



## CLERGY AND LAY MINISTRY WORKERS - CONDITIONS OF SERVICE

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## **A TERMS AND CONDITIONS UNDER WHICH CLERGY WORK**

The theological expectations are defined by Councils of the Church. Additional expectations may be identified by the particular ministry setting. All expectations must be considered in determining the terms and conditions under which clergy work.

Terms and conditions under which clergy work are set by the Archbishop, Synod and Diocesan Council. The Diocesan Council Statute 1888 provides that when Synod is not in session Diocesan Council acts for and on behalf of Synod in respect of all engagements with the Clergy as to their Stipends and other emoluments and conditions of service.

Such terms and conditions cover matters relating to stipend and remuneration package, allowances, housing and vehicle arrangements, insurance, superannuation, leave, removal costs, professional standards and grievance procedures. The policy documents listed set the expectations in each of these areas.

### **Days and hours of work each week**

For healthy human life, full-stipended clergy should normally rest 1 full day per week and work 48 hours over 6 days. Days off are not cumulative and must be taken in a week they fall due.

## **B CONTEXTS IN WHICH CLERGY WORK**

### **Stipends**

While serving God and the Church, ordained ministers do not work for a living, but live on gifts, normally in the form of stipends and allowances given by the Church, to free the time necessary for ministry.

### **Part-stipended and self-funded clergy**

The ordained life is one of life-long commitment and covenantal self-giving.

However, ministry arrangements are many and varied, demanding an approach to working conditions that needs to be tailored to each clergy person's particular circumstances.

Where clergy are not in receipt of a full stipend and remuneration package, it is appropriate that they negotiate with the relevant people the hours and days of work and remuneration package, according to their particular circumstances. This policy provides guiding principles.

For example, a self-funded clergy person who works full time in alternative employment should not be expected to contribute more than a day a week, bringing the total work commitment to six days.

A self-funded clergy person could expect to receive reimbursement for out of pocket expenses.

A part-stipended or self-funded priest should not be expected personally to provide sacramental ministry every Sunday in their appointed parish.

### **Clergy with multiple licenses**

It is increasingly common for a clergy person to have two or more appointments in order to receive a full or sufficient living.

As with all part-time appointments, clergy should negotiate the hours and days of work and remuneration package according to their particular circumstances.

Where appointments cross boundaries of Episcopal responsibility, lines of supervision and responsibility need to be clearly defined.

### **Memoranda of Understanding**

Memoranda of Understanding between clergy and those with whom they serve may help to define and clarify functions, expectations and working conditions.



## 1. STIPENDS

The minimum stipend payable to clergy in full time ministry in the Diocese is fixed from time to time (currently effective from 1 January each year) by the Diocesan Council pursuant to recommendations from the Provincial Stipends Committee which in making recommendations consider stipend levels in other Dioceses in Australia and various statistical data including the wages price index, average weekly wages and the consumer price index. Refer Appendix 1.

Clergy undertaking a Curacy are paid on a pro rata basis as follows:

Position and Duration	% Min Stipend
Curate (Completed an authorised Theological Degree and completed the formation)	85%
Curate (Authorised Theological Degree and formation incomplete)	65%

The stipend payable to clergy in part time ministry is paid on a pro rata basis.

Stipends and allowances for each calendar month are paid centrally by the Diocese by direct credit to the clergy person's bank account on the 15<sup>th</sup> of each month (or the preceding working day if the 15<sup>th</sup> is a weekend or public holiday).

## 2. HOUSING

The standards of clergy residences are determined from time to time by Diocesan Council and published in the Property Handbook. The clergy are required to maintain the residence in a reasonable condition as set out in Diocesan Council Policy No. 10.5 (Care of Houses).

### Parish Clergy

Parish clergy are to be provided with a suitable rectory or other residence within the parish, unless the Archbishop agrees to such rectory or other residence being located outside the parish, at the cost of the parish.

