

2/05 Stipends, Allowances and Benefits for 2013

(A report on behalf of the Standing Committee.)

Introduction

1. By resolution 2/05, the Synod requested that the Standing Committee report its findings about stipends and allowances to the Synod each year.
2. The circular to ministers and wardens entitled "Guidelines for the Remuneration of Parish Ministry Staff for 2012" (the "Guidelines") was published in September last year and provides details of the stipends, allowances and benefits for ministers, assistant ministers and lay ministers in the current calendar year. The format and content of the "Guidelines for Remuneration of Parish Ministry Staff for 2013" were published on the SDS website in August this year.

Minimum Stipends

3. Stipends are generally reviewed annually and, until the review in 2009, were based on a resolution of the Standing Committee in September 2006 that they should continue to be set at 80% of the latest available Average Weekly Earnings published by the Australian Bureau of Statistics. However in light of the global financial crisis, in August 2009 the Standing Committee approved the minimum stipends for parish ministry staff in 2010 remaining the same as 2009.
4. In February 2010 the Standing Committee again endorsed 80% of AWE as the benchmark for minimum stipends. However, in August 2010 the Standing Committee decided rather than apply this policy to determine minimum stipends for 2011 (since this would require an increase of 9.85%) it would instead approve an increase of 5% for 2011. Standing Committee also agreed to a further 5% increase for 2012 and up to a 5% increase for 2013 until the minimum stipend again reaches the benchmark of 80% of AWE.
5. The increase required for the minimum stipend for 2013 to reach 80% of AWE was 4.6%, so the figures for 2013 are therefore –

	% of Minister's Minimum Stipend	2013 Minimum Stipend \$ pa
Minister	100	58,452
Assistant Ministers & Lay Ministers –		
1 st and 2 nd year	85	49,684
3 rd and 4 th year	90	52,607
5 th and subsequent years	95	55,530
Youth and Children's Ministers (Diploma) –		
1 st to 3 rd year	65	37,994
4 th to 6 th year	75	43,839
7 th and subsequent years (Advanced Diploma only)	85	49,684
Youth and Children's Ministers (Advanced Diploma or Theological degree) –		
1 st and 2 nd year	85	49,684
3 rd and 4 th year	90	52,607
5 th and subsequent years	95	55,530

Remuneration Packaging

6. Under these arrangements ministry staff may sacrifice up to 30% of their stipend to be paid into a minister's expense account ("MEA"). Ministry staff may sacrifice an additional amount of stipend (over and above the 30%) to increase superannuation savings. Certain expenditure can be reimbursed to the minister from the MEA. Benefits received in this way are exempt from fringe benefits tax and income tax.

Superannuation Contributions

7. Contributions on account of superannuation for ministers and assistant ministers are part of the parish ministry costs and will be funded through the Parochial Cost Recoveries and Church Land Acquisitions Levy Ordinance 2012 which is due to be considered by the Synod in October 2012. Superannuation for lay ministers is paid separately. As for 2012, the amount of the superannuation contribution is generally set at 17% of the applicable minimum stipend, accordingly the annual contributions proposed for 2013 are –

	2013
Minister	9,937
Assistant Ministers & Lay Ministers – 1 st to 6 th year	8,943
7 th and subsequent years	9,937
Youth and Children's Ministers (Diploma) – 1 st to 6 th year	7,453
7 th and subsequent years (Advanced Diploma only)	8,446
Youth and Children's Ministers (Advanced Diploma or Theological degree) – 1 st to 6 th year	8,943
7 th and subsequent years	9,937

Travelling Allowances/Benefits

8. The diocesan scale for the travelling allowance to be paid to ministers, assistant ministers, lay ministers and youth and children's ministers for 2013 is calculated in accordance with the following scale –

- (a) a fixed component of \$8,047 (2012 – \$8,047) per annum to cover depreciation, registration, insurance etc, plus
- (b) a reimbursement at the rate of \$246 (2012 – \$246) for every 1,000 kilometres travelled by the person concerned on behalf of the church or organisation which he or she serves.

9. Travel benefits may be provided through an MEA in lieu of a travel allowance in accordance with the guidelines published in the Stipends Circular.

Remuneration for Occasional Services

10. Each of the recommended rates for clergy who take occasional services has been increased by \$5 and the rates for 2013 are therefore –

	2013 \$
For 1 service	85
For 2 or more services in a half day	110
For a whole day	165

11. The following guidelines also apply in relation to remuneration for occasional services –

- (a) If the total return journey of the person taking the occasional service is 75 kilometres or less, a travelling allowance of 78 cents per kilometre should be paid (2012 – 78 cents). If further kilometres are travelled, the travel allowance should be negotiated.
- (b) Meals should be provided where necessary.
- (c) As pension benefits may be reduced according to other income received, the recommended rates are open to negotiation.
- (d) Where a minister is invited to take, or assist in, services in a church outside their parochial unit, any payment for services should be made to the parochial unit to which the minister is licensed, rather than to the minister.

Acting Ministers, Locum Tenens and part time pastoral workers

12. Acting Ministers, Locum Tenens and part time pastoral workers should be remunerated with reference to the relevant full time stipend and benefits on a pro-rata basis (based on a 6 day working week). The worker should also be paid a travelling allowance at the rate of 80 cents per kilometre to cover any travel costs incurred while performing their duties (2012 – 78 cents).

13. Provision for ministry related expenses, superannuation, sick, annual and long service leave (on a pro-rata basis) should be provided where appropriate and agreed upon by the worker and parish council.

14. Part time pastoral workers must generally be included under the parish's workers compensation insurance policy.

Male and Female Student Ministers

15. The recommended assistance for student ministers working one full day per week for 2013 is –

	% of Minister's Minimum Stipend	2013 \$ pa
Studying for a degree	12.5	7,307
Studying for a diploma	10.0	5,845

If a student minister works more than one full day then the rate payable is a pro-rata amount of the full day rate.

16. The following guidelines also apply in relation to the remuneration of student ministers –
- (a) Transport costs (whether private vehicle or public) should be paid by the parochial unit. Where extensive travel is involved consideration should be given to paying for the travel time.
 - (b) Where a student minister serves for a half day in addition to a full day, account should be taken of the additional time and cost in travelling and care taken to ensure that the student minister is not disadvantaged by the additional expense.
 - (c) Under the Fair Work Act 2009, the national minimum wage for adults for the period of 1 July 2012 to 30 June 2013 is \$15.96 per hour. This means that the recommended stipend allows for no more than 8.8 hours work per week if studying for a degree, and 7 hours if studying for a diploma. The minimum wage will be reviewed next on 1 July 2013.
 - (d) Arrangements should be made to ensure student ministers are provided with appropriate hospitality. For example, appropriate breaks should be provided especially in a long working day.
 - (e) Preparation time adds to the total time incurred in service for the parochial unit and should be allowed for when the amount of payment is considered.
 - (f) Superannuation contributions are payable if the remuneration exceeds \$450 per month.
 - (g) Workers compensation insurance cover must be arranged by the parish.
 - (h) By arrangement with the student minister the parish may agree to pay college fees (tuition, boarding, etc) on behalf of the student minister in lieu of part of the normal remuneration. If such fees are paid they should be considered an exempt fringe benefit provided -
 - (i) the student is a ministry candidate, and/or holds the Archbishop's licence, or is an independent candidate undertaking the same course of study as required for a ministry candidate, and
 - (ii) the benefit is only applied to paying fees and the provision of accommodation/board.

For and on behalf of the Standing Committee

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