

Public Transport Policy in Aging Japan

SAKAI Tatsuo

Deputy Director

Transport Planning Division

Public Transport Policy Department,

Policy Bureau

Scheduled

Developed

Clean

Rapid

What is the Uniqueness
of Japan's Public Transportation?

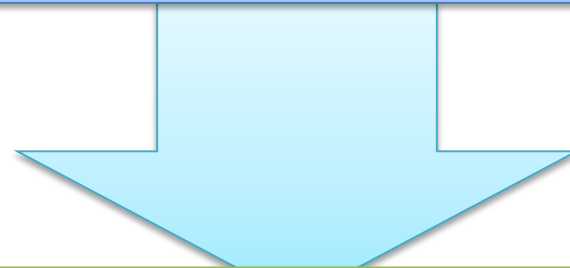
Workaholic...

Congested

Steep Mountainous Landscape (Limited Habitable Space)

High Dense Population

(Large Investment to Railway (For Industry and Military))



Efficient Public Transportation Networks

Led by Private Transportation Companies

Privatization/Separation of Japan National Railway

Failures and Problems of “Third Sector” companies in
“Bubble Boom Era”

So, most Japanese
believes...

“Public Transportation should be
operated by private companies like JRs”

But...

Low Birthrate and Aging Population

Decreasing Density of Cities
(Motorization and Sprawl)

Depopulation of Local Regions



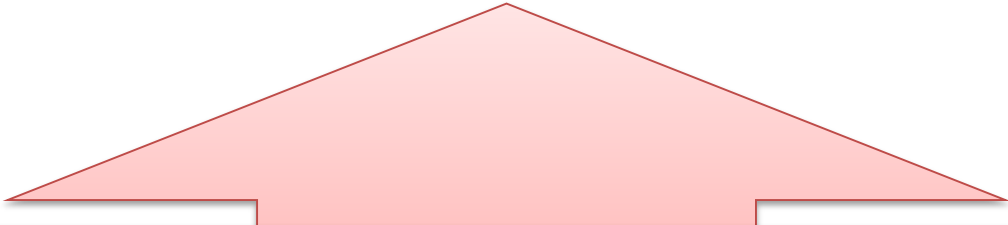
Private Actors are still able to operate...?

Decreasing the Number of Users of Public Transportations
Worsening Business Conditions of Transport Industry

As a result...

Deficit Bus Companies (Scheduled and Fixed Route) : 65%

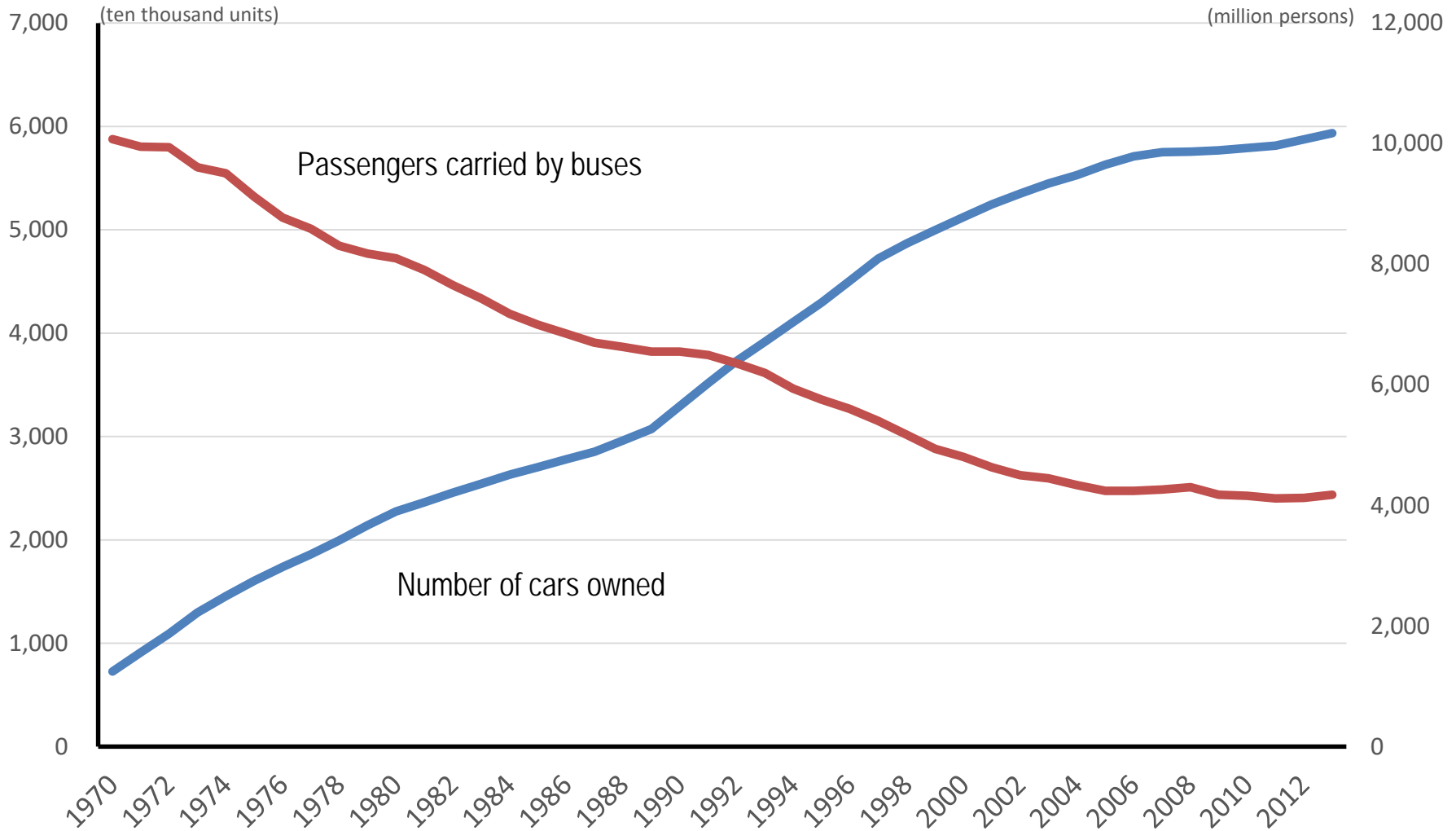
Deficit Regional Railway Companies of : 74% (FY:2015)



