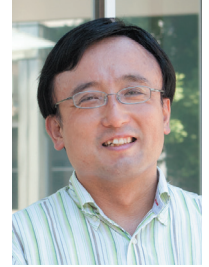


What Is the Current State of Japan's Vacant House Issue?



Author Nobuo Iizuka

By Nobuo Iizuka

Fact-Finding Surveys Conducted Once Every 5 Years

The rise in the number and disposals of “vacant houses” where no one lives has become a challenge in Japan. The Housing and Land Survey of Japan (Statistics Bureau of Japan) assesses the total number of houses and vacancies in Japan. Since 1948, this survey has been conducted once every five years, and confirmed values were released in September this year for the most recent survey results as of Oct. 1, 2023. This article will take up the current state of the vacant house issue in Japan, which can be identified from this and other related surveys.

4% Increase in Total Number of Houses, Vacancy Rate at 13.8%

The total number of houses in Japan as of Oct. 1, 2023, is 65.05

million, an increase of 4.2% (2.64 million houses) compared to the previous survey (2018) (Chart 1). Not all prefectures saw an increase, with Aomori Prefecture (-0.4%), Akita Prefecture (-1.1%), Kochi Prefecture (-0.9%), and Nagasaki Prefecture (-0.7%) all marking declines from five years ago. The rate of increase in the total number of houses was highest in Okinawa Prefecture (+7.2%), but by number Tokyo (529,000 houses, +6.9%) was the highest. The increase in the total number of houses for Metropolitan Tokyo, Kanagawa Prefecture, Saitama Prefecture, and Chiba Prefecture was 1.12 million houses, and together with the rise in population, the increase in the total number of houses is centered on the metropolitan area.

In the Housing and Land Survey of Japan, the total number of houses is classified into houses with resident households (55.66 million), those with temporary inhabitants only (286,000), vacant houses (9 million), and houses under construction (95,000). Houses that are classified as having temporary inhabitants refer only to

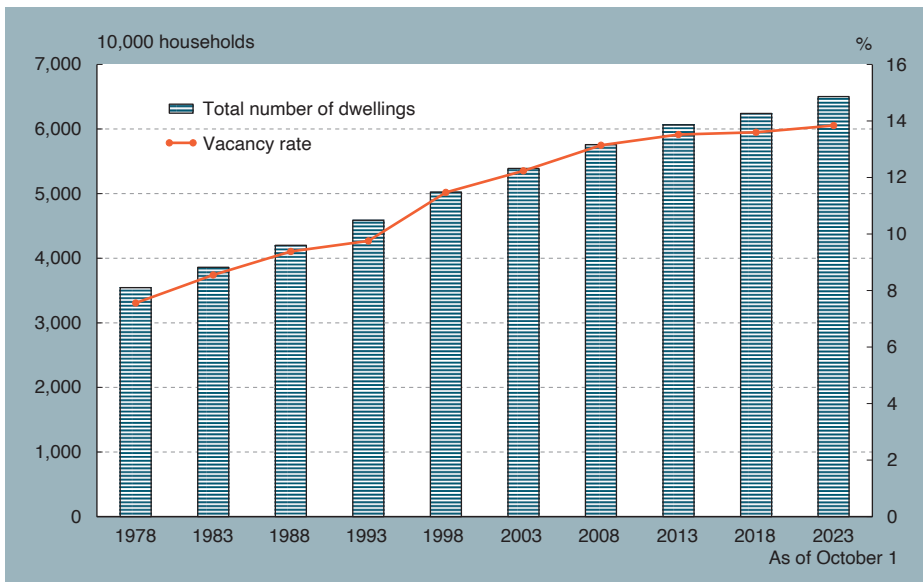
houses with zero regular residents, such as houses used only during the day or with only a few people taking turns to stay overnight.

Vacant houses have increased in number by 513,000 compared to the previous survey, and as a percentage of the total number of houses (vacancy rate) amount to 13.8%, up 0.2 points from the previous survey. However, the rate of rise in the vacancy rate seems to have been slowing down in recent years.

Vacancy Rates Tend to Be Higher in West Japan

Looking at vacancy rates by prefecture, they tend to be higher in West Japan. As of Oct. 1, 2023, the highest vacancy rate is in both

CHART 1
Trend of housing in Japan



Source: Housing and Land Survey of Japan, Statistics Bureau of Japan

Wakayama and Tokushima prefectures at 21.2%. On the other hand, vacancy rates are not rising in all prefectures, and of the 47 prefectures, 11 (Ibaragi, Tochigi, Gunma, Saitama, Chiba, Kanagawa, Yamanashi, Shiga, Osaka, Fukuoka and Okinawa) saw a fall in vacancy rates (*Chart 2*).

