



Video Transcript

Value-for-Money Audit: Electrical Safety Authority (2020)

As part of our work on the 2020 Annual Report, we performed a value-for-money audit of the Electrical Safety Authority.

Ontarians are surrounded by installations, equipment and products that use electricity. Electrical wiring or products that are installed or manufactured incorrectly pose significant public safety risks, such as electrocution and fire. In Ontario, it is against the law to install almost all electrical wiring without notifying the Electrical Safety Authority.

The Electrical Safety Authority, also known as the ESA, has a mandate to improve public electrical safety. It licenses electrical contractors and master electricians who can conduct electrical installations and it inspects electrical installations to ensure that they comply with the *Ontario Electrical Safety Code*. The ESA is self-funded, mainly through fees it collects from the licensing of electrical contractors and master electricians, and from the inspections it conducts.

The Ministry of Government and Consumer Services is responsible for the oversight of the ESA.

Our audit assessed how well the ESA is performing in its mandate to improve public electrical safety.

During our audit, we noted areas where the Authority can improve the effectiveness of its operations. For example, the Authority has been largely unsuccessful in preventing illegal electrical installations and the availability of uncertified electrical products online.

We found that the ESA has high operational costs, and there may be opportunities for cost savings. The Ministry has been aware of this for years, but has not addressed the situation. For example, the ESA could save \$300,000 to \$500,000 annually if it followed the government's meal reimbursement policy.

As well, for many years it has not adopted technology that could have made the inspection process less costly. For example, technology can enable remote inspections. Further, the ESA conducts many unnecessary inspections. Since 2011, the ESA has wanted to implement risk-based inspections for more efficient deployment of its inspectors.

Online advertising for illegal electrical services is widespread. None of the 20 online, advertised "for-hire electricians" we contacted were licensed by ESA and all were willing to do the work requested without notifying the ESA. Nine of 20 different ESA-licensed electrical contractors we contacted offered to do work for less money if the ESA wasn't notified.



Uncertified electrical products are widely available for sale online. ESA does not have an active surveillance program in place to monitor online buying and selling of uncertified products. Six of 13 products we purchased from a large online retailer were uncertified. Five of these products did not pass safety tests we arranged, and were found to be unsafe.

Our report contains **25** recommendations, consisting of **50** actions, including that:

- the ESA refine its inspection approach to inspect fewer low-risk installations and more higher-risk installations
- the ESA conduct inspections remotely where possible and
- the ESA do more to educate the public about the risks of hiring unlicensed electrical contractors.

As well, that:

- The Ministry enable the ESA to issue fines to those that perform electrical work illegally to reduce illegal installations and
- That the Ministry and the ESA adapt the electrical product safety regulation for the online market environment.