Canadian Baptists
OF WESTERN CANADA

September 5th, 2025

Dear Church Treasurer / Moderator,

Considering 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 1.70% to 2.60% in the last eight months of 2025. This year, the inflation rate has started to decrease from a high of 2.39% on average for the year 2024. This year, the economy has been affected by the imposition of the US tariffs. The Canadian economy has shrunk by 1.6% in the second quarter, because of these tariffs squeezing exports to the US. The 2025 annualized inflation rate is currently at 1.97% as compared to last year's, which stood at 2.68% for the first eight months of 2024. The forecasted inflation rate for this year, 2025, based on the most recent Bank of Canada's Monetary Policy Report estimates released in July 2025, placed Canada's inflation rate at 1.90% by year's end, with the last quarter's Q4 rate estimated at 1.90%.

The Bank of Canada has previously forecasted that the inflation rate will return 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 2026, as a consideration**, **towards the remuneration of the pastoral and non-pastoral staff within the constituencies.**

For 2026, 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 where 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