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**Proceedings of the Standing Committee on
Social Services**

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Department of Municipal and Provincial Affairs

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Honourable Derek Bennett, MHA

SOCIAL SERVICES COMMITTEE

Department of Municipal and Provincial Affairs

Chair: Sherry Gambin-Walsh, MHA

Vice-Chair: Chris Tibbs, MHA

Members: Perry Trimper, MHA
Lucy Stoyles, MHA
Scott Reid, MHA
James Dinn, MHA
Paul Dinn, MHA

Clerk of the Committee: Evan Beazley (A)

Appearing:

Department of Municipal and Provincial Affairs

Hon. John Haggie, MHA, Minister
Judith Hearn, Deputy Minister
Stephen Mercer, Director, Municipal Finance
Jennifer Torraville, Departmental Controller
Michelle Hunt-Grouchy, Director of Communications
Alicia Chenard, Executive Assistant to the Minister

Also Present

Hon. John Hogan, MHA, Minister of Justice and Public Safety
Jordan Brown, MHA
Jim Locke, Government Members' Caucus
Colby Greeley, Official Opposition Caucus
Scott Fleming, Third Party Caucus

Pursuant to Standing Order 68, John Hogan, MHA for Windsor Lake, substitutes for MHA Scott Reid, MHA for St. George's - Humber.

Pursuant to Standing Order 68, Jordan Brown, MHA for Labrador West, substitutes for MHA James Dinn, MHA for St. John's Centre.

The Committee met at 9:05 a.m. in the House of Assembly Chamber.

CHAIR (Gambin-Walsh): Good morning, we're going to call the meeting to order.

First, I'm just going to announce the substitutes. So substituting for St. George's - Humber, we have Windsor Lake; substituting for St. John's Centre, we have Labrador West.

Typically, we'd take a break about an hour and a half into this, we'll see where we are at that point in time.

I'm just going to remind you, when your name is called, when it's your time to speak, if your light doesn't come on, just wave, but please wait for your red telly light to come on before you speak. If your light is not on and it has to come on, please introduce yourself. If it is already on, which is often with the minister, you don't have to introduce yourself every time.

Please don't make adjustments to the chairs, and if you already have, oops. The water coolers are on each end down here.

I'm first going to ask the Committee Members and the substitutes to introduce themselves and then I'll move over to the department to introduce yourselves, starting with the minister. Then we will approve the minutes before we start.

So we can start here.

C. TIBBS: Chris Tibbs, MHA for Grand Falls-Windsor - Buchans.

C. GREELEY: Colby Greeley, Office of the Official Opposition.

P. DINN: Paul Dinn, MHA for Topsail - Paradise.

J. BROWN: Jordan Brown, MHA, Labrador West.

S. FLEMING: Scott Fleming, Researcher, Third Party Caucus Office.

J. HOGAN: John Hogan, MHA, Windsor Lake.

P. TRIMPER: Perry Trimper, MHA for Lake Melville.

J. LOCKE: Jim Locke, Government Members' Office.

L. STOYLES: Lucy Stoyles, MHA, Mount Pearl North.

CHAIR: Minister.

J. HAGGIE: John Haggie, MHA for the District of Gander and Minister of Municipal and Provincial Affairs.

J. HEARN: Judith Hearn, Deputy Minister of Municipal and Provincial Affairs.

S. MERCER: Stephen Mercer, Director of Municipal Finance.

M. HUNT-GROUCHY: Michelle Hunt-Grouchy, Director of Communications.

J. TORRAVILLE: Jennifer Torraville, Departmental Controller.

A. CHENARD: Alicia Chenard, Executive Assistant to Minister Haggie.

CHAIR: All right, thank you very much.

The Committee has a copy of the minutes. I'll ask you to just take a look at them and see if there are any errors or omissions. If there aren't –

P. TRIMPER: (Inaudible.)

CHAIR: Pardon?

P. TRIMPER: I move the minutes.

CHAIR: Okay, MHA Trimper, so approved.

On motion, minutes adopted as circulated.

CHAIR: So we're going to proceed now with the Estimates review. I'm going to ask the Clerk, first, to call the subhead and then we'll go to the minister, you have a few minutes if you need to say anything.

CLERK (Beazley): For the Department of Municipal and Provincial Affairs, Executive and Support Services, 1.1.01 to 1.2.04 inclusive.

CHAIR: The Department of Municipal and Provincial Affairs, 1.1.01 to 1.2.04 inclusive, Executive and Support Services.

Minister Haggie.

J. HAGGIE: Thank you, Chair.

It's great to be here. I'm happy to bring my small but mighty team along with me. We've had an interesting year with, I think, maybe the largest single piece of legislation on government's books, which is the *Towns and Local Service Districts Act*. Now our attention is focused on regulations and the training to support the municipalities in what I believe is really almost like a new constitution between two areas of government. We have other things on our plate as well.

To pre-empt questions from the other side, yes, you can have a copy of the binder. It's electronic and we'll hand it to you afterwards. If there's some information that you're looking for that I don't have to hand, I'll ask the brains to my left and behind me and if they don't have it, we'll get it for you.

Thank you.

CHAIR: Okay.

