

Minimum Salaries & Reimbursements for Ministry Personnel (2021)

The United Church of Canada/L'Église Unie du Canada

New and Notable

Remote manse allowance

Ministry personnel living in a manse in a designated remote location are entitled to a remote manse allowance. For 2021, the annual amount is \$2,656.

Normal heating cost for manse

Where ministry personnel pay for utilities, the normal heating cost paid by ministry personnel is \$800 per year, with the pastoral charge responsible for any heating costs above this.

Calculation for year of credited service

The calculation for a year of credited service for paid accountable ministry work is 728 hours in one calendar year (14 hours per week). For years in which paid accountable ministry work is less than 728 hours, the hours worked can be banked if the yearly paid work is more than 416 hours (8 hours per week); once 728 hours of paid work is reached, a year of credited service will be calculated for the purpose of moving through the salary seniority categories.

Triennial reassessment of cost of living groups

All pastoral charges are assigned to a cost of living (COL) group based on the median home value (obtained through realtor.ca) in the city, town, or rural community in which the **pastoral charge** is located. Every three years the median home value is reassessed, and if determined that a specific median home value in a location has changed significantly, the pastoral charge may be reassigned to a lower or higher cost of living group. The first assignment to cost-of-living groups occurred in the spring of 2014 (implemented January 2015). The first **reassessment** was implemented in January 2019, and the next one will be done for January 2022. If a minister's salary was unchanged in 2019 because the cost-of living group went down, the pastoral charge will need to check the minimum salary schedule to see if the minister's salary is still above the minimum for that cost-of-living group. For more detail, go to the [Ministers' Salary Schedule and Cost of Living Groups](#) page of the United Church website. The groups are available online.

Minimum Salaries & Reimbursements for Ministry Personnel (2021)

Contents

| | |
|--|----|
| Ministry Compensation | 3 |
| Annual Cost of Living Increases | 4 |
| A. Minimum Salaries | 5 |
| B. Minimum Salaries for Ministers Provided with Use of a Manse | 6 |
| Remote Manse Allowance | 6 |
| Manse Heating | 6 |
| Progressing through the Minimum Salary Schedules | 7 |
| Clergy Residence Deduction (CRD) | 8 |
| Reimbursements | 9 |
| Visiting Ministry Personnel | 9 |
| Addendum | 10 |
| Remote Manse Allowance | 10 |
| Manse Heating | 11 |
| Assignment to Cost of Living (COL) Group: Methodology | 12 |

Overview

- Minimum salaries: **2.2% increase to the 2020 minimum salaries**
- Continuing Education and Learning Resources: **\$1,474 annually**
- Travel: **\$0.41 per kilometre**
- Visiting Ministry Personnel: **\$221 daily rate**
- Remote Manse Allowance: **\$2,656**
- Manse heating cost to be paid by ministry personnel: up to **\$800 annually**

Ministry Compensation

Policies adopted by General Council and its Executive establish minimum annual salaries and reimbursements for ministry personnel who provide paid accountable leadership in pastoral charges, missions, and other ministries (referred to as “community of faith”). Although minimum annual salaries are in place, consideration should be given to the minister’s credentials (i.e., specialized skills, experience, and further education) and responsibilities (i.e., size and number of congregations, leadership, and supervision).

In 2006 the General Council affirmed the principle of regionally-based minimum salaries reflecting local cost of living. This principle was implemented in 2015 with pastoral charges assigned to cost of living groups base on median home values. This was reviewed in 2018 and assignments adjusted in 2019. Where a manse is not provided, the minimum salary for each cost of living (COL) group reflects the median cost of living represented by housing values for the city, town, or rural community in which the community of faith is located.

If the particular town/city/community is at the high end of the cost of living range, or the minister must rent and the cost of rent in the community of faith location is exceptionally high, consideration should be given to providing compensation above the minimum.

For more detail on how cost of living groups are determined, refer to the Addendum.

