News from under the Southern Cross – Edition 31 Working towards the return of two-way tourism

14 September

Have you ever been to Australia?

I gather there must be a lot of people who have experienced coming from Japan to Australia for tourism or business. Recently, attention has also been paid to those coming from Australia to Japan, so-called 'in-bound' tourism to Japan. In this edition of my newsletter, I wish to discuss tourism - one of the important pillars of people-to-people exchange which in turn supports the Japan-Australia relationship.



Typical tourist destinations for in-bound tourists to Japan (Clockwise from the top left: Sensoji Temple in Tokyo, Kiyomizu-dera Temple in Kyoto, Dotonbori in Osaka, the Hiroshima Memorial Peace Park)



Uluru (NT)



The trans-continental railway train "The Ghan" (NT - SA)

1. <u>The world's top spenders</u>

There are a lot of things that I didn't know before taking up my post in Australia. One of these is a statistic that reveals that among the many foreign tourists that visit Japan, Australians make up the largest spenders per person.

2019 Fiscal Year

Nationality - Region		a. Travel Expenditure Per Person			b. Number of foreign visitors to Japan		c. Consumption amount for foreign tourists to Japan (=a x b)	
		(Yen/Person)	Comp. previous year		(People)	Comp. previous year	(100 million yen)	Comp. previous year
	All Nationalities - Regions	158,531	3.6%		29,855,742	3.5%	47,331	7.2%
General Tourists	South Korea	76,138	-2.5%		5,568,997	-26.0%	4,240	-27.8%
	Taiwan	118,288	-7.3%		4,609,007	2.7%	5,452	-4.8%
	Hong Kong	155,951	0.9%		2,252,080	4.0%	3,512	4.9%
	China	212,810	-5.4%		7,995,815	23.5%	17,016	16.8%
	Thailand	131,457	5.7%		1,316,885	16.6%	1,731	23.2%
	Singapore	173,669	0.5%		489,969	12.6%	851	13.2%
	Malaysia	133,259	-3.2%		497,655	7.4%	663	4.0%
	Indonesia	131,087	-7.3%		410,288	4.2%	538	-3.4%
	Philippines	107,915	-11.5%		609,549	28.8%	658	14.0%
	Vietnam	177,066	-6.0%	1 1	494,251	27.6%	875	20.0%
	India	157,244	-2.6%		173,692	13.9%	273	11.0%
	United Kingdom	241,264	9.2%		412,848	27.2%	996	38.9%
	Germany	201,483	5.1%		229,430	7.8%	462	13.2%
	France	237,420	10.0%		335,862	10.5%	797	21.6%
	Italy	199,450	-10.8%		162,074	8.6%	323	-3.1%
	Spain	221,331	-6.7%		129,895	9.7%	287	2.4%
	Russia	183,015	-2.8%		118,684	26.8%	217	23.3%
	United States	189,411	-1.1%		1,700,805	12.8%	3,222	11.6%
	Canada	181,795	-0.8%		366,758	13.7%	667	12.8%
	Australia	247,868	2.4%		610,955	12.7%	1,514	15.5%
	Others	221,514	10.9%		1,370,243	15.2%	3,035	27.7%

Travel expenses and travel expenditure per person for foreign visitors to Japan (according to nationality and region) (Source: Japan National Tourism Office)

They are also one of the longest stayers. By glancing at the number of days in country, you'll find that they stay for more than 13 days (on average).

In sum, they are highly valued customers, who both stay longer and spend a lot of money in Japan.

2. Places to Visit

So, where do all of these Aussie tourists go?

There's the 'set menu' of Tokyo and Kyoto of course, but one thing that stands out about Australian tourists is the number of skiers among them. Typical destinations for them include Niseko in Hokkaido Prefecture, and Hakuba and Nozawa Onsen in Nagano Prefecture. As Australia has few ski fields or high mountain ranges covered in snow, a great many Aussie skiers are seemingly attracted

by the powder snow of Japan and no (major) time zone differences with Australia. Since Australia and Japan's seasons are reversed, the fact that Aussies are able to use their long summer vacation period to go skiing during the Japanese winter is also considered a big plus.



Wild monkeys enjoying an onsen (hot spring bath) (Source: Nagano Prefecture HP)

On that note, I paid a visit to Hakuba before taking up my post in Australia in order to see the situation for myself. I also spoke with Nagano Prefecture Governor ABE Shuichi, who was a classmate of mine during my university days, who told me "Australians are without doubt the number one visitors to Hakuba among all foreign skiers. I want you to bring more of them to Nagano".



The Northern Alps with residual snow



The powder snow of Hakuba

It was when I went to Hakuba that I fully comprehended what he meant. The majestic and steeplyinclined three mountains of Hakuba, the sight of Aussie families enjoying cycling in the idyllic setting of the bosom of the plateau, hotels and lodges designed to appeal to Aussie skier aesthetics, a restaurant with "WAGYU" spelled out on the front of it - I certainly witnessed many of the unique characteristics of Hakuba.



The breath-taking Great Snowy Plain of Hakuba

3. Variety of visitors and quality of resorts

Gazing upon this scene, I recalled a conversation that I once had with the mayor of one of the outlying islands of Okinawa Prefecture. With a neighbouring country in mind, it was an enlightening talk, featuring comments like "(When the number of tourists from the country increases,) tourists from the main island of Japan stop coming here." and "That's why we need to diversify in-bound tourism."



The beaches of Ishigaki City, which are popular with foreign tourists, and Awamori liquor (Source: Ishigaki City HP)

Even with my experience since my university student days of being covered in snow at ski resorts in Nagano and Niigata Prefectures, it was evident to me that the "degree of international appeal" of Hakuba is ahead of the pack. It would be no exaggeration to say that continuing visits by Australians, and the development of infrastructure through Australian investment have upgraded the status of Hakuba as a resort.

4. The experience of the Gold Coast

In truth, the effective use of people and capital flow is not a discussion limited to Japanese tourist spots. I found this out when I visited the Gold Coast in Queensland.

When conversing with members of the local Japanese Society and Japan Chamber of Commerce and Industry, I heard that "the resorts, mansions, golf course and marina of the Gold Coast were all able to be built thanks to investment from Japan."



(L) The high-rise buildings and coastline of the Gold Coast, (R) The Gold Coast Marina

This is exactly why it can be said that two-way tourism has strengthened people-to-people links between Japan and Australia, brought about economic benefits, and furthered our bilateral relationship.

5. Looking beyond to the world after the COVID-19 pandemic

In light of this, the fact that tourist numbers have dramatically dropped as a result of the COVID-19 pandemic, which is all the more disappointing. The Gold Coast and Cairns Chambers of Commerce and Industry and Japan Societies have been relaying to me their strong requests, given the significant economic damage they have incurred because tourists from Japan are unable to visit and to break out of the slump which is putting the survival of their businesses in jeopardy, for approval to be given for visits as soon as is practically possible.



Snorkelling and seafood in Cairns (Source: Cairns Tourism Bureau HP)

The Government of Australia often mentions Japan as one of the countries for which travel restrictions will be lifted, followed by New Zealand and Singapore.

Such is the ferociousness of the Delta variant, however, that not only Japan but also Australia, which until now had been relatively successful in its COVID mitigation strategies, have come under attack. There are strong expectations that both Japan and Australia will be diligent in their promotion of vaccinations, 'living with COVID' will be firmly established, and people-to-people exchange will recommence.

I myself am earnestly waiting for the day when many Japanese people can visit Australia, and Australians can once again visit Japan.



The Quokkas of Rottnest Island (WA)

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