

A Statistical Profile of Canadian Wesleyan Movement Congregations, 2000–2011

by Rick Hiemstra, Director of Research, The Evangelical Fellowship of Canada Presented at the Fourth Annual Wesley Studies Symposium, Tyndale Seminary, Toronto, Ontario March 13, 2012

"Give me one hundred preachers who fear nothing but sin, and desire nothing but God, and I care not a straw whether they be clergymen or laymen; such alone will shake the gates of hell and set up the kingdom of heaven on Earth." —John Wesley

I was contacted late last year by Dr. Howard Snyder to see if I would present a paper to be titled "A Statistical Profile of the Wesleyan Community in Canada" at this Fourth Annual Wesley Studies Symposium. Given the enormousness of the task and the high expectations that go along with statistics, I thought it prudent to begin by managing expectations. You will not find attendance, baptism, sanctification, or conversion statistics in this paper. You will not learn about camping ministries, missions, or the activities of denominational structures. Rather, this paper limits its profile of the congregations of the Wesleyan Movement in Canada to what can be gleaned from Charitable Information Returns (CIR), the annual financial and program activity reports that the Canadian government requires of all registered charities, for the timeframe from 2000 to 2011. Instead of merely presenting a simple snapshot, however, I will try to illustrate trends.

Prior to accepting my current position with The Evangelical Fellowship of Canada (EFC), I served as a Wesleyan pastor in Cornwall, Ontario. Out of this experience, I tried to find measures that pastors, board members, and district superintendents would find helpful in understanding their movement; and that could be dealt with in a brief paper. There are over 200 pieces of data in a CIR.¹ The following data will be profiled in the paper:

- location
- fiscal year end
- tax-receipted gifts, or what is essentially offerings (Line 4500)
- total revenue (Line 4700)
- total compensation (Lines 4880 and Line 390)
- travel and vehicle expense (Line 4810)
- occupancy costs (Line 4850)
- education and training for staff and volunteers (Line 4870)

¹The most recent version of the T3010 can be found at http://www.cra-arc.gc.ca/E/pbg/tf/t3010-1/t3010-1-10e.pdf (accessed February 27, 2012).



Methodology

Wesleyan Movement

For the purpose of this paper the five denominations that support the Tyndale Seminary Chair of Wesley Studies will be the Wesleyan Movement: The Salvation Army in Canada (Salvation Army or SA); The Free Methodist Church in Canada (Free Methodist or FM); The Church of the Nazarene Canada (Nazarene or Naz); The Canadian Conference of the Brethren in Christ of North America (Brethren in Christ or BiC); and The Wesleyan Church of Canada (Wesleyan or Wes). While there are other denominations which share a Wesleyan or holiness heritage – such as The United Church of Canada – when this paper refers to the Wesleyan Movement it will mean the Canadian manifestations of these five denominations.

Congregations

Identifying congregations is not as straightforward as it might, at first, seem. What is a congregation? Sociologist Mark Chaves offers this definition:

a social institution in which individuals who are not all religious specialists gather in physical proximity to one another, frequently and at regularly scheduled intervals, for activities and events with explicitly religious content and purpose, and in which there is continuity over time in the individuals who gather, the location of the gathering, and the nature of the activities and events at each gathering.³

While this may seem overly complex to ministry practitioners, these are the kinds of issues with which denominations and researchers need to grapple in order to identify congregations. An example from the BiC will help illustrate the issue. The Meeting House, a BiC church, bills itself as "a church for people who aren't into church" – that is a single church. The Meeting House, however, contrary to Chaves' definition, meets in several locations, not one. So while you may be "in physical proximity to" the people meeting at your Meeting House site, you are not in physical proximity to all the people who would affiliate with the Meeting House. Is the Meeting House one congregation or many? For the purposes of this study I've decided to treat each Meeting House site as a separate congregation (as I do for other similarly structured "churches").