The Housing and Land Survey of Japan further breaks down vacant houses into four categories – “second dwellings” (second homes), “for rent”, “for sale”, and “other houses”. Of these, “other houses” has changed its name to “vacant houses excluding rent, sales and second dwellings”, and has become the main focus of the released documents. This is because although houses where residing households have been absent for a long time due to relocations or hospitalizations, or houses that are due to be demolished for reconstruction or other reasons, are applicable to this vacant house category, it also includes houses whose vacant house category is hard to determine. In addition, as indicated in *Chart 1*, all vacant houses as a percentage of the total number of houses have trended at the 13% level since the 2008 survey, but the percentage of these “other houses” has gone up by more than 1 point from 4.7% to 5.3%, 5.6%, then 5.9%.

By prefecture, the highest “other houses” as a percentage of the total number of houses were Kagoshima (13.6%), followed by Kochi (12.9%), and Tokushima and Ehime (both 12.2%), showing a higher trend in West Japan.

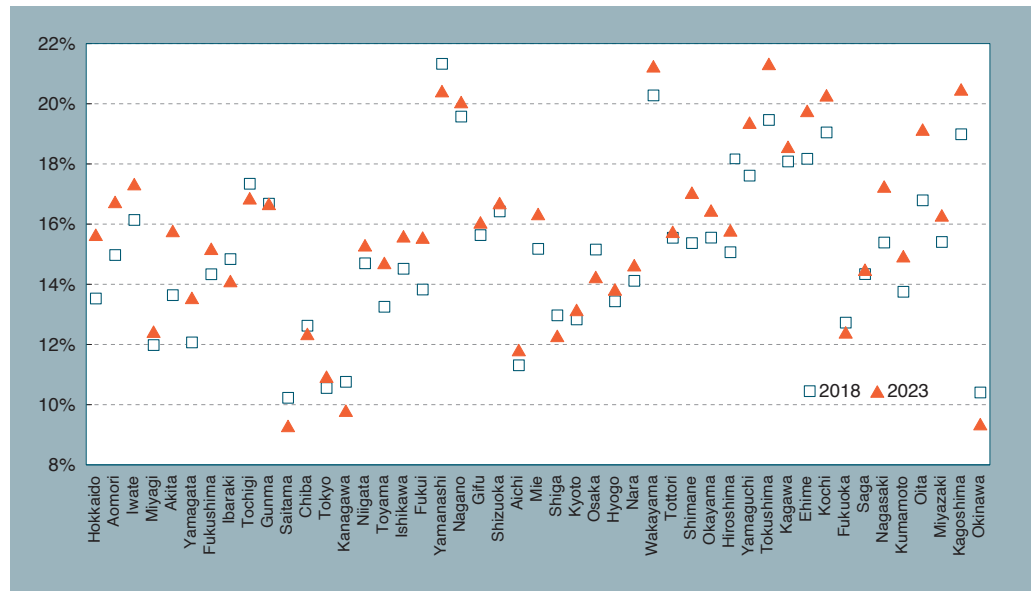
Decay & Damage in More Than Half of Vacant Houses

In order to survey the reality of these vacant houses, the Ministry of Land, Infrastructure, Transport and Tourism conducts a Fact-Finding Survey on Vacant House Owners. The most recent survey, in 2018, conducted interviews with households that replied they own vacant houses in the 2018 Housing and Land Survey of Japan.

According to the interviews, more than 50% of these houses were acquired through inheritance, and close to 70% of the houses were constructed before 1980, making dilapidation an issue. Replies showed that more than half of the vacant houses had decay and

CHART 2

Vacant house rates by prefecture



Source: Housing and Land Survey of Japan, Statistics Bureau of Japan

damage such as deformed roofs and tilted columns. Of those houses categorized as “other houses” above, more than 60% were said to have decay and damage.

On future use by the owners, “leaving it vacant (including storage)” was the most common response at 30%. The reasons given were “need for storage space” (60.3%), followed by “no desire to spend money on demolition” (46.9%) and “no use for cleared land” (36.7%).

On the age of those people mainly supporting households that own vacant houses, 61.5% were over 65. It can be speculated that many households are struggling to resolve vacant house issues on their own as their income is limited. Vacant houses which cannot be utilized are left as they are, and there are concerns that more vacant houses that cannot be utilized will emerge from now on.

Note: This article was written based on information that was obtained by Sept. 25, 2024.

Article translated from the original Japanese by Mio Uchida

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Nobuo Iizuka is a professor of the Department of Economics at Kanagawa University and research director at the Tokyo Foundation for Policy Research. He worked for the *Nihon Keizai Shimbun (Nikkei)* and the Japan Center for Economic Research for more than 20 years, and is one of the most highly-regarded commentators on Japanese business and the economy.

