

**Ministry of Government and
Consumer Services**

**Ministère des Services
gouvernementaux et des
Services aux consommateurs**



Office of the Deputy Minister

Bureau du sous-ministre

5th Floor, 777 Bay Street
Toronto ON M5B 2H7
Tel.: 416 212-2665
TTY: 416 915-0001

5^e étage, 777, rue Bay
Toronto ON M5B 2H7
Tél. : 416 212-2665
ATS : 416 915-0001

April 30, 2021

Christopher Tyrell
Clerk of the Standing Committee on Public Accounts
Legislative Assembly of Ontario
Toronto, Ontario M7A 1A2
comm-publicaccounts@ola.org

Dear Mr. Tyrell,

Thank you for your letter dated March 1, 2021, requesting an update on the recommendations contained in the 2020 Annual Report of the Auditor General following the Value-for-Money Audit of the Electrical Safety Authority (ESA). I am pleased to provide information on the ministry's efforts to respond to the Auditor General's recommendations.

The Ministry of Government and Consumer Services welcomes the recommendations to strengthen ESA's operations and those directed at the ministry's oversight so that Ontario can continue to have a strong record of public safety. We are pleased to see the Auditor General found that electrical safety has improved over the last 10 years in Ontario. However, there is always room for improvement, and we look forward to continuing to work with the ESA to deliver its mandate and ensure public safety.

The ministry takes its oversight of the ESA seriously. We are committed to examining areas where we can improve our oversight processes to provide greater assurances that the ESA is meeting its public safety mandate. The Auditor General outlined some areas for ministry review resulting in work that has already begun. The ministry requested the ESA to develop an implementation plan to ensure each recommendation is addressed in a timely and responsive manner. This plan was made public on March 5, 2021 and can be accessed via the following link:

<https://esasafe.com/auditor-general-action-plan/>

As part of its oversight responsibilities, the ministry has a structure in place to ensure regular communications with the ESA that will also enable us to monitor the ESA's progress in

implementing the Auditor General's recommendations. This includes regular meetings at the staff and executive levels.

In addition, in close collaboration with ESA, we have also established a plan to implement the recommendations directed at the ministry. This plan was shared with the Office of Auditor General of Ontario on January 21, 2021 and is enclosed for your reference. This important work will take place over the next several months and will require collaboration and engagement across various ministries and stakeholder groups.

The ministry and the ESA share a common goal to keep Ontarians safe. Implementing the recommendations made by the Auditor General will help strengthen our efforts in this area.

I trust you have found this information useful. Should you or any member of the Standing Committee on Public Accounts have questions about the information provided, I would be happy to respond.

Please accept my best wishes.

Sincerely,

A handwritten signature in black ink that reads "Karen Hughes". The signature is fluid and cursive, with the first name "Karen" and the last name "Hughes" clearly distinguishable.

Karen Hughes
Deputy Minister

c: David Collie, President and CEO, ESA
Michèle Sanborn, Assistant Deputy Minister, MGCS

OAGO Report Recommendations – Expected Timelines For Implementation

Report Year: 2020-21

VFM Report Title: Electrical Safety Authority		Ministry Expected Timeframe for Implementation					If over 2 years, please provide a rationale
Number	Recommendation and action item (Note – all recommendations will be completed in close collaboration with ESA; timelines reflect ESA input)	Year 1 (Fiscal Year 21/22)	Year 2 (Fiscal Year 22/23)	Year 3 (Fiscal Year 23/24)	Year 4 (Fiscal Year 24/25)	Year 5+ 2025+	
Rec 11	To ensure regulatory inspections are not negatively impacted by general inspection services that are not required by law, we recommend that: the Ministry of Government and Consumer Services assess the appropriateness of the Electrical Safety Authority conducting general inspection services to the public and stop them immediately if it finds this is inappropriate.	X					
Rec 12	To improve compliance with electrical safety laws and reduce the number of illegal electrical installations, we recommend that the Ministry of Government and Consumer Services together with the Electrical Safety Authority and industry stakeholders: reassess the current restrictions 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; and		X				In the first year, the ministry will work closely with ESA to engage in research, data collection, policy analysis and consult with affected ministries (i.e. MLTSD) and key stakeholders to assess the current framework and restrictions on who can perform electrical work. In the second year, the ministry will work closely with ESA and MLTSD to consider the findings from this work to develop a recommended approach on how the current framework may be enhanced.

