



Social Sciences Branch Northeast Fisheries Science Center Woods Hole, Massachusetts



Northeast Fishing Vessel Annual Cost Survey 2011 and 2012 PRELIMINARY RESULTS

Purpose of Study

The Social Sciences Branch (SSB) of the NEFSC recently completed a survey of vessel owners about their annual fishing costs for calendar year 2011 and 2012. This cost information, along with the trip cost data collected by the Northeast Fisheries Observer Program, helps SSB improve its analyses. Improved analyses help fisheries managers to:

- Better understand the economic and social impacts of fisheries management regulations and incorporate this information in the decision making process.
- Recognize differential impacts of the regulations on different fishing industries, ports, fishing groups, and fishing communities.
- Evaluate management measures based on impacts on net benefits.

Study Methods

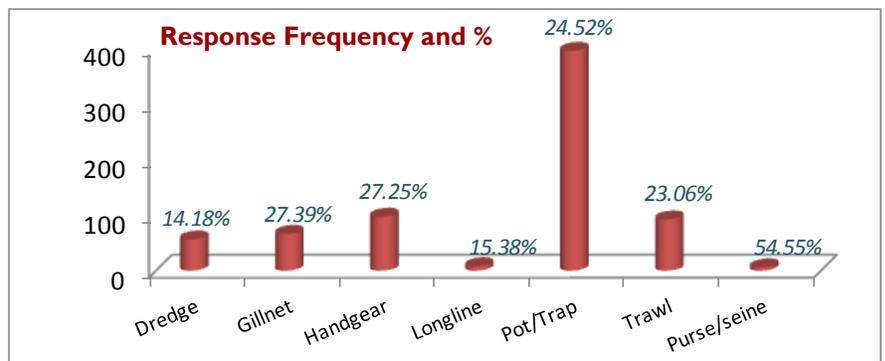
The survey for 2011 data was conducted from August to December of 2012, and the 2012 survey was conducted from April to September, of 2013. The survey was offered via mail and on the web. The number of vessels that received the survey was 1,457 in 2012 and 1,778 in 2013. Vessels for the survey were selected randomly from a population stratified by primary gear groups and vessel length.

Participation Data

Survey Year	Response rate	Mail Submissions	Online Submissions
2011	372 (28.90 %)	305 (82 %)	67 (18 %)
2012	367 (20.6 %)	312 (85 %)	55 (15 %)

Survey Structure

- I. Vessel Information
- II. Repair/Maintenance/ Upgrade/Improvement
- III. Fishing Business Costs
- IV. Operating Costs
- V. Crew Payments System
- VI. Other Costs



Vessel Information

Average Market Value of the Vessel

(Including gear, permits, and history): \$434,336

Average Vessel:

Length (feet): 44
Gross Tons: 44
Horse Power: 435
Year built: 1988

% of Vessels With:

Sole Proprietorship: 65%; Corporation: 28%
Owner operated: 87%; Hired captain: 11%
Loan on vessels: 39%
Insurance Coverage (Hull and P&I): 85%

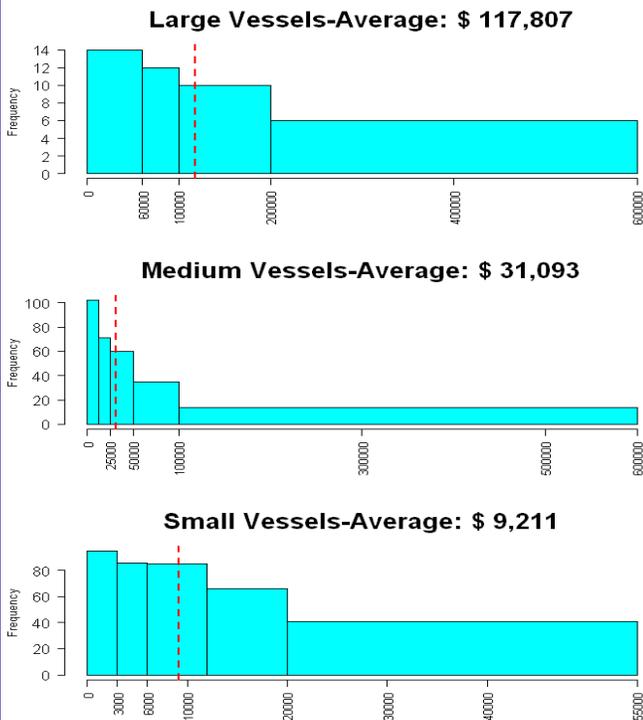
Data Analysis Notes

- I. Data analysis is done for 720 responses with two years combined and after removing outliers.
- II. Only non-zero values are considered for calculating averages and cost distributions.
- III. All costs are in 2012 dollars.
- IV. Summaries with less than 3 vessels are not reported due to confidentiality issues.

