

# The Contribution of Agriculture to the Wisconsin Economy: An Update for 2022

Steven Deller

Economic Development Administration University Center  
Department of Agricultural and Applied Economics  
Division of Extension  
University of Wisconsin-Madison



Jeffrey Hadachek

Department of Agricultural and Applied Economics  
Division of Extension  
University of Wisconsin-Madison

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**STEVEN DELLER**  
**JEFFREY HADACHEK**

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## The Contribution of Dairy to the Wisconsin Economy

### Wisconsin Cranberry Industry



Cranberry farming in Wisconsin dates back to the mid-1800s. Early farmers discovered that the state's natural wetlands and climate were ideal for growing the native North American fruit. The state has acidic soils, abundant fresh water, and a growing season with the right mix of cool nights and warm days, which is perfect for cranberries. Indeed, the Wisconsin cranberry industry is a major player in the global cranberry market in the United States.

Cranberry production in the United States is geographically distinct. Aside from the Great Lakes Region, the Pacific Northwest and New England regions also have a concentration of cranberry production (Figure 1). Prior to the late 1990's, the U.S. cranberry industry was historically concentrated in Massachusetts and pressures resulted in a shift to Washington and Oregon.

Using data from the 2022 Census of Agriculture, Wisconsin has 10,394 farms in 1992, which is fewer than the 12,971 Wisconsin farmers reported activity in 2022. Clearly, Wisconsin is more productive (i.e. higher

**Steven Deller**

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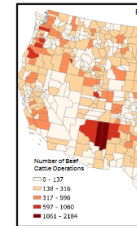


October 2024

### Beef Production



While Wisconsin is known as the dairy state, beef production has had a long historical role in the State's agricultural economy. In 2022, 12,971 Wisconsin farmers reported activity in beef production, which is an increase over the 10,394 farms in 1992. Over the same twenty-year period, the number of beef cattle increased from 640,335 (1992) to 829,566 (2022) and total sales went from \$16.1 million (1992) to \$1.3 billion (2022). In 1992, just over 20 head of cattle and 39.9



Number of Beef Cattle Operations  
0 - 127  
128 - 216  
217 - 306  
307 - 1960  
1961 - 2194

Updated 2024

### Logging and Forestry



When one thinks about Wisconsin agriculture, products related to Wisconsin's vast forest resources are often overlooked. Using data from the 2022 Census of Agriculture, there are 1,992 Wisconsin farms reporting \$28,157,000 in the sales of forest products (excluding Christmas trees, short rotation woody crops, or maple products). Forestry and logging more generally has a long and rich tradition in Wisconsin. Indeed, logging along with mining is emblazoned on the Wisconsin State flag reflecting the fact that logging was a backbone of the economy in the 1830s and 1840s. Unfortunately, by the early 20th century, Wisconsin's forests need for sustainable forestry or conservation efforts such as sell today Wisconsin remains a lead state's economy.

Today there are 239 firms in Wisconsin with 4,025 people with \$388 million in sales. The state's first commercial brewery was established by John Phillips in 1835 in Mineral Point, but it was short-lived. The first long-lasting brewery was Julius Weisner's brewery in Milwaukee, founded in 1840. While the brewery industry has gone through periods of consolidation, there has been significant growth over the last 20 years. In 2001 there were 15 breweries in Wisconsin employing about 1,200 people but by 2022 the number of breweries expanded to 107 employing over 3,700 people. This rapid growth has been driven almost exclusively by the growth in consumer demand for locally sourced craft beer.