Synod Resolution 42/02 states *inter alia* that where a clergy person chooses not to reside in the rectory provided by the parish, the parish should not be financially disadvantaged. Therefore, in cases where there is a suitable rectory or other residence available but, nevertheless, *with the approval of the Archbishop*, parish clergy choose to live in their own house, the standard housing allowance is payable unless the Diocesan Council, with the mutual agreement of the member of clergy concerned and the Parish Council, determines that a reduced housing allowance is payable, having regard, in particular, to the financial consequences for the parish of this approval. It is the practice of the Archbishop for there to be consultation with the Parish Council before giving such approval.

### Non-Parish Clergy

Non-parish clergy in full-time ministry are to be provided with a suitable residence at the cost of the organisation or department for which they minister (the "responsible body") or are to be paid the standard housing allowance when the responsible body agrees that they may live in their own house.

Non-parish clergy in part-time ministry would normally live in their own house and be paid the standard housing allowance, on a pro rata basis.

### Clergy in more than one ministry

Where clergy are engaged in part-time ministry in more than one parish, organisation or department of the Diocese, the cost of providing a suitable rectory or other residence or housing allowance shall be shared equitably between all parties as agreed.



### **Housing Allowance**

The rate at which the standard housing allowance is payable is determined by Diocesan Council on the recommendation of the Provincial Stipends Committee and is usually reviewed annually effective 1 January each year refer **Appendix 1**.

For part stipended clergy, the allowance will be paid on a pro rata basis, unless otherwise agreed.

### **Lighting, Heating, Water Consumption and Telecommunications**

The parish or responsible body is also responsible for meeting the reasonable cost of lighting, heating and water consumption and telecommunications services which include land line and mobile phones and internet at the residence of a member of the clergy, together with the cost of all but personal telecommunications incurred by the member of the clergy. The Archdeacon shall determine what is reasonable when the question arises between the parish or the responsible body and the member of the clergy concerned.

## **3. MOTOR VEHICLES**

A motor vehicle allowance is payable where clergy are not provided with a motor vehicle by the parish or responsible body. Refer Appendix 1.

### **Motor Vehicle Allowances**

The rate at which the motor vehicle allowance is payable is determined by Diocesan Council on the recommendation of the Provincial Stipends Committee and is reviewed annually effective 1 January each year after considering data on vehicle running costs Refer **Appendix 1**.

The allowance consists of a fixed cost component covering standing costs such as depreciation and interest on loans and an operating cost component covering running costs such as fuel and repairs.

The operating cost component of the motor vehicle allowance covers travel on church business up to 13,000km per annum. Travel to and from home to the place of work is not covered by the motor vehicle allowance. Travel on church business in excess of 13,000km is reimbursed at a rate per kilometre determined by Diocesan Council usually reviewed annually effective 1 January. Refer Appendix 1 Policy 10.

Clergy engaged in part-time ministry shall receive the fixed cost component of the motor vehicle allowance together with a pro-rata proportion of the operating cost component unless Diocesan Council, on the advice of the Archdeacon and with the mutual agreement of the member of clergy concerned and the responsible body, determines that a reduced motor vehicle allowance is payable.

Clergy on long service leave or extended sick leave in excess of 30 days receive only the fixed cost component of the motor vehicle allowance.

The motor vehicle allowance payable to clergy engaged in part-time ministry in more than one parish, organisation or department of the Diocese shall be shared equitably between all parties as determined by Diocesan Council.

The Archdeacon, after consultation with Parish Councils, may approve the use of a larger sized vehicle in remote country parishes where distances travelled and road conditions warrant this. Remote country parishes have been defined as those situated beyond 110 km from Perth and exclude Beverley-Brookton, Gingin-Chittering, Northam, Toodyay-Goomalling and York. If a larger vehicle is approved, then the higher rate of travelling allowance applicable to a high capacity vehicle would apply and rates effective may be obtained by contacting Diocesan Office.

Clergy should maintain accurate records of ministry-related travel for presentation to the parish Treasurer on a quarterly basis.



#### **4. COUNTRY ALLOWANCES (Country Parishes only)**

Diocesan Council set country allowances as follows: as per Appendix 1.

