deputy head. It's not the chief procurement officer who says approved or not approved. It's up to the deputy minister of that respective department who's making these decisions, understanding that they know their business, needs, and objectives better. I want to again clarify that.

For the member's question on the Think Research contract, it was sought through an alternative procurement under the absence of competition. It was justified under the exemption for health and social services. That exemption has been used in a few cases. There's actually ongoing work with the Department of Intergovernmental Affairs and external legal to formalize more parameters around the utilization of health and social services. That will be embedded in the broader list of exemptions for alternative procurements.

Again, I want to reassure the member that there were extensive discussions with the Department of Trade and legal on this particular one to validate the appropriateness of this under the Canadian Free Trade Agreement to use the exemption for health and social services on this particular contract.

ELIZABETH SMITH-MCCROSSIN: I believe my colleague may have more questions on that. Maybe I'll just ask one final question. Did the minister and his department recommend alternative procurement, or was that the decision of the Health and Wellness Department? I guess as part of that, if Service Nova Scotia did recommend this company that they used, had they done a financial analysis of the company, considering the current financial state that this company is in? Now we may be in a situation where we're not going to be able to get updates or keep that app current if that company were to fail. I know that's a risk with any company that you do business with but . . .

COLTON LEBLANC: Again, Procurement as a division within Service Nova Scotia provides an advisory role and advice to government departments. It's the same case for the Department of Health and Wellness, which was ultimately responsible for the decision on the alternative procurement. My understanding was that they came to us with the desire to seek support for an alternative procurement. When a department comes forward with such a request, there are some back-and-forth discussions to better understand the requirements. In this case, again, it was supported, and then the department moved forward with approving it themselves. It's my understanding they were hired for one year, and after that it would be reviewed.

ELIZABETH SMITH-MCCROSSIN: Thank you to the minister and the team. I'll turn the rest of my time over to my Liberal colleague.

THE CHAIR: The honourable member for Bedford South.

BRAEDON CLARK: Chair, could you just clarify how much time is left in the hour?

THE CHAIR: It's 35 minutes and 33 seconds.

BRAEDON CLARK: A man of precision. Minister, I just want to go back to the last question I asked and the member for Cumberland North kind of touched on. This health and social service exemption which you said has been used a few times - I'm just curious: Do we know how many times it has been used? And when did it start to be used? The impression that I get is that it's a fairly new exemption. I wanted to clarify: When was it first used? And do we know how many times it has been used?

THE CHAIR: The honourable Minister of Service Nova Scotia.

HON. COLTON LEBLANC: Again, we've used it on a small number of occasions. I might say less than a half dozen times in the last six months. There is, as I understand, work under way in other provinces, as well, where they're embarking on the same work as us, working to define set criteria for it to be applied for particular circumstances for this exemption. As I shared before, the work in Nova Scotia is under way with external legal

and the Department of Intergovernmental Affairs. One example I'll share with the member is the Maple app that has been procured to deliver virtual care.

[6:45 p.m.]

BRAEDON CLARK: I just want to clarify here. The alternative procurement used in the case of Think Research here - which is for the app development, which I believe was about \$12 million, if I can recall correctly - was used or approved through a health and social services exemption, even though, as you said earlier, Minister, it doesn't appear that all of the criteria for that exemption are in place yet. Is that standard practice? That seems unusual to me. Is that appropriate to be giving out alternative procurements for millions of dollars without any criteria in place to judge the appropriateness of that award?

COLTON LEBLANC: I want to clarify what I said and if I misspoke, my apologies. The criteria are in place and are specific to our trade agreements. What I was referring to is the work that's under way with external legal and discussions with the Department of Intergovernmental Affairs to give more clarity to departments - a little bit more structure, I guess, maybe a little bit less grey. There will always be grey areas.

I think within the 23 reasons for ALTP, there is a level of grey in there, and there will be. When a department comes forward with the desire to seek alternative procurement, there will still need to be - those requests will still need to be assessed. Those discussions will still need to take place, just like they were for the tender or the ALTP for Think Research. What I would say is that the same process would happen in a year's time once this work with IGA and external legal is done. I want to reassure the member that the assessments and the discussions that took place to support that ALTP - there would be similar ones that would take place if it were to happen again tomorrow.

