

## CIOB Turns 175

The Chartered Institute of Building (CIOB) has been developing excellence and promoting the importance of the built environment for 175 years in 2009. To represent the influence its 40,000 international members have had on the global skyline since 1834, the CIOB has designed a special logo profiling some of the most iconic structures in the world.

CIOB members have been involved in constructing many of the world's landmark buildings and infrastructure including:

- Palace of Westminster, rebuilt following a fire in 1834 and Nelson's Column between 1840 and 1843 as a memorial to Admiral Horatio Nelson. Sir Samuel Morton Peto Bt a founder member of CIOB in UK worked on the both projects.
- London's Tower Bridge, at the time the largest and most sophisticated bascule bridge ever built (construction 1886-94). Sir Herbert Henry Bartlett Bt CIOB president 1892-93 was one of five major contractors involved in construction and the project achieved an exemplary OH&S record by the standards of the period.
- Sydney Opera House – one of the world's most distinctive buildings and a UNESCO World Heritage Site. Sir Ove Arup CBE (1895-1988), CIOB

honorary fellow and founder of Arup, was involved in its creation from 1957 until the official opening in 1973. One of the first projects to use computerised structural analysis in building design, to create the roof shells.

- Petronas Twin Towers, Kuala Lumpur, Malaysia – completed 1998, the world's tallest twin buildings. CIOB trustee and fellow Alan Crane CBE (b. 1945) project managed the construction; an emphasis on sustainability meant that 60% local materials were used.
- London's Millennium Dome (1999) – known as the O2, was originally built to celebrate the beginning of the 3rd millennium. CIOB fellow Bernard Ainsworth was the project director for the large dome-shaped structure, which is the largest of its type in the world.
- National Stadium, Beijing - the "Birds Nest" is the world's largest steel structure created for the 2008 Olympics. The irregular steel sections, inspired by Chinese artwork and pottery, comprised 7,500 elements and required structural engineer Arup to apply advanced computer analysis to individually design each one. A number of Chinese CIOB members were involved in key leadership positions in the delivery of the stadium.

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## President's Column

As our Industry faces the impacts of the current global economic climate it is important to understand that where there are great challenges, there are also immense opportunities.

To this end, the Chartered Institute of Building Australasia (CIOBA) identifies the key issues which, as an Institute, we must remain committed to:

- promoting the aim of broadening future membership
- maintaining the momentum of the sustainable and green environment with the Australian Sustainable Built Environment Council (ASBEC)
- continuing to invest in education and training
- continuing to develop existing and new relationships with other professional institutes and organisations

- promoting the recognition of CIOBA both within Australasia and internationally.

This year the Chartered Institute of Building (CIOB) celebrates its 175th anniversary, which provides not only the opportunity to reflect on the past achievements, but also serves to look forward to the future of the development of higher expectations and awareness as an Institute.

Being recognised as a qualified and professional individual is invaluable, and in the current climate even more so, where there is a need to stand out from the crowd. We therefore encourage all members to renew their CIOBA membership in order to maintain their professional recognition, and in turn, the Institute remains dedicated to continue to deliver more benefits.

In these times individuals, small companies



and large organisations alike, are seeking to find the extra edge in an increasingly competitive market and are seeking to focus on innovative benefits in order to become as effective as possible.

With the visit in March 2009 of Fabio Casula, Head of CIOB International, the CIOBA Regional Council is assisting with promotion of CIOB recognition and discussing the way forward for CIOB Australasia and as a result cement its standing in Australia, New Zealand and internationally.

## 2009 CIOB Australasia Excellent Student Award Winners Announced

Fifteen students from eight universities across Australia and New Zealand have won 2009 CIOB Australasia Excellent Student Awards. This is an extremely high accolade as Universities are only eligible to make one nomination for each category; selecting only the most outstanding students from their Building and Construction courses. Framed student awards will be presented at various university functions in the coming months. This year's award recipients are:

### CIOB Australasia Excellent Building Undergraduate

#### Kurt Christensen

Bachelor of Property & Sustainable Development (Construction Management & Quantity Surveying)  
Bond University

#### Paul Couani

Bachelor of Construction Management and Property  
University of NSW  
Dissertation title: "Managing Risks in the Construction Supply Chain towards Green Building Development"

#### Marcel Patrick Frei

Bachelor of Construction  
Massey University  
Dissertation title: "The Future of Quantity Surveying in New Zealand: Likely Changes,

### Threats and Opportunities"

#### Jonathan Lau

Bachelor of Construction Management  
University of Newcastle  
Dissertation title: "Investigating Inconsistencies in Project Delivery Systems for Prisons: A Comparison between Public & Private"

#### Karolina Mijatovic

Deakin University

#### Thomas Samuel Perkin

Bachelor of Construction Management & Economics  
University of South Australia  
Dissertation title: "An Evaluation of Grip Procurement Strategies and Performance in the South Australian Construction Industry"

#### Alby Peter Peros

Bachelor of Construction Management  
University of Western Sydney  
Dissertation title: "Constructability: A study of measures to improve project efficiency"

#### Cameron Alex Smith

Bachelor of Property and Construction  
University of Melbourne  
Dissertation title: "The Construction Industry and Workchoices: Where to for Industrial Relations?"

### CIOB Australasia Excellent Building

### Postgraduate (Coursework)

#### Santosh Das

Master of Construction Management  
Auckland University of Technology

#### David Haynes

Masters of Construction Management and Quantity Surveying  
Bond University

#### Ching-Yao Angela Wang

Master of Construction Project Management (by Coursework)  
University of NSW

### CIOB Australasia Excellent Building Postgraduate (Research)

#### Ivy Qiu Blackman

Deakin University

#### Graham Brewer

PhD (Building)  
University of Newcastle  
Dissertation title: "Innovation & Attitude: Mapping the Profile of ICT Decision-Makers in Architectural, Engineering and Construction Firms"

#### Tayfe Hamwi

Master of Building (by Research)  
University of NSW  
Dissertation title: "The Performance Measurement of Healthcare Facility Management: A Way Forward"

#### Wan Norizan Wan Ismail

Master of Philosophy (Construction)  
Massey University  
Dissertation title: "Ideal Procurement System for New Zealand Private Sector Construction Clients"

## Notice

Facts and opinions expressed in this publication are those of the authors of the articles. They may not be the official position of CIOB on any given matter.

