

## 2021 RECOMMENDED MINIMUM REMUNERATION PACKAGE FOR PEOPLE IN MINISTRY IN CCVT

**Note: This 2021/22 Package incorporates recommendations from the annual review, offering an equitable increase in consideration of the impact of COVID-19 on CCVT affiliates' finances.**

The 2021/22 Recommended Minimum Remuneration Package for People in Ministry in CCVT is summarised in the following table. A schedule to assist churches with their minister's remuneration levels based on qualifications and experience is included.

The methodology employed was to apply formulae that are considered reasonable for annual increase. The increase also considered the Weighted Average Consumer Price Index (CPI) of 1.4%, the Wage Price Index for Australia (Private Sector) of 1.4% for the 12 months ended 31 December 2020 – (provided by the Australian Bureau of Statistics) and the State Median Rents and Rental indices a drop of 1% as at September quarter 2020. We also compare the new amounts to that recommended for Baptist Union of Victoria ministers, and the Teacher Class Salaries in Victorian Government Schools as another helpful external measure.

### RECOMMENDED INCREASE – Remuneration

**The total annual increase for 2021-22 is to be 1.75% which results in an annual increase of \$1,416.95 (for Level D, and pro rata for other levels) is to be allocated per current ration of non-exempt and exempt remuneration as follows:**

Remuneration Item	Ratio	2020	Allocation
Assessable Income	30%	\$24,290.52 x 1.75%	\$425.08
Exempt Fringe Benefits	70%	\$56,677.85 x 1.75%	\$991.86
<b>TOTAL</b>	<b>100%</b>		<b>\$1,416.95</b>

### RECOMMENDED INCREASE – Superannuation

**Superannuation contribution to increase by 0.25% to reflect an annual contribution of 11%.**

As the Superannuation Guarantee Charge percentage is changing from 9.5% to 10% as at 1 July 2021, it is recommended an increase of 0.25% to the current employer superannuation contribution of 10.75% to 11% to maintain a target of level of 1% above the Guarantee Charge.

### RECOMMENDED DECREASE – Professional Development, including supervision.

**That the minister's annual professional development reduced by 0.25% from 2.25% to 2% per year.**

The reduction of 0.25% is to recompense the increase of 0.25% in superannuation, given the increase from 2% to 2.25% in 2020 was due to the impact of COVID-19.

The professional development budget amount can be accrued for up to two years to enable the minister to plan for any major learning experience or event. The church's provision for a minister's professional development no longer forms part of the remuneration package but should instead be included in the church's annual Budget.

#### MINISTERS REMUNERATION LEVELS SCHEDULE BASED ON 1.75% INCREASE

Full Time rates applicable from July 1, 2021	A	B	C	D
	Level Definitions - See Below			
<b>30% Assessable Component</b>	<b>\$14,710.39</b>	<b>\$18,212.18</b>	<b>\$21,313.80</b>	<b>\$24,715.60</b>
<b>70% Annual Fringe Benefits</b>	<b>\$34,324.24</b>	<b>\$42,495.09</b>	<b>\$49,732.21</b>	<b>\$57,669.72</b>
<b>TOTAL REMUNERATION</b>	<b>\$49,034.63</b>	<b>\$60,707.27</b>	<b>\$71,046.01</b>	<b>\$82,385.32</b>
<b>Fortnightly amount paid in arrears</b>	\$1,885.95	\$2,334.90	\$2,732.54	\$3,168.67
<b>*Superannuation 11% per annum</b>	\$5,393.81	\$6,677.80	\$7,815.06	\$9,062.38
<b>**Long Service Leave provision 1.11 times weekly salary and fringe benefits paid</b>	\$1,046.70	\$1,295.87	\$1,516.56	\$1,758.61

\*\* Long Service Leave calculation is based on the LSL Act Vic (2018) of 0.8667 week or 32.93 hours accrual per year for seven (7) years of continuous employment. The previous recommended rate of 1.3 times of the weekly gross is deemed to be over budgeted provision for LSL. The revised recommended rate is 1.11 times based on the LSL Act and 11% of superannuation.

#### NOTE 1: Definitions of levels A, B, C, D

- A** Untrained people in ministry support roles, and interns, generally appointed from within congregations - little training and experience.
- B** Those in ministry settings who are studying and have completed more than 25% of the training program and/or have limited experience (includes some interns).
- C** Those in ministry settings who are studying and have completed more than 75% of the training program and/or have some ministry experience.
- D** Recommended minimum remuneration for all ministers with appropriate training and experience

#### NOTE 2: Superannuation and Long Service Leave

Where a manse or a motor vehicle is provided in lieu of the fringe benefit component, the amount of long service leave and superannuation entitlements are less.