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 (%)		
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	529.5	-4.2	539.6	-3.3	-10.4	-0.2
2021	543.8	2.7	553.2	2.5	5.4	-0.2
2022	550.1	1.2	561.8	1.6	-0.1	2.3
2023	559.4	1.7	592.8	5.5	-1.3	3.1
2023/3rd Qtr.	557.2	-1.1	594.7	0.0	-1.4	3.0
4th Qtr.	557.5	0.1	598.8	0.7	1.1	2.5
2024/1st Qtr.	554.1	-0.6	597.1	-0.3	-5.2	2.5
2nd Qtr.	558.1	0.7	607.6	1.8	2.7	2.5
2024/Jan.	—	—	—	—	-6.7	2.0
Feb.	—	—	—	—	-0.6	2.8
March	—	—	—	—	4.4	2.6
April	—	—	—	—	-0.9	2.2
May	—	—	—	—	3.6	2.5
June	—	—	—	—	-4.2	2.6
July	—	—	—	—	3.1	2.7
Aug.	—	—	—	—	-3.3	2.8
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 (%)
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	118.5	39.6	18.3	23.1	11.8	31.9	9.4	22.0
2023	100.9	2.8	110.2	-7.0	20.3	11.0	11.5	-1.8	10.4	10.9
2023/3rd Qtr.	25.9	1.1	26.9	-16.1	5.3	10.6	2.9	-11.0	2.7	12.7
4th Qtr.	27.6	3.7	29.0	-10.4	5.8	11.3	3.0	-4.8	2.8	6.4
2024/1st Qtr.	25.1	8.8	26.8	-5.0	5.0	13.8	3.1	6.2	2.5	10.0
2nd Qtr.	26.5	8.8	27.9	7.1	5.4	14.0	3.4	24.5	2.4	-8.5
2024/Jan.	7.3	11.9	9.1	-9.7	1.4	15.6	1.0	5.9	0.8	13.8
Feb.	8.2	7.8	8.6	0.6	1.7	18.4	1.0	9.3	0.9	14.6
March	9.5	7.3	9.1	-5.1	1.8	8.5	1.1	3.8	0.9	3.0
April	9.0	8.3	9.5	8.4	1.8	8.8	1.1	29.1	0.9	-2.0
May	8.3	13.5	9.5	9.5	1.7	23.9	1.2	29.8	0.7	-10.1
June	9.2	5.4	9.0	3.3	1.9	11.0	1.1	14.8	0.8	-13.4
July	9.6	10.2	10.2	16.6	1.9	7.3	1.2	22.0	0.9	-5.3
Aug.	8.4	5.5	9.1	2.3	1.6	-0.7	0.9	-2.0	0.7	-9.1
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)	
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	-15.5	11.4	131.4
2023	1.2	1.31	2.6	2.5	-6.5	21.4	140.5
2023/3rd Qtr.	0.9	1.29	2.6	2.4	-0.3	7.9	144.5
4th Qtr.	0.9	1.28	2.5	2.3	-1.0	5.5	147.9
2024/1st Qtr.	1.3	1.27	2.6	2.5	-1.4	6.2	148.6
2nd Qtr.	3.0	1.25	2.6	1.9	-1.2	6.5	155.9
2024/Jan.	1.5	1.27	2.4	2.5	-1.5	0.2	146.6
Feb.	1.4	1.26	2.6	2.4	-0.3	2.7	149.4
March	1.0	1.28	2.6	2.5	0.4	3.4	149.7
April	1.6	1.26	2.6	2.2	-0.7	2.0	153.6
May	2.0	1.24	2.6	1.8	-1.1	2.8	156.2
June	4.5	1.23	2.5	1.5	0.5	1.6	157.9
July	3.4	1.24	2.7	1.5	-0.5	3.2	157.9
Aug.	3.0	1.23	2.5	1.3	-0.4	3.8	146.3
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 (%)
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	21.1	36.4	20.6	28.6	37.8	19.0	5.7	24.8	21.9
2023	11.3	-1.3	34.7	-4.6	27.6	-3.4	17.8	-6.5	24.4	-1.7
2023/3rd Qtr.	2.9	7.0	8.7	-8.1	6.8	-11.7	4.6	-10.2	6.0	-10.3
4th Qtr.	3.0	-7.1	9.2	-3.9	7.2	-7.6	5.0	1.0	6.6	-2.0
2024/1st Qtr.	2.6	1.1	8.8	4.2	6.8	-4.1	4.3	13.3	5.8	-3.6
2nd Qtr.	3.0	4.2	9.2	9.6	6.9	6.9	4.8	11.3	6.2	7.6
2024/Jan.	0.8	-10.3	2.6	7.3	2.3	-6.4	1.3	29.2	2.2	-7.6
Feb.	0.9	1.0	2.9	2.2	2.2	-0.5	1.3	2.5	1.8	17.0
March	1.0	12.0	3.3	3.6	2.3	-5.1	1.7	12.6	1.8	-13.8
April	1.0	3.4	3.1	9.8	2.3	9.9	1.6	9.6	2.1	10.9
May	1.0	5.3	2.9	11.4	2.3	8.0	1.6	17.8	2.1	12.3
June	1.0	3.8	3.2	7.9	2.3	3.0	1.6	7.2	2.0	0.1
July	1.1	10.8	3.4	19.4	2.7	18.2	1.7	7.2	2.3	20.9
Aug.	1.1	17.7	3.2	14.7	2.3	3.4	1.5	5.2	1.9	-2.3
Sources	"Trade Statistics of Japan", Ministry of Finance									