

Submission
No 142

INQUIRY INTO USE OF E-SCOOTERS, E-BIKES AND RELATED MOBILITY OPTIONS

Organisation: Insurance Council of Australia

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16 August 2024

Ms. Cate Faehrmann MLC
Legislative Council
NSW Parliament
By email: Cate.Faehrmann@parliament.nsw.gov.au

Dear Ms. Faehrmann,

Re: NSW Legislative Council's Portfolio Committee No.6 – Transport and the Arts – Inquiry into the use of e-scooters, e-bikes (including shared schemes) and related mobility options

The Insurance Council of Australia (Insurance Council), on behalf of the five licensed NSW CTP insurers (Insurers) welcomes the opportunity to provide comment in relation to the NSW Legislative Council's Inquiry into the use of e-scooters, e-bikes (including shared schemes) and related mobility options.

The Insurance Council recognises the benefits e-scooters, e-bikes and similar vehicles (collectively referred to herein as 'e-scooters') offer to a community that is increasingly living within close proximity to urban centres. The widespread adoption of e-scooters has the potential to transform urban mobility, offering a convenient, environmentally friendly, and cost-effective alternative to traditional transportation.

The Insurance Council commends the NSW Government for undertaking this Inquiry. It is timely to ensure laws keep pace with rapidly advancing technology and the wide availability of e-scooters for purchase in shops and online. The Inquiry's focus on encouraging and enabling safe e-scooter options is also praised as Insurers recognise from experience the profound effects that transport injuries can have on individuals and the broader community. Optimising safety is imperative as evidence from international jurisdictions indicates that the types of injuries sustained in e-scooters accidents can be significant and include, for example, brain injuries and facial fractures. Data also indicates that these types of injuries occur more frequently following a fall from an e-scooter than a bicycle¹.

In Australia, increased use of e-scooters and similar vehicles has resulted in a corresponding increase in the number of accidents and injuries involving e-scooters. A study examining data from the Royal Melbourne Hospital reported 256 e-scooter-related injuries in the year to January 2023, including nine pedestrians, with a total hospitalisation cost of A\$1.9 million.² Further, in Queensland, e-scooter-related presentations to hospitals rose from 279 in 2019 to 877 in 2022 and injury numbers continue to trend upwards.³ This has highlighted the need for an appropriate legislative framework and insurance coverage for those involved in e-scooter accidents.

¹ Recommendations on safety of E-scooters. European Transport Safety Council, [Recommendations on Safety of E-scooters – ETSC](#)

² 'The impact of electric scooters in Melbourne: data from a major trauma service, 12 December 2023, Wiley Online Library, [The impact of electric scooters in Melbourne: data from a major trauma service - Cevik - 2024 - ANZ Journal of Surgery - Wiley Online Library](#).

³ 'Data shows e-scooter riders still not taking safety seriously', 19 December 2023, RACQ, [Data shows e-scooter riders still not taking safety seriously | RACQ](#).

The development of an appropriate legislative framework in relation to e-scooters is a key priority for many jurisdictions, including South Australia, where the *Statutes Amendment (Personal Mobility Devices) Bill 2024* (the SA Bill) is set to legalise private e-scooters on public roads and footpaths in South Australia.

Under the new South Australian legislation, privately owned e-scooters and other ‘personal mobility devices’ will be treated in the same way as bicycles and allowed on roads and footpaths, but with several restrictions. For example, people will be required to wear helmets, to be over the age of 16, not be under the influence of alcohol or drugs. Speed restrictions would also apply with a proposed maximum speed of 25 kilometres per hour on roads and bike lanes, and 15 kilometres per hour on paths used by pedestrians.

The SA Bill provides that regulations may specify that personal mobility devices may not be considered motor vehicles for the purposes of the *Motor Vehicles Act 1959* or the *Road Traffic Act 1961*. Accordingly, there will be no requirement to register a personal mobility device, or for the rider to hold a licence. As is currently the case for crashes involving bicycles, other road users will not be able to claim under compulsory third-party (CTP) insurance for death or injury due to the actions of a rider of a personal mobility device. This will ensure the Nominal Defendant scheme will be protected from unfunded liabilities and is an appropriate outcome given device riders will not contribute to any compensation fund.

The new South Australian legislation was developed following extensive consultation in 2023 with e-scooter users and the broader community where 87 per cent of respondents supported the ongoing use of e-scooters⁴. Results showed that 76 per cent of respondents supported riders not being required to hold a licence while 68 per cent did not see a need to register or insure their devices.⁵

In NSW, e-scooters are currently only permitted for use on public roads under trial conditions or on private property. The Insurance Council endorses the safe system approach being adopted by the NSW Government’s shared e-scooter trial. This approach is underpinned by the principles safe people, safe speeds, safe roads and safe vehicles. Insurers advocate that optimising safe use of e-scooters in NSW will require evaluation of safety opportunities both within and between each of these domains. For example, different types of urban environments may require different maximum speed limits. This approach has been adopted in France where e-scooter speeds have been limited to 10km/h in some areas in Paris⁶.

In NSW, outside of the shared e-scooter trial, personal e-scooters are illegal on NSW roads and road-related areas, including footpaths, shared paths and bicycle lanes. E-scooters are not required to be registered so there is no requirement for CTP insurance coverage and accidents involving e-scooters do not fall within the ambit of the NSW CTP insurance scheme.

Without an insurer to claim from, a third-party injured in an accident involving an e-scooter can be left with significant out-of-pocket expenses and no legal recourse. The Insurance Council acknowledges the need for appropriate insurance coverage for injuries sustained in e-scooter accidents but does not

⁴ ‘e-Scooters get the nod from South Australians’, 18 December 2023, Government of South Australia, [e-Scooters get the nod from South Australians - Department for Infrastructure and Transport - South Australia \(dit.sa.gov.au\)](https://www.dit.sa.gov.au/e-scooters-get-the-nod-from-south-australians)

⁵ Ibid.

⁶ Recommendations on safety of E-scooters. European Transport Safety Council, [Recommendations on Safety of E-scooters – ETSC](https://www.etisc.org/en/recommendations-on-safety-of-e-scooters)

believe this should be provided through the CTP scheme given the lack of registration and premium collection requirements.

In the event of legislative reform expanding the NSW CTP scheme to include e-scooters, the Insurance Council submits that there would need to be a mechanism for premium to be collected. To allow otherwise would impact insurance premiums paid by ordinary motor vehicle owners.

The Insurance Council would also support the application of relevant road rules to e-scooter riders when riding on the road or road-related areas. This would ensure consistency with the obligations of cyclists such as stopping when required, riding in the correct direction, and having the correct lights when riding at night. We submit that e-scooter riders should also be required to stop, assist and exchange personal information when a collision occurs and should be encouraged to carry identification.

In conclusion, the Insurance Council acknowledges that implementation of any legislative or regulatory frameworks enabling and encouraging safe e-scooter use in NSW will need to be supported by a public education campaign. This campaign will need to outline the established legal requirements, raise awareness of liability risks and identify the actions that e-scooter users can take to reduce risks.

We would be grateful to have the opportunity for ongoing consultation in relation to any changes to insurance coverage for e-scooters. Please do not hesitate to contact

Yours sincerely,

Alexandra Hordern

General Manager, Regulatory & Consumer Policy