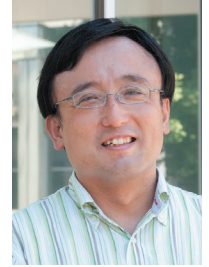


The Recovery in Numbers of Foreign Visitors to Japan



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January-April 2023 Cumulative Total

With private travel resuming and border measures easing in October 2022, the number of foreign tourists visiting Japan has been on a rising trend. I saw many foreign tourists in Tokyo during the Golden Week holiday from the end of April to early May. Indeed, the number of foreign visitors for April 2023 which the Japan National Tourism Organization (JNTO) released on May 17, 2023 was 1.94 million, recording the highest level since private travel resumed. The cumulative total for January to April 2023 was 6.74 million, which is 61.3% of the cumulative total for January to April 2019. The cumulative total for January to March has already exceeded the total number of foreign visitors between 2020 and 2022.

On the other hand, according to the “Statistical Survey on Overnight Travel” for April which was released by the Japan Tourism Agency on May 31, 2023, the total number of guest nights among foreign tourists visiting Japan for January to April 2023 was 30 million. This is 76% of the cumulative total for January to April 2019, and the recovery is more remarkable even than the overall number of foreign visitors. Since the total number of guests counts three guest nights when a single tourist stays for three nights, there is a possibility that the number of guest nights per person has increased.

This article will attempt to reveal the sharp recovery in foreign visitor numbers by such means as comparison with the number of foreign entrants in the “Immigration Control Statistics” of the Immigration Services Agency of Japan.

Number of Visitors Exceeding Number of Foreign Entrants from 2015 to 2019

The number of foreign visitors to Japan began rising around 2012, and by 2019 it was at its most recent peak of 31.88 million people. With the impact of the coronavirus pandemic, the number was stagnant at 4.11 million people in 2020, 246,000 people in 2021 and 3.83 million people in 2022, but

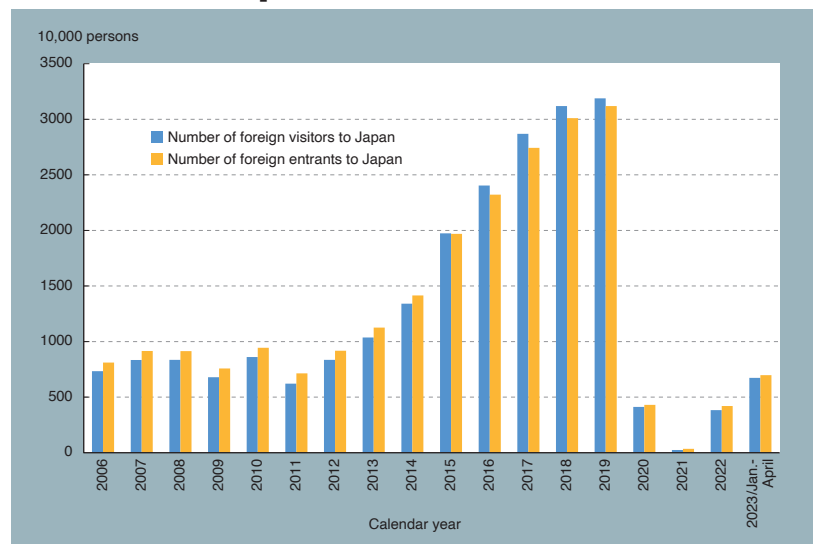
as already mentioned it showed a sharp recovery with the start of 2023.

Chart 1 shows the number of foreign entrants and the number of foreign visitors to Japan in the “Immigration Control Statistics”, but it can be confirmed that the number of foreign visitors exceeded the number of foreign entrants between 2015 and 2019. The number of foreign visitors to Japan in 2019 was greater than the number of foreign entrants (31.18 million) by 695,000 people. This is because the number of foreign visitors to Japan includes people such as those landing temporarily from cruise ships who are not counted as foreign entrants. The number of foreign visitors to Japan is calculated by excluding foreign nationals who are permanent residents in Japan from the number of foreign entrants, and adding foreign nationals landing temporarily.

