

Managing growth pressures

February 26, 2007

Funding for Fort McMurray helps meet urgent needs brought on by oil sands growth

\$396 million over three years will address critical report recommendations

Edmonton... Significant new funding to complete new water and wastewater treatment facilities, 300 affordable housing units and address health pressures in Fort McMurray is part of immediate action the Government of Alberta is taking to address critical growth pressures brought on by the rapid pace of oil sands development.

"These projects are seen by the Alberta government and community leaders as critical to keeping Alberta's economic engine running strong well into the future," said Premier Ed Stelmach. "We are very fortunate to be in a strong fiscal position and able to reinvest in projects to meet the unique needs of the community and the people who support the resources."

Starting with Budget 2007-08, and over the next three years, more than \$396 million will support one of the Government of Alberta's top five priorities: managing growth pressures. The funding announcement is in response to the report: *Investing In Our Future: Responding to the Rapid Growth of Oil Sands Development*. Former Alberta deputy minister Doug Radke was asked by the Oil Sands Ministerial Strategy Committee to complete the report that presents 30 recommendations to address current and anticipated challenges surrounding oil sands developments, the impact on communities and on the province as a whole.

"Albertans are proud of the province's economic prosperity and quality of life and want government to take action to ensure it is sustainable," said Justice Minister and Attorney General Ron Stevens, the chair of the committee. "Government's quick acceptance of many of the recommendations and today's significant funding announcement is a clear signal that it intends to do just that."

Additionally, as recommended in the report, an Oil Sands Sustainable Development Secretariat will be established to coordinate and improve planning, communications and service delivery to the region. Its first task will be to do a detailed analysis of other recommendations that require a more thorough review.

Details of the funding are attached. The full report is posted online at www.gov.ab.ca/oilsandsreport.

This investment is one of the key actions under Premier Ed Stelmach's plan to manage growth pressures. Other priorities for the government are to govern with integrity and transparency, improve Albertans' quality of life, build a stronger Alberta and provide safe and secure communities.

- 30 -

Backgrounders: overview of funding, introduction to the report and Radke's biography.

Cathy Housdorff, Alberta Justice
(780) 719-4104

Tom Olsen, Office of the Premier
(780) 427-2251

To call toll-free within Alberta dial 310-0000.

Backgrounder

Funding will address critical, immediate needs

Health and Wellness:

"Meeting the immediate and future challenges of growth pressures requires new ways of thinking and new approaches to health care delivery," said Health and Wellness Minister Dave Hancock. "Our plan for retaining and attracting health care workers combined with innovative health care delivery through primary care clinics will help patients get the quality, timely care they need. This is a golden opportunity to move away from the more traditional or conventional methods of delivering health care services not only in this region but province-wide."

\$206.4 million to address health pressures

- \$57 million/year for 2007-08 and 2008-09 and \$63 million for 2009-10 to address health-related growth pressures. Funding will also be allocated to provide a northern living allowance to health workers in the Northern Lights Health Region. *Response to recommendation 21(b)*
- \$26.4 million to build three health clinics, staff accommodations and a helipad.
- Northern living allowances for health workers in Peace Country Health Region (above the 57th Parallel). *Response to recommendation 21(b)*:
 - A northern allowance over and above regular pay is provided to employees who work in Fort McMurray or applicable locations north of the 57th Parallel (\$525 per month for northern locations and \$1,040 per month for Fort McMurray).
- \$1 million/year for three years for emergency medical funding.

Infrastructure and Transportation:

"Government is stepping forward with additional funds to help speed up the completion of the water and sewage treatment plants in Fort McMurray," said Infrastructure and Transportation Minister Luke Ouellette. "There are unique growth pressures in Fort McMurray and they demand unique solutions."

\$103 million to complete water treatment and wastewater facilities

- \$35 million in 2007-08 and \$34 million/year in 2008-09 and 2009-10 will provide the Regional Municipality of Wood Buffalo with \$103 million in new funding to build a replacement sewage treatment facility and upgraded water treatment plant in Fort McMurray. Combined with the previously-announced \$136 million, four-year interest-free loan, this funding will substantially contribute to the cost of the new facility and upgrades. *Response to recommendation 20(b)*.
- Remaining funding is available to the Regional Municipality of Wood Buffalo through ongoing existing grant programs.
- The new facility and upgrades are estimated to cost over \$300 million and would provide potable water and sewage treatment for up to 133,000 residents - more than double the current population.

Municipal Affairs and Housing:

"Housing is one of Fort McMurray's highest priorities," said Municipal Affairs and Housing Minister Ray Danyluk. "The government has identified several projects to help address immediate and short-term housing pressures in the community."