**Governmental Subsidies for the Deficits
(By Both Municipal and Central Governments)**

On the other hand, Anti-Monopoly/Trust Act still regulates Public Transport Industry...
Additionally, 2000s, Japan abolished the regulation controlling new entry/withdrawal

■ Increased motorization has in turn lessened the relative importance of local public transportation, which lead to a decreasing number of passengers



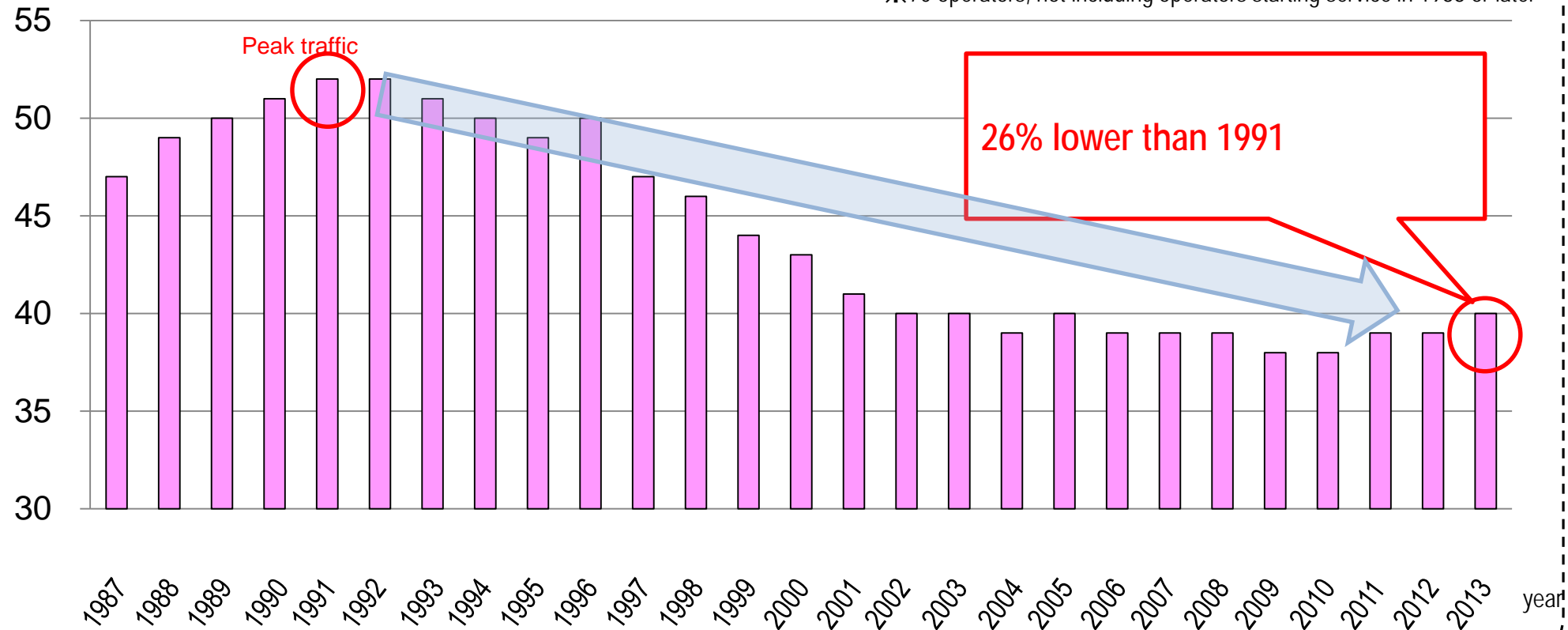
※Number of cars owned is as of the end of March. Number of passengers carried by buses is for the fiscal year.
 Source: Prepared by Policy Bureau, MLIT, based on "Transportation Statistics Handbook in Japan" and publicly available information from the Automobile Inspection & Registration Information Association.

■ Number of passengers carried by local railways is gradually declining, falling by more than 20% from 1991.

Change in number of passengers

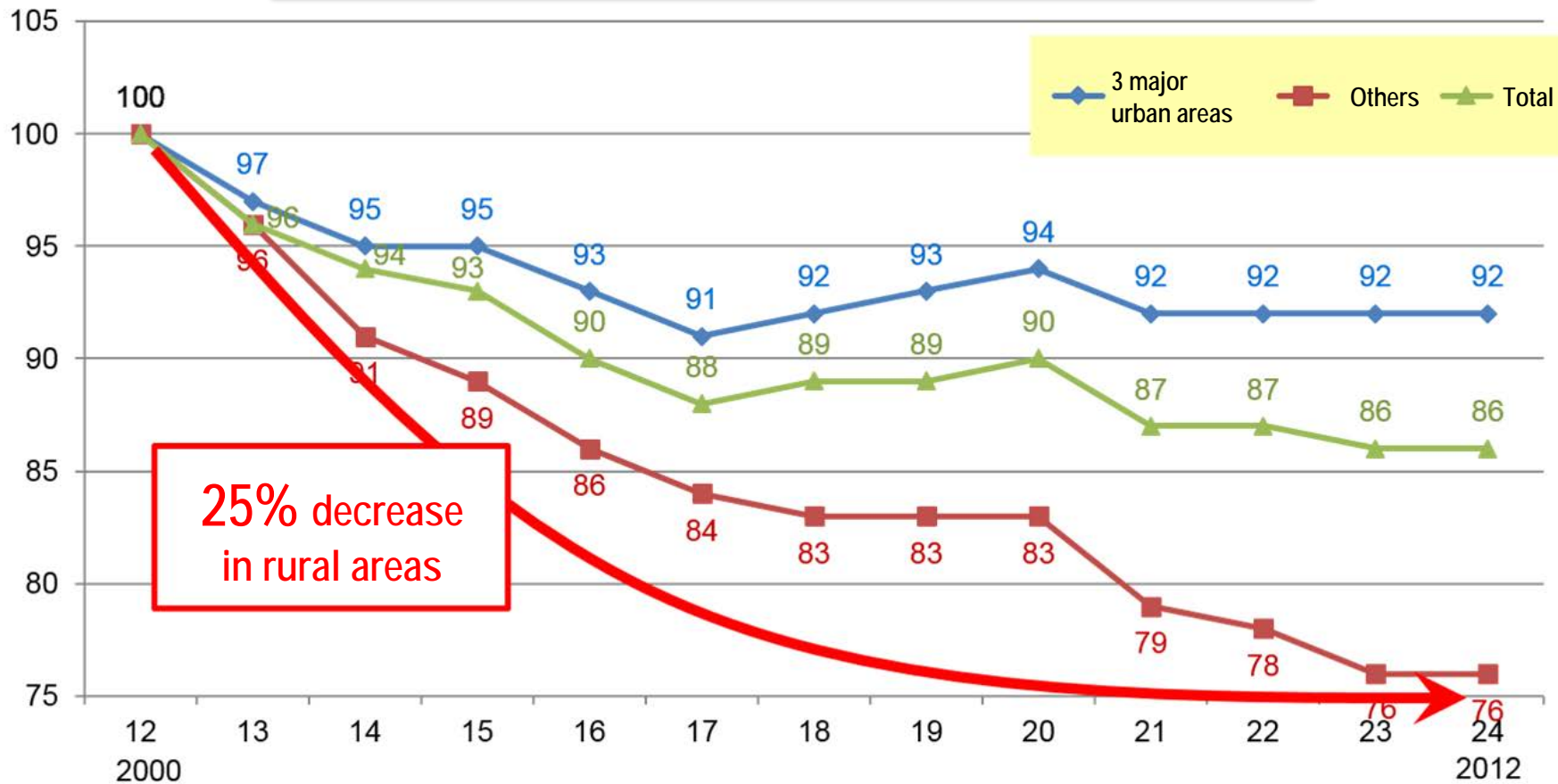
Number of passengers carried (ten million)