Taking 2019 as an example, permanent residents and others totaled 1.35 million people (sum of permanent residents, spouses of Japanese, spouses of permanent residents, long-term residents, and

CHART 1

Trend in the number of foreign visitors & entrants to Japan



Source: “Number of foreign visitors to Japan”, JNTO; “Immigration statistics”, Immigration Services Agency of Japan

special long-term residents), and foreign nationals landing temporarily totaled 2.04 million (sum of landings at ports of call, landings of cruise ship tourists, and landings in transit). Since the number of foreign nationals landing temporarily was greater than the number of permanent residents, which is deducted from the number of foreign entrants, the number of foreign visitors exceeded the number of foreign entrants.

In contrast, looking at the cumulative total for January to March 2023, available at the time of writing this article, the number of foreign nationals such as those landing temporarily was only 7,948, and of these there were only 3,374 people who were likely tourists landing during cruise ship visits. As a result, the number of foreign visitors is slightly less than the number of foreign entrants.

Furthermore, while the cumulative number of foreign visitors for January to April 2023 was 61.3% of the cumulative total for January to April 2019, the number of foreign entrants was 63.9% and the degree of recovery is slightly larger. There is a possibility that the recovery in foreign entrants which impacts domestic guest nights being greater than the number of foreign visitors, is a factor connected to the gap with the Statistical Survey on Overnight Travel, as already indicated.

Number of Foreign Visitors Not Necessarily Indicating Number of Foreign Tourists

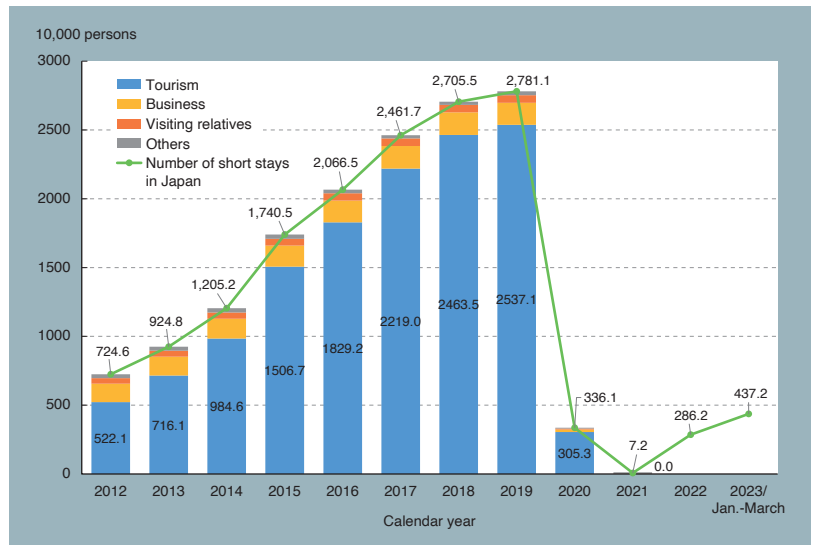
It is not unusual that in media coverage, such as in newspapers, the number of foreign visitors to Japan is reported as that of foreign travelers or tourists. But as evident from the aforementioned calculation formula, not all foreign visitors to Japan are tourists. This is because foreign entrants excluding permanent residents include people on long-term stays, such as exchange students, technical interns, and business visitors.

Of foreign entrants, *Chart 2* shows the breakdown and the number of “short stays”, which is those staying in Japan for less than 90 days. In 2019 when the number of foreign guests in Japan was at its most recent peak, foreign entrants on short stays totaled 27.81 million (89.2% of total foreign entrants), and of these, 25.37 million (81.4%) were in Japan for tourism. Since then, in 2021 during the coronavirus pandemic, foreign entrants on short stays for tourism fell to zero and the number of foreign entrants on short stays for business and other reasons also dropped to 72,000 people (20.3%).

