

## Question on Notice

No. 114

Asked on 15 February 2024

**MR B MICKELBERG** ASKED MINISTER FOR TRANSPORT AND MAIN ROADS AND MINISTER FOR DIGITAL SERVICES (HON B MELLISH)—

### QUESTION:

With reference to the Sunshine Motorway, Mooloolah River Interchange Upgrade, Stage 1 (investment ID 2007574)—

Will the Minister advise the reasons for the significant cost escalation, including any changes to the scope or design of the project which have contributed to that cost escalation?

### ANSWER:

I thank the Member for Buderim for the question.

The Queensland Government front loaded its 50 per cent share of the initial \$320 million allocated following the 2022 Federal Budget to progress design work. A preliminary design layout for the entire Mooloolah River Interchange (MRI) Upgrade project was released to the community in July 2023.

On 22 December 2023, I announced a revised indicative total cost of \$743.6 million for this project as part of the Queensland Government's renewed plan for transparency with Queenslanders.

It is acknowledged that since preparation of the project's business case and cost estimate in 2020, significant labour and materials cost escalations and unprecedented property market conditions in the Sunshine Coast region have impacted the project budget.

Additionally, detailed site investigations conducted during the project's design phase identified technical refinements were required. Changes in road, bridge and rail standards since the finalisation of the MRI Upgrade business case have further contributed to the cost escalation. Collaboration with interfacing projects, such as the Direct Sunshine Coast Rail Line, has also been undertaken to ensure the project aligns with the broader multi-modal network solution desired by the community.

As I have stated publicly, the challenge to deliver this project has been significantly compounded by the outcomes of the Australian Government's Independent Strategic Review of the Infrastructure Investment Program, announced in November last year, which has seen the Australian Government cancel funding for the project. Without federal support, the MRI simply cannot be delivered.

The Miles Government is delivering its eighth record transport and roads infrastructure program in a row, as detailed in the *Queensland Transport and Roads Investment Program 2023–24 to 2026–27*, which outlines \$32.1 billion in investment over the next four years and is estimated to support an average of 25,200 direct jobs over the life of the program. Of this, \$3.147 billion is committed across the Department of Transport and Main Roads' North Coast Region, estimated to support an average of 2460 direct jobs over the life of the program.