



House of Assembly
Nova Scotia

HALIFAX, FRIDAY, MARCH 1, 2024

COMMITTEE OF THE WHOLE ON SUPPLY

12:27 P.M.

CHAIR

Nolan Young

THE CHAIR: Order. Before we start the Committee of the Whole House on Supply, I'd just like to inform the members that this Spring the clerks will be assisted by some committee clerks. We'll have Judy Kavanagh, as well as Tamer Nusseibeh joining us.

The Committee of the Whole House on Supply will come to order, and I'll recognize the honourable Government House Leader.

HON. KIM MASLAND: Would you please call the Estimates for the Minister of Municipal Affairs and Housing, Resolution E15.

E15 - Resolved, that a sum not exceeding \$680,055,000 be granted to the Lieutenant Governor to defray expenses in respect of the Department of Municipal Affairs and Housing, pursuant to the Estimate.

THE CHAIR: I'll invite the Minister of Municipal Affairs and Housing for some opening remarks.

HON. JOHN LOHR: I'm very pleased to have the opportunity to introduce the Estimates for the Department of Municipal Affairs and Housing and the Office of Emergency Management for 2024-25. I'm particularly pleased to be called up first. It's an honour to be called up first in this historic Chamber, so thank you for that, to the Opposition.

Joining me on my right are Deputy Minister Byron Rafuse and my associate deputy minister, Valerie Pottie Bunge. I have other senior staff joining me here today including Adam Rainforth, who is our executive director of Finance. Others who will be joining me are Michelle Waye and Hardy Stuckless, and we will have other senior staff: Vicki Elliott-Lopez, Adrian Mason, Paul Mason - no relation, I guess - Brian Ward, Pam Menchenton, Christina Lovitt, Rebecca Doucett, Heather Fairbairn. We have a very dedicated staff at Municipal Affairs and Housing, and it's a real privilege for me to work with them, honestly.

As you can imagine, I have a lot to talk about, so bear with me as I walk you through what we've accomplished over the last year, highlight key aspects of our budget, and take you through some of our plans for next year.

[12:30 p.m.]

Let me start off with some key numbers. The total budget for the Department of Municipal Affairs and Housing is estimated to be \$680 million for the fiscal 2024-25. That is an estimated \$125 million increase from last year, which is about a 22 per cent increase over last year. The budget for my department has more than doubled in the two years we've been in government.

This is a strong budget for Municipal Affairs and Housing that is focused on solutions that grow safe, affordable, and prosperous communities. This budget complements the historic efforts and investments over the past two and a half years aimed at increasing and improving housing stock, reducing barriers, speeding up development, and getting more people and families into safe, affordable housing faster.

This budget also has a strong focus on supporting and investing in municipalities in a way that has not been done in decades so they can build and grow their communities now and in the future. There is no question, with a \$125-million increase over last year, this budget is proof we are laser focused on solutions. We are committed to helping as many people and families as possible find safe housing they can afford and are working with our municipalities in a way that is building, growing, and strengthening communities.

As the committee reads through the Estimates and reviews the accompanying forecast, you will see more for people and families, more for seniors, and more for municipalities. This budget is about more, faster.

As a government, and with staff as a team, we have made groundbreaking advancements in how we manage the housing file, with Nova Scotians we serve at the centre of everything we do. I'll elaborate more on that important work shortly, as I am sure the housing file will be one of great interest during our time here together in the Chamber.

In addition to housing, the department supports and works in collaboration with 49 municipalities and 20 villages across the province. We also support safe communities

through the Office of Emergency Management and the Office of the Fire Marshal. There's no question we've all benefited from the hardworking individuals who represent these offices. Now more than ever, as we recover from several severe storms and weather events - including last month's significant Winter storm, as well as the devastating Spring wildfires and traumatic Summer floods - we appreciate the critical role they play in emergency response and preparedness and keeping our communities and residents safe.

I think I can speak for everyone in this Chamber when I say how grateful I am - and we are - for the men and women who devote their lives to protecting and serving others in an emergency. I will elaborate more on the important work of my department's EMO office soon. For now, I'd like to talk about the Municipal Affairs branch of the department.

Municipalities and the communities they serve are at the heart of our province. The work they do and the services they provide to residents are critical. They help Nova Scotians get to where they are going - like work, school, and medical appointments - through vital transit services. They're responsible for our water systems and waste and snow removal, and they provide key recreational programs for our children, seniors, and others in our communities. This just scratches the surface of the services they provide. Their work is important; their partnership is valued.

We work closely and collaboratively with governments and communities across Nova Scotia. Now more than ever, our collaboration and partnership are vital. I said this last year, and now I'll repeat it again: I understand the value of a good conversation. Since becoming minister, I've met with the vast majority of municipalities. I met with the Nova Scotia Federation of Municipalities and the Association of Municipal Administrators of Nova Scotia multiple times. So has the Premier. I'm proud to say my staff have an excellent working relationship with our municipal partners.

That is not to say we don't have our differences from time to time; we do. We share a very important goal: to build strong, sustainable, and safe communities with diverse economies and a high quality of life. In other words, places where Nova Scotians want to live and where they can thrive, build a career, and raise a family.

It is important to work collaboratively with municipalities as much as possible in order to understand their concerns, their challenges, and their strengths. That's exactly what we are doing as we work together to finalize the service exchange agreement for our municipalities. For the first time since the '90s, our government is working alongside municipalities to modernize policies and funding agreements to strengthen the way Nova Scotians work together. This work was a mandate commitment, and I'm proud of the progress we've made together.

In the Fall sitting of the Legislature, we marked a huge milestone in the process when legislation was passed to clear a path to allow for a service exchange to proceed after 18 months of engagement with our municipalities. This milestone was most notable

because of the strong support behind it from the municipalities. In fact, we received over 35 letters of support from municipal representatives who were proud of the agreement and were deeply supportive of the collaborative process. That's because under the new service exchange agreement all municipalities will have more money in their pockets - everyone gains.

Service exchange is a \$40 million benefit to the municipalities. Through the payments they will save in corrections and public housing and schools that are no longer being used for educational purpose. This is real money that municipalities may choose to use as they see fit, to build housing, to improve infrastructure, to create new recreation spaces and opportunities for their residents or to reduce taxes.

In this budget, related to service exchange, you will see that municipalities will also receive additional money under the development of two programs: an infrastructure program and a roads program.

I look forward to continuing our work as we implement a new service exchange agreement, which represents the most significant update in how we work with municipalities in 30 years. We are at a time of unprecedented growth in our province, the kind of growth we haven't seen in our generation. From that growth many municipalities and communities are seeing new residents, new opportunities and new businesses. This is good news for our province, but as with any opportunity, challenge is not far behind.

There is no question that the past few years have been some of the most challenging in our province's history: rising costs, the housing crisis, labour shortages, and now over the past few months the recovery from one of the most destructive and expensive years when it comes to emergency events. Like us, municipalities are concerned about housing, about transit, and about rising costs of energy.

Growth is a good problem to have. It is one we welcome, but with it comes the need to do things differently. We haven't planned for growth like this in decades - we haven't had to. Municipalities need our support and partnership as we work through this together.

I knew that municipalities needed more. That is why in my first month in government I provided an additional \$32 million to municipality operating funds as a down payment on the eventual service exchange deal. This is the first time a large investment in our municipalities like this has been made in many years. This was a mandate promise of mine that I kept in my first days as minister.

Even with the significant and historic investments in municipalities I just mentioned, my government recognized there were still gaps, especially in federal infrastructure funding. I knew that as a province, if we were going to truly meet our population growth targets and support our housing needs, we were going to need to step in and fill those gaps. That is why last week my government invested a total of \$102 million

in the Municipal Capital Growth Program. This is the single largest province-only infrastructure investment in municipalities in decades, maybe ever. This investment is \$102 million on our part and \$102 million on the part of our municipalities, for a total of \$204 million of capital work. This is a historic investment that will support critical infrastructure projects across the province in areas of housing, climate change, accessibility and growth.

We know this funding will have an impact. From the applications received, we are projecting this funding will support the development of close to 7,000 new housing units, will replace and extend 25 kilometres of water and wastewater pipe, will reduce flooding risks to 638 properties, and will build or improve 5 kilometres of sidewalk. As you can see, this is not just an investment in municipalities, it is an investment in people, families and housing, and safe and welcoming communities.

Another important piece of work my staff is undertaking is reporting. Every year the department publishes the municipal reports, including the financial condition indicators, which help municipal councils and Nova Scotians make sense of the municipal financial conditions, and can provide municipal councils with indications of strength, opportunities, and risks that councils and staff may want to focus their attention on to improve their overall performance.

There are 12 financial condition indicators that were developed jointly between the Province and the Nova Scotia Federation of Municipalities and the Association of Municipal Administrators of Nova Scotia. These financial condition indicators are represented in a House format that provides a snapshot of the general financial situation of each municipality. The indicators provide a quick view of a municipality's ability to meet its financial obligations, now and in the future, in a balanced and independent manner.

Chair, we are proud to be the only province in the country that provides this level of reporting for our municipalities to help them grow and thrive. I could go on for longer about all the work under way in Municipal Affairs, but now I would like to take some time to talk about infrastructure.

I would like to take a few minutes to talk about some of the critical municipal programs that we support and fund alongside our federal government colleagues. Our funding partnerships with the federal government are all about ensuring our communities are equipped with sound infrastructure. This is the infrastructure that will support growing communities and future housing and business projects. People need homes, which means critical infrastructure improvements are needed to support that growth.

Under the federal Investing in Canada Infrastructure Program, or ICIP as we call it in the department, the Province has committed over \$70 million in order to leverage combined funding from all partners of more than \$2 billion going to over 220 projects, with an impact to over 500 assets province-wide. This program has the Province and the federal government working together to make long-term infrastructure investments that

will build inclusive and prosperous communities. These programs help support future growth in housing development.

These programs also support a low-carbon green economy. An example of the great investments being made right across this province is announced: the expansion of the Debert Sewage Treatment Plant in the Municipality of Colchester. One point eight million dollars in provincial funding along with federal and municipal investments in this project will enable services to a proposed 600-unit housing development, as well as planned commercial and industrial developments, so the community can add system capacity for population and economic growth.

These investments aren't just about turning on the tap or flushing the toilet. They are about building strong, vibrant communities that will be well positioned for the future. These investments are just as much about housing and welcoming communities as they are about extending sewer and water piping. Ninety-nine of these projects' investments are direct municipal projects. Fifty-nine projects are provincially led, and the remaining are spread amongst our partners from First Nations, not-for-profits, and universities.

I am proud to share that, in Budget Estimates for my department for the 2024-2025 fiscal year, you will see \$64.7 million more in provincial dollars for the Investing in Canada Infrastructure Program and the New Building Canada Fund, including a \$13.7 million increase in ICIP's Rural and Northern stream and a \$13.9 million increase in ICIP's Green Infrastructure stream. These investments will make a significant difference for many communities across the province that rely on these projects to sustain and grow their communities.

Municipalities also benefit from other programs that leverage federal dollars. The Canada Community-Building Fund, which used to be known as the federal Gas Tax Fund, transfers money from the federal government to the municipalities through our department. It provides long-term, stable funding for municipalities that can also be invested in local infrastructure priorities. Along with all other provinces and territories, we have been working closely with our federal partners on the renewal of this program for the upcoming fiscal year.

Negotiations for a renewed agreement are under way, and we look forward to the continuation of this important program for Nova Scotia, as do our municipalities. The projects funded under the New Building Canada Fund continue as that program winds down. As we can see in the completion of the few remaining projects, we reflect on the important impacts programs such as these have made on our communities and how they have helped to grow local economies, create jobs, and increase productivity across Nova Scotia.

Chair, the department also offers provincial programs to municipalities to support local infrastructure needs. These are provincially funded programs. Through the Provincial

Capital Assistance Program, we provide funding to improve municipal water supply, sewage disposal, and solid waste infrastructure. Sixteen communities received support under the program this year, with a total investment of just over \$700,000.

[12:45 p.m.]

Projects include well water source studies such as the Municipality of Chester's test well drilling and well field development study, which received more than \$44,000 from the Province, as well as water and sewer capacity studies and stormwater separation design projects, to name a few.

Three projects under the Municipal Innovation Program received a total of \$450,000. These projects included an inter-municipal planning strategy for the Municipality of the District of Clare and the Municipality of the District of Shelburne; a municipal electric utility modernization involving the Town of Mahone Bay, the Town of Berwick, and the Riverport Electric Light Commission; and an interactive accessibility map for the Town of Yarmouth, the Municipality of the District of Yarmouth, the Municipality of the District of Argyle, and the Yarmouth and Acadian Shores Tourism Association.

Chair, we also offer a Beautification and Streetscaping Program, which does exactly what you think from the name, and a Community Works Program to encourage municipal employment opportunities. Through the Beautification and Streetscaping Program, 27 projects were awarded this year to enhance the beauty of communities at a total of \$570,000. Projects include accessible washroom facilities, park and town enhancements, and way-finding signage.

Fourteen projects received about \$312,000 through the Community Works Program this year. The program creates job opportunities for people to gain skills and expertise in their fields. Some examples of these jobs include accessibility coordinator, asset manager/planner, and summer recreation staff.

As we welcome visitors to our province, these investments in beautification will help make our communities more vibrant, foster local pride, attract tourists, and encourage economic development. Additionally, the Community Works Program allows municipalities to hire youth and other interested individuals who want to work on community-focused projects, providing them valuable work experience where they live.

We are pleased to partner with our municipalities on these important projects, and will begin accepting applications for the 2024-2025 year this spring.

Chair, I'd like to now take a few moments to talk about another very important artery of our department: the Office of Emergency Management. The EMO works in collaboration with our federal, municipal, and critical infrastructure partners to support the

safety and well-being of Nova Scotians, their property, and their environment through innovative, collaborative, and integrated emergency planning and response.

In times of an emergency, municipalities are responsible to lead the response in their area. The Emergency Management Act requires every municipality in the province to have an emergency management coordinator, and to have an emergency plan. The EMO helps municipalities develop and review their plans. They carry out exercises to test the plan, and help train their key staff in emergency response.

In times of emergency, the EMO opens the Provincial Coordination Centre, or the PCC, to bring together any number of government and private organizations that may be needed to support the response. Chair, I'm not speaking out of turn when I say that the last year and a half has been one of the most devastating in recent memory when it comes to our emergency weather events and response for our province.

In the last 18 months, the PCC has been activated more times than in the last decade. First with Hurricane Fiona, which was an activation that lasted a full 15 days at a 24/7 operation. This was the longest activation on record for the Nova Scotia EMO. That storm was my first experience with a full PCC activation as minister, and let me tell you, it is a significant operation. All critical partners, including municipalities, policing agencies, fire and rescue organizations, Nova Scotia Power, Environment and Climate Change Canada, the military, and others are at the table and working around the clock to support impacted communities. That is in addition to the hundreds, possibly thousands, of people deployed out in communities responding on the ground to the needs of Nova Scotians.

There is no question we were still recovering from the effects of Hurricane Fiona when we were hit with several more devastating events, the May wildfires and the Summer floods being two. These were generational events that absolutely devastated our province, the most heartbreaking being the loss of four precious lives in the floods. My heart goes out to the families and loved ones of those who passed.

What I would like to say is that in the hours and days after these events, we came together alongside hundreds of our partners in emergency response to collaborate, create solutions, and lend a hand in the best interests of the people we serve. I am proud of our partnership, and I am thankful for the collaboration of many of you who are in this Chamber today.