Annual Cost of Living Increases

Effective January 1 minimum salaries are increased annually by a percentage equal to the average percentage rise in the cost of living within Canada for the year ending December 31, one year prior to the effective date of the new salaries. The minimum salary rates that take effect on January 1, 2021, reflect the average rise in the Canadian cost of living as of December 31, 2019. For 2021, the annual cost of living increase will be 2.2%. Refer to the [Bank of Canada Consumer Price Index](#), and refer to the column “CPI-Common” as of Dec. 31, 2019.

If the salary in the pastoral relationship agreement specifies a percentage or amount above the minimum, the applicable minimum plus the agreed upon percentage or amount above the minimum is to be maintained with future annual cost of living and years of service increases. If there is no formal agreement in place, pastoral charges are not required to provide a cost-of-living increase as long as the salary is above the new minimum. New calls or appointments should make reference to situation if and when the cost-of-living group does go down. They would then negotiate whether their salary will remain as is, or have a cost-of living adjustment applied.

If the cost of living group assignment of a pastoral charge goes up, the new salary must reflect the new cost of living group minimum plus any other amounts above minimum stipulated in the call or appointment. Because an employee cannot be unilaterally disadvantaged by the employer with a change in the terms of employment, if the cost of living group assignment of a pastoral charges goes down, the current minister’s salary may not be reduced. The original terms of compensation stated in the call or appointment must continue to be honored, this includes annual cost of living and service category adjustments.

Increases for ministry personnel not actively at work (i.e., Long-Term Disability, Restorative Care Program, and Maternity/Parental Leave) **are effective the first day the minister is back to work.**

For part-time service, salaries are pro-rated. For example, if part-time service is three-quarters time, the salary is three-quarters of the full-time salary. **Participation in the United Church pension and group benefits plans** is required if the minister is paid an average of 14 hours or more per week.

Minimum Salaries & Reimbursements for Ministry Personnel (2021)

A. Minimum Salaries

| | Years of Eligible Service (Increment Category) | | | | | |
|-----------------------------|---|-----------------|----------|-----------|------------|--------|
| | A 1 to 2 | B 3 to 4 | C 5 to 7 | D 8 to 10 | E 11 to 13 | F 14 + |
| Cost of Living Group | Order of Ministry (includes diaconal and ordained ministers) | | | | | |
| 1 | 48,912 | 50,634 | 52,358 | 54,081 | 55,805 | 57,526 |
| 2 | 51,568 | 53,290 | 55,014 | 56,737 | 58,461 | 60,183 |
| 3 | 54,998 | 56,721 | 58,444 | 60,168 | 61,891 | 63,613 |
| 4 | 59,091 | 60,813 | 62,537 | 64,260 | 65,984 | 67,705 |
| 5 | 63,739 | 65,461 | 67,185 | 68,908 | 70,632 | 72,354 |
| 6 | 69,271 | 70,994 | 72,717 | 74,441 | 76,165 | 77,887 |
| | Recognized Designated Lay Ministry | | | | | |
| 1 | 47,679 | 49,345 | 51,016 | 52,681 | 54,349 | 56,015 |
| 2 | 50,335 | 52,001 | 53,672 | 55,336 | 57,005 | 58,671 |
| 3 | 53,765 | 55,432 | 57,102 | 58,776 | 60,435 | 62,101 |
| 4 | 57,857 | 59,524 | 61,195 | 62,859 | 64,528 | 66,194 |
| 5 | 62,507 | 64,172 | 65,843 | 67,507 | 69,176 | 70,842 |
| 6 | 68,039 | 69,706 | 71,376 | 73,040 | 74,709 | 76,374 |
| | Candidate (includes all candidates in appointments) | | | | | |
| | Step 1 | Step 2 | | | | |
| | 1 to 2 years | 3+ years | | | | |
| 1 | 46,861 | 47,222 | | | | |
| 2 | 49,516 | 49,877 | | | | |
| 3 | 52,947 | 53,308 | | | | |
| 4 | 57,039 | 57,400 | | | | |
| 5 | 61,687 | 62,048 | | | | |
| 6 | 67,220 | 67,581 | | | | |

