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Transport for NSW PO Box K659 Haymarket NSW 1240

Via email: TSEDOfficeSPER@transport.nsw.gov.au

To whom it may concern

Thank you for the opportunity to provide feedback on the proposed changes to using e-micromobility devices on public transport.

The NSW Small Business Commissioner (the Commission) is an independent statutory office of the NSW Government. It provides strategic advice, advocacy, and affordable dispute resolution services across NSW, and also serves as the Registrar of Retail Tenancy Disputes under the *Retail Leases Act* 1994 (NSW). This role gives the Commission direct insight into the regulatory challenges facing small businesses, including food delivery operators and other enterprises reliant on emerging technologies.

The Commission acknowledges the importance of ensuring safety on public transport systems, particularly in light of the increasing number of incidents involving lithium-ion batteries. Fires linked to battery failure can have catastrophic consequences in enclosed environments such as trains, stations, and tunnels. The Commission supports measures that seek to safeguard commuters, rail staff, and infrastructure.

At the same time, robust consultation with small business stakeholders is essential. Many small businesses, particularly food delivery operators, rely on e-micromobility vehicles to sustain their operations. Riders frequently use e-bikes as cost-effective and efficient tools, especially in metropolitan areas where travel across multiple suburbs is required. Public transport often forms a critical link in this work. Restrictions on carriage may increase travel times, reduce earning capacity, and limit access to work opportunities. Such impacts would fall disproportionately on gig-economy workers and sole traders who typically operate on low margins and have few alternatives.

Targeted regulation

A more proportionate approach would distinguish between compliant and non-compliant devices, focusing regulation on those that pose the greatest risk. Specifically:

- Recognise compliant devices: Many operators have invested in properly manufactured emicromobility vehicles fitted with certified batteries and chargers that meet Australian safety standards. Penalising them alongside high-risk devices would discourage responsible behaviour.
- Coordinate regulation: NSW Fair Trading has already introduced an information standard and compliance certification for lithium-ion batteries. From 1 February 2026, all e-micromobility devices sold in NSW must be tested, certified, and marked prior to sale. Aligning state measures with federal controls on imports of conversion kits and non-compliant batteries would reduce risk at the source.

• Leverage international practice: International examples demonstrate targeted regulation is feasible. In New York, e-micromobility devices are permitted on the subway system provided their batteries are certified, while in London, foldable e-bikes are allowed across the transport network.

Rather than adopting a blanket ban across the rail network, the Government could consider a Regulatory Experiment, as advocated by the NSW Productivity and Equality Commission.¹ This would allow targeted approaches, such as restricted carriage conditions, designated storage zones, or mandatory certification, to be trialled and evaluated. Regulatory experiments generate evidence on the most effective and proportionate way to reduce fire risks while still supporting innovation and the growing uptake of sustainable transport options. By working with the NSW Productivity and Equality Commission and the Behavioural Insights Unit, the Government could build a stronger evidence base to inform future decisions.

Regulatory Impact Statement

To ensure sound policy outcomes, regulatory development should be evidence-based and proportionate. In this context, the Commission recommends:

- Early and continuous engagement with small business stakeholders throughout the policy process.
- Transparent analysis of objectives, costs, benefits, and alternative measures, including how a temporary ban would achieve stated objectives.
- Application of a Small Business Impact Statement (SBIS), as recommended in the Commission's <u>Rightsizing Regulation Report</u>, to ensure small business perspectives are embedded in regulatory design.

The absence of either an SBIS or a Regulatory Impact Statement for this proposal raises concerns that the implications for small business have not been adequately assessed. Many operators, particularly in the food delivery sector, rely heavily on e-micromobility devices to provide timely and affordable services. Without clear evidence of net benefits or an exploration of alternative mitigation strategies, a blanket ban risks imposing disproportionate costs on small businesses while undermining consumer access to affordable delivery options.

Education and enforcement

Without targeted education, the effectiveness of any restrictions will be undermined. A large proportion of those likely to be affected are from culturally and linguistically diverse (CALD) backgrounds. For many delivery riders, English is not their first language, which can make it harder to access or understand official information. To ensure clarity and compliance, the Commission recommends:

- Translation of key information into relevant community languages.
- Engagement with community organisations and rider representative groups.
- Dissemination through accessible channels such as social media, in-app notifications from delivery platforms, and peer networks.

The Commission supports proportionate safety measures to protect commuters and infrastructure but urges that any restrictions be carefully targeted to high-risk devices rather than applied as a blanket ban.

¹ NSW Productivity and Equality Commission *White Paper 2021 – Rebooting the Economy.* Available at: https://www.productivity.nsw.gov.au/white-paper

This approach would balance public safety with economic fairness, enabling small businesses and delivery operators to continue providing essential services while minimising risk to the community.

Thank you for the opportunity to make a submission. If you require further information, please contact my Executive Officer at either commission@smallbusiness.nsw.gov.au or (02) 9372 8767.

Yours sincerely

Catherine Ellis
Acting Commissioner
NSW Small Business Commission

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