# Bond Introduces Australia's Newest World-Leading Sustainable Building

Minister for Education, Employment and Workplace Relations, the Hon. Julia Gillard MP, recently opened Australia's first 6 Star, Green Star designed educational building.

The Bond University Mirvac School of Sustainable Development was awarded its 6 Star, or 'World Leadership', status by the Green Building Council of Australia (GBCA). The 6 Star Green Star - Education PILOT Certified Rating puts Bond University, and Australia, at the forefront of world's best practice in sustainability.

The design rating is the result of a 12-month submission process Bond University undertook with GBCA as part of their Green Star pilot process for educational buildings, as one of only five education providers nationally chosen to take part.

Bond University Chancellor Mr Trevor C Rowe AM said the University is proud to be leading the way in sustainability.

"This achieves the goal we shared with Mirvac to create an educational building that reflects a Living Laboratory for the advancement of teaching sustainability principles and practices, not only to Bond students but to the wider community."

"We will be inviting schools, governments, industry and the general public to visit the new building and see sustainability in practice and have a hands-on experience of sustainable planning, design and construction processes," he said.

"We look forward to using this marvellous facility to help shape the thought processes

of the next generation of development professionals and the future direction of sustainability," Mr Rowe said.

The building has been designed to minimise energy consumption through an innovative design that makes maximum use of natural light and mixed mode ventilation.

Water tanks, solar heating and a grey water recycling system means it won't rely on the already stretched South East Queensland water supply, and the building will generate around 40 per cent of its peak power through solar cells and wind turbines.

The design also made extensive use of recycled materials, including recycled-certified steel and timber, low-emission paints and carpets made from recycled fibres.

"It is also unique in as much as it is a joint venture between tertiary education (Bond University), the corporate sector (Mircac Corporation), and the Government (Federal Government Capital Development Pool Grant)," Mr Rowe added.

Mr Rowe said that while the building is estimated to be around 30 per cent more expensive than traditional buildings upfront - at a cost of \$11 million - it represents significant cost savings in the long-term.

"I hope this will encourage other education providers to 'think green' when embarking on new developments because not only will an environmentally sound approach help to promote healthier learning facilities for students and teachers, but it will also help

to improve their bottom line by reducing operating costs in the long term."

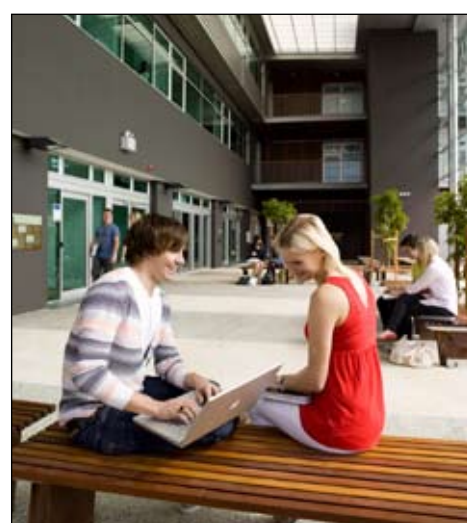
In announcing the 6 Star rating, Romilly Madew, Chief Executive of the Green Building Council of Australia, commented that the Bond University Mirvac School of Sustainable Development has gone beyond creating just a world leading green building, but has also invested in the future of Australia. "By going green in our universities, not only are we reducing the negative environmental impact of these buildings but also providing these students with healthy and safe surroundings that will increase their learning potential".

"The Green Building Council of Australia congratulates Bond University and Mirvac for taking on the challenge and creating a world leading building that will use less resources and provide an opportunity for hands-on learning."

Mircac Managing Director, Greg Paramor said that this recognition demonstrates Bond University's and Mirvac's commitment to world leading sustainable practices.

"Our in-house Mirvac Design team collaborated with the University and consultant team to develop a design that holistically addressed the principles of world's best practice sustainability".

"Mirvac continues to set industry sustainability benchmarks. This includes our 6 Star Green Star Orion Springfield Town Centre, one of the world's most sustainable shopping centres."



Left: Bond Sustainable Development Building

Above: Bond Students Liam Auer & Kate Muller study in the Indoor/Outdoor Area

## International Construction

# UTS Student Study Tour to China in July 2008

Dr. Cynthia Wang from the University of Technology Sydney (UTS) took 26 Construction/Engineering students to China during 12-22, July, 2008. This study tour is part of an elective subject "International Construction". The study tour was organised jointly by UTS and Hunan University in China. 22 Chinese students also participated in this study tour with the UTS students.

During the trip, students visited a wide range of construction-related organizations and sites. These include Chinese government agencies, design institutes, construction contractors and construction supervising companies, various construction sites of high-rise buildings, multi-story residential houses, exhibition hall and stadiums, etc.

Students also visited several ancient Chinese buildings including an over-500-year-old family house in the countryside, famous YueYang Tower and 1000-year-old YueLu Academy. Students also toured the five bridges on Xiang River (two of them hold the world records), and all of them are of different structure types and used different construction technologies.

UTS students lived at Hunan University's campus. They visited the university's



advanced wind tunnel laboratory and structural engineering laboratory. They even experienced the excitement to stand in the wind tunnel.

During the trip, UTS students built strong friendship with the Chinese students and they gained sound understanding of Chinese culture and the international market of construction industry. Chinese students showed strong interest on knowing more of UTS and Australia, and possibilities of pursuing postgraduate study in Australia, especially at UTS. The study tour is a



wonderful experience for both UTS students and the Chinese students.

## Built Environment Support Roundtable Group

After the devastating bushfires that swept through Victoria in February 2009, and continue to threaten Victoria, the Victorian Government's emergency management plan and the work of key community and not for profit organisations are addressing the most immediate needs of those affected by the fires. In addition, a broader partnership between Government and a wide range of industry groups has been identified as being required to provide ongoing services and support to devastated families, communities and businesses.