Figure 1: Breweries, Wineries, and Distilleries

Updated 2024



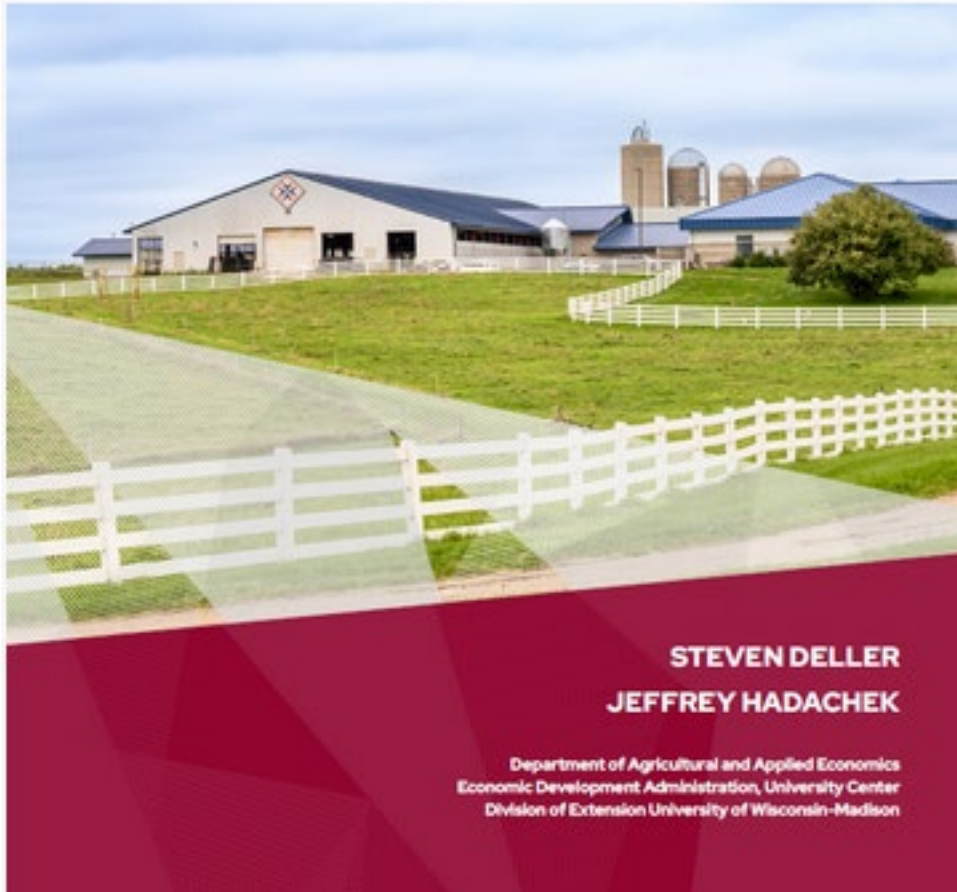
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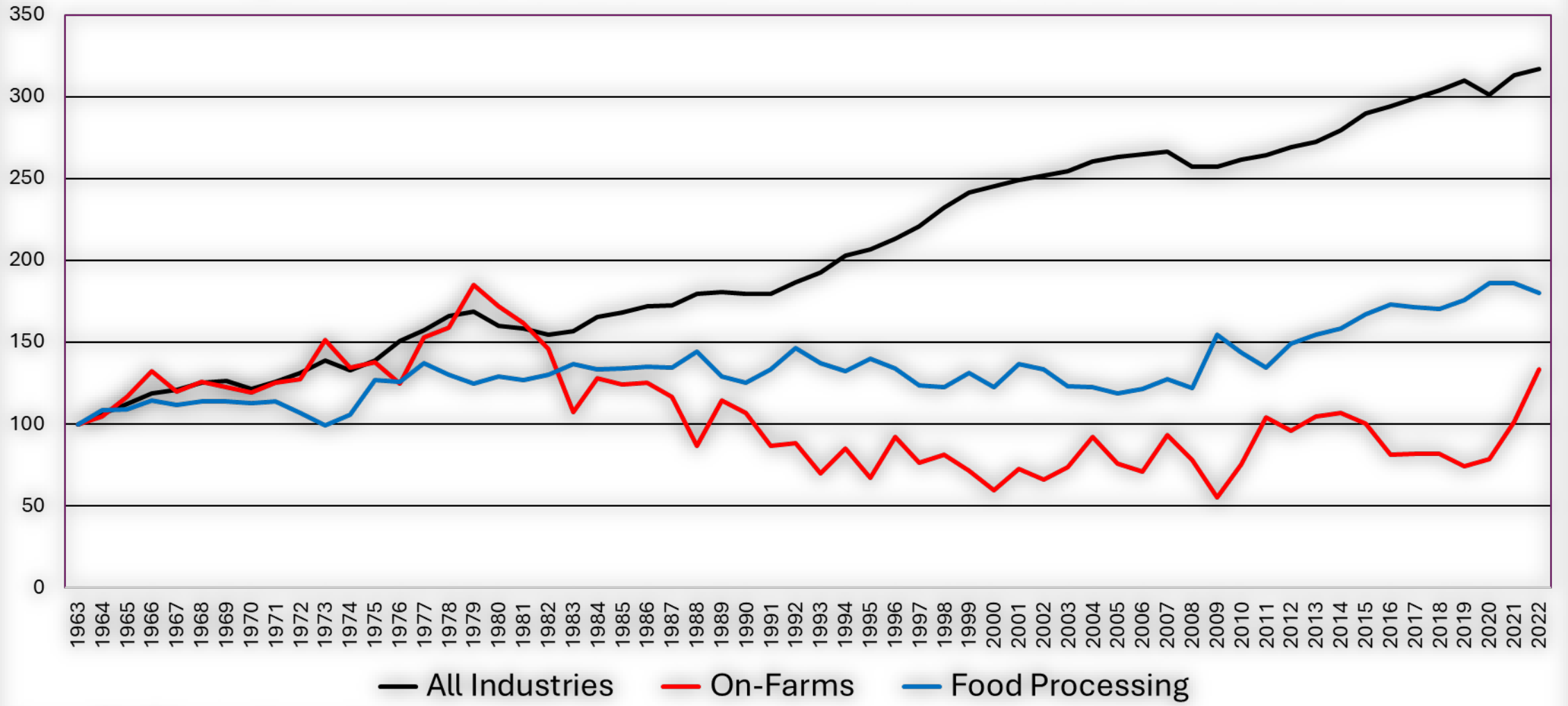
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<https://aae.wisc.edu/contributions-of-agriculture/>



Figure 1: Wisconsin Gross Domestic Product Growth Index (in 2022 dollars)

