

# Super Tourism Nation

Towards the goal of 100 million tourists and  
30 trillion yen revenue

March 25, 2016

**Hello, Future!**



Tourism-Oriented Nation Project Team

# Objectives of this proposal

“Tourism vision council for tomorrow’s Japan” (chaired by PM Abe) launched at the Prime Minister’s Office is due to issue a document at the end of March setting out new visions for a tourism-oriented nation . The JANE tourism-oriented nation project team drafted a set of **new policy proposals** in view of this move.

■ Japan has a wealth of nature as well as unique culture and takes pride in its ability to offer high levels of hospitality, which places the country in an ideal position to focus on tourism

Achieving economic growth through tourism-oriented policies is a critical issue for Japan that has to address the challenges of ageing population coupled with declining birthrate ahead of other countries

■ The 2020 Olympic and Paralympic Games presents an excellent opportunity to communicate Japan’s best assets to the world as well as to transform Japan into a tourism-oriented nation.

■ JANE submitted a policy proposal on tourism-oriented nation in February 2015 but additional proposal was deemed necessary in light of recent developments

【Reference】 KPIs suggested in JANE’s “tourism-oriented nation 2020” proposal  
Achievement of the following **by 2030**

- **Annual inbound visitors to Japan: 100 million people**
- **Annual spending by inbound tourists: 30 trillion JPY**

# Executive Summary

## 1 Promotion of Inbound Tourism (towards the goal of 100M tourists and ¥30 trillion revenue)

### 1. Attract more visitors to Japan

- ✓ Digital marketing strategies (Establishment of information provision platform and a government CMO)
- ✓ Revision on aviation policy (Promotion of LCCs, 4D air traffic control, civilian use of Yokota Air Base)



### 2. Help visitors enjoy their stay and encourage spending in Japan

- ✓ Provision of lodging (home sharing)
- ✓ Enhanced mobility (ride sharing, accessible information)
- ✓ Internet access (improved Wi-Fi access)
- ✓ Boost consumption (cashless payments, luxury tourism)
- ✓ Enhance urban environment (Utilization of pedestrian plazas, the night time economy, event venues)
- ✓ Strengthen security measures for the 2020 Olympic and Paralympic Games

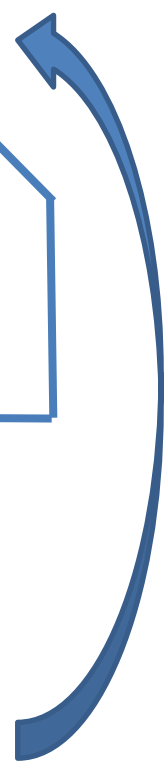
Inbound visitors can take advantage of easy internet access to communicate the appeal of Japan through social networking services



### 3. Promote repeat visits

- ✓ Make Japan's presence felt even after inbound visitors go back home

Repeat visits



## 2 Promotion of Domestic Tourism

- ✓ Levelling of tourism demand (rotating holiday system by region)

## 3 Strengthen Tourism Administrative Bodies

- ✓ Strengthen tourism governance functions and budget expansion

# Policy Proposals

# 1 Promotion of Inbound Tourism

## a. Attract More Visitors to Japan

# Digital Marketing Strategy - 1

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## 【Issue】

### 《Role of digital marketing》

Inbound visitors to Japan **mostly gather their information online**. **Digital marketing has a crucial role to play** in attracting potential visitors.

### 《Problems》

- ✓ **Insufficient funds** allocated to digital marketing
- ✓ **Uncoordinated information provision through compartmentalized bureaucracy**. The annual budget system does not allow information campaigns to last for a longer span.
- ✓ **No central function to direct** nationwide marketing strategies
- ✓ **Insufficient information outreach in English** (low quality of English as automatic translation is widely used)
- ✓ Vagueness about who holds content rights

# Digital Marketing Strategy - 2

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## 【Measure 1】

Build a **cross-sectoral and permanent platform** for information provision

### 《 Platform functions 》

- ✓ Gather and spread good online reviews

(Contemporary travelers tend to value word-of-mouth recommendations)

- ✓ Encourage Japanophiles to publicize their views in their own language

- ✓ Provide localized and receiver-oriented information to cater for different needs

(Different types of information are required depending on each traveler's needs. Asians tend to prefer short-term stays whereas Europeans tend to stay for longer periods. Foreign tourists may also have particular preferences that are different from those of Japanese, such as visiting a specific location where a TV show was filmed)