We just had the opportunity to do this again recently, as we responded to a significant snow event that hit our province, most notably in the Cape Breton and Pictou areas, who were the worst hit. During that storm, we saw significant snowfall amounts that caused great hardship for many people. During this event, in Sydney one of our seniors public housing complexes experienced a fire that heartbreakingly took the life of one of the residents who lived there. It was a scary experience for everyone involved, and a reminder of how dangerous these events can be.

Chair, if I could, I would like to take a moment of silence to acknowledge the lives we lost both in the floods and in the fire in Sydney. I'll take that moment now.

THE CHAIR: I'll ask for a moment of silence. Please rise.

[A moment of silence was observed.]

THE CHAIR: Thank you. Please be seated.

The honourable Minister of Municipal Affairs and Housing.

JOHN LOHR: I would also like to acknowledge the hundreds, even thousands, of people who responded and helped during these storms and events who aren't here today. I want to take this opportunity to put on the record how unimaginably proud I am of their support and sacrifice during these difficult times. Many people spent days, in some cases weeks, away from their loved ones, working long, hard hours restoring power, cutting trees, removing debris, manning phones, operating comfort centres, even pouring hot coffee. Much of the work in an emergency requires stamina and grit. I am very thankful for the many people who showed up for our province and our people when we needed them most.

One of the ways we respond as a government is through the Disaster Financial Assistance Program or DFA as most know it. The DFA Program is a federal initiative designed to help the Province assist Nova Scotians, municipalities, small businesses, and non-for-profit groups to get back on their feet after a major storm or natural disaster. Not all disasters are covered by private insurance, and the DFA Program helps those whose losses are not insurable. Types of losses can include flooding and damage to uninsurable items like appliances such as washers and dryers and furnaces. The program covers up to \$200,000 in uninsurable losses per household, small business, or not-for-profit group. A portion of the funds are recoverable from the federal government.

Since Hurricane Fiona, we have launched several additional DFA Programs, including one for the floods and one for the wildfires. In fact, you will see in the 2023-24 final forecast an additional \$58.9 million disaster assistance for the wildfire and floods, as well as additional costs for Hurricane Fiona.

Chair, emergency management staff have been working diligently to get the money into the hands of eligible applicants. The process is complex. It requires insurance adjusters to make site visits as well as documentation of damages, among other requirements. The process takes time, which I know is frustrating for all involved. That is not lost on me or my government.

Since Hurricane Fiona, I have been lobbying my federal colleagues to modernize the program. In fact, just a few weeks ago I was in Ottawa at the federal-provincial-territorial ministers meeting, where we discussed this topic in depth. I've been assured that

the federal government is coming out with changes and updates to the program in April 2024, to be implemented in April 2025. I know, like me, many people will be anxious to see the details.

Chair, in many ways, the DFA program works very well, but in some cases it is simply not enough. This was evident during the wildfires. Fire is a largely insurable loss, so the DFA was not going to be a significant help for many people, as the vast majority would have had personal insurance coverage. But people had immediate needs in that event, and insurance takes time. That is why during the wildfires, we came up to the table with a suite of supports for people and families to help them with their immediate needs like food, shelter, and clothing. We matched every dollar donated to the Canadian Red Cross Nova Scotia and Atlantic Canada Fires Appeal. We provided \$500 to every individual or family that was ordered to evacuate due to the fires. We also provided \$2.5 million in the Small Business Wildfire Relief Program.

We also invested \$7.4 million in the purchase of 25 fully furnished modular homes that were available to rent. As it turns out, only several of these were needed for the wildfire recovery, and you would have seen in my announcement last week that these have been repurposed into our public housing portfolio. I will elaborate more on that soon.

Volunteer firefighters also received support. The Province now pays the mileage for volunteer firefighters who need to travel to another community to fight fires during a provincial state of emergency, including wildfires.

I know many Nova Scotians are still struggling from the fires, the floods, and the storms. I know that we have a lot of rebuilding to do as a province. We remain committed to helping Nova Scotians properly prepare for emergencies, to helping municipalities respond, and to supporting people and communities as they recover.

The EMO also administers the provincial 911 system. We are taking part in the development of next-generation 9-1-1, which will give Nova Scotians access to new innovative emergency services and capabilities and improve public safety. This project will improve our emergency infrastructure, and it's important that we have the resources in place to get this work done. That's why in this year's capital budget, you will see an increase of \$3.7 million for the IT systems to support this project. Our goal is to have this work fully complete and in place by the March 2025 date prescribed by the CRTC.

Next-generation 9-1-1 will increase the quality and variety of data available to our first responders when they are responding to emergencies. It will eventually allow for text, photos, and videos to be sent to support responses to emergency situations.

I'd like to take a moment to thank the 911 call takers for their very important work. They ensure emergency calls are directed to the appropriate first responder agency. They are the calm, reassuring voices Nova Scotians hear when they call 911, and the ones who

send help. Thank you to them for everything they do to help us when we need them most. We recognize that this is not an easy job.

Chair, my department also holds responsibility for the Office of the Fire Marshal. The Office of the Fire Marshal oversees building and fire safety for the province, and advises various levels of government on fire-related matters. The office also oversees building safety, ensuring that the Nova Scotia Building Code Act and regulations reflect standards. The Nova Scotia Fire Safety Act provides the office with powers to enforce the fire code, conduct inspections and investigations, and provides authority to the municipal fire inspectors and chiefs.

[1:00 p.m.]

We continue to work with municipalities that have the responsibility to provide fire services in their areas. The work of all our first responders, including our volunteers, is so important. I am personally grateful and appreciative to them for all they do, and so many Nova Scotians have reason to feel the same. I hope they know how much we appreciate their work.

The Office of the Fire Marshal also conducts inspections for provincial licensing and provides recommendations relating to fire and building safety for more than 3,000 provincially owned properties. We support local fire chiefs in determining the cause and origin of fires. Our deputy fire marshals are available to respond across the province and around the clock when asked to conduct fire investigations. We saw their dedication and work in action recently in Sydney as they played a leading role in the investigation into the fire on Reeves Street during the snow event.

There have been far too many fatal fires in the last several months, and each one brings unimaginable loss for families, friends, and loved ones. There are different circumstances around each, but I would encourage every Nova Scotian to make sure their smoke detector works. Have one in every room where someone sleeps and on all levels of your home and replace them every 10 years. They save lives.

Housing is my last topic I'll be addressing in today's speech, but it's also an incredible priority for us. It is the first priority for so many Nova Scotians. Everyone deserves a safe and affordable place to live. A safe home gives individuals and families the comfort and security they need to work, study, attend school, and thrive. An affordable home means people have more money in their pockets for basic needs like groceries, recreation, and transportation.

Housing impacts our education, health, and well-being. Right now, we need more - more supply, more people to build, and more collaboration. There are immense pressures on housing across the country. We are no different here in Nova Scotia. The need for more housing is urgent, and my government understands the urgency. There is no question this

housing crisis is complex. We want Nova Scotians to know we are committed to the hard work and bold actions it will take to address it head-on.

The Premier has been clear: we need to do more for Nova Scotians and we need to do it faster. I couldn't agree more. Since the first day I became minister of this critical file, I've been saying fixing the housing crisis and increasing supply is going to take a suite of solutions across the housing department. I've said all levels of government need to be bold and diligent and willing to do things differently. We are committed to the work and we won't stop.

This budget, the accompanying forecast, and the capital plan show our commitment to making the investments needed to solve the housing crisis and support strong, growing communities. We know the main cure for this crisis is more homes. We know affordability improves when supply does, and we are collaborating and investing differently to get more houses built faster.

For the first time, our government has undertaken the effort to create a strong, clear housing plan with solid data and historic investments that will guide us as we create the conditions for an additional 41,200 units over the next five years. This plan was not built in a boardroom; it was crafted using the voices of thousands of Nova Scotians who shared their voices and lived experiences.

Before there was a plan, we didn't sit idle, not for one second. Since taking office, my government has made historic investments in housing. In fact, we've invested close to \$300 million since 2022 to increase, improve, and preserve housing supply, and we're just getting started.

Under our housing plan, in the next five years we'll invest \$1.7 billion more. This budget alone has significant investments in housing. Let me list a few: \$17.2 million more in rent supplements; \$5 million more for a total of \$23.8 million in the repair programs; \$5 million new to support affordable student housing; \$3.6 million more to support the Rapid Housing Initiative; \$3.5 million more to support the Secondary and Backyard Suite Incentive Program, and \$2 million more in the Community Housing Growth Fund. In this budget and in the accompanying Capital Plan, you will also see \$35.3 million to build new public housing units and for more repairs and maintenance to existing public housing, as well as \$11.8 million for a new investment in modular public housing.

Let me elaborate. While we wait for supply to be built, we know we need to enhance our other supports to help people with affordability. That's why the \$17.2 million more in rent supplements in this year's budget is critical. This is additional funding that will ensure that 8,000 rent supplements will continue to be delivered and will support the creation of 500 new rent supplements. This increase will bring our total of rent supplements to 8,500 by the end of 2024-2025.

The year my government took office, approximately 3,000 Nova Scotians were in receipt of a rent supplement. With this year's budget, we will now be investing more than \$69 million in the rent supplement program, which is four times what it was in 2021. All new rent supplements are now portable, which means the supplement is attached to the person not to the landlord, which is another change since the year 2021. This means rent recipients can keep the benefits when they move but it also helps many seniors and families afford where they currently live, and it empowers families, giving them choice and control over where they live.

Early on in my government, we changed the policy of the previous Liberal government, which did not allow people on the public housing wait-list to also apply for a rent supplement. This policy substantially reduced the number of people eligible for a rent supplement.

We know our rent supplement program is making a difference, and we have heard directly from people who have benefitted. We recently received letters from our clients who have said things like: I am in tears. If only you knew what this meant in my life. I left a violent relationship with small kids. I did not know how I was going to survive next month. This was life saving.

Another one said: Bless your heart. It's hard asking for help at this age, but who knew the world was going to get so expensive. Have a wonderful weekend, and know you made a difference in my life.

Another said: We know the housing crisis is crazy, so I know how busy it must be over there, and it can't be easy. I just wanted to let you know how much my kids and I appreciate you and all the rest of the staff there. Believe me when I say we would be homeless right now without the funding provided and all the hard work that you all do there. Thank you so much.

These are testimonials from real people who have said the rent supplement program has changed their lives.

If I could continue to elaborate, I'd like to talk about the details of what our home repair programs do for the people they serve. Our home-repair and adaptation programs help lower-income families and individuals stay in their homes longer by providing financial assistance to make emergency repairs, health- and safety-related repairs, and/or disability-related modifications.

To support this program, we've invested \$5.3 million more in fiscal 2022-2023 and \$13.1 million more in 2023-2024 to address the wait-lists. With these investments, we were able to assist over 4,000 homeowners. We also expanded eligibility to include more households across the province. This year, the budget for the program stands at \$23.8 million total. Around 2,250 more homeowners will be assisted through the home-repair

and adaptation programs this year. These are real people, many of whom are seniors who will benefit from upgrades to their homes that will contribute to their safety and a better quality of life, but don't take my word for it.

We recently heard from some of our programs' recipients. Let me share with you some of their stories. Lorraine MacPherson is 69 years old and lives in Antigonish. She applied for assistance through the home repair programs to help with her roof, windows, and a new hot water tank. She was approved through our homeowner Residential Rehabilitation Assistance Programs for \$15,640 to make these health and safety-related repairs. Lorraine has stated: It may be a small thing to you, but it was huge for me. I love my new windows and feel safer with my new water tank and half roof.

Carol is 71 years of age and resides in Trenton, Nova Scotia. Carol was experiencing difficulty going up and down the stairs in her home and was approved for a \$13,900 stair lift. She has stated: I would like to take this opportunity to say thank you for all the help you have provided me. I am now able to get up and down the stairs and it has helped me very much. So I say again, thank you so much for your kindness and assistance.

Phil from Annapolis County is 76 years old and had no water, as his well pump had failed. He applied in mid-January 2024 and was approved on an urgent basis for the Senior Citizens Assistance Program grant for \$3,600. The repair was completed in early February and water was again available. He stated: I just want to tell you that everyone involved has been terrific, competent, articulate, friendly, and helpful. I appreciate it immensely. Thank you very much for your assistance and consideration. It was a pleasure dealing with you. Again, these are real Nova Scotians whose lives have been improved through our programs.

There are several examples of solutions we are working on to enhance the housing options. We have a mix. There are many, many more. For example, earlier this year I announced the creation of the Secondary and Backyard Suite Incentive Program. This program is in partnership with homeowners to create more housing faster. This program will provide up to \$25,000 in forgivable loans to eligible homeowners who create a secondary or backyard suite in their home or on their property for affordable renters or to support inter-generational support for senior family members.

We know that secondary or backyard suites are a proven way of getting housing stock built faster, and also contribute to things like rental income for the owner, supportive housing for an elderly family member or a person with disability, and free up housing in other areas. We know that to truly address the housing crisis, we need more homes and we need them fast. We also know it can be expensive to build a suite. This program will help homeowners with some of the costs, while creating hundreds of units for our most vulnerable Nova Scotians.

To keep these secondary suites affordable, to qualify, a homeowner must provide housing at a maximum rental rate that is 80 per cent of the average market rent for the area

for a minimum of five years and they must not make suites available for short-term rentals while the homeowners have an active loan under the program. Also, tenants must be at least one of the following: below the household income limits for their area; a parent 65 years of age or older of one of the homeowners; or an adult child of a senior homeowner.

We are investing \$8 million over three years in this program and we expect our investment to result in more than 300 secondary or backyard suites during that period. Chair, in this year's budget you will see \$3.5 million of that investment reflected. The interest in this program has been significant. We have received hundreds of inquiries and have approved 15 new housing projects to move forward under this program and we expect many more in the coming months.

Chair, we think this program is valuable, but, again, don't take our word. Bill Berryman is a member of the Seniors Advisory Council of Nova Scotia. He has said: This program will enable seniors and other vulnerable Nova Scotians to access safe and affordable housing which allows them to remain in their communities surrounded by family and other supportive networks. He has said: These suites will allow seniors to age in place with support and will also contribute to addressing the housing crisis by freeing up housing stock and reducing the number of seniors needing to access long-term care in the future. He is absolutely right.

David Mitchell, who is the mayor of Bridgewater, has also supported the program by saying: With the forgivable loan program . . . homeowners across Nova Scotia will now have incentive to make the most of their properties and, in the process, strengthen the market of available housing opportunities for all Nova Scotians. I appreciate the support of our fellow Nova Scotians and I am very confident this program will enhance housing options in communities from one end of the province to the other.

Chair, as you know, bringing supply online takes time, and as you can see, we are working urgently to get as many units as possible built quickly. In the Halifax Regional Municipality, we've created the Executive Panel on Housing in the Halifax Regional Municipality, a joint planning task force, to reduce red tape and speed up development of our province's largest cities. Under the panel's work, 11 special planning areas have been created, with the most recent special planning area being announced late last month for Fall River.

These 11 special planning areas are estimated to enable up to 25,000 units in HRM, helping as many as 50,000 people and families in need of housing. This process is complex and takes time, but I'm happy to say, under the panel, development agreements have been approved in 6 of the 11 special planning areas, representing 8,890 units. Construction has started in five areas.

Two of the most recent development agreements were announced by my department in November and will allow the creation of 2,060 units in Bedford. We have

also seen a significant increase in the speed at which housing is starting. For example, in HRM alone, housing starts significantly increased by 42 per cent, from 3,387 to 4,850 units in 2023. Additionally, the total number of housing units under construction increased by 29 per cent, from 6,746 to 8,669 units in the same period across the entire province.

