

2019 Recommended Minimum Remuneration Package For People In Ministry In CCVT

The 2019/20 Recommended Minimum Remuneration Package for People in Ministry in CCVT to commence on July 1, 2019 is summarised in the following table. In addition, an attached schedule will assist churches with their minister's remuneration levels based on qualifications and experience. It is important to note that this model of 'levels' should be reviewed and revised in 2019 in readiness for the 2019/20 Package.

The methodology employed was to start with the current 2019 stipend and allowance amounts and apply formulae that are considered reasonable for the annual increase. The indices applied to calculate the increase in the total remuneration package are the Weighted Average Consumer Price Index (CPI) and Wage Price Index for Australia (Private Sector) for the 12 months ended December 2018, provided by the Australian Bureau of Statistics. We also compare the new amounts to that recommended for Baptist Union of Victoria ministers, and the Teacher Class Salaries in Victorian Government Schools Report - Victorian State Government DET, both as an external measure.

RECOMMENDED INCREASE - Remuneration

The total annual increase for 2019-2020 is to be 2.00% which results in an annual increase of \$1,556.49 pa.

The total remuneration increase of \$1,556.49 pa is to be allocated per the current ratio of non-exempt and exempt remuneration as follows:

Remuneration Item	Ratio	Allocation
Assessible Income	30%	\$466.95
Exempt Fringe Benefits	70%	\$1,089.54
TOTAL	100%	\$1,556.49

RECOMMENDED INCREASE – Superannuation

The total annual increase for 2019-2020 is to be 0.25% from 10.50% to 10.75% which will result in an annual increase of \$361.88 and a further 0.25% increase for 2020-2021 from 10.75 to 11.00%.

The current recommended employer superannuation contribution strategy is to be 1.00% over the current Government Superannuation Guarantee Charge (SGC).

The current SGC is 9.50% and the current recommended employer superannuation contribution is 10.50%.

The SGC will increase in 2021 to 10.00%.

To maintain the strategy of 1.00% above the SGC, it is recommended there is an increase in the employer superannuation contribution of 0.50% **phased in over two years (0.25% for 2019 & 0.25%**

for 2020). This will bring the employer superannuation contribution in 2021 to 11.00% compared to the SGC target in 2021 of 10.00%.

Minimum Remuneration Package For Ministers

ANNUAL REMUNERATION OVERVIEW	%	2019/2020	2018/2019	\$ Change
		2% increase		
Assessable component	30%	\$23,814.23	\$23,347.28	\$466.95
Annual Fringe Benefits	70%	\$55,566.53	\$54,476.98	\$1,089.54
TOTAL SALARY	100%	\$79,380.75	\$77,824.26	\$1,556.49
Superannuation	10.75%	\$8,533.43	\$8,171.55	\$361.88
TOTAL ANNUAL REMUNERATION PACKAGE (incl Salary, Super, excl LSL)		\$87,914.18	\$85,995.81	\$1,918.37
*Long Service Leave		\$1,694.47	\$1,945.61	-\$251.13

FORTNIGHTLY REMUNERATION OVERVIEW	% split	2019/2020	2018/2019	\$ Change
		2% increase		
Assessable component	30%	\$915.93	\$897.97	\$17.96
Annual Fringe Benefits	70%	\$2,137.17	\$2,095.27	\$41.91
TOTAL SALARY	100%	\$3,053.11	\$2,993.24	\$59.87
Superannuation	10.75%	\$328.21	\$314.29	\$13.92
TOTAL ANNUAL REMUNERATION PACKAGE (incl Salary, Super, excl LSL)		\$3,381.31	\$3,307.53	\$73.78
*Long Service Leave		\$65.17	\$74.83	-\$9.66

* Long Service Leave calculation is based on the LSL Act Vic (2018) and LSL Act Tas (1976) of 0.8667 week or 32.93 hours accrual per year for seven (7) years of continuous employment for Vic and ten (10) years of continuous employment for Tas. 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.

Ministers Remuneration Level Schedule

Full Time rates applicable from July 1, 2019	A	B	C	D
	Level Definitions - See Below			
ANNUAL SALARY	\$14,173.90	\$17,547.99	\$20,536.49	\$23,814.22
TOTAL FRINGE BENEFITS	\$33,072.44	\$40,945.30	\$47,918.48	\$55,566.52
TOTAL REMUNERATION	\$47,246.35	\$58,493.29	\$68,454.98	\$79,380.75
Fortnightly amount paid in arrears	\$1,817.17	\$2,249.74	\$2,632.88	\$3,053.11
*Superannuation	\$5,078.98	\$6,288.03	\$7,358.91	\$8,533.42
**Long Service Leave provision	\$1,008.53	\$1,248.61	\$1,461.25	\$1,694.47
*Employer Superannuation on Total Annual Salary	10.75%	10.75%	10.75%	10.75%
** LSL yearly accrual is 1.11 times of weekly salary and fringe benefits paid				

Definitions of levels A, B, C, D (these are recommended guidelines to assist in minister's remuneration negotiations)

- 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

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.