※70 operators, not including operators starting service in 1988 or later



■ Number of passengers in rural areas are especially declining, going down by more than 20% from 2000.

Change in number of passengers (with 2000 as 100)

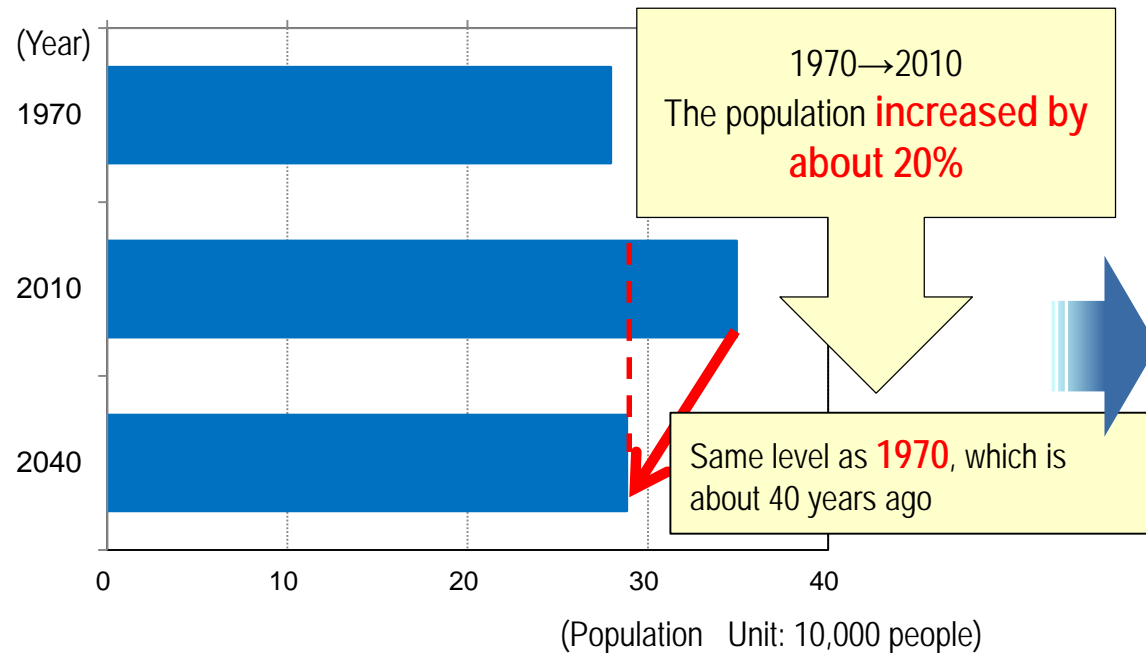


Source: Survey on Motor Vehicle Transport

Trends in Population in Prefectural Capitals

(Excluding the three metropolitan areas and ordinance-designated cities)

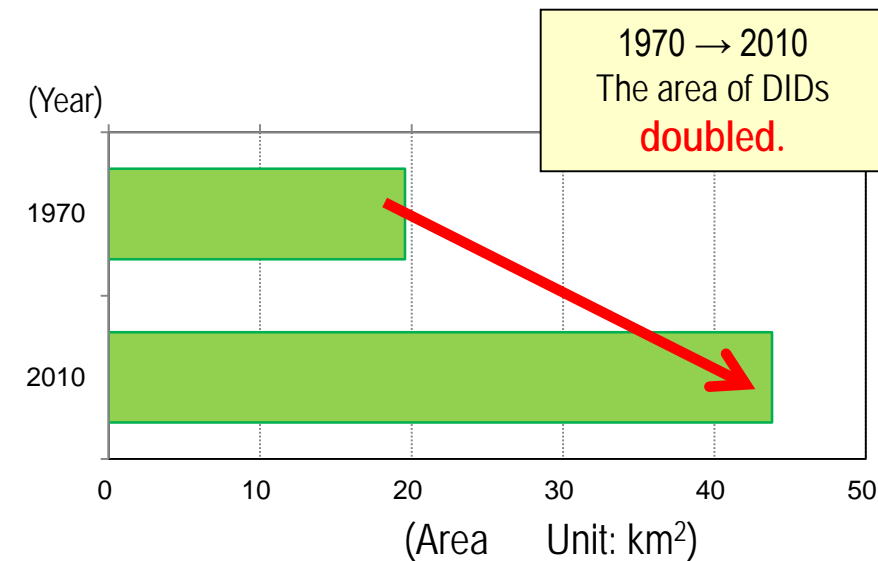
< Average population per city >



Trends in the Area of DIDs in Prefectural Capitals

(Excluding the three metropolitan areas and ordinance-designated cities)