- ✓ Enable more flexible and comprehensive handling of content rights

- ✓ Provide a portal site to media outlets intended for inbound tourists to Japan as well as to relevant government websites

# Digital Marketing Strategy - 3

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## 【Measure 2】

### Establishment of a government Chief Marketing Officer (CMO)

- ✓ A government CMO responsible for overseeing digital marketing strategies to be appointed from among marketing experts in the private sector
- ✓ Drastic reallocation of human and financial resources to focus on digital marketing and utilization of social networking services
- ✓ Analysis and utilization of big data related to travel and tourism (reconsideration of methods for retargeting and passengers' personal data collection)

## 【Measure 3】

### Online and offline integrated marketing

- ✓ Encourage efforts by Japanese embassies abroad to build a fan base for Japan among people of wealth and influence
- ✓ Introduction of IT-based information sharing tools in places such as the “Japan House” facilities
- ✓ Expand and enhance the existing “Visit Japan Ambassadors” system to have world’s opinion leaders to communicate the wonders of Japan both online and offline
- ✓ Promotion of filming-location tourism



**Government CMO will lead the implementation** of the above measures



# Rethinking of Aviation Policy

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## 【Issues】

- ✓ Most inbound visitors enter Japan by air as it is an island country
- ✓ **Reviewing of aviation policies is a prerequisite** for Japan to attract 100 million foreign tourists

## 【Recommendations】

- ✓ **Open more landing slots for low cost carriers (LCCs)** at Haneda airport
- ✓ **Support entry of LCCs** in regional airports
- ✓ **Drastic increase of airport landing slots** in Tokyo  
(Make Tokyo's annual total number of landings and takeoffs on a par with New York or London (1.1-1.2 million per year))
- ✓ **Realization of 4D air traffic control** (trajectory-based operation)
- ✓ **Allow civilian use of the Yokota Air Base**

1 Promotion of Inbound Tourism  
b. Help Visitors Enjoy their Stay and  
Encourage Spending

# Promotion of Sharing Economy – 1 (Home sharing and ride sharing)

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## 1 Home Sharing (Provision of lodgings)

**Diverse types of home sharing should be encouraged** while ensuring that homeshare platforms and hosts take a certain degree of responsibility for upholding the standard of quality

- ✓ Ability to respond to temporary increases in lodging demands through flexible supply during periods of the Olympics and other big events
- ✓ Home sharing experience itself can be an attractive selling point to foreign tourists
- ✓ Separate charging of lodging and meals would produce economic spillover effects in surrounding areas

## 2 Ride Sharing (Promotion of mobility)

**Urgent need to start a discussion within the government** to consider the following:

- ✓ Ride sharing is a familiar method of transport for many inbound visitors and will add to their transport options
- ✓ Improvements to ground transport could further stimulate spending by foreign tourists

\*JANE published policy recommendations on home sharing and ride sharing in its "Detailed proposal on legislative measures to advance the sharing economy", issued on October 30.

# Promotion of Sharing Economy – 2 (experience-based tourism)

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## 【Issues】

- ✓ With the diversification of personal tastes and needs, travelers increasingly look for **services that allow them to have an interactive experience with the holders of unique knowledge and skills (experience-based sharing economy)** rather than formulaic, pre-packaged tours
- ✓ The existing legal system is not designed to permit individuals to provide such services (Licensed Guide Interpreters Act and Travel Agency Act)

## 【Recommendations】

Allow individuals with personally-specific knowledge and skills to provide **paid guided tours or travel advice**

- ✓ Abolish the occupational licensing system stipulated in Art. 36 of the Licensed Guide Interpreters Act
- ✓ Revise the Travel Agency Act

# Improve the Ease of Mobility for Foreign Travelers

## 【Issue】

Inbound visitors have **difficulty getting around using public transport**

- ✓ Many foreign tourists have a hard time understanding how to get to their destinations as the structures of metro stations are too complex and **location information tends to be inaccurate**
- ✓ Complicated railway and metro routes as well as incomprehensible direction signs make buying tickets or train transfers too difficult
- ✓ Many **street information boards are in Japanese only** and unintelligible to inbound tourists

## 【Recommendations】

Effectively provide information to foreign tourists through the utilization of IT (**information barrier-free**)

