2026

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

ELEVENTH ASSEMBLY

Public Transport Concessions - Assembly Resolution of 23 October 2025 - Government Response

Chris Steel MLA
Minister for Transport

June 2026

Introduction

Public transport is a critical service for our community, connecting Canberrans to work, study, healthcare and civic life. For people without access to a private vehicle, it is not just a convenience but an essential service. Ensuring that our network remains accessible and affordable is central to our commitment to equity and social inclusion.

The Government has considered Assembly resolution of 23 October 2025 through the 25-26 Budget Review and the 2026-27 Budget and this response provides an update on those considerations and decisions.

The Government recognises the importance of the affordability of public transport, however, this has balanced this against priority of delivering frequent and reliable public transport services where Canberrans want to go.

The ACT Government has a nationally competitive flat-fare model, which includes daily and monthly paid fare caps, alongside a range of existing concessions, including free travel programs, targeted at Canberrans who need it most. Whilst public transport fares are indexed each year, the current fares remain low due to fare freeze which was put in place for five years from 2019 to support cost of living.

Public transport, and Transport Canberra operations, is heavily a subsidised service and so further reductions, especially permanent reductions in revenue, need to be carefully understood so as to not undermine the delivery of sustainable public transport services to the community.

Nonetheless the Government has taken the resolution of the Assembly seriously and has delivered targeted cost of living relief measures through further reductions to public transport fares, including students, over the past two years. Further consideration will be given to fare arrangements based on evidence being gathered through surveys and an upcoming fare review.

Reductions to student concessions

In the 2024-25 Budget Review the Government introduced the initiative *Fare Free Fridays which* provided free travel on Fridays for all public transport services as part of a time-limited, twelve-month trial, between 6 December 2024 and 12 December 2025, with foregone public transport revenue able to be fully offset by savings and an existing provision within Transport Canberra's operational budget.

Following the Assembly's resolution, the ACT Government introduced temporary measure to provide more free travel for Canberrans by halving monthly paid fare caps on public transport. This measure enabled passengers to reach free travel thresholds earlier each, and was put in place from 8 April to 30 June 2026 in response to impacts of the global fuel shock.

This provided targeted and proportionate support to frequent users, lowering monthly travel costs, and encouraging greater use of public transport, while maintaining a defined monthly limit to manage demand across the network.

Under this measure, the monthly cap for tertiary students was further reduced from 40 to 15 paid trips (aligning with the monthly cap for school students.

Recognising the benefits seen under this current fare relief measures, and the actions called for by the resolution, the ACT Government is committing $614,000 through an initiative in the 2026-27 Budget to fund an ongoing trial of the reduced monthly fare caps for tertiary students over the next twelve-months.

The monthly cap will be lowered from its legislated 40 paid trips to 30, allowing tertiary students to reach free travel sooner each month and reduce overall travel costs. By lowering monthly fare caps, this targeted trial will deliver direct savings and put money back into the pockets of young Canberrans, who are regularly using public transport, in a way that is sustainable for the budget.

Further analysis required to inform future fare structure

The Government considered the further proposals in the Assembly's resolution through the recent 2026-27 Budget, however, further work and detailed consideration is required given the fiscal and operational implications. This will continue into the 2026-2027 year.

Expanding concession travel to provide fare-free access at all times whilst simultaneously extending concession eligibility to all students, including part-time tertiary students, requires further analysis of eligibility requirements, patronage impacts, system configuration and a greater cost understanding.

Any permanent fare changes must be considered in a way that ensures long-term sustainability of our public transport system. The proposal to make all concessions fare free, in particular, presents substantial and ongoing revenue implications.

Equity is also an important consideration in any universal expansion of free or discounted fares, as it may not effectively target those experiencing the most acute financial hardship.

One example of the complex equity issues faced by the Government is the significant investment made providing dedicated school services. The majority of these buses serve non-government schools because students attending these schools often travel outside their local area for their education. This comes at a considerable cost to Transport Canberra and means that a large part of the fleet is not operationally available to deliver route services to the broader community during the peak times of the day.

Whilst the majority of students use the route bus and light rail network to get to school, the Government is mindful that providing further incentives to students using school services may result in demand for more dedicated school services to be delivered to meet demand, thus reducing the level of services provided to the broader community on Transport Canberra's route bus network.

Generally, students attending non-government schools are from a higher socio-economic background and so there are important equity considerations when it comes to expenditure on further concessions or free travel for this cohort and their families. This would be in addition to the already higher level of service and transport related expenditure provided to students of non-government schools through dedicated school bus services, compared with the level of resources provided to public schools or other students attending their local school within their Priority Enrolment Area (PEA.

Therefore, the Government believes that it reasonable for school students and their families to continue to pay for trips on dedicated school services.

To ensure there is a more detailed analysis undertaken to support the long-term sustainability of the ACT's public transport services, Transport Canberra is in the process of commencing a comprehensive, system-wide review of its fare structure. This will ensure that fares, concessions and travel incentives remain fit for purpose and reflect the needs of a modern, growing city delivering a fair, contemporary and accessible public transport system for all Canberrans.

To support the review, Transport Canberra have been collecting patronage data to inform further consideration, and potential eligibility requirements, of expanding tertiary concessions to part-time students. As part of the recent Canberra Light Rail Customer Satisfaction Survey, undertaken twice a year by Canberra Metro Operations (CMET, questions were included to gather information on how (i.e., in-person, online or both and where (i.e., at a university or vocational education training provided in or outside of Canberra tertiary students using light rail. These questions will also be included in an upcoming survey of passengers using the Transport Canberra bus network, scheduled to occur in the coming months, to ensure this consideration is appropriately informed by a statistically representative sample. This data is particularly critical to form a proper cost understanding of the impact of extending concession fare to part-time tertiary students.

Investing in public transport services

The ACT Government continues to prioritise investment in public transport services. This approach is supported by public transport advocacy bodies, as improved services drive long term mode shift and will help to meet our climate goals. Further consideration of other drivers which support mode shift are also currently being undertaken as part of the development of the next ACT Climate Strategy.

The Government has agreed its public transport policy priorities this term in the Supply and Confidence Agreement between ACT Labor and the ACT Greens for the 11th Assembly. This includes:

- progressively increasing bus service frequency to every 20 minutes on weekdays throughout the term starting in 2025;
- increasing bus frequency on weekends starting in 2025 (hourly) and making further improvements subject to future engagement with the workforce;
- increasing frequency on key existing Rapid bus services and introducing new Rapid services before the end of the term;
- future proofing the Belconnen Transitway for light rail; and
- continuing the transition to a fully electric bus fleet, including the procurement of at least 110 new electric buses over the parliamentary term.

Any reduction in the revenue generated by public transport fares needs to be considered in the context of being a reduction in the funding available to invest in these priority measures which go towards improving the overall service levels of the public transport system, including new frequent routes connecting new and existing communities.

Conclusion

The ACT Government will continue to build and assess this evidence base to inform the review of our public transport fare structure, including concessions through Transport Canberra's fare review.

To support equity, we must continue to focus assistance where it will have the greatest social impact, and we must ensure our public transport system remains financially sustainable, accessible and reliable.

We will continue to work towards striking the right balance for public transport, to ensure it is affordable but also ensuring that improvements to public transport services are prioritised.