

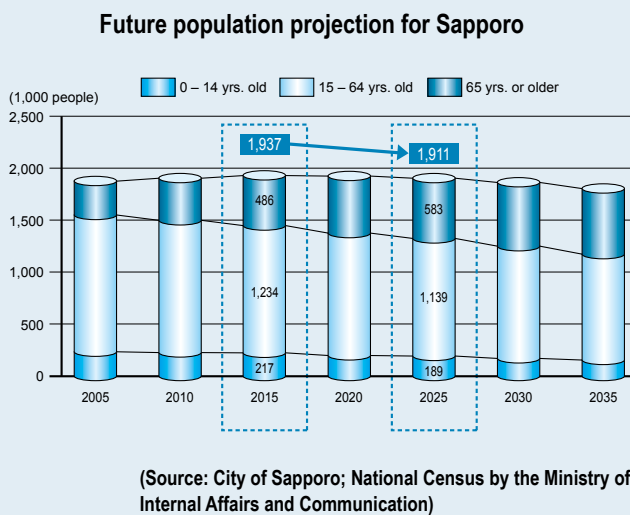
## Chapter 2

# Changes in social and economic conditions and Sapporo

An upcoming depopulating super-aged society is expected to affect our lives in various ways. The globalized world economy now has a stronger impact on local economies and employment. In addition, the accident at the Fukushima No. 1 Nuclear Power Plant has changed our attitude towards energy, affecting our lives greatly. In future city development, it is necessary to accurately understand these changes and set a course to realize a vision for an ideal city while taking advantage of the strengths of Sapporo.

### 1 Changes in social and economic conditions surrounding Sapporo

#### Future population projection The population of Sapporo is expected to take a downward turn from around 2015.

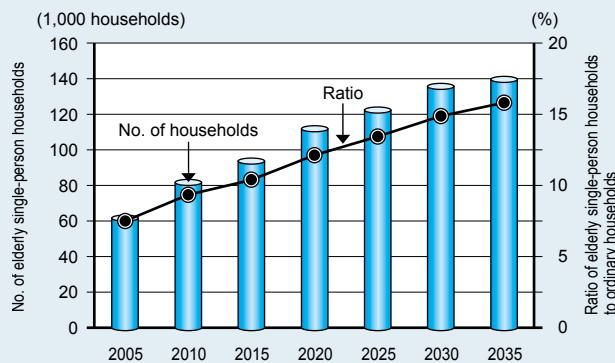


- ◆ The population of Sapporo has been constantly increasing, but is expected to take a downward turn after peaking around 2015. The productive-age population<sup>1)</sup>, which supports Sapporo's economy, has already begun to decrease and is estimated to further decrease.
- ◆ It is estimated that one in three people will be senior citizens in 2025 as a result of the rapid aging of the population due to extended average life spans and declining birth rates.

**Point** City development with an eye on a declining population is necessary.

#### Advent of a super-aged society The number of elderly single-person households is expected to further increase with the rapid aging of the population.

##### Future outlook of the number of elderly single-person households and their ratio to ordinary households



- ◆ The number of senior citizens is expected to increase significantly despite the declining population. The number of people in need of nursing care and disabled people (both groups who need to be assisted or watched) is also on the rise.
- ◆ It is estimated that the number of elderly single-person households will further increase and that approximately one in eight households will be an elderly single-person household in 2025.

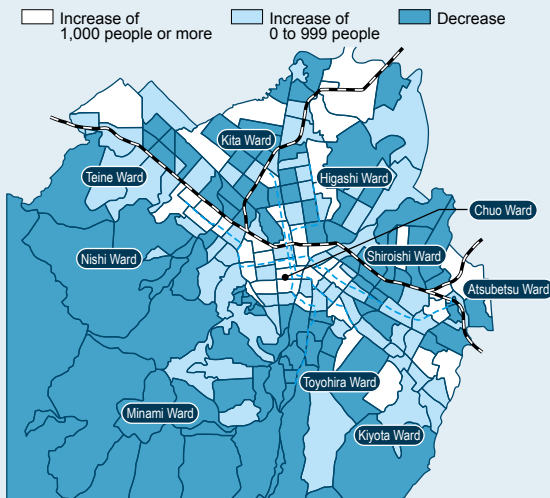
**Point** It is important to support each other in local communities.