While the breakdown after 2022 was not known at the time of writing this article, the number of foreign entrants on short stays in

CHART 2

Trend in the number of short stays in Japan



Source: “Number of foreign visitors to Japan”, JNTO; “Immigration statistics”, Immigration Services Agency of Japan

2022 has recovered to 1.34 million (68.2%), and the cumulative total for January to March 2023 is 4.37 million (87.9%), exceeding the 2022 standard. It is 61 times 2021, and even when compared to the cumulative total for January to March 2019, it has recovered to 61%. The main factor behind the most recent rise in the number of foreign visitors to Japan is the rise in foreign entrants on short stays and they are thought to be mainly driven by tourism demand.

Compared to the number of foreign visitors and the number of foreign entrants to Japan which are revealed by the middle of the following month, the number of short stays is not known until the end of the month after next. Moreover, the breakdown of short stays is not known until the release of the “Annual Report” around July the following year. Thus, while the release of the data is slow, fluctuations in the number of foreign entrants for short stays is thought to have a great impact on tourism demand across Japan. The figures will continue to be closely watched.

Note: This article was written based on information available as of May 31, 2023.

Article translated from the original Japanese by Mio Uchida. JS

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Calendar year, Quarter and Month	Real GDP		Nominal GDP		IIP rate of increase over previous year/term (month) (%)	CPI (All terms, less fresh food) rate of increase over previous year/the same term (month) of the previous year (%)
	Amount (trillion yen)	Rate of increase over previous year/term (%)	Amount (trillion yen)	Rate of increase over previous year/term (%)		
2015	538.1	1.6	538.0	3.7	-1.1	0.5
2016	542.1	0.8	544.4	1.2	-0.0	-0.3
2017	551.2	1.7	553.1	1.6	3.1	0.5
2018	554.8	0.6	556.6	0.6	0.6	0.9
2019	552.5	-0.4	557.9	0.2	-2.6	0.6
2020	528.9	-4.3	539.1	-3.4	-10.4	-0.2
2021	540.3	2.2	549.5	1.9	5.4	-0.2
2022	546.0	1.0	556.6	1.3	-0.1	2.3
2022/2nd Qtr.	548.8	1.4	559.4	1.2	-1.4	2.1
3rd Qtr.	546.7	-0.4	554.3	-0.9	3.1	2.7
4th Qtr.	547.3	0.1	560.8	1.2	-1.7	3.8
2023/1st Qtr.	551.0	0.7	572.0	2.0	-1.8	3.5
2022/Sept.	—	—	—	—	-0.5	3.0
Oct.	—	—	—	—	-1.7	3.6
Nov.	—	—	—	—	0.0	3.7
Dec.	—	—	—	—	-0.6	4.0
2023/Jan.	—	—	—	—	-3.9	4.2
Feb.	—	—	—	—	3.7	3.1
March	—	—	—	—	0.3	3.1
April	—	—	—	—	0.7	3.4
Sources	"SNA (National Accounts of Japan)", Cabinet Office				"Indices of Industrial Production", Ministry of Economy, Trade and Industry	"Consumer Price Index", Statistics Bureau, Ministry of Internal Affairs and Communications