[1:15 p.m.]

To help with speeding up development, my government made a historic investment by reducing the HST on new rental builds. We believe this will be about a \$500 million investment over five years that will move any large project from the shelf to the shovel. We know many people and families will benefit from this accelerated build schedule due to this investment. In order to create the conditions to get more housing stock built faster, we need the help of our partners.

As part of that work, we recognize the critical role of the co-op and not-for-profit community housing sector in helping address this housing crisis. To that note, we have made record investments in the community housing sector, from just under \$7 million in 2021 to almost \$50 million in the 2023-24 fiscal year, to grow and maintain affordability in communities and support an increase in social, non-market and community housing across the province.

We will continue to work to support and grow the community housing sector by creating conditions to support 17,250 more affordable housing units over the next five years. These are investments in our community partners, who are some of the best landlords in the province, who are focused on keeping affordable housing in their communities. Some of them also play a critical role in ensuring that our most vulnerable citizens, those experiencing homelessness, can not only have a roof over their head but receive the support and services they need.

We know that growing the community housing sector is critical to ensuring an adequate supply of affordable housing options across the housing spectrum for Nova Scotians. Investments like this help preserve existing homes and strengthen organizations for future development and growth.

To expand the number of community-based housing units, we've also created a lending program called the Community Housing Acquisition Program, or CHAP. This is a game changer for non-profit housing providers who can't access traditional financing due to the lack of equity. Under CHAP, non-profit organizations and other community housing providers can access up to \$10 million in repayable loans to support purchase of existing rental units, which they maintain as affordable units.

The program fulfills the Nova Scotia Affordable Housing Commission's recommendation to help non-profits finance the acquisition of rental properties at risk of being converted into higher-end developments. In total, under this program, 438 affordable

homes, including 143 supportive housing units, have been preserved through more than \$21 million in loans.

The community housing sector is also well positioned to meet the needs of underserved and marginalized communities. Our key stakeholder agree. For example, Lisa Ker, who is the deputy executive director of the Community Housing Transformation Centre, said in response to the emergency of the housing crisis that the Nova Scotia government has demonstrated significant leadership through the establishment of the Community Housing Growth Fund. This initiative not only addresses pressing challenges in Nova Scotia communities, but also lays the foundation for a more sustainable future. It serves as a role model to other jurisdictions in need of proactive solutions. Most notably, the success of this fund has already inspired the emergence of two similar initiatives demonstrating Nova Scotia's influence in the building community. We know there's more work ahead, but we are proud of what we have accomplished so far in such a short period of time.

Our population continues to grow at record numbers in Nova Scotia, and this is excellent news for our economy, for our businesses, and for our future. Through our Land for Housing Program, we've identified thousands of parcels of provincially owned land as potentially viable for housing development. Over the last year, under this project, we have conditionally approved eight projects that could add another 522 new units to the market, roughly half of which will be affordable. The program is moving forward, and we are currently reviewing 15 new proposals under this initiative. We will continue our work on this program to form partnerships necessary to create the conditions to get more stock built on provincially owned land. This program has received national attention, and only a couple of days ago it was noted by British Columbia as an inspiration for their program of the same nature.

It's important for me and my government that we do whatever it takes to remove systemic barriers and support community-based housing opportunities in our African Nova Scotian communities. Historically, governments have not always engaged before making important program decisions with the African Nova Scotian community. That's not the way we work. We're working together to understand historical and existing issues that impact residents, and identifying options to create more sustainable community-owned housing opportunities now and in the future. In fact, we supported the development of the first-ever needs assessment in the African Nova Scotian community, which has led to the development of their first housing strategy, soon to be completed.

Additionally, to support our commitments to the community, last year we developed a new memorandum of understanding with the Preston Area Housing Fund. That has launched discussions to address inequities and explore opportunities to support long-term housing needs in the area, including work to transfer up to 50 provincially owned housing units in Cherry Brook, Loon Lake, North Preston, East Preston, and Westphal to

the non-profit organization. To support this work, we've also provided \$3.5 million to support the ongoing repair, maintenance, and sustainable operation of the units.

We are committed to collaborating. That is why in the 2023-24 forecast you will see an additional \$5 million to support our work on this important initiative. This is evidence that we are committed to our partnership with the African Nova Scotian community, and we will commit impactful investment to ensure this work is done well.

Chair, what I've talked about today only scratches the surface of the work under way in the housing branch of my department, but in the interest of time, I will move on.

I'd like to turn my attention to another critical piece of the housing spectrum that our department oversees: public housing and the Nova Scotia Provincial Housing Agency. As a government, we owe it to all Nova Scotians to ensure that we are managing our public housing units efficiently and effectively. When I took office, it was clear that this important file had not received the attention it deserves for many years.

In response, my government got to work immediately. We made historic changes to the way we serve our public housing clients and tenants. There were big issues, and we took immediate action and got to work to make things better for the clients we serve. The creation of the agency was one of the major steps we took. Since its creation in December of 2022, the NSPHA has been dedicated to maintaining and operating safe and suitable subsidized housing for low-income Nova Scotians. The agency manages over 11,200 public housing units across the province that are home to over 17,500 tenants. This is not a well-known fact, but the agency also manages an additional 1,226 units under legacy programs inherited from the federal government and past housing authorities.

With these numbers, Nova Scotia has more public housing stock per capita than most of the provinces in the country to meet the needs of low-income Nova Scotians. We know that in today's housing landscape, more is needed. We took action, and we responded with the largest investment in public housing in 30 years to get more Nova Scotians into affordable, accessible housing more quickly. That investment alone is \$91 million for a total of 247 units, many of them accessible, which will house up to 600 people across the province.

To break down those numbers, 222 new units will be built by the end of fiscal 2027-28. These units will be placed in HRM, Cape Breton, Bridgewater, Kentville, and Truro. To further that, 25 modular units are being deployed quickly to provide two- to three-bedroom units for up to 88 more low-income Nova Scotians. These modular units will be placed in Glace Bay, Ingonish, Port Hawkesbury, Antigonish, Springhill, Westville, Barrington, and Amherst. These units will be placed in communities by the end of this month, and we will be welcoming tenants into them in the coming months. By the end of May, we expect tenants to be living in these new houses.

As I've said many times, we are focused on finding quick solutions by using modular construction and building on provincially owned or serviced land. We are getting more Nova Scotians into homes faster. These sites were selected based on suitability of property, capacity to add more units to existing public housing sites, demand for public housing and accessible units, and proximity to services and amenities such as grocery stores and public transit. We know people living in public housing are advocating for accessibility. That is why we're investing more than ever to retrofit existing units to meet their diverse needs, making them more accessible and climate friendly.

I don't often get asked what my department is doing related to affordable and deeply affordable housing. Rent in public housing units is deeply affordable and determined based on household income and composition. Tenants receiving income assistance pay rent according to the income assistance rent scale, from about \$175 to \$309 monthly. Other tenants pay rent as a percentage of their gross household income, up to 30 per cent. For example, the average public housing tenant has a monthly income of \$1,800, pays \$500 per month for rent, and has lived in public housing for over eight years.

THE CHAIR: Order. Thank you, Minister. The honourable member for Bedford South.

BRAEDON CLARK: I thank the minister for his opening statement. I want to thank the deputy minister and the associate deputy minister for being here as well - I believe probably other staff here as well behind me - for the work that you've obviously done to prepare for today, and for the work you do every day. Thank you for that.

As you mentioned, Minister, in your opening comments, we all know that there is an ongoing and, in my view, worsening housing crisis in Nova Scotia. Year over year, we see rent increases in the double digits: up to 11 per cent in Halifax and, as a province, the highest average increases in rent in the country. Home prices over the last number of years, in many cases, are up 50, 60, 70, and 100 per cent at the high end. More and more people are struggling to pay their rent or their mortgage - people who are very precariously housed, people who are unhoused, and people who are one medical issue or one issue with their car away from being homeless.

With all those factors in play here, the situation appears to be getting worse. I think that's backed up by the data. I'm wondering if the minister could give us a sense, specifically: What is the department doing to reverse these trends, and why have we not seen positive movement in some of these indicators yet?

THE CHAIR: The honourable Minister of Municipal Affairs and Housing.

JOHN LOHR: I appreciate the member's comments, and if I think about where we are in the province, it was clear that in 2017 our population dipped, but since 2017 it has pretty well been a straight-line graph going up; that's the reality. So, in 2018 we started to

see that there was really very little done on this file from 2018, 2019, 2020, 2021, we've seen very little change (unintelligible). In fact, if we look at the budget from the last budget of the previous government, we are now more than double that in terms of addressing it.

[1:30 p.m.]

In terms of how we are addressing the housing crisis for Nova Scotians, the simple answer is there is no one simple answer. We are working across the housing spectrum.

I talked a few moments ago about the impact of our program on the lives of Nova Scotians who are struggling to stay in their own home and have an emergency roof or a furnace issue or a water issue. That's one equation, that's part of it. That helped, in the last couple of years, 4,000 people and we expect it will happen, we know it will help over 2,000 people this year. That is 2,000 families that have been able to stay in their own homes, that's just one part of it.

We know that public housing is part of it. I mentioned that we have one of the highest densities of public housing in the country. For example, we have almost twice as much public housing per capita as British Columbia. We are investing in public housing; we are making once-in-a-generation changes in the way public housing is organized. I had my hard-working staff up there for public housing, they know how important this work is. Some of them have waited their whole career for someone to say: Let's sort this out, let's reorganize. They appreciate that. We're doing things to standardize the maintenance of public housing; we're doing things to standardize the leases that people have. There were 12 different leases on the go in public housing. We're getting one standardized lease.

There are many other issues. We had overhousing. We are the first government that has been willing to deal with overhousing where we have an individual in - what we call severely overhoused - we have an individual in a four or five-bedroom unit. Why do we need those four or five-bedroom units? Why do we have to ask that? It's a very difficult ask, it's hard to ask somebody who has lived most of their life, raised their children in that home, and we recognize how hard that is to ask somebody to downsize at 65 or 70, but why do we need those multiple bedroom homes?

The reality is that most of our public housing is single bedroom units and for what we see for families escaping domestic violence, typically they need two, three, four-bedroom units. We know and we just don't have a lot of them. That's why we're dealing with overhousing. We've dealt with it; we are getting there. We haven't gotten there all the way. It's under way but it's a slow process because it's painful. Those are two parts of it.

Another part of it would be the work we're doing with the Executive Panel to try to speed up the development process in Halifax. When we came into government there was one area that had been seven, eight years in the pipeline. I had a friend who said to me, John, I have friends who sold their homes seven years ago because they thought they'd

move into that development next year and nothing has happened yet. They were waiting that long.

We've worked with the HRM on that and that whole process; there's more elements to this whole thing. The reality is that if you look at the housing spectrum, from the single, family-owned homes, which many Nova Scotians have, to apartments, to non-market housing, which is the whole co-op sector which we've done an incredible amount of work to build, to the public housing, and then if we shift to - which I know you'll get to when you get to the Minister of Community Services - the whole homeless as part of that spectrum; we've done an enormous amount of work in every part of that spectrum.

The other reality is that at the same time, we are facing a generational challenge in trained tradespeople. We are investing \$100 million through another of my colleague in the Department of Labour, Skills and Immigration in getting more trained tradespeople. If you tell me you were going to build something tomorrow, I'd say: Have you got your tradespeople? It might take you a year to get your tradespeople.

Even if we think about if you were to change your plans for building, if you were to say: I'm going to go from a 10-storey building to a 14-storey building, it will take you a year to get the engineering redone because we're short engineers. We're short on every level.

So this is a generational challenge, but what we have seen is that the people of Nova Scotia are responding themselves, right at every level. I have a friend who said, John, I have an apartment in my basement. I never rented it out in 20 years because I didn't want to deal with a tenant. Now that lady is considering renting that apartment out. People are building secondary suites. The federal government is stepping up. Our municipalities are stepping up. This is a generational challenge in which we see people stepping up - all of the players in it are stepping up at every level.

We appreciate that. I know it's a bit of a long answer, but we're working across the entire spectrum. That's the answer.

THE CHAIR: The honourable member for Bedford South.

BRAEDON CLARK: I'm glad the Minister started by talking about population growth, because obviously that is the critical factor in dealing with housing and, therefore, housing affordability. As the Minister well knows, this government has committed to doubling the population of Nova Scotia to two million people by 2060, if I have that correct. That means - I just did some quick math - we're looking at about 30,000 people per year if we want to get to that point.

Right now, I think it's fair to say that, at the population growth level we're at, we are not adequately keeping up on that population growth with infrastructure, whether that's

sewer or waste water, schools, doctors, or, of course, housing as the fundamental factor behind all of that.

I wonder if the Minister is confident that his department is setting a vision that will actually achieve the goal, so that people aren't coming to Nova Scotia with the promise of affordable housing and being bitterly disappointed when they arrive. Then we risk losing people very quickly on that score. I have many people who are newcomers in my constituency, who come to me and say, Geez, I didn't think I was coming here for \$2,500 a month. I've got a cousin who lives in Montreal. Rent is much cheaper there; I'm going to move there.

Is the minister concerned that we do not have the capacity to actually provide housing for the people who want to live here and aware of the negative complications that might have?

JOHN LOHR: Yes, I am confident we can meet those challenges. I believe in the people of Nova Scotia. When I think about the issue of people coming to Nova Scotia, my own family came as immigrants in 1958, from Holland. My mother and father had no money and did not speak English, but they had a lot of determination, and my father had what I would say was a world-class education in agriculture - the best in the world education, which made Dutch farmers such good farmers all over the world. That's the reality. Their educational system was that strong.

The reality is, my family's story is being repeated by people from all over the world who are escaping the effects of war, which is exactly what my family were escaping: war-torn Holland and post-World War II Europe. That's the reality. There was not enough space for all of them, and there was rebuilding after the war and all that.

They came to start a new life. We see that same trend happening across our world. People want to come to Canada and want to come to Nova Scotia. We want to enable that. We're a party that is determined to be completely behind that. Will we achieve the growth numbers? I think that this is a bit of a math question. I think the member was giving me a straight-line number increase versus a percentage increase. I think we need to have a couple accountants in that equation, but I hope the member understands what I'm saying.

Yes, I believe we can. We will work to that goal. We know that every new person who comes to Nova Scotia makes every small business slightly more successful. Every new person who comes here adds a little bit more to our GDP and helps us grow as a province. They bring energy, and they bring vitality. They bring a different point of view. They see the world in a different way. They see the world from where they came from. They see things we don't see. They bring a lot of strength and vitality to our community, and we're going to continue to welcome newcomers in this province, I can tell you that.

BRAEDON CLARK: Just to be clear, of course, I agree with the minister, obviously, in terms of the value that immigration has. You go back 2,000 years, anywhere that has embraced immigration has succeeded. Canada, of course, has done that and Nova Scotia has done that.

My concern is around the possibility of breaking promises in some way to newcomers who come here expecting that they have a place to live, that their kids will go to a school that is not overcrowded, that they will be able to find a doctor. I think that those promises, unfortunately, are being broken or not fulfilled and that is my concern, not necessarily the value of bringing people to Nova Scotia, because of course I see that value.