BRAEDON CLARK: The point I would make is that, I think, if there is a need to clarify or provide more details - which I assume there must be, otherwise these discussions with IGA and legal wouldn't be happening - if that level of uncertainty exists, then I question why this exemption would be used in cases of not insignificant amounts of money. We're talking about \$12 million to develop an app, which, there are lots of - I'm not an app developer, but I know there are lots of them out there. And to think that there is only one or that there is a need to do things so quickly in this case - really, I don't understand.

I think it's part of a broader trend I see with this government to put the cart well before the horse and justify some of those decisions by saying, Well, we're going to get this done two years faster, or the Opposition doesn't like EfficiencyOne or Saint Mary's University or other institutions, because they don't like the process.

It's not the outcome that I have questions about; it's the process. And I think there are issues here around an exemption that is maybe half-baked and being used to develop an

app that the Premier is very, very proud of talking about constantly. So, I think those are fair questions.

With regard to the Hogan Court development, which also used alternative procurement processes for the construction management contract that was initially, I believe, for \$400,000, then was subsequently expanded to over \$10 million, \$10.6 million, was that alternative procurement also given under this health and social services exemption?

COLTON LEBLANC: My understanding is that the decision to go down that pathway stemmed from a standing offer process, and that's how they were selected.

I do want to quickly go back to the discussion on the app. I guess any of those decisions, again I would respectfully defer to the Department of Health and Wellness and colleagues at the Nova Scotia Health Authority. But I want to clarify for the record and clear any grey that's perhaps been spun here, that conversations on alternative procurements and assessments on alternative procurements happen every single day - or whenever they arise. I don't want the member to try to connect invisible dots with an imaginary line here on the utilization of this alternative procurement.

Conversations are under way to provide greater clarity and greater structure on the utilization of this particular - for this exemption for health and social services. Again, those assessments for utilization of this alternative procurement - which was supported by the Procurement division and approved by the Department of Health and Wellness to go down this pathway for Think Research - those assessments happened, and it would happen either way. They would still happen if the assessment and the work of IGA and external legal were completed today. There would still be those assessments and still be that discussion, so I don't want some sort of conclusion drawn that we're backpedalling, or there is work being done to start to question the support of the alternative procurement. That is completely false.

I do believe in the app. I will speak as a member of government, as a former health care worker, and as somebody who recognizes that we need to do things differently in this province. For far too long it was status quo, the same scope of practice, the same access points, and the same model of care. Nova Scotia has changed a lot, as I have spoken about in a previous response, and will continue to change. If we continue to accept the status quo, we are on the path for disaster. Things will never get better in health care. Things will never get better in housing. Things will never get better in education. We need to seize the moment in front of us. We need to seize the opportunities that are in front of us, and that includes - I guess we are talking about health care - doing things differently.

I am a strong supporter of technology, and I am proud to be the Minister of Cyber Security and Digital Solutions, overseeing much of the great work that is done to support the expectations and the needs of Nova Scotians. We can't shy away from some of the risk

that comes with that - and the opportunities that are there as well. This app enables people to make some of their own decisions. It enables them to find the resources they need. It enables them to have access to their personal health records. It enables them to book appointments online.

Most Nova Scotians interact with private businesses online, and if government is the last to do it, we are going to be missing a big opportunity and perhaps facing greater challenges in the future. There is a role for government to play here. If folks can order an Uber online, if they can make a reservation online, and if they can book a haircut online, why can't they do things - vital things - like accessing health care online?

I remember when - I think it was in the first few months I was elected - the Premier, then Leader of the Opposition, had announced at our party's AGM that he was a strong supporter of virtual care. I remember coming back for Question Period. I have a lot of respect for Premier McNeil but Premier McNeil ridiculed the idea of having virtual care in Nova Scotia. That was in 2020. That was, I think, a month before the pandemic hit the shores of Nova Scotia. He laughed, and the entire caucus - it was the government caucus at the time - laughed and made a mockery of the concept of having virtual care in Nova Scotia.

We are four years away, and we've gone through a lot as a province, but four years is not that long. Then to look back, and it's - you can always look back, and hindsight is 20/20. You could say: If I could change back and whatnot. The fact is virtual care was quickly implemented by the previous government, was shown to be successful, and was embraced by Nova Scotians for many reasons, primarily its convenience. I know it saves me. I don't have to make the commute into Yarmouth for different services to see my physician.

