

Chapter 3

Section 3.10

Ministry of Public and Business Service Delivery

Electrical Safety Authority

Standing Committee on Public Accounts Follow-Up on Value-for-Money Audit, 2020 Annual Report

On October 6, 2021, the Standing Committee on Public Accounts (Committee) held a public hearing on our 2020 audit of the Electrical Safety Authority. The Committee tabled a report on this hearing in the Legislature in April 2022. A link to the full report can be found at auditor.on.ca/en/content/standingcommittee/standingcommittee.html.

The Committee made 13 recommendations and asked the Ministry of Public and Business Service Delivery (formerly the Ministry of Government and Consumer Services) to report back by August 2022. The Ministry formally responded to the Committee on

August 5, 2022. A number of the issues raised by the Committee were similar to the audit observations of our 2020 audit, which we followed up on in 2022. The status of each of the Committee's recommended actions is shown in **Figure 1**.

We conducted assurance work between March 2022 and September 2022, and obtained written representation from the Electrical Safety Authority and the Ministry of Public and Business Service Delivery that effective November 18, 2022, they have provided us with a complete update of the status of the recommendations made by the Committee.

Figure 1: Summary Status of Actions Recommended in April 2022 Committee Report

Prepared by the Office of the Auditor General of Ontario

RECOMMENDATION STATUS OVERVIEW						
# of Actions Recommended	Status of Actions Recommended					
	Fully Implemented	In the Process of Being Implemented	Little or No Progress	Will Not Be Implemented	No Longer Applicable	
Recommendation 1		3				
Recommendation 2	3					
Recommendation 3		1				
Recommendation 4	3					
Recommendation 5	3					
Recommendation 6	3					
Recommendation 7			2			
Recommendation 8			1			
Recommendation 9	2					
Recommendation 10	1					
Recommendation 11			2			
Recommendation 12			1			
Recommendation 13	2					
Total	27	17	10	0	0	
%	100	63	37	0	0	

Overall Conclusion

As of September 2022, 63% of the Committee's recommended actions had been fully implemented, and 37% of the recommended actions were in the process of being implemented.

Detailed Status of Recommendations

Figure 2 shows the recommendations and status details that are based on responses from the Electrical Safety Authority and the Ministry of Public and Business Service Delivery (formerly the Ministry of Government and Consumer Services), and our review of the information provided.

Figure 2: Committee Recommendations and Detailed Status of Actions Taken

Prepared by the Office of the Auditor General of Ontario

Committee Recommendation	Status Details
<p>Recommendation 1</p> <p>The Standing Committee on Public Accounts recommends that the Ministry of Government and Consumer Services:</p> <ul style="list-style-type: none"> establish outcome measures and performance targets for the Electrical Safety Authority that focus on cost efficiency and safety improvement in the electricity sector; Status: In the process of being implemented by March 2023. assess the Electrical Safety Authority's performance against these targets on a regular basis; Status: In the process of being implemented by March 2023. take corrective actions when the Electrical Safety Authority does not achieve the targets. Status: In the process of being implemented by March 2023. 	<p>In our 2020 audit, we found that the Ministry has not set or used meaningful operational performance metrics to ensure that the ESA is operating effectively and in a cost-efficient way to carry out its responsibilities under Part VIII of the <i>Electricity Act, 1998</i> and the <i>Safety and Consumer Statutes Administration Act, 1996</i> (the Acts). The Ministry's review is limited to the number of calls the ESA receives and the number of inspections it conducts each year to measure the ESA's operational performance. However, these numbers alone cannot be used to assess how well the ESA is managing its operations.</p> <p>In our follow-up, we found that the Ministry worked with the ESA to develop outcome measures and performance targets to focus on cost efficiency and safety improvement in the electricity sector. This included the Ministry completing a jurisdiction scan of similar regulators, such as the Bereavement Authority of Ontario, the Condominium Authority of Ontario, and the Ontario Motor Vehicle Industry Council, and creating a working group with the ESA, to develop outcome measures focused on cost efficiency and public safety. As a result, the Ministry set new measures to assess the ESA's operational performance against, including:</p> <ul style="list-style-type: none"> reducing combined critical injuries and electrical fatalities by 10% over a five-year rolling average; increasing the Organizational Excellence Index by 10% over five years; maintaining a stakeholder accountability score of 8.2 out of 10 over five years; and maintaining a contractor satisfaction rate of an average of 8.0 out of 10 over five years. <p>The Ministry told us that it plans to develop a percentage target measure of the number of high- and medium-risk notifications to be inspected by the ESA for fiscal 2022/23 and the ESA will use the current year to benchmark inspection volumes and determine appropriate targets accordingly. The Ministry plans to continue to work with the ESA to develop additional measures as needed. The Ministry committed to conducting a yearly assessment to evaluate the ESA's performance against its targets as part of its oversight activities. In addition, the Ministry revised the administrative agreement to include provisions which require the ESA to report to the Ministry any variances identified where the ESA does not meet its performance targets, with rationale for why the target was not met. The Ministry may also require the ESA to develop an action plan with a root-cause analysis for instances where performance targets are not met.</p>