As a result, the Built Environment Support Roundtable was created, to allow for various building, property, insurance and consumer advisory groups to participate in discussions to generate ideas on how to manage the risks associated with returning communities back to fire damaged areas and how to best manage future re-building projects, as well as to provide some high



level views of potential policy development relevant to areas that could again be under bushfire threat in the future.

The CIOB has been accepted to join this Roundtable Group as an industry member to participate in the Victorian's Government's Built Environment Bushfire Support Roundtable to discuss the industry's

contribution to the bushfire support effort and how this can link to the Government's program. The Victorian Minister for Planning attended the first Roundtable discussion, of which it is anticipated that there will be a series of these sessions over the year, where industry groups as well as private sector organisations will continue to be invited to attend. The Roundtable was facilitated by the Building Commission of Victoria, and included representatives from organisations such as the Property Council of Australia, Australian Institute of Architects, Australian Institute of Building, and Insurance Council of Australia amongst others.

The first Roundtable was held on Thursday 12 February 2009 at the Royal Society of Victoria Conference Centre, in Melbourne. CIOB was represented by Efy Karagiannis, CIOB Victorian Centre Chair who attended this inaugural meeting.

## CIOB China speeds up plans for 2009



The Chartered Institute of Building (CIOB), China branch announced its ambitious plan for a further development at the Best Practice of CIOB Standard in Construction of Beijing Olympics & the 5th CIOB China Membership Conference 2008, on the 9th January 2009, the first important and largest construction event of the year in Beijing.

“In the next couples of months in 2009, CIOB China and its strategical partners will co-organize a series of scaled events, seminars, exchange visiting, etc., and we all believe CIOB China will step a higher position with its development in China’s construction industry” said by Bryan He, the Regional Manager of CIOB China.

In February, Senior Vice President of CIOB, Prof. Li Shirong (FCIOB), will lead the delegations, Chongqing Foreign Trade and Economic Relations Commission and Chongqing Urban Construction & Comprehensive Development Association, visiting individually South Africa and CIOB Headquarters. They will communicate and study the local constructional culture, ideas, techniques and information. Meanwhile, a delegation from Chongqing has been invited to attend the Annual Guildhall Dinner in Ascot.

From March to April, CIOB China, CIOB HK and Hammonds will deliver a week of seminars with a common theme of “Sustainability” in greater China, involving a number of CIOB regions like Chongqing, Beijing, Shanghai and Hong Kong. The

seminars will be commence in Chongqing 27th March, Beijing 30th March, Shanghai on 1st April and back to Hong Kong on 3rd April. The members from Guangdong Centre of CIOB China are invited to Hong Kong for the last stop seminar. The topics cover Sustainability, Health and Safety, Risk Assessments in International Construction Projects, Applications of FIDIC forms of contact in practice, Considerations and Advice on Undertaking A Pre-tender Contract Review, etc.

In June, Prof. Li Shirong will bring a delegation of CIOB China to the UK to attend the CIOB 175th Anniversary 2009 AGM and a series of activities celebrating her role as CIOB’s first female President. Whilst visiting, the delegation will fully exchange ideas on the global and regional development of construction under financial crisis.

In July, CIOB is publishing two historic books, “CIOB in China”, which tells the story of the CIOB’s first 20 years in China, and “Construction Leaders”, which tells a development of CIOB for 175 years. The former will be distributed around the world in Chinese and English. It will focus on the most important aspect of this story: the people who made it happen. Through in-depth interviews with more than 25 remarkable individuals, accompanied by high-quality photographs, readers will gain an invaluable insight into how, in China, the challenge of delivering a fitting built

environment has kept pace with one of the most profound examples of progress and economic development in history.

In November, CIOB China and McGraw-Hill Construction will co-organize the “2009 China Chongqing International Construction Summit”. The organizers will work with Chongqing Municipal Government and multiple local industry associations to create a best-in-the-class platform for a roster of high-profile speakers and 400 industry leaders and professionals around China and the world to discuss the challenges and solutions. The attendees include owners, developers, architects, engineers, contractors, building product manufacturers, technology firms, as well as insurance, financial, and legal professionals. In the summit, CIOB China will hold the 6th CIOB China Membership Conference 2009.

In addition at the end of November, Prof. Li Shirong is attending the Canada Construction Week to represent the CIOB and highlight the links with China and Canada’s construction activities. Prof. Li Shirong will visit some universities currently developing their construction management degree courses, meet industry players across Canada and sign an agreement of cooperation with the Canadian Construction Association for the promotion of collaboration and exchanges with the CIOB.

## Profile

# Dr Kerry London

ICIOB NSWARB BSc (Arch) BArch MBid PhD

Kerry's first real contact with CIOB came in 2004 when she was awarded the National Research Excellence Award for her PhD work in Construction Supply Chain Procurement Modelling. Her feeling was that an association that valued research was certainly an organisation that she wanted to be involved with in the future. Her real understanding of the significance of CIOB came later, when in 2007 she was on sabbatical in the UK as a Visiting Scholar hosted by Professor Roger Flanagan. Roger at the time was the President of ICIOB and he shared some of his thoughts, experiences and aspirations with Kerry. She was convinced and returned to Australia and soon became an integral part of the CIOB Education Panel, becoming Regional Chair in 2008.

In September 2008 Kerry was the first woman to be offered a Chair in Construction Management in an Australian University and in January 2009 she took up this exciting challenge at Deakin University. Kerry has risen quickly in academia, having made her mark through reflective, thought provoking, industry based collaborative high quality research. In 6 short years she has earned approximately \$800,000 in research funds. Internationally it is the seminal text Construction Supply Chain Economics published by the acclaimed and highly respected UK Taylor and Francis in



2008 that she is particularly proud of.

