

SMALL SCALE INDUSTRIES AS A BASE FOR TECHNOLOGICAL DEVELOPMENT: A CASE OF MOTOR REPAIR INDUSTRY IN AKURE

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Abstract

A handsome number of researchers have concentrated their efforts on the necessity to improve transport network and the essence of proper planning and financing for the sector to enhance economic activities. To a large extent, the motor vehicle mechanics that maintain vehicles on our roads are not recognized by the society and government. This has led to the neglect of existing studies on the problems of this sector. There is a significant improvement in the activities of those in this sector. The postulation in this paper is that the government should bring together the motor vehicle mechanics and those that have higher education in auto-Engineering to work as a team to fabricate motor parts, tools, etc. This will mark a starting point for indigenous motor plant in Nigeria.

Introduction

Industry by definition is any economic activity, branch of manufacture or trade, that is, the making or production of things in factories or commercial activity that produces services, in the case of small-scale industries (SSI), there is really no unique definition. The word small is a relative term. Therefore, What is small in Germany, United Kingdom or Japan, may be large in Nigeria. Niger or Mali. However, there are certain variables that are universally adopted in the definition of small-scale industry, such as employment size, initial and current capital outlay, types of ownership, etc.

According to Stepanik (1975), small-scale industries in Indonesia are those employing less than 10 full-time workers. Starely and Morse (1985) classified establishments employing below 100 persons as small scale. According to the World Bank (1994). Small enterprises (SEs) in Malasia are industries employing fewer than fifty employees. This definition of SES includes the cottage enterprises (CEs), which usually employ fewer than live workers. In 1989, industrial policy of Nigeria defined SSI as those whose total investment was between N 100,000.00 and N2 Million excluding land but including working capital.

In this paper, SSI are those economic activities ranging from one man business to establishment with tip to 35 workers and or apprentices. The focus of this paper is on motor repair industry with special attention on motor mechanics. Electricians, Panel Beaters and Vulcanizers. This paper argues that if vehicle mechanics, electricians, etc, are well organized and encouraged, it will be a base for technological development.

The motor vehicle repair business covers Nigeria as a whole. People do not very much appreciate their operations despite their importance in the society. Therefore, the need for structural change in the production activities in small scale industries necessitated this paper with particular reference to motor vehicle industry. The objectives of this paper are to:

- (i) determine education of respondents;
- (ii) source of initial capital; and
- (iii) identify major problems or operators.

Literature Review

Motor repair business is of wide-spread importance in Nigeria. Available literature on the transport sector in Nigeria shows that a lot of effort is concentrated by researchers on the economics of transport, transport networks, coordination, planning and financing (Onakomaiya **and** Ekanem, 1977). To a large extent, people do not appreciate the activities of those in motor repair businesses and this has led to a neglect in the existing studies of the problems of this sector who help to maintain vehicles on our roads. According to Oni (1999), the automobile repair workshop is seen as one of those informal sector enterprises like block-making, tailoring and others. Like rail transport, without job security for the people who are apprentices in this sector, the road transport system in this country could collapse in future.

A large proportion of the operators who are reminding in the informal sector actually acquired their skill from the sector (Oyeneye, 1980). Those in this sector in turn engage apprentices to whom they impart their skills. This process of skill transmission from one generation to another sustains the growth and continuity of technical or sometimes traditional knowledge and competence of the operators (Callaway,

1964).

As observed by Oni (1989), the absence of adequate patronage of auto-repair workshops and, by implication, underemployment and low income of these people already engaged in the trade is a disincentive for those youths who might have wished to go into the business. If the fear of unemployment or underemployment exists in a motor repair industry, those that are in the trade or future apprentices will go into businesses like commercial motorcycle riding.

Methodology

The design was a descriptive research of the survey type. The population was infinite as it is made up of motor mechanics and allied workers in Akure, the capital of Ondo State in Nigeria associations. Akure, being a state capital, was considered a typical Nigerian town for a preliminary study of this nature. An unstructured questionnaire was developed for the personal interview of a population that is semi-illiterate (Lovett, 1992). The questionnaire covered education qualification, source of initial capital and problems faced by the motor repairers. In order to validate the instrument, a pre-test was undertaken on a sample of 20 motor repairers in Ado Ekiti after which some modifications were made and to establish the reliability too, the test was repeated after an interval of two weeks. A reliability coefficient of 0.78 was obtained and considered high enough. To ensure that the sample was representative, motor repairers identified were categorized into four, namely:

Motor Mechanics.

Motor Electricians.

Panel Beaters.

Vulcanizers.

