

# The New Annual Salary System will be revised!

## The revised New Annual Salary System will be effective as of October 1, 2021 as the Annual Salary System (II).

- \* This will be different from the Salaries of Employees Subject to the Annual Salary System Promotion (former Annual Salary System).
- \* The New Annual Salary System is applicable to university faculty members, academic researchers, and research administrators.
- \* In relation to this revision, the current New Annual Salary System is referred to as Annual Salary System (I) and the revised New Annual Salary System is referred to as **Annual Salary System (II)**.

### Basic approach

To secure stability in salary while securing distinctive percentage increases based on performance

### Key points of the revision

\*Please see the back side for salary comparison examples under different salary systems.

#### (1) The base amount of performance-based annual salary will be raised (revision of the base salary table).

(Example: Performance-based annual salary base amount)

- Professor: 5th grade, 47th pay step: 2,436,000 yen ⇒ 2,547,600 yen (an increase of 111,600 yen)
- Associate professor: 4th grade, 47th pay step: 1,978,800 yen ⇒ 2,020,800 yen (an increase of 42,000 yen)
- Lecturer: 3rd grade, 68th pay step: 1,921,200 yen ⇒ 1,962,000 yen (an increase of 40,800 yen)
- Assistant professor: 2nd grade, 49th pay step: 1,458,000 yen ⇒ 1,472,400 yen (an increase of 14,400 yen)

#### (2) The size of salary raise in basic annual salary will be equivalent to that under the Monthly Salary System.

[Examples of general employees (less than 55 years old)]

	New Annual Salary System		Monthly Salary System
	Current (Annual Salary System (I))	Revised (Annual Salary System (II))	Current
S category	9th pay step	8th pay step	8th pay step
A category	9th pay step	8th pay step	8th pay step
B category	7th pay step	6th pay step	6th pay step
C category	3th pay step	4th pay step	4th pay step
D category	1th pay step	2th pay step	2th pay step
E category	0th pay step	0th pay step	0th pay step

#### (3) Percentage increases in performance-based annual salary will be revised.

[Examples of general employees]

	New Annual Salary System (changes in the base amount)		Monthly Salary System (payment rate)
	Current (Annual Salary System (I))	Revised (Annual Salary System (II))	Current
S category	50% increase	35% increase	15% increase (5.05)
A category	35% increase	21% increase	10% increase (4.83)
B category	25% increase	7% increase	4% increase (4.57)
C category (base amount)	Lower than the Monthly Salary System	About the same as the Monthly Salary System	(4.39)
D category	10% decrease	10% decrease (TBD)	Up to 14% decrease (Not less than 3.75, but less than 4.39)
E category	20% decrease	20% decrease (TBD)	

- \* The size of decrease for D category and E category applies to cases other than when disciplinary actions are taken.

### For those who are working under the New Annual Salary System

Those employees who are working under the New Annual Salary System as of September 30, 2021 will be asked to indicate their intention during the period from October to November 2021. For those who desire to make a transition to the Annual Salary System (II), it will take effect on January 1, 2022. (Transition schedules thereafter will be notified separately.) \* Any inquiries on this matter should be directed to the person indicated in "Inquiries" on the back side.

## Salary comparison examples under different salary systems (annual salary amount)

### (1) Professor (54 years old)

Monthly Salary System: Educational service (A) 5th grade, 47th pay step (monthly salary of 504,300 yen)

New Annual Salary System: 5th grade, 47th pay step (Basic annual salary: 6,051,600 yen (monthly salary of 504,300 yen))

Adjustments to base salary (number of adjustments: 2), dependents (spouse), work location: Higashi Hiroshima (3%)