#### **5. REMUNERATION PACKAGING**

Current taxation laws provide exemptions from Fringe Benefits Tax (FBT) for benefits provided to clergy and lay ministry workers employed by religious institutions in relation to predominantly pastoral duties.

This means that where the church as the employer makes payment for benefits provided to clergy and lay ministry workers, such items are not treated as income in the hands of clergy and lay ministry workers, nor is the church as employer liable for fringe benefits tax.

The Diocese has accepted that it is responsible and appropriate to administer clergy and lay ministry workers remuneration in accordance with these provisions, while being careful not to exploit the system.

This arrangement only applies to clergy and Lay Ministry Workers as defined in Policy 10.

Administrative staff employed by parishes and the Diocese do not qualify for these arrangements.

Guidelines for remuneration packaging are detailed in Policy 10.2

This policy applies to clergy who predominantly perform pastoral duties and are in:

- full time ministry; or
- part- time ministry on a permanent basis

#### **6. CLERGY LEAVE**

The Clergy Leave Policy (Policy 10.3) applies to all parish clergy and clergy in departments responsible to Diocesan Council.

#### **7. SUPERANNUATION**

In terms of the Clergy Pensions and Superannuation and Relief Fund Statute 1977-2003, where the law in Australia requires contributions to be made to a complying superannuation fund in respect of a clergy member in the Diocese, such contributions are made to such complying superannuation fund, as required by the member of clergy.

##### **Contributions**

Contributions to superannuation are to be in accordance Appendix 1.

Half the cost of superannuation contributions made by the Diocese in respect of Parish clergy, based on minimum stipend, is borne by Diocesan Council with the balance borne by the Parish.

Superannuation contributions made in respect of locums in place of clergy on leave are borne by the Parish.

Superannuation contributions made in respect of non-parish clergy are borne by the responsible body.

In order that adequate preparations are made for retirement, clergy are encouraged to make personal contributions to superannuation at a minimum of 6% of stipend. Information about clergy remuneration packaging, including personal superannuation contributions, can be found in Policy 10.2.

#### **8. WORKERS COMPENSATION INSURANCE**

The Clergy Accident and Sickness Insurance Statute 1974-1986 requires that Diocesan Council arrange insurance cover under the provisions of the Workers' Compensation and Rehabilitation Act of the State



of Western Australia in respect of the clergy in the Diocese. This insurance would, subject to acceptance of the claim by the insurer, normally cover instances where clergy are injured in the course of carrying out their duties.

For Parish Clergy half the cost of the worker's compensation clergy is borne by Diocesan Council with the balance borne by the Parish. Premiums paid in respect of non-parish clergy are borne by the responsible body.

Clergy are to be responsible for their own death, total and permanent disability and stipend continuance insurance. This is best accessed through their superannuation fund.

## **9. CLERGY COUPLES**

Where husband and wife are each clergy engaged in ministry in the Diocese the terms and conditions of appointment will be modified to avoid unnecessary duplication. These conditions will be determined on appointment or as required and are subject to approval by the Diocesan Council. It is the practice for there to be consultation with the parish or the responsible body, as the case may be, concerning these matters.

The attached table at (Appendix 1) provides guidance for how the costs of housing, utilities and telephone are shared in certain situations where a clergy couple are both in stipendiary ministry in the Diocese.

## **10. TERMS AND CONDITIONS FOR LAY MINISTRY WORKERS**

A lay person who is a communicant member of this Church, must have licenses issued by the Archbishop under the Authorised Lay Ministry Canon:

- (a) the reading and conduct of authorised services of this Church;
- (b) the preaching of sermons;
- (c) assistance to the priest in the ministrations and distribution of the Holy Communion;
- (d) any other lay ministry declared by the bishop of the diocese to be an authorised lay ministry for the purposes of this canon.

An authority under sub-section (9.1) may be limited by reference to all or any of the following:

- (a) the nature of the functions authorised to be performed;
- (b) the person or persons at whose request or by whose authority the functions may be performed;
- (c) the place at which and the period during which the functions may be performed.