The hon. the Member for Grand Falls-Windsor - Buchans.

C. TIBBS: Thank you very much, Minister.

I want to thank your department as well for the extensive work that they put into that piece of legislation. I know that a lot of towns, municipalities, LSDs are very, very happy with it. It was long overdue. They have it now so I'm sure we can work with the regulations to ensure that the towns have everything they need moving forward.

Can we move on to the questions?

CHAIR: Yes, you can.

C. TIBBS: Perfect, thank you.

Minister, are there any errors in the published Estimates book?

J. HAGGIE: Not that I'm aware of. We try and make it as error free as possible, but we are human.

C. TIBBS: Thank you, Minister.

Minister, at what locations are your staff located and how many in each location?

J. HAGGIE: Okay, we have regional offices covering Eastern, Central, and Labrador and West. They are located respectively in St. John's, Gander and Corner Brook. In terms of the exact physical location, I actually would be recalling from memory, there are, I believe, four in Gander and Corner Brook and, I think, is it four in – I'll pass that one on to Judith in terms of the numbers in Eastern.

J. HEARN: Six in Eastern.

C. TIBBS: Thank you, Judith.

Thank you, Minister.

How many people are employed in the department?

J. HAGGIE: We currently have 56 people employed in the department.

C. TIBBS: Thank you, Minister.

How many retirements have occurred in the last year and how many of these positions haven't been filed?

J. HAGGIE: We have four retirees in the last year. In terms of filling those, we have pretty well half of those filled. We have a new director of communications. We have a clerk typist III and, I think, of the others we are out a financial officer and manager of planning and accountability and an ADM who's been moved. He didn't resign though.

C. TIBBS: Thank you, Minister.

My next question will be how many vacancies are not filled in the department? I would assume there was two from your last answer.

J. HAGGIE: We have 16 vacant positions; we have 56 filled ones for a total staff complement of 72. There were four resignations, which was your previous question.

C. TIBBS: Thank you, Minister.

Have any positions been eliminated? If so, what are they and how many have been eliminated?

J. HAGGIE: We haven't eliminated any positions. We are, currently, recruiting for those 16 vacancies. Only four of those are long term.

C. TIBBS: Thank you, Minister.

Have there been any new hires in the last year?

J. HAGGIE: We have had two 13-weekers and four new hires who are new to government.

C. TIBBS: Thank you, Minister.

How many layoffs have occurred in the department in the last year, if any?

J. HAGGIE: I am not aware of any.

C. TIBBS: Thank you, Minister.

What liaison mechanisms does the department employ between itself and the municipalities themselves?

J. HAGGIE: We have a Division of Municipal Support. We have a very able director and, through his shop here and the Regional Offices, those are principally the mechanisms. Municipalities have a regional office they can call and, if necessary or appropriate, they're perfectly able. We're happy if they call the director and then, between the director and whatever regional office is appropriate, deal with their issue.

C. TIBBS: Thank you, Minister.

Are there any current discussions about regionalization and, if so, what is the government's stance on this topic?

J. HAGGIE: We're focused on regional collaboration. As part of that, this year, we awarded some Collaboration Grants. We had some one-time funding of half a million dollars. Those were announced and the successful recipients, I think, you'll find it on the website.

C. TIBBS: Thank you, Minister.

Which municipalities receive Municipal Operating Grants? How many grants and allocations were determined and are they proportional?

J. HAGGIE: They are based on population. The current base is the 2011 census. The

incorporated municipalities receive Municipal Operating Grants, except for those – there are 22 of them – who receive Multi-Year Capital Works funding.

C. TIBBS: Thank you, Minister.

What's the reason to go back to 2011 census?

J. HAGGIE: That's been our base and we haven't altered it, subsequently. We have increased the base for MOGs, Municipal Operating Grants, twice now. So \$3 million this budget – you'll see that as we go through the figures – and \$3 million in last year's budget. That is meant as a supplement to municipal income. It is not the sole source of municipal income, and we've certainly had discussion with MNL and PMA about whether or not that formula is still appropriate. Those discussions continue.

To be perfectly honest, that's kind of been parked a little bit on one side because the bulk of the year has been occupied with the new legislation.

C. TIBBS: Thank you, Minister.

What training is being funded by the addition of \$400,000 allocated to municipal training in this budget?

J. HAGGIE: We've had discussions with MNL, particularly; that was one of their asks, prebudget. The bulk of that money is likely to be allocated on an agreed basis between ourselves and MNL.

Our personal view, from both sides really, is the bulk of the training may need to be emphasizing financial skills. There are a lot of communities who seem to be challenged to get their audited financial statements or financial reports in on time. As a result, their eligibility for things like gas tax and the like is challenged, and we're trying to support them with that.

Indeed, we've talked about how best to deliver those kinds of supports, and we've even had some discussions about whether or not financial services as a shared service would be something that we could do in collaboration with MNL.

C. TIBBS: Thank you, Minister.

Minister, has there been any work related to developing cohesive resources, sharing a pool of strategies for municipal fire departments to aid in mutual assistance outside of their municipal boundaries?