Committee Recommendation	Status Details
<p>Recommendation 2</p> <p>The Standing Committee on Public Accounts recommends that the Electrical Safety Authority:</p> <ul style="list-style-type: none"> complete the replacement of the CEO Board position with a general member position representing the interest of consumers; Status: Fully implemented. establish a documentation and recordkeeping process for the appointment of new Board members; Status: Fully implemented. establish a process to ensure Board members are independent from the ESA's management. Status: Fully implemented. 	<p>In our 2020 audit, we found that the ESA Board did not have members representing consumers' interests. The bylaws which specify how many members must come from specific industries was silent on having anyone represent the interests of consumers. Furthermore, we also found that the bylaws allowed the ESA's CEO to be a Board member with full voting rights. Although the current CEO has never exercised his voting right, doing so could create a potential conflict of interest given that the Board is responsible for overseeing the CEO and approving the CEO's compensation.</p> <p>In our follow-up, we found that the ESA's Board revised its bylaw to replace the Board position held by the CEO with a member representing the interests of consumers. The ESA's Letters Patent has been also amended to remove the requirement to appoint the CEO as one of the 12 Board members. A new Board member representing consumers' interests was appointed, for a term of three years, effective December 3, 2021.</p> <p>We found in our 2020 audit that the ESA was not able to provide us with interview notes or completed score sheets to support the appointment of all of the current Board members. When we reviewed Board members' applications, we found that one Board member indicated that they are known to many ESA staff including the CEO. We found that given that the Board is tasked with overseeing the CEO's performance, current Board members should be independent, and without any pre-existing familiarity with the CEO.</p> <p>In our follow-up, we found that the ESA's Board adopted a new process to screen and appoint new Board members on March 11, 2021. According to the new process, a candidate must declare any conflicts of interest, including those that could result in a lack of independence from the ESA's management, during the application process. In addition, all members of the nomination committee must take notes and complete score sheets. The completed documents are then to be sent to the Corporate Secretary for recordkeeping purposes.</p>
<p>Recommendation 3</p> <p>The Standing Committee on Public Accounts recommends that the Ministry of Government and Consumer Services enable the Electrical Safety Authority to directly issue monetary fines. Status: In the process of being implemented by January 2023.</p>	<p>In our 2020 audit, we found that while the ESA investigators are given the power to investigate, execute search warrants, and compel evidence, the ESA does not have the power to directly issue monetary fines to anyone. Having the power to issue fines will allow the ESA to more efficiently target illegal installations without going through lengthy court proceedings.</p> <p>In our follow-up, we found that the Ministry, supported by jurisdictional research and stakeholder consultation, implemented legislative amendments and is developing the associated regulatory framework that would allow the ESA to issue administrative monetary penalties. The Ministry has drafted regulations which contain the details of the ESA's proposed monetary penalty regime. These draft regulations are subject to government planning, decision-making, and approval, which is expected to be completed by January 2023.</p> <p>A transition plan will be implemented by ESA to provide time for impacted stakeholders to be made aware of the new requirements.</p>