Minimum Salaries & Reimbursements for Ministry Personnel (2021)

B. Minimum Salaries for Ministers Provided with Use of a Manse

| Order of Ministry (includes diaconal and ordained ministers) | | | | | |
|--|------------|------------|-------------|--------------|----------|
| A - 1 to 2 | B - 3 to 4 | C - 5 to 7 | D - 8 to 10 | E - 11 to 13 | F - 14 + |
| 38,291 | 40,014 | 41,737 | 43,462 | 45,185 | 46,907 |
| Recognized Designated Lay Ministry | | | | | |
| A - 1 to 2 | B - 3 to 4 | C - 5 to 7 | D - 8 to 10 | E - 11 to 13 | F - 14 + |
| 37,060 | 38,725 | 40,396 | 42,060 | 43,728 | 45,394 |
| Candidate (includes all candidates in appointments) | | | | | |
| Step 1 | Step 2 | | | | |
| 1 to 2 years | 3+ years | | | | |
| 36,240 | 36,600 | | | | |

Remote Manse Allowance

Ministry personnel living in a manse in a remote location are entitled to a remote manse allowance. **For 2021, this is \$2,656.** For more detail, refer to the Addendum.

Manse Heating

If ministry personnel pay for manse utilities, the normal heating cost paid by ministry personnel has increased to a maximum of \$800 per year starting in 2019, with the pastoral charge responsible for any heating costs above this. For more detail, refer the Addendum.

Federal requirements concerning income tax and pension contributions require the fair rental value (FRV) of the manse (including utilities paid by the community of faith), be equal to/greater than 20% of the minister's salary. If it is not, an adjustment or top-up is required that must be recalculated when there is a change to the minister's salary. For example:

| | Annual Salary | Annual Manse + Utilities | Federal Housing Minimum Required (20% of salary) | Minimum "Paid" Housing (MANSETOP) |
|-------------------|---------------|---|--|--|
| Minister in Manse | \$40,000 | FRV of manse (including utilities paid by community of faith) is \$7,000. | Federal requirement for housing is \$8,000. | Annual top-up of \$1,000 must be paid to the minister. |

Note: A minister provided with the use and occupancy of the manse serving part-time is entitled to full-time occupancy of the manse.

Progressing through the Minimum Salary Schedules

All periods of service in paid, accountable ministerial roles in a call or appointment made by a regional council or the General Council are included in the calculation of years of eligible service. Also included is time spent on leave (vacation, education, sabbatical, maternity, parental, and medical).

Progression to new increment categories always commences January 1, following successful completion of required paid accountable ministry service for the preceding increment category.

Example:

A minister who completes two years of eligible service by June 30 would move to Category B effective January 1 of the next calendar year.

Candidates commencing service in a pastoral charge will be paid based on the minimum candidate salary at Step 1; following two years of service, candidates will be eligible for the Step 2 minimum salary. Once ordered or recognized, ministers commencing service in a community of faith will be paid based on the Increment Category A minimum salary.

The calculation for a year of credited service for paid accountable ministry work is 728 hours of paid work in one calendar year (14 hours per week).

For years in which paid accountable ministry work is less than 728 hours (14 hours per week) but more than 416 hours (8 hours per week), the hours worked can be banked. Once 728 hours of paid work is reached, a year of credited service will be calculated.

Clergy Residence Deduction (CRD)

Each year, ministry personnel may claim the Canada Revenue Agency (CRA) Clergy Residence Deduction (CRD) when filing their personal tax return. To claim the CRD, Form T1223 must be jointly completed by the employee and employer in February, for the previous tax year. The CRD form does not need to be submitted with the minister's tax return, but must be available if the CRA requests it. The [Clergy Residence Deduction \(T1223\)](#) can be obtained online and provides:

- Part A – Employee information (to be completed by the employee)
- Part B – Conditions of employment (to be completed and signed by the employer)
- Part C – Calculation of deduction (to be completed by employee)

If the minister would like the community of faith to reduce their taxes at source (pay by pay), the minister must obtain a “letter of authority” every year from the CRA and, for ministers who work in Quebec, Revenu Québec – RQ. Otherwise, the minister can claim a refund of the qualifying taxes paid when filing their personal tax return the following year.