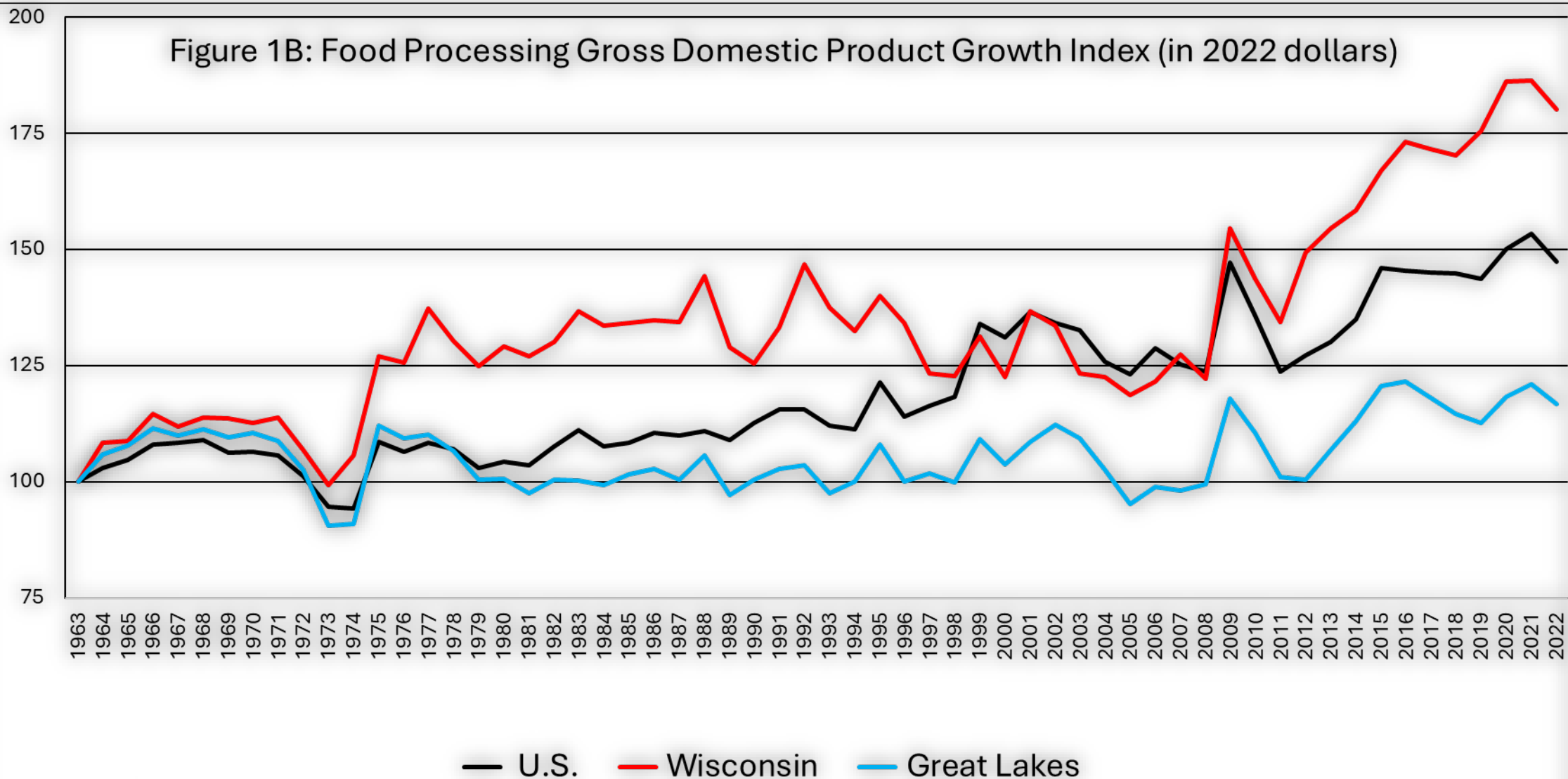


Source: BEA-REIS, calculations by the authors.