Committee Recommendation	Status Details
<p>Recommendation 4</p> <p>The Standing Committee on Public Accounts recommends that the Electrical Safety Authority:</p> <ul style="list-style-type: none"> refine and further develop its new risk-based inspection approach so that it will result in fewer inspections of low-risk installations and more inspections of higher-risk installations; Status: Fully implemented. set a target for the reduction of low-risk inspections and publicly report on its performance against this target; Status: Fully implemented. wherever possible without jeopardizing public electrical safety, conduct its inspections remotely. Status: Fully implemented. 	<p>In our 2020 audit, we found that the ESA's inspection approach since its inception has been to inspect most electrical installations it is notified of, without prioritizing high-risk installations over routine and simple installations, resulting in inefficient use of resources. By comparison, the authority in British Columbia, Technical Safety BC, inspects only 20% of installations that it is notified about, and has been using a risk-based approach for about 15 years. At the time of our audit, the ESA was in the process of implementing a new risk-based inspection approach that would both focus on high-risk installations and reduce the number of inspections.</p> <p>In our follow-up, we found that the ESA fully implemented a risk-based inspection approach in 2020 and has been inspecting installations notified based on its risk. The ESA's system is programmed to identify higher-risk installations by considering a number of factors such as the past performance of the licensed electrical contractor, the location and complexity of the installations, as well as other factors.</p> <p>In our 2020 audit, we found that the ESA's objective was to reduce its overall inspections rate from 67% to 57%, by reducing the inspection of low-risk notifications. In our follow-up, we found that the ESA had established a target of 20% to inspect low-risk installations and it also reduced its overall inspection rate from 67% to 54%. Although the overall inspection rate has been reduced to 54%, the inspection rate of low-risk notification is still above its established target of 20%. The ESA informed us that according to its current business rules, even some low-risk installations required inspections. For example, wiring a new house is a low-risk installation, however, the ESA's current business practice requires its inspectors to visit the house at least once before it is occupied. The ESA has implemented a process to continually monitor the inspection rate for each of its risk categories (low, medium and high) and these inspection rates will guide the ESA to re-visit the business rules and recommend adjustments to assist in reaching the target of 20%. We also found that, the ESA started to report publicly on its performance against the target for each category on its website, effective October 2022.</p> <p>We found in our 2020 audit that almost all the inspections were done by in-person observations, a much less efficient inspection method for more straightforward installations. Organizations similar to the ESA in British Columbia, Alberta, Manitoba and the Northwest Territories have for years been using photos and videos to inspect some installations (some for as long as 10 years). We also found that the ESA could significantly reduce the \$4 million it currently pays to operate the 310 vehicles its inspectors use by doing remote inspections.</p> <p>In our follow-up, we found that the ESA put in place processes to facilitate remote inspections and performed approximately 20,000 remote inspections between April 1, 2021 and August 31, 2021. At the start of each day, the computer system sends each inspector a list of the notifications that they can visit that day, with each being risk rated. The inspector has the option to conduct the inspection in-person or remotely depending on the complexity of the installation and other factors. Photographs and videos received as part of remote inspections are saved in a central repository. The ESA is also in the process of collecting information from remote inspections to further refine its remote inspection process.</p>

