



News Release

For Immediate Release

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Electrical Safety Authority Needs to Do Better in Preventing Illegal Electrical Work: Auditor General

(TORONTO) “Overall, we found that the state of electrical safety in Ontario has improved over the last 10 years,” stated Ontario Auditor General Bonnie Lysyk in her *2020 Annual Report* released today. “However, the Electrical Safety Authority (ESA) has been unsuccessful in preventing illegal electrical installations, a problem that is widespread in Ontario,” said Lysyk. “This is partially due to the fact that only ESA-licensed contractors are legally allowed to perform electrical installations with two main exceptions: homeowners can put in installations in their own homes, and an owner or an employee can put in installations within an industrial facility or on a farm.”

The Electrical Safety Authority could operate more efficiently in carrying out its mandate to improve public electrical safety and could focus more of its resources on inspecting more complex electrical installations.”

The Report says the self-funded, provincially mandated authority conducts many unnecessary inspections that do not improve public safety. The audit found the inspections are done to generate revenue for the ESA to fund its workforce and operations. The ESA also collects additional fees by offering inspections, safety training and other services outside of its legislative mandate. In 2019/20, the authority’s revenue was about \$113.3 million.

The Report also says the ESA is supposed to set its fees so that they encourage compliance with the Ontario Electrical Safety Code. However, homeowners are charged more for an ESA inspection when they do the work themselves. For example, to inspect an electrical panel box installed by a licensed contractor, the ESA charges \$79. If the installation was done by a homeowner, the same inspection costs \$184. This could discourage homeowners from notifying the ESA about their installations.

The audit found that between 2015 and 2019, the ESA collected \$17 million in fees and issued 133,000 certificates of inspections for inspections that did not happen, mostly because inspectors did not have time to do them.

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Read the report at www.auditor.on.ca

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Background and Other Findings:

- Only licensed electrical contractors can put in installations for the public, with two main exemptions. Homeowners can put in installations in their own homes, and an owner or an employee can put in installations within an industrial facility or on a farm.
- Only ESA-licensed contractors can legally offer electrical installations to the public; certified electricians are not allowed. However, ESA surveys conducted over the last five years (from 2015 to 2020), indicated that, on average, almost half (46%) of homeowners did not know that it is illegal for certified electricians to offer installation services.
- The ESA does not publicly disclose the names of licensed contractors that have done unsafe electrical installations in the past. The ESA's Call Centre employees are not trained to answer technical questions about electrical installations and forward calls to inspectors, but only if the caller has already paid for an ESA inspection. About half (50%) of inspectors we surveyed told us that they do not have time to respond to these calls.
- Regular ESA inspections are performed in response to notifications it receives about new installations. They account for about 90 per cent of all inspections. Over the past five years, the ESA received about 1.8 million notifications or about 360,000 each year.
- Salaries and benefits at the ESA totaled about \$89 million in the 2019/20 fiscal year. Inspection fees account for \$90 million, or 80%, of the ESA's total fee revenue.
- The ESA could achieve greater operational efficiencies if its inspector resources were used less on routine, simple electrical installations and if technology was used to conduct more of these inspections remotely.
- The ESA has no inspection standards, and when inspections are scheduled, it does not consider if inspectors have sufficient time to actually complete them.
- The ESA has not been able to deal with the widespread availability of uncertified electrical products online. Uncertified electrical products are widely available for sale online. Under its mandate, the ESA is supposed to investigate them and either prevent them from being sold or require the manufacturer or the seller to arrange for the product to be certified. Given the volume, this is proving to be difficult.