



Cost of Running AKAMA

While sailing yachts have been crossing oceans and circumnavigating for many years, wandering about the world on a motorboat is still a bit unusual. Indeed, the first ocean crossing by a motor vessel resembling today's trawler yachts was not until the 1937 crossing of the ARIELLE from New York to France. Unlike sail boats, which have been going around the world for years, here have been only a handful of motorboat circumnavigations, nearly all relatively recent. It is normal then for AKAMA to be the only cruising motorboat in an area. There are plenty of motorboats around, but typically, they travel only locally.

Consequently, our boat, AKAMA, A Kadey-Krogen 48 Whaleback, is frequently the centre of attention among cruising sailors in the marinas we visit and in the bays in which we anchor. Many of the people we meet ask to come aboard and look around. After seeing how much room we have and the level of creature comfort, as compared to a sailboat of the same length, the majority reaction is that a trawler will be their next boat. This reaction is especially prevalent among the experienced sailors, most of whom perhaps have nothing to prove, and most of the women. Right after this reaction, cost questions often arise. Incidentally, all the figures quoted herein are in US dollars.

The cost of cruising around the world on a sail boat is well documented in books and magazine articles. However, little has been written about doing so aboard a motorboat. The matter is complicated by the difficulty of making an apples-to-apples comparison. While AKAMA is only 48-feet long, cruising sail boats with equivalent liveable space and features are generally about 15-feet longer.

So, what does it cost to live aboard on a motorboat like AKAMA? It might seem a cop-out, but there is no definitive answer. As is the case for sail boats, both the capital and the running costs of cruising motorboats are highly elastic, and both are highly dependent on life style.

The capital expenditure relates to the age, size and type of motorboat, and to a lesser degree how she is fitted out. While we have seen people cruising on everything from minimalist 25-foot sail boats to multi-million dollar super yachts, the few we have met doing it on motorboats have 50-foot trawlers like ours, not counting the crewed motor yachts. This translates to a cost range of 250 to 800 thousand dollars. Accountants might work out the cost per day, given depreciation and opportunity cost. We once calculated that the daily amortized capital cost of the average 50-footer would be over 100 dollars a day. We have discussed this cost component with many cruisers, and the nearly universal reaction is, "We don't want to know!" One man, a retired accountant, said, "That sounds about right, but don't tell my wife!" There is an argument that this is a sunk cost; we prefer the more colloquial, "We would have spent it on something else anyway."

There are many components to running cost, some dependent primarily on the type and size of boat, and some dependent primarily on lifestyle. The major components are insurance, maintenance, marina charges and diesel fuel.

Insurance cost varies little between sailing and motor boats. It is directly related to the value of the boat, the deductible amount for claims, the experience of the crew and the geographical location. Typically, for experienced owners that cruise in benign areas, the cheapest is about one percent of the value of the boat. Given the foregoing capital cost information and variables, the daily insurance cost for a 48-foot motorboat works out to \$14 to 28. Moreover, relatively few insurers insure yachts, and they sometimes make onerous and costly demands. For example, they may require the boat to be hauled out and professionally surveyed, or may require crew to be hired for some voyages.

The biggest maintenance cost is the periodic haul-out, which we have to do every year or two. At this time the anti-fouling paint, usually the biggest cost component of the haul-out, needs to be renewed and any below-waterline repairs made. The next biggest maintenance cost is preventive maintenance and periodic repairs. It never ceases to amaze us how many things break down on a boat and how much more costly they are to repair than the same thing for a house or car, or an RV. Although strictly speaking they are not maintenance, there are also the upgrades. It seems that we always 'need' something new. We try to refrain from overindulging in new toys, with moderate success. Amortizing these costs and adding in the cost of regular cleaning, the overall daily maintenance cost for AKAMA is \$10 to 14.

The remaining two major cost items, marina charges and diesel fuel, are interrelated. While we save the marina berthing charges when cruising, we consume diesel for propulsion, and for generating electricity. In Asia, marina charges are relatively low, except for a few prime places, most notably Singapore. The daily cost to keep a boat like AKAMA in a marina in Asia is \$18 to 42, inclusive of electricity and water.

The running cost when cruising is a complex matter, dependant upon the cost of diesel fuel, and whether we are making passage, just poking along, or anchored. The cost of diesel fuel varies enormously from place to place and from month to month; we have paid as low as 25 to 80 cents a litre. Fortunately, we can usually buy when and where the price is relatively low, since our fuel tanks hold almost 4000 litres, giving us a range of about 3000 miles. Lately we have averaged about 35-cents a litre. While it is de rigueur for sailors to say that the wind is free, we dispute this. One would need to amortize the cost of maintaining rigging and sails, plus their periodic replacement and maintenance to do a proper comparison.

When we are making passage we travel non-stop 150 to 180 miles per 24 hour day. At our normal cruising speed, AKAMA consumes about 230 litres of fuel in 24-hours, at a cost of about \$80. When we are poking along from place to place we usually travel 30 to 80 miles in daylight and then anchor overnight, usually for free. This costs between \$14 and \$35 a day. On the other hand, there are many days when we simply lay at anchor in a beautiful spot, with the only cost being a few gallons of diesel to run the generator set for three or four hours a day. The cost for other motorboats would be different and related to size and number of engines. Smaller, lighter boats would cost less to run, while heavier and twin-screw boats would cost more. Looking over the specification for a few other trawlers, the cost for 40-foot boats might be as much as 25% less, and for heavier 50-footers and twin-screw boats it might be up to 50% more. A heavily constructed, steel boat of about AKAMA's size, with twin screws would consume nearly twice as much diesel.

It works out for us that over the long run the average cost of the diesel we use when not at a marina is about the same as the average cost for marina berthing. Therefore, the total per day to keep a motor boat would be between \$38 to \$84, regardless of whether we stay in a marina or cruise.

We have considerable flexibility as to whether we spend towards the low end, or the higher end, by choosing our marinas carefully and by not spending all of our time travelling long distances. Some cruisers even forego insurance, substituting better equipment and, perhaps greater care. This flexibility can be very useful. We have an acquaintance that for various reasons must now live only on his social security income. His solution was to eliminate insurance and spend much less time in marinas. If you are going to rough-it somewhere, why not do it on a boat in paradise?

Of course, in addition to all of the foregoing boat-related costs, there are personal costs, as one must be clothed, entertained and fed. This has little relation to the type of boat and everything to do with lifestyle.

Clothing is nearly optional on the boat and excepting Muslim counties, minimalist on shore. We have one friend who spends most of his time clad only in a bathing suit...or less. On AKAMA, most of the time, we are clothed only in bathing suits or in tee-shirts and shorts. The cost is nearly nothing. Entertainment consists of snorkelling, visiting villages and attractions ashore, and meeting up with other yachties. Again the cost is low, especially if we stock up on grog in a duty-free port.

Food is a highly variable cost. The cost of western food is usually about the same or a little higher than it is back in the US or Canada. On the other hand, one can have a simple, yet delicious, meal of rice or noodles and chicken or fish for only a few dollars a plate. Even in a resort the cost is reasonable, if one avoids the international chains. For example, the dinner special and a large beer at a local resort would run about seven dollars.

The bottom line is that on a modest budget one can live quite well aboard an ocean-going motorboat, if rather simply by North American standards. Certainly the cost is no more than living ashore. More importantly, the quality of life is excellent.