

Outline of Remuneration Recommendation

○ Main Points of 2021 NPA Remuneration Recommendation

~ Monthly remuneration should not be revised; however, bonuses should be reduced by 0.15 times as much as the monthly remuneration ~

I. Basic Concepts of Remuneration Recommendation

- The NPA Remuneration Recommendation ensures appropriate remuneration for national public employees as a compensatory measure for restrictions placed on basic labor rights. It provides the basis upon which efficient administrative management is maintained.
- It is most rational to determine the level of public sector remuneration in accordance with that of the private sector remuneration, which is determined by labor-management negotiations, etc., reflecting the factors such as economic and employment circumstances.

II. Revision of Remuneration Based on the Comparison with Private Sector Remuneration, etc.

1. Comparison with Private-Sector Remuneration

A surveys was conducted for approximately 450,000 individual remunerations in about 11,800 private sector offices. (Survey completion rate: 82.7%)

<Monthly remuneration>

The NPA compared the remuneration of the public and private sectors for April 2021 by considering remuneration-determining factors such as position level, working area, educational background and age.

- **Difference from private sector remuneration:** minus 19 yen, minus 0.00%

(Administrative Service (I): Current remuneration 407,153 yen; average age 43.0 years old)

<Bonus>

A comparison was made between the actual payment results in the private sector (payment rate) for the most recent one year from August 2020 to July 2021 and the payment rate in the public sector.

- **Payment rate in the private sector:** 4.32 months (4.45 months in the public sector)

2. Content and Concept of Remuneration Revision

<Monthly remuneration>

Monthly remuneration should not be revised because the difference with the private-sector remuneration is nominal, and it is difficult to revise the salary schedule and allowances appropriately.

<Bonus>

The Bonuses should be reduced to match the payment rate of the private sector (from 4.45 to 4.30 times as much as the monthly remuneration).

The decrement should be allocated to the payment rate of the End-of-Term Allowance considering the payment situation in the private sector.

(Payment rates for general employees)

	June	December
FY 2021		
End-of-Term Allowance	1.275 (Paid)	1.125 (Currently 1.275)
Diligence Allowance	0.95 (Paid)	0.95 (No revision)
FY 2022 onward		
End-of-Term Allowance	1.20	1.20
Diligence Allowance	0.95	0.95

[Time of Implementation]

Date of promulgation of the act to realize this recommendation

3. Other Measures

(1) Remuneration of part-time employees

In July of this year, the NPA revised the Guidelines on the Remuneration of Part-time Employees with regard to the remuneration equivalent to End-of-Term Allowance and Diligence Allowance; and will instruct the Cabinet Office and each ministry to improve the treatment of part-time employees promptly in accordance with revised guidelines.

(2) Handling of End-of-Term Allowance and Diligence Allowance in conjunction with the revision of the childcare leave system

In line with the Submission of Opinions, the NPA has taken measures to ensure that the period of childcare leave within eight weeks after the birth of a child and other childcare leave periods should not be added together when calculating the period of service for End-of-Term Allowance and Diligence Allowance.

(3) Response to telework (working from home) in terms of remuneration

The NPA will continue to study this issue by ascertaining the actual status of telework and cost burden in the public service, and by conducting interviews with companies that have already introduced telework allowances.

4. Consideration for the future review of the remuneration system

In response to the enactment of the law to gradually raise the mandatory retirement age, the NPA will embark on the measures to shift toward the system where remuneration levels before and after the age of 60 will have continuity while accurately reflecting ability and performance. The work will proceed by stages, starting with the provision of standards for grade increase, step increase, etc. based on the personnel evaluation system revision.