

Released under FOI

Additional Budget Estimates Brief - Feb 2016: Hoverboards

Consumer Product Safety

Issue

- Hoverboards are novel and very popular consumer products but some models have been linked to fires and consumer injuries in Australia and overseas.

Key points

- The ACCC alerted the public to hoverboard safety risks on 8 December 2015 and is formally investigating their safety.
- Victorian fire authorities are investigating a house fire linked to charging of a hoverboard that occurred in Strathmore, Victoria on 5 January 2016.
- On 12 January 2016, the Minister for Small Business and Assistant Treasurer, Hon Kelly O'Dwyer MP, published a Safety Warning Notice under the ACL and formally announced an ACCC investigation.
- The ACCC investigation will assess whether hoverboards will or may cause injury to consumers and whether any regulatory action may be required.
- Fourteen hoverboard models have been recalled by suppliers since the ACCC alert in early December 2015.

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.
- The rider stands on top of the board and controls the speed and direction of the device by subtly shifting weight.
- Hoverboards are available in 'bricks-and-mortar' retail stores and from online suppliers and prices range from approximately \$200 up to \$2400.
- 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.

Released under FOI

Border Controls

- Hoverboards are not currently subject to any specific legislative controls at the border.
- The Department of Immigration and Border Protection is aware of the ACCC's safety investigation.

Electrical and fire hazards

- A nationally agreed electrical safety framework is in place to effectively manage electrical product safety recalls.
- 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 not regulated electrical devices.
- Electrical Safety Victoria (ESV) is leading the identification and recall of electrically faulty or unapproved hoverboards and chargers.
- Fire investigators examining the Victorian fire say the hoverboard's battery exploded, while charging, setting the device alight and sparking the fire.
- ESV reported that there was no identifying brand on the hoverboard and it does not comply with electrical safety standards.
- ESV is now investigating the supplier who sold the device, with a view to prosecution.

Recalls

- The 14 recalls include the model linked to the Victorian fire. Thirty were supplied and three, sold in Casula, NSW, are yet to be located. Details of recalled hoverboards are available from the www.recalls.gov.au website.

ACCC Safety Investigation

- The ACCC investigation will cover consumer product safety and electrical safety aspects of hoverboard use and will take approximately six weeks (from 12 January) to complete.
- The Australian Consumer Law provides for a number of outcomes if serious safety concerns are identified by the investigation, including:
 - proposals for interim or permanent bans
 - compulsory product recalls
 - consideration of the need for ACL safety standards.
- Any proposal for their regulation would require full consultation with stakeholders.

International Developments

- The US Consumer Product Safety Commission has called on retailers to voluntarily halt hoverboard sales until safety is investigated.
- 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 are electrically unsafe.

Contact officer: Neville Matthew x1066

Approved by: Neville Matthew, Consumer Product Safety x1066