The bishop of a diocese may revoke an authority given under this section

Lay Ministry Workers employed by the Diocese of Perth are remunerated according to the clergy Stipend pro-rata on the following basis.

The Fair Work Act 2009 applies to Lay Ministry Workers the Act contains a series of National Employment Standards which stipulate certain minimum conditions of employment that must be provided to all Lay Ministry Workers.



<b>POSITION AND DURATION</b>	<b>% MIN STIPEND</b>
<b>Lay Minister and Youth and Children Ministers (Holding an authorised Theological Degree and have completed an appropriate formation course)</b>	
Year 1 + 2	85
Year 3 + 4	90
Year 5 and following	95

<b>Assistant Lay Minister (No theological qualification)</b>	
Year 1 + 2	75
Year 3 + 4	80
Year 5 and following	85

<b>Youth and Children Ministers (No theological qualification)</b>	
Year 1 + 2	65
Year 3 + 4	75
Year 5 and following	85

### **Superannuation**

Superannuation contributions are made to an approved superannuation fund or retirement savings account chosen by the employee in accordance with Policy 10 Appendix 1

### **Remuneration Packaging**

Current taxation laws provide exemptions from Fringe Benefits Tax (FBT) for benefit provided to lay ministry workers employed by religious institutions in relation to predominantly pastoral duties.

This means that where the church as the employer makes payment for benefits provided to lay ministry workers; such items are not treated as income in the hands of lay ministry workers, nor is the church as employer liable for fringe benefits tax.

The Diocese has accepted that it is responsible and appropriate to administer clergy and lay ministry workers remuneration in accordance with these provisions, while being careful not to exploit the system.

This arrangement only applies to Lay Ministry Workers as defined in Policy 10. The definition of “religious practitioner” in the Fringe Benefits Tax Assessment Act may make it more difficult for part-time lay ministry workers to qualify and it is recommended that in cases of doubt should be referred to the Director of Finance who take into consideration Income Tax Ruling – TR 92/17 and in need seek professional advice. Generally speaking, it is suggested that ministry staff serving on a limited basis in the parish (ie, predominately working in a non-ministry related job) would not be entitled to remuneration packaging. Alternatively, a ministry staff member working 3 days in the parish and studying full-time at a theological college is more likely to qualify as a “religious practitioner”

Administrative staff employed by parishes and the Diocese do not qualify for these arrangements.

Guidelines for remuneration packaging are detailed in Policy 10.2

## **DIOCESAN COUNCIL POLICY 10.1**



### **Housing**

As per Section 2.7 of this Policy

### **Motor Vehicle**

Section 3 of this Policy

### **Other terms and conditions for Lay Ministry Workers**

To be in line with Policy 1 (Personnel Policy and Practices for all lay employees)

## **11.SUPPLY SERVICES**

Where retired or part-time clergy officiate at public worship in a parish on a Supply basis, remuneration will be determined by Diocesan Council on an annual basis upon the recommendation of the Provincial Stipends Committee. Refer Appendix 1, Policy 10.

The Supply Rates are determined for the provision of 'one service', 'two services' or for 'all day'.

Clergy in receipt of a full stipend in other than parish ministry and with no Sunday responsibilities are required to provide Sunday supply services.

Clergy in full-time parish, chaplaincy or other diocesan positions do not receive remuneration for a Supply service. However, parishes should consider making a financial contribution at the relevant Supply Rate to the appropriate department or parish budget. NB: This does not preclude offering a modest gift as a token of appreciation to the clergyperson providing the Supply service.

For any person providing a Supply service, reimbursement for travel is payable at the Diocesan rate per kilometre as determined by Diocesan Council from time to time. Refer Appendix 1, Policy 10.

Locum Tenens – refer to Policy 10.9

## **12.PROFESSIONAL STANDARDS**

As required by the Professional Standards Statute, the Diocesan Council has established a number of policies relating to Professional Standard all of which are contained under Policy 40.

It is a requirement the diocesan Clergy are coherent of Policy 40.