<sup>1)</sup> Productive-age population: the population of those aged 15 years or older and less than 65 years of age

## Changes in population by area

The population shift and age composition significantly vary depending on the area.

### Increases in population by ward in Sapporo (2000 – 2010)



Note: results from National Census

Source: City of Sapporo

- ◆ The population has already begun to decrease in many older large suburban housing estates, where such problems as the aging of the population and an increasing number of empty houses are seen.
- ◆ On the other hand, young generations have begun to enter areas where there are many condominiums and newly-developed suburban residential areas, where population increases and low aging rates are seen.

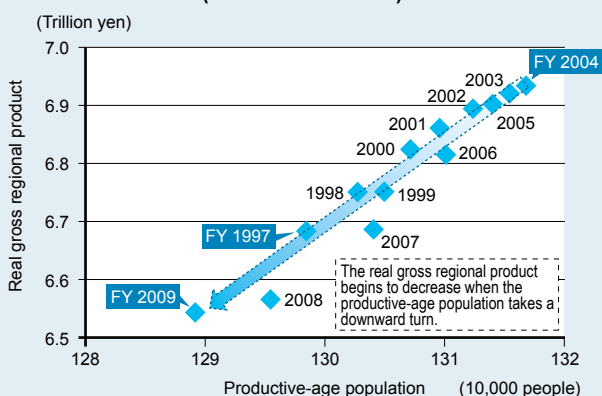
#### Point

It is important to promote city development corresponding to each area's situation and characteristics.

## Reduction in economic scale

The real gross regional product has decreased with the fall of the productive-age population.

### Productive-age population and real gross regional product (FY 1997 – FY 2009)



Note: The figures in the graph indicate fiscal years. The productive-age populations are based on the Basic Resident Register as of October 1 of each year.

Source: City of Sapporo

- ◆ There is a strong correlation between the productive-age population and the real gross regional product<sup>2)</sup> in Sapporo. The real gross regional product has decreased since FY 2005, when the productive-age population started on a downward turn.
- ◆ The productive-age population is expected to further decrease. There is also a tendency for more young people to move out of Hokkaido, causing concern that the economic scale may further reduce.

#### Point

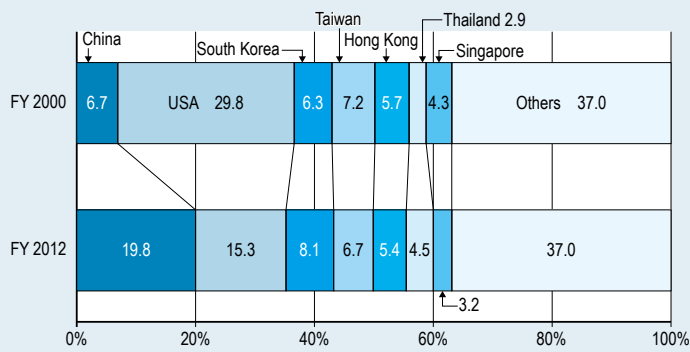
It is important to improve residents' income levels by securing jobs and creating industries with high added value.

<sup>2)</sup> **Real gross regional product:** The gross regional product means the total value of products and services generated during a certain period. The real gross regional product is the value obtained by subtracting the effect of price fluctuations from the gross regional product.

## Advanced globalization

Relationships with other Asian countries whose economies and populations are rapidly growing have been deepening.

Japan's exports by country and region (FY 2000, FY 2010)



Source: trade statistics from the Ministry of Finance

◆ China, India, Indonesia and other Asian countries have seen continuous population increases and economic growth, and the ratio of Japan's exports to Asian countries has been increasing.

◆ The number of foreign visitors to Sapporo has increased in recent years. The number of foreign visitors staying in Sapporo tripled from FY 2001 to FY 2010, 90% of which were from Asian countries.

