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

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### The Contribution of Agriculture to the Wisconsin Economy

#### AN UPDATE FOR 2022



Economic Development Administration, University Center **Division of Extension University of Wisconsin-Madison** 

#### The Contribution of Dairy to the Wisconsin Economy

#### **Extension** Wisconsin Cranberry Industry

NIVERSITY OF WISCONSIN-MADISON

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500 to 995

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 maior player in the global cranl

While Wisconsin is

known as the dairy

state, beef production

has had a long historica

role in the State's agri-

cultural economy. In

2022, 12,971 Wisconsin

farmers reported activit

which is an increase ov

in beef production,

the 10.394 farms in

1992. Over the same

twenty-year period, the

increased from 640,339

(1992) to 829,566 (2022

(1992) to \$1.3 billion (202) \$1,641 in 1992 to just over

dominated by what might

20 head of cattle and 39.9

and total sales went

from \$16.1 million

number of beef cattle

**Beef Production** 

the United States. Cranberry produc tion in the United States is geograph ically distinct. Asid from the Great Lakes Region, the Pacific Northwest and New England regions also have concentration of cranberry produc tion (Figure 1). Pr or to the late 1990's, the U.S. cranberry industry was historically concentrated in Massachuse pressures resulted in a shift Washington and Oregon. Using data from the 2022 G mains in Massachusetts (41 U.S., which is fewer than the

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cranberry farms. But, when all acres, Washington/Oreg 48.3%. Clearly, Wisconsin d more productive (i.e. higher



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Updated 2024

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Updated 2024



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 tress, 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 embolized 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 fore

need for sustainable forestry pr Breweries, Wineries, and Distillerie conservation efforts such as seltoday Wisconsin remains a lead

Today there are 239 firms in Wi 4,025 people with \$388 million sin's "North Woods" but there a could be thought of as arboricu

Extension

Figure 1: Wisconsin Beef Farm Operations by Herd Size

Logging and Forestry

state's economy.

trees and green spaces within c

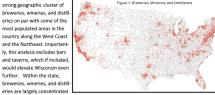
quality and public health by ma

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Given the strong German heritage in the settlement patterns of Wisconsin, it is not surprising that beer is a culturally relevant touch point. Indeed, the Milwaukee Brewers are named in honor of the strong heritage of breweries in Wisconsin. The state's first commercial brewery is thought to have been 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

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This growth not limited to breweries and craft beer, but also growth in wineries and distilleries. In 2001 there were only nine wineries in Wisconsin employing just over 120 people and there were no distilleries. By 2022 the number of wineries grew to 66 employing 797 people and 25 distinct distilleries employing 220 people. This rapid growth reflects changes in consumer demand including interest in craft and artisan products, growing interest in variety and experimentation with beer, wine, and distilled products, along with a stronger "farm-to-table" ethos and easing of regulations in attempts to encourage local and regional entrepreneurial activities Nationally, Wisconsin has a strong geographic cluster of



in Door County, Madison, and Milwaukee. Relative to the other sectors in this series, these businesse need not be geographically close to the farm supply of inputs. Instead, they can locate closer to the demand (i.e. population centers). Still, the local craft beverage scene reach most corners of the state to some extent. This reflects the need for access to customers for many of these firms.

