

MEDS 22
Rev June 1973

MARINE ECONOMICS DATA - 34-FOOT BRITISH COLUMBIA SALMON TROLLER^{a/}

Description \$14,600 market value, 34 feet by 11 feet, 6-ton capacity, 150 HP gasoline engine, radio, fathometer, 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>Per lb.</u> (\$)	<u>Low</u> (tons)	<u>Medium</u> (tons)	<u>High</u> (tons)
Troll salmon.....	54	1,540	.77	3.04	3.9	4.56
<u>(1) Gross returns.....</u>				\$4,682	\$6,006	\$7,022

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.....	\$ 768	\$ 768	\$ 768
Fuel.....	673	673	673
Gear repairs.....	461	512	563
Galley.....	353	353	353
Ice and bait.....	120	120	120
Miscellaneous.....	180	180	180
Crewshare.....	234	300	351
<u>(2) Total variable costs.....</u>	<u>\$2,789</u>	<u>\$2,906</u>	<u>\$3,008</u>

Fixed costs^{f/}

Depreciation.....	\$1,123	\$1,123	\$1,123
Insurance.....	275	275	275
Moorage.....	210	210	210
<u>(3) Total fixed costs.....</u>	<u>\$1,608</u>	<u>\$1,608</u>	<u>\$1,608</u>

Opportunity costs^{a/}

	<u>Low production</u>	<u>Medium production</u>	<u>High production</u>
(4) Operator's labor (30% of gross).....	\$1,405	\$1,802	\$2,107
(5) Operator's management (10% of gross)...	468	601	702
(6) Total investment (\$14,600 @ 7%).....	1,022	1,022	1,022

Summary

Return to labor, management, and investment (1 less 2 and 3).....	\$ 285	\$1,492	\$2,406
Return to labor and management (1 less 2, 3, and 6).....	-737	470	1,384
Return to investment (1 less 2, 3, 4, and 5).....	-1,588	-911	-403

^{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.

^{a/} 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.