Although relatively new to academia she has been quietly building a diverse and unique career for quite a while. Becoming Professor is the culmination of a career that began in 1988 as an architectural assistant in an architectural practice in Newcastle, NSW after graduating from the University of Newcastle. She then sat for her registration practice examination and became a registered architect in 1990, in the space of two short years. She then travelled overseas with her husband Don and when she returned thought carefully about her career direction and in 1993 embarked on a Masters in Building [Research] under the supervision of Professor Denny McGeorge at the University of Newcastle. Whilst at Newcastle she was employed as a research assistant on the first Australian Research Council Industry grant awarded to a building discipline and enjoyed an innovative, diverse and collaborative research environment. This was then followed by a move to the "frontier" town of Darwin as a project manager on capital works infrastructure projects. After 12 months she was promoted to a senior management position in government involved in construction industry policy and strategic asset management. She kept her toe in academia and lectured part time for the University in Darwin – winning the Best Teacher Award! In 1999 she began her doctoral studies at the University of Melbourne and took up the offer of an Australian Postgraduate Award-Industry, a scholarship funded by the Victorian Building Commission and the Federal government through the Australian Research Council grants scheme. Her study was aimed at exploring financial performance improvements for the construction industry through the supply chain lens. This consolidated

her keen interest in the interactions and connectivity between various parts of the architectural, engineering, construction and asset management sectors and brought many things together for her.

Kerry has worked at UNITEC in Auckland, New Zealand and arrived at the University of Newcastle in 2002. She taught in both the architecture and construction management programs and supervised research higher degree students in these disciplines and in business. Whilst at Newcastle she was honoured to be involved with the NSW Architects Registration Board at the time of the implementation of the new Architects Act. She was appointed Newcastle's Node Director for the Collaborative Research Centre for Construction Innovation and was responsible for raising the grant income from \$30,000 in 2004 to an average of \$100,000 per year. In 2007 she created the first University recognised Research Centre in the School of Architecture and Built Environment. At its peak the Centre employed 10 research assistants and when she left had 22 members. She has published on various topical issues including Housing Affordability; eBusiness; Building Information Modelling; Supply Chain Sustainability; Alliances and Networks; Integrated social, intellectual and cultural capital management, Ethics in Construction; International Construction and Development Approval Conflicts. This year she has another book being launched in the United States "Construction Supply Chain Management Handbook" which was an exciting international e-research collaboration with three colleagues from the US, Brazil and the Netherlands. To ensure she maintains relevancy and is at the leading edge of the profession she also is also a partner in a consultancy business Built Environment Research Services where they pride themselves on action based research grounded in strong fundamental theory.

Although there are challenging times ahead in the higher education institutions, Kerry feels it is also an exciting time to be in academia – there are changes taking place in every institution. She believes Deakin is an excellent place for her to be as the School of Architecture and Building strives to build a national and international reputation for its research.

## Watch this space...

What better way to reach the construction professional target audience than to advertise in this publication. Contact Australasia currently has a print run of 2,000 copies distributed at our events, mailed to over 550 members and construction faculties at 27 universities throughout Australia and New Zealand. Reaching the desks of hundreds of construction professionals, academics and students; it's a cost effective way to get your message out there. You can reduce the cost further and zone in specifically to advertise to a particular state for example or negotiate a rate for loose leaf insert. Visit the website for advertising rates <http://www.ciob.org.au/newsletter> for further details.

# Public Private Infrastructure Advisory Board Needed



The New Zealand Council for Infrastructure Development is urging the New Zealand government to appoint a public and private sector advisory board reporting to the Infrastructure Minister to prioritise investment in national infrastructure and optimise value for money from its capital investment programme.

“Contractors across the country, particularly sub contractors are already feeling the effects of a downturn in work resulting from the economic crisis” says NZCID Chief Executive Stephen Selwood.

“While there’s no shortage of work that can be kick started to address the immediate problem, effective prioritisation of projects is critical so that they can be brought to market as soon as possible and projects with the greatest economic return get an early start”.

NZCID sees the first task for the advisory board would be to take stock and advise government on priorities for public works projects that already have planning approvals and have a demonstrated high benefit cost ratio. Examples include road safety projects and local road improvements across the country, a backlog of work on the national rail network, and a combination of maintenance and capital investment across housing, health, education, electricity transmission, water, defence and corrections. “This work needs to be given the green light as soon as possible”, Selwood says.

“The next priority is to ensure a start on major capital works that are already consented and that will give greatest stimulus to economic growth. For example in excess of \$1 billion of road construction projects in Auckland and expanding the state highway network to four lanes are among a range of projects that are ready to start or which can be advanced”.

“Overarching this immediate work, the advisory Board would be charged with the responsibility of coordinating a whole

of government 20 year infrastructure plan and recommending the policy changes necessary to drive economic growth in the medium term”.

“Of concern is that many local authorities are currently cutting back their capital works in an effort to trim costs. We’d prefer to see a focus on reducing operational costs and wider use of public debt and private sector finance to fund a capital investment programme. The reality is that we have a significant infrastructure deficit. Deferral of projects at this time is the last thing we need”.

“Constraints on public funds mean that a combination of public and private sector finance will be needed to fund all of the work required. Leveraging private sector investment and improving value for money through private sector innovation and risk transfer will be critical success factors for any such capital investment programme.”

NZCID believe a joint public and private sector approach is required that capitalises on the expertise of all sectors and advances best practise in project delivery.

Although aware the government is considering options for an infrastructure unit to support the Minister for Infrastructure NZCID think an injection of private sector expertise is an essential element in this mix.

Selwood notes “The fact is there’s no shortage of works that need doing, but coordinated government and private sector engagement is essential to ensure a prioritised investment programme is committed as soon as possible to provide a much needed confidence boost to the market”.

For more information about this article and to comment on issues surrounding NZ’s Public Private Infrastructure please visit [www.nzcid.org.nz](http://www.nzcid.org.nz) or contact: Stephen Selwood, Chief Executive, New Zealand Council for Infrastructure Development by phone: +64 9 271 4445

## New Editor for CONTACT

A New Year and a new Editor! Nick Birbara kindly took on the task of Editor of *Contact* for this issue and we thank him for taking on this important role. Nick has a diverse background in corporate and government construction sectors and previously edited in-house publications at Sydney Water as well as being a regular contributor to *Contact* and various Facility Management publications.



