

South Australian

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MG Engineering managing director Anthony Brdar with welder Jakob Woolford. Picture: Naomi Jellicoe

## From fishing boats to a defence force

### SA engineering firm's key role in major naval projects

**Giuseppe Tauriello**

MG Engineering's Anthony Brdar says he's as bullish as ever on the future of Australia's defence industry, with a continuous naval shipbuilding program that's likely to eliminate the peaks and troughs that have plagued the industry in the past.

Marking his company's 30th year in business, managing director Mr Brdar says the future has never looked so bright for the industry, with work on the Hunter-class frigates ramping up and South Australia well placed to capture a major slice of the AUKUS submarines program.

As a strategic supplier to BAE Systems Maritime Australia's frigates program, MG Engineering is busy constructing small components for the first ship blocks at its facility near the Osborne shipyards, with defence projects now making up about 50 per cent of its business.

The company was established in 1995 by Mr Brdar and his father, Nik – a Croatian immigrant who spent his early days in SA building prawn and fishing trawlers in Port Lincoln, before moving back to Adelaide

where the family acquired its current Port River site.

From its roots servicing the state's fishing industry, the company scored its first defence contract with ASC in 2009, and then a couple of years later won its most significant work when it was chosen to deliver three mast blocks for the air warfare destroyers.

But it hasn't all been smooth sailing, with the stop-start nature of the defence industry – often described as “valleys of death” – requiring suppliers like MG Engineering to navigate the choppy waters by remaining diversified and scaling up

and down with the shifting volumes of work.

“At the moment, we're in contract with BAE, we're supplying on the Hunter-class frigates ... and we're excited about the future with the opportunities being presented here in Adelaide through continuous shipbuilding,” Anthony Brdar said.

“It's been a hard slog getting here because we're very much a project-based company and so getting to this point where we've got some visibility to the future, it's great to feel like we've got a lot of years of work in front of us.

“There's obviously the Hunter-class vessels being built here in Adelaide ... and that's only going to get bigger, and there's submarines also that are going to be getting built here at some stage so we're looking forward to that. We want to develop our skills and continue to grow.”

Outside of defence, MG Engineering services the mining and oil and gas sectors, and provides specialist fabrication services to commercial and industrial customers.

But its two main sources of revenue come from defence and maritime, including regular maintenance and repairs work

for a major tug fleet. The company employs almost 40 workers, but Mr Brdar said a shortage of skilled workers remained one of the key challenges, along with rising wages and other costs.

“Skilled labour shortages, I would say, is the No.1 challenge,” he said.

“It's very competitive and then, with the cost of living, people who work here feel that – and so it's important to reward them.”

“I think the wages in Adelaide for this type of trade would be as high as any major city in Australia.”