To obtain a letter of authority, ministers must apply annually each fall for the upcoming calendar year:

- federally using the CRA Form T1213, Request to Reduce Tax Deductions at Source
- and, for ministers who work in Quebec, using the RQ Form TP-1016-V, Application for a Reduction in Source Deductions of Income Tax

Once the CRA or RQ provides a letter of authorization, the treasurer will advise ADP to reduce taxes at source.

Ministers living in a manse are not required to obtain government authorization to reduce their taxes at source (pay by pay) for any housing benefit they receive. However, the treasurer must confirm that the minister will claim the CRD amount when completing their personnel tax return.

Reimbursements

The community of faith is responsible for the following:

- **Continuing Education and Learning Resources:** In consultation with the community of faith, the cost of attending workshops/conferences, purchasing books, acquiring spiritual direction and obtaining electronic and other resources relevant to providing ministry leadership. **The full-time annual amount is \$1,474, and is pro-rated for part-time hours.**
- **Travel:** Where use of a car is required, logged travel at least at the minimum per km rate set annually by the Executive of the General Council. **For 2021 this rate is \$0.41 per kilometre.** The travel rate calculation is based on the [National Joint Council's Travel Directive](#). The formula is 75% of the average kilometric rate of 13 provinces and territories. For 2021, the version dated January 1, 2020, is used for the calculation.
- **Phone/Communication:** The cost of the telephone and long-distance charges for church-related business (personal long-distance charges are the responsibility of the minister).

For more detail, go to *Financial Handbook for Congregations* on the [United Church Handbooks webpage](#). Then search the handbook for “reimbursements.”

Visiting Ministry Personnel

From time to time, ministry personnel may be invited to provide worship leadership and preaching, pastoral care and visitation, and/or other services to a community of faith when the incumbent ministry personnel is on vacation, study leave, or other short-term leave. These services are intended to cover only one or two Sundays or weekends at a time. An ongoing need for these services must be discussed with the regional council to determine whether an appointment should be made.

The minimum daily rate is \$221. This covers a full working day, or any portion thereof, and is not linked to any specific number of hours served. The rate is based on the cost of living group 1, increment category F minimum salary. The parties may negotiate a higher daily amount but cannot negotiate a lower amount. In addition, the community of faith must reimburse the visiting ministry personnel for travel and incidental expenses (i.e., meal allowance and accommodations, as necessary).

The minimum daily rate is applicable to ministry personnel only; the General Council has no authority to establish rates of compensation for lay people engaged by a congregation including Licensed Lay Worship Leaders (LLWL).

Note: The Canada Revenue Agency requires that a T4A be completed for annual aggregate amounts over \$500 paid to an individual. ADP will produce a T4A on request (the amount will show in box 48, Fees for Services).

Addendum

Remote Manse Allowance

\$2,656 for 2021

The 39th General Council 2006 requested that a method be established to compensate ministry personnel serving in high cost, remote areas.

For ministry personnel living in a manse, the following policy was approved:

- Effective January 1, 2019, a remote manse allowance be provided for ministry personnel living in the manse, serving in designated remote locations;
- The calculation for the allowance to be the difference between the Increment Category A, cost of living group 1 and cost of living group 2 minimums for any given year;
- Funding for the allowance to be administered through the minister's resident pastoral charge first, the regional council or the General Council;
- If the minister's resident pastoral charge, and regional council or the General Council are not able to accommodate the full allowance, an application to the Compassionate Assistance Fund can be made for the balance.

A location is considered remote if at least one of the following apply:

- No all-weather road access, and no/very limited scheduled air or rail passenger services;
- All-weather road access, however, over 250 km (or 2.5 hours' drive via Mapquest) from a population centre more than 5,000;
- All locations north of 60 degrees latitude;
- All locations in Labrador.