J. HAGGIE: We have the legislation in the *Towns and Local Service Districts Act* for the authority for fire departments to operate legally outside of the municipal boundaries. But the coordination of those departments and how they link with each other actually lies with Fire and Emergency Services, which is a branch of Public Safety. So I am not really able to answer that question in any granular detail, safe to say that's certainly part of our discussions, prebudget, with municipalities.

There was a fiscal problem, shall we say, with the number of calls. And I know my own district, Gander Fire/Rescue, a super group, they have a small professional core, as it were, and a significantly bigger volunteer component; 52 per cent of their calls is now for motor vehicle accidents and a vast majority of – well, at least half of those are probably outside their municipal boundaries.

So it is a big issue for them. Again, that money will flow through Public Safety. Whilst we were involved in the discussions with MNL, the money is actually parked over there.

C. TIBBS: Thank you, Minister.

In Grand Falls-Windsor, we have the same issue, sort of thing, with Vince out there.

J. HAGGIE: Yeah, Fire Chief Vince.

C. TIBBS: Yeah.

Minister, I know that Minister Hogan has been working diligently on it and I've spoken to him many times, about the SCBAs that are now going to be obsolete over the next year. Have you had discussions municipalities about this and what's their take on it? Or do we have a solution that is being tossed about?

J. HAGGIE: The short answer is my department doesn't have a solution. We are traditionally a conduit, a pipe for funding to municipalities, and don't always come up with the money ourselves, but we have the relationships and the financial ability to flow money. So we may get involved in those kinds of processes, but I think really that's a discussion best anchored with Minister Hogan's shop.

C. TIBBS: Thank you, Minister.

Minister, is the \$50 million in funding allocated over the next five years for water and waste water projects entirely infrastructure related, or does it also fund expenditures not related to infrastructure?

J. HAGGIE: Again, we're a conduit; it's part of the Canada Community-Building Fund, or what used to be called the federal gas tax back in the day. That agreement is coming to a close this fiscal year, and we are currently in negotiations with the feds, as kind of the lead department on that particular fund.

In terms of how that money is allocated, that is part really through Environment and Climate Change. So again, there is an infrastructure component, but it would be a question best directed either to the Minister of Infrastructure or, alternatively, to the Minister of Climate Change. Because they run that; we're simply a conduit or a negotiator to try and bring that money home.

C. TIBBS: Perfect.

I can remember the first couple of years it was such a big deal, and sort of, we got a handle on it a bit more I guess, and people aren't as worried as they used to be, but when it first came in it was a very big deal.

J. HAGGIE: Well, it's a demand-driven thing as well; it's application based. So it's not money we hand out; it's money that people come to the Department of Environment and Climate Change with a proposal, and they have criteria that they look at within the framework set by the federal criteria.

C. TIBBS: Thank you, Minister.

Minister, are any municipalities requesting or in the process of amalgamation with other municipalities?

J. HAGGIE: We have had something of a hiatus; I think everyone was waiting to see what the *Towns and Local Service Districts Act* was looking at. I am aware, but not kind of at my level, of two potential amalgamation requests that are coming through the system, but they haven't been analyzed and worked up yet to the level where I would be directly involved at the executive level.

C. TIBBS: Minister, I know a lot of municipalities, LSDs and whatnot were very impressed with the piece of legislation. Did you hear much concern or negative feedback from that piece of legislation that you put forward?

J. HAGGIE: Actually, it was remarkable. Having been in other portfolios, you know, one sometimes wonders if there's anything that could be related to be good news. Really and honestly, it was well received all around. I'm sure that as we go forward with the regulations, there will be some nuances. I mean, to paraphrase the Duke of Wellington, no plan survives the first whiff of gunpowder. So we'll have to look at revising those over time and that's the job of the department.

C. TIBBS: Thank you, Minister.

Minister, we'll move on to 1.2.01, Executive Support, we'll start off with Executive Support, Salaries. Salaries were overbudgeted by \$51,100. What was the reason for this, Minister?

J. HAGGIE: They were essentially related to some staffing changes. We had an experienced assistant deputy minister; we have an experienced deputy minister. We've lost that ADM so there will be adjustment on the salary scales, assuming the new person comes in at a lower salary level, for example, and similarly we have some vacancies in support staff chronically. If you look, one of our long-term vacancies is actually the secretary to the ADM.

C. TIBBS: Thank you, Minister.

Transportation and Communications is increasing by \$2,500. What's the reason for this, Minister?

J. HAGGIE: I don't take the mileage, the car allowance package. I'm a rural MHA and I choose the mileage option.

C. TIBBS: Thank you, Minister.

I'll move on to 1.2.02, Administrative Support, Salaries were \$6,000 overbudgeted. What was the reason for this, Minister?

J. HAGGIE: We had a summer student we extended. They were involved in scanning of documents that were old and we nearly got it done but we needed a bit more time and there's the money.

C. TIBBS: Money well spent on students, isn't it?

J. HAGGIE: Well, I mean, it's an investment for the future as well as getting the job done.

C. TIBBS: I couldn't agree with you more, absolutely, Minister. We have a couple of our own.

The budget for Purchased Services is increasing by \$20,000 despite having been under budget. What's the reason for this, Minister?

