

# Business

## Nearshoring hubs plan for Bendigo

**BLAIR THOMSON**

BENDIGO could be used as a "nearshoring" hub for companies instead of outsourcing their business overseas, according to independent candidate for Bendigo Matine Rahmani.

Mr Rahmani, a business strategy manager for IBM, said the plan had already attracted interest from several companies.

"They would save money," he said.

"The initial costs with outsourcing are cheaper because of the labour rate difference."

However, over time they end up failing because the quality is not good enough.

"You have to invest in significant training and people have to go to off-shore locations to manage them, and because the quality's not good enough it takes longer to do those operations."

"It also decreases the speed and agility of organisations to change."

"Organisations do save money but it ends up costing more because of qual-

The idea is not a bad one but it all comes down to cost

— Patrick Falconer

ity, culture and communications problems."

Mr Rahmani said hubs could be set up in Bendigo with a two-year return on the investment.

"If I don't get voted in, whoever gets into government should look at it," he said.

"When I gave out my email address and phone number to the public, they came with a problem but not necessarily an answer."

"I have two answers around how to improve manufacturing and the economy with this nearshore concept."

"I've spoken to multiple big businesses in Melbourne who are offshoring and they said they

would be very interested."

Bendigo Business Council executive officer Patrick Falconer said while the group was apolitical, there could be merit in the plan.

"The idea is not a bad one but it all comes down to cost," he said.

"And the problem is whether companies regard call centres as a key part of their business."

"I think to a certain extent they are and certainly people get frustrated."

Mr Falconer noted salaries in Bendigo would have to be similar to Melbourne but said office and accommodation costs would be less.

He said there were generally fewer sick days in regional areas and said the additional costs could be offset by small call charges.

Readers can hear from candidates first hand at the business council's forum tomorrow from noon to 2pm at the Foundry Hotel. For more information call 5442 7816.



**BUSINESS IDEA:** Independent candidate Matine Rahmani. Picture: BRENDAN McCARTHY

## Baillieu Holst Since 1889 Business Report

### LATEST IN BUSINESS UPDATES FROM THE MARKETS

#### YOUR STOCKS:

	+/-	LAST		+/-	LAST		+/-	LAST		+/-	LAST		+/-	LAST
S&P/ASX 200	53.5	5108.7	BlueScope Steel Ltd	0.000	5.400	Iluka Resources	0.160	11.700	Origin Energy	0.080	11.870	Toll Holdings Ltd	0.070	5.260
AGL Energy Limited	-0.010	14.650	Brambles Limited	0.100	9.150	Incitec Pivot	0.030	2.710	Orica Limited	0.500	19.010	Tatts Group Ltd	-0.010	3.090
Amcor Limited	0.120	10.640	Commonwealth Bank	0.970	73.820	Karoon Gas Australia	0.060	5.330	Oil Search Ltd	0.120	8.060	Unity Mining Ltd	0.000	0.071
AMP Limited	0.050	4.490	Coca-Cola Amatil	0.040	12.680	Leighton Holdings	0.890	16.700	QBE Insurance Group	-0.010	16.800	Westpac Banking Corp	0.310	31.080
ANZ Banking Grp Ltd	0.310	29.540	Computershare Ltd	0.110	10.260	Lend Lease Group	0.220	9.070	Aurizon Holdings Ltd	0.040	4.500	Westfield Group	-0.090	11.130
Arrium Ltd	0.025	1.100	CSL Limited	-0.810	65.190	Macquarie Group Ltd	-0.310	43.440	Rio Tinto Limited	1.580	61.830	Wesfarmers Limited	0.130	40.880
ASX Limited	-0.200	35.050	CSR Limited	0.090	2.250	Myer Holdings Ltd	-0.010	2.580	Stockland	0.030	3.810	WorleyParsons Ltd	0.500	21.340
Alumina Limited	0.045	1.025	David Jones Limited	0.130	2.740	National Aust. Bank	0.120	30.690	Santos Ltd	0.220	14.020	Woolworths Limited	0.200	33.000
Bendigo and Adelaide	0.030	10.790	Fortescue Metals Grp	0.300	4.310	Newcrest Mining	0.910	12.390	Transurban Group	-0.020	6.930	Woodside Petroleum	0.010	38.380
BHP Billiton Limited	0.870	36.810	Insurance Australia	0.020	5.680	Twenty-First FOX Inc	-0.260	35.750	Telstra Corporation	0.030	5.110	Westfield Retail Tst	-0.030	2.940

#### KEY CURRENCIES: \$AUD vs

\$US	0.00148	0.9206
Euro	0.00100	0.6907
Japan Yen	0.23400	88.8000
£UK	0.00100	0.5941
\$HK	0.01105	7.1389

#### WORLD MARKET:

	+/-	LAST
Dow Jones	-72.81	15425.51
S&P 500	-6.06	1691.42
Nasdaq	-9.01	3660.11
London (FTSE100)	0.00	6583.39
Japan (Nikkei225)	-102.85	13512.34
HK (Hang Seng)	448.89	22256.45
China (Shanghai Comp)	36.98	2089.22

Closing prices for previous session.

#### INTEREST RATES

RBA Official cash rate	2.50%
90-day bank bill rate	2.59%
BoQ 3-mth TD (*)	4.10%
BoQ 1-yr TD (*)	4.00%
10-year bonds	3.71%
Inflation	2.00%
(*) EL & C Baillieu Money Market Service rate	

#### COMMODITIES

		<b>SPOT GOLD (USD)</b>	
		16.00	1329.1
		<b>OIL (Nymex WTI)</b>	
		2.63	106.03