Committee Recommendation	Status Details
<p>Recommendation 5</p> <p>The Standing Committee on Public Accounts recommends that the Electrical Safety Authority:</p> <ul style="list-style-type: none"> • review the fees the ESA charges for homeowner installation inspections with an aim to maintain public compliance with electrical safety laws; Status: Fully implemented. • revisit the fee structure as a whole to identify where fees can be reduced; Status: Fully implemented. • identify and implement changes to streamline its operations and reduce operational costs. Status: Fully implemented. 	<p>We found in our 2020 audit that the ESA charges high inspection fees for its highest-risk installations, which are the ones done by homeowners themselves. According to our expert, installations done by homeowners, as opposed to those completed by experienced contractors, have a higher likelihood of being done incorrectly and being unsafe. Our audit found that the ESA's inspection fees for these installations are higher and, in some cases, more than double what contractors are charged for the same inspection. This can discourage homeowners from requesting an inspection and defeats the ESA's objective of improving public safety.</p> <p>In our follow-up, we found that the ESA completed a review of its fee schedule to identify where fees can be reduced. The ESA reduced the fee for inspecting installations related to residential renovations, which is the highest type of installations notified by the homeowner, by 34% from \$189 to \$124. Similarly, the ESA also reduced a number of fees related to some common installations notified by licensed electrical contractors. The ESA also undertook a jurisdictional review to compare the licensing fees it charges its registrants, as well as the inspection fees it charges both licensed electrical contractors and homeowners for some common electrical installations such as kitchen renovations, bathroom renovations, and new wiring of houses. The ESA's fees for both licensing and inspection, on average, were lower in comparison to British Columbia and Alberta.</p> <p>In 2015, the Ministry hired a consultant to look for cost savings and efficiencies at eight delegated authorities that it oversaw. The consultant found that the ESA was the delegated authority with the highest amount of expenditures, mostly due to its large unionized workforce with high salaries. Specifically, the consultant found that in 2013, of the eight delegated authorities, the ESA had the highest number of full-time staff (445) and, while it collected the highest total fees (about \$94 million), it also had the greatest expenses, mostly attributable to salaries and benefits. In our audit in 2020, we found that the ESA is still the most costly delegated authority, with \$113.8 million in expenses, based on the 2018/19 fiscal year financial statements.</p> <p>In our follow-up, we found that the ESA took a number of initiatives to reduce its operating cost. In an effort to reduce the travel and meal expenditure, the ESA revised its policy on meal reimbursement to more closely align with the Ontario government's Travel and Meals Expense Directive. The ESA also implemented a formal process to conduct remote inspections thus reducing travel cost. In addition, with the use of remote work options and flexible office arrangements, facilities and office administrative costs have also been reduced. The ESA has been leveraging technology for conducting meetings instead of booking external sites, where appropriate.</p>
<p>Recommendation 6</p> <p>The Standing Committee on Public Accounts recommends that the Electrical Safety Authority:</p> <ul style="list-style-type: none"> • train staff to respond accurately and completely to all calls with technical questions and assign a sufficient number of employees to this responsibility; Status: Fully implemented. 	<p>In our 2020 audit, we found that ESA employees who handle calls from the public are not trained to answer technical questions about electrical safety. Instead, they forward the calls to inspectors, but only if the caller has already paid for an ESA inspection; otherwise, the questions are not answered. About 50% of the inspectors we surveyed told us that they do not have time to respond to the forwarded calls.</p> <p>In our follow-up, we found that the ESA launched a new page on its website in September 2021 dedicated to providing answers to frequently asked technical questions about the Ontario Electrical Safety Code. The page also has an option for the public to submit technical questions online. The ESA employees that handle calls were trained to direct callers that have technical questions to submit questions through its website. The ESA assigned one employee with technical expertise to answer all incoming questions.</p>

