

17-BUSINESSES

Business creations within the ICS field were stable at approximately 2 500 entities per year between 1995 and 2002, followed by strong growth since 2003, reaching 3 519 creations in 2005.

Pure creations accounted for almost three-quarters (72% for the 2000-2005 period) of these creations, **reactivations** nearly one-quarter (24%) and **take-overs** less than 5%. A quarter of recorded creations were in the "Construction" sector ; with the "services to households", "services to businesses" and "Commerce and repairs", these sectors accounted for almost three-quarters of creations.

Across all sectors, the **creation rate**, which gives an indication of renewal within the productive fabric, amounted to 18.7% in 2005. This was higher than the rate recorded in Metropolitan France (12.1% in 2005).

To stimulate business creation, various forms of assistance are available from the provinces (through their development and investment codes), from New Caledonia, as well as a host of public and private organisations. Assistance can be both logistical (information, advice, training and accompanying measures) or financial.

In 2005, of all the businesses created five years earlier (2000), 65.8% or about two-thirds, were still in existence. The **survival rate** varied between 47% and 85% depending on the sector. In the same manner, the rate differed according to the province : it is the lowest in the Southern province (63%) and highest in the Loyalty islands (79%). The survival rate declines over time : from 92.3% at six months, it drops to 87.6% after 1 year, then 73.1% after 3 years and 65.8% after 5 years. The biggest drop is still recorded at the end of the 1st year.

In order to provide accompanying measures during the first few months in the life of a business, a pivotal and determining time that often leads to an abrupt halt in activities, the Chamber of commerce and industry (CCI) created a business nursery at the end of 2006, aimed at providing a network of services on a shared-cost basis to business creators.

► **Business creation.** A business creation is confirmed by enrolment of the entity on the RIDET register, and represents the creation of the first active economic establishment. The concept of business creation is understood in the widest sense, to include all undertakings giving rise to an activity.

- **Pure creation (or ex nibilo creation) :** creation of a previously non-existent economically active establishment, consequently leading to the exploitation of new production means.
- **Take-over :** legal entity taking over either all or part of the activity of one or more economic establishments of another legal entity.
- **Reactivations :** the fact that a business restarts an activity it had ceased. These undertakings are mainly related to sole traders, in particular tradesmen and merchants.

► **RIDET.** See 17.2.

► **ICS field.** The Industry-Commerce-Services field is the common current statistical field for business creations. It encompasses the commercial economic activities of the industrial, construction, commerce and services sectors, with the exception of financial activities and agriculture.

► **Creation rate.** Ratio of the number of business creations in one year to the stock of businesses at December 31 the previous year. It is an indicator of renewal in the productive system.

► **Business.** See 17.2.

► **Survival rate.** The life of a business is the difference between the date of cessation of activities and the date of creation. The survival rate at 1 year, 3 years, or 5 years is therefore equal to the number of businesses in a given year that are still active in their 12th, 36th and 60th month, divided by the number of businesses created in the same given year.

SOURCES

[1] Institut de la Statistique et des Études Économiques (ISEE), Répertoire RIDET. Chambre de Commerce et de l'Industrie, CCI info.

SEE ALSO

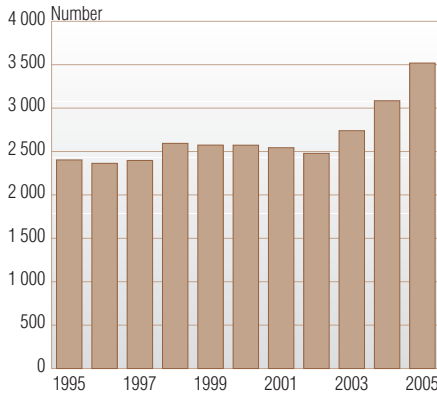
Annuaire du commerce, de l'industrie et des services : www.jeco.nc

Chambre de Commerce et de l'Industrie (CCI) : www.cci.nc

Institut de la Statistique et des Études Économiques (ISEE) : www.isee.nc

17.1 BUSINESS DEMOGRAPHICS

Business creations [1]

