

September 16<sup>th</sup>, 2020

Dear Church Treasurer / Moderator,

In consideration that it is reasonable to review the current inflation rates at this time of the year, the Bank of Canada has been tracking inflation rates between **-0.40%** to 2.40% in the last eight months of this year. This year has been the first time since 2009 that inflation rates have moved into negative territory due to the COVID-19 pandemic. The 2020 annualized inflation rate is currently at 0.73% as compared to last year's, which stood at 1.89% for the first eight months of 2019. The forecasted inflation rate for this year 2020, based on the most recent Bank of Canada's Monetary Policy Report estimates released in July 2020, placed Canada's inflation rate at 0.60% by year's end.

As such, the CBWC would recommend that an adjustment, based on the Cost of Living Adjustment increase (COLA) of 0.60% for 2021 for your kind consideration, towards the remunerations of the pastoral and non-pastoral staff within the constituencies.

For 2021, the CBWC has worked out a new salary grid guide form to assist you in determining the current market rate of your pastoral staff given their qualifications, work experience, responsibility, church size, and the city or nearest town that your church is located. We believed that this new approach will provide a more accurate determination of the staff payroll in planning your yearly church operational budget. If you have questions concerning the new salary grid guide form, please kindly contact our Operations Manager, Jerry Wang.

Thank you for the work that you do in your church and within the CBWC. Your ministry is definitely a blessing to others and it does make an eternal difference.

With blessings,



**Victor Ku**

Director of Administration and Finance

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