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<ul style="list-style-type: none"> review its policy to increase disclosure of information to callers about licensed electrical contractors' past performance and licence status; Status: Fully implemented. review the disclosure provided with respect to licensed entities by Technical Safety BC, and work with stakeholders to identify categories of additional information to be publicly disclosed on licensed electrical contractors. Status: Fully implemented. 	<p>We found in our 2020 audit that many people call into the ESA to find out if their electrical contractor is in good standing. When we listened to a sample of live calls, we found that the ESA staff would not let callers know that their contractor's licence had temporarily been suspended and/or that the contractor had completed unsafe installations in the past.</p> <p>In our follow-up, we found that the ESA reviewed its policy on disclosing information to callers and created a procedural document to clarify what should or should not be disclosed about licence holders and the rationale. The document outlines that if an electrical contractor's licence is suspended, expired, or revoked, this information should be disclosed to callers.</p> <p>We found in our 2020 audit that Technical Safety BC publicly discloses essential information useful to the public on its website (such as performance history of contractors and inspection checklists). In contrast, the ESA does not publish this information on its online contractor directory.</p> <p>In our follow-up, we found that the ESA conducted a review of information that Technical Safety BC publishes on its website and identified opportunities to expand its own information disclosure on its contractor directory. For example, if conditions are imposed on a licence holder for not notifying the ESA of electrical work or failing to request an ESA inspection, this information can be publicly disclosed. Additionally, the ESA will be updating its contractor directory to include these additional categories of information.</p>
<p>Recommendation 7</p> <p>The Standing Committee on Public Accounts recommends that the Ministry of Government and Consumer Services together with the Electrical Safety Authority and industry stakeholders:</p> <ul style="list-style-type: none"> reassess the current restriction in Ontario where electrical work for the public can only be conducted by licensed electrical contractors to determine if other arrangements are possible for certified electricians and master electricians; Status: In the process of being implemented by December 2022. determine whether certified electricians or master electricians can be allowed to perform lower-risk installation work. Status: In the process of being implemented by December 2022. 	<p>In our 2020 audit, we found that only the ESA-licensed electrical contractors can offer electrical services to the public; certified and master electricians cannot. We also found that the law that prohibits certified electricians and master electricians from offering their services to the public is one of the contributing factors to the widespread problem of illegal electrical installations, because in order to supplement their income, many certified electricians and master electricians do illegal installations directly, instead of through a licensed electrical contractor as required by law.</p> <p>In our follow-up, we found that the ESA had completed a review of its current licensing framework, including conducting jurisdictional research, and seeking feedback on lower-risk categories of electrical work from stakeholder groups to evaluate whether this work could be performed by certified and/or master electricians. Based on the review, the ESA concluded that electrical work, even lower-risk electrical work, should not be performed by certified electricians or master electricians unless they are working under a licensed electrical contractor, and recommended that the licensing framework remain as is. The final decision on how to proceed based on the ESA's recommendation will be determined by the Ministry.</p>

Committee Recommendation	Status Details
<p>Recommendation 8</p> <p>The Standing Committee on Public Accounts recommends that the Ministry of Government and Consumer Services together with the Electrical Safety Authority work with municipalities to determine whether the ESA inspections can be incorporated into the building permit assessment process.</p> <p>Status: In the process of being implemented by November 2022.</p>	<p>In our 2020 audit, we found that there is little incentive for homeowners to ensure that electrical installation services obtained are inspected by the ESA, because the ESA inspections are not considered by municipalities that issue permits for renovation work. We contacted five Municipal Chief Building Officials, who told us that during the building permit approval process for home renovation work, they do not require proof of the ESA inspection when they do a municipal inspection of the completed renovation.</p> <p>In our follow-up, we found that the Ministry and the ESA have had discussions with the Ministry of Municipal Affairs and Housing (MMAH), and select municipalities to gain an understanding of the building permit process, and to identify potential approaches of linking both the building permit and electrical inspections processes to limit illegal electrical installations. The Ministry and the ESA had also conducted jurisdictional research on building code and electrical legislation and regulations across Canada to determine linkages in these processes as well. The ESA will submit a final report and recommendation on assessing how ESA inspections could be incorporated with the building permit assessment process for Ministry consideration in November 2022.</p>
<p>Recommendation 9</p> <p>The Standing Committee on Public Accounts recommends that the Electrical Safety Authority:</p> <ul style="list-style-type: none"> • re-evaluate its approach to public awareness campaigns to better inform the public of the risks of hiring an unlicensed contractor; <p>Status: Fully implemented.</p> <ul style="list-style-type: none"> • educate the public on the differences between a certified electrician, a master electrician, and a licensed electrical contractor. <p>Status: Fully implemented.</p>	<p>In our 2020 audit, we found that since 2015, the ESA has spent \$2.3 million on public awareness campaigns specifically targeting the risks of not hiring a licensed electrical contractor. However, surveys conducted by the ESA over the last five years (2015–2020) found that a majority (80%) of homeowners had not seen, heard or read anything advertised or publicized about electrical safety, or the Electrical Safety Authority.</p> <p>In our follow-up, we found that the ESA hired a third party to review, analyze, and make recommendations regarding the ESA's communication strategies and campaigns to both registrants and consumers over the last five years. A set of recommendations was provided to the ESA as a result of this review on how its communication strategies should be approached, and a new Communications Campaign Integrated Plan was developed that will be executed by the ESA throughout fiscal 2022-2024. The plan highlights areas that the ESA should focus its awareness campaigns on, such as identifying the differences between licensed electrical contractors, master electricians and certified electricians, and the risks of hiring unlicensed contractors; and demonstrates tools the ESA should utilize, such as social media platforms and its own website, to distribute its content.</p> <p>We found in our 2020 audit that the same surveys conducted by the ESA over the last five years (2015–2020) found that, on average, almost half (46%) of homeowners surveyed each year did not know that it is illegal for certified electricians to offer installation services, and that only licensed contractors should be hired to do that work. The ESA has not undertaken any public awareness campaigns to inform the public of this specific risk.</p> <p>In our follow-up, we found that the ESA focused its consumer awareness efforts toward educating homeowners on what certified electricians, master electricians and licensed electrical contractors are, and the key differences between them and their oversight. This included updating its own website to highlight this information, digitally advertising through social media platforms, publishing community newspaper articles, and working with a third-party provider to post electrical safety videos.</p>