In other cases, you could have several congregations meeting either simultaneously or serially in the same building for worship services. Usually, this is described as having several "services" within the same congregation, and these services often take on some of the attributes of separate congregations. Whether or not these "different services" are, in fact, different congregations is difficult to determine. It depends on how the church leadership encourages or discourages differentiation. This study will treat congregations with different services as one congregation. There are two very practical reasons for doing this. First, making the distinction is very subjective. Second, I simply do not have any data that would allow me to do so.

²Charities Directorate Charities Listings, http://www.cra-arc.gc.ca/ebci/haip/srch/advancedsearch-eng.action.

³Mark Chaves, *Congregations in America*. (Cambridge, Massachusetts and London, England: Harvard University Press, 2004): 1–2.

⁴http://www.themeetinghouse.ca/ (accessed February 14, 2012).

June 2012 / Volume 5 / Issue 1 ISSN 1920-0439



In other cases, church plants will function as a site of a mother church for several years even though, unlike the Meeting House sites, they are intentionally trying to foster a separate congregational identity. At what point does the church plant get added to a denomination's list of established congregations? The answer varies from denomination to denomination, and sometimes congregations cross the threshold of criteria for congregational status set out by their denomination only to slip back again for a time. For the purpose of this study, if a denomination identified a church plant as a congregation, I treated it as such.

Identifying congregations is further complicated by the fact that this paper looks at CIRs, and not every congregation has a charitable registration number. The norm is still for each simple congregation (single-site congregation) to have its own charitable registration number. In cases, like the Meeting House, where there is only one charitable registration number for all of its sites, the data for all of its sites is aggregated in one record. Obviously, it is somewhat problematic to compare the Meeting House directly with a simple congregation. Still we are left without an alternative. The reader is encouraged to be aware that, while, in most cases, we are comparing simple congregations to other simple congregations, the data is, in fact, associated with registered charities. Further, generally speaking, church plants do not apply for and receive registered charity status until they have been established for a few years. In the intervening period, they will usually "run their books" through those of either a mother church or a denominational office. I did not have the information that would allow identification of the instances where this occurred.

There will tend to be fewer registered charities represented by a denomination's congregations than the number of congregations for several reasons. First, multi-site congregations may share a single charitable registration number. Second, church plants may share a charitable registration number with a mother church or a denominational office. Third, without direct denominational input I was not able to identify or confirm all of a denomination's congregations, and in some cases where a congregation was identified no confident matching to its charitable registration number could be made. Even with these caveats and limitations, the CIR data presented in this paper still represents about 85% of the Wesleyan Movement congregations (see table 1).

Table 1. Wesleyan Movement congregations in Canada

	Salvation	Free		Brethren		
Count Type	Army	Methodist	Nazarene	in Christ	Wesleyan	Total
Congregations claimed by denomination	308ª	"Just under 150" ^b	"Almost 200 congregations and missions" or "153 churches" churches churche	49 ^d	115 ^e	~800
Congregations matched to charitable registration numbers ^f	297	125	132	48	98	700
Unique charitable registration numbers identified ^g	297	125	129	37	97	685
Number of unique charitable registration numbers as percent of congregations claimed by denomination ^e	96%	~85%	~75%	~75%	~84%	~85%

^a The Salvation Army Canada/Bermuda Territory actually claims to have 312 congregations, 4 of which are in Bermuda.

The Wesleyan Movement within Canadian Evangelicalism

Any count of the number of evangelical congregations within Canada is necessarily an estimate, because of the methodological issues discussed above. Given these cautions, however, I estimate that there are between 11,000 and 12,000 evangelical congregations in Canada. This means that the Wesleyan Movement congregations represent about 6% to 7% of the national Evangelical Movement. How does this compare with other submovements within Canadian Evangelicalism? In 2011, The Pentecostal Assemblies of Canada (PAOC) had 1,069

^b Estimate from Mark Molczanski, Director of Administrative Services, The Free Methodist Church in Canada in an e-mail, December 6, 2011.