< Average area of DIDs per city >

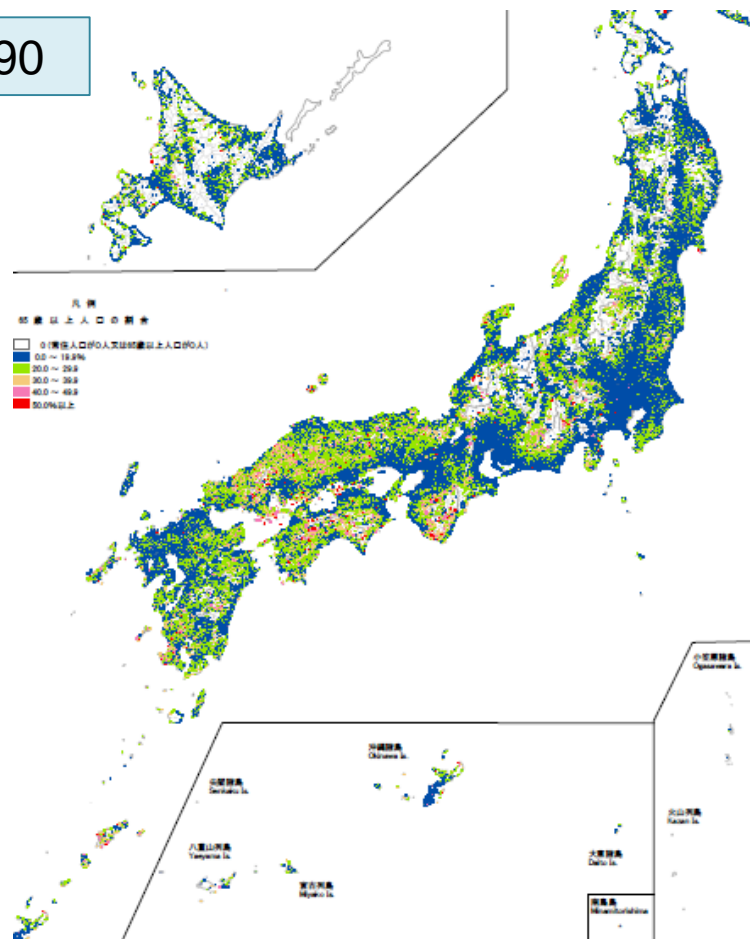


Source: Population Census
National Institute of Population and Social Security
Research (March 2013 projections)

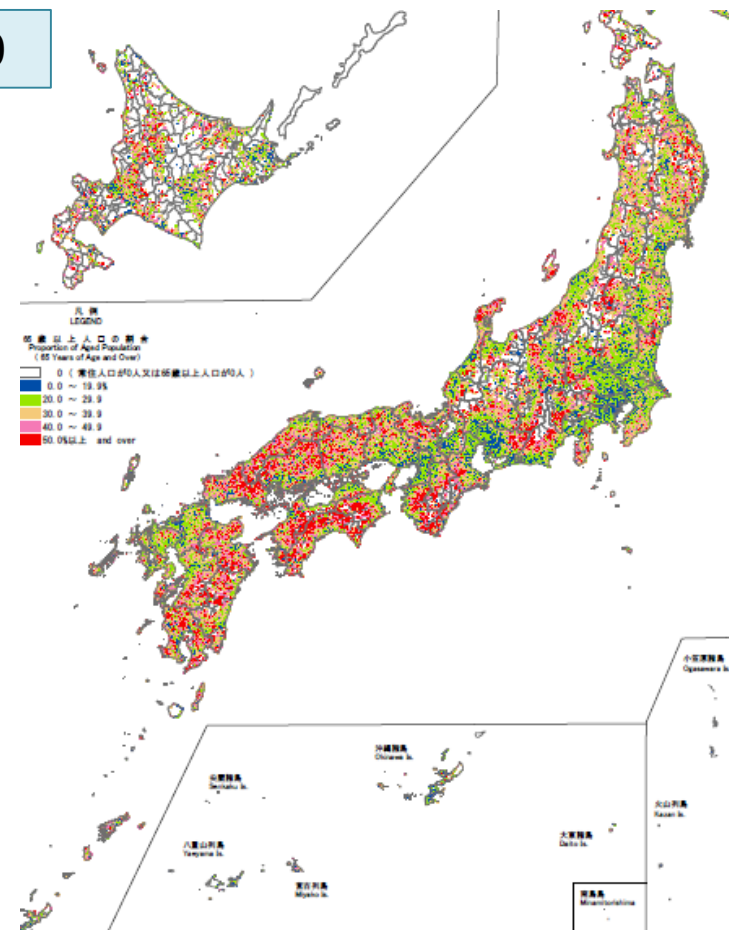
Progress of aging population

- When look at the change in the population aging rate by prefecture, population aging in cities other than Tokyo, Osaka or Nagoya is growing faster than metropolis areas.

1990



2010



Population aging rate by region (%)

(Year)	Capital region	Chubu region	Kinki region	Cities other than Tokyo, Osaka or Nagoya
1990	10.10%	11.90%	11.20%	14.1
2010	21.00%	22.70%	22.90%	25.1

Note 1: The population of the elderly is the population aged 65 or over.

Note 2:

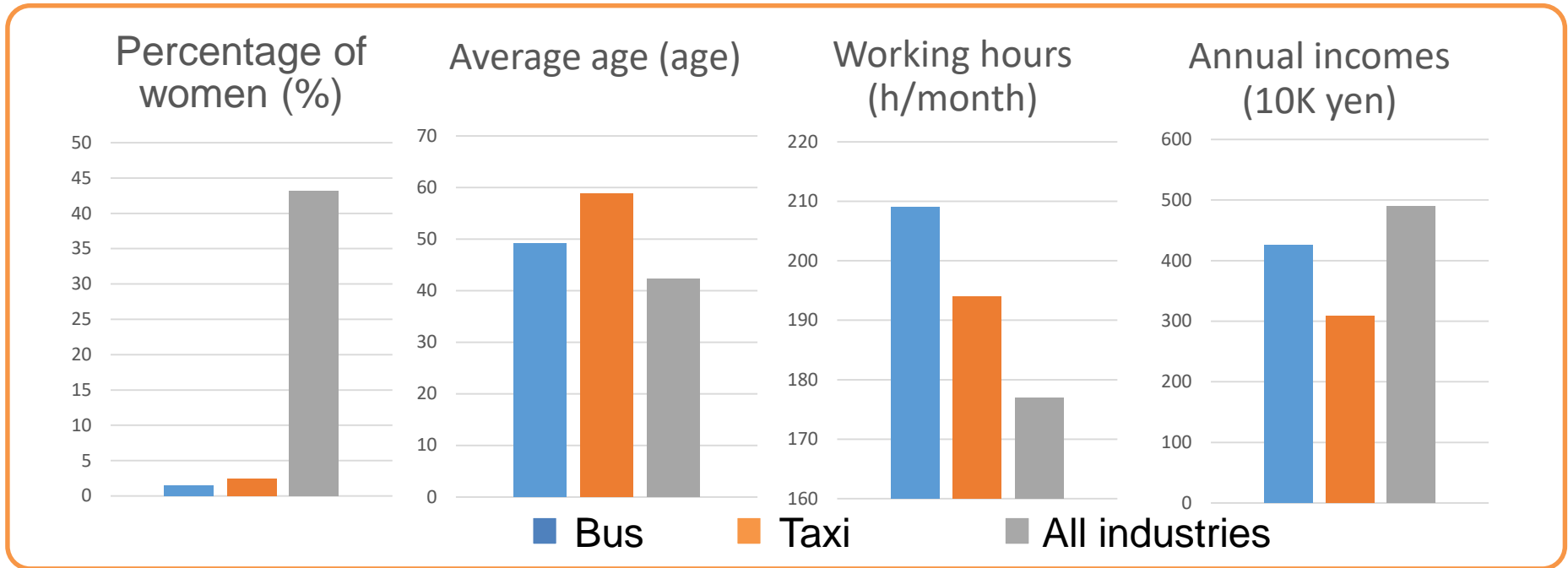
Capital region: Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, Kanagawa, Yamanashi

Chubu region: Nagano, Gifu, Shizuoka, Aichi, Mie

Kinki region: Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama

Reference: Prepared by MLIT based on the Census by the Ministry of Internal Affairs and Communications

- Generally speaking, The employment is largely dependent on middle-aged males. The working hours are longer and annual incomes are lower compared with all industries.
- These circumstances might be causing young people not to choose automobile carrier as their career.



Note 1: Working hours = Values estimated from “actual official working hours + actual overtime hours” in “Basic survey on wage structure” by the Road Transport Bureau of MLIT

Actual official working hours = Actual working hours in June each year, between official starting time and finishing time in official working days that are specified in each company’s work rules.

Actual overtime hours = Actual working hours other than actual official working hours or official working days

Note 2: Annual incomes = Values estimated from “set cash salary x 12 + annual and special bonus” in “Basic survey on wage structure” by the Road Transport Bureau of MLIT

Set cash salary = Cash salary paid in June (before income tax, social security, etc.) including base salary, duty allowance, perfect attendance allowance, commuting allowance, family allowance, overtime allowance, etc.

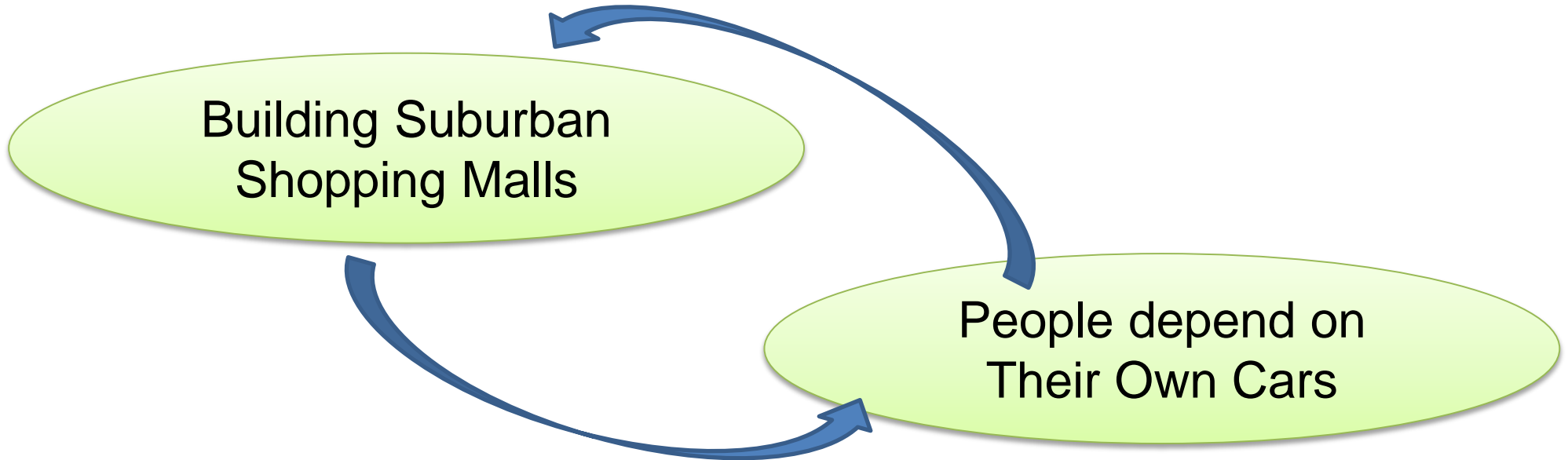
Annual and special bonus = Bonus, terminal allowance and other special pay made between January and December in the previous year of the survey

Materials: Prepared by the Policy Bureau of MLIT based on “Labor force survey” by MIC, “Basic survey on wage structure” by MHLW, “Bus industry in Japan” by Nihon Bus Association, and “Hire-Taxi yearbook” by Japan Federation of Hire-Taxi Associations