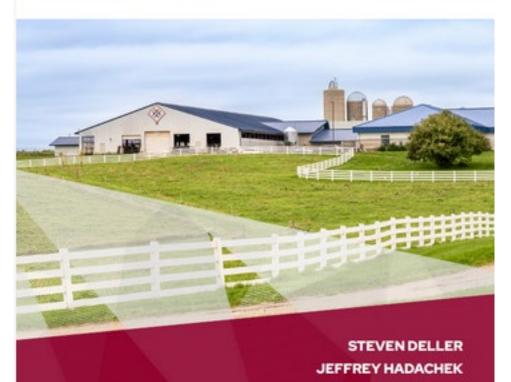






# The Contribution of Agriculture to the Wisconsin Economy

AN UPDATE FOR 2022

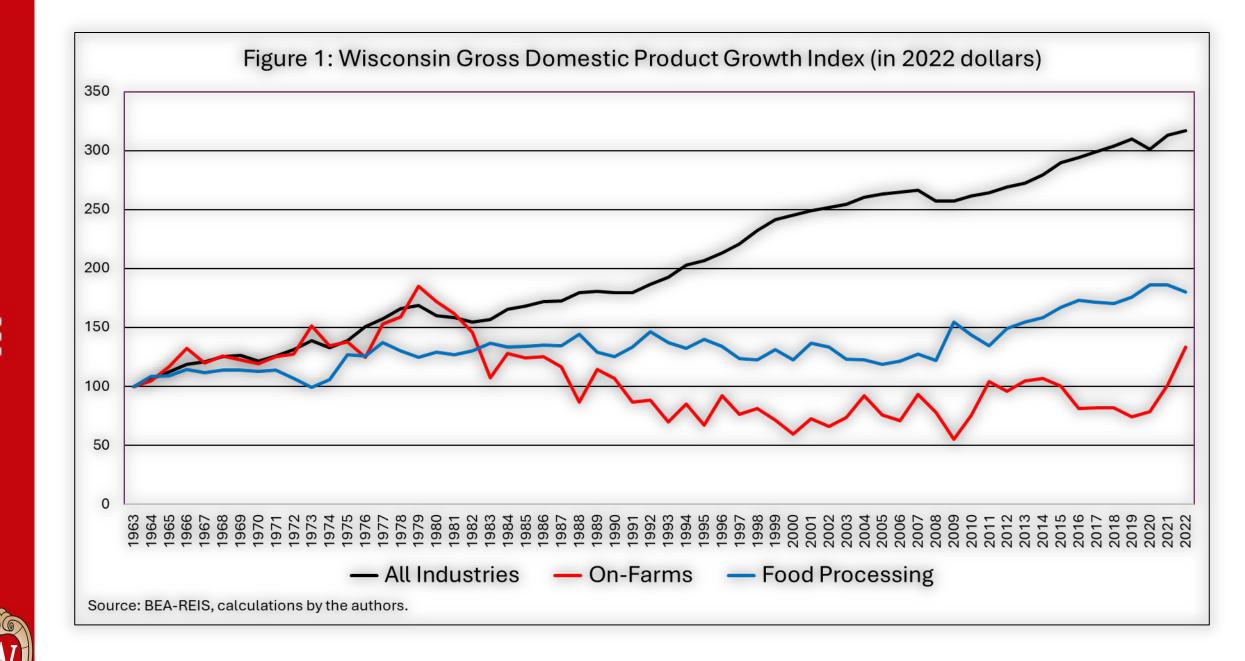


