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| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
| Alberta | 26e | 3e | Remarques préliminaires à l'étude des crédits | 2 mai 2007 | M. Dave Hancock | Ministre de la Santé et du Bien-être | PC |

**Mr. Hancock:** Thank you, Mr. Chairman. It is indeed a privilege to be the first up with respect to our new Committee of Supply structure and hopefully plow the first ground, so to speak, with this, I think, exciting opportunity to really delve into the estimates and to be held accountable for the spending that we hope to be able to engage in on behalf of Albertans.

So as the first order of business, of course, according to the Standing Orders it's my privilege to move the 2007-08 government estimates for the general revenue fund and lottery fund for the fiscal year ending March 31, 2008, as well as the 2007-2008 offices of the Legislative Assembly estimates for the same period.

Mr. Chairman, it is a new procedure with us. Public Accounts previously had met in the Chamber with officials on the floor, but it's been some time since we've had the opportunity to engage in public accounts in this way. Joining me today are my deputy minister, Paddy Meade; assistant deputy minister of corporate operations, Ray Gilmour; executive director and senior financial officer, Peter Hegholz; my executive assistant, Fred Horne; and communications director, Michael Shields. We are also joined by other staff in the members' gallery: Annette Trimbee, the assistant deputy minister for strategic directions; Richard Butler, assistant deputy minister of health workforce; Janet Skinner, assistant deputy minister of program service; Linda Miller, assistant deputy minister in information and strategic services; Neil MacDonald, executive director of population health strategies; Jason Cobb, acting director of ministry relations in the deputy minister's office; and Martin Chamberlain, who is our corporate legal counsel.

So suffice to say, Mr. Chairman, I hope that I have all the talent and ability necessary to be able to answer any of the questions that may be raised in Committee of Supply today. But, of course, cognizant of the rules and because I would do it anyway, we would be happy to provide written responses to any questions that aren't dealt with verbally on the record within the two-week time frame that is provided for in the new rules.

I want to start, first of all, by saying a public thank you on the record to the department officials who are here today with us and whom I've just introduced. I've had a very short period of time to work in this department, but I can say that my experience in the Department of Health and Wellness, as my experience in various other departments that I've served, is that we are truly blessed with the quality of senior civil servant that we have and, I would say, the quality of the civil service that we have serving Albertans. The Department of Health and Wellness is certainly blessed to have a wealth of talent and ability, and I'm privileged to be able to work with these people. Having said that, I'm sure that they'll make sure now that I get good answers very quickly to all the questions.

The 2007 to 2010 business plan for the Ministry of Health and Wellness identifies three core business and six corresponding goals. The core businesses are to advocate and educate for healthy living, to provide quality health and wellness services, and to lead and participate in continuous improvement in the health system. Our overarching business plan goals are that Albertans make choices for healthier lifestyles, that Albertans' health is protected, that access to health services are improved, to have a contemporary health workforce, that health service outcomes are improved, and to ensure health service efficiency, effectiveness, innovation, and productivity. Our vision is for Albertans to be healthy and to live, work, and play in a healthy environment. Our mission is to “provide leadership and work collaboratively with partners to help Albertans be healthy.” The government of Alberta has identified five priorities, and the Ministry of Health and Wellness directly supports the achievement of the provincial priority to improve Albertans' quality of life.

The Health and Wellness ministry is also making a significant contribution to the government priority of managing growth pressures by providing funding to respond to the recommendations from the Oil Sands Ministerial Strategy Committee on impacts of development in the oil sand communities and, of course, the stellar work that's happening on the workforce strategy.

Our business plan identifies opportunities and challenges over the next three years. These include health system sustainability, addressing workforce shortages, controlling the rising costs of prescription drugs, promoting disease and injury prevention, improving access to health services, improving governance and accountability, and taking advantage of innovation, research, and technical opportunities to increase Alberta's productivity and global competitiveness.

After reviewing these challenges, the ministry has identified four priorities in addition to the important ongoing core activities that the Health and Wellness ministry undertakes. These are implementing health care productivity reforms and sustainability initiatives; implementing a new pharmaceutical strategy to improve management of drug expenditures and ensure access to sustainable government drug coverage; strengthening public health services that promote wellness, prevent injury and disease, and provide preparedness for public health emergencies; and implementing a comprehensive workforce strategy to secure and retain health professionals. The 2007-08 budget for Alberta Health and Wellness will help us to address these challenges and achieve our goals and priorities.