^d Canadian Conference of the Brethren in Christ Church, *Minutes of the One Hundred Eighteenth Annual Conference*. (April 17 and 18, 2009). Meeting House sites counted as separate congregations.

^e List provided by Mark Parker, Regional Director, The Lake Region, The Wesleyan Church of Canada, January 20, 2012.

f For those congregations which were registered charities as of February 10, 2012.

^g Some congregations share a Charitable Registration number.

June 2012 / Volume 5 / Issue 1 ISSN 1920-0439



congregations, and, in 2010, The Christian and Missionary Alliance in Canada (C&MA) had 435. While the PAOC and C&MA are two of the larger evangelical denominations in Canada, the PAOC alone has more congregations than the entire Wesleyan Movement.

Denominations

There is a growing trend within Canadian Evangelicalism for congregations to have more than one denominational affiliation. While the growth in this trend is more recent, Madoc Wesleyan and Free Methodist Church, Madoc, Ontario, provides one, albeit older, example from the Wesleyan Movement of a congregation with multiple denominational affiliations. While I am not aware of other instances in the Wesleyan Movement, others may exist. In order to simplify analysis, congregations with multiple affiliations were assigned to one denomination (Madoc was assigned to the Wesleyan Church). In the cases where I was unaware of the multiple affiliations, the denominational affiliation that I became aware of first was the assignment that was made.

Statistics and Trends

Location

If I had to take a pin and mark the centre of gravity for the Wesleyan Movement in Canada on a map, I would stick it in Belleville, Ontario, on the north shore of Lake Ontario (see chart 1). I choose Belleville for a number of reasons. First, a visual inspection of chart 1, which is linked (in the electronic version of this paper) to an interactive map, will demonstrate that this is a reasonable choice. Second, in the recent past, Belleville was home to denominational or district offices for the Wesleyan and Free Methodist Churches, and finally it is in close proximity to the Old Hay Bay Church, which has been described as the cradle of Methodism in Upper Canada.

⁵"The Pentecostal Assemblies of Canada Fellowship Statistics (as of January 20, 2012)" (accessed February 16, 2012, http://www.paoc.org/upload/files2/docs/Fellowship%20Statistics/Jan.%202012-%20Fellowship%20Stats.pdf) and The Christian and Missionary Alliance in Canada website, 2010 statistics (accessed February 16, 2012, http://cmalliance.ca/statisticsc1419.php).

⁶Interestingly, these affiliations are being made separately by congregations and their clergy. It is possible that a congregation may have two or more denominational/network affiliations while its pastors might have their own denominational/network affiliations. The congregational and pastoral affiliations need not necessarily overlap either.

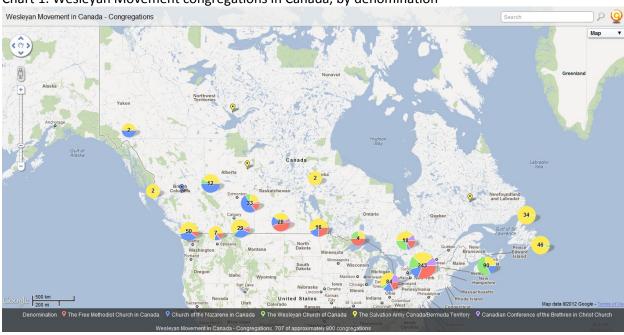
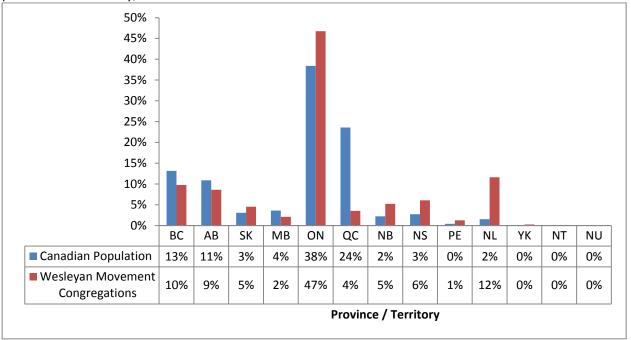


Chart 1. Wesleyan Movement congregations in Canada, by denomination

Source: http://www.batchgeo.com/map/fe6107b5eb6d8653bfe9eab144991995.