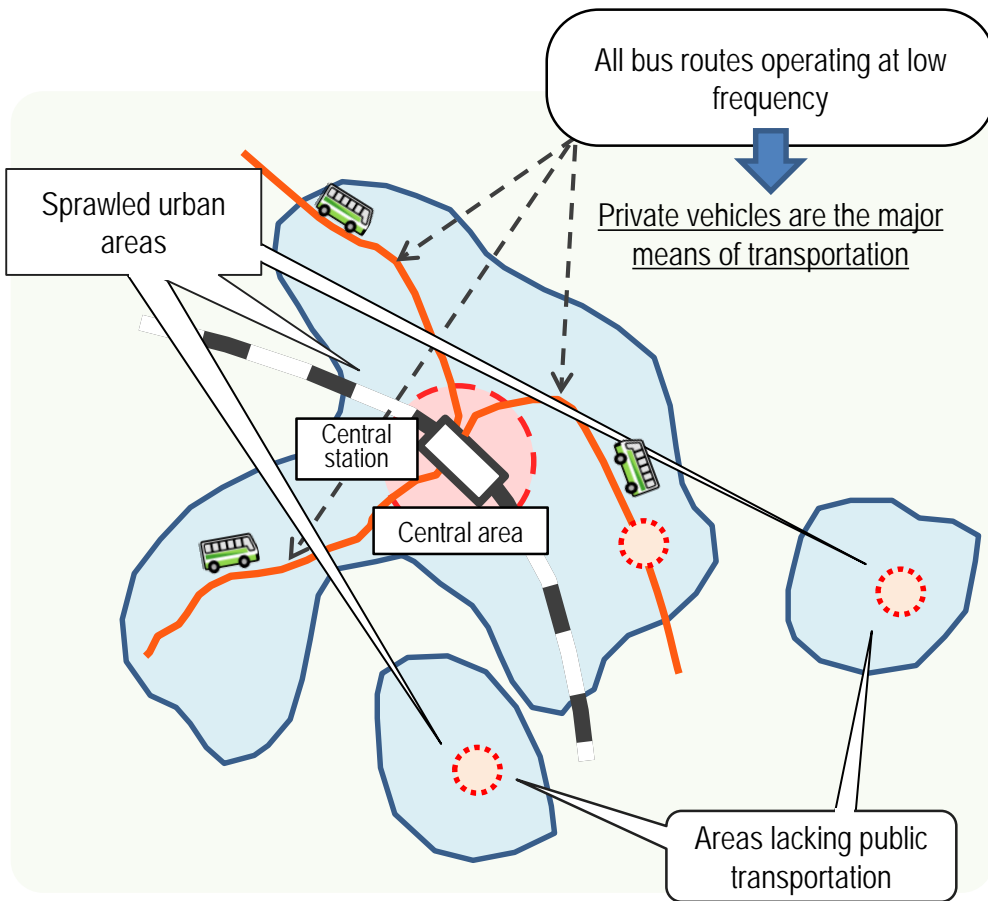
Inconvenient City Center
Without Transport Network

Building Suburban
Shopping Malls

People depend on
Their Own Cars



Current situation



Future vision

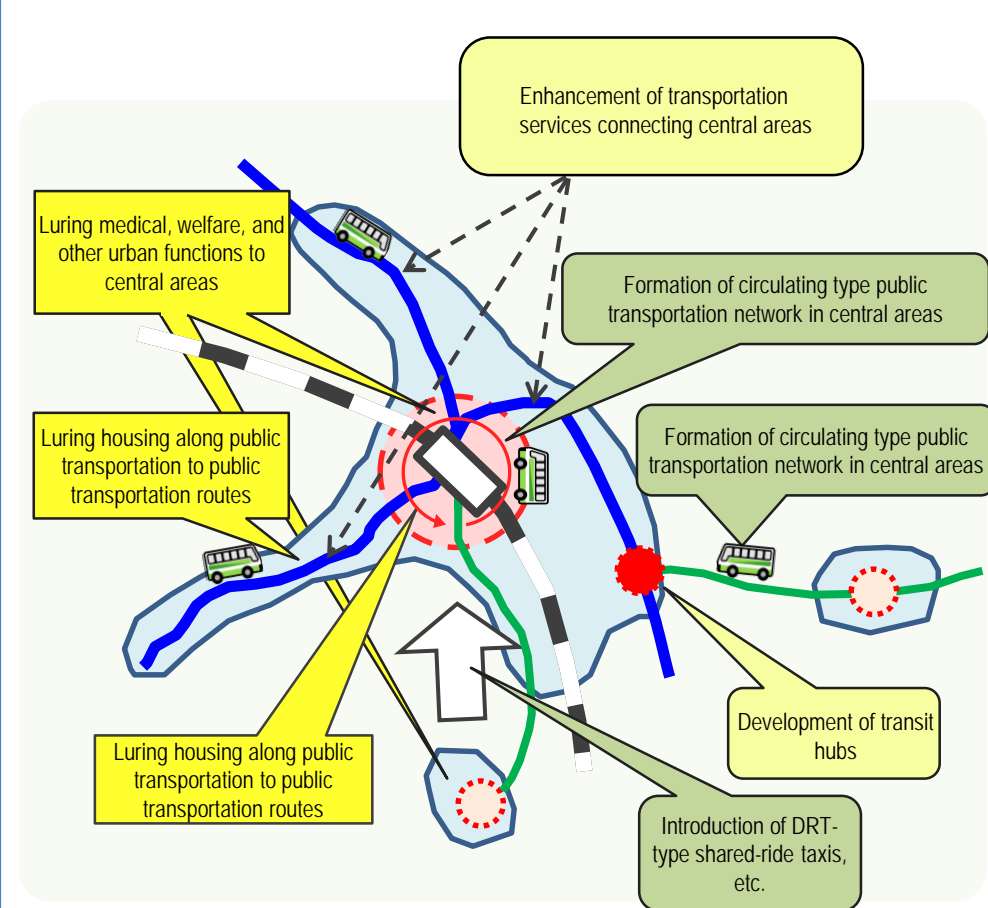
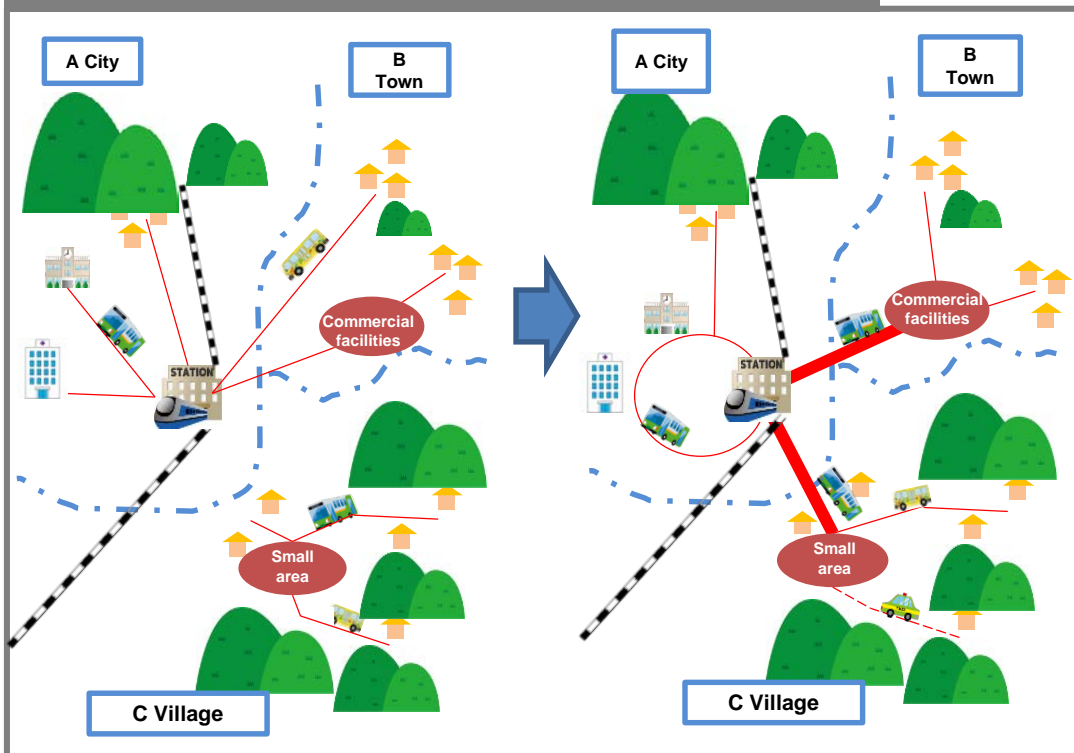
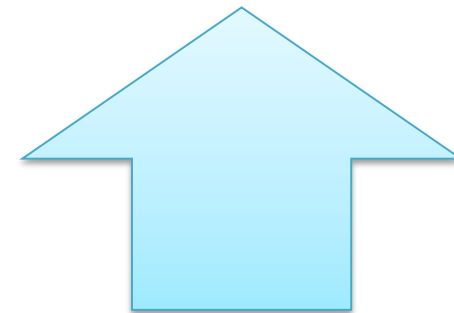


