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THE MORSE

Osborne Naval Shipyard Project Newsletter

MARCH 2019

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The first quarter of this year has flown by in a blur of activity at the Osborne Naval Shipyard (ONS). Anyone driving past on Victoria Road would have seen multiple cranes lifting structural steel into place on the Osborne South Development Project (OSDP), creating the steel skeleton of the first of the new buildings where the Future Frigates will be constructed.

Whilst works on site have been ongoing for around a year now, it is always exciting when a project starts to rise above the ground and take shape!

The Australian Government's Naval Shipbuilding Enterprise is already creating jobs, with an average of more than 340 workers on site daily at the OSDP, and more in the factories and offices of the contractors and organisations servicing the project. Australian content is a key driver for the construction projects at the ONS, with the 45+ companies engaged on the OSDP and over 89% of the steel supply sourced from across the country.

This local engagement extends to the involvement of companies such as SA Structural Steel, Samaras Group and Oliver Technologies, all of whom are located close to the shipyard. The work generated through the OSDP has contributed to the collective engagement of over 130 new employees in these three companies alone. This is a great outcome for Australia, and for the local workforce.

In this issue of The Morse, we explore these nearby companies, their role on the OSDP, and the positive impact that the OSDP has had on their business and employees.

The steel skeleton of Building 21 is the first of the new buildings in which the Future Frigates will be constructed



SA Structural Steel

Established in 2002, SA Structural Steel (SAS) provides steel fabrication and erection services for building and construction markets in Australia, employing approximately 300 people across South Australia, New South Wales and Victoria, which is forecasted to reach 500 by mid-2020.

WHAT IS YOUR ROLE ON THE OSDP?

SAS is fabricating and installing steel for Building 22 - the Block Assembly Hall.

Detailing, fabrication, site erection and quality assurance is coordinated through our project management department in our Edinburgh facility, which ensures a whole project awareness and understanding is achieved, and subsequently the successful completion of the works.

Using the latest 3D modelling and advanced software technology, our in-house detailing team work closely with ANI's Managing Contractor, Lendlease, and the design engineers to ensure pre-fabrication and fabrication processes for the project are streamlined. This results in optimum accuracy so that everything

fits together in line with expectations when installing the structural steel on site.

Uniquely, the erection process for this building will be undertaken using a strand-jacking rotation and roof-lift method, which minimises the need to work at heights, providing safer working conditions for workers on site. We're excited to be working with Lendlease, Freyssinet and the other trades on this initiative, with the first wall rotation scheduled to occur soon.

HOW MANY EMPLOYEES ARE INVOLVED ON THE OSDP?

It would be fair to say that almost 90% of our employees will have a part in the OSDP in one form or another. An average of 45-60 employees work on the project daily, with a number local to the Lefevre Peninsula.



WHAT SKILLS AND QUALIFICATIONS DO YOU REQUIRE?

Our employees have a variety of skillsets and qualifications. Site crew hold certificates in dogging, rigging or welding. CNC operators require processing and machinist industry experience and, because of the inherent risks to safety that come with factory and construction site works, a career in work health and safety with SAS requires a Certificate IV or above qualification, along with industry specific knowledge and experience.

Our project management team comprises a variety of qualified personnel who hold engineering degrees through to project management diplomas and above.