I want to ask the minister about the budget, specifically. We may have a disagreement here on this, I suspect, but I'd like to hear his opinion. If you look at the budget for the minister's department, on Page 17.5 in the Estimates book, we'll see that the forecast for this past year for, particularly, the housing component of the minister's department is forecast for a little over \$293 million and the estimate for the year going forward, starting in April, is \$273 million, more or less, so a difference of about \$20 million less.

I am wondering why the department is expecting to spend less on housing programs this year than they did last year, when we're in the middle of an ongoing housing crisis.

JOHN LOHR: To address the question, first of all, the word forecast, you understand that could be interpreted to be actual, right? It is termed forecast because even now the year end is March 31st so it's still a forecast number, right? That is actual.

The estimate, the budget for last year was \$243 million for housing and this year it's \$273 million housing, which is a significant increase. The reality is, as during the year, if there are opportunities to do more things that we didn't plan on doing, we'd do them. That's just the reality.

If we have opportunities to do more this coming year, and if the budget is there, we will. I know you asked me recently, two days ago I believe, about my conversations with Sean Fraser. That is something that we didn't see coming. If there is something there, that will be something that we react to.

We will do more in the coming budget if the opportunity arises, if the partnership with the federal government arises. That will probably mean, all things being equal, we'll probably have a bigger actual number this coming year as well, but we can't say that right now.

In terms of what happened, why did we spend more than projected? I could go back to your first question which is about the need. The need is huge and when we have opportunities to do more things, we will do them.

[1:45 p.m.]

Why did we have an increase in actual - why did our actual go over top of our budget? There are a number of things that go into the increase in that number. There were \$25 million we put into modular housing for health care. That's a pretty big part of that. There were \$6.7 million in the Community Housing Infrastructure and Repair Program, \$5 million into the Preston Area Housing Fund, \$3 million into the Tawaak Housing Association, \$1 million into the Secondary and Backyard Suite Incentive Program.

Part of the forecast number is actually due to the fact that we changed the way we deal with public housing. They are called accounting adjustments, related to the close-out of Housing Nova Scotia and the transfer to the Nova Scotia Provincial Housing Agency, and the difference between how TCA is considered in both - tangible capital allowance. You get into accounting stuff. Part of that increase in actual, or forecast, is due to accounting differences in the way the new Provincial Housing Agency, a Crown corporation, treats capital items, and the way Housing Nova Scotia treated capital items. You're getting deep into the budget, and I'd have to get Adam Rainforth down here to explain that. I'm looking at him up there. He's smiling. That's part of it. Some of it is accounting differences.

THE CHAIR: Before I recognize the honourable member for Bedford South, I ask that the noise level in the background be kept very low. I understand you have to have some conversations, but please respect the minister and the Supply session.

BRAEDON CLARK: I don't believe the minister's an accountant. I'm certainly not, so I wouldn't pretend to know the ins and outs of accounting standards over time, but I take the minister's point about what we budgeted versus what we actually spent. I understand that.

My perspective is that I would hope that what we expect to spend for this year, given the scale of the problem, should increase beyond what we actually spent last year. That's my point. I hope when we're here again next year, we'll see that there was more spending, because we certainly need it.

I wanted to ask the minister about - he mentioned B.C. earlier and I think, as the critic looking at what other provinces are doing, I think B.C. is doing a lot of interesting things on housing. I think Ontario is as well. A piece of legislation I put forward at one point would be to establish specific housing targets on a yearly basis for municipalities combined with a fund to reward municipalities that meet or exceed their targets. For example, Ontario has that. The municipality of Welland just got \$1.7 million from the province of Ontario for exceeding those targets. I know that in the housing needs assessment, there is data to municipalities saying what their needs are.

I'm wondering if the minister has given consideration, or if the department has considered having those targets laid out in legislation or in regulation, and also establishing a fund to incentivize municipalities to actually meet those goals. I think we've seen with the federal government with the Housing Accelerator Fund that if other orders of government put funding forward, we can actually see some real changes very quickly. I'm wondering what the minister makes of that model and if we might have something like that in Nova Scotia.

JOHN LOHR: Obviously, we're aware of what the federal government is doing. One of the recent trends we've seen with the federal government is to - the Housing Accelerator Fund, which if you'll recall, I think it was seven, eight months ago, they provided \$5 million to CBRM, which at first CBRM said they didn't want it, if you recall. Why was that? It was because in Nova Scotia, traditionally, our municipal partners have not been directly in the home ownership process. In fact, one of the major irritants that was addressed in our service exchange was something called the net operating losses, which we alleviated from the municipalities. What that number represents is that in every municipality there is public housing, and every year there would be - to give you the very big numbers, and this might be last year's numbers, just off the top of my head - we spend about \$165 million per year on public housing. We take in about \$65 million per year rent. We are behind by about \$100 million per year.

The municipalities' share was about, I believe, 9 or 10 per cent. We've taken that on. In fact, in our recent MOU, we have taken on more responsibility for housing than the municipalities. At the same time, layered in over that we see the federal government coming in with the Housing Accelerator Fund and wanting municipalities to get directly involved, which is the model in other parts of the country. In Toronto, the City of Toronto is the owner of public housing, but it hasn't been the model in Nova Scotia.

One of the issues with that we see from our point of view is taking a national program and layering it on smaller provinces. We represent 3.5 per cent of Canada. We can't expect - I guess we would like them to do it, we would hope they would - but the federal government doesn't always build these programs to represent the 3.5 per cent. The reality is that our municipal partners are incredibly important partners right now in housing, and how they are important is through the distribution of municipal services.

You may have noticed in March - not March, but just a week ago - we announced our Municipal Capital Growth Program, which was over-subscribed substantially. We had planned to put in \$32 million and see \$32 million matching from the municipalities. We have put that up to \$100 million, with the municipalities matching \$100 million. So, \$200 million dollars' worth of work to do what? To do water, sewer, sidewalks, and flood protection. We know the additional water and sewer will enable another 7,000 units to be built in the province.

We are working very closely with our municipalities. The main area of responsibility they have always had in housing is water, sewer, and municipal infrastructure, plus zoning for height restrictions and for all the different things you can imagine on housing. The municipalities across the province are - we have asked them to look at that and they're responding by allowing more density, making smaller lot sizes, allowing more units on a lot, and that sort of thing.

The municipalities - the reality is that they are incredibly important partners. They have a fair bit of control over these aspects I just mentioned but in Nova Scotia have not traditionally been property owners per se or some of the things that the Housing Accelerator Fund are foreseeing and not gotten into the side of actually funding construction. They funded the infrastructure. Do you understand? They have been responsible for that.

We are a little bit different from what is happening across the nation, but we are adapting to that Housing Accelerator Fund and certainly respect the federal government's jurisdiction to do that. We will adapt as a province. We will work with that, no problem, and do you know what? The reality is that any way in which the municipalities want to become more significant partners with us and with the federal government, we welcome that, too.

BRAEDON CLARK: I know the minister wears several hats from a departmental standpoint, so I am going to leave some of the more specific municipal questions to my colleague from Cole Harbour-Dartmouth when that comes up. The point I was making to the minister was that I think something like the Housing Accelerator Fund would make a lot of sense at a provincial level, too, to incentivize new construction like what is being done in Ontario. I think that is something we could see here in Nova Scotia, which I put forward as well.

I want to ask the minister about the housing plan strategy that was released last Fall. In the department's business plan, it says: "Key performance indicators and metrics will be developed to track initiatives underway in each of these areas" to create the 41,000 units that the minister mentioned. I'm wondering - to me, I would have hoped that some of those metrics and indicators would be available already when the plan was released. Are those metrics available? If not, when will they be? And will they be available publicly, so that I or anybody could go onto a website and say, How are we doing relative to what our goals are?

JOHN LOHR: The reality is, I haven't seen them yet. The staff are still working on them. We were planning to introduce them later in the year. They will be publicly available when we're ready to release them.

BRAEDON CLARK: Just a clarification, perhaps. When they are publicly available later this year, will it be on a website or some kind of electronic format, or do we know that yet?

JOHN LOHR: They would be available on a website.

BRAEDON CLARK: To the plan and the goals, according to the Department of Finance, which tracks this data, housing starts last year in Nova Scotia, province-wide, were 7,159. I know that in the department's plan for housing, it talks about 41,000 units over the next five years, which is about 8,200 a year. Just to make sure I understand it, is that 8,200 over and above the existing rate of construction? Is that correct?

JOHN LOHR: The 41,200 number was the additional units that were needed above what was normally being constructed. That was our estimate, and yes, that is a daunting challenge.

BRAEDON CLARK: That previews my next question, because if we built 7,200 last year, and we want to build 8,000 more on top of that, we're more than doubling the rate of construction. I would be thrilled if we could do that, but I wonder how realistic that is, and what do we need to do to make that happen? Because, again, to more than double the rate of construction is a major, major challenge, and I wonder how we do that. Is it realistic to assume that we're going to start doing that this year?

JOHN LOHR: I'd say it is an immense challenge, but let me say that I believe we can make it. Let me give you a few reasons why. One of them, which is a massive, massive investment that we haven't seen come to fruition yet, is taking the HST off multi-unit apartment buildings. We reckon that investment alone, within a year or two, will be \$100 million a year. That is a massive difference for people building multi-unit apartment buildings. It certainly got their attention. That program was announced last September by the federal government. We said we would follow suit, and we're still waiting for program details.

Meanwhile, we know that anyone who started after September 13, 2023, will be eligible - anyone who started a multi-unit apartment building. That one program will make a difference, we believe, in terms of construction, absolutely, because it makes the apartment buildings somewhere between 15 per cent to 20 per cent less expensive to build.

There's a cash-flow issue right at the very end of construction. Many people don't understand how that works, but when a builder would be able to get their GST back or HST back as they build, they would be a business and they could claim it back. At the end of that construction period, when that building was finished, they had to make a deemed value of that building and then pay HST on that - right at the very end, before they started getting any money from the tenants. It was a lot of money. If they built a unit for \$500,000, but

maybe the deemed value was \$700,000, they had to pay 15 per cent on \$700,000 - big number.

[2:00 p.m.]

That's one aspect. That's not the only aspect. We know ordinary Nova Scotians are stepping up through - which we haven't mentioned much - Happipad, through a secondary suite program. We know our municipalities are stepping up through the Housing Accelerator Fund. The federal government is stepping up - which we deeply appreciate - through all the things that they're doing. We see our municipalities across the province stepping up and saying, Yes, let's get this done. Our world's changing. If I thought I could get it done with a hammer in my own hand, I wouldn't mind doing that. You know, that's the kind of way I've worked most of my life. I like that kind of work - building - myself.

The reality is, it's not going to be the Province alone that makes this happen. It's going to be ordinary Nova Scotians. It's going to be the federal government. It's going to be our municipal leadership. All of them are getting on board with this, because if there's anything we know, it's that we need to get younger as a province, and we are. We need to grow as a province, and we're seeing that growth reflected in revenue. We're spending that revenue on things to encourage further growth. We're investigating on multiple levels.

The other reality is, we're in a massive build. I'll give a nod to our Minister of Seniors and Long-term Care. We're in an absolutely massive build in Seniors and Long-term Care, where we're going to build 5,000 new beds for seniors in long-term care. That doesn't translate one-to-one in terms of a senior leaving their home and freeing up that home as they move into long-term care, but there is a percentage there. It does translate into that. We don't know what that percentage is. I've heard the number as 40 per cent of the time - that is effectively opening up a home or an apartment where that person lived. They moved from somewhere. In a sense, that build is part of the housing solution.

The reality is, if you look at the housing crisis we're in right now, one of the biggest limiting factors is simply labour - having the people to build. Through the Department of Labour, Skills and Immigration, we're doing a massive program to get more skilled tradespeople on the ground. That's young people, and we need them very badly. Probably the most significant limiting factor in the whole thing - will we achieve this or not? - is the skilled trades. That's the reality.

So, will we get enough skilled trades on the ground? They're probably going to come from other parts of the country and the world - probably some of them, for sure. We aren't going to have enough of our own. We're going to need more than we can supply internally on the skilled trades. We see that. The reality is that, to achieve this, we need everything to happen at once. That's the challenge of growth, but we accept that challenge, and I believe we can meet that challenge.

BRAEDON CLARK: The minister mentioned a couple of programs that I wanted to ask about as well, particularly Happipad and the Secondary and Backyard Suite Incentive Program. I'm not sure what the most useful time frame would be to base it on. The staff might know better than me.

How many units are occupied through Happipad today, and how many secondary suites have been built and occupied since that program was announced?

JOHN LOHR: The Happipad - our numbers, we have 279 hosts registered, 757 renters registered as of February 2024, so that's pretty recent. So far, we have 10 rental contracts signed. That program has taken time to get started.

The reality is that what we saw was the centuries-long tradition of taking in a boarder really got stopped by COVID-19 and for good reason, I guess. We are trying to get that going. We know we have a partnership with - in effect we have intrinsically a partnership with the Department of Advanced Education on that for the communities in which there are all of our schools and Nova Scotia Community College campuses.

Would I like to see better numbers in that program right now? Absolutely. The reality is that after our two-year part of this is over, this program will continue to go on for a long time and has very long legs. I think it will be something that allows this relationship between the boarder and the homeowner to have some measure of security for both sides that is reflective of modern technology able to be part of that.

In terms of the Secondary and Backyard Suite Incentive Program, we just launched it on October 19, 2023, as a three-year pilot. So far, 12 applications have been approved, but our staff have been talking to many more people than that. Again, just to say a bit about the Secondary and Backyard Suite Incentive Program, it's a way of providing a tenant with reduced rent, which actually increases the supply of housing and benefits the homeowner as well. There are certain criteria on it and obviously the person renting has to be eligible under the household income limits or be a family member, an elderly family member or an adult family member. There are certain rules with it, but it's an innovative solution. The truth is, if you said, What about this solution or that solution, we'll try that stuff. We're open to trying things. We realize that and we're looking for innovative solutions. These are two. If you have more, we'd welcome them.

BRAEDON CLARK: Ten rental contracts signed through Happipad. I believe it was four in November. I was just trying to find the news article. So, one to two a month and 12 applications approved. I don't know if that means any backyard suites have actually been built yet.

I appreciate that obviously you want to try things, but it doesn't appear that they are working or have the uptake that they need. I'm wondering, does the minister see these programs as a success thus far? If not, what do we need to do to make sure that they're

actually working? One or two contracts a month is not going to do anything to deal with our housing crisis.

JOHN LOHR: Just to backtrack to Secondary and Backyard Suite Incentive Program suites, I am told that we've approved 15, not 12. In terms of Happipad, would we have liked to see it go quicker or grow faster? Absolutely. We are planning a promotion on it to be done to encourage the numbers, absolutely.

BRAEDON CLARK: I also wanted to ask the minister about public housing, which he talked about in his opening remarks. I think this question was asked at a press conference a week or two ago, but I just wanted to confirm. All of the new projects that have been announced, will all of those go out to a competitive public tender process?

JOHN LOHR: In the immediate aftermath of the wildfires, we thought we would need somewhere between 25 and 50 modulars to help people recover from the wildfires after that. So, those 25 were not put out to public tender. We simply called the manufacturer, and we found a manufacturer that could meet the speed required - that we believed we needed at that time - and that was sourced that way. So it wasn't put out to a request for proposals, which would have slowed it down.

As it turned out, and my staff may correct me, but I believe we only ultimately had an uptake of five units for wildfires. So, at the time, we committed we would reposition those units, because we'd already committed to them, and that's what you saw in our recent announcement of the 25 modulars in the numerous communities around the province. In terms of the build for the 222 that we've announced, that will be done through an RFP process.

