

Exhibit 9. Risk Management by the BC Government and Provincial Public Sector

The BC Government had the foresight of implementing ERM in 2002, when the risk process was just beginning to mature and being accepted world wide. While there were "growing pains" at that time due to the lack of experience in ERM and the concept was still experiencing lack of "acceptability" it did not deter the provincial government from moving forward. The information that follows attests to that statement.

Today, the BC model should be followed by ALL governments Federal and Provincial. It's the "Platinum" application model of Enterprise Risk Management (ERM) for governments.

Wilfred J Pelletier CPA CMA; FMA

*Resident in the **Risk Management Branch**, the **Government Chief Risk office**, determines risk management policy, processes and practices, and assures risks are identified and appropriately managed for the B.C. government and provincial public sector.*

*(Please note that "risk" is **NOT MANAGED BY THE TREASURY BOARD** such as is the case with the Federal Government, **TBS** being the undesirable and inefficient "self-appointed steward" of risk management in that jurisdiction- (discussed elsewhere in this presentation)- **WJP**)*

*Furthermore, while the **management responsibilities** lie within the BC Government ordinance, **the stewardship of the BC ERM** program lies with the Provincial **Auditor General** who reports to the BC Legislature a process "missing in action" with the **Federal Government (TBS)** version of "stewardship"*

*(Please refer to this [link](#)) for detailed information for the viable and comparative use of **Enterprise Risk Management (ERM)** by the BC Government and adherence to universal standard **ISO 31000-2018**.)*

The BC Enterprise Risk Program:

1. Appoint a senior ERM coordinator (ADM or equivalent) to oversee the implementation and ongoing management of ERM, and ensure the maintenance of ministry-wide registers.
2. Utilize the Risk Management Branch's [approved ERM process](#) (government access only), tools, training and guidance, or consult with the Risk Management Branch to modify the tools if needed.
3. Conduct an assessment of Enterprise Risk Management implementation within their ministry using the [Risk Maturity Self Assessment model \(DOCX\)](#) (government access only) developed by RMB and report the results to RMB every three years.
4. Compile and maintain ministry-level risk registers following a government-wide standard process and format, and provide a copy to the Government Chief Risk Office, Risk Management Branch annually.
5. Track and record progress of planned risk mitigations and provide to RMB semi-annually.
6. Retain risks that remain after mitigation.

*The B.C. government's [Risk Management Guideline for the B.C. Public Sector \(PDF\)](#), (dated April **2019**) **aligns with the CSA ISO 31000 standard**, provides a structure for managing risk and implementing effective ERM Programs across the B.C. public sector.*

In this context, "enterprise" is defined as the whole of government, including all B.C. government ministries and all public sector organizations that work together to provide services to British Columbians.

BC's ERM program is "light years" ahead of the dysfunctional version being "marketed" by the Treasury Board of Canada Secretariat, genetically and incorrectly labelled by them as

To be noted also, the **Chief Risk Office** Reports **DIRECTLY** to the BC Minister of Finance, BUT- the **stewardship** of the **ERM** program is done by the independent Auditor General who reports directly to the BC General Assembly and **NOT** to the BC Minister of Finance. **NOR is the stewardship done by a firm of public accountants** (as is done by "Federal Treasury") unless the AG desires (and supervises) a **need** for such service!)- **WJP**.

By comparison the **BC Government "Core Policy and Procedure Manual, Chapter 14**(CPPM14)" provides risk management direction to ministries, Crowns and public sector agencies. It assigns specific risk management roles and responsibilities, **establishes the Enterprise Risk Management (ERM) framework and policy throughout the public sector** and details specific risk management and reporting processes and tasks.

While it too is extensive, there is one **BIG** difference between it and the **TBS** "risk management" version:

*It's the large magnitude of public **reference sources** available from other organizations that can be utilized or accessed in either forming a new risk policy and/or updating the current government risk planning in place-at NO or very little \$cost.*

In other words, there is no need to "re-invent the wheel" such as TBS has done and/or are doing. ---WJP