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Wisconsin Great Lakes Ports' Economic Punch

AS ECONOMIC ENGINES GO, few have more dramatic impact on the success of Wisconsin's coastal communities than their Great Lakes ports. With the completion of the SOO locks, the Welland Canal and the St. Lawrence Seaway, ships can travel the entire Great Lakes System from the Port of Duluth/Superior to the Atlantic Ocean. The direct connection of this deep draft waterway extends more than 2,300 miles and connects Great Lakes ports to the worldwide ocean ports.

How great is their impact? In 2011, the Great Lakes maritime industry commissioned Martin Associates of Lancaster, Penn., to conduct a year-long study that would quantify, for the first time, the economic impacts of the system on the United States, Canada and each of the eight states with operating ports on the system: Indiana, Ohio, Michigan, Minnesota, Illinois, Wisconsin, New York and Pennsylvania. The report was completed in October 2011 and revealed some very significant findings.

Martin Associates measured the impacts of 2010 cargo movements at 32 U.S. and Canadian Great Lakes-Seaway system ports (see table one for the list of actual ports used), conducting phone interviews

Individual Ports Included in the Study	
US Ports (16)	Canadian Ports (16)
Ashtabula	Becancour
Buffalo	Goderich
Burns Harbor	Hamilton
Chicago	Meidrum Bay
Cleveland	Montreal/Contrecoeur
Conneaut	Nanticoke
Detroit	Oshawa
Duluth	Port-Cartier
Erie	Quebec/Levis
Green Bay	Sarnia
Milwaukee	Sept lies/Pointe-Noire
Monroe	Sorel
Oswego	Thunder Bay
Saginaw	Toronto
Superior	Trois-Rivieres
Toledo	Windsor

Table - 1

**Economic and Job Impacts by State
Cargo Moving via U.S. Ports and Marine Terminals on the Great Lakes-St. Lawrence Seaway System**

Tonnage (1,000)	Indiana 28,360	Ohio 40,222	Michigan 61,302	Minnesota 61,302
Jobs				
Direct Jobs	15,516	8,504	10,603	2,516
Induced	17,852	9,222	8,061	2,258
Indirect	14,964	10,355	8,155	1,496
Total	48,332	28,081	26,819	6,271
Personal Income (1,000) US \$				
Direct	\$726,283	\$378,968	\$484,116	\$115,464
Re-Spending/Local Consumption	\$2,468,927	\$1,278,750	\$1,058,956	\$263,731
Indirect	\$587,445	\$436,985	\$334,688	\$60,381
Total	\$3,782,656	\$2,094,703	\$1,877,761	\$439,576
Business Revenue (1,000)	\$7,894,646	\$3,032,330	\$3,799,899	\$1,343,705
Local Purchases (1,000)	\$1,133,209	\$772,802	\$637,553	\$114,433
State and Local Taxes (1,000)	\$359,352	\$203,186	\$182,143	\$46,815
Federal Taxes (1,000)	\$680,878	\$377,047	\$337,997	\$79,124

Table 2

with more than 900 firms providing maritime services at these ports. Models were developed to extrapolate the results of the 32 selected ports to estimate impacts for other ports for each to individual state and province within the system. The 16 U.S. ports (including the Wisconsin ports of Duluth/Superior, Green Bay and Milwaukee) accounted for 66 percent of the total estimated U.S. impacts. The results of the study were peer reviewed by expert economists in private industry and academia.

The results were impressive and comprehensive, confirming the Great Lakes ports' contributions to the economic health of their host communities and states. The study found that maritime commerce along the Great Lakes-St. Lawrence Seaway supported 227,000 jobs; contributed \$14.1 billion in annual personal income, \$33.5 billion in business revenue and \$6.4 billion in local purchases.

Wisconsin's portion (refer to table two for each of the eight U.S. Great Lake states results) of those totals, is sizable and significant. Specifically:

- The Wisconsin ports accounted for 33,241,000 tons—slightly more than 10 percent—of the 322.1 million metric tons of cargo handled by U.S. and Canadian ports on the system in 2010. Only Michigan and Ohio handled higher amounts.
- Wisconsin ranked fourth among the eight Great Lakes states in terms of the number of jobs created by activity in and around the Wisconsin ports in 2010. A total of 8,777 jobs are the result of commercial maritime traffic into Wisconsin Great Lakes ports. That total includes 3,466 direct jobs (jobs directly created by port and maritime activity), 3,071 induced jobs (jobs created when individuals spend wages locally on goods and services) and 2,240 indirect jobs (jobs created by the purchase of goods and services by businesses). These jobs range from those directly associated with port activity (longshoremen, terminal employees, vessel operators, pilots, and truckers)

Illinois 30,160	Wisconsin 33,241	New York 2,216	Pennsylvania 605	Total US 203,325
2,813	3,466	924	291	44,634
2,521	3,071	763	310	44,057
1,842	2,240	280	252	39,585
7,177	8,777	1,967	854	128,277
\$121,942	\$163,789	\$49,646	\$12,568	\$2,052,776
\$384,763	\$367,057	\$109,291	\$42,718	\$5,974,194
\$87,490	\$91,566	\$14,770	\$10,662	\$1,623,988
\$594,196	\$622,412	\$173,708	\$65,948	\$9,650,959
\$438,795	\$1,405,293	\$167,397	\$53,650	\$18,135,715
\$152,694	\$175,955	\$34,070	\$19,426	\$3,040,143
\$59,420	\$67,073	\$21,019	\$6,661	\$945,668
\$106,955	\$112,034	\$31,257	\$11,871	\$1,737,173

to jobs dependent on the resources shipped into the ports, including steelworkers, miners, grain farmers and construction workers.

- Estimated Wisconsin port activity generated \$622,412,000 in employee wages and salaries, more than half of which was the result of re-spending and local consumption of local good and services supported by the ports.
- Wisconsin ports generated an estimated \$1,405,293,000 in U.S. business revenue, fifth among the states surveyed.
- Wisconsin ports are responsible for generating more than \$67,000,000 in Wisconsin state and local taxes, and more than \$112,000,000 in federal taxes.

- These figures paint a clear picture: Wisconsin's maritime commerce plays a critical role in the region's economic vitality. Having data that specifically quantifies the public return on investment in these resources will be essential to the development of maritime policy, and will assist local and national governments as they work to keep the Great Lakes-St. Lawrence Seaway system functional and viable.
- Marine transportation remains the single most fuel-efficient and cost-effective way to haul goods from one place to another. As the report shows, the entire Great Lakes region depends on its Great Lakes ports to deliver iron ore, coal, stone, salt, sugar, grain, steel, wind turbine components and heavy machinery to keep bi-national businesses running.



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The results of the economic impacts study were impressive and comprehensive, confirming the Great Lakes ports' contributions to the economic health of their host communities and states.

The University of Wisconsin Sea Grant Institute supports scientific research, education and outreach to foster the wise use, conservation and sustainable development of Great Lakes and coastal resources. We strive to provide unbiased science-based information to Great Lakes coastal residents, resource managers and other stakeholders. Our audiences include specific stakeholders and agencies, state and federal officials, the general public, the UW community and the National Sea Grant Program.

Links to the Executive Summary and full report: marinedelivers.com.