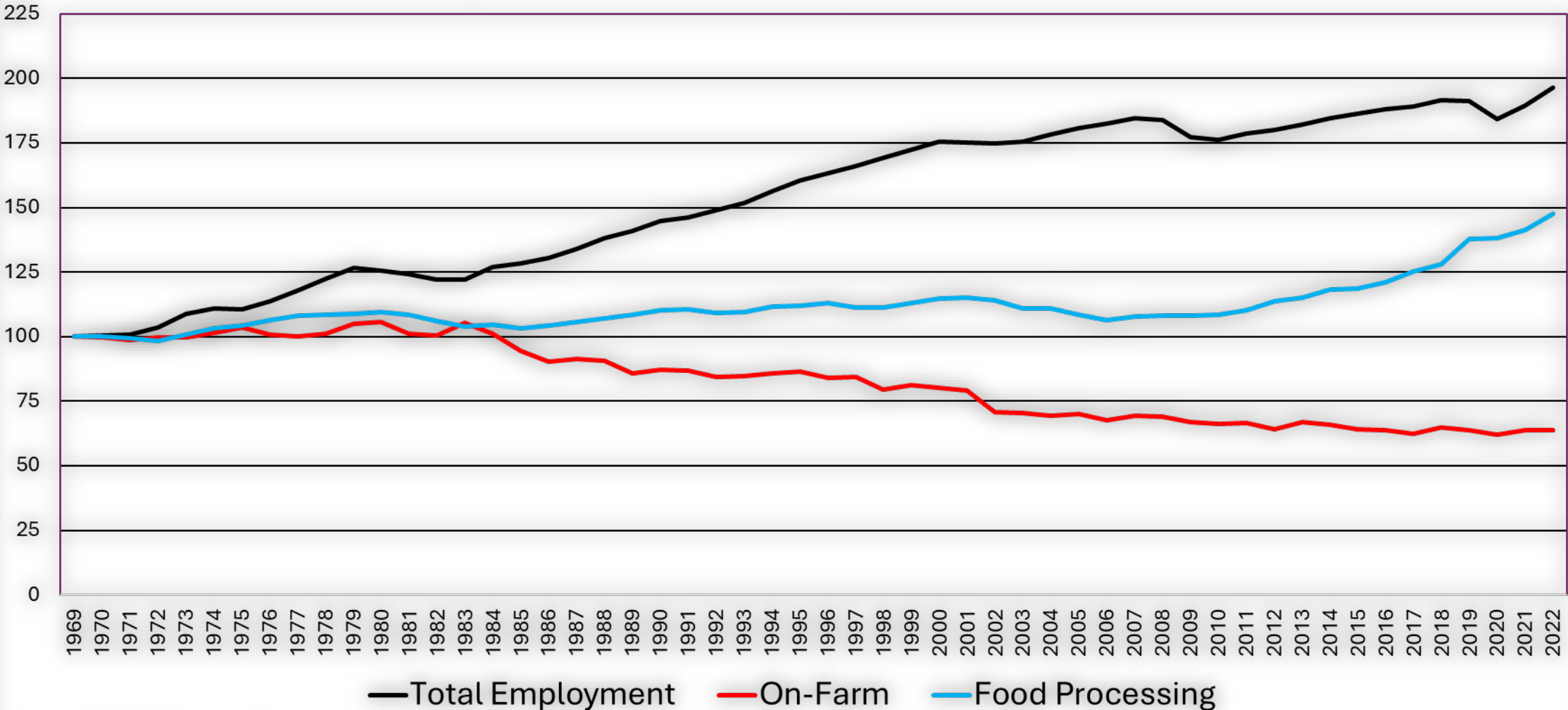


Figure 1B: Food Processing Gross Domestic Product Growth Index (in 2022 dollars)



Source: BEA-REIS, calculations by the authors.

Figure 2: Wisconsin Employment Growth Index



Source: BEA-REIS, calculations by the authors.



