

# Editorial



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Welcome to the first issue of our Journal for 2006. The University of South Australia and in particular the School of Natural and Built Environments are delighted to be the hosts for this year's Australian Journal of Construction Economics and Building (AJCEB).

There are some interesting and new developments occurring that will impact, in a positive manner on our Journal. The Australian Institute of Quantity Surveyors (AIQS) and the Australian Institute of Building (AIB) recently agreed to offer related Professional Bodies in the Asia Pacific region the opportunity to use the AJCEB as their own refereed research publication. The AIQS proposed this to the Pacific Association of Quantity Surveyors Board at their May meeting in Singapore and I am happy to report that the offer was accepted by the Board. As a result of this resolution the AIQS is currently negotiating with four Countries in the Region to determine if they are also interested in adopting the AJCEB. Similarly, the AIB is currently negotiating with the Building Institutes in the Region to determine if they wish to adopt the AJCEB.

The result of these activities will be a greater circulation of the AJCEB, a broadening of the scope of the Journal, an increase in the number and calibre of authors and generally a raising of the journal's profile in the International community. These will all be positive albeit they will pose some challenges as we move into new areas.

This edition of the journal has an interesting mix of papers. The first by Hardie, Miller, Manley and McFallen reports on the Building Research Information Technology and Environment (BRITE) project on innovation in the construction industry. In an attempt to benchmark innovation performance, the BRITE project conducted a survey into the nature, incidence and variety of technological and organisational innovations in various sectors of the industry. The survey found that with some exceptions, clients and consultants engaged in significantly higher levels of innovation than did suppliers, main contractors and trade contractors and that these organisations favoured the adoption of management practices that enabled them to evaluate their progress.

Ling's paper explores the ways to increase the usage of design-build within the industry. The paper looks at how project managers can play a role in increasing the usage of design-build in Singapore. The findings indicate that use of the design-build approach would increase if the bidding

documentation was of a higher quality and if the appointed contractors were experienced in the design-build process. Similarly, Ling concludes that clients accept the design-build process if it meets their specific needs and that contractors and consultants see it as a positive method of procurement.

Jawahar Nesan explores the "Project-Finance" model for small contractors in the USA. The problem with small contractors is achieving adequate working capital to start up their construction projects. The author examines the current financing practices used by small construction companies and proposes a "Project-Finance" model that can achieve significantly better results (in term of growth rates) than the traditional line of credit approach used in the USA.

The paper by Perry examines the number of industrial disputes in the construction industry. It takes an historical perspective of the disputes from the end of World War II and examines Australian Bureau of Statistics (ABS) data on disputes and employees for that entire period. It found that there were times in Australia's history when disputes in the construction sector were relatively low. This was particularly the case during the period of the Accord (1983-96) and the author concludes that the more conciliatory strategies used to minimise industrial disputes during the Accord period may provide a better basis for bringing peace to the workplace than the more confrontational policies.

The final paper by Kong and Gray, reports on a study looking at the reasons for the decrease in the use of the traditional lump-sum procurement system in Malaysia. The findings indicate that many people believe that the traditional system is too slow. There are several reasons given for this but the outstanding one appears to be the separation between design and construction which leads to significant variations and subsequent disputes. The authors conclude that there needs to be changes to the reward/penalty system used in this traditional procurement system in the future.

I hope that you enjoy this selection of papers. Special thanks to the members of the Editorial Board who continually give up their time to review the papers. Similarly, I must thank my two assistants Ms Dana Stephens and Mr Jian Zuo who provided invaluable assistance in bringing this issue together. I could not have done it without you.

Regards

Associate Professor George Zillante, Editor

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