J. HAGGIE: We are finding increased printing costs and general purchased services, repairs to office equipment, those kind of things. So we're just trying to deal with that and we will be hosting my first provincial-territorial meeting since 2018, located in St. John's and we're hosting. So I get to travel all the way down to the Sheraton Hotel.

C. TIBBS: Fantastic.

OFFICIAL: (Inaudible.)

C. TIBBS: That's right.

Thank you, Minister.

For 1.2.03, Strategic Financial Management, I just have one question there, Minister. Could the minister please explain the savings contained within the Salaries line there?

J. HAGGIE: It's a delay in recruitment for vacant positions.

C. TIBBS: Thank you, Minister.

I'll move on to 1.2.04. Despite having been under budget by nearly \$50,000, Salaries are increasing this year. Why is that, Minister?

J. HAGGIE: It's delays in recruitment and new folk coming in. There's success.

C. TIBBS: Thank you, Minister.

CHAIR: The Member's time has expired.

The Member for Labrador West.

J. BROWN: Thank you, Chair.

My first question is can we have an update on the Northeast Avalon Regional Plan and how that's going about?

J. HAGGIE: Yes, you can; of course you can.

We kind of rebooted that at MNL. It had kind of – I won't say died the death, but gone into sort of hibernation. We have rebooted that. We asked for some feedback and had a very active discussion at MNL with a consultant brought in to facilitate that. We're in the process now of going back to the 15 or so communities.

There have been some tweaks that were not in the original plan. I think, really, transit has popped up as an issue that is new and really needs a little bit of groundwork to bring into a near plan because I think pretty well all of the communities, almost, kind of arterial roads, have looked at transit where they didn't before.

J. BROWN: Okay, perfect. Thank you so much.

Is there any other regions of the province looking at a regional plan as well that your department is helping with?

J. HAGGIE: We haven't been approached directly. I have had discussions in slightly more patchwork fashion with Western, for example, about fire and emergency services or expanding their waste management and water management strategies. That was a joint discussion with myself and Minister Davis.

But there is a desire on behalf of the department and a realization on behalf of communities that there is a benefit to working together, even if their governance is separate, because they're LSDs and municipalities.

J. BROWN: Yeah, I know very well, Lab West.

How many applications are currently outstanding by the Regional Appeal Boards and what's roughly the timeline to get those through?

J. HAGGIE: Forty-four, and five months.

J. BROWN: Okay, perfect.

Excellent, thank you so much.

Has any progress been made in the past year in determining the status of residents of unincorporated areas in terms of taxation or their legal status?

J. HAGGIE: From the point of view of the *Towns and Local Service Districts Act*, the act is, basically, silent on that. Taxation is reserved for municipalities incorporated. The reason for that is you need an accountability mechanism if you have money from the public purse. The LSDs are financed through a fee-for-service basis, which is kind of governance light.

So unincorporated areas really have not been addressed in that way. The provision of services there is really up to the local inhabitants and, as it were, the residents, if they wish to organize. I know on informal basis that some groups of dwellings have opted to club together and get someone to do the snow clearing, for example, in winter. Provincial roads are a different responsibility and you'd be better addressing that question, for example, to TI.

J. BROWN: Yes. Absolutely.

I know some unincorporated areas, like you said, an ad hoc group, they'll just take care of themselves. Have any unincorporated areas come forward to go to the LSD route?

J. HAGGIE: I'm not aware of any at the moment.

J. BROWN: Okay. Perfect.

Thank you so much, Minister.

Can we expect to see any amendments or any city-specific legislation coming through in the next year or so, like the town and district act has done? Is there anything for the cities coming up forward?

J. HAGGIE: Yes, the cities are kind of the next on the list. I think the cities didn't want to negotiate against themselves so they waited to see what the *Towns and Local Service Districts Act* came up with and then it's going to be a question of which of the cities wants to go next. Certainly, we have had discussions with the City of St. John's and, you know, we are in the process, once we've done the regulations under the *Towns and Local Service Districts Act*, we'll be moving into the cities and it's a question of who's – I won't say, who's coming forward, but it's who's hanging back the best.

J. BROWN: So given that, upon regulations for the towns act, when roughly would we see those regulations be ready to go?

J. HAGGIE: We are in the very final stages of doing those.

J. BROWN: Oh nice.

J. HAGGIE: The municipalities were less difficult; it was simply a question of porting the old regulations into new and updating the language and all that kind of thing. The difference was we have regulations now for LSDs which did not exist under the Municipalities Act, so those were crafted from fresh.

We want to bring it in with a delayed proclamation date so that we have a document we can show to the municipalities and the LSDs and we can have the training and education piece done before they, kind of, go live – before it's proclaimed into law. Very much trying to work on the template we set with the code of conduct act.

J. BROWN: Okay. Absolutely.

J. HAGGIE: Which worked.

J. BROWN: Yes. Absolutely.

So given that your regulations are about to come up, have you already started the process of training or is the training going to come fairly soon for these municipalities?

J. HAGGIE: The material for the act itself in the binder I brought to the House, in actual fact, is the document for any municipality and any Local Service District. We are kind of hanging back at the moment to get the package ready for the regulations, and obviously that has to wait for the regulations to receive LGIC approval.