While some Wesleyan Movement denominations have a significant Western Canadian presence (Naz, SA, FM), the movement as a whole is weighted towards the east. Chart 2 compares the percentage distribution of the Canadian population with the percentage distribution of Wesleyan Movement congregations across Canada's provinces and territories. Relative to the population, Wesleyan Movement congregations are overrepresented in the Atlantic Provinces and Ontario, while they are underrepresented in most of the Western provinces. It is Quebec, however, where the largest discrepancy in the distribution of the population to congregations occurs.

Chart 2. The percentage distribution of the Canadian population and Wesleyan Movement congregations, by province and territory, 2011



Source: 2011 Canadian Census, "Population and dwelling counts, for Canada, provinces and territories, 2011 and 2006 (accessed February 15, 2012, http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/hlt-fst/pd-pl/Table-Tableau.cfm?LANG=Eng&T=101&S=50&O=A).

The Free Methodist Church is essentially an Ontario-and-east denomination with roughly three-quarters of its congregations in Ontario. The distribution of Nazarene congregations closely matches the distribution of the Canadian population, with notable weaknesses in Newfoundland and Labrador and Quebec. While the Brethren in Christ have a handful of congregations on the Prairies, in Canada it is essentially an Ontario-based denomination as well. The Wesleyan Church has a strong presence along the north shore of Lake Ontario and in the Maritime provinces, particularly New Brunswick and Nova Scotia, with a handful of congregations in Alberta. It is difficult to characterize The Salvation Army's presence in Canada by its congregations alone. In urban areas, its thrift stores, shelters, and food banks, etc., tend to be administered regionally. Outside of large metropolitan centres, these ministries are assumed by the local corps or congregations. In addition to 308 corps, there are more than 100 missions, thrift shops, addiction treatment facilities, correctional service facilities, hospices, etc., that are administered regionally. Even still, the provincial distribution of all The Salvation Army ministry units (corps and other ministries) is roughly the same as the distribution of its corps. Of the Wesleyan Movement denominations, the distribution of The Salvation Army's corps most closely matches the provincial distribution of the Canadian population, with the notable exceptions of Quebec, where its presence is weaker, and Newfoundland and Labrador, where its presence is stronger. No Wesleyan Movement denomination has a strong presence in Quebec.

June 2012 / Volume 5 / Issue 1 ISSN 1920-0439



Canada Post identifies an address as rural if the second character of its postal code is a zero and as urban otherwise. Using the postal codes registered with the Charities Directorate, I found that about two-thirds of Wesleyan Movement congregations were situated in urban settings and one-third in rural settings. Of course, this distribution varies from denomination to denomination, with the BiC being the least urban and the SA being the most.

Fiscal Year Ends

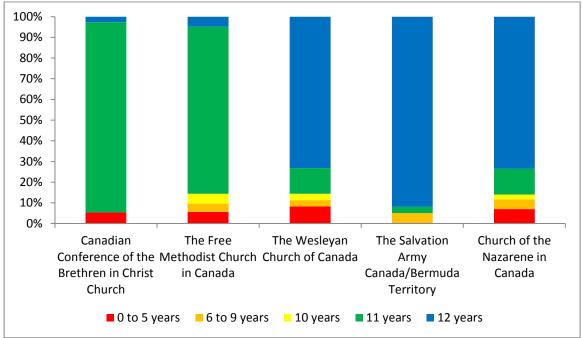
Congregations usually exist as a church plant for several years before they apply for a Registered Charity Number. Therefore, the first instance of a CIR does not necessarily indicate that a congregation was recently established. This study examines CIRs from 2000 to 2011, a 12-year period. All of the registered charities considered in this period were registered (the Charities Directorate's language for "in good standing") as of February 13, 2012. This means that there may have been (and for all denominations there were) congregations that were registered in the reference period that subsequently had their charitable status "revoked" (see note for definition) prior to February 13, 2012 – these are the congregations that closed. I was able to identify 91 Wesleyan Movement congregations that had their charitable status revoked between 2000 and 2011. These have not been included as I cannot be reasonably certain that all were identified. By including the ones that were identified, I would have essentially been painting a less favorable portrait of those denominations that keep better, or more accessible, records. The presence of congregations with fewer than 11 CIRs may be an indication of church planting activity because these congregations would have obtained their Registered Charity number sometime after 2000. The red, orange, and yellow bars in chart 3 are indications of church planting activity.

