

Y = entrepreneur

Liliana Molina
and Jaanna Tovia

WORKING as a labourer for a mate during the university holidays convinced Brisbane's Andrew Northcott to start his own business when he was 20 years old.

However, nearly two years down the track, the owner of labour hire firm Labour Solutions Australia admits it has been a hard slog.

"Finance is a problem when you're young. Banks don't want to touch you and there's no chance of getting a line of credit," Mr Northcott says. "To start off with, I was out there doing the labouring myself to make a bit of money and I'd buy a fax machine."

Entrepreneurship is gaining respectability among young Australians.

According to Generation Y expert Peter Sheahan's national study, 10 per cent of employed Australians between 16 and 28 own their own business, 18 per cent plan on starting their own business within the next two years and 51 per cent say they would seriously consider choosing entrepreneurship over a nine-to-five job.

The main reasons respondents gave for wanting to be entrepreneurs was to have more control over their future, earn more money, they did not want to work for someone else and wanted to have a feeling of achievement.

ketes team at Ernst & Young, Stuart Dreves, says a lack of management experience can be a problem as can the confidence of youth.

"While they may have this great idea, they don't often have management experience and turning a product or an idea into revenue is a problem," Mr Dreves says.

"The ones who succeed are the ones that ask questions — and ask for advice."

Options to get experience quickly — and to convince the bank to lend money — could be to get an experienced partner or a mentor.

"Being young usually results in greater risks being taken which can be positive and negative (but) young people

can usually recover if they fail," Mr Dreves says.

Mr Sheahan says not having to worry about a dependent family or paying a mortgage gives younger people the freedom to take gambles.

"Their adaptability to change, fearlessness in the face of uncertainty and raw ambition make them perfectly suited for an entrepreneurial lifestyle."



Tough trade conditions fail to dent confidence

Liliana Molina

QUEENSLAND'S small businesses are feeling the pinch when it comes to trading conditions but remain confident about the future, a Sensis survey has found.

Report author Christena Singh says Queensland businesses have been performing above the national average for the past three years and the 11 percentage point fall to 12 per cent in the January quarter is not alarming.

Queensland SMEs remain the most confident in the country and 70 per cent expect better conditions in the next 12 months.

"Despite a lacklustre quarter, SMEs in Queensland are the most confident in the nation and have the highest sales and profits expectations for the next 12 months," Ms Singh says.

"Queensland SMEs have experienced strong inflationary pressure during the recent quarter. However, with fuel prices moderating in recent months this is starting to ease."

Profitability fell by 4 percentage points to 5 per cent and sales growth fell to 26 per cent.

HARD slog . . . Andrew Northcott says: "To start off with, I was doing labouring myself to make a bit of money".

Picture: James Robertson