BRAEDON CLARK: I'm glad to hear that. The next thing I wanted to touch on here is rent supplements, which of course has been a hot topic in the Legislature and in the province as well. I know the minister in this budget has said that there will be 500 new rent supplements, which brings it to 8,500, I believe.

I appreciate that obviously there have been new investments made, relative to even five years ago, but I think that's a response to the need. Of course, the need is there. So I'm curious, the big point we've been raising is, why move the income threshold from 30 to 50 per cent? Even if you're adding more supplements, there are still many people that are simply ineligible. I had an email just last week from someone in my constituency about this.

I believe the minister said that the program right now is about a \$69 million program. How much would it cost if the government were to move it back to 30 percent? What would that \$69 million then become, if that income threshold was moved back to where it was?

JOHN LOHR: I appreciate the opportunity to say something about rent supplements. One of the things that we've seen is the tremendous increase for demand in rent supplements. I think I just briefly touched on it, but one thing which we haven't talked about that we did about two years ago - and I haven't talked about it much; it's remiss of me to not have said that - is that the previous government had a policy that if you were on the wait-list for public housing, you could not apply for a rent supplement. That was your government's policy.

When we came into government, somebody said, Minister, we have a lot of people who are complaining about this. They're on the wait-list for public housing, but they're in real dire straits. They would like to apply for a rent supplement, but the rules say they can't. We changed that policy. So that was one of the factors that we saw in the growth of the number of people on rent supplements.

In terms of the decision that was made to prioritize those in greatest need, which was the decision we made, we made that decision knowing that there were Nova Scotians who had very severe needs. There were certain factors in the design of the program, which was a federally designed program, which meant that sometimes people would get a rent supplement whose need wasn't as great. It was based on something called average market rent. That was a federal decision. So, it's complicated.

In terms of where we are right now, we're still approximately in the - when your government had the program, it was about 50/50 between the feds and the Province. In the intervening years, we've seen our share go up to the feds having about a \$10 million share of that program, and us having a \$50 million share. Our share continues to grow. If the feds were still on board with us on a 50/50 program, it would be at 30 percent.

In terms of the actual numbers of how much budget, we haven't done that calculation. I'd have to have my staff do that. The reality is that when we made this change in policy, everybody who had applied up to that point in time was treated under the old rules. So there's still a vast number of our rent supplement recipients who are in that previous category, if you understand what I'm saying.

But we continue to see the program grow. We see it as a sign of the reality of the housing stress in the province. We'd like to do more. We're doing a lot now. We're doing as much as we can, I think, and we recognize how important it is to individuals.

BRAEDON CLARK: I would ask, if the department is able to come up with that number at some point, that I'm made aware of that. I'm asking specifically if the threshold is moved back to 30 per cent based on current demand, how much would that cost the Treasury on a yearly basis? That's my question, so I hope the department can provide that at some point.

[2:15 p.m.]

In terms of demand - I know the minister mentioned that - higher demand of course is an indication that there are more people in housing stress, and deep stress in many cases. I understand that this past fiscal year that's ending, there are 8,000 rent supplements available. How many applications over that fiscal year did the department receive under the rent supplement program?

JOHN LOHR: I have some numbers here. I'm not sure if the time frame is what you are asking about, but what I can give you is a snapshot: From April 1 to September 30, 2023, we had received 2,275 applications. In that time frame, 59 per cent of those were approved - so 1,334. Twenty-three per cent were not approved - 522. Three hundred thirty-one - that's about 15 per cent - were on hold, waiting for more information. In other words, we get the application, but we ask for more information and wait for that information to come back. Seventy-nine - or 3.4 per cent - were in assessment or pending approval. Nine - 0.4 per cent - were withdrawn.

The reasons why ones are not approved would be over income limit, not in severe core housing need, not in core housing need, not a permanent resident, rental not eligible - in other words, if you're in public housing, you're not eligible for a rent supplement; if we have a tenant in public housing apply, they're not eligible - or failure to provide information. So there are reasons why they aren't. The administration of the program - there is usually when we receive - that's it.

BRAEDON CLARK: I assume - maybe this is a silly question. Given the fact that there are new rental supplements being created in this budget - I know that was for about a six-month period the minister just cited - over the course of a year, I assume all 8,000 rent supplements are disbursed. Are there some that are not?

JOHN LOHR: The 8,000 that are there continue, yes.

BRAEDON CLARK: In my few minutes remaining here, I wanted to just touch on special planning areas. I know that's something the minister and I have talked about before. There are three special planning areas in my constituency in Bedford South, and of course others exist. I know that a new special planning area was announced recently in Fall River. I'm just wondering if the minister can give us a sense if there are other special planning areas under consideration, and how that process plays out, because I think there could be some more transparency on that point. Sometimes these things seem to come out of nowhere for us.

JOHN LOHR: In terms of the process to have a special planning area, the Executive Panel on Housing in the Halifax Regional Municipality meets and puts forward recommendations to me, the minister. In terms of, as you know, some of the criteria, we respect the Municipal Planning Strategy.

So, we're not looking at applications that haven't substantially gone through the municipal planning process and have received - sort of are stalled in the process, which sometimes happens. Those are the ones we would see the Executive Panel get involved in. As the member knows, it would be a requirement for the special planning areas to still meet all of the permitting requirements that are required.

So, even when we designate something a special planning area, it doesn't mean it is immediately started to build on. It has to meet all the permitting processes that are required.

BRAEDON CLARK: Just to confirm, are there additional special planning areas actively under consideration for designation by the panel at this time, beyond the ones that we already know about publicly?

JOHN LOHR: So, the answer is that the Executive Panel continues to do its work. If they bring forward more recommendations, certainly as minister I have a great deal of respect for the work of the Panel, and we will approve them. In terms of what's in the future, I don't attend the Panel's meetings, so I can't speak to that.

BRAEDON CLARK: If I could, I'd like to ask the minister about one planning area in particular in my constituency, which is Sandy Lake, which is a big one, about 6,000 units proposed. There are a lot of people very interested in it, I would say. There are environmental considerations that are particular to that area, I think, compared to some others, and there's been a lot of interest in it.

So, I'm just wondering if the minister could give us a sense of where that particular one is. What the next major timeline and milestones might be. I know there's been some environmental studies completed that have been with HRM, but I'm just wondering from the Province's perspective, if the minister could give us an update on Sandy Lake Special Planning Area and what the next major milestone might be.

JOHN LOHR: What I can say in terms of Sandy Lake is that there's an environmental study that's been under way for some time, but it's important that that study be done. That's one that we did fund the study through HRM; we gave HRM \$2.3 million to get that. I believe there was another study done involved in that funding. It's important that the due diligence of these types of studies be done. I can't predict when that study will be finished.

BRAEDON CLARK: I appreciate that, that's an important consideration. Just to give the minister a chance to clarify, because sometimes people - everyday citizens obviously don't know, or need to know, or should know the ins and outs of these things, but just to clarify for those who are interested: there would be no actual construction taking place at Sandy Lake, for example, until all those environmental studies are done and all the necessary permitting and approvals are in place.

JOHN LOHR: It's my understanding that we need to have the environmental process finished before any activity starts there.

BRAEDON CLARK: I know I have about a minute, so I'll try to make this quick. The minister mentioned in his opening comments about \$50 million in funding for community non-profit housing, which I've talked about as a huge growth area, an area for opportunity to really address the housing crisis and focus in on the non-profit and community housing sector. I'm just wondering, in the brief time I have left, if the minister could very quickly say if that \$50 million is all dedicated to community housing programming, or are there other things involved there? What is the total amount we spend directly on community and non-profit housing of that \$50 million? Perhaps it's all, but I'd like to know.

JOHN LOHR: In 2023-24, the . . .

THE CHAIR: Order. That concludes the first round of questioning for the Liberal Party. I'll move on to the NDP colleagues.

The honourable member for Halifax Needham.

SUZY HANSEN: I want to say first and foremost, thank you to the minister, the deputy minister, the associate deputy minister, and the staff who are here today to help us answer these questions. The budget highlights note that there is \$80 million to \$100 million estimated annually to rebate the 10 per cent provincial HST on new construction of purpose-built multi-unit apartments. Is there a requirement to include affordable units to be able to qualify for this rebate?

JOHN LOHR: The simple answer is that this is a federal program that we've said we agree with the federal guidelines on. Much to the frustration of the construction industry, and us, and everybody else in the country, the guidelines aren't out yet. This was a September 2023 program that the federal government announced, but our understanding is that there isn't that requirement. But if a developer wanted to have the per-door program that we had through the Affordable Housing Development Program, they certainly could stack on that. They could apply and have a portion of it.

In terms of our understanding of what the federal program will look like, there isn't that requirement, but I'm saying that without having seen the program details. There was never any indication of that in the beginning by the federal government. It was just simply: We're waiving the GST on multi-unit apartment buildings. That's what the federal government said, that's what we agreed to; but as I said, we haven't seen the federal government's requirements.

SUZY HANSEN: The estimated amount of this tax rebate is roughly equal to all new measures on affordable housing combined. My question to the minister is: Can he

please explain the rationale behind this decision to provide developers with such a large tax rebate and who is expected to benefit from this?

[2:30 p.m.]

JOHN LOHR: This is a federal program that we jumped in on, that we said, yes, we will do that. It is - you may be aware, the single - our public housing annually is a \$100 million program, as well. It's not that unusual in our other programs. Public housing plus all the other programs would exceed the dollar value of this program. That's what I'm saying. It is very significant, I would agree.

In terms of who will benefit, clearly, we are in a housing crisis, and when we see - we know that the balance between tenant and landlord will - in the law of supply and demand, which will cause competition in the rental field - we need about a 3 per cent vacancy rate. Right now we are at 1 per cent or less than 1 per cent. We desperately need more rental units on the market. If there are more rental units on the market then the balance between tenant and landlord will sort of even out, and we know in that scenario, at 3 per cent, rents will stabilize or come down a little bit, depending on the cost of construction.

This is a major component of the cost of construction. I did unpack it a little bit previously for my Liberal colleague. I'll just explain how I understand it works, for your benefit. When a developer is building a building, their business - they could claim the HST back on all their inputs, but when they are all done, the federal government requirement was that they had to declare a deemed value for that unit. If it cost them \$500,000 to build a unit that was really worth \$700,000 in the market, if they were to sell it, they had to pay 15 per cent on the \$700,000 right then and there when they were finished.

It's a big number, and they had to recoup that 15 per cent from the tenant. If they don't have to get that money - if they don't have to pay that, then in theory they can offer a lower rate. Will they offer a lower rate? I think the reality is that it is up to the - it's kind of what the market will bear. If we are so short of rental units, then it's a landlord's market, so to speak, and that affects everything. If we can simply have more rental apartments available, we know the rents will stabilize and maybe even come down if we were at that 3 per cent vacancy rate. We see that 1 or less than 1 per cent vacancy rate right across the province. I hope that explains that.

SUZY HANSEN: Absolutely. I mean, just listening to your take on the concept - based on your theory, it is an incentive for the developer who, in turn, doesn't need to actually have to have affordable housing. I mean, they could if they wanted to, but it's not an incentive for them to do so because they will still get the tax break.

My question to the minister is: How many units will this tax cut project to create? How many units do you think, based on the amount of funding, will it create in the market?

JOHN LOHR: I will go back to saying this is a federally announced program that we agreed to participate in under federal guidelines. Until we have those guidelines, there is much that we don't know. The reality for the developer - what I think I can say happens in the field of developers - is that they might want to build a building this big and have this much money, and they're deciding whether or not to go ahead based on: Do I have enough money to finish that project? This program will make finishing that project slightly less expensive, so we know there are developments that will go ahead because of this change, we know that. How many? We don't know, but we know this makes a difference, especially the fact that this program won't - the feds have said it's a time-limited program. Obviously, it's a pretty big window, but it won't last forever and that is a factor.

We know this changes the math for a developer who is looking at the risk of building versus the costs and all that. We think it will prove to be an important program.

I can tell you that the number one complaint I hear is from the developer who started building in August 2023. They are pretty upset because they are not in the group, so we hear that.

As I said, we've signed on to the federal guidelines.

SUZY HANSEN: The budget highlights \$14.8 million this year for Nova Scotia projects to leverage funding from the National Housing Strategy action plan. Can the minister provide some details on how this funding will impact key demographics highlighted in the action plan's gender-based analysis plus section?

JOHN LOHR: I request that the member restate the question because my staff are trying to figure out which number you are asking about, so if you could give me a little more information.

SUZY HANSEN: It's in the Our Homes Action for Housing, so it's in the brochure. The budget said \$14.8 million this year for Nova Scotia projects to leverage funding from the National Housing Strategy action plan. I'm wondering about the details on how much of this funding will impact key demographics in the action plan's Gender-based Analysis Plus section.

JOHN LOHR: Just chatting with my staff, this is money that is coming from the federal government and through the National Housing Strategy. We know it's coming but we haven't received all the program requirements yet from the federal government. We are working through that and once we know what the criteria are on that money, we'll decide that. We think it's not far away, but we haven't received that information from the feds on that block of money.

SUZY HANSEN: I would appreciate to have that information when it becomes available.

Victims of family violence receive priority access to public housing units. Is this funding going to help get these families into public housing faster, based on the funding that I just spoke about that was federal?

JOHN LOHR: The federal government, through their housing strategy, have the focus on those escaping family violence and gender-based violence, and so this is a priority for them and for us. As you know, one of the reasons we're doing our program for people who are over-housed is simply to provide units for people on our priority list who are fleeing gender-based violence, which are typically young mothers with families and need multi-bedroom units. This is a priority for us, and this is a priority for the federal government as well, not just them, and this is what this funding, we understand, will be used for.

SUZY HANSEN: The additional \$7.1 million investment in transition houses for women and children fleeing family violence is much welcome, but transition houses are designed to offer only temporary housing. Where in this budget is the government investing in long-term, affordable housing for women and children to transition into?

JOHN LOHR: One place would be last week, where we invested in 25 new public housing units that are multi-bedroom units. Further, in the 222 new public housing units which we announced, a portion of them - I believe it's 80 - will be highly accessible for people with disabilities, but certainly some of them will be more than a one-bedroom. As the member may know, I believe 70 per cent of our public housing units are one-bedroom public housing units. We know that we need more family-type housing units. That is the reality.

We are investing in that build, and we know that it translates directly into people who are fleeing domestic violence and gender-based violence. The transition homes are very needed, but we know that they will thrive if they have a more family-type of home that we can offer through these programs, which we are doing.

SUZY HANSEN: The budget announced \$35.3 million to build new public housing units, and for more repairs and maintenance to existing public housing units. Can the minister say more on the repairs and maintenance to existing public housing units, and how much is this expected to cost?

JOHN LOHR: It sounds like it should be an easy question, but it's a hard question. (Laughs) We have repairs in two different lines in our budget. The reason for that is if a repair goes over a certain amount it's considered a capital asset. It's not a regular expense - it's a TCA, as we call it: a tangible capital asset.

If we look at the repairs projected for the coming year that qualify, that are large enough - I'm trying to remember the number for TCAs. Somebody up there will text it to me, no doubt, in a minute. Then it's on one line, and that number is \$19.8 million. For

ongoing operating repairs, like small repairs - say, someone getting a door fixed - that number for us is \$28.2 million. The total for repairs is really close to \$50 million that we will spend on repairs.

[2:45 p.m.]

Some of that is being spent to have more energy-efficient units, and probably the bulk of that program right now is in CBRM. We know we want to do that across the province, and it's part of our Doing What We Can for Climate Change. If we had more energy-efficient units, then there aren't as much CO2 emissions.