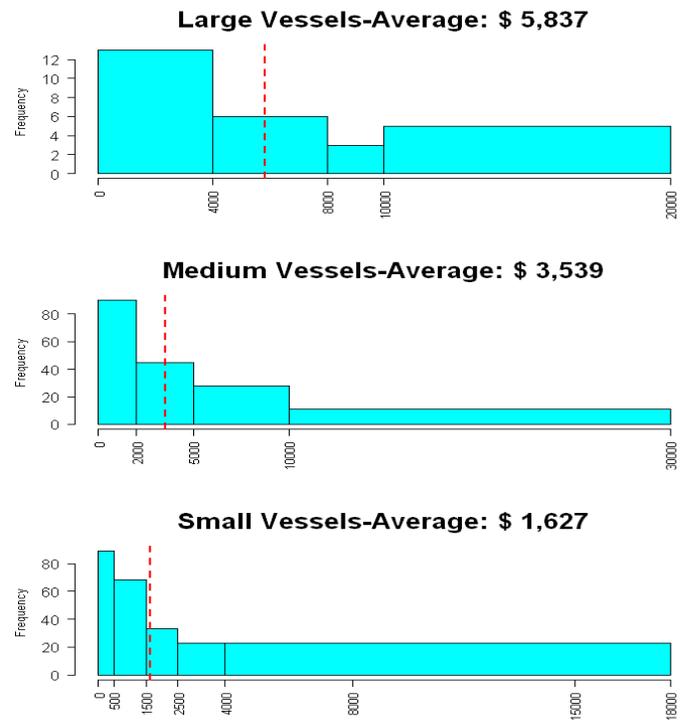
Graphical Display Notes

- I. The continuous vessel lengths were categorized into three length groups for displaying cost distributions.
 - Large: greater than 80 ft (N=44);**
 - Medium: between 40 and 80 ft (N=288);**
 - Small: less than 40 ft (N=388).**
- II. The red dotted line in each graph indicates the average cost.

Repair/Maintenance Costs by Length Category



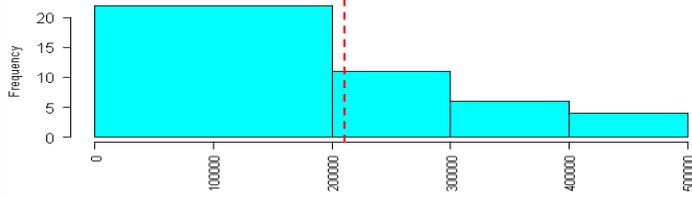
Upgrade/Improvement Costs by Length Category



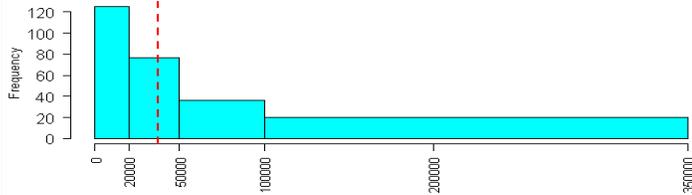
- Survey respondents were asked to report these costs by seven different categories: engine, deck equipment, hull, gear, wheel house/gear electronics, processing/refrigeration, and safety equipment.
- Of the 720 responses used for this analysis, 697 reported repair/maintenance costs and 437 reported upgrade/improvement costs.
- Upgrade and improvement costs are analyzed after accounting for depreciation.
- The average repair/maintenance cost is \$24,608 and the average expense for upgrade/improvement is \$2,648 for all responses.

Fishing Business Costs by Length Category

Large Vessels-Average: \$ 211,072



Medium Vessels-Average: \$ 37,283



Small Vessels-Average: \$ 13,468

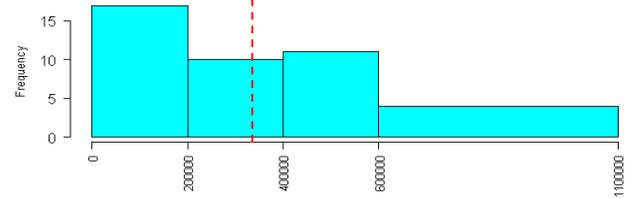


Fishing business costs include mooring fees, office expenses, permit fees, business travel costs, interest paid on loans, etc.

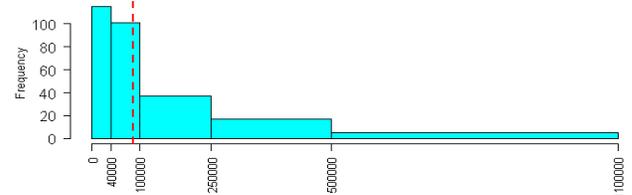
Of the 720 responses, 682 reported their business costs. The overall average business cost is \$34,940.

Operating Costs by Length Category

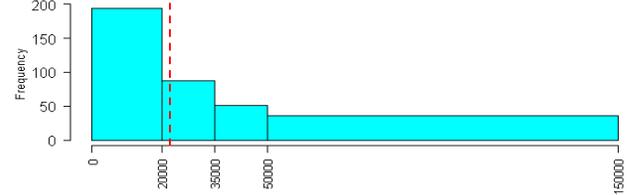
Large Vessels-Average: \$ 336,030



Medium Vessels-Average: \$ 87,469



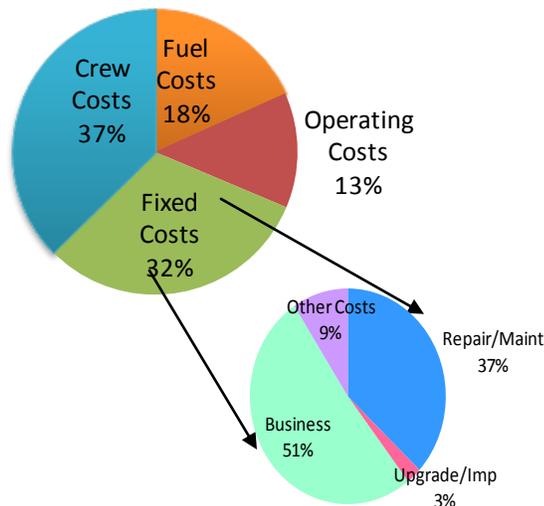
Small Vessels-Average: \$ 22,478



There were 685 vessel owners who reported their operating costs, which include expenses on items such as fuel, food, bait, ice, fishing supplies, and communication.

The overall average operating cost is \$67,790.

Cost Allocation Among Major Groups



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