Figure 6: Possible Industry Combinations



Figure 7a: Wisconsin On-Farm Cluster Analysis

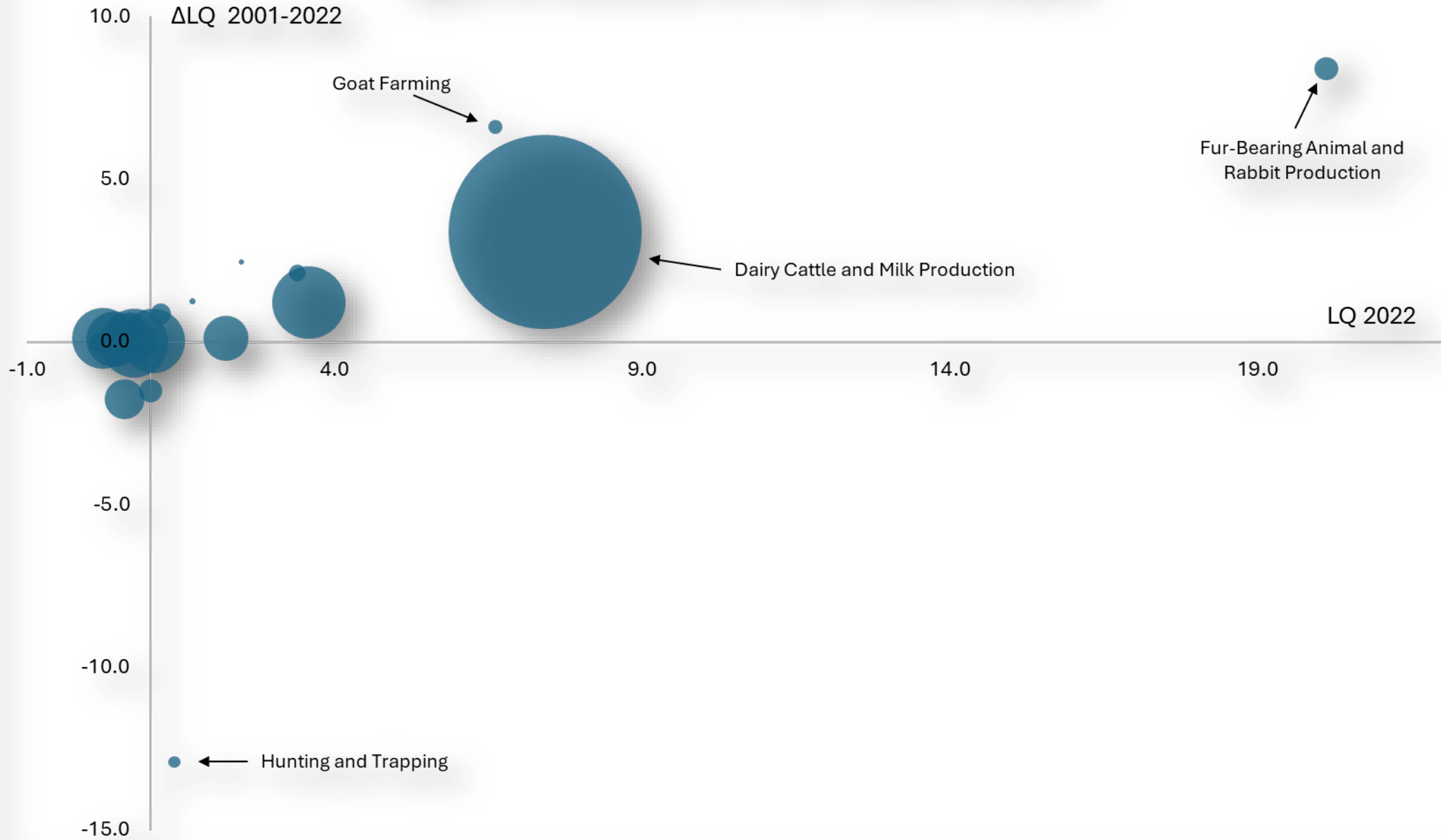
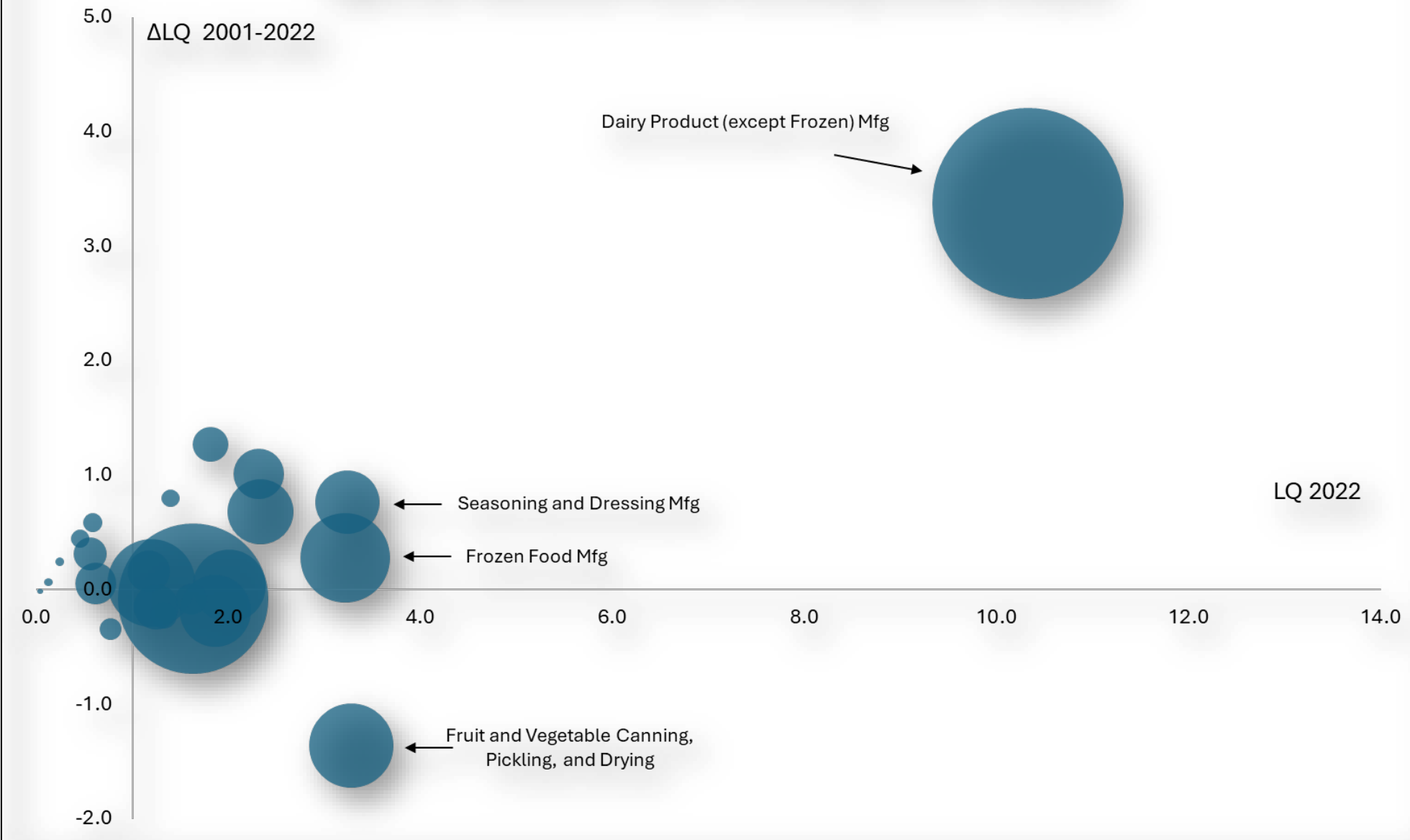