Image of reconstruction of a local public transportation network



Re-Planning
about
Regional Transportation
Network

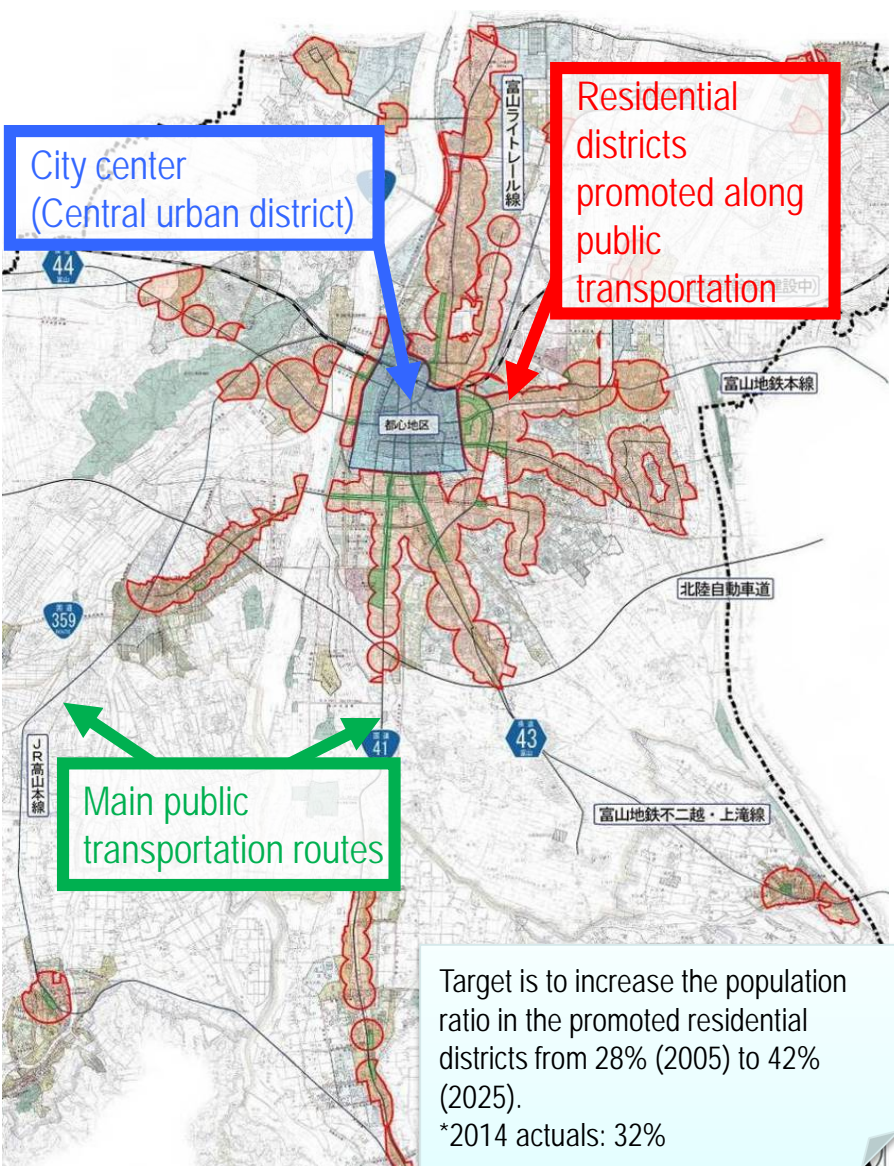
By the Leadership of Local Government
With the Coordination of Operators
Along with the “Current” Local Needs



Central Government Promotes the Restructuring Plans By
Inflated Subsidies
Partial Revive of the Entry/Withdraw Regulation

(Reference) Initiatives at a Pioneering Municipality – Toyama -

○ Toyama has a master plan to “develop a compact city with focused centers along public transportation” and is carrying out city and public transportation revitalization initiatives based on the plan



Master Plan

Concept:

Develop a compact city with focused centers along public transportation

- Define areas to promote as residential districts and population target for the districts
- Define city/community centers where various city functions are to be concentrated
- Define main public transportation routes; development and maintenance policies for public transportation

Development of LRT service and improvement of transport connectivity

- Feeder bus connection at Toyama Light Rail stations
- Review and eliminate overlapping bus routes ⇒ more efficient operations

Collective housing built with subsidy



"Odekake (Outings)" train pass

- All public transportation fare from locations in the city to city center discounted down to 100 yen (must be a city resident 65 or older)

Apartments rented by sublet



Promote relocation to residential districts along public transportation routes

	Subsidies to business operators for building collective housing	Subsidies to citizens for single-family housing	Social dynamics
Promote living in city center	1 million/housing unit	0.5 million/housing unit	Continuously more inflow than outflow
Promote living along public transportation	0.7 million/housing unit	0.3 million/housing unit (Up to 0.5 million if meeting requirements for additional subsidy)	Downward trend in having more outflow than inflow

○ In order to secure sustainable means of transportation to the Hitachiota district where public facilities are concentrated, the city aims to integrate the routes to private business operators and to provide efficient and integrated transportation services.