Calendar year, Quarter and Month	Foreign Trade Statistics									
	Exports amount (trillion yen)	Exports rate of increase over previous year/ the same term (month) of the previous year (%)	Imports amount (trillion yen)	Imports rate of increase over previous year/ the same term (month) of the previous year (%)	Exports amount to US (trillion yen)	Exports to US rate of increase over previous year/ the same term (month) of the previous year (%)	Imports amount from US (trillion yen)	Imports from US rate of increase over previous year/ the same term (month) of the previous year (%)	Exports amount to EU (trillion yen)	Exports to EU rate of increase over previous year/ the same term (month) of the previous year (%)
2015	75.6	3.4	78.4	-8.7	15.2	11.5	8.1	6.9	6.7	4.4
2016	70.0	-7.4	66.0	-15.8	14.1	-7.1	7.3	-9.2	6.5	-2.8
2017	78.3	11.8	75.4	14.1	15.1	6.9	8.1	10.5	7.1	9.5
2018	81.5	4.1	82.7	9.7	15.5	2.4	9.0	11.4	7.7	7.8
2019	76.9	-5.6	78.6	-5.0	15.3	-1.4	8.6	-4.2	7.4	-3.0
2020	68.4	-11.1	68.0	-13.5	12.6	-17.3	7.5	-13.7	6.3	-15.1
2021	83.1	21.5	84.9	24.8	14.8	17.6	8.9	19.6	7.7	21.4
2022	98.2	18.2	118.1	39.2	18.3	23.1	11.7	31.6	9.4	22.0
2022/2nd Qtr.	23.9	15.9	28.5	40.6	4.3	15.7	2.7	21.4	2.3	17.5
3rd Qtr.	25.6	23.2	31.9	47.3	4.8	30.0	3.2	42.6	2.4	27.2
4th Qtr.	26.6	18.7	32.3	34.0	5.2	28.1	3.2	32.9	2.6	29.0
2023/1st Qtr.	23.0	4.8	28.2	11.2	4.4	11.4	2.9	12.2	2.3	10.5
2022/Sept.	8.8	28.9	10.9	45.8	1.7	45.2	1.1	40.4	0.8	33.2
Oct.	9.0	25.3	11.2	53.6	1.8	36.5	1.1	47.3	0.9	28.1
Nov.	8.8	20.0	10.9	30.3	1.7	32.6	1.0	21.7	0.9	32.0
Dec.	8.8	11.5	10.2	20.8	1.7	16.9	1.1	31.9	0.9	27.0
2023/Jan.	6.6	3.5	10.1	17.6	1.2	10.4	1.0	21.4	0.7	9.5
Feb.	7.7	6.5	8.6	8.5	1.5	14.9	0.9	6.6	0.8	18.6
March	8.8	4.3	9.6	7.4	1.7	9.4	1.0	9.6	0.9	5.1
April	8.3	2.6	8.7	-2.3	1.7	10.5	0.9	1.0	0.9	11.8
Sources	"Trade Statistics of Japan", Ministry of Finance									

Calendar year, Quarter and Month	Cash salary amount rate of increase over previous year/the same term (month) of the previous year (%)	Active job openings-to-applicants ratio (time(s))	Unemployment rate (%)	M2 rate of increase over previous year/ the same term (month) of the previous year (%)	Balance of payments		Yen/\$ rate (averaged during the term)
					Trade balance (trillion yen)	Current balance (trillion yen)	
2015	0.1	1.20	3.4	3.6	-0.9	16.5	121.0
2016	0.6	1.36	3.1	3.4	5.5	21.4	108.8
2017	0.4	1.50	2.8	4.0	4.9	22.8	112.2
2018	1.4	1.61	2.4	2.9	1.1	19.5	110.4
2019	-0.4	1.60	2.4	2.4	0.2	19.3	109.0
2020	-1.2	1.18	2.8	6.5	2.8	16.0	106.8
2021	0.3	1.13	2.8	6.4	1.8	21.5	109.8
2022	2.0	1.28	2.6	3.3	-15.7	11.5	131.4
2022/2nd Qtr.	1.5	1.25	2.6	3.3	-3.7	2.3	129.6
3rd Qtr.	1.7	1.30	2.6	3.4	-5.5	2.4	138.4
4th Qtr.	2.9	1.35	2.5	3.0	-4.6	1.9	141.4
2023/1st Qtr.	0.9	1.34	2.6	2.6	-4.2	2.5	132.3
2022/Sept.	2.2	1.32	2.6	3.3	-1.8	0.9	143.1
Oct.	1.4	1.34	2.6	3.1	-1.9	-0.1	147.2
Nov.	1.9	1.35	2.5	3.1	-1.5	1.9	142.2
Dec.	4.1	1.36	2.5	2.9	-1.2	0.1	134.9
2023/Jan.	0.8	1.35	2.4	2.7	-3.2	-1.9	130.3
Feb.	0.8	1.34	2.6	2.6	-0.6	2.2	132.7
March	1.3	1.32	2.8	2.5	-0.5	2.3	133.9
April	1.0	1.32	2.6	2.5	-0.1	1.9	133.4
Sources	"Monthly Labour Survey", Ministry of Health, Labour and Welfare	"Employment Referrals for General Workers", Ministry of Health, Labour and Welfare	"Labour Force Survey", Statistics Bureau, Ministry of Internal Affairs and Communications	"Money Stock", Bank of Japan	"Balance of Payments", Ministry of Finance		Bank of Japan