The samples of 52 were selected at the discretion of the researchers because the study was exploratory. The researchers had to visit the respondents at their workshops in various areas of the town to administer the questionnaire since there was no mechanic village in the city. A total number of 52 questionnaires were administered on respondents and the same number was used for analysis. The data was analysed by percentage.

/ Result

and Discussion

Table 1 is a presentation of the distribution of respondents on the bases of their specialization in motor repairs.

Table 1: Distribution of the Respondents

Specialization	No
Mechanics	25
Electricians	08
Panel Beaters	09
Vulcanizers	10

Table 1 shows the distribution of the respondents based on their areas of specialization. Motor mechanics are 25, Electricians 8, Panel Beaters 9 and vulcanizers 10.

Table 2: Education Level of Respondents

Level	No	Percentage
Below First Sell. Leav.	05	9.62
First Sch. Leaving	22	42.31
Attended Sec./Grammar Sch.	23	44.23
Attended Technical School	01	1.92
Attended Polytechnic	01	1.92
Attended University	00	00
Total	52	100

Table 2 shows the level of education of respondents. Out of the 52 Respondents, 5 (9.62%) were below First School Leaving Certificate; 22 (42.31%) First School Leaving Certificate; those that attended secondary or grammar school were 23 (42.23%); technical school 1 (1.92%); polytechnic I (1.92%); and none attended university.

Table 3: Sources of Initial Capital of the Respondents

Source	No	Percentage
Personal	22	42.3
Relatives	30	57.7
Government	-	-
Bank	-	-
Total	52	100

Table 3 shows the sources of initial capital respondents. Twenty-two (42.31%) said that they personally provided the capital for the business. No respondent sourced initial capital from bank or government.

Problems	No	Percentage
Lack of machines and tools	43	82.7
No workshop	5	9.6
Lack of Bank Credit	2	3.9
Lack of Electricity	2	3.9
Spare Parts	-	-
Total	52	100

Table 4 shows the major problems facing motor vehicle mechanics. The mentioned problems in percentage are: Lack of machine and tools (82.69%), No workshop (9.61%), lack of bank credit (3.85%) and lack of electricity (3.85%).

The study revealed that all the respondents agreed that there was no assistance from the government and banks to them. They also denied any knowledge of government programmes put in place to assist small scale industries such as theirs. The study revealed that 42.31% and 57.69% of the respondents agreed that their businesses were financed by themselves and relatives respectively. Without any collateral security, and the traditional sources of capital for businesses, already nonexistent as a result of high consumption, low income and inflation, it is very difficult for a young apprentice to raise capital to be self-employed after training.

It was observed that about 98% of the respondents did not go beyond, secondary education, which is a limitation to their career. There was a major difference between one respondent that had ND in Automobile Engineering and the rest of the respondents in terms of performance and interaction. It is quite clear that people with higher education in areas like automobile or mechanical Engineering are lacking in this informal sector for self-employment.

Lack of capital and the high cost of machine and tools were the major problems of those in this sector. This is why many youths do not want to go to this sector as apprentice. Lack of apprentices was part of the problems identified in the study. It is established that many motor vehicle repairers have gone to ride commercial motor cycle for a living because of economic hardship in the sector.

The problem of workshop is a serious one to motor vehicle repairers as revealed by the study. All the respondents are operating on temporary sites rented to them. In addition, most of the workshops have gone down over time compared to a modern workshop. Therefore, it has become difficult to recruit new apprentices who would take over from those in the industry now.

It was also observed that 70% of the respondents expressed the view that motor vehicles could be produced in this country using local components. They suggested that this could be done if the government can bring them together to work as a team. Through this process, "operation show your talent" could be launched to get people with good talents. About 80% percent agreed to work as a team if called and there is a provision for salary.

Recommendations

The importance of road transport system in the economy cannot be over-emphasised. Motor repairers are very necessary to sustain road transport system to enhance economic activities. For continuity and efficient road transport system, the following recommendations are given:

1. The government should bring together the motor vehicle mechanics (motor repairer, electrician, panel beater, etc) and those that have higher education in auto-mobile engineering to work as a team. There should be a committee to identify the ability of the artisans in areas of fabrication of motor parts, tools, etc, as a starting point for indigenous motor plant.
2. To minimize the problem of capital, loans should be given to auto-mechanics through government agencies like National Directorate of Employment (NDE) and the utilization of such loans should be monitored.
3. Graduates from polytechnics and universities in the areas of mechanical and electrical engineering should be encouraged to go to this informal sector and be self-employed.
4. Renting workshops in the town is costly for those in this sector. There should be a mechanic village in every town in this county.

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