

MG Engineering ramps up workforce for defence, commercial projects

The head of local shipbuilding company MG Engineering says the industry is crying out for more details about the AUKUS nuclear submarines.



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Port Adelaide shipbuilding company MG Engineering is ramping up its workforce in support of the \$45bn future frigates program, while also exploring growth opportunities outside of defence amid ongoing uncertainty surrounding future submarines work.

The company was one of the first local sub-contractors to be awarded work during the prototyping phase of the frigates program, selected by head contractor BAE Systems Maritime Australia to [build four 'mini' ship blocks](#).

Mirroring the blocks to be used in construction of the final Hunter-class frigates, the mini blocks were built last year and delivered to the Tonsley innovation district where they are being used to test leading edge manufacturing techniques.

MG Engineering managing director Anthony Brdar said the project had helped to create 10 new engineering and trade jobs, including four apprentices who had been brought on over the past 12 months.



First-year apprentice engineer Jakob Woolford with MG Engineering managing director Anthony Brdar. Picture: Naomi Jellicoe

And while he was hopeful of winning ongoing work on the frigates program, Mr Brdar said the federal government's decision to [scrap its submarine contract with Naval Group](#) underlined the risk associated with major defence projects, and the importance of maintaining a diversified customer base.

"I accept the decision made in regard to going with nuclear technology instead of the conventional technology," he said.

“However the timing of the decision to cancel the contract for the conventional subs was unfortunate for industry, for the numerous companies such as ourselves who had invested and planned in preparation for the project to be undertaken locally.

“I feel as though there is still quite a lot of ambiguity in industry in regard to the submarine project causing some concern.

“We certainly aren’t putting all of our eggs in the defence basket.”

Outside of defence, MG Engineering services the mining and commercial maritime industries, providing a range of specialist fabrication services and ship repairs.

It has also designed a range of modular barges that are either sold or hired out to customers.

“I felt that it was very important for MG to have its own IP product in order to help sustain its workforce,” Mr Brdar said.

“The barges, being road transportable, are constructed at MG Engineering and have been supplied to numerous maritime companies around Australia.”

While growth in the commercial maritime and mining sectors has supported the company’s growth in recent years, Mr Brdar said it was important for companies like MG Engineering that work on future defence projects flowed down to local suppliers.

“Things are pretty busy at the moment, however is this sustainable? How much work is there going to be around in the resources and commercial construction industries in three or four years?

“We have managed our way through Covid. However will there be an after-effect on the economy coming out of the pandemic, say in three or four years’ time?

“That’s why I think it’s so important to have a large pipeline of defence work which will only benefit the country’s defence capabilities.”

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[MG Engineering to build frigate “mini blocks”](#)