The other challenge that we have with municipalities is there tends to be a dearth of availability from around June 22 to around that first Monday after Labour Day. There will be a hiatus there. So we would allow for that in our proclamation date.

J. BROWN: Okay, perfect. Thank you so much, Minister.

Is work being conducted to provide municipalities with more transparency and available information on how infrastructure is funded as per calls by MNL?

J. HAGGIE: We're in an interesting situation now with infrastructure. The Municipal Infrastructure Division of MAPA has kind of relocated and it now lives in TI. I know the minister responsible for TI has met with municipal leadership about the infrastructure issues.

Our role is much smaller in that than it ever used to be, and really consists of checking out some regulatory zoning kind of things, and then handing the application over to TI, who will then advise on the merits. One of the things Minister Abbott and I have decided is that he and I and our staffs need to get together to coordinate a little more

than maybe we have done in the past, and certainly we're working on that.

J. BROWN: Perfect. Thank you so much, Minister.

Are there currently any communities expressing interest in relocation? Have any communities come forward or have there been any big changes to the relocation policy?

J. HAGGIE: No changes to the policy; it is as it stands. There is one community that is in the very final stages of the relocation process, and that is Tilt Cove. I'm not aware that any other communities have expressed an interest in it since the vote in Gaultois.

J. BROWN: Okay, perfect. Thank you so much, Minister.

MNL has been calling for improvements to the civic addressing in rural areas for a few years now. Is there any progress made on the civic address policy?

J. HAGGIE: It seems to be fraught with implementation issues as much as anything else. I went round a community very recently in the Central district and the municipality actually had renumbered the houses. So, to add to the fun of the whole thing, we had two sets of numbers on most houses, and trying to identify what was where was really quite intriguing. I'm just glad I wasn't on a fire call in a truck trying to figure it all out.

J. BROWN: Oh, wonderful. Thank you so much, Minister.

How many planners are now in the department to sign off on town plans for approval and is there any backlog of the signing off town plans?

J. HAGGIE: Good question. I would defer to – we have three planners, one planning manager and two techs, and they all work on municipal plans.

J. BROWN: Okay, but is there any backlog of signing off on municipal planning?

J. HAGGIE: We have discussed whether or not there might be a role to bring in some outside horsepower, shall we say, to sign off on some of the more routine ones. I'm not aware of the magnitude of any backlog but we'll certainly find out for you.

J. BROWN: Perfect. Thank you so much.

What other financial assistance has the department provided in the last year to Make Your Mark campaign with MNL on getting councillors and stuff interested in municipal government, or getting individuals to go into municipal government, I guess?

J. HAGGIE: That's a good question. I'm not sure I have the answer to that.

Judith.

J. HEARN: I can tell you when approached by MNL, we have jointly funded Mark Your Mark campaign. I anticipate, as we approach a municipal election year, they will approach us again and we will again partner. That's been a very successful partnership and we'd be, I think, very interested in hearing what the plans are and partnering, as we move forward. When they come to us and are ready to go forward, we'll bring it to the minister.

CHAIR: The Member's time has expired.

J. BROWN: Thank you, Chair.

CHAIR: The hon. the Member for Grand Falls-Windsor - Buchans.

C. TIBBS: I have nothing else in this first section. So it's the second section for me. I did have one question. It's not your department, Minister, but are you aware of any other municipalities that have applied for the ride-sharing that St. John's currently has?

J. HAGGIE: No, my understanding from informal discussions with the minister who looks after that is that this is a driver availability business issue and once the company itself is comfortable that its current rollout is functioning well, then they're certainly open to moving out across the province. Because I kind of said, what about us?

I think that's something that there's no regulatory impediment or anything like that, unless the municipality chooses to make a decision or when they choose to make a decision one way or another, it will go forward. I think it's an issue of let's get this area sorted out first, from a business perspective, and then look next. I would be interested in some, what I would call, hubs along the TCH, the kind of spine thing, certainly near a home, cabs are always an issue.

C. TIBBS: Perfect. Thank you, Minister.

That's all I have for this section.

CHAIR: Okay.

The Member for Labrador West.

J. BROWN: (Inaudible.)

CHAIR: Okay.

I'll ask the Clerk to recall the subhead.

CLERK: Executive and Support Services, 1.1.01 to 1.2.04 inclusive.

CHAIR: Shall Executive and Support Services, 1.1.01 to 1.2.04 inclusive, carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 1.1.01 through 1.2.04 carried.

CHAIR: I'll ask the Clerk to call the next subhead.

CLERK: Municipal Support, 2.1.01 to 2.3.02 inclusive.

CHAIR: Municipal Support, 2.1.01 to 2.3.02 inclusive.

The Member for Grand Falls-Windsor - Buchans.

C. TIBBS: Thank you, Chair.

Minister, with 2.1.01, Regional Support, Salaries were under budget last year by \$74,800. Could the minister please explain the savings?

J. HAGGIE: Vacant positions.

C. TIBBS: Thank you, Minister.

Transportation and Communications, overspent by \$5,000. The reason for this, Minister?

J. HAGGIE: Councillor training – we had the tail end, as it were, of the code of conduct act and we have a very active municipal support/training area and this is where you'll see some of that. We do do a lot, to be fair. We've shifted a lot to online and virtual, but there are communities where sometimes the Internet isn't as good and boots on the ground always works as well. So we try and balance the two.

