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The Centre for Local Prosperity plans to release a 2-year regional study -

Import Replacement: Local Prosperity for Rural Atlantic Canada

Study release in Shelburne, Nova Scotia on Monday, February 26, 2018

NEWS RELEASE (Halifax, Nova Scotia) February 7, 2018. The **Centre for Local Prosperity**, a non-profit organization focused on local economic development, will be releasing a report from its two-year project on the economic value of **Import Replacement** as a development strategy for local communities in Atlantic Canada. The report will be launched at a town hall meeting in **Shelburne, Nova Scotia** from **6:30 to 8:30pm on Monday, February 26, 2018** at the Shelburne Firehall.

The project found that Atlantic Canada imported \$11 billion more than it exported in 2012, with each of the region's four provinces running a negative trade balance. Currently, the provinces have the highest trade deficit in the country, with **four out of every ten dollars generated within the region leaking out of the region.**

The project focused on identifying where the leakage was occurring and then explored if or how the deficit could be reduced by plugging the leaks through local import replacement strategies. Simply put, instead of importing some of their goods and services, communities could produce them through local ownership, finance and production, keeping more dollars in the region.

The results demonstrated that **targeting a 10% increase in local production of imported goods and services across the region could add more than 43,000 new jobs, \$2.6 billion in new wages, and \$219 million in new tax revenue**, and in due time, help grow the region's GDP significantly.

The report provides practical guidance tools ranging from immediately actionable items to techniques for aggregating community wealth through co-operation, buy-local campaigns, local business support systems and the roles for both municipal and provincial governments. The report also shares examples of best practices from some communities actively engaged in import replacement projects.

Import replacement is an economic tool designed to complement exporting, to provide a more balanced and integrated approach to local economic development and sustainability. A community (or region) focused on import replacement would seek to produce goods and services that are currently imported in order to keep money circulating in the region. By

developing local production, it would increase its capacity to meet the economic, social, and cultural needs of the people of the region from within the region, not in a spirit of isolationism but in a spirit of self-determination. Import replacement is not a substitution for exports, but a way of decreasing a region or community's vulnerability to external pressures—a story the Atlantic Provinces know too well. Homegrown industries diversify and expand the local economy and they naturally begin to look toward export into regional, national, and global markets as they expand and grow.

The Centre for Local Prosperity partnered with Dr. Karen Foster, Canada Research Chair in Sustainable Rural Futures for Atlantic Canada, Dalhousie University, as well as Michael Shuman, an internationally respected expert on local economics. The research team reviewed regional macroeconomic data, and performed case study analyses of four representative regional communities - Shelburne, NS; Miramichi, NB; Burin Peninsula, NL; and Souris, PE.

Robert Cervelli, Executive Director of the Centre for Local Prosperity and coordinating author for the project says, "The results of this project clearly demonstrate that there is significant economic potential for small and rural communities to undertake a strategy tied to import replacement, and in fact that are a number of communities in our region already well on their way in this direction."

Dr. Karen Foster, contributing author for the study says, "When small communities focus *exclusively* on exports, their economies are vulnerable to market shifts that are far beyond their control, and they miss out on sustainable, community-building opportunities to meet local demand with local production. Import replacement offers a more balanced and integrated approach to local economic development and sustainability."

About the Centre for Local Prosperity (www.centreforlocalprosperity.ca): The Centre for Local Prosperity is a non-profit organization located in Nova Scotia, dedicated to promoting and inspiring practical blueprints for prosperous and healthy local economies. The Centre works alongside community groups, businesses and governments to identify opportunities and assess the risks in making the shift to a new economy, through the use of workshops, conferences, and targeted discussions.

For more information contact:

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