It's almost common sense that every other level of government and businesses are doing these things, and if our government says we're going to take a wait-and-see approach or we're going to wait and see what it looks like before B.C. does it, and if we wait and see what the French government does, again, we're missing an opportunity. We can be a global leader. We are a global leader in many different aspects.

The Premier, in his State of the Province Address on Monday, spoke about having met with an international company and I believe they had about 1,200 staff here in Nova Scotia. They're looking to grow, based on probably a number of reasons, because Nova Scotia is a welcoming province, and they see the potential as well as we do in our province, but also recognized that their employee satisfaction is the highest around the world. This says a lot for the quality of life that we have here and the opportunity for growth.

I think if we are leaders - like in cancer care, embracing partnerships and relationships with world leaders in cancer care - partnering with our world-class universities that are here in our province to build on the research and innovation that we

have and the bright minds that we have in Nova Scotia to develop our innovation hubs, to use our natural resources to do that, and to grow our local economies, I think that is an example of what we should be looking at to make Nova Scotia a better province for our children and our grandchildren.

[7:00 p.m.]

We have that potential on the horizon. I'm paraphrasing a bit of what the Premier said, but I'm saying it because it resonated with me yesterday at the State of the Province. If only we could peek around the corner and see what's coming ahead of us. We can't control the future, none of us in this room, none of us. No politician, despite their best efforts, can influence the future, but we can put our best foot forward and put in 110 per cent, try to lead change, put forward the best policies on behalf of our constituents, and embrace the opportunity that we have in front of us.

I'll go back to being a health care worker. I still have my licence to practise. You just never know with this job. The job security as an MLA is probably not the best, despite our best efforts. I look at, in my short window of time as a clinician, the new medications that came on board, the new equipment that came on board. Even before my time, we went from a period of having ambulance drivers - I think there's perhaps one in this room who did that work before me - but we've come a long way despite the challenges within the pre-hospital setting in Nova Scotia. I know there are real challenges that former colleagues are living and breathing every single day and that Nova Scotians are living and breathing as well. I am confident that we are on the right path to fix health care and make significant improvements in the pre-hospital setting in the EHS, in the technology that's evolving. These are things that people don't hear about: the ability to FaceTime - I call it FaceTime, but - videoconference a doctor from your home and perhaps avoid being transported to hospital. That's a step in the right direction. That's digital solutions being enabled to make lives better for Nova Scotians, along with the app.

Going back to times of ambulance drivers, we've gone from you call and we all - and it's diesel therapy - drive like hell. I'm not sure if that's parliamentary language, my apologies - go fast, go faster. Now we have skilled clinicians who are top of North America, providing the best care they can, with a lot of resources and a lot of skills that are improving the lives of Nova Scotians and changing the way that we deliver care.

I'm tying all this to the fact that, yes, there is debate on the app. Yes, there is questioning on whether an app is the right thing, and I believe it is. I believe that every action that we are taking to fix health care is the right one.

I guess I get it. I get the role of Opposition. I started my career or my journey as an MLA there, and there's a role to keep government to account, and there's a role to oppose. But then there's a role to embrace positive change, and there's a role to support good initiatives.

I wish the Opposition would support transformational initiatives like this one. I wish they would support transformational and innovative solutions like community transition facilities. I wish they would embrace and support our budget that supports diabetic care and the expansion of insulin pump programs and continuous glucose monitors in this province. I really hope the Opposition supports this budget for those reasons.

I'll wrap up by saying that if we do not embrace technology, if we do not embrace digital solutions, and if we accept the status quo and not accept that we need to do things differently, I guess we'll be here always trying to dig ourselves out of a hole and things won't get better. I think by not being afraid of taking bold action and making these decisions, we're on the right path.

BRAEDON CLARK: No, I'm enjoying this, actually. I think it's fun to have a little back and forth. The minister said - I wrote this down because it was good, I love words - that I am connecting invisible lines to imaginary dots. That was interesting.

I think the minister is making a lot of straw-man arguments this entire time, which is fine. That's the nature of the beast sometimes. As an Opposition member, and I know the minister has been there - as others have - our job is to hold people to account, yes. I would make the argument that I do my very best to be fair and tough at times. That's my job. I think there is a difference between being obstructionist and asking fair questions, which I think I do. Am I perfect? No. But I think I do a good job at that, and I think members opposite would generally agree with that.