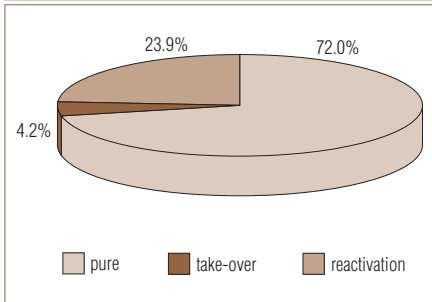


Business creations in 2005, by type and activity sector [1]

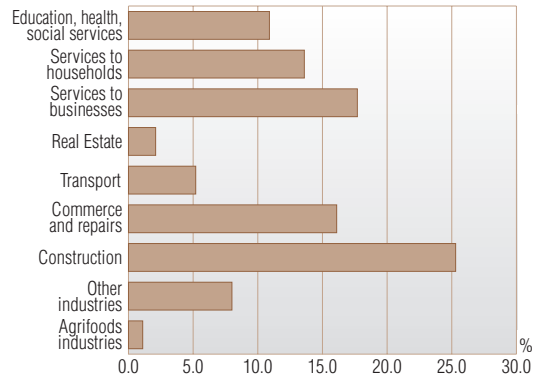
	Creations				Creation rate
	pure	take-over	reactivation	total	
Agrifoods industries	17	1	12	30	10.3
Other industries	177	3	71	251	15.0
Construction	699	3	340	1 042	21.2
Commerce and repairs	376	70	121	567	16.3
Transport	112	1	43	156	10.7
Real Estate	66	3	11	80	11.4
Services to businesses	474	7	124	605	23.1
Services to households	268	22	108	398	18.0
Education, health, social services	297	15	78	390	27.4
Total (ICS field)	2 486	125	908	3 519	18.7

Units : number, %

Business creations by type (2000-2005 average) [1]



Creations by activity sector (2000-2005 average) [1]



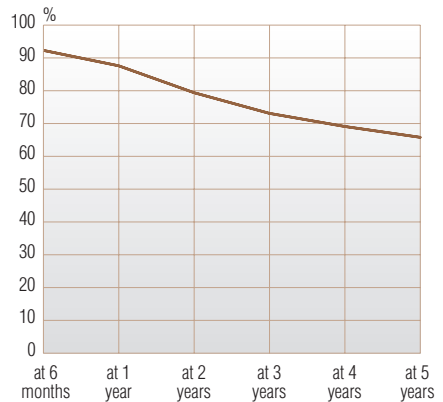
Survival rate of businesses created in 2000 by activity sector and province* [1]

	Survival rate					
	at 6 months	at 1 year	at 2 years	at 3 years	at 4 years	at 5 years
By activity						
Manufacturing industry	90.9	84.8	70.6	56.9	51.8	47.2
Construction	91.0	85.2	74.6	67.9	62.8	57.5
Commerce, automobile and household appliance repairs	91.8	85.5	73.3	63.2	56.6	53.5
Hotels and restaurants	95.5	86.5	76.6	68.5	63.1	59.5
Transport and communications	91.8	85.1	76.1	69.4	66.4	60.4
Financial activities	82.6	78.3	69.6	60.9	60.9	56.5
Real Estate, rentals and services to businesses	90.6	86.3	80.1	76.1	73.3	70.1
Health and social welfare	90.5	83.3	73.0	64.3	58.7	55.6
Community, social and personal services	95.4	93.8	90.5	87.5	86.1	84.6
By province						
Southern province	91.0	85.9	77.0	70.5	66.5	63.1
Northern province	96.8	93.8	87.4	81.7	76.5	74.2
Loyalty islands province	97.1	93.7	89.4	84.5	82.1	79.2
All	92.3	87.6	79.4	73.1	69.1	65.8

* It is the province in which the business' head office is located.

Unit : %

Survival rate for businesses created in 2000 [1]



17-BUSINESSES

At the beginning of 2006 there were 39 453 registered **businesses** in New Caledonia, in both the public and private sectors.

By activity sector, in accordance with the definitions in the **French activity nomenclature (NAF)**, New Caledonia had the greatest number of businesses in the Services (64% of registrations), Agriculture (17%), Construction (14%) and Industries (5%) sectors. In more detail, “social, community and personal services”, “real estate, rentals and services to businesses”, “construction”, “agriculture, hunting, forestry” and “commerce, automobile and household appliance repairs” accounted for almost 80% of businesses on the **RIDET** register.