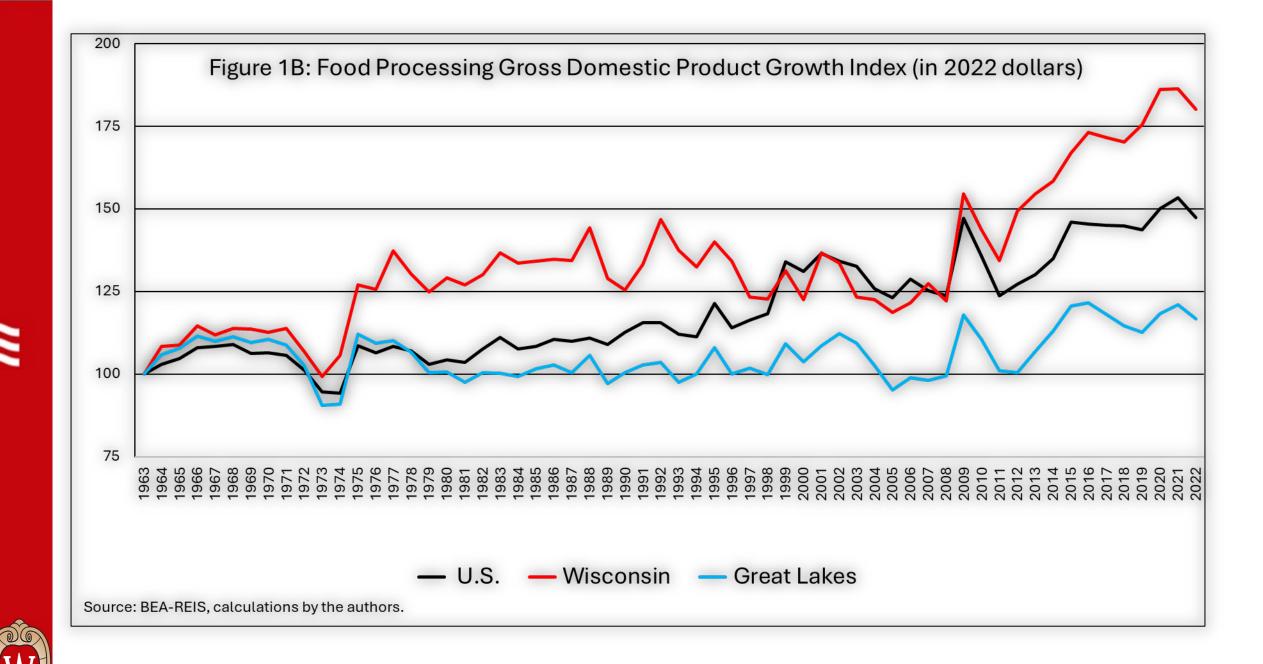
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https://aae.wisc.edu/contributions-of-agriculture/





