

\$3m business backing for HK survey

By TERRY LEE

HONGKONG business leaders will fund a \$3 million investigation into problems facing the territory in the run-up to 1997.

The probe will attempt to provide answers for the critical and worsening shortage of experienced professionals, how to restore investor confidence and how to compete with up-and-coming countries in the region.

Among those backing the ambitious study are the Hongkong and Shanghai Bank, the Trade Development Council, the Hongkong General Chamber of Commerce and other firms who declined to be named.

The group's plan will be unveiled tomorrow when the chairman of the co-ordinating committee, Hongkong Bank executive director Peter Wrangham, signs a \$3 million contract with consultants who will carry out the year-long study.

The business chiefs have set up a non-profit making company, Hongkong Economic Survey Limited, to oversee the work of the American-based consultancy, SRI International.

SRI International was formerly known as the Stanford Research Institute and was connected with Stanford University in California until the late 1970s.

Its name was changed when anti-Vietnam War sentiment in the United States forced Stanford to dissociate itself from the company because of its well-publicised

work in government defence research, sources said.

SRI International has conducted research studies for Australia, Singapore and India.

A member of the co-ordinating committee, Miss Veronica Wu, said the move reflected growing concern in the private sector about the future development of Hongkong.

"We are facing a time of change, probably more drastic than we hoped for and we hope this study will strengthen local confidence.

"If Hongkong's future is full of gloom and doom, let's find out," Miss Wu said. "We want to know if we have a future and hope."

The Hongkong Government is said to have been informed of the study but will have no direct involvement and will not provide funding.

However, the authorities have given the project its blessing and will provide any statistical back-up that is needed.

Only last week, the Government admitted there was a growing brain drain problem by setting up a task force to examine the extent to which local professionals have been migrating overseas.

Besides economic uncertainty, business chiefs are worried that overseas investors might be reluctant to inject money into the territory in the years leading up to China resuming sovereignty if confidence is low.

"When we are looking at things in the context of developments in the coming 50 or 60 years, we cannot keep the economy going just by benefiting a few people. We want

to bring good to all who are involved," Miss Wu said.

"We are doing it for the good of Hongkong," she said. "When all (investors) are happy, the economy will remain good and Hongkong as a whole will benefit."

Both Miss Wu and Mr Wrangham are also members of a group of 81 professionals and local businessmen on the Basic Law Consultative Committee.

Miss Wu said there was no connection between the views of the so-called Group of 81 and the project.

The group reflects the views of the powerful business lobby who want to maintain confidence and stability in the territory during the transition to Chinese rule.

The results of the survey will be made available to any interested organisations through the Hongkong General Chamber of Commerce and the Trade Development Council.

"We want as much information as we can get, we want to look at the strong and weak areas of the economy, analyse them and see what options are open to investors," Miss Wu said.

She said the information would be disseminated at little or no cost because the survey is being done "as a community service".

The survey will include a sector-by-sector and industry-by-industry examination of private enterprise and will earmark areas that need to be improved as well as strengths that need to be promoted in the face of growing competition from neighbouring countries.