Analysis of businesses in terms of staff numbers show the importance of small family businesses and **cottage businesses** in New Caledonia. 87% of businesses in fact have no employees. **Large businesses** are few in number, and the number of large companies diminishes as the number of employees rises : 4 363 businesses employed 1 to 9 staff, 468 had 10 to 19 staff, 308 with 20 to 49 staff, and 140 businesses employed over 50 staff (and half of these employed more than 100 people).

Even though the number of businesses employing more than 50 staff has multiplied by 1.5 in ten years, they remain marginal (0.5% at the beginning of 2006) in terms of the total number of entities on the RIDET register.

The legal status of half of all businesses in New Caledonia is sole trader. The limited liability company (SARL) and Non-trading company are the chosen format for 13% and 11% respectively.

In geographical terms, a concentration of productive entities is evident in the Southern province (73%), in contrast to 19% in the North and 8% in the Loyalty islands. Beyond these overall aspects, there are even greater concentrations in certain sectors such as Industry (85% in the South), and conversely, significantly less in other sectors such as Agriculture (46% in the South, 41% in the North and 13% in the Loyalty islands).

► **Business.** *A business can be defined as a productive legal entity, able to perform commercial operations : purchase, sell, borrow, lend : or as a sole trader or legal entity independently exercising a professional non-salary earning activity. Other than the different types of business entity status, this definition also encompasses independent workers, associations and public departments. The notion of business is not to be confused with establishment, which is the place where a business carries out its activities (a business may in fact have several establishments).*

► **NAF French activity nomenclature.** *The French activity nomenclature is the official coding for activities undertaken by businesses. It enables comparison with NACE (European nomenclature) and CITI (International nomenclature). It comprises 17 sections, divided into 31 subsections, 60 divisions, 222 groups and 700 elementary positions.*

► **RIDET Identification register of businesses and establishments.** *Managed by ISEE, the RIDET register was founded by order N°83-661/CG of December 20, 1983, creating an identification system and a register of businesses and establishments. It has two purposes :*

- *administrative : this identification system provides extensive coverage of the scope of businesses and their establishments, and records the main events affecting their status (creation, modification, cessation of activities...). Furthermore, the register allocates a unique, compulsory identification number for relations with the administration, also used by other interested parties.*
- *statistical : at the time of creation or modification (change of address, name...), collection and codification of economic information.*

► **Cottage businesses.** *See 17.3.*

► **Large businesses.** *See 17.4.*

SOURCES

[1] Institut de la Statistique et des Études Économiques (ISEE), répertoire RIDET.
Institut de la Statistique et des Études Économiques (ISEE) : www.isee.nc

SEE ALSO

Chambre de Commerce et de l'Industrie (CCI) : www.cci.nc

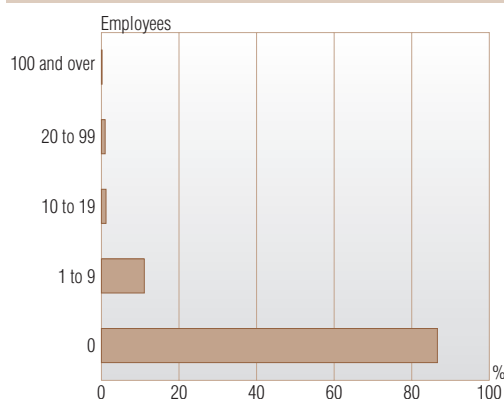
17.2 CHARACTERISTICS OF BUSINESSES

Businesses by activity sector and staff numbers at January 1, 2006 [1]