C. TIBBS: Fantastic, Minister. You can't go wrong with more training.

Operating Accounts expenditures were \$7,000 over budget. The reason for this, Minister?

J. HAGGIE: I'm sorry, what heading was that?

C. TIBBS: My apologies. It's the same heading, 2.1.01, Operating Accounts. Expenditures were \$7,000 over budget.

J. HAGGIE: The difference there is down to Transportation and Communications. If you look at the delta between the budget and the revised, you'll see where the variances crop up. The biggest one is Transportation and Communications and that provides for the bulk of the difference.

C. TIBBS: Thank you, Minister.

I'll move on to 2.2.02, Municipal Debt Servicing - Principal. Grants and Subsidies disbursed were over the budgeted amount. Was this expected this year?

J. HAGGIE: Grants and Subsidies, one moment. My apologies, you're moving a bit quicker than I anticipated.

Basically, what we did here was pay out loans early. This is kind of the old way of financing municipal capital works. The program shut in 2006 and we wanted to get it off the books.

C. TIBBS: Thank you, Minister.

Could the minister provide a breakdown of the projects and municipalities in receipt of this program?

J. HAGGIE: The only two I have listed here were two projects in Terrenceville that were closed out early. They are they last two of the programs. In actual fact, we were trying to rake through our historical memories in the department to figure out when this program actually started. It's probably written on tablets of stone somewhere in the basements, it's that old.

C. TIBBS: I would say so. Thank you, Minister.

I'll move on to 2.2.03, Municipal Operating Grants: There is a \$3-million increase in

Grants and Subsidies. What will this increase be utilized to do?

J. HAGGIE: This is an across-the-board increase. With respect to last year, it's around 12 per cent, but with respect to the base year, which was two years earlier, it actually is an accumulative compound increase of 27 per cent. This is for communities to supplement their revenue stream for pretty well whatever they want to do with it. It is for operations.

C. TIBBS: Thank you, Minister.

I'll move on to 2.2.04, Special Assistance grants.

J. HAGGIE: Okay, just a second. Okay, I'm with you.

C. TIBBS: Grants and Subsidies were \$1.8 million over the budgeted amount. What was the reason for this, Minister?

J. HAGGIE: There are building accessibility community grants that flow through that line. It is a fund that does many things for different things, and there were payments to the community of Mud Lake.

C. TIBBS: Gotcha.

Under the same heading, Minister, Grants and Subsidies are increasing \$6.4 million. What will this increase contribute to?

J. HAGGIE: Well, the \$400,000 is for the training, which we spoke about earlier, and the \$6 million is a line item, kind of a guestimate, for Hurricane Fiona payouts for this year.

C. TIBBS: Fantastic. And that's expected to be all used for Hurricane Fiona?

J. HAGGIE: We don't know. It is the Hurricane Fiona committees best estimate of what we would be likely to pay out.

C. TIBBS: If it's not all used, Minister, will it go with Subsidies and Grants for this year, the money that was not used?

J. HAGGIE: My understanding is that this money is to be drawn down from Finance as it's needed. So that question would probably be better addressed to the Minister of Finance because my understanding is it has come from a variety of sources, including federal money from the disaster assistance.

C. TIBBS: Could Grand Falls-Windsor get the rest of that money, Sir?

J. HAGGIE: Sorry?

C. TIBBS: Could Grand Falls-Windsor get the rest of the money that's remaining?

J. HAGGIE: Well, after Gander, yes.

C. TIBBS: Thank you, Minister.

2.3.01, Local Governance and Planning, under Salaries, Minister, Salaries were \$40,000 over budget and have increased approximately \$70,000. What does this represent?

J. HAGGIE: There are two there. One is we've staffed up and filled vacancies; the other is there's a pay adjustment from collective agreements.

C. TIBBS: Thank you, Minister.

Under Professional Services, expenditures were \$17,000 over budget, what was the reason for this, Minister?

J. HAGGIE: We pay per diems to the adjudicators for the appeals and this represents their hard work.

C. TIBBS: Much appreciated. Thank you, Minister.

Purchased Services were \$25,000 over budget, what was the reason for this, Minister?

J. HAGGIE: Consulting costs.

C. TIBBS: Minister, why was the provincial revenue \$9,500 below what was expected?

J. HAGGIE: This is fees paid when appeals are filed and we've had less.

C. TIBBS: Thank you, Minister.

I'll move on to 2.3.02, Canada Community Building Fund, Salaries are under budget, what was the reason for this?

J. HAGGIE: We have a vacancy. It has not been filled, as of yet.

C. TIBBS: Thank you, Minister.

Professional Services utilized approximately 10 per cent of this budgeted amount. Why was the same allotment maintained in '24-'25?

J. HAGGIE: This was for consulting services. The Municipal Capital Asset Management framework, which is basically housed in TI, but was flowing through here, that's utilization of that money from them. I think it's essentially done.

C. TIBBS: Thank you, Minister.

Minister, approximately one quarter of the Grants and Subsidies budgeted was expended in revised figures, yet the amount is increasing. What's the reason for this, Minister?

