Public Transport Policy in Aging Japan

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Differentiation of Today’s Presentation from Other “PRs”

What is the Uniqueness of Japan’s Public Transportation?

- Scheduled
- Developed
- Clean
- Rapid
- Congested
- Workaholic
Unique Characteristics of Japan

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
So, most Japanese believes…

Privatization/Separation of Japan National Railway

Failures and Problems of "Third Sector" companies in "Bubble Boom Era"

"Public Transportation should be operated by private companies like JRss"

But…
Problems of Japanese Public Transportation

- 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
Need for Public Support

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

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

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.

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)

26% lower than 1991

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

Source: Railway Statistics Yearbook and survey by Railway Bureau
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
Urban Sprawl

**Trends in Population in Prefectural Capitals**
(Excluding the three metropolitan areas and ordinance-designated cities)

*< Average population per city >*

<table>
<thead>
<tr>
<th>Year</th>
<th>Population (10,000 people)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>30</td>
</tr>
<tr>
<td>2010</td>
<td>36</td>
</tr>
<tr>
<td>2040</td>
<td>35</td>
</tr>
</tbody>
</table>

1970→2010
The population increased by about 20%

Same level as 1970, which is about 40 years ago

**Trends in the Area of DIDs in Prefectural Capitals**
(Excluding the three metropolitan areas and ordinance-designated cities)

*< Average area of DIDs per city >*

<table>
<thead>
<tr>
<th>Year</th>
<th>Area (km²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>20</td>
</tr>
<tr>
<td>2010</td>
<td>40</td>
</tr>
</tbody>
</table>

1970→2010
The area of DIDs doubled.

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital region</th>
<th>Chubu region</th>
<th>Kinki region</th>
<th>Cities other than Tokyo, Osaka or Nagoya</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>10.10%</td>
<td>11.90%</td>
<td>11.20%</td>
<td>14.1</td>
</tr>
<tr>
<td>2010</td>
<td>21.00%</td>
<td>22.70%</td>
<td>22.90%</td>
<td>25.1</td>
</tr>
</tbody>
</table>

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.

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**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

Inconvenient City Center Without Transport Network

Building Suburban Shopping Malls

People depend on Their Own Cars

People depend on Their Own Cars

Building Suburban Shopping Malls

Inconvenient City Center Without Transport Network
**Current situation**

- All bus routes operating at low frequency
- Private vehicles are the major means of transportation
- Sprawled urban areas
- Central station
- Central area
- Areas lacking public transportation

**Future vision**

- Enhancement of transportation services connecting central areas
- Formation of circulating type public transportation network in central areas
- Luring medical, welfare, and other urban functions to central areas
- Luring housing along public transportation routes to public transportation routes
- Luring housing along public transportation to public transportation routes
- Central area
- Development of transit hubs
- Introduction of DRT-type shared-ride taxis, etc.
- Realization of a virtuous cycle

**Legend**

- Yellow: Location optimization plans
- Green: Local public transportation restructuring implementation plan
- Collaboration
- Realization of a virtuous cycle
Regional Policy: Restructuring Networks

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
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.

**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

**“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)

**Promote relocation to residential districts along public transportation routes**

<table>
<thead>
<tr>
<th>Social dynamics</th>
<th>Subsidies to business operators for building collective housing</th>
<th>Subsidies to citizens for single-family housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuously more inflow than outflow</td>
<td>1 million/housing unit</td>
<td>0.5 million/housing unit</td>
</tr>
<tr>
<td>Downward trend in having more outflow than inflow</td>
<td>0.7 million/housing unit</td>
<td>0.3 million/housing unit (Up to 0.5 million if meeting requirements for additional subsidy)</td>
</tr>
</tbody>
</table>

Target is to increase the population ratio in the promoted residential districts from 28% (2005) to 42% (2025).

*2014 actuals: 32%
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)
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)
Ex. Productivity improvement plan for transportation companies

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

※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