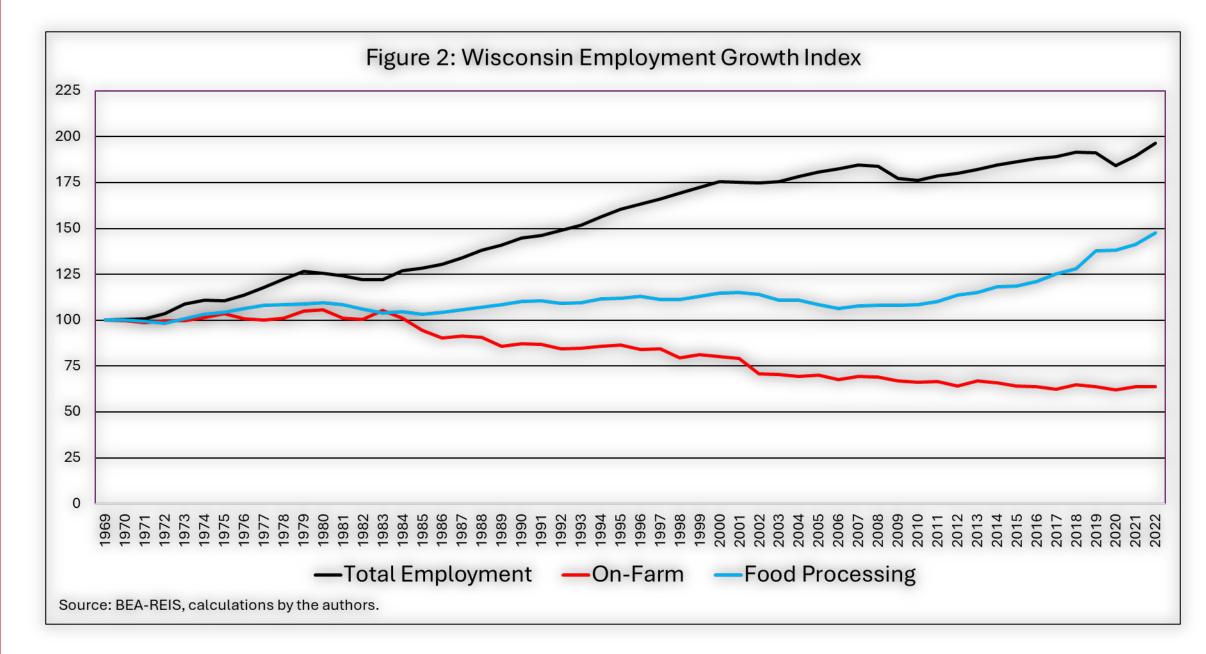
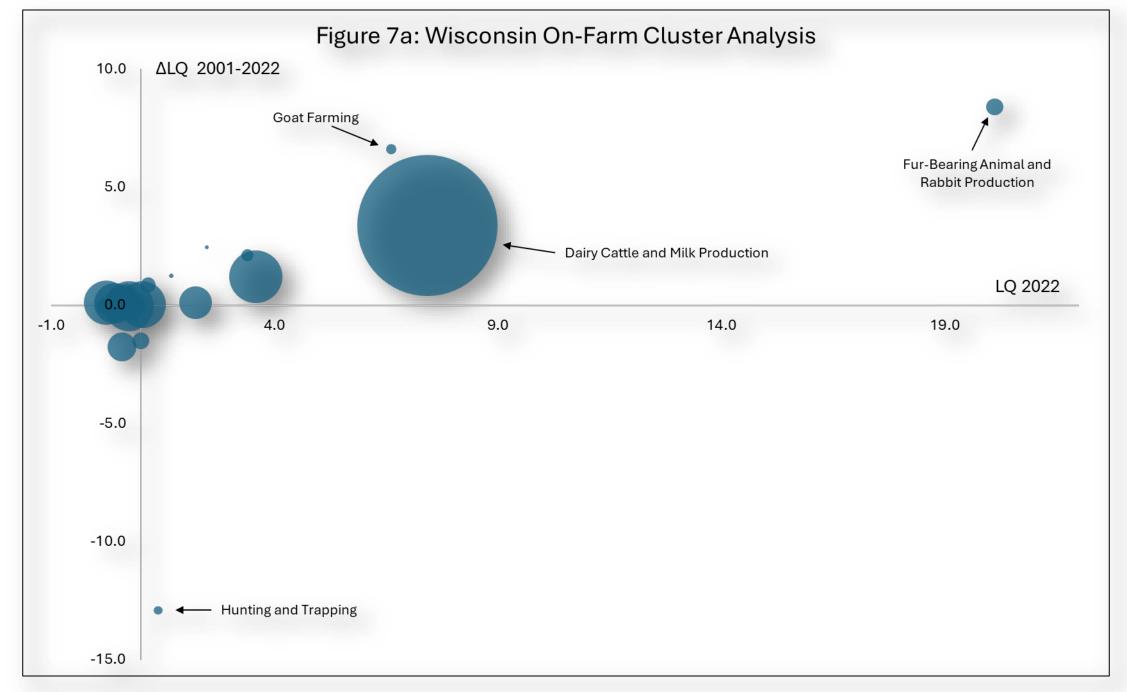