## New CIOB Members

### New Incorporate (ICIOB) Members

Damien Barr

Wayne Brown

### New Student Members

Thomas Brown

Wei Min Chin

Hao Gin Cheng

Alexander Coles

Nicholas Clark

Mark D’Alessandro

Benjamin Costello

Jay Daniel

Jamie Dallas-Smith

Isaac Dennis-Singh

Dalal Dawood

Anthony Dimech

Eamonn Delaney

Suzanna Hj Abd Gafur

Bradley Douthie

Mitchell Dwyer

Ian Drouet

Bernard Gericke

Daniel Frawley

Ashley Haggarty

Jeremy Groves

Ben Haslam

Luke Harris

Patrick Hollingworth

Blake Humphries

Xiaohua Jin

Jonathan Ierace

Hubert Kalinowski

Rhys Johnson

Kheng Yen Koh

Garard Keeley

Beatrice Kong

David Kelly

Jarryd Little

Tomas Leeder

Julien Maurel

Jess McAlinden

Seyed Mostajaboddaveh

Jordan Moon

Jack O’Halloran

Andrew Novak

Steven Quaglia

Anthony Pric

Nur Ramlee

Simon Radi

Jack Robson

Christopher Rigden

Laughton Savage

Joshua Saunders

Kit Sinclair

Heng Sheng Siau

Tara Smith

Blair Slack-Smith

Jessica Tan

Amos Stieger

Antony Terry

Phing Phing Tan

Christopher Turrell

Chun Sian Tsen

Andrew Williams

Alexander Wightman

Rodrigo Zavala

Pankaj Yadav

# Built Environment Industry Innovation Council (BEIIC) update

In October 2008, Senator Kim Carr, Minister for Innovation, Industry, Science and Research announced the establishment of the Built Environment Industry Innovation Council (BEIIC). Chaired by Ms Sue Holliday, the council was the first in a series of Industry Innovation Councils to be established by the Rudd Government to help transform and improve the competitiveness of Australian industry. The establishment of the BEIIC acknowledges the importance of the Built Environment Industry and the role it plays in the wider economy. As Senator Kim Carr said in his opening address to the council "Few industries are more important to our economy and few have a bigger impact on the way we live".

The Councils are one of the mechanisms through which the Government is engaging with its stakeholders to strengthen innovation systems. Councils will contribute to:

- strengthening the innovation culture in an industry group by recognising that innovation, as a key driver of productivity and competitiveness, is critical to the future;
- encouraging industry to take leadership in driving innovation to transform industry to ensure sustained economic growth;
- increasing an industry group's ability to articulate its innovation priorities, and develop and implement strategies to help

itself, and build its capability to respond to the challenges of the 21st century;

- building linkages and collaboration among innovation stakeholders to bridge gaps between business and research; and
- developing advice on well targeted policies and accessible programs that improve the innovation performance of their industry group and its supply chains, and is in the national interest.

The BEIIC has met twice and has focussed its attention on three priority projects:

- Procurement Practice: Impediments to Innovation and Opportunities for Change
- Retrofitting Residential Precincts and Housing: Current Practice, New Strategies and Industry Training Responses
- Innovative Practices in the Australian Built Environment Sector: An Information Resource for Stakeholders

The Procurement project aims to address the following three objectives:

- Describe current built environment industry procurement practices in Australia;
- Identify and analyse impediments to industry innovation from current built environment procurement practices; and

- Propose innovative procurement strategies, including opportunities for change to government practices that may better support sustainable outcomes for the built environment industry.

The Retrofitting project aims to address the following two objectives:

1. Identify current practice and new strategies for retrofitting residential housing and precincts.
2. A critical review of current up-skilling and training programs for the "green collar" construction workforce.

The Innovation Project aims to address the following two objectives:

1. Identify current innovative practice across the built environment industry.
2. Recommend a knowledge exchange strategy, including resource implications, for accelerating adoption of practices in the built environment industry.

Professor Martin Loosemore FCIIOB is a member of the BEIIC and will ensure CIOB members receive regular updates of the BEIIC's activities through this newsletter.

CIOB members wishing to engage with the BEIIC may contact the Secretariat by visiting this link: [www.innovation.gov.au/beiic](http://www.innovation.gov.au/beiic)

## Can Bob the Builder save the world economy??

One of the construction industry's best known characters (if you are under 5) Bob the Builder, is front and centre of the efforts to save the world's economy.

As a start, his construction team's cry of 'YES WE CAN' has been central to the Barak Obama election campaign. But this is only the beginning.

Obama in the USA, Kevin Rudd in Australia and a range of other governments are now asking the whole of the construction industry Bob's key question "Can we fix it?" Hopefully the answer is 'YES WE CAN'. The amount of money being directed to construction projects to provide stimulus to the economy is enormous and will require a major response if the funds are to be well spent. As an industry we need to provide value and quality for the money being invested.

This opens up two interesting challenges:

- How are we going to meet the current short term demand for professional constructors? Possibly by attracting with people with project management, administration and scheduling people from the depressed IT industry – project management is supposed to be a portable discipline.
- How are we going to meet the looming long term skills shortage? Maybe one way to attract talent would be for the construction industry to set up a 'Bob the Builder' fund to ensure every child under 5 has access to this wonderful range of toys. After all as the old adage goes "The only difference between men and boys is the size of their shoes and the price of their toys" how hard will it be to persuade a young graduate it is nearly as much fun directing the operations of a back hoe,



JCB or equivalent as playing with Scoop or Muck??

### Bob and Friends

There are some interesting challenges ahead and Bob the Builder may not be able to fix everything but for the rest of us in the construction industry we have our work cut out.

