

ABSTRACT

LOCAL MANUFACTURE/REPAIR OF MACHINERY PARTS FOR THE OIL INDUSTRY

ALFRED PHILLIPS

This study analyses the capability of local machine shops to manufacture machinery spare parts for the oil industry, based on the requirements of Trintoc, one of the largest local oil companies.

Local oil companies have traditionally imported most of their spare parts resulting in a significant outflow of foreign exchange. Trintoc imported over twenty seven million (\$27M) dollars in spare parts for 1989.

However the country's ability to earn foreign exchange has been severely hampered with the advent of a contracting economy over the past six years. The resulting recession has been attended by two devaluations of the TT currency plus other harsh economic measures. This study may be seen as a response to Government's plea to corporate and private citizens to earn and conserve foreign exchange.

The study initially identifies Trintoc's current and predicted consumption and expenditure patterns. Consequently, disaggregated data was obtained from thirteen (13) machine shops (of 26 contacted) via in depth questionnaires, phone calls and site visits. Collected data was analysed against carefully selected criteria to derive the capabilities of the equipment and human resources of each machine shop to manufacture/repair spare parts.

The results of this study indicate that in general local machine shops all have significant potential to varying degrees, for manufacture and repair of a wide range of spare parts for TRINTOC in particular and the oil industry as a whole. However, proper machine shop quality control programmes must be developed and implemented to optimise this potential. Benefits to be derived from exploring this include significant savings in foreign exchange, reduction in delivery times and increased employment opportunities.