

Parliamentary Inquiry into e-scooters, e-bikes and other mobility devices – 30 October 2024 - ICA questions taken on notice

Questions from the Hon. Natalie Ward:

1. Were you consulted prior to the Minister’s public announcement about e-scooters?

We understand this question refers to the announcement by the Minister for Transport on 28 October 2024 [E-scooters kick toward legalisation in NSW | NSW Government](#)).

The ICA is not aware of any formal consultation prior to the Minister’s public announcement in relation to e-scooters.

Possible reforms in relation to e-scooters were discussed at a quarterly meeting of the Road Safety Advisory Council on 11 September 2024 which the ICA attended. The reforms were discussed at a high level and the proposals in relation to registration and insurance (i.e., that there would not be registration or insurance requirements) were consistent with the ICA’s position in its submission to this Inquiry dated 16 August 2024. The ICA has not provided any further statements or submissions.

2. Did Transport or the Minister’s office contact you?

No, the ICA was not contacted directly by Transport for NSW or the Minister’s office prior to the announcement.

Questions from the Chair:

3. Are you aware of other jurisdictions (domestically or internationally) that are doing this well or is there research you can point the Committee to?

We note this is an emerging insurance market and one that will continue to develop as the use of personal e-scooters is legalised and they become more widespread.

We are monitoring the new legislation in South Australia. The Bill has now passed state parliament and will allow personal mobility devices (e.g., e-scooters and e-bikes) to be used on public roads and paths in South Australia. There will be no requirement for a personal mobility device to be registered or for the rider to hold a license. These devices will not be covered under the CTP scheme although the government has agreed to review the operation of the new laws after 12 months and to consider the potential inclusion of personal mobility devices in the nominal defendant scheme.

Some European countries, including Germany, France, Norway and Malta, have introduced liability insurance requirements for e-scooters. Most European countries have also developed legislative frameworks in relation to safety requirements (e.g., in relation to speed limits, helmets, age limits, and use of footpaths)¹.

We will continue to monitor developments in relation to the use of e-scooters both domestically and internationally.

¹ A Guide to Electric Scooter Laws in Europe, Urbetter, 2022, [A Guide To Electric Scooter Laws in Europe – Urbetter](#))

Questions from the Hon. Wes Fang:

- 4. Did the Minister seek to consult with insurers prior to making the announcement in relation to the e-mobility process for the Government? Did your members have the opportunity to provide feedback to you to give to Government, or has the Minister done this outside of feedback from the insurance companies themselves?**

The ICA is not aware of any formal consultation prior to the Minister's public announcement on 28 October 2024 in relation to e-scooters.

As mentioned, possible reforms in relation to e-scooter use were discussed at a quarterly meeting of the Road Safety Advisory Council on 11 September 2024 which the ICA attended. The reforms were discussed at a high level and the proposals in relation to registration and insurance (i.e., that there would not be registration or insurance requirements) were consistent with the ICA's position in its submission to this Inquiry dated 16 August 2024. The ICA has not provided any further statements or submissions.

The ICA recommends the Committee speak directly with insurers to confirm any direct consultation.

- 5. From your members' perspective, have they had the opportunity to provide feedback? We have been told that some commercial operators have insurance should there be an injury to a pedestrian or another user, but it would seem it is opaque as to what is covered. Evidence from doctors indicated that if there are any mitigating factors such as speed, no helmet, intoxication or drugs, the insurance is null and void, which then puts liability onto the State. What would you see as the process for determining a product that is going to ensure that liability does not rest with the State into the future?**

The ICA recommends the Committee speak directly with insurers to confirm any direct consultation.

At present, legal use of e-scooters in NSW is limited to those operated through shared hire schemes in designated trial areas. We understand that commercial insurance products are available for users of these legally operating e-scooters both in relation to personal accident insurance as well as third party liability (public liability) insurance to cover them for any personal injury claims made against them.

There are likely to be restrictions and exclusions of cover where e-scooter users engage in illegal or highly risky conduct likely to cause injury to themselves or others (e.g., operating an e-scooter while exceeding the legal blood alcohol concentration limit or while under the influence of illegal drugs).

We note that these types of restrictions on cover are standard across all general insurance personal accident and civil liability policies. Where cover has been restricted in these circumstances, we are unsure how liability would then shift onto the State, other than through a potential increased burden on the existing healthcare services provided through Medicare and the public health system.

We refer to our submission and position that if the CTP scheme were to be expanded through legislative reform to cover e-scooters, there would need to be a mechanism for premium to be collected. In these circumstances, liability would be funded and would

not be shifted to other CTP policy holders through the nominal defendant scheme or to the State.

6. What would an insurance package cost? Would commercial operators have to pay it or the users and what would the structure be?

We would need to understand in detail what the package looks like to provide comment. We would welcome engagement on any potential changes to insurance requirements for e-scooters.

7. What sort of thinking has the sector already done in this space around how to insure these risks, and, as a rider, how long it might take to set up a scheme.

We note that given it is still illegal to ride personal e-scooters on public roads in NSW, the insurance market is currently largely limited to commercial liability products for shared e-scooters within trial areas in NSW. Should reform result in the legalisation of personal e-scooters and similar devices on public roads in NSW, we would expect insurance products to develop in time.

It is difficult to provide a timeframe for when insurance may become available for e-scooters and similar devices. There are many uncertainties, and any timeframes would depend on the direction taken by the Government. For example, if personal e-scooters were to be legalised for use on public roads, it is unclear whether insurance would be required at all and, if it is, whether this would be through personal insurance products or through a statutory scheme such as the expansion of the CTP scheme or a new and separate scheme.

8. What insurance is currently available for e-bikes and PMD riders? What insurance is available for injuries sustained in accident?

Operators of shared hire e-scooters often have commercial insurance products for riders.

For riders of personal e-scooters, public liability insurance may be available under a home and contents policy if it is listed as a portable item.

In terms of cover for injuries sustained in an accident, we understand that Bicycle Queensland memberships include e-scooter riding insurance, providing coverage for personal accidents and public liability while riding a privately owned e-scooter². This membership is not limited to use in Queensland.

We note, though, that the use of personal e-scooters on public roads is currently illegal in NSW. This limits the need for insurance products at present. Should use become legalised through legislative reform, we expect additional insurance products would become available.

If an e-scooter rider was injured by a motor vehicle, they may be covered under the CTP scheme. The CTP scheme would otherwise not apply given e-scooters (like bicycles) are not required to be registered and no premium is paid.

² [E-scooter Insurance – Bicycle Queensland](#)