J. HAGGIE: A carry over. Again, it's a federal share, as it were, of projects we approve and it's demand driven. If you don't use it, you don't lose it. It sits there.

C. TIBBS: Gotcha, it just sits there. Perfect.

Thank you, Minister. That's all I have.

CHAIR: Okay.

The Member for Labrador West.

J. BROWN: Thank you, Chair.

Given that some low-income housing projects are having a hard time getting through zoning and stuff with municipalities, and some municipalities have rejected projects, has your department gotten involved with municipalities to have discussions on zoning and how they could work together to get some of these housing projects built?

J. HAGGIE: Zoning is an interesting issue and it's often brought up. If you have a municipal plan, then, by and large, it's an issue of registering any changes the council chooses to make with the department. The department really doesn't have much of any role, really, within a municipality that has a municipal plan.

Areas that fall outside that, where there is either a regional plan or some issue with land designation, those are actually very infrequent. The bulk of our zoning work, in actual fact, seems to be – from where I sit – alterations to SJURRP, the St. John's Urban Region Regional Plan. Those are demand driven by communities and what we try and do is make sure that they're dealt with as quickly as possible. But there's a process there that's laid out in terms of submitting an application, consultation, and then coming back to register it.

We're conscious of the concerns around housing. We have stated in other for a, and I'm happy to state again, that any municipality that wants to get involved in housing, there's no legislative impediment even under the old act for them to do that.

If there is a municipality out there that thinks there's a problem with legislation or zoning, ring the department. We've said repeatedly. As yet, we haven't had any calls.

J. BROWN: Thank you so much for the clarification, Minister.

Will there be refresher courses mandatory for training under the *Municipal Conduct Act* for councils that are already sitting?

J. HAGGIE: We haven't made that mandatory. I mean, we're trying to store up, as it were, modules that were referenced earlier were delivered online for asynchronous review. So if you, as a councillor, feel that you are not sure about that module, there will be, if they're not already, available online from earlier and you can go back and sort of re-watch it.

J. BROWN: Okay.

J. HAGGIE: But we don't propose to make these things too onerous. There's a continuous churn of councillors. We have a steady trickle of by-elections and, obviously, that brings new people, new views and then the discussion in council, between someone who's just had their training and someone who had it a couple of years ago, will naturally stimulate some kind of discussion.

I mean, obviously, with the municipal elections on a scheduled basis, there may be a surge there and we'll try and be ready for that.

J. BROWN: Oh, perfect. Thank you, Minister.

Given that there have been some very public issues within municipalities recently, given the municipality conduct, has there been any work now to review some of that stuff that's going on in some of the municipalities throughout the province that is quite public, I guess?

J. HAGGIE: The challenge is that when you get a new piece of legislation like that, there's a learning curve for everybody. It's very much designed, that piece of legislation, a bit like the way the House looks after itself. The council has to do the same thing.

We're not, as a department, or as a provincial government wanting to adopt any kind of paternalistic tone where we kind of insert ourselves into what, one would hope, are rational representatives of the community from doing what they feel is in their best interest. I think, as a piece of legislation or a new technique, as it were, enters the arena it's used an awful lot and then people kind of calm down and figure out what makes sense and what doesn't. It's up to the council to decide whether or not a complaint has any merit. If it does, to take it somewhere and if it doesn't, it dies.

Certainly, we have had some correspondence from some councillors or some individuals who feel that the act has been turned into something it was never intended to be. Like my comments earlier on, with the *Towns and Local Service Districts Act* and the regulations, it may well be, at some point, there is a way of helping that along by an amendment or a regulatory change. We're certainly open to those discussions.

J. BROWN: Perfect, thank you.

MNL has stated that municipalities often lack human resources needed to meet their administrative, legislative and service requirements. Is there anything new in this budget to help with that burden or help facilitate maybe a way forward for those municipalities that are lacking?

J. HAGGIE: Well, two things – there is a very immediate one. When the budget is supported and goes through, \$400,000 for training. That is certainly one of the reasons, I think, behind MNL and PMA both wanting that kind of support. I think the other piece is a broader discussion of whether and how support can be arranged for communities.

I do know that MNL, for its members, offers some legal advice. I think they get two hours free, over the course of a year, to use with a reputable law firm to provide them

with legal advice free at the point of use kind of thing.

So those kinds of things, for me, would suggest ways of helping. We've talked about financial support, even as a service and how would you provide that. We've also had discussions about whether or not there's some kind of resource HR pool of people who would have experience in municipal administration who would be available to fill in at short notice, akin to the locum pool that we talk about for physicians and nurses.

J. BROWN: Okay. Thank you so much for that.

How many special inspections has the department conducted in the past year and does the number reflect the increase or decrease over the previous year?

J. HAGGIE: That number I don't have, but we can find it for you.

J. BROWN: Oh, perfect. Thank you so much.

I know that the association for municipal enforcement had some concerns with the *Towns and Local Service Districts Act* in their role within the act. Has that been worked out with them because they did have some concerns over that?

J. HAGGIE: I think the concern that I was aware of was a misunderstanding. There are seven communities where municipal enforcement officers have an exemption under the *Highway Traffic Act* that allows them to provide tickets for moving violations because, otherwise, a municipal enforcement officer, for example, can only provide static. Those are not affected.