Figure 6: Possible Industry Combinations

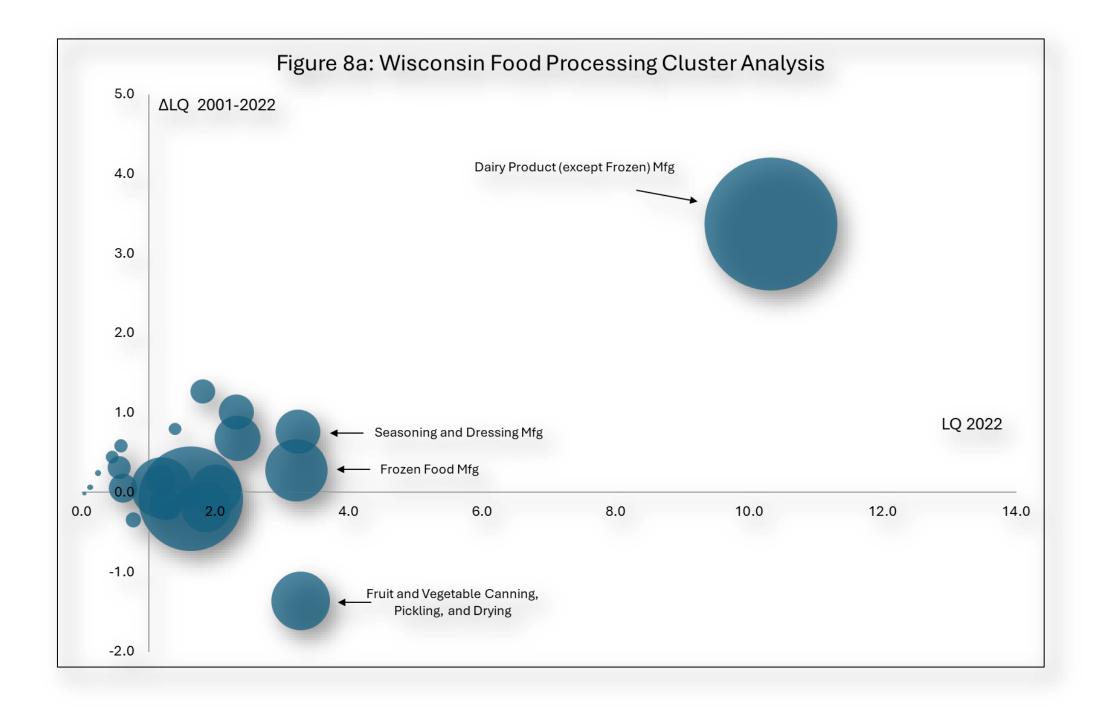
ΔLQ 2001-2022

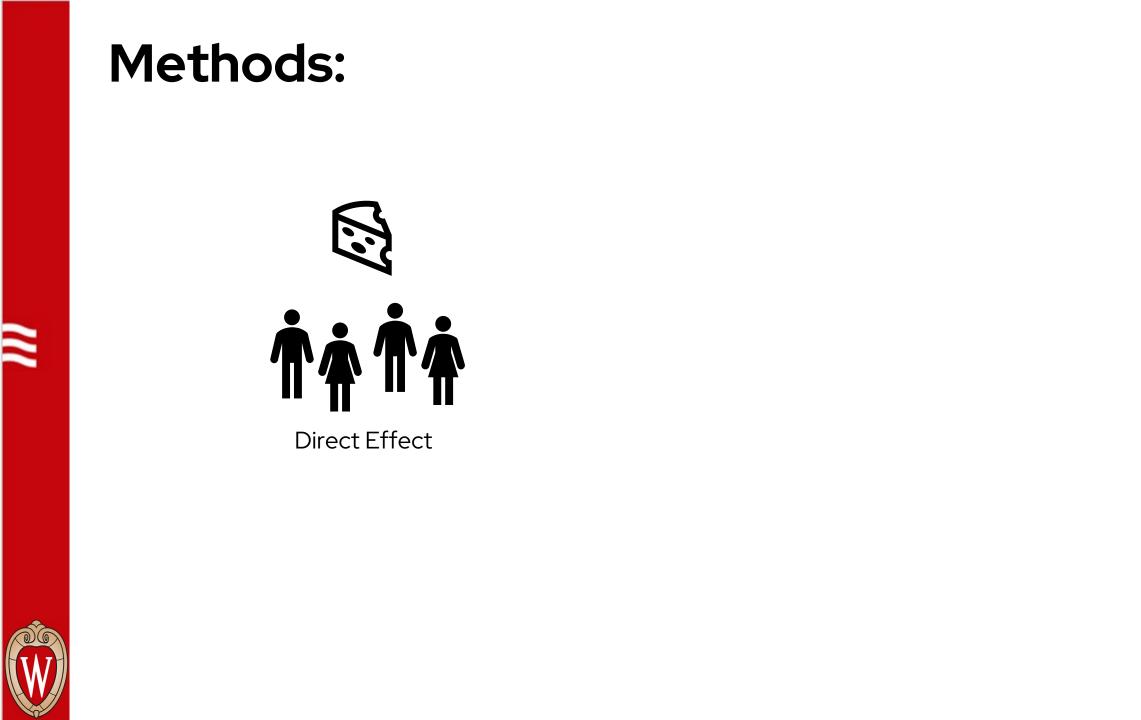
Weakness and growing, potential opportunity	Strength and growing, potential cluster
	LQ 2022
Weakness and declining	Strength and declining, potential threat