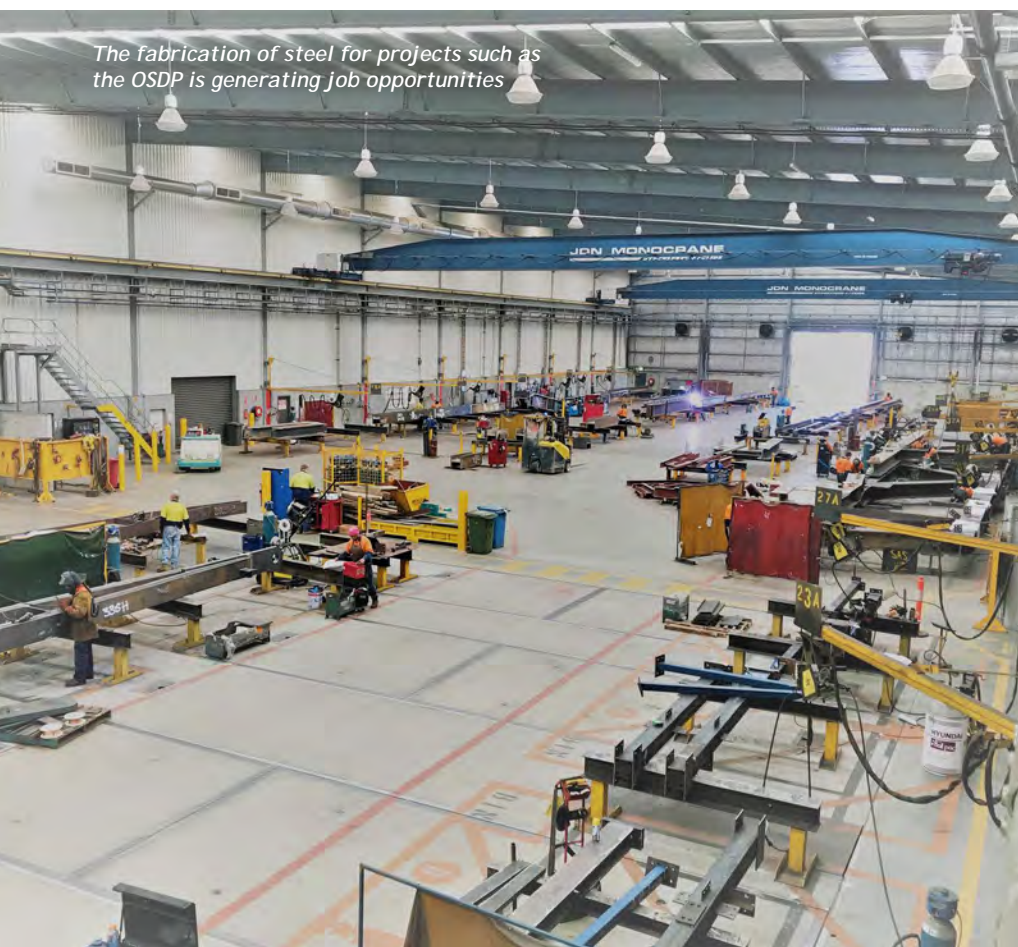
WHAT IMPACT HAS INVOLVEMENT ON THE OSDP HAD ON YOUR BUSINESS?

To manage increased productivity resulting from contracts such as this, SAS has engaged 100 new employees since June 2018, including five apprentices and three former Holden employees. These new employees have been engaged in a variety of roles including project management, work health and safety, steel fabrication, welding, CNC operations, steel erection, and truck driving.

HOW MANY APPRENTICESHIPS OR TRAINEESHIPS DOES SAS HAVE?

Five apprentices were engaged as part of the new 100 employees mentioned above, including three indigenous apprentices. Currently, 11 apprentices are employed at SAS and we are looking to employ another six in the near future.

The fabrication of steel for projects such as the OSDP is generating job opportunities



Samaras Group

Founded by the Samaras family in 1974, the Samaras Group (Samaras) has grown into one of Australia's largest privately owned, multi-disciplinary heavy engineering and construction service providers with a solid reputation for innovation, service, quality, and an on-going commitment to safety.

Operating from its corporate headquarters and 75,000sqm manufacturing facility in Gillman, South Australia, Samaras directly supports a national workforce of over 240 tradespeople and construction professionals.

WHAT IS YOUR ROLE ON THE OSDP?

Samaras is fabricating and installing steel for Buildings 20 and 21, as well as the canteen and office buildings, with the majority of the steel sourced from Australian suppliers. Building 21 is the one that can currently be seen from Victoria Road.

This work involves converting permanent works designs into shop drawings and 3D electronic models, then manufacturing the steel components and applying protective treatments in our factory before delivering and installing them on site. The 3D modelling allows us to demonstrate how a building will look, and to perfect the placement of steel and components before installation on site.

We are also supplying a crane hire package for the OSDP, which includes operators and cranes such as a 25T Franna, a 250T Liebherr and the largest crane, a 280T Crawler crane.

HOW MANY EMPLOYEES ARE INVOLVED ON THE OSDP?

Most of our workforce are involved in the fabrication of steel for the OSDP. In addition, we have around 30 to 40 ground support crew on site at any given time, including up to nine crane drivers.

WHAT SKILLS AND QUALIFICATIONS DO YOU REQUIRE?

We require a variety of skills and qualifications to meet the needs of our business. These include trades such as boilermakers and welders, site riggers and crane drivers. We also employ project engineers, graduates of construction courses at TAFE, those interested in entering our business as a junior cadet, and anyone with significant experience in the industry.

Recently a new Australian standard - *AS/NZS 5131 Structural Steelwork - Fabrication and Erection* - was introduced, which defines good practice for fabrication and structural steelwork. The standard is aimed at providing assurance that fabricated steel for Australian projects is only sourced from qualified competent fabricators.