This piece of legislation does not speak to those exemptions under the *Highway Traffic Act*. So those that have it, like Gander, I think Grand Falls as well, they still have it.

J. BROWN: Okay.

I know that there are some other concerns they had with, like language, I guess even their title and stuff like that they had some concerns with, and they said that they felt like they weren't consulted with. Have they been consulted with since and brought up to speed?

J. HAGGIE: Well, I mean, certainly, I have responded to the municipal enforcement group or individuals that corresponded with me. In a more formal way, one would anticipate the municipalities talking to their enforcement officers.

J. BROWN: Perfect. Thank you so much for that, Minister.

Has this department been active in trying to find or training more technicians to manage the safety and quality of water supplies in rural areas, particularly those with long-standing boil orders?

J. HAGGIE: We supply some funding to communities for water operator certificates and, indeed, because their course is held in Gander and their annual meeting, I often go and hand them out. There always seems to be over 20 or 30 every year, along with awards, in actual fact.

We have been, through Environment and their Water Resources Management group, came to encourage some of the bigger municipalities. I mean, Gander has got the Cadillac of water treatment plants and it has almost evangelical staff who are extremely qualified. They are happy, even on an informal basis, to take calls from communities around the Loop. One of the advantages of that meeting in Gander is these folk come in, meet people and realize their problems aren't unique and then find that they can discuss with them.

I think, slowly, we're whittling away at the boil water advisories and this kind of stuff,

but I'm sure you'd get a far better answer from Minister Davis.

J. BROWN: Okay, perfect.

I appreciate that answer though, thank you so much.

How many applications for the Building Age-Friendly Community Grants were received and will there be increases given? There has to be a bit of a demand for this project.

J. HAGGIE: We announced those very recently, I think. There was a release earlier this week. I would have to defer to one of my staff to actually give you the number that were awarded, I would be guessing.

CHAIR: Stephen Mercer.

S. MERCER: We received 107 applications. There were a total of 40 funded for a total of 619,000.

J. BROWN: Perfect.

Given the large uptake, has there been any talks of increasing the amount given out, or increasing the budget to facilitate some of these projects?

J. HAGGIE: I'm not sure what the word would be – bearing in mind this is a financial committee, but if you notice the 619,000 is \$119,000 more than was actually budgeted for it. So don't say that too loud when Minister Coady is around, will you.

We are not in a position to kind of pre-commit. We wanted to test the waters. Certainly, there were a lot of really good quality proposals and we were able to fund the top three scores where, at one point, we thought we may only be able to fund the top two. So I think we stretched it as far as we could.

The asset test of that is next year: What's the situation? Are they all complete? We have had cases where some of these

projects have started and never finished and some of them have never started. So I want to see what the implementation is like before I would commit to a definite answer, but certainly these are the things that we're interested in doing because one of the emphasis through Health Accord is trying to make communities healthier.

J. BROWN: Thank you so much.

Under the Community Enhancement, how many communities availed of that funding in the past year?

J. HAGGIE: I wouldn't have the number by community, but we can get that for you.

J. BROWN: Perfect.

CHAIR: Okay, the Member's time has expired.

Does the Member for Grand Falls-Windsor - Buchans have any additional questions?

C. TIBBS: No additional questions.

CHAIR: Okay.

We'll go back to the Member for Labrador West.

J. BROWN: I have one.

When the numbers of hours qualified for EI for the Community Enhancement programs changed last year, how did this effect the funding of the program and did the department have to increase funding or cancel some?

J. HAGGIE: We didn't actually have to increase funding. We didn't know what the impact was. We worked out the eligibility criteria and obviously the delta of how many hours needed to be funded, but it worked within the budget.

J. BROWN: All right, perfect.

That's all my questions.

CHAIR: Okay, thank you.

I'll ask the Clerk to recall the subhead.

CLERK: Municipal Support, 2.1.01 to 2.3.02 inclusive.

CHAIR: Shall Municipal Support, 2.1.01 to 2.3.02 inclusive carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 2.1.01 through 2.3.02 carried.

CHAIR: I'll ask the Clerk to call the total.

CLERK: Total, Department of Municipal and Provincial Affairs.

CHAIR: Shall the total of the Department of Municipal and Provincial Affairs carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, Department of Municipal and Provincial Affairs, total heads, carried.

CHAIR: Thank you, Minister and staff.

Do you have any additional comments?

J. HAGGIE: No, it was fun. We should do it again next year.

CHAIR: Yes.

C. TIBBS: Same time, same place.

CHAIR: Okay, so the next meeting of the Social Services Committee is on April 26 at 9 a.m. to consider the Estimates of the Newfoundland and Labrador Housing Corporation.

The Committee reviewed and passed without amendment the Estimates of the Department of Municipal and Provincial Affairs.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, Estimates of the Department of Municipal and Provincial Affairs carried without amendment.

CHAIR: I'll ask for a mover to adjourn the meeting.

L. STOYLES: So moved.

CHAIR: So moved by Mount Pearl North.

All right, we are adjourned.

Thank you very much. I will do this one again.

On motion, the Committee adjourned.