NOT TO BE COPIED OR SCANNED

Property of the Office of the Auditor General of Ontario

This document constitutes an audit working paper and is deemed confidential under Section 19 of the Auditor General Act.

OAGO Report Recommendations – Expected Timelines For Implementation

VFM Report Title: Electrical Safety Authority		Ministry Expected Timeframe for Implementation					
Number	Recommendation and action item (Note – all recommendations will be completed in close collaboration with ESA; timelines reflect ESA input)	Year 1 (Fiscal Year 21/22)	Year 2 (Fiscal Year 22/23)	Year 3 (Fiscal Year 23/24)	Year 4 (Fiscal Year 24/25)	Year 5+ 2025+	If over 2 years, please provide a rationale
	determine whether certified electricians or master electricians can be allowed to perform lower-risk installation work.		X				See above for additional details.
Rec 13	To reduce the occurrence of illegal electrical installations, we recommend that the Ministry of Government and Consumer Services together with the Electrical Safety Authority work with municipalities to determine whether ESA inspections can be incorporated into the building permit assessment process.		X				In the first year, the ministry will work closely with ESA to engage in research, data collection, policy analysis and consult with affected ministries (i.e. MMAH) and key stakeholders to assess the current framework and whether ESA inspections can be incorporated into the building permit assessment process. In the second year, the ministry will work closely with ESA and MMAH to consider the findings from this work to develop a recommended approach on how the current framework may be enhanced.
Rec 15	To significantly reduce widespread illegal electrical installations, we recommend that: the Ministry of Government and Consumer Services enable the Electrical Safety Authority (ESA) to directly issue monetary fines.		X				In the first year, the ministry will work closely with ESA to engage in research, data collection, policy analysis and consult with key stakeholders to develop a proposal. Legislative changes will likely be required, necessitating government approval in the second year.

NOT TO BE COPIED OR SCANNED

Property of the Office of the Auditor General of Ontario

This document constitutes an audit working paper and is deemed confidential under Section 19 of the Auditor General Act.

OAGO Report Recommendations – Expected Timelines For Implementation

VFM Report Title: Electrical Safety Authority		Ministry Expected Timeframe for Implementation					
Number	Recommendation and action item (Note – all recommendations will be completed in close collaboration with ESA; timelines reflect ESA input)	Year 1 (Fiscal Year 21/22)	Year 2 (Fiscal Year 22/23)	Year 3 (Fiscal Year 23/24)	Year 4 (Fiscal Year 24/25)	Year 5+ 2025+	If over 2 years, please provide a rationale
							While the ministry is planning the necessary policy work, 2022 will be challenging as a provincial election is occurring. This will impact approvals, and ultimately government decision making. Government will need to make a final determination on implementation timelines.
Rec 17	To enhance public electrical safety, we recommend that the Electrical Safety Authority work together with the Ministry Government and Consumer Services to: implement a continuing-education requirement as a condition of master electrician licensing; and		X				In the first year, the ministry will work closely with ESA to engage in research, data collection, policy analysis and consult with affected ministries (i.e. MLTSD) and key stakeholders to develop a recommended approach. The scope and timing of subsequent deliverables will depend on the outcome of this work. This is a complex multi-ministry item and solutions may require legislative/regulatory changes to both MGCS and MLTSD legislation. Government decision making will likely be joint and sought in the second year.

NOT TO BE COPIED OR SCANNED

Property of the Office of the Auditor General of Ontario

This document constitutes an audit working paper and is deemed confidential under Section 19 of the Auditor General Act.