- ✓ Ensure availability of **beacons and WiFi access** for accurate location tracking  
(Ministry of Land, Transport and Infrastructure is conducting a verification test to enable indoor navigation using beacons at Tokyo station. Similar measures can be carried out at other train stations with a higher priority placed on stations where foreigners have the most difficulty traveling.)
- ✓ Make maps and transit information available in a user's native language through a pre-downloaded and activated app
- ✓ Nationwide **numbering of train stations** jointly implemented by relevant government ministries and railway companies, and develop an app in collaboration with an app company to allow transit information searches simply by entering a station number
- ✓ Multilingual display of street information boards, **Utilization of pictograms**

# Making restaurants foreign customer-friendly

## 【Issues】

- ✓ **Multilingual menus are not available** in restaurants. Some municipalities provide assistance tools for translating menus
- ✓ Increases of Muslim tourists have led to the creation of dozens of halal authentication bodies with no fixed criteria for certification



Multilingual menu support website run by the Tokyo metropolitan government specifically states on their page that the service is only available to restaurants in Tokyo

Source: Tokyo metropolitan government multilingual menu support website

## 【Measure 1】

- ✓ Multilingual menu translation support tools **should be provided by the national government**
- ✓ Make menus available to view on tablet devices

## 【Measure 2】

**Strengthen the national government's involvement in halal accreditation process, taking examples from the following cases**

Ex. 1 Australia

A comprehensive system was established to evaluate the sanitation and processing of meat as well as its compatibility with halal requirements

Clearly stipulated halal standards as procedures for handling meat

Ex. 2 Brazil

Unified national criteria for halal certification was established, along with a government-supervised halal food authority

# Recruitment of hospitality staff (Easing of visa restrictions)

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## 【Issues】

- ✓ **Shortage of onsite hospitality staff** in the tourism industry (particularly in provincial areas)
- ✓ Strict visa requirements are thought to be one of the causes for this problem

## 【Recommendations】

**Ease visa requirements** in order to attract foreign nationals to work as hospitality staff and to revitalize regional tourism

- ✓ Relaxation of residence status requirements, and types of occupations qualifying for a residency visa should be integrated into a broader category
- ✓ Employment of foreign nationals as agency workers
- ✓ Easing of qualification requirements for tourism-related jobs (drivers, etc.)

# Improve Internet Access (Open and Free WiFi)

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## 【Issue】

- ✓ Free Wi-Fi not widely available (especially in rural areas)

## 【Policy recommendations】

- ✓ Promotion of open and free Wi-Fi service
- ✓ Put in place sufficient security measures to minimize the risk of data breach
- ✓ Create charging spots that also function as information spots with the installation of monitors and other equipment

## 《Expected outcomes》

- ✓ In addition to enhancing inbound tourists' convenience, having them share their experiences in Japan via social networking sites will generate marketing impacts
- ✓ Free Wi-Fi spots and charging spots can be utilized to provide information on local events or weather and train service status updates
- ✓ Issuing e-coupons for nearby shops using beacons can become an effective marketing tool



# Promotion of cashless payment - 1

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## 【Issue】

- ✓ Most foreign visitors are familiar with cashless transactions
- ✓ **Many stores in Japan (souvenir shops etc.) do not accept cashless payments**, which is an impediment to increased spending by inbound visitors (Statistical data indicates that per capita purchase price increases by 1.6 times with the use of credit cards)

## 【Recommendations】

1. Mandatory acceptance of payments through non-cash methods
2. Incentive measures to encourage cashless transactions
3. Displaying of a common symbol to show the availability of cashless payment options in stores
4. Awareness raising campaign about cashless payment

## 《Expected outcomes》

- ✓ More spending by foreign tourists through enhanced convenience of shopping
- ✓ Increases in tax revenue through improved sales tax capture rates

# Promotion of cashless payment - 2

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## 【Measure 1】

- ✓ Make compulsory for stores to **put in place necessary systems to accept cashless payments (not limited to credit cards)**

### 《Options of cashless payment》

- Credit card
- Debit card
- Smart phone payment with NFC
- Smart phone payment with QR code
- Electronic money
- Virtual currency

- ✓ Promote the use of contact IC chip to ensure secure payment processing

## 【Measure 2】

- ✓ Provision of attractive incentives to encourage these moves in addition to creating binding obligations
- ✓ An example of incentives can be 2% tax deduction on cashless transaction sales

# Promotion of cashless payment - 3

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## 【Measure 3】

- ✓ Display **common and easily-understood symbols** to show cashless payments are accepted in a store
- ✓ Symbols should indicate types of payment methods accepted instead of card company logos