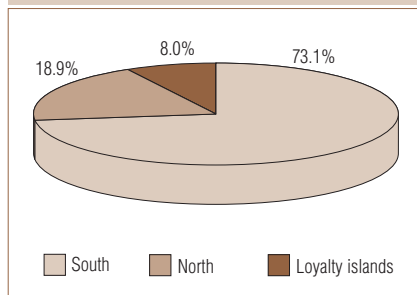
	0	1 to 9	10 to 19	20 to 29	30 to 49	50 to 99	100 to 199	200 and over	Total
Agriculture	6 312	441	24	9	8	4	-	-	6 798
Agriculture, hunting, forestry	5 063	414	19	6	5	2	-	-	5 509
Fisheries, aquaculture	1 249	27	5	3	3	2	-	-	1 289
Industry	1 623	329	54	20	29	6	7	5	2 073
Extraction industries	19	13	7	3	6	1	3	1	53
Manufacturing industries	1 586	313	47	17	22	5	3	2	1 995
Production and distribution of electricity, gas and water	18	3	-	-	1	-	1	2	25
Construction	4 602	681	85	31	24	7	4	2	5 436
Services	21 637	2 912	305	102	85	56	25	24	25 146
Commerce ; automobile and household appliance repairs	2 448	1 020	120	34	28	9	3	3	3 665
Hotels and restaurants	597	275	45	11	5	8	4	1	946
Transport and communications	1 232	335	39	14	12	11	2	3	1 648
Financial activities	215	43	13	4	3	3	1	3	285
Real Estate, rentals and services to businesses	7 331	581	43	10	15	8	5	2	7 995
Public administration	32	13	9	14	11	8	4	6	97
Education	524	47	6	2	1	2	1	3	586
Health and social welfare	1 183	283	14	6	5	2	3	1	1 497
Community, social, personal services	8 067	312	15	7	5	5	2	2	8 415
Extraterritorial activities	8	3	1	-	-	-	-	-	12
Total	34 174	4 363	468	162	146	73	36	31	39 453

Unit : number

Businesses by staff numbers at January 1, 2006 [1]



Businesses by province* at January 1, 2006 [1]



* The province where the business' head office is located.

Legal status of businesses at January 1, 2006 [1]

	Number	% of total
Sole trader	19 903	50.4
Non-profit organisations and assimilated	7 323	18.6
Limited liability company (SARL)	4 978	12.6
Non-trading company	4 399	11.1
Other legal entity under common law enrolled on the commerce and companies' registers	669	1.7
Body corporates	627	1.6
GIE Economic interest groups	483	1.2
SA Public limited company with board of directors	273	0.7
Professional organisation	197	0.5
SNC General partnership	144	0.4
Simplified shares company	128	0.3
Other legal status	329	0.8
Total	39 453	100.0

Units : number, %

Businesses by province and major activity sector at January 1, 2006 [1]

	Loyalty islands	Northern	Southern	Total
Agriculture				
Number	866	2 810	3 122	6 798
% of total	12.7	41.3	45.9	100.0
Industrie				
Number	94	219	1 760	2 073
% of total	4.5	10.6	84.9	100.0
Construction				
Number	356	733	4 347	5 436
% of total	6.5	13.5	80.0	100.0
Services				
Number	1 854	3 693	19 599	25 146
% of total	7.4	14.7	77.9	100.0
Total				
Number	3 170	7 455	28 828	39 453
% of total	8.0	18.9	73.1	100.0

Units : number, %

17-BUSINESSES

In New Caledonia, cottage industry is particularly significant. Located throughout the territory, cottage industries help keep populations settled by providing work.

According to the **New Caledonian chamber of trades and cottage industry**, at January 1, 2006 there were 9 668 **cottage businesses** on the **Trades register**, which was 1.7 times more than in 1990.

With added-value estimated at 134.1 million Euros (or approximately 4% of GDP), cottage industry fully contributes to the economic development of New Caledonia.

In terms of employment, including company directors, employees and apprentices, some 14 500 people worked in cottage industry, which is 18% of total employment in New Caledonia.

Cottage industry density, or the ratio of the number of cottage businesses to the population, is 419 per 10 000 inhabitants, or three times higher than in Metropolitan France (139 in 2005) and much higher than that recorded in the French overseas departments.

The proportion of capitalised companies continues to grow, although the individual business is the most common among New Caledonian cottage industrials (88% of businesses). In contrast, in France (Metropolitan and Overseas), 4 cottage business out of 10 are structured as capitalised companies.

Over a period of years, analysis of businesses illustrates the predominance of the building industry, which is likely to further strengthen given the beneficial socio-economic context for this sector.

At the beginning of 2006, there were 9 500 company directors, 80% of them were men and their average age was 45 years.

The **qualification rate** of cottage industrials is around 20% (or slightly less than one-quarter). It is highest in the services (22.6%) and building (20.3%) sectors, followed by food trades (14.8%).

