

A Second Home in Japan

What comes next after the visitor boom is semi-residence

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The number of Chinese people visiting Japan is increasing at an explosive rate. In addition to the weak yen, the relaxation of requirements for visa issuance is also providing a boost. There is an increasing trend amongst the high-income classes of wanting to own a home in Japan, too.

hinese tourist visits to Japan are showing an unprecedented upsurge. Last year 2.4 million Chinese tourists came to Japan: an increase of 80% on the previous year. From January 19, a new "five-year multi" visa was introduced which allows holders to come to Japan an unlimited number of times during a five-year period, with up to a ninety-day period of stay being authorized for each visit, and with this momentum the interest of Chinese people towards Japan seems set to heighten even further still.

A "three-year multi" visa was introduced in July 2011, but as issuance requirements were strict and the application procedures complicated and cumbersome the number of visas obtained has not grown to the extent that was initially predicted. This time the requirements have been relaxed significantly (the period of possible stay per visit has been shortened from 90 days to 30). Abe Michihiro, COO and representative of the JP Window international travel company—which deals exclusively in trips for Chinese people to Japan—says that "At present, even for repeat visitors to Japan, the overwhelming majority of people still obtain a single-use visa each time they come. There is no doubt that the proportion of multi-stay visas will increase rapidly in the future."

Because the number of people in the high-income demographic in China is high, and the country is also close to Japan in terms of distance, there is a possibility that an increase in the issuance of multi-stay visas could have a major impact. A personal friend of mine who is a Chinese designer living in Shanghai says "I'm seriously considering buying a condominium in



Japan and spending some time there with my wife once or twice a month." With the weak yen and China's soaring commodity prices, the cost of things in Japan is not much different from in China's major cities. It is also not uncommon for apparel and consumer durables to be cheaper in Japan than they are in China. The streets are clean, the living environment is good, and Japan offers peace of mind in terms of public safety too. There are no restrictions placed on the Internet by the authorities either.



The attraction is the cheapness of commodity prices and land prices in Japan's regional cities.

Another friend of mine is a factory owner, whose hobby is running. As well as running approximately 10 km around his home in Shanghai every morning, he also participates in several marathon competitions each year, both in China and abroad. What worries him is China's atmospheric pollution and poor traffic manners. "Japan has clean air, and there are lots of places where it is easy to run, such as parks and dry riverbeds. Because of my business I can't emigrate there completely, but I want to buy a house somewhere in Japan and make time to stay there



and run in relaxation a few times a year. I want to run in Japanese marathon competitions too," he says, enthusiastically. He has already applied for a multi-stay visa, and started things off by entering into a marathon being held in Chitose, Hokkaido in May.

Japanese real estate is overwhelmingly cheaper than that of major Chinese cities, and fairly decent condominiums in urban areas can be bought for around 1 million yuan (approximately 19 million Japanese yen). For Chinese people, this is like a dream. Apart from flights between China and Japan flying to and from major cities such as Tokyo and Osaka, there are also regular flights from China to numerous regional cities like Toyama, Takamatsu, Matsuyama, Saga, Kumamoto, Kagoshima and Asahikawa. In these regional cities real estate prices are even cheaper, and even detached houses with gardens become sufficiently affordable. Buying such a property and using it as a second home for the weekend is becoming a realistic choice for highearning Chinese.

Viewed from Shanghai, Fukuoka is closer than Beijing or Guangzhou

When doing so, the close proximity of Japan in terms of distance is a significant merit. I'm currently writing this article at a business trip destination in Fukuoka, Kyushu, but the flight time between Shanghai and Fukuoka (with a strong winter tailwind) is around 1 hour 15 minutes. Even if you leave Shanghai past noon, you can arrive in the heart of Fukuoka City before 4 pm. It's overwhelmingly close, even when compared with internal flights in China to places like Beijing or Guangzhou, which take nearly two hours by plane. In contrast with the "salary-man society" of Japan, a high proportion of high-income Chinese are self-employed or run businesses. For that reason, there are many people for whom arranging long-term holidays is easy. Now that China has become rich too, they aren't necessarily thinking about going as far as emigrating abroad, but they are sick of the environmental pollution and worries about food safety, the poor level of public safety and the high commodity prices.

Once in a while they want to relax in a nice, quiet place where they can have peace of mind...

Japan is the perfect place to match the "weekend emigration" needs of these Chinese people. It is predicted that the number of these semi-resident visitors will increase rapidly in the future. It's a separate story from this time's relaxation of visa requirements, but there's also a possibility that some wealthy, elderly Chinese who wish to spend their old age in Japan may also appear in the future, too.

Whilst on one hand carrying the potential risk of increasing friction with Japanese society, the emergence of semi-residents who want to associate on a deeper level with Japanese society



has the beneficial effect of increasing the number of people with an understanding of Japan and increasing the size of the demographic with common interests in both countries. This will make Chinese society more open, and also have significant merits in terms of guaranteeing Japan's national security. There is a tendency for attention to focus only on the economic benefits of Chinese people's "explosive" purchasing, but this relaxation of visa issuance restrictions also has the hidden possibilities of increasing the flow of people between both nations, and giving an impact to the societies of both Japan and China that goes beyond our imaginations.

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