

MEDS - 30
September 1971

MARINE ECONOMICS DATA - 65-FOOT IRISH TRAWLER^{a/}

Description \$113,750 market value, 65 feet by 19 1/2 feet, 365 HP diesel engine, hydraulic winch, fathometer, radar, radio, VHF, otter trawl and 2-boat pelagic mid-water trawl.

<u>Fishery</u>	<u>Effort (days)</u>	
Groundfish and herring.....	230	
<u>(1) Gross returns.....</u>		\$75,000

Variable costs^{b/}

	<u>Season total</u>
Repair and maintenance.....	\$ 1,500
Gear.....	3,750
Fuel.....	8,438
Commissions.....	4,625
Freight.....	3,500
Food.....	1,563
Equipment rentals.....	1,250
Porterage.....	1,050
Box charges.....	1,050
Ice.....	750
Market tolls.....	263
Crewshare.....	<u>21,300</u>
(2) Total variable costs.....	\$49,039

Fixed costs^{a/}

Depreciation.....	\$ 8,825
Insurance.....	<u>2,600</u>
(3) Total fixed costs.....	\$11,425

Opportunity costs^{d/}

	<u>Season total</u>
(4) Operator's labor.....	\$ 5,325
(5) Operator's management (10% of boat share).....	2,663
(6) Total investment (\$113,750 @ 9%).....	10,238

Summary

Return to labor, management, and investment (1 less 2 and 3).....	14,536
Return to labor and management (1 less 2, 3, and 6).....	4,298
Return to investment (1 less 2, 3, 4, and 5).....	6,548

^{a/} Developed by the 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.