I know the minister, as he said earlier, sometimes speaks in generalities, but as I say, we're having fun going back and forth. Some of these things - as I said, I'm not necessarily opposed to an app. I agree that we should be embracing technology in health care. We should be embracing technology in government. In a past life, I was consulting on things and there were agencies using faxes routinely two years ago. I have no idea how to use a fax. The minister is a little younger than me, but we're in the same cohort. Faxes are not part of our lives.

I'm with the minister on the need for technology and innovation. Hogan Court - that facility is in my constituency. I'm not going to sit here and say, Ah jeez, what a terrible thing to have transitional care beds in my constituency. Of course not. I haven't lost it. It's process versus outcome and those are two very different things. I'll say that until the cows come home.

CGMs: another big thing that I've been talking about for a while - I know many of us have, so that's good too. I just want to make those points, that I think it's really important to have firm, fair opposition and that's what I try to do.

I also want to touch on another element of the minister's portfolio which is cybersecurity, privacy - these are all critically important things. There's a lot of discussion right now around issues of privacy as it relates to health information, as part of the amendments of the FMA. I'm wondering: Was the minister's department consulted or did the minister's department give an opinion to the Department of Health and Wellness on the privacy and cybersecurity implications of the amendments to the FMA that we've been talking about for the last few days?

COLTON LEBLANC: I'll speak briefly on this one because I am here in my capacity as Minister of Service Nova Scotia. What I will say that we can relay from my folks here at the IAP division is that file - there's some work under way with DHW. As I did, I'll echo what I said to media last week: that we are always doing cybersecurity risk threat analysis. We're always doing privacy assessments, not limited to a piece of legislation for government programs and services, and again, that's supported by the fact that these cyber threats and risks aren't going away.

Even if I weren't minister, I think that's just a fair statement to acknowledge for all of us: that no government, no business, no individual is immune from those threats. It's a reality of living in the digital world. As a government, we take the privacy of Nova Scotians' information that we're responsible for with the highest importance.

BRAEDON CLARK: I wanted to ask - and again, I'm not sure if the expertise will be here to answer or not. I don't know how we're interplaying between service and cybersecurity, but OPOR - One Person One Record, of course - is something that has been in discussion for quite a few years. I'm just wondering: Can the minister tell us what work is under way in the department to get that done, and when Nova Scotians might be able to expect an OPOR system to be in place?

COLTON LEBLANC: In short, that project is entirely within the purview of the DHW and the Nova Scotia Health Authority. Although there are a number of Department of Cyber Security and Digital Solutions staff who are supporting the implementation of One Person One Record, the DHW is the lead on the initiative.

BRAEDON CLARK: As the minister knows - and the timing is bizarre on this. I remember when this happened not long after the department was created. Maybe it was a week. I remember it was a very short period of time. We had the unfortunate MOVEit data breach. I'm wondering where that is now. Does the department feel that it has been resolved? What has been the total cost to manage that process?

I know there were credit checks and other things that were available. I'm just wondering: Have we moved past that? Have we finished that cleanup, as it were? What was the cost of dealing with that problem?

COLTON LEBLANC: I'll start answering. Obviously, the lead department for the response was the Department of Cyber Security and Digital Solutions, which, as the member noted, unfortunately had just been created, I believe, May 23th or 24th, and then a week later the province of Nova Scotia was impacted by a global vulnerability. This was not necessarily something that the province did or did not do. This is a global vulnerability that impacted many - I don't remember off the top of my head - organizations around the world, like British Airways, the BBC, a large pharmacy company in the U.K., a number of U.S. governments.

[7:15 p.m.]

I don't know why these bad actors chose Nova Scotia. Perhaps - and I don't want to hypothesize. They're probably watching now. They have nothing better to do, I guess. I don't want to hypothesize, but the fact is that the timing was not ideal; however, on the other hand, it justified in an untimely way why we created the department - to put at the forefront of government the responsibility and to shine a light that was previously invisible on folks who work within the Department of Cyber Security and Digital Solutions. There was always work done. The team was previously embedded in Service Nova Scotia and Internal Services under the NSDS, the Nova Scotia Digital Service team.

