Brisbane Airport Rail Link (Airtrain) Buy Back Amendment Bill 2026

Explanatory Notes

Short title

The short title of the Bill is the Brisbane Airport Rail Link (Airtrain) Buy Back Amendment Bill 2026 (the Bill).

Policy objectives and the reasons for them

The objectives of the Bill are to put in place a strategy for the government to terminate the existing unfair agreement with Airtrain Citylink Limited (currently owned by USS Axle Pty Limited - a wholly owned subsidiary of a UK-based superannuation company), which has given the company a monopoly on operating public transport to and from Brisbane Airport since 2001 (and will continue to do so for a further 10 years, until 2036), and to ensure AirTrain fares can be reduced to no more than 50c per trip.

As of July 2026, Queensland had the most expensive public transport fares of any Australian capital city for trips between the CBD and the airport. In Perth, the Western Australian government provides 60% more train services to and from the airport,[1] at a much lower cost than Brisbane.

In 2032, Brisbane will host the Olympic and Paralympic Games. It is essential that the Government is able to provide adequate and affordable services to and from the airport before then.

While the rest of the public transport network in Queensland enjoys 50c permanent fares, AirTrain costs adult travellers $23.30 for a one way trip to or from Brisbane City, and services are infrequent. Consequently, just 5% of commuters and airport workers use the AirTrain, exacerbating traffic congestion in the area.

USS Axle Pty Limited has valued the remainder of the contract at just $46.6 million in 2025-26, and that value depreciates year on year. The company's own valuation represents an entirely fair price to pay for this public transport asset for Queensland residents, workers and tourists. It would mean fares could be slashed to 50c, services could be made more frequent, new stations

[1] Better Transport Queensland, 'Action required to deliver better public transport to Brisbane airport', October 2025.

could be added to the existing route and alternative public transport options could be established.

Queenslanders and visitors should not be disadvantaged by a bad deal entered into more than 25 years ago, especially as the 2032 Olympic and Paralympic Games approach. The Bill ensures a fair outcome for Queenslanders now and into the future.

Achievement of policy objectives

The Bill achieves its policy objectives by amending the *Transport Operations (Passenger Transport) Act 1994* to require the Minister for Transport and Main Roads introduce a Bill within 3 months of assent that would:

- Terminate the Brisbane Airport Rail Link Deed, with compensation limited to the company's own valuation of the service concession intangible asset, which represents the contract's value to the company; and
- Transfer operation of the Brisbane Airport Rail Link to the Queensland Rail Transit Authority and limit fares to 50c or less.

The physical assets themselves were always due to be handed back to the State government in 2036, so the service concession valuation represents the value to the company of being able to maintain its monopoly over the next ten years.

Alternative ways of achieving policy objectives

The government could negotiate directly with USS Axle Pty Limited to terminate the deed of agreement without requiring legislation. The government could also immediately introduce a bill as required under the strategy.

Estimated cost for government implementation

There are no significant cost impacts from these amendments because the Bill establishes a strategy for terminating the deed and bringing the AirTrain into public hands. It does not itself incur costs for implementation beyond the preparation of the required legislation.

Consistency with Fundamental Legislative Principles (FLPs)

The amendments are consistent with fundamental legislative principles.

Consultation

The Member has developed the Bill based on stakeholder and community feedback, including from Brisbane Airport workers, commuters, and transport advocacy organisations.

Consistency with legislation of other jurisdictions

Terminating contracts via legislation is not common, however, there are instances of public-private partnerships being otherwise terminated for convenience. For example, in 2015 the Victorian Government indicated it was considering terminating the Public Private Partnership for the East West Link project by legislation, but ultimately reached agreement with the proponent to terminate it for around $642 million, although there is limited publicly available information to verify how much the state spent.[2]

[2] Victorian Auditor-General, East West Link Project, December 2015, p xiii.

<u>Notes on provisions</u>

Clause 1 Short Title

Clause 1 provides that when enacted, the Act may be cited as the *Brisbane Airport Rail Link (Airtrain) Buy Back Amendment Act 2026.*

Clause 2 Act Amended

Clause 2 states that this part amends the *Transport Operations (Passenger Transport) Act 1994*.

Clause 3 Insertion of new ch 7A

Clause 3 inserts new chapter 7A under the heading Brisbane Airport Rail Link buy back.

Section 92 defines the Brisbane Airport Rail Link as the railway linking Brisbane Airport with the railway network operated by a rail government entity.

Section 93 obliges the Minister to introduce a Bill, within three months of the date of assent, to achieve the objectives stipulated in sections 94 and 95.

Section 94 says the objective is to terminate the Brisbane Airport Rail Link Deed.

Without limiting that, this section limits the amount of compensation payable for terminating the deed, regardless of what is stated in the deed. Instead, the objectives in section 94 provide that compensation will be limited to USS Axle's own valuation of the service concession intangible asset, either as it appears in the consolidated financial statements for the year ended 31 March 2026 or the equivalent valuation in future financial statements.

The objectives are explicit that the legislation to be introduced should end all rights or obligations accrued by any party to the deed on termination.

"Brisbane Airport Rail Link Deed" and "USS Axle" are defined for the purpose of this section.

Section 95 provides for the objectives to transfer operation of the Brisbane Airport Rail Link to the Queensland Rail Transit Authority, and to limit fares to 50c or less.

"Queensland Rail Transit Authority" is defined by reference to the *Queensland Rail Transit Authority Act 2013*.

Clause 4 Amendment to Dictionary

Clause 4 inserts a new definition for “Brisbane Airport Rail Link” into schedule 3 to refer to new section 92.