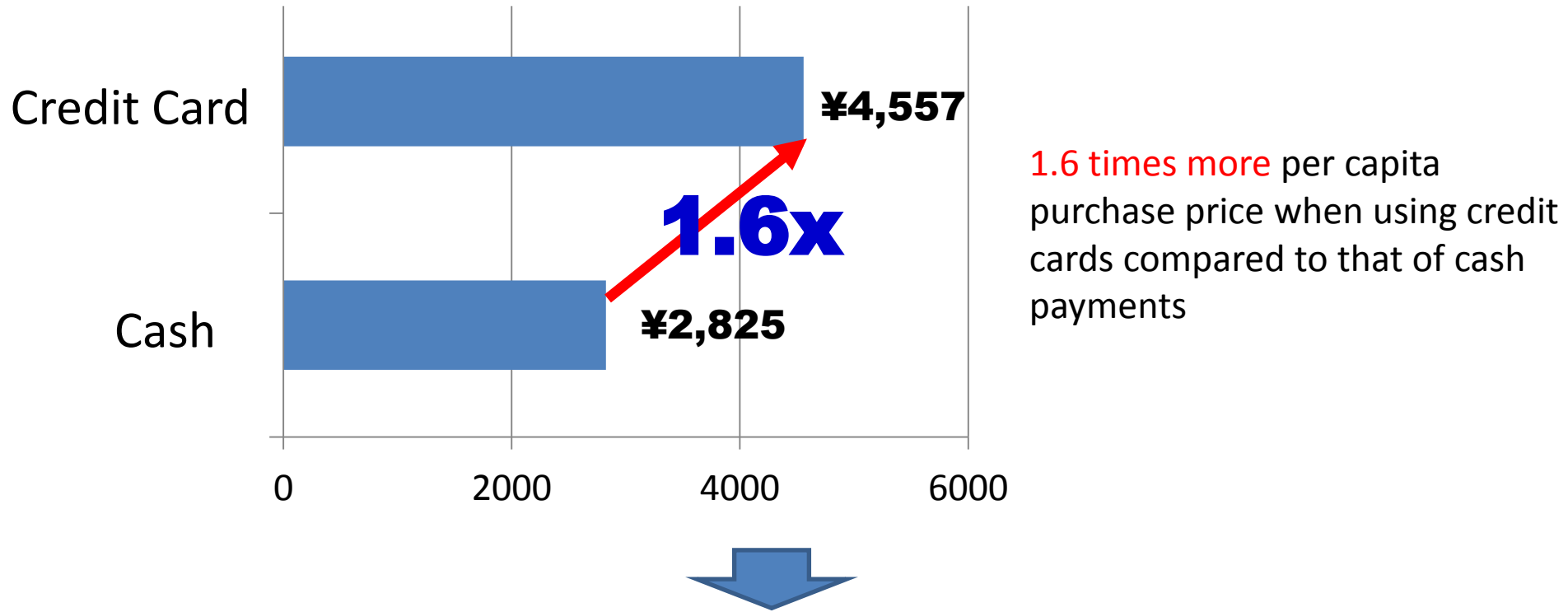
## 【Measure 4】

- ✓ Awareness-raising campaign involving political, governmental and corporate sectors to make cashless payment a norm throughout Japan
- ✓ Setting up a special zone may be effective in promoting the development and spread of new payment methods such as mobile payment and virtual currency that were born out of new technology

# Reference: Consumption boosting effects of cashless payments

*Efforts by the credit card industry towards a realization of the tourism-oriented nation*  
(Issued by Japan Credit Card Association, January 14, 2016)

■ Survey results conducted at the Nakamise shopping street in Asakusa, Tokyo



Significant spending-boost effect can be expected through the promotion of cashless transactions

- **Revision of promotion measures, such as making cashless payment mandatory for public services**  
⇒ **Will help increase sales tax capture rate**

## 【Measures taken by other countries】

### South Korea

- Mandatory use of credit card payment for public agency and corporation fees
- Income tax deduction on cashless transactions (users)
- 2% tax deduction on cashless transaction sales (stores)
- Refusal to accept credit card payments is subject to legal penalty (stores)

### Israel

- Ban on cash transactions except for small amount payments (applicable to both business to business and customer to customer transactions)
- Violations are subject to criminal punishment

# Simplification and digitalization of duty-free claim procedures

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## 【Issue】

- ✓ Tax-free shopping is on the increase with the upsurge of “binge buying” by inbound tourists. However, the paper-based claim process is causing inconvenience for both stores and shoppers.