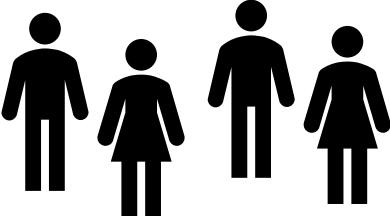




Figure 8a: Wisconsin Food Processing Cluster Analysis



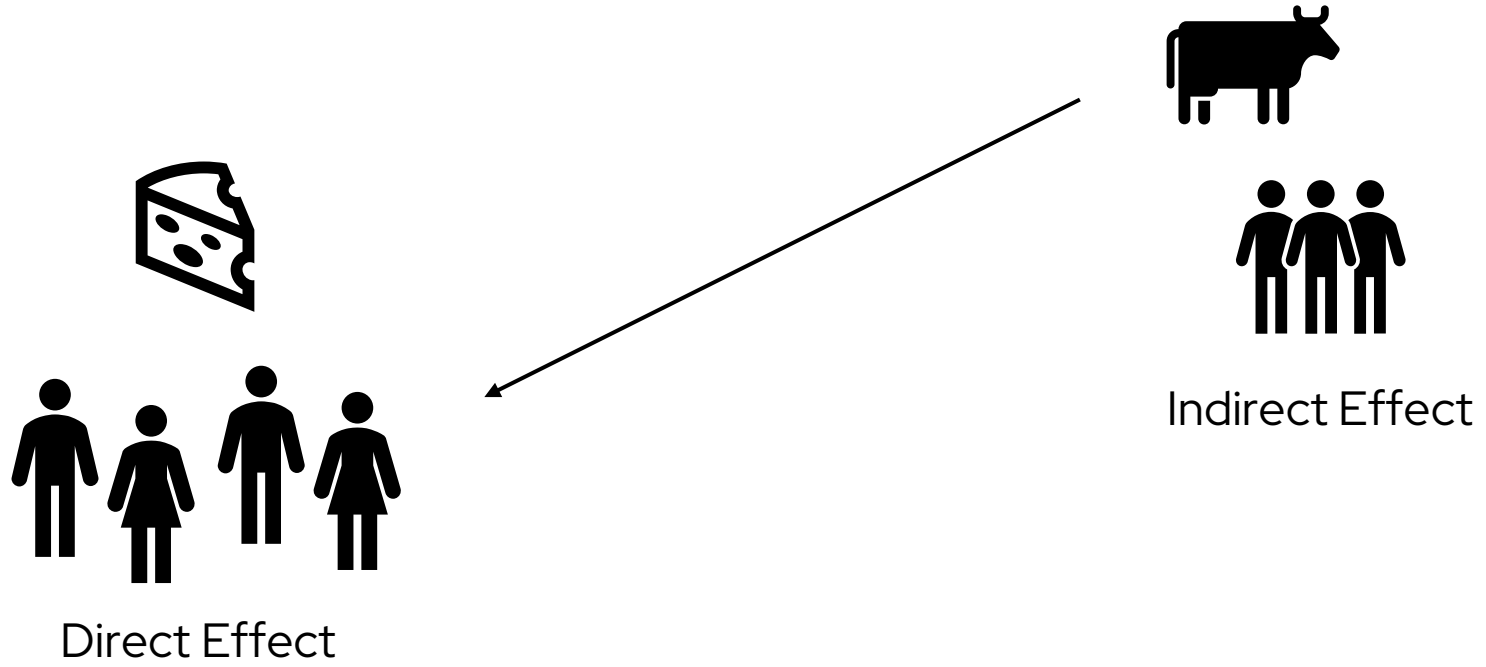
# Methods:



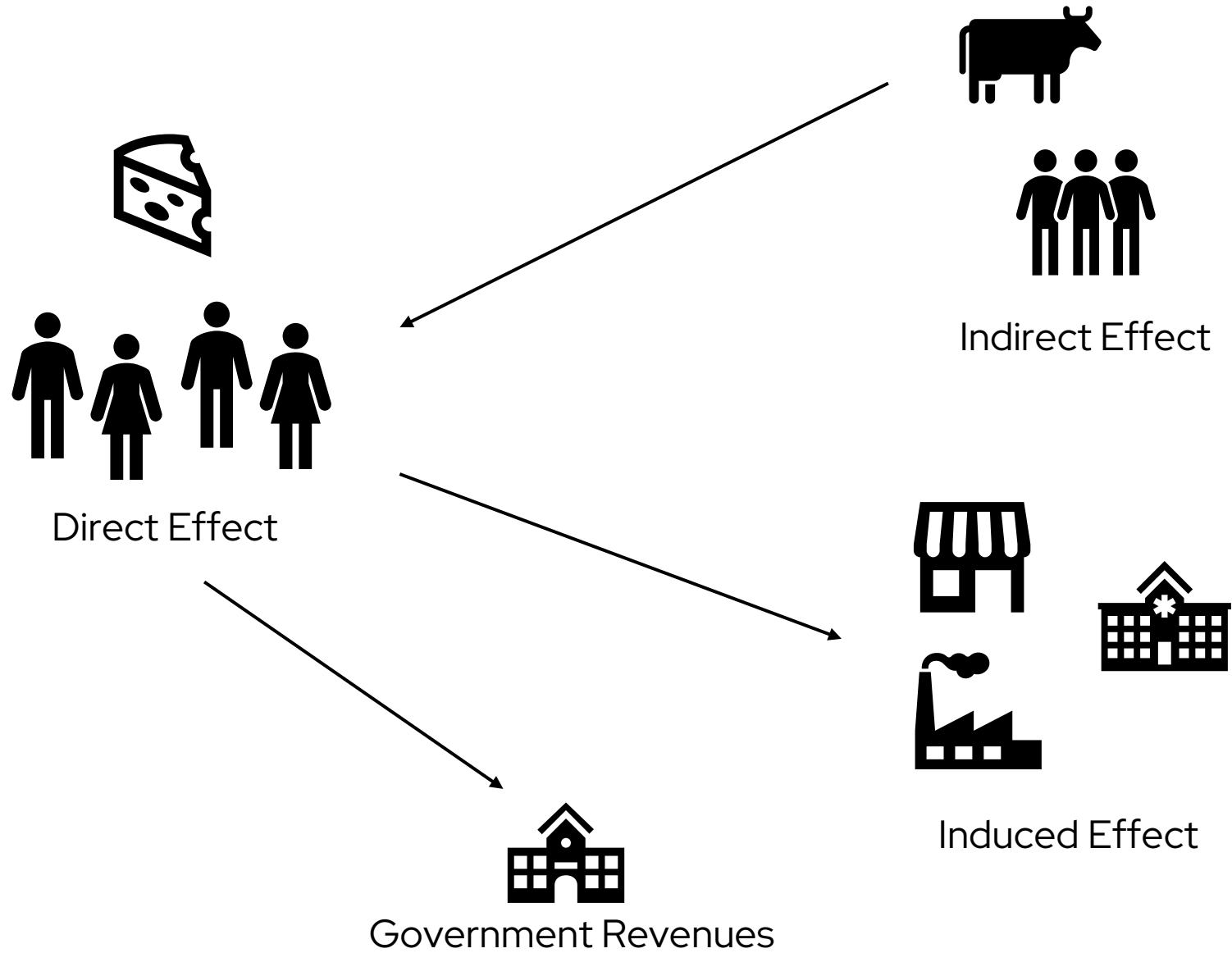
Direct Effect



# Methods:



# Methods:



# Contributions Summary:

	Employment	Labor Income (MM\$)	Total Income (MM\$)	Industry Revenues (MM\$)
All On Farm	143,690	\$6,374.30	\$13,691.63	\$30,464.91
Food Processing	298,433	\$18,708.93	\$32,408.44	\$106,978.01
All of Agriculture	353,932	\$21,219.38	\$37,782.56	\$116,279.26
Dairy On Farm	48,786	\$2,648.65	\$5,203.21	\$15,228.73
Dairy Processing	118,954	\$7,792.03	\$13,527.50	\$52,291.36
All Dairy	120,708	\$7,887.28	\$13,714.64	\$52,838.87
Forestry and Fishing	7,445	\$332.44	\$488.11	\$793.65



# Percent of State Total:

	Employment	Labor Income	Total Income	Industry Revenues
All On Farm (%)	3.9	2.6	3.4	3.7
Food Processing (%)	8.1	7.7	8.1	13.1
All of Agriculture (%)	9.5	8.7	9.4	14.3
Dairy On Farm (%)	1.3	1.1	1.3	1.9
Dairy Processing (%)	3.2	3.2	3.4	6.4
All Dairy (%)	3.3	3.2	3.4	6.5
Forestry and Fishing (%)	0.20	0.1	0.1	0.1

