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Senate Budget Estimates Brief - May 2016: Hoverboards

Consumer Product Safety

Issue

- Some hoverboards have started fires in Australia and overseas.
- In 2016, 6 house fires in 3 states stemmed from hoverboards being charged, destroying 3 houses.

Key points

- The ACCC is investigating the safety of hoverboards in Australia.
- The Minister for Small Business and Assistant Treasurer imposed an interim ban on the sale of unsafe hoverboards that started on 19 March 2016 and will last for 60 days unless extended. The Minister may extend the interim ban twice for up to 30 days each time.
- The interim ban applies to hoverboards that do not meet safety requirements for batteries and battery safety controls specified in relevant Australian, international or US standards.
- The ACCC conferenced with hoverboard suppliers on 11 April 2016.
- The ACCC is assessing whether longer term regulatory action is required under the Australian Consumer Law.
- The ACCC and state and territory consumer affairs agencies are conducting surveillance to enforce the ban.
- The ACCC has contacted all known Australian online and bricks-and-mortar hoverboard suppliers about the ban.
- Suppliers have recalled twenty hoverboard models because of non-compliant chargers.

Background

What are hoverboards?

- Hoverboards are wheeled ride-on devices with a single axle for adults and children; they have no steering grips or handlebars and look a bit like motorised skateboards.
- Hoverboards are available in 'bricks-and-mortar' retail stores and from online suppliers and prices range from approximately \$200 up to \$2400.

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- Hoverboards are powered by an in-built lithium-ion battery that is charged by connection to a mains power source, a similar process to laptops and mobile phones.

Electrical and fire hazards

- A nationally agreed framework is in place to manage electrical product safety.
- Hoverboard (and other) battery chargers are declared electrical articles and must be approved prior to sale in all Australian jurisdictions (except the NT), and bear a regulatory compliance mark.
- The hoverboards themselves are generally not regulated as electrical devices.
- Energy Safe Victoria (ESV) is leading the identification and recall of electrically faulty or unapproved hoverboards and chargers.
- Fire investigators examining house fires have identified hoverboards as the ignition source for a number of fires.
- The Standards Australia committee that produces electrical safety standards is developing a standard for hoverboards. The ACCC will be an official observer on the committee. The ACCC is also discussing a coordinated approach for the longer term with ESV and other electrical safety regulators.

Recalls

- The 20 recalls include models linked to fires. Details of recalled hoverboards are available from the www.recalls.gov.au website.

ACCC Safety Investigation

- The ACCC alerted the public to hoverboard safety risks on 8 December 2015 and is formally investigating their safety.
- On 12 January 2016, the Minister for Small Business and Assistant Treasurer, Hon Kelly O'Dwyer MP, published a Safety Warning Notice under the Australian Consumer Law.
- Western Australia imposed an interim ban identical to the Commonwealth interim ban to cover sole traders in WA.
- The ACCC has sent several models of hoverboards to a test laboratory for electrical safety testing. The test results are due in late May 2016.
- The ACCC is liaising with all state and territory fire authorities regarding prompt reporting of house fires associated with hoverboards.

International Developments

- On 20 February 2016, the US Consumer Product Safety Commission declared that hoverboards that do not meet Underwriters Laboratories standard UL 2272 are unsafe.
- Fires associated with hoverboards or chargers and consumer injuries from falls, including death, have been reported overseas.
- Major international suppliers, such as Amazon, are now offering hoverboard refunds.
- A number of countries have moved to ban the use of hoverboards and others have seized unsafe versions on entry to ports.
- The UK has estimated that 88% of products seized at the border were electrically unsafe.

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