## 【Recommendations】

- ✓ **Make duty free procedures** (purchaser covenants and purchase records) **digital and paperless**
- ✓ Facilitate airport pick-up of goods purchased online by inbound visitors during their stay in Japan

## 《Expected outcome》

Ease of duty-free shopping will boost spending by inbound tourists

# Luxury Tourism

## 【Issue】

Marketing and the development of services are not specifically geared towards wealthy tourists even though significant economic impacts are expected by visits of those with high spending capacities

« Wealthy population by country »

● The Rich (household net financial assets of over 100M and below 500M JPY)

Ranking	1	2	3	4	5	6	7	8	9	10
Country	US	Japan	Germany	China	UK	France	Switzerland	Canada	Australia	Italy
no. of people	4,351,000	2,452,000	1,141,000	890,000	550,000	494,000	343,000	331,000	226,000	219,000

● The Super-Rich (Household net financial assets of 500M or more)

Ranking	1	2	3	4	5	6	7	8	9	10
Country	US	Germany	Japan	UK	China	India	Switzerland	Canada	France	Brazil
no. of people	69,560	19,095	14,720	11,510	11,070	8,595	6,635	5,305	4,750	4,225

## 【Recommendations】

Adopt measures suitable to target categories

« Measures for the high income brackets (with annual income of between JPY 18 and 40 million) »

- ✓ Conditional easing of visa restrictions for high income individuals
- ✓ Develop service packages for high income travelers as an alternative to mass tourist routes (varied by business or vacations purposes)
- ✓ Promotion of medical tourism among Chinese and Asian tourists (e.g. Health check-up tour)
- ✓ New development and renovation of luxury hotels and inns (quintuple the number of rooms that cost 100k JPY or more per night)

« Measures for the rich and the super-rich »

- ✓ Nationwide development of high-end travel services such as the cruise train “Seven Stars” that would cost 500k JPY or over per person
- ✓ Encourage the opening of new super-luxury hotels and inns (e.g. Hotel President Wilson in Switzerland)
- ✓ Permit the landing of private jets at regional airports, deregulation on the construction of helicopter pads

※Black card member magazines can also be used as a marketing tool

# Enhancing the Attractiveness of Urban Space – 1 (Street Activities)

## 【Issues】

- ✓ Events in pedestrian plazas can contribute to enhancing the attractiveness of urban areas, thereby strengthening the “soft power” of Japanese cities
- ✓ **Hosting of new events are practically prohibited** in downtown Tokyo areas including Ginza and Akihabara, by a notification of the National Police Agency

Road Usage Permit Guideline (National Police Agency Notification, abridged)

### 11. Permits in pedestrian plazas

In accordance with their purpose of securing pedestrian safety, police chiefs shall not in principle grant permission to holding of events in pedestrian plazas unless they are traditional and well-established events

## 【Recommendations】

### 《Step 1》

- ✓ Amend the police agency notification to **enable organizing of new events in pedestrian plazas** provided that an appropriate level of safety is guaranteed
- ✓ Organize events jointly with local governments or other partners as a **verification experiment in pedestrian plazas**

(An example may be to invite traditional festivals from each Japanese region to alternately hold events in Tokyo every weekend. This would provide a good PR opportunity to introduce regional assets to urban residents as well as to foreign tourists. Volunteer staff from respective regions can be recruited to act as guides, which could double as a preparation for voluntary work at the upcoming Tokyo Olympic and Paralympic Games)

### 《Step 2》

- ✓ Facilitate hosting of events and other activities in streets as well as pedestrian plazas in popular areas such as Shibuya
- ✓ **Simplify and digitalize permit application procedures**



# Reference: Street activities in pedestrian plazas in New York

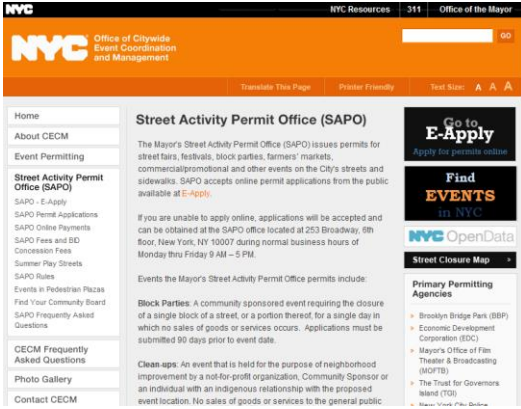
Both online and over-the-counter applications are accepted for events held in pedestrian plazas and streets of New York