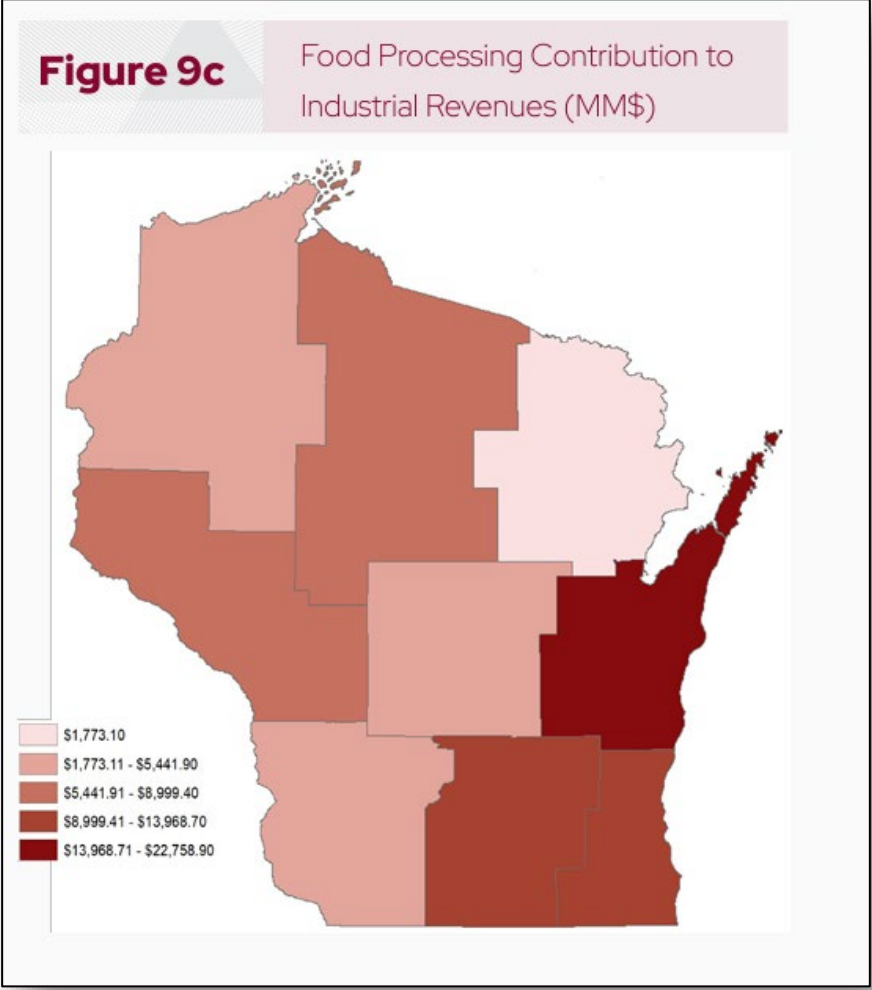
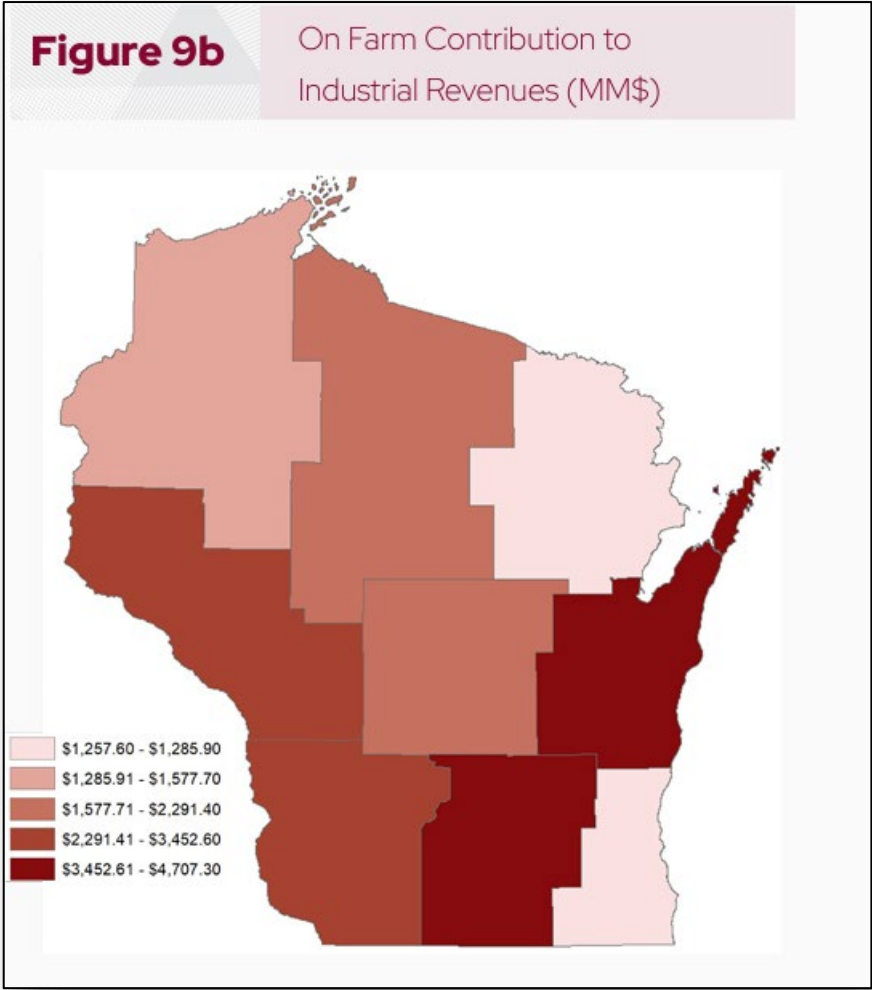


# Contributions in Taxes:

	Local Govt (MM\$)	State Govt (MM\$)	Federal Govt (MM\$)	Total (MM\$)
<b>All On Farm</b>	\$332.24	\$621.75	\$1,557.56	\$2,511.55
<b>Food Processing</b>	\$918.78	\$1,578.70	\$4,479.95	\$6,977.43
<b>All Agriculture</b>	\$997.24	\$1,778.51	\$5,084.91	\$7,860.66
<b>Dairy On Farm</b>	\$212.48	\$309.85	\$640.27	\$1,162.61
<b>Dairy Processing</b>	\$422.40	\$693.02	\$1,868.70	\$2,984.12
<b>All Dairy</b>	\$430.05	\$704.17	\$1,891.72	\$3,025.94
<b>Forestry-Fishing</b>	\$16.25	\$26.48	\$72.26	\$114.99



# Sub-State Analysis:





# Contribution to the Environment:

	GHG MMTCO2e	Nitrogen and Phosphorus Million Lbs	Water Use Millions AF
All On Farm	8.22	179.91	4.54
Food Processing	1413	87.7	2.68
All Agriculture	1778	179.91	4.78
Dairy On Farm	3.49	25.83	0.59
Dairy Processing	6.88	25.28	0.66
All Dairy	7	26.21	0.68
Forestry-Fishing	0.14	0.15	0.01



## Takeaways:

- Wisconsin agriculture is a \$116 billion industry, employing 9.5% of the state.
- Wisconsin on-farm activity is shifting to fewer and larger farms, and the contribution is relatively stable but slightly declining.
- Food processing is a growing industry. These are located in more urban areas.
- Wisconsin agriculture contributes 14% of state greenhouse gases, consistent with the size of the economic contribution.



Steven Deller  
scdeller@wisc.edu

Jeffrey Hadachek  
hadachek@wisc.edu



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