



## Compensation Schedule For Pastors, Diaconal Ministers, Pastoral Supply, and Interim Pastors 2017-2018

Compensation for Rostered employees has several components which are described in this document. The following information outlines the expectations of the ELCIC for compensation in each of those areas and provides guidance for the committee or council.

### **PART 1** **Salary and Clergy Residence**

#### *Minimum base salary*

When computing a pastor's salary, the mutual ministry committee or congregational council begins by reviewing the minimum salary schedule as set by the Eastern Synod of the Evangelical Lutheran Church in Canada. Note that the years in ordained ministry are based on the pastor's years serving under call, not just the anniversary of ordination.

Pastor's Minimum Base Salary Schedule			
Years Ordained	Year 2016	Year 2017 (includes COLA <sup>1</sup> )	Year 2018 (includes COLA <sup>2</sup> )
Newly Ordained	37,557	38,158	38,730
1st year after ordination <sup>3</sup>	38,220	38,832	39,414
2nd year after ordination	38,883	39,505	40,098
3rd year after ordination	39,546	40,179	40,782
4th year after ordination	40,210	40,853	41,466
5th year after ordination	40,873	41,527	42,150
6th year after ordination	41,542	42,207	42,840
7th year after ordination	42,198	42,873	43,516
8th year after ordination	42,863	43,549	44,202
9th year after ordination	43,527	44,223	44,886
10th year after ordination	44,189	44,896	45,569
11th year after ordination	44,853	45,571	46,255
12th year after ordination	45,517	46,245	46,939
13th year after ordination	46,179	46,918	47,622
14th year after ordination	46,842	47,591	48,305
15th and all subsequent years after ordination	47,506	48,266	48,990

<sup>1</sup> COLA for 2017 is set at 1.6%.

<sup>2</sup> COLA for 2018 is set at 1.5%.

<sup>3</sup> "1st year after ordination" is defined as the first new calendar year following ordination and that subsequent years of ordination are also defined on a calendar year basis.

Pastors receiving more than the minimum should receive an increase at least equal to the COLA.

### ***Salary beyond base***

An amount in addition to the base salary figure should be considered to affirm the pastor's ministry.

To determine the appropriate amount of additional salary, it would be beneficial to dialogue in a small group represented by a cross-section of people in the congregation committed to mutual ministry.

It is recommended that each congregation have a mutual ministry committee. Resources for this committee are available from the Synod Office.

The final salary, including the base plus additional amounts, should be approved by the congregational council.

### ***Prorated expenses***

Salary and certain benefits are prorated to a pastor's call with a given congregation. Please check with GSI regarding enrollment and remittance requirements under the pension and benefits plan it sponsors. Should the pastor accept a call to another congregation, the calling congregation will reimburse any expenses paid on a prorated basis to the congregation which the pastor formerly served.

### ***Housing***

Adequate housing is provided as part of the compensation package either in the form of congregation-owned housing (parsonage) or a housing allowance. Synod policy states that this housing allowance should be equal to the costs of renting accommodations similar to a parsonage, including utilities, in that area.

"The costs of renting accommodations similar" can best be determined through consultation with a local real estate agent.

"Utilities" is considered to include heat, electricity, water and sewage, and basic phone and internet service.

Housing allowance is prorated for those serving less than full time, but not less than 65%. However, when a pastor is called to more than one congregation, the housing allowance is apportioned between the congregations.

When the congregation provides a housing allowance, the actual amount the pastor may claim as a clergy residence deduction is determined by Canada Revenue Agency (CRA). To request an exemption from withholding income tax deductions on the housing allowance, the pastor must submit a Letter of Authority to CRA in September of the previous year, using the calculation from form T1223E part C, to determine the exempt amount for the following year. CRA will confirm with the employing congregation via a Reduction of Income Tax Deduction at Source letter.

Each congregation is encouraged to offer the housing allowance in lieu of congregation-owned housing. Congregations where the pastor has served for ten or more years and still lives in congregation-owned housing should consider re-evaluating their present housing arrangements.