Calendar year, Quarter and Month	Foreign Trade Statistics									
	Imports amount from EU (trillion yen)	Imports from EU rate of increase over previous year/ the same term (month) of the previous year (%)	Exports amount to Asia (excluding China) (trillion yen)	Exports to Asia (excluding China) rate of increase over previous year/ the same term (month) of the previous year (%)	Imports amount from Asia (excluding China) (trillion yen)	Imports from Asia (excluding China) rate of increase over previous year/ the same term (month) of the previous year (%)	Exports amount to China (trillion yen)	Exports to China rate of increase over previous year/ the same term (month) of the previous year (%)	Imports amount from China (trillion yen)	Imports from China rate of increase over previous year/ the same term (month) of the previous year (%)
2015	7.8	4.6	27.1	3.7	18.9	-2.6	13.2	-1.2	19.4	1.3
2016	7.4	-5.0	24.7	-8.7	16.2	-14.5	12.4	-6.5	17.0	-12.4
2017	8.0	7.0	28.0	13.3	18.6	14.8	14.9	20.5	18.5	8.5
2018	8.8	10.6	28.8	2.9	20.0	7.8	15.9	6.8	19.2	4.0
2019	8.8	0.3	26.6	-7.6	19.0	-5.3	14.7	-7.6	18.5	-3.9
2020	7.8	-12.1	24.1	-9.4	17.2	-9.4	15.1	2.7	17.5	-5.1
2021	9.5	21.8	30.2	25.0	20.7	20.6	18.0	19.2	20.4	16.4
2022	11.4	20.5	36.4	20.6	28.5	37.7	19.0	5.7	24.8	21.9
2022/2nd Qtr.	2.9	20.9	9.2	24.7	6.9	39.0	4.6	0.4	5.8	17.3
3rd Qtr.	2.7	8.3	9.5	23.2	7.7	46.4	5.1	14.4	6.7	33.0
4th Qtr.	3.2	28.6	9.5	16.1	7.8	35.5	5.0	1.4	6.7	20.4
2023/1st Qtr.	2.6	-1.5	8.4	2.9	7.1	14.1	3.8	-11.3	6.0	8.8
2022/Sept.	1.0	19.7	3.2	22.6	2.6	47.4	1.7	17.0	2.3	30.1
Oct.	1.1	40.2	3.2	21.9	2.7	54.5	1.7	7.7	2.4	39.4
Nov.	1.1	21.1	3.2	16.4	2.7	36.8	1.6	3.5	2.3	17.3
Dec.	1.0	25.7	3.1	10.4	2.4	17.8	1.6	-6.2	2.0	6.5
2023/Jan.	0.9	-2.1	2.5	2.3	2.4	17.4	1.0	-17.1	2.4	12.3
Feb.	0.9	4.5	2.8	4.0	2.2	16.7	1.3	-10.9	1.5	-0.5
March	0.9	-6.3	3.1	2.5	2.4	8.7	1.6	-7.7	2.1	12.4
April	1.0	-2.5	2.8	-8.0	2.1	-5.6	1.4	-2.9	1.9	14.8
Sources	"Trade Statistics of Japan", Ministry of Finance									