⁷Canada Post has urbanized New Brunswick postal codes. There are many Wesleyan Movement congregations in a rural New Brunswick setting, but rather than try to make an independent determination of whether NB congregations were urban or rural, I simply omitted NB congregations from my discussion of urban and rural settings.

⁸Additionally, in rare instances, congregations will change their Registered Charity number. This would be another example when the introduction of T3010 records for a Registered Charity number may not indicate a new congregation.

⁹"Revoked" is the Charities Directorate's antonym for "registered." While the language of revocation sounds pejorative, there are actually three reasons that charitable status is revoked: for cause (which almost never happens for congregations), voluntary withdrawal, and failure to file within the specified period (in most cases this amounts to the same thing as a voluntary withdrawal).

Chart 3. The percentage of registered charities in the study with various numbers of years of CIR data, by denomination



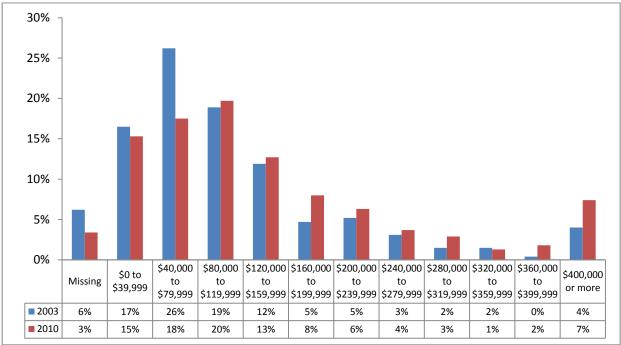
An interesting aside: Salvation Army, Wesleyan, and Nazarene congregations tend to have fiscal year ends in the spring, most often April, while Brethren in Christ and Free Methodist congregations' year ends tend to coincide with the calendar year. While the spring fiscal year ends are not universal for Wesleyan Movement congregations, having a spring fiscal year end is peculiar among evangelical denominations. I suspect this is, at least in part, a legacy of the Wesleyan Movement's camp meeting tradition. Historically, district conferences would have taken place at summer camp meetings. This meant that congregational statistical reports needed to be collected and compiled far enough in advance to allow for the district reports to be ready.¹⁰

Tithes and Offerings

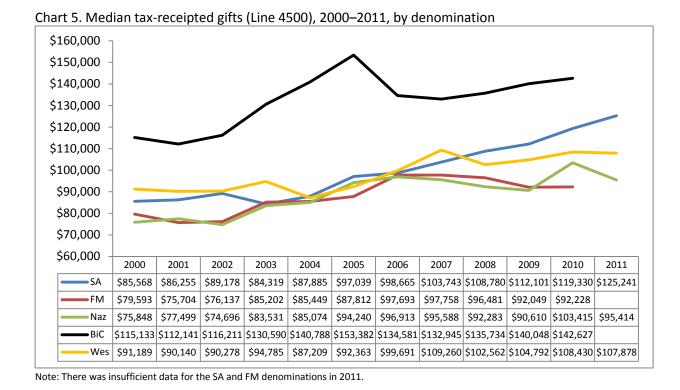
For most congregations, tax-receipted gifts mean tithes and offerings. Congregations may have other sources of revenue such as rental of buildings, fundraisers, or, especially in the case of The Salvation Army, funds from various levels of government. When considering tax-receipted gifts and, indeed, most financial measures, I will use the median rather than the mean as a measure of central tendency. A brief look at the 2003 and 2010 percentage distributions of tax-receipted gifts for Wesleyan Movement congregations across various ranges will help to illustrate why (see chart 4).