SUZY HANSEN: In the Fall, I heard that there are approximately 102 public housing units in the province that were chronically vacant because of the need for repair. Have they been repaired, and if not, when can we expect them to be finished?

JOHN LOHR: I don't have the exact number, but some of them have been repaired, some of them will be repaired. Some of them are simply too expensive to repair, and then it comes down to what we do with that unit. We have one community that has the oldest piece of public housing in, my guess would be North America - I think a 250-year-old house. So, what do we do, and how do we do it justice if we do repair it? That's a struggle for us.

We do struggle with some of these properties in terms of how to deal with them. You're right, we are getting to some of them, and some of them we will simply replace. We put a new unit there. Actually, one of the modulars that we did put in of our 25 was effectively replacing a unit that was just too badly damaged - in some cases, they've been burned - to repair.

SUZY HANSEN: The housing programs - Line 17.5 of the budget breakdown there shows a budget of \$20 million less than the 2023-24 forecasted amount. Can you explain this cut? Why is the budget line decreasing?

The reason the budget year over year has gone up - there's sometimes in a year that we have opportunities or see problems that we didn't expect to see when we created the budget or we didn't realize would be an opportunity, and we react to them. There are some of those things that have happened that account for the fact that there's this \$50 million - the forecast was up more than expected.

One of the things that maybe we didn't project in the budget was the fact that we were doing a \$25 million project called the Modulars For Health Care. We don't project doing it again this year, although it could happen. Another number would be a community housing infrastructure program of \$6.7 million. Another number is because we had \$5 million go to the Preston Area Housing Fund. Another number in the fact that our housing

budget went up this fiscal year was the fact that we created the Nova Scotia Public Housing Agency.

One of the things that happened is that there are some accounting changes in how capital items are considered. If you go back to my conversation about having two lines for repairs - if it's a big enough repair, it hits the capital asset line, and if it's a smaller repair, it's in the regular budget. That accounting change accounted for some of that difference, too.

The reality is that we have put the budget up over last year's budget. If things arise or if opportunities arise in the coming year that we didn't expect - which may happen - we will do more. Year over year, the budget is up, and my expectation is we will continue to invest in housing as opportunities that we haven't seen yet arise.

SUZY HANSEN: The Community Housing Acquisition Program (CHAP) was announced by the government in 2022. The program aims to help community housing providers preserve and expand the supply of affordable housing in this province by providing loans for up to 95 per cent of property cost.

My question to the minister is: How has the success of this program been evaluated, and what are the numbers of successful applicants?

JOHN LOHR: There have been 14 projects to date under these community housing programs that we have done. This is CHAP, yes. We have done 14 projects to date, and it has touched 438 units for a total of \$21.3 million. I certainly can get the list of 14. I don't have that list right in front of me, but I certainly can have my staff supply the list of where that money has gone. I do have it somewhere in these pages.

SUZY HANSEN: I would like to know if maybe, within that information, you would be able to provide the rents or the range at which they are being rented out.

JOHN LOHR: The definition of "affordable" for us would be less - 30 per cent less than market. I know that the program has kept units affordable, but for each one, it would depend on if there's a range. For example, within the co-op housing, some of the units would be deeply affordable, if the co-op wants to support that, where other units would be closer to market rate. We're okay with the co-ops managing that in a way that they want to still provide housing for people who - so the rents would vary.

In terms of that, too, we can certainly get information back to you on those units.

SUZY HANSEN: With this program - and just with my understanding of what I'm hearing - is that there's no requirement for receiving a loan to keep all rents low. It's based on the landlord or the person who's owning these properties. It's at their discretion to be

able to keep the rents at an affordable level. Using the co-op as an example, they also, within their mandate, have been keeping their rents at a certain rate.

I'm just curious to know if this department is looking at examples from other jurisdictions to improve the program so that we can actually implement affordable housing within the criteria of the program.

JOHN LOHR: In our community housing program, there certainly is a requirement to keep the housing affordable. It's sort of one of the parts of the DNA of community housing. We have supported a number of projects, including a project with the North End Community Health Centre. Much of what you see happening with Akoma, with Compass - we're working with the Affordable Housing Development Program of Nova Scotia. We've done a lot. All these projects have a very strong affordable component to them. The only reference I had was to the fact that the co-ops have a bit more of a range of rents, but I know that all of them are affordable. That's certainly a criterion for us.

In terms of looking across the nation at what other communities are doing, we absolutely do that all the time. I've gone to Regent Park in Toronto. We want to implement something similar here. We're looking at what people are doing - and in fact, people are looking at what we're doing. Our Community Housing Acquisition Program - the CHAP, which we're talking about - has been looked at and referenced across the provinces. It's been looked at in British Columbia.

Our Land for Housing Program, which is for finding provincially owned land that's in a good location for housing - maybe it has water and sewer - and making that available, which we are doing. That just was referenced two days ago in British Columbia as a model for them. They're emulating us. We're looking at what they're doing, and they're looking at what we're doing. We're open to any suggestions on further programs and things that we can do, and we're talking to the federal government all the time. They're a huge factor in our lives through the National Housing Strategy and now through the Housing Accelerator Fund.

There are a lot of moving parts in what's happening in housing. It's not just Nova Scotia that's experiencing a housing crisis. Some might say it took a little bit longer to get to us. I think it's fair to say that the housing crisis and the affordability crisis have been going on longer in Toronto than in Nova Scotia. Across the nation, all the ministers responsible for housing are deeply concerned. We see New Brunswick and P.E.I. have housing action plans, as we do. We're all looking for best practices on that front and the reality is we're working across government departments, too, to address the crisis.

As I was unpacking a little bit earlier, in terms of what's happening in the massive build in the Department of Seniors and Long-term Care, what's happening in the Department of Labour, Skills and Immigration in terms of the shortage of supply of trained and skilled labour to build. How do we build in an environment where we can't - and you

only have to experience that yourself if you're trying to get a plumber or a roofer to come or someone to come give a quote; even that is hard to get. Everybody is working, but we know there is a lot more to do and we are going to do what we can as a government with all of the partners in this to address the housing crisis, including affordability.

[3:00 p.m.]

SUZY HANSEN: I also just want to make a suggestion because - you're right - looking around and seeing what others are doing, implementing certain things, as well as other people doing the work that we're doing in other places, is also the way that we do better for our own province.

I want to say that B.C. has recently come out with a similar program meant to protect existing affordable rental housing. Some key differences are lack of a project cap, the funding amounts are capped restricting larger scale projects, a pre-qualification process for organizations to streamline their processes, and funding decisions made independent of government. Just to kind of keep that on your radar looking forward, from B.C.

A recent article revealed that Halifax alone lost over 8,000 affordable housing units in a five-year period - over 25 per cent of the total stock. My question to the minister is: How many affordable units has this program preserved since it was created?

JOHN LOHR: If I'm not mistaken, actually B.C. modelled their program after ours and maybe made it better in some ways. That's possible. We certainly will look at what B.C. does.

You're right. What happens in the natural cycle of apartments is when an apartment gets to a certain age and needs a certain amount of work - an apartment building - sometimes it will get sold and completely rebuilt. Then those units that were renting in the \$800 range will come back on the market at a much higher level. We know that's happening and that is exactly what we created the Community Housing Acquisition Program to address. To date, we've had an impact on 438 units. That's the number that we funded through CHAP.

We have another program called CHIRP. Sorry about these acronyms - Community Housing Infrastructure and Repair Program - that program. We are also lending to community partners, and that was - there have been 450 units repaired. You can imagine if these - the 438 units that would have been sold and the apartments would have been emptied out and all the tenants forced to go somewhere else, the whole thing rebuilt and re-rented out. It didn't happen, but the reality is those apartments still need work, right?

So the new community housing landlord comes to us and we fund a little bit and the apartments are repaired while the tenants are still in there, probably in most cases. We've touched in that about 438. Do we want to do more? Absolutely. The program is

there and we're committed to that program and we're lifting the boat on community housing in Nova Scotia. There is no doubt about that, and we will do more as we find more partners and can do more.

THE CHAIR: I just want to note that there are a few conversations happening in the room and I would invite folks to take those outside so they can have fuller conversations.

The honourable member for Halifax Needham.

SUZY HANSEN: I am going to shift to public housing. The non-profit shelter and housing providers are urging the government to commit to the development of thousands of public housing units. I know that there's been an announcement of 247 units - I think that's the number - of public housing units which yes, hasn't happened in decades. I'm curious to know: Why hasn't the government significantly increased its investment in public housing in this budget, to meet the growing need.

JOHN LOHR: Just to go back, if I could revert back to the British Columbia theme for one second, my deputy tells me that recently British Columbia reached out to us on what we did with the Nova Scotia Provincial Housing Agency, and how we reorganized public housing. They are interested in what we did there in that structure, which I wasn't aware of.

In terms of the budget, the Provincial Housing Agency, as you may know, every year represents a massive investment for us. In terms of the big numbers, the costs of us running the 11,500 public housing units is about \$165 million a year. The rental income from that is about \$65 million. Every year, year over year, we are investing about \$100 million in public housing, without building anything, just as is. That money, that cost - I want to give credit where credit is due - was shared three ways; it was about \$50 million, the province of Nova Scotia; about \$40 million, the federal government; and about \$10 million on behalf of the municipalities.

You will remember, last session we did the service exchange agreement; we took over that net operating loss number from municipality. Now it's about \$60 million the province, \$40 million the feds. That is the single biggest year-over-year subsidy that we have been doing.

However, we have committed to building the 222 and now we added 25, so 247 more units. One of the good things about building new public housing units is the cost of running a new unit is less than the costs of running an old unit. We know that running those new units will be less expensive, until they start to age out a bit. That's a factor.

So far this year, we are putting this year - the bill for the 222 will take a couple of years. We are putting out \$15.2 million towards the construction this year. We are also

going to put more money into major repairs to the public housing units. Those are things we are doing.

We continue to invest in public housing, we are committed to public housing, that's the reality. We know that it's one part of the housing solution for us. It's not the only part; we're investing in keeping, all over the province, people who own their own homes. We're investing in programs to help them stay there, by helping them to fix a roof and a furnace. We increased funding into our downpayment plan for first time homebuilders.

If I think if I could just backtrack a little bit - I know you are asking about public housing - my thoughts go to enabling people to own their own homes. I want to do a better job on that. I know there's more to do there, too.

We know that we have to help across the housing spectrum. We're very committed to public housing, that's a reality.

SUZY HANSEN: When the interest rates get better, I bet there will be a lot more people trying to own more homes.

Many households are stuck on the public housing wait-list for years. The wait for units available for single individuals and units for larger families we have heard is particularly long for both. Can the government explain what types of units are being built now, and how it will impact those who have been on the wait-list for a number of years waiting?

JOHN LOHR: We know there are approximately 7,000 people on the wait-list. The reality is that 70 per cent of our units that we have now are one-bedroom units. The multi-bedroom units are very important to us, and one of the things that we are working on is overhousing, where we have, in many cases, a senior - frequently a lady - who has raised her children, they're all out, and she's got a three-, four-, five-bedroom unit and now is there herself. That's a very difficult move. We're doing that gently. That would be overhousing, and we're addressing that. My staff are working hard on that. We're committed to keeping those individuals. We don't say: You're out. We keep them in public housing, and we find a place within their own community for them, but we are doing that because of the importance of multi-bedroom units.

In terms of what we're building, I don't have the exact numbers, but we're building one-, two-, and three-bedroom units. Some of them will be very accessible. One of the things that triggered the 222 build was the need for us to have more accessible units. What we had been doing in the past, and the previous government would have been doing it too, was we would renovate an existing unit to be accessible.

My staff said: Look, it takes a year to do it and it costs just as much as if we built a new one. Meanwhile, we've lost that unit for a year. I know that's true, so we said: Why

not build new? When we made the decision that the accessible units would be far better off building new, where we needed them, it didn't make sense to build just one floor; we might as well go further up. But we know the second, third, and fourth floors, they're not ideal for someone who needs an accessible unit. If you're in a wheelchair, the last place you want to be is on the third floor when there's a fire - first thing that happens is the elevators stop.

We knew those accessible units had to be on the ground floor, and part of the logic of why we build new, is that we can make better use of the envelope of money we have by building new, and we knew there was such enormous demand.

We're concerned about the need for new public housing. We committed to that. It was historic - it hadn't been done in 30 years, to have a build of 222 units. It will take a little bit of time to build that out, but we've since added the modulars that we had pre-booked from the wildfires. We've added them to public housing. Will we continue to do that? I think so. We'll see in the coming year. Certainly, we're committed to public housing, and I do want to give a shout-out to my staff up there who work on public housing. There's so much work for them to do in public housing.

When we talk about programs, sometimes I'll say: You realize if we do that, it's a lot more work for you? We're planning a transformation on three of our sites in public housing, which will be a lot of work, which will be similar to - not exactly the same - as what happened in Toronto at Regent Park, which really a former housing minister told me I should do that. I don't see him right now. We're doing that, and that's an enormous amount of work.

We know that some of these aging units, we can transform. We can bring them new again. We're working hard on that too. The whole transformation of public housing, I think it's fair for me to say from my perspective as minister - I have staff who've waited their whole career for some of this to happen. They're just so pleased that we're getting into this space as a government, willing to address the challenges in public housing and start to deal with that, and bring some uniformity to what were five very independent public housing authorities. The staff in them were operating, working hard, but there had been very little leadership provided. We're providing that leadership, and we're providing uniformity in the management of the leases. We're providing uniformity in the management of the application process. We're providing uniformity in the management of the maintenance plans, which were also a little bit more ad hoc. They're less ad hoc now. Through software and evaluation, we're providing stronger maintenance programs, which we hope the tenants will see in the way maintenance is done and the way we take care of our units in public housing.

SUZY HANSEN: As an MLA to a large number of public housing tenants in my riding, I'm very aware of the number of calls that you are possibly receiving, or the things

that are happening within the department. I know that your department folks work really hard, and I'm glad to have a decent relationship with those folks.

[3:15 p.m.]

I'm glad that you mentioned overhousing because when the city bulldozed the homes in Africville, they moved folks into public housing with the promise that their families would always have a home over generations. There was a letter that was written that said that, and that speaks to that. Public housing, particularly in Uniacke Square in my riding, was built to house the displaced population of Africville whose roots go back to the War of 1812, the Underground Railroad, and the American Civil War. I was glad to hear the minister say that you're approaching overhousing in a gentle manner, but I also want to know what the government is doing to recognize the trauma of the Africville displacement when you're working with folks you consider overhoused in these communities.

JOHN LOHR: In terms of how the overhousing is dealt with, we work very carefully - it's typically a senior when they need to downsize. We know that's not easy for anybody to do, and our staff are very sensitive to the issues. In terms of some of the other issues that the member raises, for example, we funded the housing needs assessment for African Nova Scotians, which is the first of its type. It's being done by African Nova Scotians. We're waiting. We haven't seen that. It's not quite finished yet, but it's close.

We're doing things like working with ACUMA, and through the Department of Seniors and Long-term Care, building the first of its type in that community - the Preston area. It was one of the very few areas that did not have its own senior citizens' residence. We're working in particular with the Preston Area Housing Fund. We funded that, and we're working with ANSA on that too.

If there's more that we need to do, we welcome hearing it from the member in terms of Africville and commitments that were made that. I haven't seen that. I'm not personally aware of that, but we're certainly interested in that information as well.