Committee Recommendation	Status Details
<p>Recommendation 10</p> <p>The Standing Committee on Public Accounts recommends that the Electrical Safety Authority dedicate sufficient resources to review and follow up on all reported cases of illegal electrical installations.</p> <p>Status: Fully implemented.</p>	<p>In our 2020 audit, we found that the ESA primarily relies on its inspectors to identify illegal electrical installations. However, we noted that just over 80%, or 168, of 205 inspectors whom we surveyed, indicated that they do not have the time during their workday to look out for offenders. Furthermore, almost half (45%, or 93) of 205 surveyed inspectors said that the ESA's current process to stop and prevent illegal installations is ineffective.</p> <p>In our follow-up, we found that the ESA's licensing department conducted a review of its oversight and enforcement processes to determine a systematic approach for reviewing and following up on illegal installations. In addition, the ESA reviewed the licensing department's resources and staffing levels, to ensure that the ESA is dedicating sufficient resources to review and follow up on cases of illegal electrical installations. As a result, the ESA improved its enforcement processes so that it follows up on all reports of illegal electrical activity as soon as the ESA is notified, and has also added two customer service representatives to its licensing department to review and process all reports of illegal electrical installations once they arrive.</p>
<p>Recommendation 11</p> <p>The Standing Committee on Public Accounts recommends that the Electrical Safety Authority work together with the Ministry of Government and Consumer Services to:</p> <ul style="list-style-type: none"> • implement a continuing-education requirement as a condition of master electrician licensing; <p>Status: In the process of being implemented by April 2023.</p> <ul style="list-style-type: none"> • work with the body that oversees the certification of electricians to discuss implementing a requirement for continuing education. <p>Status: In the process of being implemented by March 2023.</p>	<p>In our 2020 audit, we found that while the ESA updates the Ontario Electrical Safety Code every three years, the ESA does not require that master electricians complete any mandatory training to stay on top of its changes to the Ontario Code. In 2017, the ESA asked the Ministry to make continuing education for electricians mandatory, but the Ministry could not move forward because the ESA had not provided any evidence, analysis or stakeholder consultation to support its request.</p> <p>In our follow-up, we found that the ESA, through jurisdictional research and stakeholder consultation, submitted a draft proposal of a continuing education model to the Ministry. The ESA proposed a hybrid continuing education model, where both the ESA and third parties deliver compulsory courses, and that the ESA oversees the accreditation of these third parties. Subject to stable availability of accessible courses provided by third-party providers, the intention is to eventually transition into a full third-party delivery of the courses over time, with the ESA only developing the curriculum requirements and overseeing accreditation of third-party providers. The ESA also proposed that the requirement to take mandatory continuing education be once every three years for all licensed master electricians. The Ministry conducted stakeholder consultation to obtain input on the proposed continuing education model as well. The Ministry is currently developing a proposal for government decision-making, including a proposed regulatory framework, that considers stakeholder input received, as well as the proposal submitted by the ESA. A transition plan will be implemented by ESA to provide time for impacted licencees to be made aware of the new requirements.</p> <p>In our 2020 audit, we found that the Ontario College of Trades, the authority that oversees certified electricians, does not have any continuing education requirements for certified electricians as well.</p> <p>In our follow-up, we found that the Ministry has conducted preliminary discussions with the Ministry of Labour, Immigration, Training and Skills Development (formerly the Ministry of Labour, Training and Skills Development), who oversees Skilled Trades Ontario (formerly the Ontario College of Trades) and the certification of electricians, to discuss implementing continuing education for certified electricians. The Ministry will continue to work with the ESA and the Ministry of Labour, Immigration, Training and Skills Development to share the feedback received from stakeholders during public consultations, which includes relevant feedback regarding certified electricians, to support the Ministry of Labour, Immigration, Training and Skills Development in working with Skilled Trades Ontario to implement this recommendation.</p>