Mr. Chairman, our ministry's budget this year reflects a $1.3 billion, or 12.2 per cent, increase over the previous year. The ministry's budget is now $12 billion. In two years the Health and Wellness ministry budget is expected to exceed $12.8 billion, an increase of almost 20 per cent from the 2006-2007 forecast. Operating grants for health authorities will increase by $574 million, or an average of 9.5 per cent, to $6.6 billion. No regional health authorities will receive less than a 6 per cent increase in the 2007-2008 year.

It's important for Members of the Legislative Assembly to know how funds are being allocated to the health regions. The funding allocation model is based primarily on population and ensures that funding follows the person. No matter where a person is receiving service, the region providing the service receives the funding necessary to deliver that service. This is very important in a dynamic province such as Alberta. Health regions also have different costs for delivering service as a result of a variety of factors, such as the remote population in rural regions. The funding allocation model recognizes these differential costs in determining an equitable allocation to each region. Quite simply, the funding model calculates a per capita funding amount which varies by region to reflect the variances in age, gender, socioeconomic status, health characteristics, delivery costs, and other factors.

There is $291 million being allocated to regional health authorities through their base funding for mental health services in 2007-08. This is an increase of $23 million, or 8.5 per cent.

The Northern Lights health region will receive the highest operating increase this year, at 81.5 per cent. This increase includes the special provision of $58 million for the operation of new community clinics in Fort McMurray and to provide the same allowances for health staff that are currently provided to provincial employees in that region. The money will assist Northern Lights health region in providing health services to a transient population in a high-growth area.

Capital health is receiving almost $2.3 billion in operating funding this year, which is a 9 per cent, or $190 million, increase. In addition, the capital plan includes approximately $780 million over the next three years to continue with previously approved capital projects in the capital region.

The Calgary health region is receiving almost $2.2 billion in operating funding this year, which is a 9.3 per cent, or $187, million increase. The operating increase reflects the pressures the health region is facing from population growth. The capital plan also includes $835 million over the next three years to continue with previously approved capital projects in the Calgary health region.

Funding totalling $8 million will go to Peace Country health to assist with the extraordinary costs of staff recruitment and retention.

This year's budget for the Cancer Board is $277 million, an increase of $21.5 million, or 8.5 per cent. Funding to the Alberta Mental Health Board is $58 million this year, an increase of $4.6 million, or 8.6 per cent.

The budget for physicians' services in 2007-08 rises to $2.4 billion. The increase includes the cost of the trilateral master agreement between the Alberta Medical Association, regional health authorities, and the Ministry of Health and Wellness for physician services. As part of the agreement $38 million has been set aside for a clinical stabilization initiative this year. The initiative will be used as a recruitment and retention initiative to support communities facing unique health delivery needs and to address extraordinary increases in physician practice costs, such as rising office rents.

There will be $47 million from the master agreement for a new retention benefit, which will recognize physicians for the number of years that they have practised. The physician office system program has been allocated $34 million this year to assist physicians in converting their offices to electronic environments. The increase for physician services also includes an additional $25 million to address growth in the existing academic alternate relationship plans and new academic ARPs. These are compensation models that address the multiple roles of academic physicians in teaching, research, and clinical services.

Mr. Chairman, to turn briefly to capital expenditures, over the next three years Alberta Health and Wellness is spending more than $2.6 billion in health facilities infrastructure and project cost escalation. This includes funding for more than 30 previously approved health projects and $221 million for increased cost escalation on previously approved projects.

You're looking at me like I'm running out of time. I am. Okay.

The new capital projects this year are in Grande Prairie and Fort McMurray, $250 million being allocated over three years to build a new acute-care facility in Grande Prairie. Northern Lights will receive $26.4 million for housing units for health care providers, a helipad at Northern Lights regional health centre, and new community clinics, all responding to the rapid growth and the oil sands development report.

Mr. Chairman, I'll leave it there, and I'm sure that I'll have an opportunity to give more of the good news in the course of the afternoon.