Event organizers apply for permits pertaining to the nature and type of event at City of New York Street Activity Permit Office

- 1. Block Parties, 2. Clean-ups, 3. Farmers' Markets
- 4. Mobile Units, 5. Religious Events, 6. Single Block, 7. Festivals, 8. Special Events
- 9. Street Festival/Fairs

Example: Application for holding an event in a pedestrian plaza in Times Square submitted online / over the counter at the Street Activity Permit Office (SAPO) of the City of New York

- ✂Organizers of events using amplified sound need permits from the NYPD
- ✂Permit from the Department of Health and Medical Hygiene is required for events serving food
- ✂Organizers of events using dangerous inflammable materials need permits from New York City Fire Department



Street activity permit application website Of the City of New York Street Activity Permit Office (SAPO)



Sample case: "Dream Yosacoy" Festival in New York held in Times Square by a single Japanese organizer (April 2013) Source: Dream Yosakoi Festival Global Promotion Foundation

# Enhancing the Attractiveness of Urban Space – 2 (Park Concessions)

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## 【Issues】

- ✓ **Parks and other public spaces are underutilized** as places where people gather and create bustle of urban environment
- ✓ Examples from overseas (e.g. New York) show model cases where parks made the most of innovative ideas from the private sector operators and have attracted big crowds, enhancing the values of surrounding areas as well as creating additional revenue sources for local governments

## 【Recommendations】

- ✓ **Introduction of park concessions** to be awarded to private operators, so that parks can evolve into revenue-generating entities
- ✓ Operating concessions may be made possible in public spaces other than parks

# Reference: Park Activities in New York

## Concessions are awarded to private sector companies to operate businesses in New York City parks through competitive bidding

Approximately 500 concessions operate in parks throughout the five boroughs of New York. They fall into two categories: food service and recreation. The food service concessions range from pushcarts selling hot dogs to restaurants. Recreational concessions include facilities such as ice rinks, stables, marinas, and golf courses.

Through these activities in parks, **the City of New York collects more than 12.2 billion JPY revenue.**

(Source: Official website of the New York City Department of Parks & Recreation)

- ✓ The burger chain Shake Shack, originally started as a hot dog cart in Madison Square Park in Manhattan, achieved a major success, becoming a global company listed on the New York Stock Exchange with expanding stores in Japan and worldwide
- ✓ The Bank of America acquired partial operating rights of Bryant Park and opened Bank of America Winter Village that includes an ice skating rink



Shake Shack store located in a park  
(Source: Shake Shack website)



Ice skating rink at Bryant Park  
(Source: Bank of America Winter Village at Bryant Park website)

# Enhancing the attractiveness of urban space – 3 (Night Time Economy)

## 【Issue】

- ✓ Japanese tourism tends to focus on daytime activities and **does not pay enough attention to how foreign tourists can enjoy nightlife in Japan**  
(Few places to go to at night as sightseeing spots and historic sites close in the evening )
- ✓ An exemplary case of the utilization of the night time industry (clubs, restaurants, live music venues) is a run-down area in Liverpool UK that was transformed into a buzzing place where people gather every weekend. UK's night time industry is estimated to generate 6% of the national revenue(\*1). In the Japanese case, it could **contribute JPY 80 trillion revenue (\*2)**.

\*1 Source: Night Time Industries Association website

\*2 The figure was obtained by multiplying by 6% the total sales of all industries in Japan (1,336 trillion JPY) based on the 2012 economic census

## 【Recommendations】

Enhancing the nightlife attractions of tourist areas and **promoting the night time economy** would **improve tourist satisfaction rates** while at the same time generating **substantial economic impacts through increased spending**

- ✓ Extend the opening hours of clubs (amend the Entertainment Business Control Law)
- ✓ Organize night museums, night tours and night concerts
- ✓ Promotion of integration resorts
- ✓ An accreditation process similar to the “Purple Flag” in the UK to **acknowledge city districts that meet the standards of excellence** in managing the night time economy

# Enhancing the attractiveness of urban space - 4 (marketing and development of event venues)

## 【Issues】

- ✓ **Shortage of event venues** including concert halls and convention halls
- ✓ The number of times international conventions are hosted in Japan is **stagnating and even declining over a long-term period** compared to other major Asia-Pacific countries. Not enough marketing and bidding efforts to host international conferences and events