¹⁰This is also a reality for those ministries receiving government funding, as federal and provincial governments tend to have an April fiscal year end.

Chart 4. Percentage distribution Wesleyan Movement tax-receipted gifts (Line 4500) across various ranges, 2003 and 2010



We are generally accustomed to using the average, what statisticians call the "arithmetic mean," to describe the central tendency, or middle of a set of data. This is the correct approach when the data has a classic bell shape distribution. The distributions of tax-receipted gifts in chart 4 look like bell shapes that have had their right hand side stretched into a long tail (there is an uptick at the end, but that is because I had to group the larger monetary categories to keep the graph manageable.) These distributions show us that the offerings of most congregations are small. If we were to use the arithmetic mean, or average, to describe the central tendency, large congregations, like the Meeting House, with its 2011 offerings in excess of \$7 million, would skew the result. In cases of distributions like these, the median (the middle number of a set of ordered numbers) is a better measure of central tendency.



Median tax-receipted gifts for all Wesleyan Movement denominations grew between 2000 and 2011 (see chart 5). While the actual numbers from year to year may go up or down, the general trend is what interests us, and it is positive. For the movement as a whole, median tax-receipted gifts grew by 31% between 2000 and 2010, while inflation only rose by 21% over the same period. Once inflation is accounted for, however, median tax-receipted gifts only rose by about 1% per year.

¹¹Statistics Canada, "Consumer Price Index (CPI) statistics, alternative measures, unadjusted and seasonally adjusted," CANSIM Table 176-0003 (accessed Feb 17, 2012, http://www5.statcan.gc.ca/cansim/pick-choisir?lang=eng&p2=33&id=1760003).

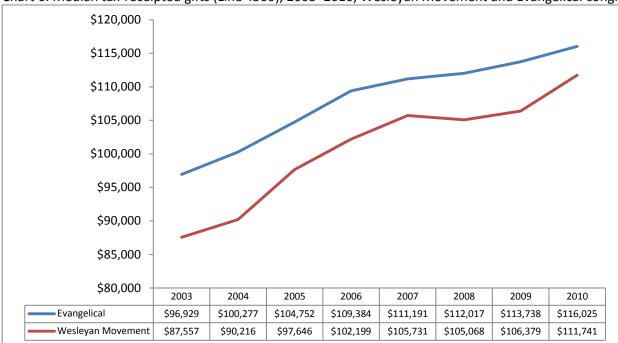
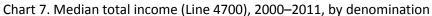


Chart 6. Median tax-receipted gifts (Line 4500), 2003–2010, Wesleyan Movement and Evangelical congregations

While I will not be making other comparisons to the broader Evangelical Movement, I thought it would be helpful to compare the growth trajectory of Wesleyan Movement median tax-receipted gifts with Canadian Evangelical congregations generally (see chart 6). Overall, the median tax-receipted gifts for the Wesleyan Movement were about \$7,000 to \$8,000 lower than for the wider Evangelical Movement. If the BiC were factored out of the Wesleyan Movement numbers, the gap would be much larger. If offerings are an indication, Wesleyan Movement congregations tend to be smaller than evangelical congregations generally.