► **New Caledonian chamber of trades and cottage industry.**

Created on August 14, 1979, the New Caledonian chamber of trades is a public establishment responsible for representing the general interests of cottage industry and trades sectors in New Caledonia. Comprising 30 elected members, its role is to keep the Trades register, improve working conditions for trades activities, provide training for young people and skills upgrades for tradespeople and journeymen, promote the development of cottage businesses and defend and represent the professional, economic and social interests of cottage industry. Its head office is located in Nouméa and it also has three consular sites in the rest of the territory (Poindimié, Koné, Koumac) and is a member of the board of management of the "Business but" on Lifou island.

► **Cottage industry.** *Considered as "cottage" are all production, transformation, repairs or service-providing activities, requiring some form of manual work in the manufacture of the product. A cottage business employs less than 10 staff at the time of enrolment on the Trades register.*

► **Trades register.** *The objective is to inventory cottage industries and accurately measure the economic and social force they represent, to enable the chamber of trades and cottage industry to implement well-founded and effective activities. Enrolment is compulsory for all cottage businesses, sole traders or companies with less than 10 staff in one of the 6 categories of trades on the register (food trades, building, wood-furniture, metals-mechanical-electricity, leather-textile-clothing, hygiene and various).*

► **Qualification rate.** *It is the ratio of the number of qualified cottage industrials to the total number of cottage industrials. "Qualification" means technological and theoretical training recognised by a professional diploma.*

SOURCE

[1] Chambre de Métiers de Nouvelle-Calédonie, Observatoire de l'Artisanat, chiffres clés 2006.

17.3 COTTAGE BUSINESSES

Cottage businesses* by province [1]

	Loyalty islands province	Northern province	Southern province	incl. Greater Nouméa	New Caledonia
1990	173	608	4 815	4 464	5 596
1995	298	1 008	5 830	5 402	7 136
2000	438	1 425	6 785	6 199	8 648
2001	480	1 469	7 023	6 407	8 972
2002	510	1 578	7 141	6 525	9 229
2003	587	1 596	6 834	6 162	9 017
2004	639	1 555	7 018	6 343	9 212
2005	653	1 511	7 225	6 536	9 389
2006	644	1 444	7 580	6 889	9 668

* On January 1 each year.

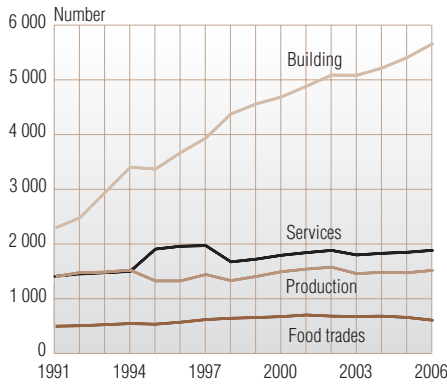
Unit : number

Cottage industry density* in 2005 in New Caledonia and in France [1]

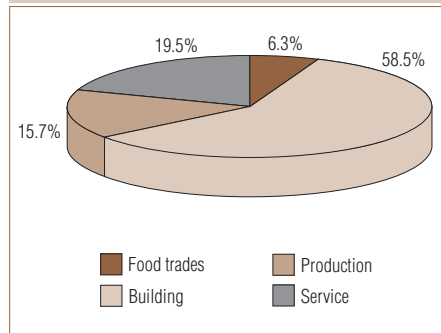
New Caledonia	419
Guadeloupe	279
Martinique	211
French Guiana	161
Metropolitan France	139
Reunion island	126

* Number of businesses per 10 000 inhabitants.

Cottage businesses by major activity sector [1]



Breakdown of cottage businesses by major activity sector at January 1, 2006 [1]

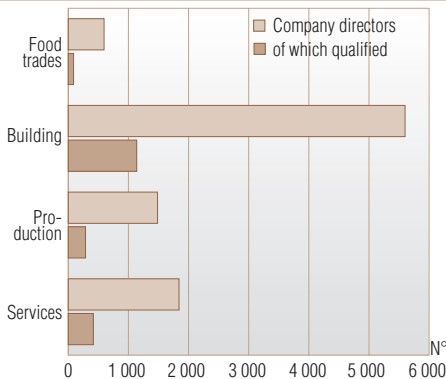


Cottage industry businesses and employees by activity category at January 1, 2006 [1]

