

**Submission
No 9**

ELECTRIC AND HYBRID VEHICLE BATTERIES

Organisation: Australian Competition & Consumer Commission

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23 November 2023

Mr Greg Warren MP
Chair
Joint Standing Committee on Road Safety

By email: staysafe@parliament.nsw.gov.au

Dear Mr Warren

Re: Inquiry into Electric and hybrid vehicle batteries

The Australian Competition and Consumer Commission (ACCC) welcomes the opportunity to provide a letter to the Joint Standing Committee on Road Safety to inform your inquiry into electric and hybrid vehicle batteries (the inquiry). Rather than the ACCC providing a submission, this letter is intended to draw your attention to recent ACCC work that may be of relevance to the inquiry.

The ACCC is an independent Commonwealth statutory agency that promotes competition, fair trading and product safety for the benefit of consumers, businesses and the Australian community. The primary responsibilities of the ACCC are to enforce compliance with the competition, consumer protection, fair trading and product safety provisions of the *Competition and Consumer Act 2010* (CCA), regulate national infrastructure and undertake market studies.

The ACCC is the general product safety regulator, however this does not extend to road vehicles

The ACCC is responsible for regulating the safety of general consumer products, however this does not extend to road vehicles. The Commonwealth Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) is the primary regulator for road vehicles under the *Road Vehicle Standards Act 2018*. I understand DITRDCA is currently considering requirements for electric powertrain safety and hydrogen fuelled vehicle safety related performance.¹ The ACCC supports DITRDCA remaining the primary regulator for road vehicles, including electric vehicles. For further discussion of electric vehicle safety, please see the ACCC's recent [submission](#) to the Queensland Government's review of its *Electrical Safety Act 2002*.

There have been increasing battery safety incidents associated with light electric vehicles

The ACCC recently published a [report](#) on lithium-ion (Li-ion) batteries and consumer product safety. Li-ion batteries are commonly used in electric vehicles, light electric vehicles including e-bikes and e-scooters, as well as a number of common household items.

Li-ion batteries are more volatile than traditional batteries and can present safety risks such as overheating and fire. The chemical reactions that fuel Li-ion fires are self-sustaining and can burn intensely. Fires associated with electric vehicles are rare compared with other products, with

¹ DITRDCA website, '[National safety standards for electric and hydrogen-fuelled vehicles](#)'.

increasing concerns relating to the size and intensity of the fire and challenge of effectively extinguishing them.² However, there has been an upward trend in the number of product safety reports to the ACCC concerning Li-ion batteries in e-scooters. International incident data also shows a growing number of safety incidents involving e-scooters and e-bikes.³

The ACCC report makes 6 recommendations to address the risks associated with Li-ion batteries:⁴

- **Incident data:** Commonwealth, state, and territory governments should improve, expand and standardise data collection practices around the hazards posed by consumer electrical products, including Li-ion batteries. Wherever practicable and to the extent permitted by law, Li-ion incident data should be regularly shared among stakeholders to facilitate a better understanding of emerging risks and hazards.
- **Consumer safety:** Consumers should have clear and accessible educational resources on Li-ion battery safety.
- **Disposal and end-of-life:** The Australian Government and industry should continue to develop infrastructure, regulation and supporting policies to enable the safe and efficient collection and recycling of Li-ion batteries.
- **Regulatory landscape:** State and territory governments should build a fit-for-purpose, nationally consistent regulatory framework for electrical consumer products, supported by the Australian Government.
- **Regulations:** State and territory electrical safety regulators should introduce, administer and enforce clear requirements for the testing, labelling transportation and storage of Li-ion batteries and products containing Li-ion batteries. These requirements should be consistent across all jurisdictions.
- **Online platforms:** Regulators including the ACCC and state and territory Australian Consumer Law and electrical safety regulators, should work with online platforms regarding risks and hazards arising from products containing Li-ion batteries being sold online.

The Motor Vehicle Information Scheme requires minimum competency of electric vehicle repairers

The ACCC is responsible for enforcing the [Motor Vehicle Information Scheme](#) (MVIS) under the CCA. The MVIS is a mandatory information sharing scheme established to promote competition and choice for consumers. Under MVIS, vehicle manufacturers are required to supply certain information to repairers and registered training organisations at fair market value. While not a licensing regime, MVIS requires individuals to meet certain training and competency criteria to receive access to, and use of, information relating to a high voltage or electric propulsion system in a vehicle covered by the MVIS. This ensures repairers are suitably trained to safely depower, isolate and re-initialise a high voltage battery installed in an electric vehicle.

If you would like to discuss this letter, please contact [REDACTED], General Manager, Risk Management and Policy Branch on [REDACTED] or at [REDACTED].

Yours sincerely

[REDACTED]

Tim Grimwade
Executive General Manager
Consumer Product Safety Division

² CSIRO, '[Lithium-ion battery safety: A report for the Australian Competition and Consumer Commission \(ACCC\)](#)', May 2023, p 25.

³ ACCC, '[Lithium-ion batteries and consumer product safety](#)', 5 October 2023, pp 22–23 & 28.

⁴ Ibid, pp 6–9.