

MEDS 20
Rev June 1973

MARINE ECONOMICS DATA - 40-FOOT BRITISH COLUMBIA SALMON TROLLER^{a/}

Description \$27,000 market value, 40 feet by 14 feet, wood hull, 12-ton capacity, 160 HP diesel engine, loran, radar, fathometer, radio, automatic pilot, and 8-spool hydraulic gurdies.

<u>Fishery</u>	<u>Effort^{b/}</u> (days)	<u>Price^{c/}</u>		<u>Production^{d/}</u>		
		<u>Per ton</u> (<u>\$</u>)	<u>Per lb.</u> (<u>\$</u>)	<u>Low</u> (<u>tons</u>)	<u>Medium</u> (<u>tons</u>)	<u>High</u> (<u>tons</u>)
Troll salmon.....	90	1,540	.77	7	8.5	10.3
<u>(1) Gross returns.....</u>				\$10,780	\$13,090	\$15,862

Variable costs^{e/}

	<u>Season total with:</u>		
	<u>Low</u> <u>production</u>	<u>Medium</u> <u>production</u>	<u>High</u> <u>production</u>
Vessel and equipment repairs.....	\$ 1,537	\$ 1,537	\$ 1,537
Fuel.....	897	897	897
Galley.....	825	825	825
Gear repairs.....	692	768	844
Ice and bait.....	481	481	481
Miscellaneous.....	541	541	541
Crewshare.....	1,401	1,702	2,062
<u>(2) Total variable costs.....</u>	\$ 6,374	\$ 6,751	\$ 7,187

Fixed costs^{f/}

Depreciation.....	\$ 2,077	\$ 2,077	\$ 2,077
Insurance.....	1,373	1,373	1,373
Moorage.....	250	250	250
<u>(3) Total fixed costs.....</u>	\$ 3,700	\$ 3,700	\$ 3,700

Opportunity costs^{a/}

	<u>Low production</u>	<u>Medium production</u>	<u>High production</u>
(4) Operator's labor (30% of gross).....	\$ 3,234	\$ 3,927	\$ 4,758
(5) Operator's management (10% of gross)...	1,078	1,309	1,586
(6) Total investment (\$27,000 @ 7%).....	1,980	1,980	1,980

Summary

Return to labor, management, and investment (1 less 2 and 3).....	\$ 706	\$ 2,639	\$ 4,975
Return to labor and management (1 less 2, 3, and 6).....	-1,274	659	2,995
Return to investment (1 less 2, 3, 4, and 5).....	-3,606	-2,597	-1,369

^{a/} Original data developed by British Columbia Department of Fisheries and Forestry, 1968. Vessel characteristics, costs, landings, and price have been adjusted to reflect changes since the original data were developed.

^{b/} Actual days at sea.

^{c/} Prevailing prices during the 1972 season.

^{d/} Low and high are 20% below and above medium.

^{e/} Costs that vary with fishing effort. May include unpaid crew, operator, and family labor. Some costs, such as gear repair and crewshare, also vary with production.

^{f/} Costs that do not vary with fishing effort.

^{g/} Opportunity cost of labor is the estimated value of this operator's time, or what could have been earned working for someone else. Opportunity cost of management is the estimated value of this operator's management (decision-making and risk), or what could have been earned managing another similar business. Opportunity cost of investment is the estimated fair return to total investment in the business, regardless of the actual amount of debt.