\$52.5 million for affordable housing, shelter operations and rent supplements

- \$45 million will develop 300 affordable housing units in the Regional Municipality of Wood Buffalo. Municipal Affairs and Housing, through the sale of Parcel D to a private developer, has ensured that serviced land suitable for the development of 300 units will be transferred to the Wood Buffalo Housing & Development Corporation for a nominal sum in July 2007. The housing units will be constructed over the next year and targeted to working households with a total household income of up to \$72,000. Rental rates will be set at a minimum of 10 per cent below market for a 20-year term. *Response to recommendation 18(a).*
- \$1 million/year for three years will assist approximately 150 households per year with housing costs. These rent supplements will be directed towards workers in the service and support industry such as teachers, nurses and municipal and provincial employees in order to attract and retain workers in these areas. *Response to recommendation 19.*
- \$1.5 million/year for three years to assist Marshall House with the operating expenses of transitional and shelter spaces. Marshall House accommodates up to 100 homeless individuals and supports the transition from a homeless or near homeless situation to permanent housing. *Response to recommendation 24(a).*

\$34.4 million in additional funding supports:

- \$1 million/year for three years to complete the Land Use Framework. *Response to recommendation 13.*
- \$5 million/year for 2007-08 and 2008-09 and \$5.5 million for 2009-2010 to establish an Oil Sands Division within Alberta Environment. *Response to recommendation 10.*
- \$2 million/year for three years for additional staffing within Sustainable Resource Development in the oil sands areas. *Response to recommendation 10.*
- \$1.1 million/year for three years to establish the Oil Sands Secretariat. *Response to recommendation 7(c).*
- \$1.2 million/year for three years to provide planning support to the Regional Municipality of Wood Buffalo. *Response to recommendations 16, 17 and 20(a).*
- \$1 million/year for three years to improve access to child care. *Response to recommendation 25.*

Cathy Housdorff, Alberta Justice
(780) 719-4104

Tom Olsen, Office of the Premier
(780) 427-2251

Michael Shields, Alberta Health and Wellness
(780) 427-5207

Jerry Bellikka, Alberta Infrastructure and
Transportation
(780) 415-1841

Tracy Balash, Alberta Municipal Affairs and
Housing
(780) 415-4758

To call toll-free within Alberta dial 310-0000.

Backgrounder

February 26 2007

Investing in our Future: Responding to the Rapid Growth of Oil Sands Development

The rapid pace of oil sands development over the past several years has provided many benefits to the province and the country. However, this surge in growth has also caused stresses and strains throughout Alberta, particularly on infrastructure, housing and transportation.

The Oil Sands Ministerial Strategy Committee, chaired by Alberta Justice Minister and Attorney General Ron Stevens, was directed by government to develop a coordinated action plan to address the impact of oil sands development in local communities. The *Investing in our Future: Responding to the Rapid Growth in Oil Sands Development* report was completed to support that initiative.

Specifically, the objectives of the report are to provide:

- A realistic growth forecast for the next three to five years for the oil sands in consultation with government departments and industry.
- An assessment of current and anticipated gaps in core government services resulting from pressures related to oil sands development.
- Recommendations on a coordinated plan to remedy the gaps.
- A summary of short-term policy issues that require government resolution in order to more effectively manage growth and development, as well as options for action.

To achieve these objectives, a small study team lead by former Alberta government deputy minister Doug Radke, was assembled to review existing reports, government business plans, community planning documents as well as population and oil sands development forecasts. A wide range of government departments, industry members, municipalities, Aboriginal representatives and non-governmental organizations were consulted. The result is a comprehensive report outlining the current context of oil sands development, forecasts for future oil sands development, as well as identified and anticipated gaps in essential services and supports. The report also contains recommendations for a proactive and focused planning effort to anticipate and manage Alberta's oil sands growth.

February 26, 2007

Doug Radke: Biography

The Oil Sands Ministerial Strategy Committee was directed by Cabinet to address the current challenges resulting from the rapid pace of oil sands development. With more than 35 years of government experience under his belt, Mr. C.D. (Doug) Radke was asked to lead a small group to complete a report addressing the current and anticipated challenges surrounding oil sands developments and their impact on communities and on the province as a whole. The findings are outlined in the report titled *Investing in our Future: Responding to the Rapid Growth of Oil Sands Development*.

Raised on a farm in Central Alberta, Mr. Radke graduated from High School in 1963 and attended the University of Alberta where he earned an Honours degree in Political Science and Economics in 1967. He received his Masters of Arts in Public Administration from Carleton University in 1971.

In 1968, Mr. Radke joined the Alberta Government in the department of Agriculture. After taking leave to pursue his education, Mr. Radke returned to the Alberta Government where he served as Secretary-Manager of the Alberta Agricultural Products Marketing Council from 1971. He became executive assistant to the Deputy Premier of Alberta and Minister of Agriculture in 1973. Later, he served as Executive Assistant to the Minister of Alberta Transportation, until he moved to the Alberta Motor Transport Board and he eventually became its Chair in 1976.

In 1979, Mr. Radke moved to Winnipeg to work in the Grain Transportation Agency for Transport Canada under a Canada/Alberta Executive Interchange Agreement. He became acting coordinator for the Grain Transportation Agency in 1981.

Mr. Radke returned to Alberta in 1982 as Assistant Deputy Minister of Agriculture and was appointed Deputy Minister of Agriculture in 1993. He retained this post until he became Deputy Minister of Alberta Environment in 1999. He served in that capacity until becoming Deputy Minister of Municipal Affairs two years later. Mr. Radke retired from government in 2002. He is now working as a consultant and enjoys spending time with his family.

- 30 -

Alberta Government Home | Ministries Listing | News Releases | [Top of Page](#) |

Send us your comments or questions

Copyright(c); 2006 Government of Alberta

Return to [Government Home Page](#)