OAGO Report Recommendations – Expected Timelines For Implementation

VFM Report Title: Electrical Safety Authority		Ministry Expected Timeframe for Implementation					
Number	Recommendation and action item <i>(Note – all recommendations will be completed in close collaboration with ESA; timelines reflect ESA input)</i>	Year 1 (Fiscal Year 21/22)	Year 2 (Fiscal Year 22/23)	Year 3 (Fiscal Year 23/24)	Year 4 (Fiscal Year 24/25)	Year 5+ 2025+	If over 2 years, please provide a rationale
							While the ministry is planning the necessary policy work, 2022 will be challenging as a provincial election is occurring. This will impact approvals, and ultimately government decision making. Government will need to make a final determination on implementation timelines.
	work with the body that oversees the certification of electricians to discuss implementing a requirement for continuing education.		X				See above for additional details. Timing is also dependent on the creation of the new body to replace the Ontario Colleges of Trade.
Rec 18	In light of the wide availability of uncertified electrical products online, 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 accordingly, adapt it to the current online market environment.			X			This is a complex multi-ministry and multi-jurisdictional item and solutions may require legislative/ regulatory changes and/or a new FPT reconciliation trade agreement that will require significant coordination/negotiation at provincial and national levels. Timelines reflect the time needed to engage in multilateral discussions. In the first two years, the ministry will work closely with ESA to engage in research, data collection, policy analysis and consult with affected

NOT TO BE COPIED OR SCANNED

Property of the Office of the Auditor General of Ontario

This document constitutes an audit working paper and is deemed confidential under Section 19 of the Auditor General Act.

OAGO Report Recommendations – Expected Timelines For Implementation

VFM Report Title: Electrical Safety Authority		Ministry Expected Timeframe for Implementation					
Number	Recommendation and action item (Note – all recommendations will be completed in close collaboration with ESA; timelines reflect ESA input)	Year 1 (Fiscal Year 21/22)	Year 2 (Fiscal Year 22/23)	Year 3 (Fiscal Year 23/24)	Year 4 (Fiscal Year 24/25)	Year 5+ 2025+	If over 2 years, please provide a rationale
							ministries (i.e. Cabinet Office, Inter-Gov Affairs, MEDJCT) and key stakeholders (e.g., Health Canada) to develop a report with advice on how the regulation may be adapted to address the current online market environment. The scope and timing of subsequent deliverables will depend on the outcome of this work.
Rec 24	To ensure that Electrical Safety Authority (ESA)'s non-mandatory services are not interfering with its responsibilities under Part VIII of the <i>Electricity Act, 1998</i> and the <i>Safety and Consumer Statutes Administration Act, 1996</i> , we recommend that the ESA work with the Ministry of Government and Consumer Services to more precisely define and agree on the scope and level of review work that is required to be performed when engaging a third-party consultant.	X					
Rec 25	To confirm that the Electrical Safety Authority (ESA) is meeting its mandate to improve public electrical safety in a cost-effective way, we recommend that the Ministry of Government and Consumer Services: establish outcome measures and performance targets for the ESA that	X					

NOT TO BE COPIED OR SCANNED

Property of the Office of the Auditor General of Ontario

This document constitutes an audit working paper and is deemed confidential under Section 19 of the Auditor General Act.

OAGO Report Recommendations – Expected Timelines For Implementation

VFM Report Title: Electrical Safety Authority		Ministry Expected Timeframe for Implementation					
Number	Recommendation and action item (Note – all recommendations will be completed in close collaboration with ESA; timelines reflect ESA input)	Year 1 (Fiscal Year 21/22)	Year 2 (Fiscal Year 22/23)	Year 3 (Fiscal Year 23/24)	Year 4 (Fiscal Year 24/25)	Year 5+ 2025+	If over 2 years, please provide a rationale
	focus on cost efficiency and safety improvement in the electricity sector;						
	on a regular basis, assess the ESA's performance against these targets; and		X				In the first year, outcome measures and performance targets will be developed. Tracking against these targets and necessary corrective action will begin in the second year.
	take corrective actions when the ESA does not achieve the targets.		X				See above for additional details.

I have reviewed the above recommendations and agree with the expected timelines for implementation.

January 20, 2021

Date

Karen Hughes

Karen Hughes - Deputy Minister,
Ministry of Government and Consumer Services

NOT TO BE COPIED OR SCANNED

Property of the Office of the Auditor General of Ontario

This document constitutes an audit working paper and is deemed confidential under Section 19 of the Auditor General Act.