Total Income

Tax-receipted gifts are just one of a congregation's potential revenue streams, and, in many ways, the best financial indicator of a congregation's commitment to its ministry. Total income (Line 4700), in comparison to tax-receipted gifts, offers an opportunity to gauge the extent to which congregations are relying on income sources other than tithes and offerings. Chart 7 identifies three different trend lines for total revenue between 2000 and 2011. First, the SA line is larger and steeper than the others. While the SA's median tax-receipted gift line tracks with the FM, Wes, and Naz denominations, its congregations, or corps, have larger total incomes. The SA total incomes tend to be larger because of additional revenues from thrift stores, food banks, and other social service ministries operated by corps, along with grants received from various levels of government to support these ministries. These non-tax-receipted gift sources of income are growing much faster for SA congregations than their offerings. The BiC tend to have larger congregations (or congregations with larger incomes) than the FM, Wes, or Naz denominations. However, all four denominations have a similar total revenue growth trajectory. The FM, Wes, and Naz denominations have such a similar total revenue pattern that one can almost stand in for the others.



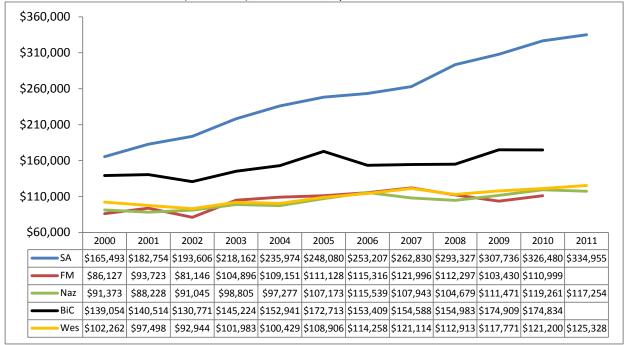
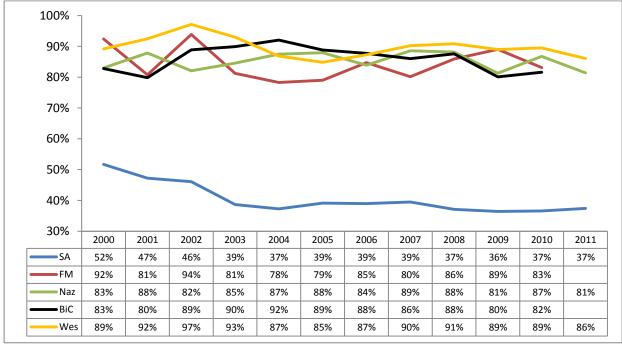


Chart 8. Median tax-receipted gifts (Line 4500) as a percentage of median total income (Line 4700), 2000–2011, by denomination



Note: There was insufficient data for the SA and FM denominations in 2011.

June 2012 / Volume 5 / Issue 1 ISSN 1920-0439

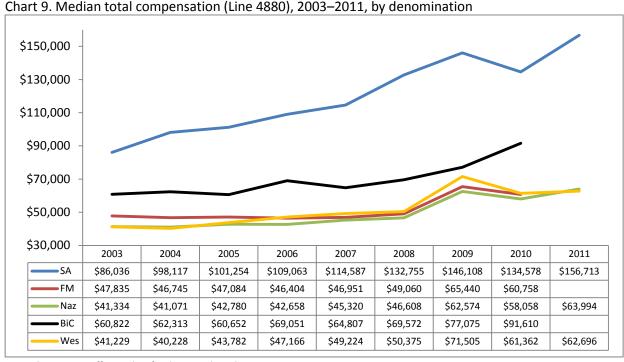


Generally speaking, 90% of an evangelical congregation's income comes from tax-receipted gifts or offerings. Chart 8 shows that this is the case for the FM, Wes, BiC, and Naz denominations, and that this percentage has been reasonably consistent over time. While this group of lines may look like a jumbled tangle, the important thing to observe is that the lines are more or less flat over time, or they are bounded between 80% and 95%. The same is not true for the SA. In 2000, the SA's median tax-receipted gifts represented roughly half of the SA's median total revenue; the other half came from its social service ministries. Between 2000 and 2003, the median social service revenue grew to about 60% of total revenue, where it has remained. The tax-receipted gift growth trajectory for the SA since 2003 looks very much like that of other Wesleyan Movement denominations.