As a government we recognize not only the potential but the significance of having a dedicated and stand-alone department, so we did that - one of very few across the country. Again, is this going to be the last cyber breach that Nova Scotia faces? If I was going to the casino tonight and playing the ding-dings, I'd probably be putting money that this is not the last, unfortunately. There may be many more in years to come in the history of government, but this is not the first breach, as we discussed in Question Period on Friday.

This won't be the last. It is a growing criminal activity for nefarious actors to target governments and businesses to try to cripple them and leverage information and whatnot for bad purposes. I would say that hand over fist, our response was very, very good. We shared what we knew when it was validated and when we could share it publicly. There was no sitting on our hands and hiding behind cameras.

The fact of the matter is that on the Sunday afternoon, both Deputy Minister Clarke and I made ourselves available for a press conference to share news that no Minister of Cyber Security and Digital Solutions wants to be sharing: that we were dealing with a breach. We did so at a time after it was, one, identified, and, two, contained. In these types of scenarios and situations we do not want to be showing our cards and that's why we were sharing information that we could confirm and validate, because the bad actors are always watching.

I guess the example is as a government, as an organization, we're sort of like a castle. We have buried in a certain corner of the castle our crown jewels, our data, our

registries, and things that we want to protect, that we do not want to come crumbling down. We have a very big moat and we've got big walls and we've got to make sure water is in the moat, and sometimes it doesn't rain enough so we've got to fill up the moat somehow. Sometimes the bridge doesn't close quickly enough, and people are knocking at our doors, and they're trying to fly in, and all these medieval examples.

People are knocking on Nova Scotia's doors every day. I think that's probably the next song that they're going to come up with: "Knock, Knock, Knocking on Nova Scotia's Doors." But that's before . . .

THE CHAIR: Order. That concludes the Liberal round of questioning. I'll move on to our NDP colleagues. The honourable member for Halifax Chebucto.

GARY BURRILL: Before we get right out into song, would you like to have a little break?

THE CHAIR: The honourable Minister of Service Nova Scotia.

HON. COLTON LEBLANC: No, I'm good.

GARY BURRILL: Okay. Good.

I would like to go back to where we left off about fixed-term leases for a few moments. We had an opportunity to talk about the impact of fixed-term leases on affordable housing in Question Period a few days ago. I was speaking about one study which showed that there was a significant loss of affordable housing in an area where there were a lot of fixed-term leases. But there are other studies. The recent data from the Canada census talks about Halifax having lost over 8,000 non-subsidized housing units under \$1,000 between 2016 and 2021.

I thought that, in the exchange we had in the House, you didn't really engage the question. Perhaps I hadn't put it precisely enough. When I speak about the loss of affordable housing, I simply mean places that were affordable that are still there, but the price has, over the five-year period, now gone out of the affordable range. I wonder if the minister would comment on his view of the relationship between fixed-term leases and the loss of affordable housing stock, acknowledging that we are having a significant loss of it. Does he think that there is any connection?

COLTON LEBLANC: To ever so briefly answer the question for the member for Bedford South, it is \$3.2 million for the credit monitoring service.

To the member for Halifax Chebucto on his questions about the affordable housing stock and any possible correlation to the utilization of fixed-term leases, I don't necessarily want to speak on behalf of our colleagues at the Department of Municipal Affairs and

Housing, but what I would say is, again, we have a number of solutions on the table through the Our Homes, Action for Housing plan that they are leading. As Minister Responsible for the Residential Tenancies Act, I support all of those efforts to help us move the needle in the right direction on housing. Of course, the housing market is creating some real pressures in the market, creating some real challenges and pressures for Nova Scotians trying to find a place to call home, likely having an impact on the utilization, as the member references, perhaps of fixed-term leases.

Again, I will reiterate that our government's position on the housing crisis, that specifically, whether it be Municipal Affairs and Housing or Service Nova Scotia or other departments, is more supply: more housing, more places that Nova Scotians can call home, more choices, more availability across the spectrum. Whether it be to the member's question on affordable housing, on student housing, on residential housing, if it is apartments, if it's condominiums, if it's dwellings in urban, suburban, and rural Nova Scotia, we need housing across the board.

