

SUMMARY

The New caledonian economy is well orientated, supported by a favorable world context.

In 2010, the **world economy** restarted economic growth in particular for emerging countries. This recovery continues the improvement begun at the end of 2009.

The **New Caledonian economy** has generally benefited from this growth and especially the zone VKP (Voh-Koné-Pouembout).

In 2010, the dynamism of the **domestic demand** contributed to the maintenance of the strong New Caledonian economy. International purchases exploded with 0.3 billion Euros of parts of industrial plants for the North factory out of a total of 2.5. This extreme vigour is caused by a combination of the impact of the great mining projects and greater demands made by New Caledonian companies, in a context of rising prices for raw materials. Furthermore, the households demand is also well directed. New Caledonians bought more new vehicles than in 2009 and are travelling more than ever.

Financial indicators also correspond with this growth and despite businessmen's apprehension, their investments increase. Households contracted more consumer credits and housing loans, which was linked to the decline of the rates.

The economic recovery supports New Caledonian exports which exceeded 1 billion Euro in 2010. Nickel sales followed the **external demand**, by volumes and prices rising.

Employment progresses rapidly, result of a revitalised economy. 2 700 more employees than in 2009 are hired, 80% of which in the private sector and in particular VKP. In 2010, an increase in **business creation** resulted in more than 5 000 creations. The construction sector and the services to companies affirm their dynamism.

Concerning the labor market, there is an increase in **job-seekers** from 2009, but this is explained mainly by an improvement in workers available and thus a bigger participation in the labour market. The submitted offers remain numerous. The North plays its part again.

However, the **inflation** is rising in line with the world trend. So, after the lowest year of the decade (+0.2%), the price increase in 2010 reaches a +2.7%. To face the rise in prices, the government brings the SMG (guaranteed minimum wage) up to 1 106 Euros in 2010. The minimum **wage** will reach 1 257 Euros in 2012.

The majority of the economic sectors are doing well.

Nickel results are good. The dynamism of the mining extraction and the metallurgic production is fed by the recovery of the global demand, rates rising again in the LME.

The intensification of the territory mining activity pulls the New Caledonian **shipping traffic** to a rise, internationally as well as domestically. The **electricity production** reaches its highest, pulled by the thermal production. The production capacity continues to develop, especially from the renewable energies. The electricity consumption is also spurred by the land planning.

Construction and public works are well orientated, supported by big current projects.

International air traffic beats a new record, pulled by the New Caledonians journeys. The activity of our domestic inland and island airports is more mitigated, with notably a light decline for the Magenta airport. On the other hand, the traffic increases strongly in Koné, which confirms the zone VKP as a second economic park.

2010 fluctuation

Inflation	-
Tourism	-
Job seekers	-
Aquaculture	-
Imports	+
Exports	+
Mining extraction	+
Metallurgical production	+
Employed	+
Job offers	+
Registration of new vehicles	+
New caledonian journeys	+
Agriculture	+
Fisheries	+
Energy	+
Construction	+
Air transport	+
Maritime transport	+

The **deep-sea fishing** assessment is positive, with more fished and exported tunas but the aquaculture of prawns is in trouble.

Agriculture recovers from 2009, in spite of weather conditions still not too favorable.

On the contrary, **tourism** stays in a very fragile situation.

Visitors have never been so numerous, but only because of the cruise ship passengers. The traditional tourists have never been so few in ten years. Hotels avoid the worst thanks to the local clientele.

For **2011**, the economic perspectives are rather optimistic. The beginning of the year was a little difficult, due to the depression Vania which made the prices increase and to an unstable political context. Nevertheless the domestic demand and the commercial trades seem to remain dynamic. The holding of the Pacific games in September, the construction of the North factory and the increasing load of the South factory will participate in the good behaviour of the New Caledonian economy in the months to come. Besides, the tourism trend at the beginning of the year is rather favorable.