**Can we do it? I certainly hope we can!**

*Note: Bob the Builder is a copyright brand owned by HIT Entertainment Limited*

# Public Private Partnership and the Economic Crisis – the way ahead?

As a point for discussion, I along with a number of CIOB colleagues read the article from Stephen Selwood (Chief Executive, New Zealand Council for Infrastructure Development) contained within this issue of Contact Australasia with interest. It provokes quite a few thoughts which may be juxtaposed with his observations regarding the need for an overarching body looking after such investment. However the current situation regarding the global credit crunch and the political landscape we occupy here in New Zealand create quite significant obstacles for a government and society seeking to invest in infrastructure through PFI/PPP type projects. These caveats need to be addressed and are worth putting forward to the readers of this publication in quite general terms.

Firstly a commitment to public private development is difficult to envisage in the current economic environment. The credit crunch generally is forcing banks away from the sort of long term investments necessary for financing PPP projects. The long term guarantee of governmentally underwritten tariffs accruing from the operation of the infrastructure required is attractive as a refuge in these times, true. However this attraction will be inevitably offset by the substantial risks involved. Revenues coming in to banks would be subject to potentially huge fluctuations in value as a result of exchange rate variations – leaving the banks and the FM firms involved exposed. The rationale for the PPP/ PFI in the UK (often who we in NZ benchmark ourselves with for good or ill) relies heavily on government credits being offered - which tend to enable government funding to be increased when projects look to become overspent. The risk for roading and infrastructure is that the cost of the schemes are frequently underestimated at the outset of the project as the information used is conceptual and undefined. The eventual out-turn costs can be consequently higher once routes, ground conditions, consent issues etc have been uncovered and worked through - the banks and lenders will seek to reduce this risk before entertaining any thoughts of investment.

The positive spin - such as the Dartford Bridge crossing can show that where a project is critical - i.e. London desperately needed a second crossing of the Thames due to congestion issues - the returns can be enormous - the bridge effectively paid for itself within 5-8 years - whereas the funding calculations were based on a

break-even in 10 - 15 years.

Secondly, the deal making phase of such projects will make new infrastructure schemes inordinately slow moving – unable to create the needed stimulus in the economy in politically realistic timeframes. The fact that there has not been a wholesale shutting down of PPP-type project procurement worldwide has more to do with government in the UK (principally) and elsewhere stepping in to bolster the private finance provision by ‘bailing out’ the banks that are heavily exposed. Is it therefore sensible to start expecting infrastructure to be paid for by private finance when funding of any sort of project is increasingly hard to secure from the banks? Is it sensible to place further debt burdens on companies stretched by the credit crunch and put them at risk in order to fund construction that government won’t fund? The thought experiment of proposing this to a board of a large contractor/bank at present is not one that immediately generates a positive view. ‘Let’s just settle down and see where we are in a year’s time’ is the likely response. For New Zealand, and to some extent Australia, the key for the current credit-crunch is for public funded projects to help provide an economic stimulus for the construction sector as some of the developments dry up. There will be - or at least should be - a larger centrally funded pot for large capital projects. Particularly as in the times of a partial downturn, the effective tender and construction costs will be falling - so there is incentive in its own right for those with funds to commence construction projects.

Finally the source of funding for infrastructure projects around the world is moving rapidly in the direction of central government funding – as alluded to above. All the leading nations are actually taking this opportunity to pump prime their economies through direct spending on projects as a means to stimulate activity. The increase in national debt is deemed to be less important than increasing the job opportunities and activity in the crucial construction sector. Spending money quickly is what really counts in this type of situation – in order to maximize the benefit of spending on infrastructure in the wider economy. PPP type schemes implied are not the solution; typically setting up an agreement covering public-private deals of this type take a couple of years minimum. PPP deals are also more costly to procurement than straight competitive tender construction – especially in a buyer’s market that we now have.

In essence therefore it can be argued that PPP type deals are too slow for getting the effect government needs. Particularly in a political cycle lasting a mere three years that we have in NZ. All these sorts of deals will be rushed through planning and then may take several years before ground is broken, in which time the government has changed, the economic situation has evolved and the goal posts may well have moved. Similarly the great faith that there appears to be in the availability of private sector finance in the face of current global pressure on credit seems a little hard to reconcile. Raising money in the stock market at present is also a difficult ask for many companies faced with the bear market we have seen in the last 18 months. Taking on further exposure and reducing liquidity? Many companies will shy away. In which case we will have to incentivize banks (i.e. give banks money) to lend to such projects the necessary finance to commence development. Paying banks to lend is an inefficient use of the public purse to say the least.

As we go to press the National government under John Key have announced a plan to facilitate the fast tracking of consents through the process for a range of infrastructure projects, inclusive of power plants and (“\$6 billion projects head for fast track”, Weekend Herald, 7/3/09, p1). This is pretty much along the same lines as the NZCID is suggesting. Whilst I understand where both NZCID and the National government are coming from in trying to secure private investment funds, I cannot help thinking this is a little ‘forward to the past’ – expecting private enterprise to solve the problem as per the 1980s at a time when private enterprise is desperately crying out for governmental intervention. It certainly seems a little incongruous in the light of the way in which the governments are using public funds to kick start private industry elsewhere in the world.

## Dr John Tookey

Senior Lecturer in Construction Management  
University of Auckland



# Toeing the line — compliance with QBSA licensing requirements

## Builder – project management services

On the one year anniversary of the biggest overhaul of the Queensland Building Services Authority Act 1991 (the QBSA Act) the QBSA has introduced a new class of licence. On Tuesday 24 February 2009 Stephen Pyman and Janelle Kerrisk of Holding Redlich offered insight at our breakfast seminar into the new class of license introduced in January this year to cater specifically to project managers and superintendents.

In December 2007 the QBSA sought to make it clear to the industry that project managers and superintendents perform “building work” which requires a licence.

The recent Supreme Court case of Puerto Galera Pty Ltd v JM Kelly (Project Builders) Pty Ltd (Puerto) highlights the ambiguity of the pre-2007 requirements.

In Puerto, the Supreme Court considered whether performance of the superintendent’s role under a building contract involved “building work” for the purposes of the QBSA Act as in force at February 2004.

The superintendent did not hold a QBSA licence. If a licence was required it is arguable that the services provided by the superintendent were unlawful. This in turn may have raised questions as to the validity of any certification or assessment made by him. It may have also raised questions as to the entitlement of the superintendent to be paid for his services.