## 【Recommendations】

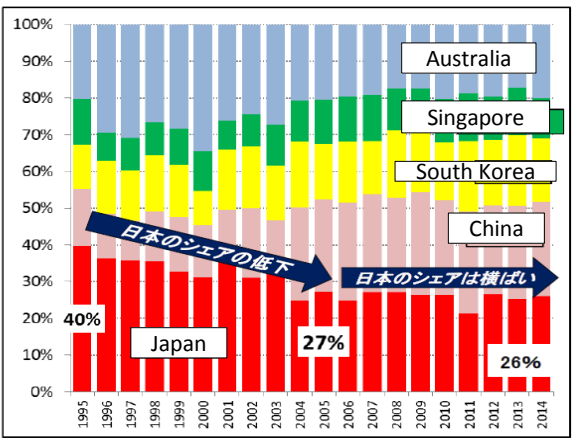
- ✓ **Ease restrictions on floor area ratio** to promote establishment of concert halls by private operators
- ✓ Develop large-scale convention halls to be used for international events
- ✓ **Invite globally influential researchers to Japanese universities** to market Japan as a major convention host country **in joint efforts by the government CMO and stakeholders of research institutions**

No. of international conferences held by country (2014)

Rank	Country	No. hosted
1	US	831
2	Germany	659
3	Spain	578
4	UK	543
5	France	533
6	Italy	452
7	Japan	337
8	China	332
9	Netherlands	307
10	Brazil	291
11	Austria	287
12	Canada	265
13	Australia	260
14	Sweden	238
15	Portugal	229
16	Switzerland	226

Source: International Congress and Convention Association statistics

Percentage of international conferences hosted in major APAC countries (1995-2014)



Source: Japan Tourism Agency website

# Security Measures for the Olympic and Paralympic Games

## 【Issue】

- ✓ **Thorough security measures required** so the Olympic and Paralympic games can be enjoyed to the full by tourists

## 【Recommendations】

- ✓ Security measures should be designed and implemented **involving from both private and public sectors**
- ✓ Each facilities should take measures in accordance with the Guidelines for Information Security Policy set out by the IT Security Promotion Committee (National Center for Incident Readiness and Strategy for Cybersecurity, the Cabinet Secretariat)
- ✓ **Strengthen risk management and information sharing functions such as CSIRT (computer security incident response team)** based on precedent set by London Olympics and other cases
- ✓ To avoid becoming a target of an attack, **private sector actors can play their part** by raising awareness levels and taking information security measures with governmental assistance as necessary
- ✓ **Authentication and enforcement of Wi-Fi security** (both service providers and general users)
- ✓ **Information provision to foreign tourists in case of disasters or terrorism**  
(Secure and easy WiFi access is of paramount importance at times of emergency)

✂JANE argued for the importance of raising awareness about information security in its policy proposal “Raising Information Security Awareness” issued on May 29<sup>th</sup> last year

# 1 Promotion of Inbound Tourism

## c. Promote Repeat Visits

# Incentives to make tourists feel close to Japan even after going home

## 【Issue】

No effective strategies to recapture the attention of tourists who already visited Japan

## 【Recommendations】

- ✓ Information updates on Japan through **push notifications**



- ✓ Implement **targeted marketing plans with a focus on one-time visitors** to Japan in collaboration with booking websites abroad, such as **coupon issuing** or sending ad alerts one year after their visits
- ✓ **Promotion of cross border e-commerce** (so that one-time visitors who shopped in Japan can shop again from the same stores online)



# 2 Promotion of Domestic Tourism

# Levelling of tourism demand (rotating holiday system by region)

## 【Issue】

- ✓ Concentration of tourism demand in particular periods of time of the year such as the “Golden Week” in early May
- ✓ Low productivity of lodging facilities as there is no competitive pressure. Regular employment tends to be scarce because employees are not required for a full year.
- ✓ High-season bookings are expensive and with limited availability. Many people give up traveling and potential demands can end up being wasted

## 【Recommendations】

- ✓ Shorten school summer holidays to create an autumn break period, and introduce region-by-region rotating holiday system
- ✓ The above measures will level off tourism demand by encouraging workers to take paid holidays at different periods even though business holidays remain unchanged.