We need to do that working with anybody who wants to be part of the solution. Anybody who wants to be a solutionist, we need them at the table. And that includes other levels of government, whether it be our municipal partners or federal partners, developers, smaller or larger landlords. We need everybody at the table. Co-operatives - and again, reflecting on some of the government's announcements on affordable housing - more than 200 new units. The largest investment, or rather public housing - the largest investment in public housing in 30 years. That is a long time, and I say that humbly now because we are on that timeline.

We need more housing. These are the initiatives to get us started, and I am confident that there will be more to come.

GARY BURRILL: I take it that you're basically saying - on the question of whether the proliferation of fixed-term leases is causing a loss of affordable housing - you don't have an opinion. At least I didn't hear an opinion in the comments you made. I want to ask him: Is this something that is on the department's radar? Is it something the department is looking into, mindful about, or watching over?

COLTON LEBLANC: I do not want to commit myself to one opinion or another without having factual data in front of me. As we discussed in the previous round of questioning, we don't have a landlord registry. We do not have a lease registry. We do not track leases. Our focus, as we administer the Residential Tenancy Program, is to administer a program that's easy and convenient and that's not designed to require legal representation of landlord or tenant parties to resolve disputes between those parties. We are only aware of those disputes when they come forward - when either party files an application with the program.

That said, we'll have more concrete and better data to inform the program and to inform government of its housing priorities. Once we finish the modernization of the new tenancy information management system, that work will be complete in 2025. On the role - on a specific correlation and on questions on the construction of affordable units, those initiatives to support that construction are with the Department of Municipal Affairs and Housing. We are the dispute resolution program when there's an existing relationship or when a relationship exists between tenants and landlords.

Finally, as I noted earlier on during this budget deliberation, we're looking at streamlining and triaging those most egregious cases. We're looking at continuing and bolstering our awareness and education campaigns for both tenants and landlords to support their understanding of their rights and responsibilities. We're doing that in conjunction and in tandem with initiatives and work that's being done by colleagues, like at the Department of Municipal Affairs and Housing and at the Department of Community Services, and working with our community organizations. We're providing important wraparound services for folks who are in need in this province.

GARY BURRILL: Some questions were raised earlier - and you addressed some - about the enforcement unit. I wanted to ask specifically about the study of the Ontario system. Indication was made that it wasn't exactly the right time for the government to release this, but when the right time came, this was a document that would be made public. Is it still the minister's intention to make that study public?

COLTON LEBLANC: Government commissioned this report. It looked at what a compliance enforcement unit could look like in Nova Scotia but not necessarily exactly what it should look like. Contrary to some statements that have been disseminated in the media that it was a firm recommendation, that's not necessarily the case. That report is still advice to me - the minister - as we continue our deliberations on what a compliance enforcement unit could look like if, at such time, government decides to proceed with the introduction and implementation of a CEU. It is my expectation that the report would be made public at that time.

GARY BURRILL: Could you provide some sense about when that time is apt to be as you're looking at the timeline of things?

COLTON LEBLANC: I don't have a firm timeline right now. Again, these solutions - although they exist in other provinces, our rental landscape and our rental marketplace differs. It has changed a lot since I've become minister.

We want to make sure, if this is something that government decides to proceed with, that it's a made-in-Nova Scotia solution that fulfills the needs of tenants and landlords. Based on some feedback that's been received and discussions that have occurred, we actually require some clarification of what a compliance enforcement unit actually does.

[7:30 p.m.]

It's not necessarily, as I've shared before - if your toilet is leaking and as a tenant you're upset and your landlord refuses to fix it - a compliance enforcement unit might not necessarily fix that. If you're a landlord and you're frustrated that you've gone through the Residential Tenancy Program and the director has ordered your tenant to vacate the unit and they're not leaving, it's not necessarily something that a CEU would fix, would address.

There is some work on that to be done, I'd say. We're always looking at ways to modernize and strengthen the program. I've said that many, many times. Again, a CEU is not going to fix the housing crisis. A CEU is not going to fix the homelessness situation that we have in this province. Those are false statements. At the same time, we've made changes to the Act before and we will again. I can't confirm exactly when - likely not this session.

This is not going to be the be-all and end-all. Even if government were to decide to go ahead with a CEU, I'd guess there would still be issues within the Residential Tenancies program in the future. There would still be things to modernize and change because as times change, the needs change, issues change, we have to move forward.

Again, some of the stressors that we're seeing right now are being compounded by a low vacancy rate, and again I go back to what we need to do is build more housing.