In finding that the superintendent did not carry out or undertake to carry out building work within the meaning of section 42 of the QBSA Act the Supreme Court noted:

1. there were no definitions of the terms “advisory services”, “administration services”, “management services” or “supervisory services” in subsection 42.2(b). The terms themselves were “nebulous and vague”;
2. the services above constituted building work only in cases in which a person was himself carrying out “building work” and providing those services in relation to that work. Section 42 did not apply to the provision of services by someone “who is not himself erecting or designing the structure (or causing it to be erected or designed)”;

3. although the interpretation gave it a limited scope for operation, this is consistent with the take to the interpretation of statutes which impose criminal sanctions, particularly those drafted in vague terms.

This conclusion was supported by the fact that there was no “superintendent’s licence” which may be issued to those performing that role.

The Court did note that the QBSA Act was substantially amended in 2007, but the amendments were not retrospective (and therefore not applicable to an interpretation based on the law in 2004).

The position is now that the QBSA has provided definitions in the QBSA Act and a new class of licence to allow you to specifically meet the obligations placed on you.

Puerto would most likely be decided differently today.

Key changes to the QBSA Act relating to project managers and superintendents requiring a licence are:

1. the term “carry out” for the purposes of section 42 has been defined and includes providing “building work services”; and
2. “advisory services”, “administration services”, “management services” or “supervisory services” have been given extensive and broad definitions.

For example, “administration services” has been defined to include the following:

- arranging and conducting on-site meetings and inspections;
- arranging payment of subcontractors;
- arranging for certificates to be issued; and
- administration for work usually carried out by a construction manager or a project manager.

In addition, “management services” has been defined to mean coordinating the scheduling of work by building contractors as agent for another person.

It is clear that the above definitions were drafted with the intention to cover those roles usually performed by a superintendent or project manager.

The technical and experience qualifications for the new licence are more appropriate to the skills which are properly required for those roles. Currently the QBSA will



Steve Pyman, Partner,  
Holding Redlich

not accept overseas qualifications. If you hold an overseas qualification then you will need to attend a suitable registered training organisation to gain an Australian qualification.

Under the new licence, compliance with the financial requirements for licensing are now assessed on the basis of turnover rather than project value.

Instead of having to meet the onerous financial requirements of an open builder licence which is assessed on the project value, your turnover will be determined on earnings. This makes meeting the QBSA’s requirements much less onerous.

If you are a project management company or alike you must ensure that there is adequate supervision of your projects. The QBSA will look at such things as:

1. Whether you have a system for the supervision of the work and if the system has been implemented;
2. Whether having regard to the size and complexity of the, administration services, advisory services, management services or supervisory services – the following are sufficient:
  - (a) Level of control, oversight and direction of the nominee;
  - (b) The number, timing and quality of inspections carried out by the nominee.

If you are a project manager or superintendent you should take steps to contact the QBSA to initiate steps towards securing this new licence. Continuing to perform what the QBSA considers building work without a licence may compromise the decisions you make and your ability to be paid for the service you provide.

For further information, please contact:  
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 Fax: (07) 3135 0599  
[stephen.pyman@holdingredlich.com.au](mailto:stephen.pyman@holdingredlich.com.au)

# Visit by CIOB Head of International Mr Fabio Casula March 2009

The Head of International Mr Fabio Casula visited the Australasia region during March 2009 accompanied by Mrs Elizabeth Thomas, Regional Manager of CIOB Australasia. The purpose of the visit was to evaluate opportunities for development of the Institute in both Australia and New Zealand, assess opportunities for supporting the construction industry and professionals in both countries, identify operational priorities within the region and discuss strategic alliances with local bodies.

In New Zealand, the Head of International met with the local regional centre in Auckland and provided an update on the Institute's corporate and strategic plan as well as attending a seminar on strategic procurement in the presence of the Auckland transport city council. In addition, the Head of International met with the New Zealand Qualification authority in order to discuss recognition of CIOB and its qualifications in New Zealand for both academic, professional and immigration purposes in the region. He also met with the Chair of the Construction Industry Council in Wellington and a formal application for membership of CIC in New Zealand was submitted.

In Australia the Head of International met with the regional council in order to discuss strategic and operational goals in Australia and discuss challenges in relation to recognition of professional qualifications in Australia with a number of government



Fabio & Council attended the CIOB NSW Seminar presented by Ben Phillips, HIA Economist at CBP offices. L to R: Philip Sanders, Fabio Casula, Nick Crennan, Liz Thomas, Adam Perigo, Chris Chainey, Varoujan Bedrossian, Ben Phillips.

departments in NSW, Victoria and Western Australia and accreditation of courses with universities and TAFE colleges in several locations across Australia.

Finally, the Head of International met with the Australian Institute of Building (AIB) and the Australian Institute of Project Management (AIPM) to discuss the proposed renewal of the agreement of cooperation with both bodies planned for 2009.

The Head of International and Regional Manager accompanied by representative Chairs in each location reached positive conclusions in all aspects of the visit and a plan of action is now being put in place to respond to the needs of members and incoming members emigrating to Australia as well as in respect of renewal of strategic alliances in Australia, accreditation of courses, recognition of CIOB's qualifications



Fabio met with the CIOB NZ Centre Committee in Auckland on 11 March. From L to R: Fabio Casula, Mark Stone, Robert Jones, Lawrence Jones, Alex Powell, David Warwick.

in both countries. Further details will be made available via the CIOB Australasia contact magazine in due course and on the web site.

The Head of International quoted: "Australia and New Zealand represent fertile markets for the CIOB and the CIOB is keen to make an impact in both countries. Professionals, government departments and the industry recognise that the CIOB is the leading Institute for construction professionals worldwide, but we recognise that support to the construction industry must be achieved through close collaboration with local bodies and the specific requirements in both countries. The CIOB does provide an international dimension in qualifying professionals and there is no doubt that with the right approach the CIOB can complement very well the offerings of other bodies in Australia".

