

2/05 Stipends, Allowances and Benefits for 2025

(A report of the Standing Committee.)

Key Points

- In August 2023, the Standing Committee agreed to apply a methodology for determining the recommended minimum stipend, targeting a projected value of 75% of Average Weekly Earnings (**AWE**).
- As a result, the Standing Committee approved a recommended minimum stipend for a minister at \$76,170 from 1 January 2024, \$79,293 from 1 January 2025 and \$82,465 from 1 January 2026.
- From 1 July 2024, the motor vehicles and travel benefits fixed component was increased to \$8,678, an increase of 7.8%.
- The structure of remuneration package remains unchanged.

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. It is expected that the advice to ministers and wardens entitled “Guidelines for the Remuneration of Parish Ministry Staff for 2025” (the **Guidelines**) will be published in late October this year and will provide details of the recommended stipends, travel and other benefits for ministers, assistant ministers and lay ministers for 2025.

Recommended minimum stipends

3. In August 2023, the Standing Committee endorsed a series of Stipend Determination Imperatives and agreed to apply the proposed methodology for determining the recommended minimum stipend, being stipend increases targeting 75% of the projected November 2025 Average Weekly Earnings (**AWE**).
4. In accordance with the above, Standing Committee resolved to set the recommended minimum stipend at –
 - (a) \$76,170 from 1 January 2024 (being an increase of 4.50% from the recommended minimum stipend applying from 1 July 2023),
 - (b) \$79,293 from 1 January 2025 (being an increase of 4.10% from the recommended minimum stipend applying from 1 January 2024), and
 - (c) \$82,465 from 1 January 2026 (being an increase of 4.00% from the recommended minimum stipend applying from 1 January 2025).
5. Accordingly, for 2025 the recommended minimum stipend will be –

	% of Minister's Recommended Minimum Stipend	Jan – Dec'25 Recommended Minimum Stipend \$ pa
Minister	100	79,293
Assistant Ministers, Lay Ministers & Youth and Children's Ministers (Theological degree or Advanced Diploma) –		
5 th and subsequent years	95	75,328
3 rd and 4 th year	90	71,364
1 st and 2 nd year	85	67,399

	% of Minister's Recommended Minimum Stipend	Jan – Dec'25 Recommended Minimum Stipend \$ pa
Youth and Children's Ministers (Diploma) – 7 th and subsequent years	85	67,399
4 th to 6 th year	75	59,470
1 st to 3 rd year	65	51,540

Remuneration packaging

6. The maximum level of stipend that may be sacrificed to a Minister's Discretionary Benefits Account (MDBA) remains set at 40%, with the member of the ministry staff able to set a lower percentage. Ministry staff may sacrifice an additional amount of stipend (over and above the 40%) to increase superannuation savings. There are no limitations on the types of benefit that may be provided from the MDBA. Benefits, whether related to the minister's pastoral duties or of a private nature, 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 Ordinance 2024*. Superannuation for lay ministers is paid separately. As in previous years, the amount of the superannuation contribution is generally set at approximately 17% of the applicable minimum stipend, accordingly the annual contributions proposed for 2025 are –

	2025
Minister	13,480
Assistant Ministers, Lay Ministers & Youth and Children's Ministers (Theological degree or Advanced Diploma)– 7 th and subsequent years	13,480
1 st to 6 th year	12,132
Youth and Children's Ministers (Diploma) – 7 th and subsequent years	11,458
1 st to 6 th year	10,110

Motor vehicles and travel benefits

8. From 1 July 2024, the recommended Diocesan scale for the motor vehicle and travel benefit fixed component was increased to \$8,678, an increase of 7.8%.
9. Increases of a similar increment are anticipated for the subsequent four years, with the next increase effective from 1 January 2025.

Pastoral Supervision and Professional Development

10. Recognition of the cost of obtaining pastoral supervision has been included in the Ministry Related Expenses section in the 2024 Guidelines.
11. Aggregated with other professional development expenses, parishes are encouraged to set aside, by agreement, up to \$2,000 per annum for each fulltime staff member.

Remuneration for occasional services

12. The recommended rates for clergy who take occasional services are –

	2025 \$
For 1 service	90
For 2 or more services in a half day	120
For a whole day	180

13. The following guidelines also apply in relation to remuneration for occasional services –
- (a) Meals should be provided where necessary.
 - (b) As pension benefits may be reduced according to other income received, the recommended rates are open to negotiation.
 - (c) 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

14. 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).
15. 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.
16. Part time pastoral workers must be included under the parish's workers compensation insurance policy.

Student Ministers

17. The recommended assistance for student ministers working one full day per week for 2025 is –

	% of Minister's Minimum Stipend	Jan – Dec'25 \$ pa
Studying for a degree	15.0	11,894
Studying for a diploma	12.5	9,912

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

18. 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*, since 1 July 2024 the national minimum wage for adults has been \$24.10 per hour. This means that the recommended stipend allows for no more than 9.4 hours work per week if studying for a degree, and 7.9 hours if studying for a diploma. The national minimum wage will be reviewed next on 1 July 2025.
 - (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 (at a minimum of 11.5% from 1 July 2024) are payable on the stipends and salaries of all employees.
- (g) Worker's 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.

BRIONY BOUNDS
Diocesan Secretary

19 August 2024