As the OSDP is one of the first projects in South Australia to be built under this new standard, there is a large focus on quality assurance (QA), so we have engaged personnel with very strong QA qualifications and experience to manage this process.

We have also just employed an additional safety officer, and are using the OSDP project as an educational tool to upskill that person.

HOW MANY APPRENTICESHIPS OR TRAINEESHIPS DO YOU HAVE?

We have five apprentices at this stage, who are being supported by this project. They are mainly engaged in manufacturing and include trainee boilermaker welders. If we are successful in securing work on other projects at the shipyard, we may need to engage more apprentices.

Going forward, we will work with local schools and training providers to help identify the skillsets we require in the future.

WHAT IMPACT HAS INVOLVEMENT ON THE OSDP HAD ON YOUR BUSINESS?

Involvement in the OSDP has had a significant, positive impact on our business. For the past few years, South Australia has been quiet in the large industrial space, which forced us to seek work elsewhere and we found ourselves working predominantly in the eastern states.

The OSDP is our first primary project in SA for over 18 months, and it has supported many jobs locally, rebooting local content. Our involvement has resulted in the engagement of around 50 new employees, with approximately 20 working on the OSDP site and the other 30 in our fabrication facility.

Samaras Group is also supplying crane hire and operator services at OSDP



Oliver Technologies

For over 30 years, Oliver Technologies has supplied equipment and solutions for coatings and corrosion control to manufacturing, industrial and construction companies nationally.

Located in Wingfield, Oliver Technologies were previously a key player in the automotive industry supply chain. Following the closure of Holden in October 2017, they were required to downsize their operation significantly.

WHAT STEPS HAVE YOU TAKEN TO REBUILD?

The car manufacturing and associated industries contributed to over 50% of our turnover prior to the impact of the global financial crisis in 2008. As the car industry gradually slowed in the years leading up to the closure of Holden, we constantly tried to reduce costs whilst finding new products and markets to ensure our business survived.

Having been a key supplier to ASC Pty Ltd previously, and with the announcement of the Naval Shipbuilding Plan, we focused our energy in an area that we had developed a skillset and experience - solutions for the preparation and coating of structural steel. This provided a tremendous opportunity, as there is a vast amount of steel required to build ships and submarines. And with the amount of steel fabrication required for the shipyard facilities being constructed by local existing customers such as Samaras and SA Structural Steel, we are also benefitting indirectly through the supply chain.

We also identified that a key requirement of entry for works associated with shipbuilding was a need for management, safety and environmental systems accredited to international standards. Rather than employing a consultant to create these systems, we formed a team of employees to develop our systems from scratch. This ensured a strong commitment from everyone within the company, and we achieved international certification soon after.

WHAT IS YOUR ROLE ON THE OSDP?

Oliver Technologies has been awarded a contract by Lendlease, ANI's Managing Contractor for the OSDP, for works associated with the supply and installation of a surface treatment line which prepares new steel plate and profiles prior to fabrication. We are also supplying all spray painting, abrasive blast cleaning and air management systems associated with the main blast and paint building to be constructed as part of the OSDP.



Involvement in the OSDP has ensured the knowledge and skills developed by Oliver Technologies employees have not been lost

Our team is in the process of finalising detailed design and procurement of the surface treatment line and blast and paint equipment for delivery and installation during 2019.

WHAT IMPACT HAS INVOLVEMENT ON THE OSDP HAD ON YOUR BUSINESS?

Our staff numbers have almost doubled since the beginning of our involvement on the OSDP, and we have also noticed greater interest in capital equipment enquiries from other manufacturing companies.

WHAT SKILLS AND QUALIFICATIONS DO EMPLOY?

Our team has a diverse range of qualifications from diplomas in management, accounting and advanced OHS; engineering degrees; marketing; sheetmetal and mechanical trade qualifications; through to training in working at heights, EWP / scissor lift operations, forklift, boom lift and first aid including CPR. An existing employee is also embarking on an engineering mechanical trade apprenticeship this year.

WHAT IMPACT HAS INVOLVEMENT ON THE OSDP HAD ON YOUR BUSINESS?

Involvement in the OSDP has ensured the knowledge and skills developed by our employees through many years of supply to the car manufacturing industry have not been lost, but instead are transferred to these exciting new projects.

After a period of uncertainty following the end of the automotive industry, the OSDP and future opportunities at the Osborne Naval Shipyard provides our company - and importantly, all members of our team - with many reasons to feel positive about the future.

ANI Contact



HO: 220 Commercial Road | Port Adelaide SA 5015

ONS: 61 Veitch Road | Osborne SA 5017



+61 8 7078 4575



enquiries@ani.com.au

www.ani.com.au