## 2009 Dates for Your Diary

Events and activities presented by CIOB Australia and our network of associated organisations.

For further information please contact [events@ciob.org.au](mailto:events@ciob.org.au) or telephone (02) 9638 4977.

Date 2009	Event	Location
21 April	One Day Workshop: CIOB & Risktools present 'Risk Management' Workshop, presented by Gavin Halling, Risktools. Visit <a href="http://www.ciob.org.au/events">www.ciob.org.au/events</a> for further details or email Lisa Koskinen: <a href="mailto:lisa.koskinen@risktools.com.au">lisa.koskinen@risktools.com.au</a>	Karstens at CQ Level 12, 123 Queen Street Melbourne
7-10 July	34th AUBEA Annual Conference. Visit <a href="http://www.ciob.org.au/events">www.ciob.org.au/events</a> for further details.	South Australia
10-12 August	PMOZ 6th Annual Project Management Australia Conference 2009: Visit <a href="http://www.ciob.org.au/events">www.ciob.org.au/events</a> for further details.	National Convention Centre, Canberra
15 September	One Day Workshop: CIOB & Risktools present 'Risk Management' Workshop, presented by Gavin Halling, Risktools. Visit <a href="http://www.ciob.org.au/events">www.ciob.org.au/events</a> for further details or email Lisa Koskinen: <a href="mailto:lisa.koskinen@risktools.com.au">lisa.koskinen@risktools.com.au</a>	Christies Corporate 320 Adelaide Street, Brisbane
13 October	One Day Workshop: CIOB & Risktools present 'Risk Management' Workshop, presented by Gavin Halling, Risktools. Visit <a href="http://www.ciob.org.au/events">www.ciob.org.au/events</a> for further details or email Lisa Koskinen: <a href="mailto:lisa.koskinen@risktools.com.au">lisa.koskinen@risktools.com.au</a>	Auckland TBA

# CIOB Australasia 2009 Annual General Meeting

Your institute needs you!!!

CIOB Australasia's Annual General Meeting will be held 6:00pm (EST) on Thursday 7th May 2009 in Sydney.

Members are eligible to nominate for various roles on the Regional Council, your local Centre Committee or our Education Panel. There is also the need for Members to act as contacts in those states / areas where we don't currently have a formal committee. Please view the current Committee details below to see if there is a position that would interest you.

We are also seeking out some of our younger members to assist with the formation of NOVUS in Australasia. NOVUS is CIOB's networking group for members under 30 working in construction.

Nomination forms for all positions are enclosed in this edition of *Contact*. If you have any queries regarding what's required for a specific role then please don't hesitate to contact Liz at the Sydney office.

## CIOB contact details:

### CIOB Australasia

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Website: <http://www.ciob.org.au>

### CIOB Australasia Staff

**Elizabeth Thomas**  
Regional Manager  
Email: [ethomas@ciob.org.au](mailto:ethomas@ciob.org.au)

**Jodie Richards-McCabe**  
Event Coordinator  
Email: [events@ciob.org.au](mailto:events@ciob.org.au)

**Robyn Smith**  
Memberships Officer  
Email: [rsmith@ciob.org.au](mailto:rsmith@ciob.org.au)

### CIOB HEAD OFFICE

Email: [reception@ciob.org.uk](mailto:reception@ciob.org.uk)  
Website: <http://www.ciob.org.uk>

### CIOB PUBLICATIONS

Contact Australasia  
Website: <http://www.ciob.org.au/newsletter>  
iCON Review  
Website: <http://www.iconreview.org/en/home>  
Construction Manager  
Website: <http://www.constructionmanager.co.uk>  
Construction Information Quarterly  
Website: <http://www.ciob.org.uk/resources/ciq>  
Construction Books Direct  
Website: <http://www.constructionbooksdirect.com>

CIOB is the leading professional body for managers in construction with over 43,000+ members in 120 countries.

## CIOB Australasia CBC Members:



Chartered Building Surveying Services.

Director: Stephen Allen.  
61 2 9299 2988



Multi disciplined property consultancy.

Director: Alan Page.  
61 2 9283 7311



Specialist construction consultancy.

Principal: Philip Sanders.  
61 (0) 401 010 202

Find contact details and profiles of key Council members in the 'About Us' section of our Website: [www.ciob.org.au](http://www.ciob.org.au)

## CIOB Regional Committee, Australasia

President	Christopher Chainey	
Vice President	Varoujan Bedrossian	Vice President Patrick Zou
Vice President	Philip Sanders	Honorary Treasurer Brian Naylor
Imm. Past President	Patrick Weaver	Publications Nick Birbara
Past President (2005)	Brian Naylor	Past President (03/04) Richard Hyde

## Centres

<b>New South Wales</b>	<b>Australia</b>		
Centre Chair	Adam Perigo	Committee Member	Nick Birbara
<b>Victoria</b>	<b>Australia</b>		
Centre Chair	Efy Karagiannis		
Committee Member	Richard Maltby	Committee Member	Steve Bellows
<b>Queensland</b>	<b>Australia</b>		
Centre Chair	Chris Chainey	Committee Member	Rob Diamond
Committee Member	Steve Broadbent	Committee Member	Jonathan Wood
<b>Western Australia</b>	<b>Australia</b>		
Centre Chair	Andrew Scales	Committee Member	Wayne Dixon
<b>New Zealand</b>			
Centre Chair	Mark Colborn	Committee Member	Lawrence Jones
Committee Member	Robert Jones	Committee Member	David Warwick
Committee Member	John Tookey	Committee Member	Mark Stone
<b>Education Panel</b>			
Chair	Kerry London	Panel Member	Willy Sher
Panel Member	John Tookey	Panel Member	Peter Ward
Panel Member	Grace Ding	Panel Member	Patrick Zou
Panel Member	Graham Brewer	Panel Member	Jeremy Wu
Panel Member	Guomin Kevin Zhang		
<b>Regional Reps</b>			
Adelaide	Ted Martin	Tasmania	Andrew Rundle
Christchurch	Stewart Ford	Papua New Guinea	Paul Constable
Newcastle	Willy Sher		