Manse Heating

Maximum of \$800 per year

In 1956 (17th General Council), it was decided that where the cost of heating a manse goes above a level that should be regarded as normal heating costs (\$200 at that time), the pastoral charge provide the difference. The amount was increased from time to time, and sometime in the 1980s the normal heating cost amount increased to \$500. Since then, there has been no further increase. This policy was put into place to protect ministry personnel living in manses with aged or inefficient heating systems and/or poor insulation from having to pay exorbitantly high heating bills.

Continuing with the policy created in 1956, the following proposal was approved by General Council Executive in March 2018:

- Effective January 1, 2019, increase the normal heating cost amount paid by ministry personnel from \$500 to \$800 per year, with the pastoral charge responsible for any heating costs above this;
- The determination of the normal heating cost amount to be generally based on the cost to heat a 2-story detached home (approximately 2,000 square feet), age of home 40–50 years, with a mid-efficiency gas furnace;
- From time to time, staff will review the normal heating cost amount and make a recommendation to the Permanent Committee Ministry and Employment Policies and , or equivalent, when an adjustment is necessary.

Assignment to Cost of Living (COL) Group: Methodology

All pastoral charges are assigned to cost of living (COL) groups based on the median home value, obtained through [realtor.ca](https://www.realtor.ca), in the city, town, or rural community in which the pastoral charge is located. Every three years the median home value is reassessed, and if determined that a specific median home value in a location has changed significantly (greater than 25% into the next lower/higher COL group range), the pastoral charge may be reassigned to a lower/higher COL group. A pastoral charge COL group may only change by one group in a triennial review.

The median home value ranges used in the reassessment effective Jan. 1, 2019:

| | |
|-------|------------------------|
| COL 1 | up to \$158,100 |
| COL 2 | \$158,101 to \$263,500 |
| COL 3 | \$263,501 to \$395,300 |
| COL 4 | \$395,301 to \$553,400 |
| COL 5 | \$553,401 to \$737,800 |
| COL 6 | over \$737,800 |

- Using listings from [Realtor.ca](https://www.realtor.ca), the median home value and number of listings for each city, town, or rural community is documented. The median home may include 2- and 3-bedroom condos, semi-detached and detached dwellings, and townhouses. If the median home is not suitable (i.e., too run down, only 1 bedroom), the value of the next suitable home listed is used.
- If the location has a significant number of listings to determine a reasonable median home value, the search is town proper, and outskirt/rural homes are not included.
- If the location does not have a significant number of listings to determine a reasonable median home value, the search is regional and neighboring small towns and/or outskirt/rural homes are included.
- In locations where there are an insufficient number or no homes listed, pastoral charges will be assigned to COL 1 until further discussion can occur with the regional representative.
- In smaller locations that have an extremely high median home value in comparison to a neighboring location(s), the median home value of the closest neighboring location (determined by Google Maps drive time) will be used. If the pastoral charge in the high median home value location requires the minister to live close to the church, the minister may negotiate a higher salary. In locations where the median home value is skewed by a disproportionate amount of multi-million-dollar homes listed, with no neighboring locations, the median home value may be adjusted appropriately.
- In locations with a high volume of sales, the [realtor.ca](https://www.realtor.ca) tool does not allow for a median home value to show. Therefore, the location will be sectioned and judgement used to arrive at a reasonable median home value.
- In designated remote locations, if the median cost of housing of the location was within the top 25% of the COL group range, the COL group is adjusted up to the next COL group. To be remote, the location must have at least one of the following:

Minimum Salaries & Reimbursements for Ministry Personnel (2021)

- no all-weather road access, and no/very limited scheduled air or rail passenger services
- all-weather road access, however, over 250 km (or 2 ½ hours drive via Google Maps) from a population centre more than 5,000
- all locations north of 60 degrees' latitude, and all locations in Labrador