## 《Expected outcomes》

- ✓ Growth of regular employment in the hotel industry
- ✓ Enhanced productivity and user convenience through more competition
- ✓ Increased travel opportunities will enlarge the overall pie of the tourism industry

# 【Reference】 International comparison of holiday lengths

## ■ Comparison of Japan and overseas countries

### Number of holidays

Japan	US	UK	France	Germany	China	Spain	Finland
121	115	113	114	112	117	113	112

### Number of consecutive holidays (weekends and holidays)

Japan	US	UK	France	Germany	China	Spain	Finland
8	10	4	6	5	6	3	3

### Number of paid holidays

	Japan	US	UK	France	Germany
Legal bases	Labor Standards Act	Labor agreements	Working Time Regulations	Annual holiday provisions in the Labor Code	Federal Vacation Act
Entitlements	min. 10 days	av. 17-18 days	4 working weeks	30 working days	more than 24 weekdays
Consecutive holidays	No provision	subject to labor agreements	subject to labor agreements	12-24 days consecutively	12 weeks consecutively
Paid holidays used (2014)	50%	70~80%	Nearly 100%	Nearly 100%	Nearly 100%

The number of holidays in Japan is on a par with the global standard. However, holiday entitlements are not fully used and there is no provision on consecutive holidays in the Labor Standards Act. Taken together, Japan fares much worse compared to France or Germany.

### Vacation period of Japanese primary and middle schools (compulsory education)

#### 【Trimester system】

- Summer: July 21 – August 31(40 days)
- Winter: Dec.25 – Jan.7 (14 days)
- Spring: March 25 – April 7 (14 days)

#### 【Bimester system】

- Summer: July 21 – August 25 (35 days)
- Autumn: Oct.8 – Oct.13 (6 days)
- Winter: Dec.25 – Jan.7 (14 days)
- Spring: March 25 – April 7 (14 days)

About 20% of public primary and middle schools throughout Japan have adopted a bimester system since the 2006 academic year. As report cards are only issued twice a year under bimester system, schools have increasingly reverted back to a trimester system since 2011 at parents' requests. There are also more school days under a bimester system.

### School holidays in France

France	A Zone	B Zone	C Zone
Summer vacation (56 days)	July 5 - August 30, 2015		
All Saint's Day (14 days)	October 18 - November 1, 2015		
Christmas (14 days)	December 20 - January 3, 2015		
Winter holidays (14 days)	Feb.14 - 28	Feb. 7 - 21	Feb. 21 - March 5
Easter holidays (14 days)	April 10 - 24	April 3 - 17	April 17 - May 1

Holidays are set by each Lander in Germany

Adequate number of holidays



Long-term school holidays evenly distributed throughout a year



More opportunities to go on a vacation for four nights or longer



More frequent travels

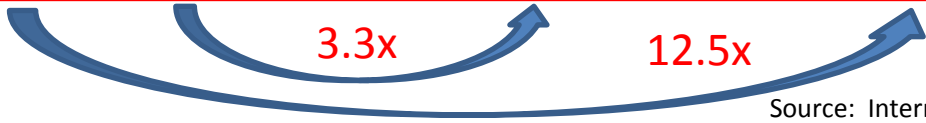
### 3. Strengthen tourism administrative bodies

# Strengthen tourism governance functions and budget expansion

## 【Issue】

- ✓ Tourism is Japan’s major priority industry in the 21 century. The government plays an important part in this, and improvements can be made to its organizational structure to make it more appropriate for a “tourism-oriented nation”
- ✓ Japan’s tourism budget level is low compared to international standards

	Japan	France	South Korea
Nominal GDP(2008)	\$ 4910.7bn	\$ 2856.6bn	\$ 928.7bn
Tourism budget(2008)	\$33m	\$110m	\$412m



Source: International comparative survey on tourism environment, March 2010 (Japan Tourism Agency )

## 【Recommendations】

- ✓ **Strengthen control** without sacrificing the efficiency of the government by **unifying tourism-related government functions** and reorganizing departments in line with the centrality of the tourism industry. Consider upgrading of the Tourism Agency to a ministry.
- ✓ **Expand tourism budget** while taking into account cost effectiveness as well as the scrap-and-build principle

# JANE Tourism-Oriented Nation Project Team

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■ This proposal was discussed and prepared under the umbrella of the Japan Association of New Economy's "Tourism-Oriented Nation" Project Team

## Leader

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## Members

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✂ A working group was set up under this project team to discuss issues at an administrative level (composed of JANE member company staff)

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