



Australian Cost
Engineering Society

Member Newsletter

Australian Cost Engineering Society

AACE
AUSTRALIAN
SECTION

Home to the Australian
Section of AACE International

2018—Volume 1 Edition 1

This is a National Newsletter which will be issued twice yearly. Expect to also see newsletters from some of the state chapters talking about local issues and programs of events.

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Your ACES - Where we have come and where we are going

(Nolan Bear—National Chair of the ACES)

There has never been a better time to be a Cost Engineer in Australia. The last resources construction boom had us 'run off our feet' and there were many reports of ineffective project control due to a lack of experienced professionals. The result was nasty surprises for company boards and shareholders as project overruns in time and cost became evident far too late to do anything about it.

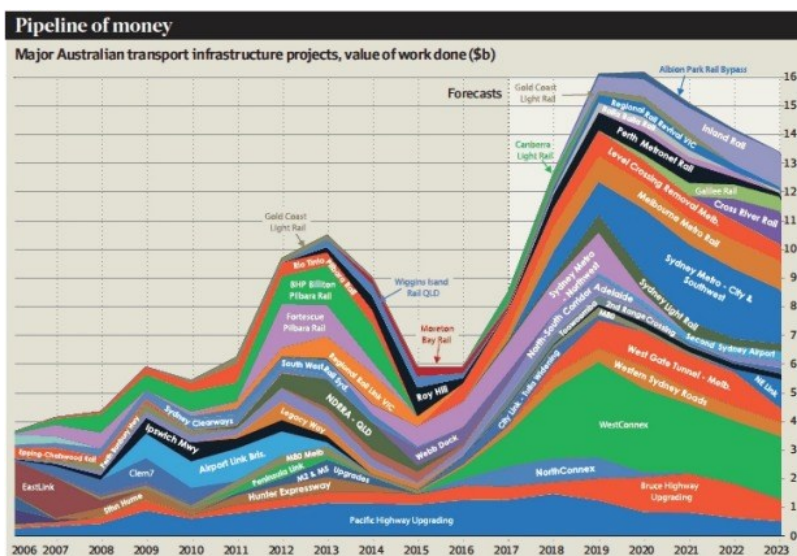


Figure 1 Pipeline of Money

Reference: The AFR 23-24 September 2017 'Australia's next boom has barely started'.

Figure 1 is a much-distributed graph of major project expenditure from 2006 and projected through to 2023, showing the recent resources construction peak and a forecast larger, infrastructure led peak, now visibly gathering momentum.

So what is your ACES doing about preparing us for the next boom?

What we have achieved in the following major areas over the past year, gives a flavour of what we can do in the future and where you too can contribute, to all our benefits.

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Sharing our Skills and Knowledge to upgrade the standard of Cost Engineering:

The **state chapters have delivered an impressive program of events** using industry leading professionals, including visits and seminars presented by the Dutch based global consultancy 'Cost Engineering', and from AACE President Elect Alexia Nalewaik in September.

We are planning a visit in June-2018 by John Hollmann, the editor of the first edition of the Total Cost Management (TCM) framework and a global expert on systemic risk assessment. John will visit Melbourne, Sydney and Brisbane and hold events and seminars in these cities.

EA are also updating their systems to support National webinars and we are looking to use this to extend the audience for our highest value events.

The **Project Controls 2017 Conference** in Sydney in September was a huge success with over 200 participants and demonstrated the pent-up demand for project controls guidance.



The conference was a partnership with the **Risk Engineering Society** and shows what truly collaborative alliances can achieve. Future conferences are planned for every second year, alternating with the biennial Risk Engineering conference.

Congratulations and thanks to our committees who have put so much energy and professional effort into the conference, presentations and training opportunities over the past year. You are our heroes!

In 2018 we have the **Australian Engineering Conference (AEC 2018)** on 17-19 September and the **International Cost Engineering Council Conference** on 16-20 November, both being held in Sydney. The **ACES** will have varying roles in these conferences, led by the ACES NSW Chair, Steven Bird.

The **Cost Engineering Units at Swinburne University**, which are supported by the ACES, had record numbers totalling 330 in undergraduate, post graduate masters and distance learning units. Our **Laurie Pole, who has lead the teaching since taking over in 2004, is now retiring** (for a second time) except for emergency and casual support.

There would not be University Cost Engineering units at Swinburne without Laurie's outstanding and professional commitment to development of this well-regarded course. The ACES owe him a huge debt of gratitude.



Photo: Figure 2—Laurie Pole (left) awards the top prize in the 2016 Project Masters Costing unit, to Sagar Gupta (right) at a Swinburne prize giving ceremony in 2017.