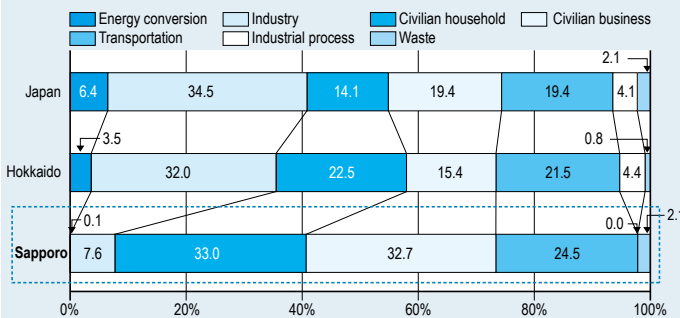
### Point

It is necessary to tap into the vitality of booming Asian countries.

## Environmental/energy problems

A shift to a society free of nuclear power is desired.

Carbon dioxide emissions by sector (FY 2008)



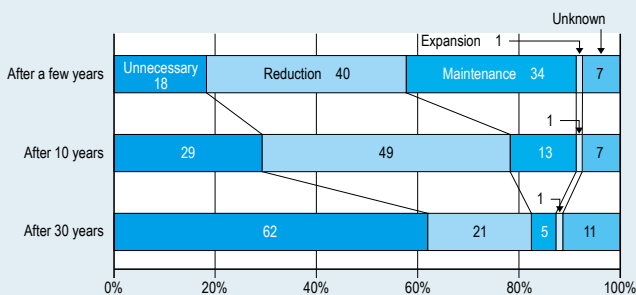
(Source) City of Sapporo, Ministry of the Environment, Hokkaido Government

◆ The ratio of carbon dioxide emissions by sector in Sapporo in FY 2008 was 33.0% for the civilian household sector (emissions from ordinary households), 32.7% for the civilian business sector (emissions from offices, hotels and other service businesses) and 24.5% for the transportation sector (emissions from automobiles). All the figures are higher than those of Japan or Hokkaido, and especially the ratio of the civilian household sector in Sapporo is more than twice that of Japan.

◆ The accident at the Fukushima No. 1 Nuclear Power Plant triggered a review of Japan's energy policy. The FY 2011 public awareness survey on energy shows that people hope future energy policy will focus on denuclearization and the expanded use of renewable energy<sup>3)</sup>.

◆ The Sapporo City Assembly unanimously adopted a proposal to ask for a shift to an energy policy free of nuclear power in June 2011. There has been a growing trend toward denuclearization among the people of Sapporo.

Future nuclear power generation



(Source) FY 2011 public awareness survey on energy by the City of Sapporo

### Point

Effective use of resources and efforts by each resident are important for the realization of a low carbon society and a society free of nuclear power.

<sup>3)</sup> Renewable energy: a generic term for permanently useable energy such as sunlight, geothermal heat and wind power

The attractive features and resources of Sapporo and Hokkaido that should be better utilized based on the changes surrounding Sapporo are outlined here.

### Attractive features and strengths of Sapporo

Sapporo, where a rich natural environment and advanced urban functions coexist, is a city to which residents have a profound attachment.

#### Attractive features and strengths of Sapporo

- ◆ Rich natural environment
- ◆ Few natural disasters
- ◆ Integrated urban functions
- ◆ Culture and lifestyle unique to Sapporo
- ◆ Open-minded and progressive people

- ◆ The results of the FY 2011 city opinion poll show city residents' emotional attachment to Sapporo is extremely high at 97.2%.
- ◆ Sapporo has come first in the attractive city ranking by a private research institute. The city's brand image is also high nationwide.

#### Point:

It is necessary to promote efforts to further improve the city's livability and attractive features while utilizing its strengths.

### Resources in Hokkaido

Hokkaido abounds in resources such as food, tourism and energy, and has a potential for new wide-area networks.

#### Resources to be further utilized in Hokkaido

- ◆ Abundant food resources
- ◆ Rich natural environment as a means to attract visitors
- ◆ Abundant sources of renewable energy
- ◆ Extension of the Hokkaido Shinkansen Line to Sapporo

- ◆ Most of the attractive features of Sapporo are the same as those of Hokkaido, such as the rich natural surroundings and food. The economies of Sapporo and Hokkaido are closely related and cannot be separated.

#### Point:

It is important to take advantage of the rich resources in Hokkaido for city development.