	New Annual Salary System								Monthly Salary System		
	Current (Annual Salary System (I))				Revised (Annual Salary System (II))				Current		
	Basic annual salary (Size of salary raise)	Performance-based annual salary (Size of increase)	Annual payment	Difference from Monthly Salary System	Basic annual salary (Size of salary raise)	Performance-based annual salary (Size of increase)	Annual payment	Difference from Monthly Salary System	Base salary (Size of salary raise)	Year-end diligence allowance (Payment rate)	Annual payment
S category	9th pay step	50% increase	10,441 thousand yen	+539 thousand yen	8th pay step	35% increase	10,378 thousand yen	+476 thousand yen	8th pay step	15% increase (5.05)	9,902 thousand yen
A category	9th pay step	35% increase	10,075 thousand yen	+315 thousand yen	8th pay step	21% increase	10,021 thousand yen	+258 thousand yen	8th pay step	10% increase (4.83)	9,763 thousand yen
B category	7th pay step	25% increase	9,832 thousand yen	+233 thousand yen	6th pay step	7% increase	9,665 thousand yen	+66 thousand yen	6th pay step	4% increase (4.57)	9,599 thousand yen
C category	3th pay step	No change	9,233 thousand yen	-262 thousand yen	3th pay step	No change	9,486 thousand yen	+1 thousand yen (no difference)	3th pay step	No change (4.39)	9,485 thousand yen
D category	1th pay step	10% increase	8,979 thousand yen	In the range from -345 thousand yen to less than	2th pay step	10% increase	9,232 thousand yen	In the range from -103 thousand yen to less than	2th pay step	Decrease by up to 14% (not less than 3.75, but less than 4.39)	In the range from 9,080 thousand yen to less than
E category	0th pay step	20% increase	8,735 thousand yen	-506 thousand yen	0th pay step	20% increase	8,977 thousand yen	-253 thousand yen	0th pay step		9,485 thousand yen

### (2) Associate professor (47 years old)

Monthly Salary System: Educational service (A) 4th grade, 47th pay step (monthly salary of 418,300 yen)

New Annual Salary System: 4th grade, 47th pay step (Basic annual salary: 5,019,600 yen (monthly salary of 418,300 yen))

Adjustments to base salary (number of adjustments: 2), dependents (spouse, two children), work location: Higashi Hiroshima (3%)

	New Annual Salary System								Monthly Salary System		
	Current (Annual Salary System (I))				Revised (Annual Salary System (II))				Current		
	Basic annual salary (Size of salary raise)	Performance-based annual salary (Size of increase)	Annual payment	Difference from Monthly Salary System	Basic annual salary (Size of salary raise)	Performance-based annual salary (Size of increase)	Annual payment	Difference from Monthly Salary System	Base salary (Size of salary raise)	Year-end diligence allowance (Payment rate)	Annual payment
S category	9th pay step	50% increase	8,963 thousand yen	+493 thousand yen	8th pay step	35% increase	8,846 thousand yen	+376 thousand yen	8th pay step	15% increase (5.05)	8,470 thousand yen
A category	9th pay step	35% increase	8,667 thousand yen	+316 thousand yen	8th pay step	21% increase	8,563 thousand yen	+212 thousand yen	8th pay step	10% increase (4.83)	8,351 thousand yen
B category	7th pay step	25% increase	8,469 thousand yen	+248 thousand yen	6th pay step	7% increase	8,280 thousand yen	+59 thousand yen	6th pay step	4% increase (4.57)	8,221 thousand yen
C category	3th pay step	No change	7,974 thousand yen	-164 thousand yen	4th pay step	No change	8,139 thousand yen	+1 thousand yen (no difference)	4th pay step	No change (4.39)	8,138 thousand yen
D category	1th pay step	10% increase	7,776 thousand yen	In the range from -238 thousand yen to less than	2th pay step	10% increase	7,937 thousand yen	In the range from -81 thousand yen to less than	2th pay step	Decrease by up to 14% (not less than 3.75, but less than 4.39)	In the range from 7,816 thousand yen to less than
E category	0th pay step	20% increase	7,578 thousand yen	-362 thousand yen	0th pay step	20% increase	7,735 thousand yen	-201 thousand yen	0th pay step		8,138 thousand yen

### (3) Lecturer (49 years old)

Monthly Salary System: Educational service (A) 3rd grade, 68th pay step (monthly salary of 406,100 yen)

New Annual Salary System: 3rd grade, 68th pay step (Basic annual salary: 4,873,200 yen (monthly salary of 406,100 yen))

Adjustments to base salary (number of adjustments: 2), dependents (spouse, two children), work location: Higashi Hiroshima (3%)