GARY BURRILL: I'm not asking at all about the question of the substance of the enforcement unit. You have already spoken to that to my Liberal colleague. I'm asking simply about the report. I'm not asking for the time of day and the date on which the report will be released, but about the government's general intention.

I think there had been a general indication that this was a report that would be made public. Of course, if there's not any time frame, that amounts to functionally the same as saying never. I'm asking for a general sense of a time frame when people might be able to expect to have a look at that report.

COLTON LEBLANC: I'll answer the member opposite. When a decision is made either way, whether it's for or against, we will be sharing that justification. We'll be sharing those reasons. At this time, I can't tell the member exactly when that's going to be.

GARY BURRILL: I do want to ask about renovictions. I recognize the whole edifice that the government has put in place and how the government has attempted to be responsive to this problem with this and all of that. Yet it is the case that when people talk about rent problems, which they do a lot - I spend a lot of time going door to door in this city. This is a subject that people volunteer to speak about very readily.

One of the most common complaints, the most common criticisms of the present system is people say, "I needed to leave my rental accommodations because there were some renovations going to be made and . . ." Then they will list some very minor thing that happened, something that a normal person would not consider to be a structural repair requiring somebody to leave their tenancy. This is a very common feature of the present, as you rightly call it, the rental landscape in the city. I think it's fair to ask: What is the government doing in addition to the regime that had been put in place, which has plainly not stopped it, to prevent this?

COLTON LEBLANC: Great question, and I think this validates the reason why we need to do a better job of communicating to Nova Scotians, both tenants and landlords, the process and the program as a whole. I'll be happy to have staff recirculate to all caucus offices some of the fact sheets that my department created on a number of different initiatives and elements of the program, one being the renoviction changes that came into effect in March of 2021.

Unfortunately, I think some of the stories that we read in the paper, we see on TV, about renovictions - there are opportunities for Nova Scotians to apply to the program and they should. Even in the example that the member opposite just shared, that it's being perceived by their constituents that if they receive a notice for an eviction for renovation purposes, that it's a done deal - signed, sealed, delivered - that's not the case. That said, I can understand, if I were to put myself in an individual's shoes, in this case a tenant's shoes, that if I were not familiar with the Act, if I were not familiar with the process, if I were not familiar with the program and came home after work one day to see a note under my door with an eviction notice, signed, sealed, and delivered by my landlord, and read that, and said, "Oh my gosh, I don't know my recourse," when there is a recourse.

The member said simple renovations that did not require, and I'll say in my words that are out of the Act, I believe: vacant possession. Vacant possession is one of the key elements of the process required - or the key requirements, sorry - for a landlord to submit an application for a renoviction. That, in addition to demonstrating that vacant possession of a unit is required.

If a landlord tried to say he needed vacant possession to rip up the carpet in a 20x20 room, would that be adjudicated as: That needs to happen, the tenant must move out indefinitely and allow another tenant to come in? I don't want to speak - maybe I shouldn't be saying this, I guess - I would not want to speak on behalf of a director adjudicating a decision here - but to me that doesn't sound like vacant possession is required. Or if there are light fixtures that need to be replaced. That doesn't sound like there's vacant possession required. Or if a toilet needs to be replaced, doesn't sound like there needs to be vacant possession required.

However, if there's significant leaking, or if there's mould, or if there are plumbing issues that you need to gut an apartment for, or gut a unit, or if it's an apartment unit that's

50 years old, these are potentially examples and situations where a landlord could justify, through demonstrating vacant possession and the requirement of a building permit in hand, that they could go through the process of evicting for the purpose of a renovation.

That said, in the member's question referencing he's heard a tenant saying it wasn't justified, I would encourage the member, I encourage Nova Scotians, if there's any doubt, to apply to the program. Again, we'd be happy to make available resources that actually outline not only the process but, in the case where a renovation is approved - and as I noted, there have been 46 out of the 292 in three years; it's a little bit contrary to the hundreds and hundreds of renovation cases that we've heard - but again, we need to know. We do not know if Nova Scotians do not apply.