Nolan Bear will now lead the course teaching at Swinburne, and Laurie's retirement opens up opportunities for others to contribute.

Contact Nolan Bear if you are interested in contributing. The units run from August to November and are a part-time day commitment at Swinburne University in the Hawthorn campus, Melbourne.

Expanding Cost Engineering Credentials in Australia:

We have been working with Engineers Australia (EA) to define a **Cost Engineers Skills and Knowledge for Chartered Status**, so that our members can be registered as Chartered Cost Engineers on the National Engineering Register.

EA have been updating their systems for this and other categories such as Risk, and Systems Engineers, and for the ACES, this program is now in commissioning phase where Cost Engineering applicants are shepherded through the process to ensure the assessors are properly advised.

State Chapter Chairs are the first point of contact for those contemplating chartered status as Cost Engineers and to avoid confusion it is best to initiate contact with them before committing to a process on the EA web site.

Improving access to Cost Engineering Resources for our wide spread membership:

We are **refreshing the ACES website** to produce what has been characterised as an Aladdin's cave of valued cost engineering resources, including our wealth of past presentations, training and advice. Expect the first phase of development by March 2018.

We have engaged a professional website development company to redevelop the site, at www.costengineer.org.au, following many years of the existence of the current website set up and maintained ever since by Keith Webb, in WA, a leader of Cost Engineering in Australia for many years and former Chair of the WA Chapter and the National Committee. Keith is retiring soon after a distinguished career at Woodside and as an independent contractor. Keith has kindly volunteered to help support the new website, which we greatly appreciate.



We are seeking a couple of enthusiastic and talented ACES members with skills in website development and administration to maintain the new website and continue its development after it is launched in March. **Please contact colin.cropley@riskinteg.com**

if you are interested in this important opportunity to help your profession and colleagues. The website development company will be training the two selected Website Administrators and any others suitably qualified, in February. The website will be using the most widely used open source; Content Management System, WordPress, an educational services management system compatible called Moodle and a Website Merchant Facility to enable members to buy publications and educational courses etc., online.

The recently formed **College of Leadership and Management (CLM)** of EA has formed a committee (enthusiastically lead by CLM board member, Lorie Jones) to help integrate the offerings of the affiliated societies: Cost Engineering (ACES); Risk Engineering (RES); Systems Engineering (SESA); and the Asset Management Council (AMC). The ultimate objective is for EA to be able to speak with a single trusted voice on what is best practice from each society's body of knowledge as well as the currently under represented, Project Management.

The CLM committee under Lorie has been putting together a value proposition marketing document and is **planning for an CLM website upgrade to showcase what the societies can deliver** using links to the various resources, including our refreshed website.

Refreshing our relationship with the global Association for the Advancement of Cost Engineering (AACE):



In 2017 we had planned to conclude a Memorandum of Understanding (MOU) between EA and AACE International. However, an AACE constitution requirement for separate elections and funding of a section has required us to divide the current single ACES/AACE board and funding into distinct organisations and bank accounts. The current single ACES/AACE board with common bank account has existed (in the ACES constitution) since the formation of the ACES in 1997 and our ACES objective is to preserve, as much as possible, the collaborative alliance that has existed until now, for the benefit of our members and the profession of Cost Engineering in Australia.

Expect nominations and elections for an AACE Australia Section Board in the first half of 2018, followed by the usual ACES Chapter and National elections from June to August.

Following clarification of the relationship of the ACES with the AACE Australia Section, **we will revise (and submit to our membership) our ACES Constitution** to reflect the new relationship negotiated between the separate organisations, as well as conforming to the latest EA requirements for constitutions.

So, how can you contribute?... and why?

Membership of the ACES and participation in its programs puts you in touch with experienced, like minded professionals, who will enrich your understanding and knowledge; provide the opportunity to share your insights and develop your communication skills; enhance your reputation; and give you the satisfaction of contributing back to your profession.

There are numerous opportunities in the major activities listed above and much else, so contact your State Chair or myself, to discuss the many possibilities.

Be one of our heroes... its richly rewarding.

Nolan Bear

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Upcoming Events 2018

RESERVE THESE DATES IN YOUR CALENDAR!

- ♦ June 2018— John Hollmann—Editor of First Edition *Total Cost Management (TCM) framework* and global expert on systemic risk assessment. Visiting Melbourne, Sydney and Brisbane.
- ♦ 17-19 September 2018—AEC 2018— <https://ausengcon.com.au/>
- ♦ 16-20 November 2018—International Cost Engineering Council Conference



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NEWSLETTER

The Australian Cost Engineering Society (ACES) is a Technical Society of Engineers Australia.

For Engineers Australia members, please remember to nominate your membership of ACES when you renew your membership. NB: Non -EA members can also join ACES.



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