Congregations should pay housing allowance to pastors residing in a congregation-owned home and charge rent, in order for the salary to be fully insured under Group Benefits Plan sponsored by GSI.

An equity allowance shall be provided if the pastor lives in a congregation-owned house. Each year the congregation should provide a determined amount, which is not below \$1,809<sup>4</sup> as a housing equity allowance.

### ***Other Expenses***

Congregations or employing agencies will cover the expenses for rostered pastors to attend synod conventions.

### ***Moving expenses***

When an official call is extended to a pastor, the pastor and congregation negotiate what professional moving service will be used. The moving contract should include minimum safeguards for the pastor's furniture and personal belongings against loss or damage.

## **Schedule for Diaconal Ministers**

Recommended salaries for diaconal ministers employed by congregations and/or church agencies are determined as follows:

Salary schedule (as per pastor's base salary schedule) for 2017 and 2018 including years of experience.

Multiply 1.30 times the appropriate base salary. This then equals a salary figure which includes a value for housing.

For a person with a BA - 70% to 80% of the above figure.

For a person with an MA - 80% to 90% of the above figure.

Congregations should provide a housing equalization premium for diaconal ministers to equal the tax-free benefit of clergy housing allowance.

## **Schedule for Pastoral Supply**

One service: \$200 plus mileage plus pension contribution, if applicable. (Check with GSI to determine if the supply pastor is a member of the GSI Pension Plan.)

(The car allowance rate will use the Canada Revenue Agency's most current figure for "Automobile allowance rates." This figure can be found at:

<<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/bnfts/tmbl/llwnc/rts-eng.html>>.)

Two services in the same congregation/parish: \$300 plus mileage plus pension contribution if applicable. (Check with GSI to determine if the supply pastor is a member of the GSI Pension Plan.)

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<sup>4</sup> The housing equity figure has been updated to take into account a COLA of 1.5%.

## Schedule for Permanent Part-Time Pastors

Congregations which are employing pastors on a permanent part-time basis are required to negotiate a compensation package which clearly includes consideration of those elements (Salary and Housing, Professional Expenses, eligible Benefits, and Other Expenses) which are considered in a full time call.

## Schedule for Interim Pastors

Congregations which are employing pastors on a full-time, interim basis will provide remuneration (salary, housing, and eligible benefits) as per the Schedule for Pastors.

Congregations which are employing pastors on a part-time, interim basis will provide remuneration on the following terms:

- 1) Sunday Supply will be according to the Schedule for Pastoral Supply.
- 2) The Hourly rate will be \$40.00 /hr, beginning the time that the pastor leaves his/her home. (This does not apply to Sunday supply, ref. no 1.)
- 3) Source deductions (income tax, CPP, and EI) and applicable deductions for plans sponsored by GSI must be made and a T4 issued.
- 4) Mileage will be according to the Canada Revenue Agency's most current figure for "Automobile allowance rates." This figure can be found at:  
<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/bnfts/tmbl/llwnc/rts-eng.html>.
- 5) Continuing education and book allowances and a pro-rated paid vacation (based on an average of the previous 12 months' earnings) will be given to those serving on a long-term (12 months or more) part-time interim basis.

## Worker's Compensation

Worker's compensation is not generally mandatory for congregations. However, if a congregation chooses to take out this coverage, it cannot be done selectively (i.e. either all employees are covered, or no employees are covered).

## PART 2 Harmonized Compensation Guidelines

The 2017 [harmonized compensation guidelines](#) were approved at National Church Council on September 9, 2016. The harmonized sections of the compensation guideline include: vacation, leave of absence, ELCIC Pension, Group Benefits and Continuing Education Plans as well as book and travel allowance/reimbursement. It also includes the sick policy and parental leave policy.

Please note that it is not the intention to diminish any employee's current entitlements due to the harmonization process. Transitional considerations need to be given on a case by case basis.