Committee Recommendation	Status Details
<p>Recommendation 12</p> <p>The Standing Committee on Public Accounts recommends that the Ministry of Government and Consumer Services, together with the Electrical Safety Authority and industry stakeholders, should review the current electrical product safety regulation and adapt it to the current online market environment.</p> <p>Status: In the process of being implemented by December 2025.</p>	<p>In our 2020 audit, we found that uncertified electrical products are widely available for sale. Many products bought online are directly shipped to buyers from overseas and may not have undergone the electrical safety tests that are required in Ontario. The ESA told us that it is limited in the activities it can undertake as part of the Regulation 438/07 and due to resource constraints, resulting in reactive action as a result of specific complaints.</p> <p>In our follow-up, we found that the Ministry was in the process of conducting research for potential legislative and regulatory changes. In 2021, a Product Safety Regulation Review Task Force was established to seek input and develop recommendations for changes to the Product Safety Regulations and to provide a framework for future product safety activities. The Task Force was comprised of 20 industry representatives including federal and provincial regulators, retailers, manufacturers, certification agencies and accreditation bodies. Feedback on potential approaches to product safety from the Task Force was provided to the Ministry in January 2022. The Ministry also took steps to conduct research to examine the frequency online retailers in Ontario provide certification information of electrical products sold online and the degree of ease in verifying a product's safety certification. The research concluded that there is complexity around verifying the certification of products for consumers as a result of inconsistent tracking and reporting. The Ministry is in the process of developing a policy paper with options for a new framework in consultation with the ESA. This is the first phase of a multi-phased initiative. The first phase is expected to be completed by late 2023. The Ministry anticipates future phases of work will include broad public consultations and potential regulatory amendments for government consideration.</p>
<p>Recommendation 13</p> <p>The Standing Committee on Public Accounts recommends that the Electrical Safety Authority:</p> <ul style="list-style-type: none"> • conduct a review, and develop and implement a plan to target the sale and use of unsafe electrical products being sold in Ontario; and Status: Fully implemented. • dedicate sufficient resources to review and follow up on all reported cases of unsafe electrical products being sold in Ontario. Status: Fully implemented. 	<p>In our 2020 audit, we found investigations of uncertified electrical products were not effective. In our review of a sample of reports of uncertified electrical products, we found that files were closed with no action for 22% of reports we reviewed because the ESA was unable to contact the seller or manufacturer. In 31% of reports, the ESA closed the file after the seller said they stopped selling the product but the ESA made no effort to verify this through an inspection. In another 24% of reports, the seller or manufacturer sent a confirmation to the ESA that a product had been certified but the ESA did not check the authenticity of the label directly with the certification agency.</p> <p>In our follow-up, we found that the ESA conducted a review and developed a product safety plan for the ESA to anticipate, understand and mitigate electrical product-related harms to improve safety. In implementing the product safety plan, the ESA introduced process documents to better clarify steps that should be taken before closing a file when investigating uncertified electrical products. The ESA also established a process for monitoring online platforms to determine if uncertified electrical products are available for sale in Ontario. In addition, the ESA developed a process to collect and analyze data from a range of sources to identify and manage product safety risks. In 2021, the ESA added three full-time staff to its product safety team to support the workload.</p>