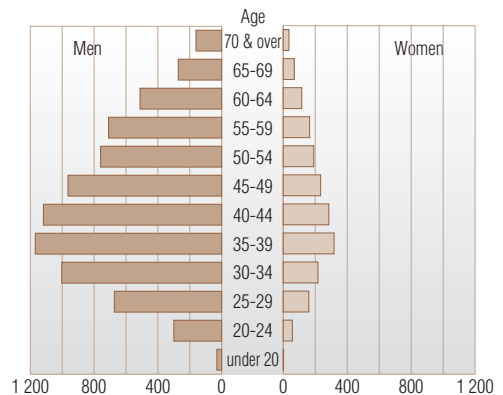
	1 employee		2 to 3 employees		4 to 5 employees		6 to 10 employees		11 to 15 employees		Total	
	Bus.	Empl.	Bus.	Empl.	Bus.	Empl.	Bus.	Empl.	Bus.	Empl.	Bus.	Empl.
Food trades	28	28	45	105	21	95	28	208	6	73	128	509
Metal work	26	26	18	45	8	33	15	124	2	24	69	252
Textiles, clothing, leather	9	9	1	3	2	8	1	8	-	-	13	28
Wood and furniture	3	3	7	18	-	-	6	43	-	-	16	64
Other manufactured goods	19	19	20	48	10	45	12	96	6	74	67	282
Building	209	209	237	560	112	503	110	796	43	529	711	2 597
Repairs, transport, other services	73	73	136	222	24	104	23	163	7	92	263	654
All	367	367	464	1 001	177	788	195	1 438	64	792	1 267	4 386

Unit : number

Company directors by major sector and qualification at January 1, 2006 [1]



Age pyramid for directors of cottage businesses at January 1, 2006 [1]



17-BUSINESSES

At the end of 2005, only about one hundred businesses in the **market sector** had more than 50 employees, another 50 or so more than 100 employees, and only one had more than 1 000 staff. The top 50 companies in the market sector in terms of staff numbers provide insight into the New Caledonian productive system.

Accordingly, in first position, is the nickel industry. SLN is New Caledonia's largest private sector employer, ahead of Société Minière du Pacifique Sud (6th position), while three other **mining extraction** companies are among the 50 largest employers. After SLN, **nickel metallurgy** is also represented by Goro Nickel (10th position).

ENERCAL produces electricity, of which metallurgy is a heavy consumer. ENERCAL occupies 4th position, while EEC occupies 15th place.

Construction is represented by 5 businesses among the 50 largest employers.

Also of note are businesses with **tourism** related activities, with 14th, 30th and 46th positions held by hotels (Mérïdien de Nouméa, Nouvata Park Royal, Ramada Plaza) to which are added transport businesses (Air Calédonie International in 3rd position and Air Calédonie domestic in 17th place), as well as the Casino de Nouméa (18th position).

The importance of **telecommunications** for an island territory like New Caledonia is illustrated by the Post and telecommunications office (OPT), the second largest employer.

A major provider of employment, **commerce** also has some of the larger companies. Three Metropolitan mass merchant brands indeed occupy the 9th, 11th, and 19th positions.

The restructuring that has occurred in the **banking system** in recent years has led to the four New Caledonian banks occupying positions among the top 25 employers, of which BCI Banque Calédonienne d'Investissement and SGCB Société Générale Calédonienne de Banque in 7th and 8th positions respectively.

► **Market sector.** *In the NAF sense of the word, a market entity (private or public) is one for which sales, or any other form of product value enhancement in the market accounts for the majority of resources. To the contrary, a non-market entity is one for which sales represent a minority share of resources; there is a distinction between non-market entities of a private nature (resources mainly from voluntary household contributions : associations, sports clubs...) and those of a public nature (mainly administrations, where resources are made up of compulsory contributions and public subsidies).*

► **NAF.** See 17.2.

► **Mining extraction.** See 21.2 and 21.3.

► **Nickel metallurgy.** See 23.1.

► **Construction.** See 23.2.

► **Tourism.** See 26.1 to 26.5.

► **Telecommunications.** See 10.6.

► **Commerce.** See 24.1.

► **Banking system.** See 24.3.

SOURCES

[1] Institut de la Statistique et des Études Économiques (ISEE), Répertoire RIDET.

[2] CAFAT, Données relatives aux salariés.