I cannot stress enough: If a Nova Scotian is faced with a notice, apply. That stops the clock. If they are faced with a renovation notice for anything, that stops the clock. It allows them to get their foot in the door, through the program, have their case heard, and in the case of renovations allows the landlord to make or break their case. There is a time and place for them. I do not want - there have been some references to ban renovations, but on the flip side of the coin, we also hear that landlords have an obligation to keep a safe roof over somebody's head. Sometimes you need to make significant renovations to do that.

There is a process. It works. The program itself works. Again, in those cases where renovations are approved, there's compensation for the tenant in those types of situations.

To the member's point, if there's any doubt and if an eviction notice is warranted or not, tenants should apply. For the small, perhaps petty renovations, those aren't justified and they are not in the bill that we passed in the Fall of 2021.

GARY BURRILL: I think the minister has really correctly identified the core of the problem, that it is the person who is in that situation, as you described it, who comes home from work and gets that letter, does not see the world from the point of view of all the juridical apparatus of the Government of Nova Scotia; they see that they are going to have to move.

I understand that the number of cases is relatively small, and yet we know that the number of families affected is not relatively small. What I am asking is: In addition to what the government has already done, what can the government do to prevent the proliferation of those letters being under the door for false reasons?

COLTON LEBLANC: Again, we'd be more than happy to circulate to all caucuses so that all MLAs have access to the fact sheets that we've circulated to ensure that Nova Scotians understand the process. It's in plain words. That's something that is stressed, even with staff: If we make changes to forms, how can we make it clearer? Is there a way to make it clearer and easier so that when you read something it's not a bunch of legal jargon that you need to be going through law school to understand?

We will continue to work to improve our awareness and education campaign. We will work with our stakeholders, whether it's sharing this information with Dalhousie Legal Aid Services, ACORN, IPOANS, and others - Students Nova Scotia - we will continue to do that, focusing on key areas of questions like the member brought forward about renovations and evictions.

[7:45 p.m.]

We started a marketing campaign, a marketing plan, last Fall. We did it, I think, the year before, as well, just to increase that awareness. We did a large social media presence, focusing on different posts in government channels. We did targeted and paid social media posts. We also did Google Search ads. If you put in "apartment for rent in Halifax" or "apartment for rent in Parrsboro," it would come up "Residential Tenancies Program" and direct you there. We have had a fair amount of success there. You know - I guess they call them impressions or views, we could say - over half a million, 561,000, views there, which has generated over 16,000 clicks to our website. Google Analytics show that as of early February, the program has had 683 interactions or sessions. Of those, the top sources of entry were Google or rent searches for people entering the site directly. We work with Communications Nova Scotia there. We'll work with our partners there, as well, recognizing that, going back to CEU, going back to the issues at hand, a big piece of it, a big piece of that puzzle focuses on educating and bringing awareness to both tenants and landlords of their rights and responsibilities.

GARY BURRILL: Chair, are we leaving enough time for the minister's closing motion? How much time is required for that?

THE CHAIR: We have approximately two minutes remaining.

GARY BURRILL: How much time is required for that?

THE CHAIR: We could do the . . . (interruption).

GARY BURRILL: I want to ask quickly about the lobbyist registry - lots of problems and pitfalls I've pointed out. What's the department doing to get this in more serious shape?

COLTON LEBLANC: It's part of the modernization efforts of our registries. That work is under way. If I can say it without messing it up - not all lobbying activities are registerable acts. Yes, there are occasions when lobbying is not considered a lobbying act. What am I trying to say? Ultimately, it's a self-reporting registry, where lobbyists are to sign up with government to declare who they're lobbying and what they are lobbying for.

THE CHAIR: The honourable Minister of Service Nova Scotia, with 30 seconds.

COLTON LEBLANC: I'll keep it brief. I want to extend my appreciation and gratitude to my staff who have joined me here as well as staff who chimed in to support us through virtual channels. We do great work on behalf of the Province of Nova Scotia. We're happy to support all departments with our government's mandate.

THE CHAIR: Shall Resolution E38 stand?

The resolution stands.

Resolution E5 - Resolved, that a sum not exceeding \$276,224,000 be granted to the Lieutenant Governor to defray expenses in respect of the Department of Cyber Security and Digital Solutions, pursuant to the Estimate.

THE CHAIR: Shall Resolution E5 carry?

The resolution carries.

That concludes maximum time for consideration of supply. Thank you, everybody. I ask you to return back to the main Chamber. We are adjourned.

[The committee adjourned at 7:49 p.m.]