

September 6th, 2024

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 2.70% to 2.90% in the last eight months of 2024. This year, the inflation rate has started to decrease from a high of 3.89% on average for the year 2023. Since then, the economy has slowed but was not in a recession, as was previously predicted by economists. Instead, the Bank of Canada managed to navigate a soft landing for the Canadian economy, post-COVID-19 pandemic. The supply of goods worldwide has improved, amidst the ongoing wars, and the enduring housing crisis in the country. The consumer demands have also dampened somewhat. The 2024 annualized inflation rate is currently at 2.82% as compared to last year's, which stood at 4.16% for the first eight months of 2023. The forecasted inflation rate for this year 2024, based on the most recent Bank of Canada's Monetary Policy Report estimates released in July 2024, placed Canada's inflation rate at 2.50% by year's end, with the last quarter's Q4 rate estimated at 2.50% or below.

The Bank of Canada has also forecasted that the inflation rate will reduce back to the target rate of 2.0% by the middle of 2025. As such, **the CBWC would like to recommend an adjustment, based on the increase (COLA) of 2.00% for the financial year 2025 as a consideration, towards the remunerations of the pastoral and non-pastoral staff within the constituencies.**

For 2025, the CBWC has revised the 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 believe that this revision would 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 a blessing to others, and it does make an eternal difference.

With blessings,



Victor Ku

Director of Administration and Finance