SEE ALSO

Institut de la Statistique et des Études Économiques (ISEE) : www.isee.nc

CAFAT : www.cafat.nc

17.4 LARGE BUSINESSES

Top 50 market sector businesses by staff numbers at the end of 2005 [1 and 2]

Employees	Business	Activity	Rank	
1 000	Sté Le Nickel (SLN)	Manufacturing industry	1	
	Office des Postes et Télécommunications (OPT)	Transport and communication	2	
	Air Calédonie International (Aircaïni)	Transport and communication	3	
	Société néo-calédonienne d'Énergie (ENERCAL)	Production and distribution of electricity, gas and water	4	
	Endel Entrepose - Montalev Nouvelle-Calédonie	Manufacturing industries	5	
	Société Minière du Sud Pacifique (SMSP)	Extraction industries	6	
	Banque Calédonienne d'Investissement (BCI)	Financial activities	7	
	Société Générale Calédonienne de Banque (SGCB)	Financial activities	8	
	300	SODIMA (Géant Sainte-Marie)	Commerce ; Automobile and household appliance repairs	9
Goro Nickel		Manufacturing industries	10	
Société de Distribution et de Gestion (Carrefour)		Commerce ; Automobile and household appliance repairs	11	
Manpower Nouvelle-Calédonie		Real Estate, rentals, services to businesses	12	
Société Calédonienne des Services Publics (CSP)		Community, social and personal services	13	
Société des Hôtels de Nouméa (Le Méridien de Nouméa)		Hotels and restaurants	14	
EEC		Production and distribution of electricity, gas and water	15	
Société d'Entreprises Ardimanni et Benedetti		Construction	16	
Société Calédonienne de Transports Aériens (Air Calédonie)		Transport and communication	17	
Casino de Nouméa		Community, social and personal services	18	
Société de Distribution et de Développement (Champion)		Commerce ; Automobile and household appliance repairs	19	
Le Vigilant-Hermès protection		Real Estate, rentals, services to businesses	20	
Banque de Nouvelle-Calédonie (BNC)		Financial activities	21	
200		Clinique de la Baie des Citrons	Health and social welfare	22
		Atout plus Intérim	Real Estate, rentals, services to businesses	23
		Banque Nationale de Paris Nouvelle-Calédonie (BNP - NC)	Financial activities	24
		Société Le Froid	Manufacturing industries	25
		Société Colas de Nouvelle-Calédonie	Construction	26
		RFO	Community, social and personal services	27
	Almameto SA	Commerce ; Automobile and household appliance repairs	28	
	Socométra	Construction	29	
	Société Touristique et Hôtelière de Nouvelle-Calédonie (Nouvata Park Royal)	Hotels and restaurants	30	
	Adecco Consulting	Real Estate, rentals, services to businesses	31	
	Société d'Exploitation de la Clinique Magnin	Health and social welfare	32	
	Dumez GTM Calédonie	Construction	33	
	Société Immobilière de Nouvelle-Calédonie (SIC)	Real Estate, rentals, services to businesses	34	
	150	Tontouta Air Service (TAS)	Transport and communication	35
		Ballande	Commerce ; Automobile and household appliance repairs	36
		Calédonienne des Eaux	Production and distribution of electricity, gas and water	37
Cégélec		Construction	38	
Neto Vite		Real Estate, rentals, services to businesses	39	
Ouatemi		Extraction industries	40	
Guard Nouvelle-Calédonie		Real Estate, rentals, services to businesses	41	
Sodexho Nouvelle-Calédonie		Hotels and restaurants	42	
Société Minière Georges Montagnat (SMGM)		Extraction industries	43	
Office de Commercialisation et d'Entreposage Frigorifique (OCEF)		Manufacturing industries	44	
Société des Mines de Cap Bocage (SMCB)		Extraction industries	45	
Société de Développement du Pacifique Sud (Ramada Plaza)		Hotels and restaurants	46	
Pacifique Presse Communications (Les Nouvelles Calédoniennes)		Manufacturing industries	47	
Nestlé Nouvelle-Calédonie		Commerce ; Automobile and household appliance repairs	48	
Mitewa SARL		Transport and communication	49	
Grande Brasserie de Nouvelle-Calédonie (GBNC)		Manufacturing industries	50	
100				