Background - Challenges

- ✓ Fixed-route buses, community buses (citizen buses), free hospital buses and school buses are running the same route
- ✓ The operation dates (1 to 7 days a week), schedule and the number of services, and the fare system (distance system, 200 yen uniform, free) have not been separated, which leads to inefficient operation

Specific project

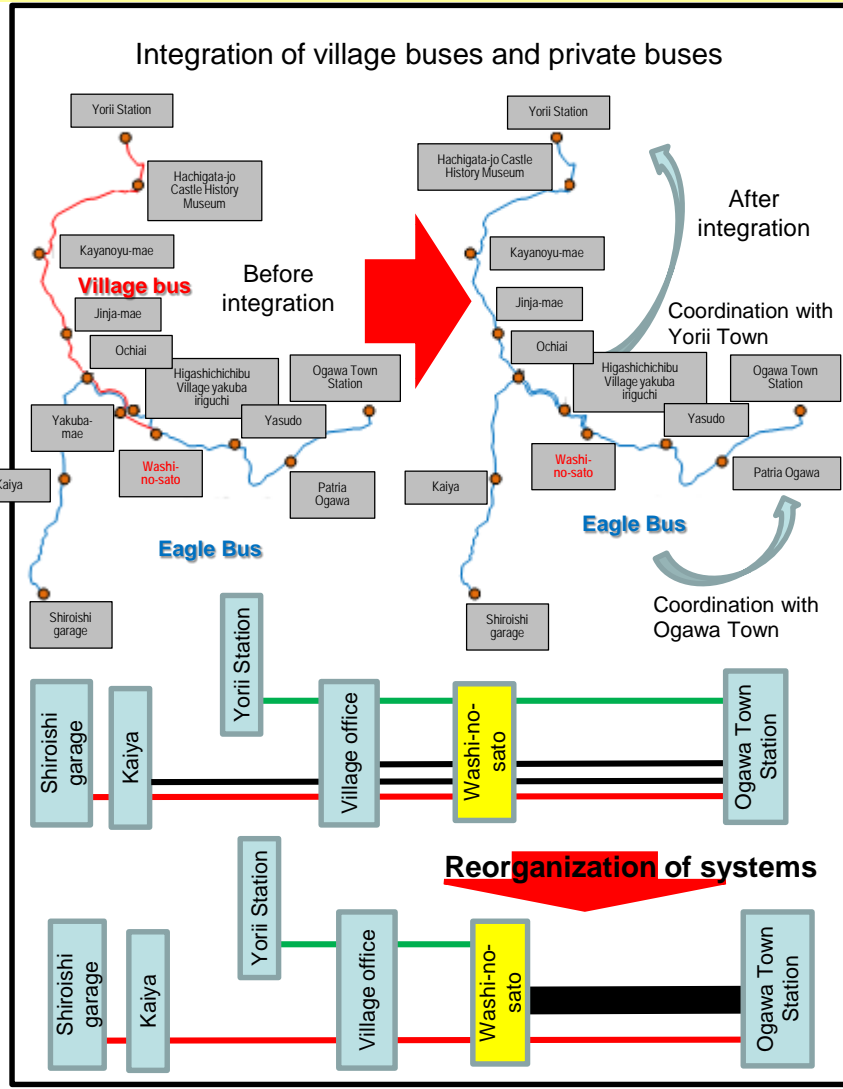
- ◆ Abolish buses other than fixed-route buses, integrate into fixed-route buses
- ◆ Operate buses every day (weekday), and adjust the schedule and the number of services
- ◆ Change the fare system to a 3-stage system that is easy to understand (200 yen, 300 yen, 500 yen)



█ Fixed-route bus / Citizen bus / Midori-go duplicate routes
█ Fixed-route bus / Citizen bus duplicate routes



○ Making Washi-no-sato (Village of Japanese paper) its base, the village aims to reconsider the bus routes in a uniform manner to reconstruct a sustainable public transport network while shortening the long operation distance. In addition, it forms a public transportation network which contributes to the outing of residents and visitors by both enlivening Washi-no-sato and improving public transportation.



○ Establishment of local public transportation systems in collaboration with the development of the village

The village aims to promote outings along with the measure to enliven Washi-no-sato, its small base.



○ Reconstruction of a transportation network making Washi-no-sato its hub

By reconstructing the bus routes making Washi-no-sato its base, abolish the operation system that had a long route, etc. as well as rationalize the operating frequency according to the actual usage to achieve a more efficient operation.



Improve the ratio of expenses to income

* For residents living in a settlement away from the road, consider introduction of DRT. (Project of network formation plan)

- Due to the shortage of labor in the transportation industry and decreasing transportation demand caused by depopulation, sustaining transportation service of people and goods has become a serious problem in depopulated areas; therefore, transportation companies have changed the traditional goods-only or passengers-only system to the one that allows transporting both goods and passengers (since August 2017).

Before

[Transit bus]



Transporting of goods less than 350kg were permitted. (The Road Transportation Act, Article 82)

[Chartered bus/taxi]

Passenger transport only

[Truck]

Goods transport only

After

[Transit bus]



Transporting goods of 350kg and more are permitted. (Goods transport license should be obtained)

*License is not required for transporting goods less than 350kg

[Chartered bus]



Transporting of goods are permitted. (Goods transport license should be obtained)

※Limited to depopulated area

[Taxi]



Transporting of goods are permitted. (Goods transport license should be obtained)

※Limited to depopulated area

[Truck]



Transporting of passengers are permitted. (Passenger transport license should be obtained)

※Limited to depopulated area

No change

[Paid transportation service by private vehicle]



Transporting of goods less than 350kg is permitted. (License required under the Road Transportation Act, Article 78, Sub - Paragraph 3)

※Limited to depopulated area

5 applications for goods and passenger transportation license have been submitted, and one of them have been approved as of March 2018.

Thank You for Coming and Listening !!

**Feel Free To Contact With
sakai-t2fk@milt.go.jp**