

## **ECONOMIC DEVELOPMENT COMMITTEE – MARCH 1, 2010**

### **PARTICIPATION IN THE 2010 KOREAN NATIONAL UNIFICATION ADVISORY COUNCIL FORUM**

#### **Recommendation**

The Director of Economic Development recommends that the Mayor and Director of Economic Development participate in the 2010 Korean National Unification Advisory Council Forum at Niagara-On-The-Lake, ON, March 19 and 20, 2010.

#### **Contribution to Sustainability**

Sustainability means we make decisions and take actions that ensure a healthy environment, vibrant communities and economic vitality for current and future generations. The Economic Development Department's core responsibilities effectively satisfy customer needs and contribute to sustainability by creating and maintaining initiatives that use an optimum mix of resources consisting of business development, small business enterprise and tourism which ultimately promotes vibrant economic growth increasing the flow of capital into the community and the circulation of capital within the community.

#### **Economic Impact**

There is no additional economic impact associated with this report. The estimated total cost of \$1,200 for travel, business events, hospitality and associated activities for the Mayor and Director of Economic Development to participate in the 2010 Korean National Unification Advisory Council Forum are within the allocated resources of the to the 2010 Economic Development Department Budget.

#### **Communications Plan**

N/A

#### **Purpose**

To inform the Members of the Economic Development Committee and Members of Council of the business development opportunity for the Mayor and Economic Development Staff to participate and present a keynote address to the 2010 Korean National Unification Advisory Council and arrange a hospitality dinner the night before in order to highlight Vaughan's Business Investment Profile.

#### **Background – Analysis and Options**

South Korea is called the Republic of Korea and is located on the eastern edge of the Asian Continent. The total area of South Korea is 98,480 square kilometers with a population of approximately 50 million inhabitants. Seoul is the capital city. Neighbours include China (west), Japan (east) and its brother to the north, North Korea.

#### **Korean National Unification Advisory Council (NUAC)**

What is the National Unification Advisory Council?

As a Korean-constitutionally recognized organization, the National Unification Advisory Council (NUAC) is committed to ushering in an era of hope and building a better future by contributing to inter-Korean reconciliation and exchanges and laying the groundwork for peaceful unification between South and North Korea and is committed to making unification efforts a truly global campaign.

The National Unification Advisory Council was founded in the early 1980's in response to the Korean public's yearning to achieve peaceful unification in the Korean Peninsular.

The NUAC plays a key role in two aspects:

First, it offers advice and suggestions to the Korean president with regards to the overall approach to unification policy. The NUAC closely monitors events affecting inter-Korean relations ranging from strengthened inter-Korean dialogue to the establishment of "New Peace Structure on the Korean Peninsula".

Second, the NUAC meets its obligations defined in the Korean Constitution. The NUAC helps the public reach consensus on unification issues and serves as the focal point of efforts to achieve peaceful unification. The NUAC is committed to doing its utmost to open an era of a unified Korea. The NUAC brings the public together through a variety of campaigns, both online and offline and helps the public renew their commitment to unification.

The Chairman of NUAC is the President of the Republic of Korea, Myung Bak Lee. NUAC has some 16,000 opinion leaders comprised of individuals representative of business, education, professional industries and politics residing in Korea and all over the world

#### Business Development

On the global economic stage, the larger Asian and South Asian regions continue to perform well and are expected to continue to seek opportunities to make large-scale capital and "brick and mortar" investments outside of their respective regions. Of importance to the City's Economic Development office in capitalizing on the opportunity to participate in the NUAC Forum is noting Korea's largest trading partner, China. The Economic Development Department continues to strengthen its foreign business development in China and is scheduled to participate in the Greater Toronto Chinese Business Association Trade Mission May 19-30, 2010. That said, beginning investment conversation through business networking and hospitality in concert with a key note address to the NUAC Forum with key business and political leaders from Korea in attendance could elevate Vaughan's 'brand' and investment readiness profile above the multitude of municipalities in Canada and the Greater Toronto Area that are all vying for investment from these two economic powers.

In addition, participation by Vaughan in the NUAC Forum will give staff of the Economic Development Department the ability to highlight Vaughan as an ideal location for a portion of the recently announced \$7 Billion investment by Korea in Ontario.

The Korean investment matches perfectly with a key industry sector that has been identified through the Employment Sector Study for the City to target for growth and attraction – "Green Industry".

A consortium led by Samsung C&T Corporation and the Korea Electric Power Corporation (KEPCO) will invest \$7 billion to generate 2,500 megawatts of wind and solar power. These projects will triple Ontario's output from renewable wind and solar sources and provide clean electricity to more than 580,000 households.

The Korean consortium will work with major partners to attract four manufacturing plants. The Province has noted that this will lead to the creation of 1,440 manufacturing and related jobs building wind and solar technology for use in Ontario and export across North America.

Staff of the City's Economic Development office will be working with the Province and key stakeholders in an attempt to capture as much of these projects as possible for Vaughan.

## Quick Facts About Korea

Capital:	Seoul	
Population:	48.5 million (2009 est.)*	
Language:	Korean	
Government:	Presidential Republic	
Head of State:	President Myung-bak Lee (since February 2008)*	
Head of Government:	Prime Minister Seung-soo Han (since February 2008)*	
Currency Exchange:	\$1 CDN = 1,082 Korean Won (April 2009)**	
GDP:	US\$857.5 billion (2008 est.)*	
GDP (PPP):	US\$1.278 trillion (2008 est.)*	
GDP Per Capita (PPP):	US\$26,000 (2008 est.)*	
GDP Growth Rate:	4.2 percent (2006-2008 average)**	
Inflation:	4.7 percent (2008)*	
Unemployment:	3.2 percent (2008)*	
Key Industry Sectors:	automobiles	chemicals
	computers	electronics
	food processing	footwear
	liquid crystal display	mobile and cellular phones
	semiconductors	ship building
	steel	textiles

## Relationship to Vaughan Vision 2020

This report is consistent with the priorities set out by Council and the strategic link to Vaughan Vision 20|20 is to Plan and Manage Growth & Economic Vitality.

## Regional Implications

Foreign direct investment in Vaughan through capital and brick and mortar projects coupled with job creation strengthens the overall economic health of the Region of York. With respect to this report, participation in the NUAC Forum will strengthen the opportunity to promote Vaughan's green industry cluster which is also a key industry sector identified for growth and attraction by the Region.

## Conclusion

Business development through foreign direct investment in Vaughan is an important aspect to the overall economic health of the municipality which leads to job creation and increased building activity. Having an opportunity to present the 2009 Business Investment Profile and promote Vaughan's Investment Readiness to key business and political stakeholders of Korea through a key note presentation to the 2010 Korean National Unification Advisory Council Forum being hosted in Niagara-On-The-Lake is an ideal business event that is within scope of the business development activities of the Economic Development Department.

## Report prepared by:

Tim Simmonds, Director, Economic Development Department

Respectfully submitted,

Tim Simmonds  
Director of Economic Development