	New Annual Salary System								Monthly Salary System		
	Current (Annual Salary System (I))				Revised (Annual Salary System (II))				Current		
	Basic annual salary (Size of salary raise)	Performance-based annual salary (Size of increase)	Annual payment	Difference from Monthly Salary System	Basic annual salary (Size of salary raise)	Performance-based annual salary (Size of increase)	Annual payment	Difference from Monthly Salary System	Base salary (Size of salary raise)	Year-end diligence allowance (Payment rate)	Annual payment
S category	9th pay step	50% increase	8,704 thousand yen	+410 thousand yen	8th pay step	35% increase	8,587 thousand yen	+293 thousand yen	8th pay step	15% increase (5.05)	8,294 thousand yen
A category	9th pay step	35% increase	8,416 thousand yen	+311 thousand yen	8th pay step	21% increase	8,312 thousand yen	+207 thousand yen	8th pay step	10% increase (4.83)	8,105 thousand yen
B category	7th pay step	25% increase	8,224 thousand yen	+265 thousand yen	6th pay step	7% increase	8,037 thousand yen	+58 thousand yen	6th pay step	4% increase (4.57)	7,979 thousand yen
C category	3th pay step	No change	7,744 thousand yen	-155 thousand yen	4th pay step	No change	7,900 thousand yen	+1 thousand yen (no difference)	4th pay step	No change (4.39)	7,899 thousand yen
D category	1th pay step	10% increase	7,552 thousand yen	In the range from -232 thousand yen to less than	2th pay step	10% increase	7,704 thousand yen	In the range from -135 thousand yen to less than	2th pay step	Decrease by up to 14% (not less than 3.75, but less than 4.39)	In the range from 7,642 thousand yen to less than
E category	0th pay step	20% increase	7,360 thousand yen	-347 thousand yen	0th pay step	20% increase	7,507 thousand yen	-195 thousand yen	0th pay step		7,899 thousand yen

### (4) Assistant professor (35 years old)

Monthly Salary System: Educational service (A) 2nd grade, 49th pay step (monthly salary of 319,200 yen)

New Annual Salary System: 2nd grade, 49th pay step (Basic annual salary: 3,830,400 yen (monthly salary of 319,200 yen))

Adjustments to base salary (number of adjustments: 2), dependents (spouse, two children), work location: Higashi Hiroshima (3%)

	New Annual Salary System								Monthly Salary System		
	Current (Annual Salary System (I))				Revised (Annual Salary System (II))				Current		
	Basic annual salary (Size of salary raise)	Performance-based annual salary (Size of increase)	Annual payment	Difference from Monthly Salary System	Basic annual salary (Size of salary raise)	Performance-based annual salary (Size of increase)	Annual payment	Difference from Monthly Salary System	Base salary (Size of salary raise)	Year-end diligence allowance (Payment rate)	Annual payment
S category	9th pay step	50% increase	6,886 thousand yen	+376 thousand yen	8th pay step	35% increase	6,784 thousand yen	+274 thousand yen	8th pay step	15% increase (5.05)	6,510 thousand yen
A category	9th pay step	35% increase	6,667 thousand yen	+238 thousand yen	8th pay step	21% increase	6,577 thousand yen	+148 thousand yen	8th pay step	10% increase (4.83)	6,429 thousand yen
B category	7th pay step	25% increase	6,521 thousand yen	+188 thousand yen	6th pay step	7% increase	6,371 thousand yen	+38 thousand yen	6th pay step	4% increase (4.57)	6,333 thousand yen
C category	3th pay step	No change	6,157 thousand yen	-110 thousand yen	4th pay step	No change	6,288 thousand yen	+1 thousand yen (no difference)	4th pay step	No change (4.39)	6,267 thousand yen
D category	1th pay step	10% increase	6,011 thousand yen	In the range from -167 thousand yen to less than	2th pay step	10% increase	6,121 thousand yen	In the range from -58 thousand yen to less than	2th pay step	Decrease by up to 14% (not less than 3.75, but less than 4.39)	In the range from 6,032 thousand yen to less than
E category	0th pay step	20% increase	5,865 thousand yen	-256 thousand yen	0th pay step	20% increase	5,974 thousand yen	-146 thousand yen	0th pay step		6,267 thousand yen

For those who are currently working under the Monthly Salary System or the former Annual Salary System as of September 30, 2021, we are developing procedures to enable willing employees to make a transition to the Annual Salary System (II) effective April 1, 2022.

For those who are working under the Monthly Salary System or the former Annual Salary System

#### [Inquiries]

Persons in charge of personnel systems planning at Personnel Systems Planning G, Dept. of Personnel Affairs, Financial and General Affairs Office  
 Extension: Higashi Hiroshima 6023, 6028, 6027  
 TEL: 082-424-6023, 6028, 6027  
 E-mail: fukumu-seido@office.hiroshima-u.ac.jp