As a government, we certainly recognize that historically the African Nova Scotian community has been disadvantaged. We continue on with the land titles program, which was a very significant disadvantage for the community, absolutely. We're committed to that. We're committed to doing what we can. We look forward to hearing more from the member opposite if there's something in terms of Africville, which the member raises, that we're not aware of.

SUZY HANSEN: I'm grateful that the minister was honest about not being aware of that situation. I say this because when we think about approaching the over-housing situation with folks who have been in their homes for decades and raised their families,

like the minister said - when we approach folks and pretty much stress them to move, it puts them in a difficult situation.

We hear this a number of times in our office - about folks who are afraid to be evicted, afraid of the landlord retaliating - afraid of a number of things because they've been there for so long. They're not afraid to move; that's not the problem. The problem is that when they move, they won't be able to afford their rent, because they will be in a new lease where the rental agreement won't reflect the rental agreement that they had previously. I just wanted to make that aware because that's something that will definitely come up.

I want to follow up on some of the recommendations we heard in last year's Auditor General's Report on Public Housing. Recommendation 1.2 was that the wait-list and wait time information should be reported publicly, and the department's target date was this year or last. I just want to know what updates you have on this in order to publicly announce the wait-list numbers.

JOHN LOHR: If you'll permit me just to talk about overhousing for another second. We know that across our 11,500 public housing units, we have 1,970 that are overhoused where it's a single person, possibly, in a three-bedroom unit. Last year, in terms of dealing with overhousing, we moved 39 families. That means 39 people went to another public housing unit. So their rent doesn't change. It's rent-geared-to-income.

We're not putting anybody who is in public housing out of public housing. The rent-geared-to-income model we continue to have is the model of public housing, so there's no change in rent. It just means that instead of being in a three-, four-, or five-bedroom unit, they're down into a one-bedroom unit, most likely.

The reality is that the focus that we have is on what we call the severely overhoused, which means a single person living in a four- or five-bedroom unit. That's where we're focusing our efforts, because we know that people - particularly families escaping domestic violence - typically need that size of unit, and they're on our priority wait-list.

There's a real urgency for us to get this work done. We know, I think, that if we could address it - if we could just snap our fingers and be done that process, there's a couple thousand people who would be taken off the wait-list.

It's important work. We're not snapping our fingers and getting it done over time. We're getting it done gently, and with sensitivity. The rent doesn't change. The person is still paying the same rent because it's rent-geared-to-income.

You had another question, which I'll just ask you to repeat. You moved on, and I was still on the old one, sorry - so if you could just go back to the other question, please.

SUZY HANSEN: I was just asking whether or not the wait-list is made public now, where it was supposed to be done through the AG's recommendations.

JOHN LOHR: There's been a lot of work put into the wait-list in terms of the last year, of confirming continued eligibility. What that means is that we might send somebody who's on the wait-list a piece of information - a request to confirm that they still want to be on the wait-list, and maybe send us their income information.

Not everybody immediately replies to some stuff like that, so sometimes we don't get that information back. That doesn't mean they go off the wait-list. But if we find out they no longer want to be on the wait-list, or their income level indicates they don't qualify, then they would go off.

Meanwhile, the reality is that the wait-list is there. It's in the 7,000 range right now. I think we made a commitment publicly to put the wait-list total numbers, or by region, on the website, and we do intend to keep that commitment.

It did cause us to go through a big effort of re-confirming everybody who was on the wait-list, which, as I've said, is somewhat done and may never be done. The reality is that the wait-list is there, and we're responding to that wait-list by building more public housing units.

We know there's more work to be done. We're responding to the housing crisis in Nova Scotia in a number of ways, which we've outlined. We will keep that commitment and have that wait-list number published once we're confident of the number or reasonably confident of the number.

SUZY HANSEN: I'm going to switch over to rent supplements. Community workers assisting clients applied for the rent supplement, and they know there are many barriers in place to actually getting the benefit, despite qualifying.

Can the government outline how it plans to ensure that Nova Scotians are able to easily access the benefit they need to, and when they need to?

JOHN LOHR: We're having a little bit of disagreement about what the question was so maybe we could have you repeat the question, please.

SUZY HANSEN: Community workers assisting clients who applied for the Canada-Nova Scotia Targeted Housing Benefit note that there are many barriers in place to actually getting the benefit, despite qualifying. Can the government outline how it plans to ensure that Nova Scotians are able to easily access the benefit when they need to? They've had a lot of complications with being able to access the benefit, getting information for their clients, making sure that their clients are actually receiving the benefit,

because there is no direct line of communication from housing support workers with the staff that are actually doing that work.

JOHN LOHR: I appreciate you re-stating the question because it gives me a moment to understand what you're asking.

There are certain things you're asking about in our rent supplement program. There's some things you should know about it. When we came into government in 2021, one of the first things we did as a government was . . .

THE CHAIR: Order. The time for the NDP questioning in this round has elapsed.

The honourable member for Kings South.

HON. KEITH IRVING: I'm going to take a couple of minutes before returning it back to my colleague, the member for Bedford South - just a few questions on the public housing units.

First of all, I want to thank your staff, in particular the deputy minister. The last time I spent any time with him, I gave him a resounding send-off from the Treasury and Policy Board, wishing him good luck on his retirement and thanking him for his dedication to public service. I guess he failed that test - welcome back. I appreciate your commitment to public service. I hope you get to retirement someday.

Minister, in September you announced 222,000 public housing units that you have spoken about here. One of those is at 2312 Gottingen Street. Could you tell me where we are in the design phase or construction document phase of that project?

JOHN LOHR: What I can say is that the Gottingen Street build - the pre-design is done, and we're ready to go out for an RFP.

KEITH IRVING: Pre-design work being developing of the program, and you are going to tender for architectural services? Could you clarify that?

JOHN LOHR: What I can tell the member - and maybe I can get him to clarify his question if I don't answer it, but what I can tell the member is that we've done our pre-design work. We're going to pre-qualify, so the RFP process will pre-qualify for further work on a quote. That's as far as we got. That's where we are at right now. We're ready to go out for the RFP to pre-qualify the modular home builders who will quote on it.

KEITH IRVING: I understand what you were saying is that you are going for an RFP for architectural services to design the building on Gottingen Street.

JOHN LOHR: I realize the member is an architect, so this is getting technical, but we have the design. There will be a modular build, and we're going to pre-qualify the modular builders in the first RFP phase, and then, at a second step, determine who is actually doing the build.

[3:30 p.m.]

KEITH IRVING: Who did the modular design?

JOHN LOHR: I understand the answer is in-house with Public Works.

KEITH IRVING: The five- or two-storey building at Sackville Manor - your press release doesn't indicate there is one at 67 Old Beaver Bank Road. It's either five or two. Are they at a similar stage?

JOHN LOHR: That is correct.

KEITH IRVING: The builds that you are intending for those three projects are not tenders? They are going to be an RFP?

JOHN LOHR: What I understand we're doing is we have a design. We're going to have a request for a proposal on that design which will pre-qualify a modular builder, or more than one, and then we will have a process where we would get quotes.

KEITH IRVING: Just for clarification here, we don't have a design in which we are issuing contract documents for a tender in which we get competitive bids. What you're indicating to us is that you have, in essence, a project scope, and you are going to ask for a proposal. It won't necessarily be competitive bids. You will get four different buildings with different prices. Is that what is happening here?

JOHN LOHR: I apologize to the member. My staff who are up there listening - and I've said the word "RFP." What we're doing is an RFQ, which is a request to pre-qualify a potential modular builder. That's the first part of this: It's an RFQ, not an RFP. It is probably my fault that that got confused, so I apologize. But we're actually doing an RFQ.

KEITH IRVING: We will receive competitive bids on this project, so that you will be looking at a number of bids with prices which you can evaluate. So in essence - I use the word "tender." We're going to have this project tendered, correct?

JOHN LOHR: That's correct. We haven't picked a modular builder. It'll be put out for RFQ process for the qualified - there'll presumably be a number of manufacturers. We have a number of excellent manufacturers in the province and in the region, and I don't even know for sure if - I don't think it's pre-determined that one manufacturer will build all of them. Possibly, possibly not. That's not determined.

We're looking to pre-qualify in the first round, and then from there we'll get quotes, as opposed to how we dealt with the wildfires, where we were under a tremendous time constraint. My staff, in a very short time, pre-booked 25 modulars, thinking that we would need them because so many people had lost their homes in the wildfires.

The uptake of that did not turn out to be as great as we thought, so we've repositioned those modulars, as we had committed to, to be public housing, which we are just putting out right now. Most of them will be on site in March, and if the hook-ups of electricity and water happen in a timely fashion, we'll have people in them in April or May, maybe June. Any manufacturer in the region, in reality, can pre-qualify and be part of this process.

KEITH IRVING: Just to clarify, you seem to imply in that response that you were tendering multiple projects. We've got three projects that I've talked about, and you said then that there would be other sites announced - Bridgewater, Kentville, Truro. There are at least six or more different sites with all different configurations. Some are six stories, some are five stories, some are two stories. Are you issuing one tender for all these projects?

JOHN LOHR: We've committed to build 222 public housing units. The recent announcement which you're referring to was, I believe, 150 of those, so there are still more to go. They'll be on other sites across the province in other communities. And the RFQ process, which pre-qualifies, will be based on per site. That process will go forward as we're ready to announce the other sites for the remaining builds.

Presumably, the pre-qualified will pre-qualify for bidding on any of those 222. We've said that they'll be modular, and we're going ahead at the moment with the ones we've announced already. The difference between the 222 and 150, which is 72 - if my quick math is correct, they will be in other communities around the province. They'll be part of this, but there won't be one manufacturer supplying all 222. It'll go site by site.

KEITH IRVING: So we will begin to see something on the tendering website on these projects. Because to date, your department has not issued - you've issued one tender to date, but we have not - we expect to see now some tenders associated with these individual projects. I guess you're going through a pre-qualification to determine that you've got five or six good bidders, then you will go out and tender each one of those and have those six bidders bid. Is that an accurate reflection of what your plans are?

JOHN LOHR: The Nova Scotia Public Housing Agency will follow Nova Scotia procurement guidelines for the project. In terms of the tenders for the actual sites going out, they will go out to the pre-qualified companies.

KEITH IRVING: Okay, instead of going through all those sites - I take from it that they are all basically at the same phase - you are just pre-qualifying suitable bidders in the next step.

With that, Minister, you are anticipating spending \$15.2 million this year of the \$83 million for these 220. Can you give me some indication of what you think is going to be done this year with that \$15 million?

JOHN LOHR: To the member, you are getting down pretty granular here, in terms of what will happen. There's site design work that will happen, even though we have a design that we know we want for the modular. There's a lot of site-specific work that has to be done in design. The best thing I can do, if you want, is offer you one of my senior staff to give you a more specific answer on exactly how that \$15 million will be allocated this year, if that satisfies you. That's probably the level of information I can get into right here and right now.

KEITH IRVING: Thank you, minister. I'll take you up on that offer. Do you have a projected completion date for any or all of these projects?

JOHN LOHR: All will be completed by the fiscal year 2027-28.

KEITH IRVING: Referring to the procurement website, you have 22 untendered contracts in there, and they are very explainable. Most of them are dealing with emergencies. There are a few smaller ones that I could ask some questions on, but I'll leave that.

What I am interested in understanding is this: Could you share with us how it came about that you selected Kent to provide the sole-sourced \$11 million worth of homes? Did they approach you, or did you approach them?

JOHN LOHR: When the wildfires happened, and we lost so many homes in two communities, we asked our staff to find some units. Calls went out to all the manufacturers of mobile homes who had them. Kent put their hand up; we got 25. We booked them right then and there and had plans for them to come in fully furnished. It was really based on just immediate availability right at that moment in time. All the manufacturers were reached out to.

KEITH IRVING: You have written documentation for the Auditor General that they were reached out to and declined to be able to fulfill the request from government?

JOHN LOHR: Yes.

KEITH IRVING: Great. Thank you very much, Minister, for responding to my questions. I'll turn it back over to my colleague from Bedford South.

[3:45 p.m.]

THE CHAIR: The honourable member for Bedford South.

BRAEDON CLARK: Thank you, Chair, and thank you to my colleague from Kings South and the minister. Minister, when last we left each other you were talking about the breakdown of the \$50 million in funding for community housing. I know that was a while ago, but I'm just wondering if we could rewind the clock and get that answer.

My question to the minister is: I was wondering, of that \$50 million, how much of that is direct program funding for housing and then how much of it is other things, whether that's administration, staff salaries? If you could have that breakdown, that would be great.

JOHN LOHR: Yes, it comes back to me now. I'm just trying to think now. I was going to give you the numbers from the past year, but I realize you're asking about the coming year, right? In the coming year, in terms of - it's all for programming and supply. There are no staff salaries in that number.

BRAEDON CLARK: I'm wondering, Minister, I know you've talked about this program, CHAP. Community Housing Acquisition Program, I think is the acronym there. What is the funding for that program this fiscal coming up as compared to last?

JOHN LOHR: The CHAP is a loan program. It's a forgivable loan program, but there's not, in a sense, a budget line item for it. We will respond - it's a bit like the bank. If we have programs, if there's more pull on it, we'll loan more money out. It's a loan program. It doesn't have a line item for a budget. We won't say no if there's a qualifying project.

BRAEDON CLARK: I thank the minister for that clarification. I guess, then, last year how much was loaned out through CHAP, the total amount loaned out, and how many individual projects did that represent?

JOHN LOHR: Maybe I can provide a little more clarification. Last year there was \$11 million in loans that went out. We are projecting \$10 million in loans this year, but we'll do more if necessary. Last year there were 14 loans in total on CHAP. It's been around for two years now. Seven new loans were added last year.

BRAEDON CLARK: In this past year, what was the budget within the department for things related to Happipad, whether that's a contract, advertising? What would have been the overall, all-in costs within the department last year? If there is a number available for advertising, specifically, if we have that, it would be great.

JOHN LOHR: The Happipad Program is a two-year program with a provincial contribution of \$1.3 million. That contribution is shared between the Department of

Municipal Affairs and Housing, the Department of Advanced Education, and the Department of Seniors and Long-term Care - three departments contributing \$1.3 million in total over two years.

BRAEDON CLARK: Just so I understand it, it's \$1.3 million over two years, not per year? Okay, thank you. Was there a specific line item in there for advertising, or do we not have that figure at hand?

JOHN LOHR: My deputy is saying he had that number for Public Accounts. Our staff are looking for it, and if you're okay, we'll get it texted to us. We'll get back to you on that if you want to go on to the next question.

BRAEDON CLARK: Yes, whenever you get that, hopefully in the next 34 minutes and 10 seconds, I'd be happy to hear that.

I know that obviously the member for Halifax Needham and I probably have a lot of similar questions, and I may repeat myself here, so I apologize if I do, and I think I may have heard this. The wait-list for public housing: What is the number and to what date does that correspond? Is that current, or when does that date from?

JOHN LOHR: Obviously, the wait-list is a concern for us. It continues to grow as people continue to get on the wait-list for public housing. The number right now is 7,600. I can give you the region breakdown. Obviously, if you want the region breakdown, then Metro is 3,300; Cape Breton, 1,000; Western, 2,000; Northern, 1,200. As I mentioned before, one of the significant changes we made when we came into government was that we removed the requirement for you to either have a rent supplement or be on the wait-list. One of the things the previous government had as a requirement was that you could not apply for a rent supplement if you were on the wait-list for public housing.