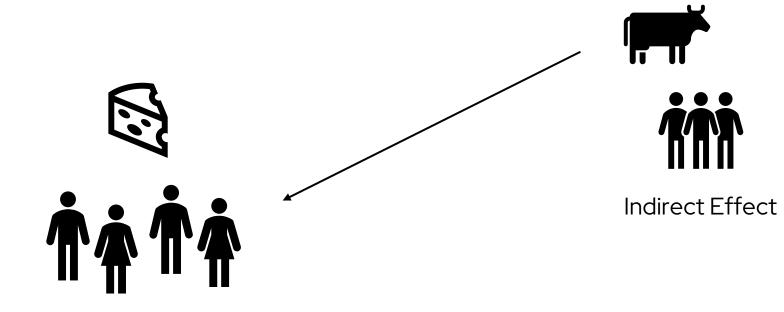


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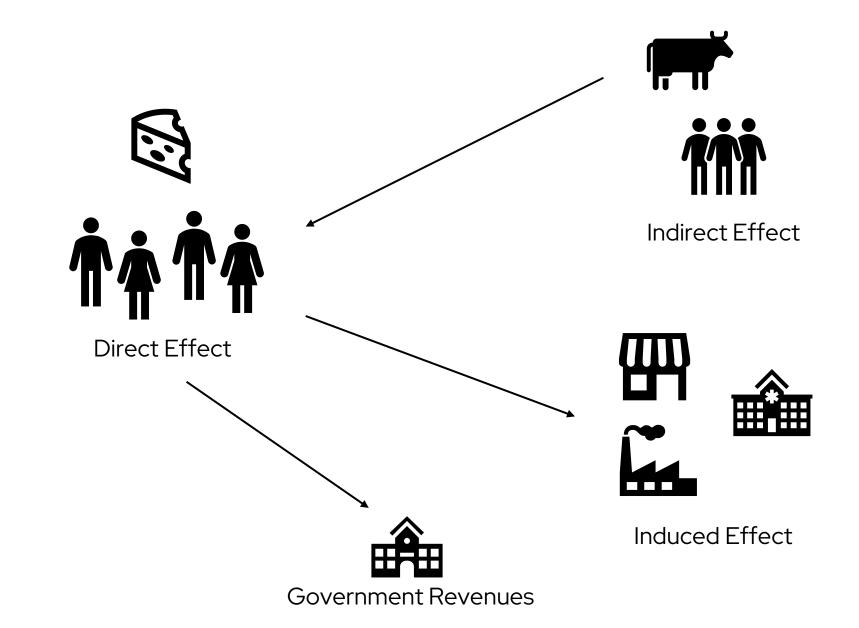
## Methods:



Direct Effect







# **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

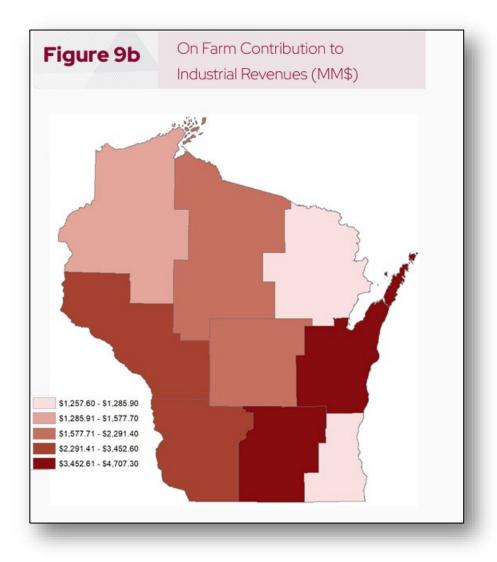


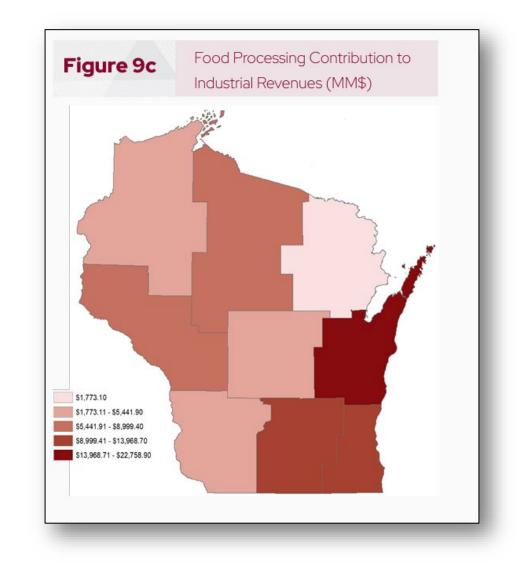
# **Contributions in Taxes:**

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



# Sub-State Analysis:







# **Contribution to the Environment:**

	GHG MMTCO2e	Nitrogen and Phos- phorus Million Lbs	Water Use Millions AF
All On Farm	8.22	179.91	4.54
Food Processing	14.13	87.7	2.68
All Agriculture	17.78	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.



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