

Exhibit- 12

Health Portfolio (Canada)

The Minister of Health is responsible for maintaining and improving health of Canadians. This is supported by the **Health Portfolio** which comprises Health Canada, the Public Health Agency of Canada, the Canadian Institutes of Health Research, the Patented Medicine Prices Review Board and the Canadian Food Inspection Agency.

The Health Portfolio consists of approximately 12,000 full-time equivalent employees and an annual budget of over \$3.8 Billion.

*Needless to say, with its volume of responsibilities and diverse functions it is reasonable to conclude that the "portfolio" is particularly "risk prone" calling for dynamic risk mitigation, not only in functional terms but also in financial and economic terms. It has the makings of "Silo" risk management characterized by duplications of services, manpower, and costs to maintain. - **WJP***

Canadian Food Inspection Agency

Mitigating risks to food safety is the CFIA's highest priority, and the health and safety of Canadians is the driving force behind the design and development of CFIA programs. The CFIA, in collaboration and partnership with industry, consumers, and federal, provincial and municipal organizations, continues to work towards protecting Canadians from preventable health risks related to food and zoonotic diseases.

Canadian Institutes of Health Research

The Canadian Institutes of Health Research is Canada's premier federal agency for health research. Its objective is to create new knowledge that can be translated into improved health for Canadians, more effective health services and products and a strengthened health care system.

Health Canada

Health Canada is the Federal department responsible for helping Canadians maintain and improve their health, while respecting individual choices and circumstances.

Patented Medicine Prices Review Board

The Patented Medicine Prices Review Board is a quasi-judicial body that protects consumers and contributes to health care by ensuring that the manufacturers' prices of patented medicines are not excessive.

Public Health Agency of Canada

The Public Health Agency of Canada has been created to deliver on the Government of Canada's commitment to help protect the health and safety of all Canadians. Its activities focus on preventing chronic diseases, like cancer and heart disease, preventing injuries and responding to public health emergencies and infectious disease outbreaks.

In reference to the application of "**Enterprise Risk Management**" as described in **Exhibits 1 and 2**, the method of "capturing ALL of the risks of the related departmental "sections" would be for EACH entity (shown above) to perform a "risk analysis" and show the other related departments **as stakeholders** and complete the process by identifying the "risks" affecting the other health entities.

There is a much better "alternative" that would reduce possibly "duplications of effort" among the different "health entities".

(Please recall this simplified graphic of the ERM process:

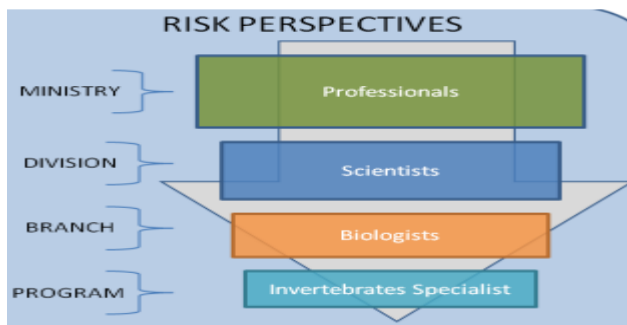


(It was stated in the above exhibits that it is **imperative** that **ALL** "stakeholders" **be identified in the process**, as they can create more "risks" or could be inversely affected by actions taken by the enterprise attempting to mitigate its own risks! The "**Identify risks**" step is completed only after establishing the "context" which normally includes ALL stakeholders involved with the entity practicing "risk mitigation". -**WJP**)

So, what is the alternative solution to the immediate above process? Firstly, ALL stakeholders have still to be identified (e.g. the other members of the Health "folio" and outside stakeholders).

However, there is no need for **each** health entity to duplicate the same process. Here is how:

Structure each division as "RISK PERSPECTIVES" through a "ROLL-UP" feature (example):



(Use the "names" of each entity in the "Health Porfolio" Canada(in the "left" column) and in the "right" column any description of risk functions desired.

This consists of the **collation of individual risk assessments of each health department, division, branch or program.**

Essentially this would entail gathering disparate and separate individual branch risk assessments and **using them to complete a comprehensive register** of an organization's strengths and vulnerabilities (ALL risks) . Additionally, this identification of common causes may help support support a business case for a revised corporate system, prioritize resources, **or importantly defend decisions.**

(This latter process is used by the BC Government and the Australia Govt through a separate "risk" agency/function in their structures- again NOT the TBS variety!!)

-WJP