

MEDS - 28  
September 1971

MARINE ECONOMICS DATA - 58-FOOT IRISH TRAWLER<sup>a/</sup>

Description \$91,000 market value, 58 feet by 18 feet, 240 HP diesel engine hydraulic/mechanical winch, fathometer, radar, radio, 2-boat pelagic mid-water trawl, and Danish seine.

| <u>Fishery</u>                         | <u>Effort<br/>(days)</u> |
|--|--------------------------|
| Groundfish, herring, and mackerel..... | 235                      |

(1) Gross returns..... \$62,500

Variable costs<sup>b/</sup>

|                              | <u>Season total</u> |
|------------------------------|---------------------|
| Repairs and maintenance..... | \$ 1,250            |
| Gear.....                    | 2,500               |
| Fuel.....                    | 5,938               |
| Commissions.....             | 3,938               |
| Freight.....                 | 3,125               |
| Food.....                    | 1,563               |
| Equipment rentals.....       | 1,250               |
| Porterage.....               | 938                 |
| Box charges.....             | 938                 |
| Ice.....                     | 625                 |
| Market tolls.....            | 238                 |
| Crewshare.....               | <u>17,832</u>       |

(2) Total variable costs..... \$40,135

Fixed costs<sup>c/</sup>

|                   |              |
|-------------------|--------------|
| Depreciation..... | \$ 7,000     |
| Insurance.....    | <u>2,100</u> |

(3) Total fixed costs..... \$ 9,100

Opportunity costs<sup>d/</sup>

|  | <u>Season total</u> |
|--|---------------------|
| (4) Operator's labor.....                          | \$ 4,458            |
| (5) Operator's management (10% of boat share)..... | 2,229               |
| (6) Total investment (\$91,000 @ 9%).....          | 8,190               |

Summary

|  |        |
|--|--------|
| Return to labor, management, and investment<br>(1 less 2 and 3)..... | 13,265 |
| Return to labor and management (1 less 2, 3, and 6).....             | 5,075  |
| Return to investment (1 less 2, 3, 4, and 5).....                    | 6,578  |

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a/ Developed by Bord Iascaigh Mhara (Irish Sea Fisheries Board) in cooperation with the Oregon State University Marine Advisory Program, in Dublin, Ireland.

b/ Costs that vary with fishing effort.

c/ Costs that do not vary with fishing effort.

d/ 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.