

Responses of Municipalities to Deregulation in Bus Transportation in Kinki Region

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The purpose of this paper is to discuss the regional differences relating to provision of bus transportation services and clarify influences of deregulation and subsidy system in Kinki Region.

To analyze bus services operated by local authorities, bus services in the Osaka and Kyoto municipalities and four prefectures in the Kinki Region were examined as to time when services were introduced, fares and types of operation, and the following became clear.

(1) Local authorities which started bus services prior to 1995 or after 2000 are mainly located on the outskirts of the Kinki Region, on the edges of urban areas and in their outlying districts, and mostly used replacement of abolished buses.

(2) Local authorities which started bus services in recent years are mainly located in metropolitan area and on the outskirts of the Kinki Region, and mostly use community buses.

Regarding operational know-how, local authorities do not put so much emphasis on cost and are swayed more by the precedents of neighboring local authorities. National and prefectural assistance measures have also largely influenced bus services provided by local authorities.

From these, above mentioned situation of (1) only means to maintain existing bus routes, and to "maintain" accessibility. Same as (1), the fact of (2) shows to eliminate areas with no transport, and to "improve" accessibility.

New entrant starts the business from a small-scale route, and next, it has expanded the route. Although, there was cream skimming clause in the deregulation it didn't function.

Kyoto City bus association has opposed the new entries by improving the convenience of the bus commuter pass. This change means the similar effect to the reduction of the fare. According to this case, Japanese bus market can be said imperfectly contestable market. The above result is applicable also to whole Japan.