## **Allowances: Married Clergy Couples**

The attached table provides guidance for how the costs of housing, utilities and telephone are shared in certain situations where a clergy couple are both in stipendiary ministry in the Diocese.

The general philosophy behind the equal split of most costs is that each parish or department in which a priest is deployed in stipendiary ministry in the Diocese is responsible to pay such costs whether such priest is working full time or part time (see Policy 10.1)

Terms used

- **Allowance** – the standard Housing Allowance as determined from time to time by Diocesan Council
- **Diocesan House** – a house owned by a Trust managed by the Diocese or owned by the Diocese in its own right.

**RESPONSIBILITY FOR PAYMENT OF ALLOWANCES TO MARRIED CLERGY COUPLES**

<b>Possible Situations Clergy Couple</b>	<b>Housing Allowance or Rent</b>	<b>Power, Heating and Water Usage</b>	<b>Telephone Rental and Business Calls</b>
<b>Both working in the same parish ministry living in:</b>			
(a) own home	Parish pays one Allowance	Parish	Parish
(b) Diocesan house	Parish pays rent *	Parish	Parish
(c) rectory	Rent free	Parish	Parish
(d) rented accommodation	Parish pays rent & related costs	Parish	Parish
<b>One employed as a chaplain, one in parish ministry living in:</b>			
(a) own home	Department and parish share Allowance 50:50	50% dept, 50% parish	50% dept, 50% parish
(b) Diocesan house	Department and parish share rent * 50:50	50% dept, 50% parish	50% dept, 50% parish
(c) rectory	Department pays 50% of Allowance to the Parish	50% dept, 50% parish	50% dept, 50% parish
(d) rented accommodation	Department and parish share rent and related costs 50:50	50% dept, 50% parish	50% dept, 50% parish
<b>Working in different parish ministries living in:</b>			
(a) own home	Each parish shares Allowance	50% each parish	50% each parish
(b) Diocesan house	Each parish shares rent*	50% each parish	50% each parish
(c) rectory	By negotiation between parishes	50% each parish	50% each parish
(d) rented accommodation	Each parish shares rent & related costs	50% each parish	50% each parish
<b>Both employed as chaplains living in:</b>			
(a) own home	Department(s) share Allowance 50:50	Department(s) share	Department(s) share
(b) Diocesan house	Department(s) share rent 50:50*	Department(s) share	Department(s) share
(c) rented accommodation	Department(s) share rent & related costs 50:50	Department(s) share	Department(s) share
* At a commercial rate negotiated between Parish and Director of Finance			



**APPENDIX 2**

**STIPENDS AND ALLOWANCES 2019**

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The minimum stipends and allowances which will apply from 1 January 2019 to clergy in full-time ministry are shown below:

	<b>Previous Calendar Year</b>	<b>From 1 January 2019</b>
Stipend	\$58,580	\$59,752
Motor Vehicle Allowance	\$8,280	\$8,280
Housing Allowance	\$15,924	\$15,924
Supply service fees		
- one service	\$89	\$91
- two services	\$117	\$119
- all day	\$160	\$164
Travelling rate per km		
- for recipients of travel allowance (>13,000km)	35c per km	35c per km
- other clergy	64c per km	64c per km
Superannuation	13.5%	13.5%

<b>Country Allowances</b>	<b>Percentage of Stipend</b>	<b>Previous Calendar year</b>	<b>From 1 January 2019</b>
(a) Gingin-Chittering, Northam, Toodyay Goomalling and York	2%	\$1,171	\$1,195
(b) Beverley-Brookton, East Avon, Moora, Quairading, The Turquoise Coast and Wyalkatchem-Koorda-Dowerin	3%	\$1,757	\$1,793
(c) Bruce Rock, Narembeen, Merredin, Kellerberrin and Wongan Hills-Dalwallinu	4%	\$2,343	\$2,390
(d) Morawa-Perenjori, and North Midlands	5%	\$2,929	\$2,988
(e) Esperance and The Goldfields	6%	\$3,514	\$3,585

Part time ministries to be paid on a pro rata basis.