

SYNOD OF ALBERTA AND THE TERRITORIES COMPENSATION GUIDELINES FOR ROSTERED MINISTERS FOR 2021

The following MINIMUM GUIDELINES are provided to assist congregations in planning the compensation for rostered ministers (pastors and diaconal ministers). **It should be noted that these are minimum expectations and that individual circumstances, experience and work load of the individual should be considered and higher amounts paid where necessary.** Where it is impossible for the congregation to pay a minimum salary according to the scale, other options for compensating the individual should be considered, for example, extra holiday time, or availability for part-time employment outside the parish.

The level of compensation paid to an individual in today's society is arrived at in a variety of ways. In private enterprise compensation results from profits gained from the selling of goods and services. In the labour movement and in some professions, collective agreements, usually negotiated by professional negotiators, are binding on both parties. In other areas, an individual may negotiate a contract based on the perceived value of that individual's services. In very few areas today does an individual rely solely on the good will of a constituency for their compensation. The pastor, diaconal minister and other church staff are among these few.

However, rostered ministers should be paid sufficiently so that they can attend to their ministry without concern for their families' material welfare. As well, it is fair that for congregations within a synod there be established a comparable salary and benefits package.

Compensation guidelines are updated annually. The salary scales need to reflect that our rostered ministers are well-educated professionals, many with at least seven or more years of post-secondary study and training. It is reasonable that compensation levels be comparable with other professions with similar educational experience, and with those in other Synods of the ELCIC and other denominations.

Annual increments in compensation reflect the understanding that an individual grows in confidence, skill acquisition and skill application with experience in a call. The increases in the compensation guidelines are meant to reflect the increased service potential of the individual with more parish experience. **After reaching the maximum years of service on the guidelines, compensation increases should be based on economic conditions (e.g., an increment for cost of living increases) and the satisfaction of the parish.**

Parishes want to have pastors and diaconal ministers who effectively serve, lead and minister to the needs of the community and are adequately compensated for their services. Concerns about salaries, allowances and benefits need to be viewed with regard to the very special nature of the service that a rostered minister is called to provide. It is very important that local grievances concerning a pastor's/diaconal minister's service be addressed locally, and not through general reductions in the guidelines. The compensation guidelines help us to bring order to the Synod so that God's people can grow and the Gospel can be shared.

For 2017, and subsequent years, harmonized guidelines for all items listed under "Other Benefits" have been implemented. By mutual agreement by all synods these benefits are identical across the ELCIC. Each Synod will set its own scale for annual base salary and housing allowances.

Base Salary Amounts for 2021
(excluding housing allowance amounts)

	Level 1	Level 2	Level 3	Level 4	Level 5
Start	40,405	41,500	42,595	43,755	44,920
Year 1	41,500	42,595	43,755	44,920	46,085
Year 2	42,595	43,755	44,920	46,085	47,350
Year 3	43,755	44,920	46,085	47,350	48,620
Year 4	44,920	46,085	47,350	48,620	49,845
Year 5	46,085	47,350	48,620	49,845	51,140
Year 6	47,350	48,620	49,845	51,140	52,385

*Level 1: Basic Theological Education; Level 2: Bachelor of Theology (B.Th.); Level 3: Master of Divinity (M.Div.); Level 4: Master of Sacred Theology (S.T.M.) or Doctor of Ministry (D.Min.) *Level 5: Doctor of Theology (Th.D.) or Doctor of Philosophy (Ph.D.)

Year 1 is defined as the first full calendar year following ordination; all subsequent years are calendar years.

For rostered ministers with service beyond the 6th year the increment for 2021 should be the GREATER OF:

(a) \$565/year for each additional year of service under call after the 6th year (e.g. for 15 years the base amount is \$54,930 for Level 3); **OR**

(b) 1.25% above the actual 2020 base salary paid

In no event should the base salary amount for any rostered minister for 2021 be less than it was for 2020.

A 10% addition to the base salary amount, or equivalent consideration (such as time off), for rostered ministers required to conduct more than two services in different localities each Sunday **OR** for pastors required to conduct two services in different languages on a regular basis and whose ministry is conducted largely bilingually.

In addition to the base salary amount annual compensation shall include:

a) Cash housing allowance equivalent to fair rental value of housing in the locale. Fair rental value includes rent and basic utilities. Congregations are strongly encouraged to review annually the amount of fair rental value by comparison to published advertisements for renting comparable premises or in consultation with qualified realtors. Tax regulations allow for housing allowance to be up to 50% of the base salary so long as this amount does not exceed market value rent.; **OR**

b) Provision of a parsonage or rental accommodation maintained in good repair; plus \$160 per month as a housing equity allowance. Housing equity allowance is subject to CPP, EI and income tax deductions. Effective for 2017 and subsequent years the fair value of a parsonage will no longer be applied in determining the basis for life and disability benefits. It is recommended effective for 2017, and subsequent years, that those congregations providing a parsonage pay a cash housing allowance to the individual and then charge rent to the individual equal to the cash allowance. The cash housing allowance will be included in the calculation of life and disability benefits. Such an arrangement would be cash neutral to both the congregation and the individual.

c) Moving costs for an incoming rostered minister shall be paid and should include per km travel plus reasonable accommodation and meal costs. A settling-in allowance of up to \$905 should be considered.

d) Expenses for conference, synod and national church events where the individual is required to attend should be paid by the employer.

Diaconal ministers may qualify for a non-taxable housing allowance in situations where they fulfill the same function test required of an ordained minister. Consult the ELCIC Treasurer's Information Booklet for a description of the requirements as published by the Canada Revenue Agency.

In order for a rostered person to qualify for reduced tax at source they must qualify for the "Clergy Residence Deduction" Persons must submit Form T1213 to CRA in advance and receive written approval from CRA to have their housing allowance excluded from tax withholding by their employer. Where a diaconal minister does not qualify for a non-taxable housing allowance, the appropriate figure above should be increased by 30% to compensate for this fact.

Supply Pastors

Supply pastors should be paid \$180.00 for the first service, \$75.00 for a second service (\$150.00 for a second service in a different language), plus travel reimbursement on a per km basis using the rates specified elsewhere in these guidelines.

Deductions and withholdings may apply to these amounts, depending on the circumstances (including ELCIC pension if the individual is still an active member of the ELCIC pension plan). Consult the CRA guide T4001 for payroll deductions and remittances for statutory requirements. A T4 slip must be issued if annual remuneration is more than \$500.00, or if withholdings (including ELCIC pension) are made. Contact ELCIC Group Services to determine the pension plan status of the individual.