We changed that, and we know there are people on the wait-list for public housing that have a rent supplement. That's one of the things that's driven both numbers up, frankly, as well as the housing crisis, which is the reason why we are building 247 new public housing units.

BRAEDON CLARK: About 7,600 total right now. How does that compare to whatever the number would have been for the previous reporting period? I don't know if the department does that by calendar year or fiscal year, but year over year, whatever the reporting might be. Seventy-six hundred now. What would it have been a year ago?

JOHN LOHR: If we look at the average time on the wait-list - which I know you're not asking about - it has decreased by four months from last year. We're getting the average time down on the wait-list across the province, which means we're turning over our units faster. We're working on that.

One of the problems we had with last year's wait-list was that there were people who put themselves on the wait-list to get into a specific unit, so they may have put themselves on the wait-list two or three times. They wanted to be in that unit, so they applied for the wait-list for that. There were some questions about the integrity of the wait-list. Some of that we've cleaned up, so it's hard to compare last year's wait-list to this year's wait-list.

Meanwhile we see the wait-list growing, but we're turning around the units, so the average time on the wait-list is declining. That's the good news. We're turning our units around quicker. We're doing a better job of maintenance on those units and the turnover time.

We've gone through a big turnover just in January of this year. There's been a lot of work done by public housing and people who have moved out of public housing in January - to be frank, mostly through death. We have a lot of seniors, and there's been a lot of turnover happen this January, which, of course, is not - it is what it is.

BRAEDON CLARK: Of the 7,600 on the wait-list currently, do we know how many are seniors and how many would be families - parents with children?

JOHN LOHR: Currently on the wait-list: 49 per cent are seniors; 36 per cent are families; and 16 per cent are individuals and couples - but not seniors. If I can just jump back to your question about marketing, the agreement was for \$400,000 over two years to cover marketing, including salaries associated with that activity. Four hundred thousand over two years. I think I answered your wait-list percentage question.

BRAEDON CLARK: Yes, Minister, you did, and I appreciate the quick turnaround of six minutes or so. That's pretty good, yes. I appreciate that very much. Another thing that I know the government has talked about a lot - and is certainly needed - is new money - I believe somewhere in the range of \$20 million - for repairs on public housing. How does that money flow? How is it prioritized within regions to make sure it's being used in the most efficient way possible?

JOHN LOHR: One of the things that happened when we stood up a Nova Scotia Provincial Housing Agency is that we've put a provincial lens on the maintenance program, and there's software associated with this called Yardi. I don't know if that matters. Anyway, this means that we're trying to analyze every single unit we have in the 11,200-plus units, and have sort of a provincial lens on what repairs are needed, where they are most urgent. They continue to be delivered through this maintenance program.

Each of the previous housing authorities that existed - which have now been brought into the Provincial Housing Agency - at a local level they continue to deliver the maintenance for these units. But the provincial lens is put on, and the software program that helps us manage that many units. You can imagine the challenge of keeping track of

11,200 of anything. This software helps us make those management decisions on what is needed where.

[4:00 p.m.]

BRAEDON CLARK: I'm curious kind of how the money gets distributed. I know in the past, being at the Department of Public Works, for example - I just know that department well - in terms of local budgets, they might allocate based on kilometres or whatever you have within that region. Would it be similar with public housing? For example, would whatever 3,300 into 7,600 is, would that proportion of the repair budget go to HRM, or is the money divvied up in some other way?

JOHN LOHR: The basic answer is that the money for repairs is distributed across the five former housing authority areas, based on a per-unit - approximate per-unit basis. If you think about what we have in public housing, the reality is that all of our 11,200 units are 30-plus years old, and all are approximately in the same sort of need.

As far as what work gets done first, staff prioritize based on safety first, in terms of work that is most urgent that gets prioritized, and then the maintenance after that is prioritized by staff paid through a work order system.

BRAEDON CLARK: That makes sense. That's sort of how I expected it would go.

I'm curious about the Secondary and Backyard Suite Incentive Program, which is something I touched on in the first hour of our program. Twelve applications, I believe the minister said, have come in thus far. Does the minister see that as a success, a disappointment, somewhere in between? And if it's not going as well as the minister or the department would like - and I know it's early, but what does the department need to do to ensure that that program is being maximized, and that as many people - because we know there are thousands and thousands of homes and possibilities out there. Why have we seen what, in my view, appears to be a relatively low uptake on that program thus far? How can we kind of turn the trend on that?

JOHN LOHR: The reality is the program has been open since November. We've put out 15 approvals to date. Our staff are talking with more people. We like the program. We think it's a success. The goal of the program was to have, I believe, in two years or three years - it's a three-year pilot project and in three years have 320 units out.

It takes time. The reality is that for somebody to do this, to add a secondary suite, there still is the same - there's some permitting required, municipally, obviously. There are building code requirements, so there are some challenges. It isn't just like putting a door on. To go through those hoops takes time too.

We're very pleased with the pace of the program right now and how it's unfolding, and we'll continue to re-evaluate it, as necessary.

BRAEDON CLARK: Could the minister just clarify? It's a three-year pilot project. When is the end point? What is the end year?

JOHN LOHR: It started in November 2023, so it would be November 2026.

BRAEDON CLARK: It's been a long week; I should have figured that out myself. Anyhow, it's all right. A lot of questions.

I go back to something we talked about a little bit ago, which was around the Happipad costs, and the minister mentioned that \$400,000 over two years was the marketing cost. Is that included within the two-year \$1.3 million? Or is that additional and separate?

JOHN LOHR: Just to clarify, the total budget of the program - and I may be at fault too - is not \$1.3 million, it's \$1.13 million, which is a big difference. If it was in your pocket or mine, that's a big difference, but it's not. The \$400,000 is in that \$1.13 million envelope.

BRAEDON CLARK: On the public housing wait-list - I know I jumped around a bit, but I realize that with 7,600 people on the list right now, it's a complicated issue. Obviously, it takes a long time to build housing, so I understand all of that.

Does the department have an internal strategy, some kind of goals, in terms of where you would like to see that list? I know, obviously, in a perfect world we would like it to be zero, but is there a document or a strategy somewhere that says that over the X number of years, whether it's five or 10, here is our road map to getting that number of people to a lower number? Does that exist? How does the department plan for that?

JOHN LOHR: What I can say about the goals that we have - we do have goals and targets in public housing, absolutely. The first goal we have is really to turn units around quicker. Our goal is to turn units around in 60 days. If it becomes empty, we want it to be back available within 60 days. That's a very significant goal which our staff are very focused on.

The second goal we would have would be in relation to time on wait-lists. We are working hard to get the time people spend on wait-lists to be reduced. Obviously, if we can turn our units around quicker, that influences that.

Another one would be for the people on priority wait-lists, because we know that often they are in very high-stress family situations if they are on the priority wait-list. To deal with the priority wait-lists quicker would be another goal. Those are the goals.

Presumably if we can have the goal of time on wait-lists being zero, then we've met every public housing demand. It's another way of getting at the same question you are asking, but we are looking at how long people are on this wait-list and trying to reduce that number.

BRAEDON CLARK: I know there are a little more 11,000 public housing units across the province - the most recent data we have. How many of those are vacant at the moment?

JOHN LOHR: The most recent number we had was 322 units empty.

BRAEDON CLARK: Obviously there is always going to be some degree of that, when people move out and so on. Beyond those obvious reasons - if someone passes away or moves out - what other reasons are the top reasons as to why a unit might be vacant for a period of time?

JOHN LOHR: In that number, there are units that are in more long-term renovations to become more accessible. I think that the units that we - I have the number here. Our target vacancy is 3 per cent. The most recent number that I had for you - as of December 1, 2023 - there were 322 units: 88 of those had been vacant for under a month; 58 had been vacant for between 30 and 60 days; and 176 had been vacant for more than 60 days.

Reasons for the vacancy for more than 60 days include accessibility, improvement upgrades, planned capital renewal work, units requiring extensive repair, and challenges sometimes in obtaining contractors.

I don't have this, but if I am going by memory, there would be about 100 units that have been vacant for a very long time. Some of them are just very expensive to repair. I know that when we talked about the modular homes announcement, one of the modular homes replaced a unit that had been burned out. So we have units that require very extensive repair, that maybe we look at and say that it's not worth our fixing or it's an immense challenge. Those units are a challenge for us. How do we deal with them? That's been true for probably 30 years. There's always going to be that. We slowly work on them. I think I told your colleague from the NDP that one of those units I know - in my opinion, my guess - would be the oldest public housing unit in North America: a 250-year-old house. How do we fix that and do any justice to it? It's probably a historic property. You know what I mean; it's just a very difficult unit to deal with and probably not what we want in our portfolio, ultimately.

BRAEDON CLARK: The minister brought up accessibility, which is a key point. The province has a mandate to be fully accessible by 2030, I believe. Government buildings - government property - is kind of the first priority to get to that point. Of the public housing stock in Nova Scotia, how much of it would be considered accessible?

[4:15 p.m.]

JOHN LOHR: Obviously, in public housing accessibility is an incredibly important topic. Not all of our tenants in public housing need an accessible unit. Many don't, but some do. Currently we've done upgrades to 123 units to bring them up to what I would say is a National Housing Strategy accessibility standard.

One of the areas of funding we have from the National Housing Strategy is accessibility. I think I've explained this before, but I'll explain it again. When we looked at funding we had to further upgrade units, we had 80 more units to make accessible. The reality was when we went into a 30-year-old unit and tied that unit up for a year - in other words, emptied it out, it would be empty for a year as we did the work to make an accessible unit there - we frequently didn't really end up with a very good accessible unit after all that work. The cost of that was equal to the cost of building new.

That was a driving factor in our decision to announce the 222-units build because 80 of those units will be accessible. They will be the ground floor units.

When we looked at where we needed these accessible units, there were areas where it didn't make sense to build one floor. They are in neighbourhoods of multi-floor buildings, so we said, "Well, we'll build the 80 accessible and we'll put the extra floors on top." That's where we came up with 222 units. That's sort of the inefficiency of trying to upgrade a 30-year-old unit to accessible and tearing it all apart. Sometimes you get into asbestos, sometimes you don't know what you're going to get into. All those issues.

We've gone this way particularly because of the need for more accessible units and the funding from the federal government, which was flexible, which allowed us to either choose how we were going to get that accessible unit, either upgrade an existing unit or just start with a whole new one. That decision to start with a whole new one was primarily driven by this need to have 80 more accessible units and how we could make better use of public money and not lose that other unit for a year, so not tie up a unit for a year and make better use of public funds. I think we're on the right track with that plan.

BRAEDON CLARK: It is a key consideration and 80 units out of 222 is one-third, so that's good to see on new builds. That makes a lot of sense to do that on the ground floor.

I know the minister is well aware of the 2021 Affordable Housing Commission and the recommendations that commission made. I know that many of them have been followed through. The first recommendation of that report was the creation of an independent, arm's-length housing authority.

I'm wondering, does the minister feel that recommendation has been fulfilled with the creation of the Provincial Housing Agency, particularly on the question of independence and arm's length from government?

JOHN LOHR: Absolutely, Chair, I'm happy to answer that question. I would say absolutely.

Here's the reality. We had five independent housing authorities. Which one of the CEOs of any of those housing authorities ever answered a question here in the Legislature? Which one of those? What were the names of them? We don't know.

The accountability is through this House. I as minister and future ministers of Municipal Affairs and Housing will answer questions through a Crown corporation. There's a direct line to the Legislature and the answering. That direct line wasn't there, in my opinion, so I'm responsible. Future ministers will be absolutely responsible.

We had housing authorities. The five housing authorities were quite independent. That's the reality. Yes, they had one set of guidelines. How those guidelines were implemented in the various five regions was somewhat different in each region, so this is the reality.

The accountability through this Legislature, through a Crown corporation, through public scrutiny, and through questioning that you are doing right now - it's all there. I believe that this is the best - this is our system. I am accountable for what's happening in public housing through your questioning. Future ministers will be accountable for what's happening in the Crown corporation through this same scrutiny in the public - answering questions. Every time there's Cabinet in a scrum, I could be answering a question on public housing.

I think we have the best possible system here that we can have for accountability.

BRAEDON CLARK: I appreciate that response. As I've said before in the House, to have that clarity is helpful because we know where the buck stops and who we need to ask, so I appreciate that for sure.

I wanted to ask about another issue related to accountability, which is the passage of Bill No. 329, which, as the minister knows, was met with some controversy in the HRM and on this side of the House, as well. Although I do think there were some positive elements in that bill, there were other sections where there was overreach. Some clauses in particular - I think of being able to designate the entirety of the HRM as a special planning area. That is the law today; the minister has the power to do that.

I know the minister, in the past, when speaking to media, has, in my view, not been perfectly clear about whether those powers will be used and whether the minister intends

to use them. I'm just curious what the minister's position is on that and if he could clarify for us if the intention is to use these sweeping powers in the legislation. If not, why are they there in the first place?

JOHN LOHR: We are in a changing landscape, obviously, as times go forward. In terms of Bill No. 329, I am primarily getting my advice on that from the Executive Panel on Housing.

In terms of the landscape, we see the federal government get into this landscape through to Housing Accelerator Fund money and putting requirements on our municipalities as well. Recognizing the incredible role that our municipalities have in housing and recognizing that when we talk - I wish we had that conversation earlier - about the demand, the 41,000 units, the reality is that HRM is the focus of growth in our province. The housing shortage is approximately 10 times worse in the HRM than in any other region, if you break it out by regions.

The reason we have been focused on the HRM is just because of what we saw when we came into government, in terms of the length of time some projects were out there and their circumstances. Will I act on Bill No. 329? It's certainly something that I won't say I won't do, but in terms of right at this moment, I can say that there's something that I am doing. That power resides there. Just recognizing the incredible importance of the HRM, the need to capitalize on this moment in time of true growth in Nova Scotia, and the need to do that in the HRM - these are the reasons why we acted in this way.

BRAEDON CLARK: I appreciate that there's no intention at the moment, today, to act on those things. To have them on the books, kind of looming over things, I think, can be problematic, but I also recognize that in HRM in particular there are significant changes in terms of planning and development coming forward over the next month or two, which I think will go a long way to deal with some of the issues we're facing.

I think other provinces have recognized that as well, for example B.C. I know I talk about them a lot, but I think they're doing some really interesting things with B.C. Builds. I know the minister mentioned the other day - I did read it in *allNovaScotia* - that he was talking to Minister Fraser about kind of importing that system in some ways, which I think is exceptional because it blends together private developers, non-profits, community groups, First Nations communities - actually that's one of their first projects, on a First Nation site in B.C. I think that is kind of the way of the future on housing.

It's obviously an issue that all three levels of government have a hand in, which complicates things, exponentially sometimes, but I think it also gives opportunity for collaboration and growth and that's what I would like to see.

There are still major issues, but I do appreciate the minister's candor. I appreciate the help of the staff, the DM and the ADM and I know the others here. Thank you guys

very much for your timely response. There will be many more questions to come, I believe. Just to give your staff a bit of a heads up, we will move over, I think, more so to the Municipal Affairs and Housing and EMO side as of Monday. We really appreciate all the help on the housing front. What's that? Tuesday? Oh, there you go. Losing track of time. Anyway, thank you very much. I'm out of time.

THE CHAIR: Order, the time allotted for the consideration of Supply today has elapsed.

The honourable Government House Leader.

HON. KIM MASLAND: Thank you, Chair. I move that the committee do now rise and report progress and beg leave to sit again on a future date.

THE CHAIR: The motion is carried. The committee will now rise and report its business to the House.

[The committee rose at 4:28 p.m.]