Compensation

Compensation for evangelical congregations tends to represent between 34% and 52% of expenditures and is usually the largest budget item. The total compensation budget item, CIR line 4880, looks at the total compensation package for all paid employees, not just pastoral staff. While median compensation grew steadily between 2003 and 2008, counter intuitively chart 9 suggests for some congregations that, just as the economic downturn was beginning to bite in 2009, congregations in several denominations substantially increased their compensation. This is not, however, what happened. The Wes, FM, and Naz all show similar jumps in compensation from 2008 to 2009, so I will attempt to explain the apparent increase for these three denominations using the Wesleyan Church of Canada data.

¹²Rick Hiemstra, "Canadian Evangelical Congregational Staff Compensation, 2003–2009." *Church & Faith Trends* 4:1 (July 2011): 1 (accessed February 27, 2012, http://files.efc-canada.net/min/rc/cft/V04I01/Staff Compensation 2003-2009.pdf).



Again, the median is the middle number of an ordered set of values. When a median is calculated, it is only calculated based on actual values. If the number is missing for a congregation, it is not included in the calculation. From 2008 to 2009 the number of congregations not reporting total compensation values (i.e., missing values) jumped substantially (see chart 10 below). If you compare the 2008 and 2009 values in the higher ranges in chart 10, you will see that the percentages in each range are roughly the same, meaning that the congregations that could afford larger compensation packages in 2008 more or less continued to fund similar ones into 2009. It is those congregations with very modest compensation packages in 2008 that tended not to report any compensation in 2009. This suggests that when the economic downturn hit, it tended to cause smaller congregations to reduce the numbers of their paid staff. The reason we see the bump in median compensation in chart 9 is that many smaller congregations were now left out of the calculation, resulting in the median being calculated from the compensation numbers for larger congregations.

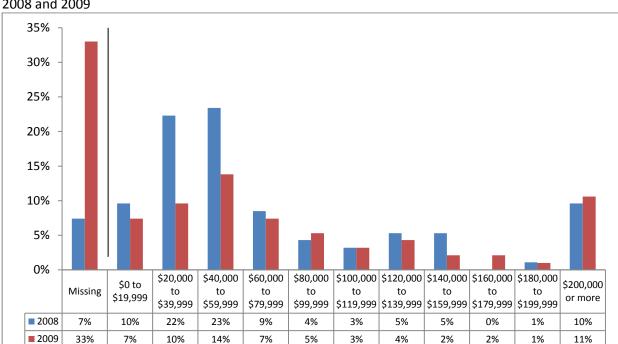


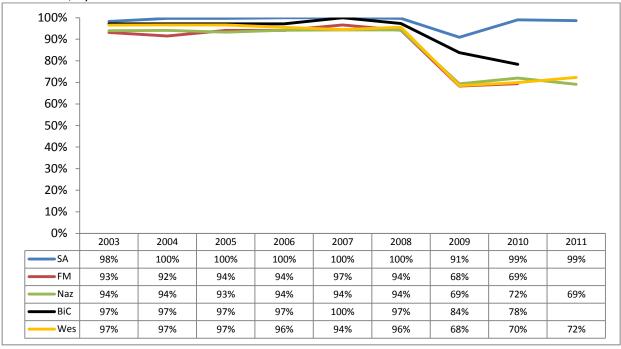
Chart 10. Percentage distribution of Wesleyan Church of Canada congregations across total compensation ranges, 2008 and 2009

There was a similar decline in the number of BiC congregations reporting total compensation values between 2008 and 2009. This helps explain its rise in median total compensation. Unlike the FM, Wes, and Naz denominations, however, the steep rise in total BiC compensation continued on into 2010. There may be two reasons for this subsequent rise. First, more small congregations ceased to report compensation (see chart 11). Second, some congregations moved into higher compensation ranges, indicating that they either added staff or increased compensation for existing staff.

While other denominations saw an increase in the number of congregations not reporting compensation, with the exception of 2009, close to all SA corps reported total compensation values between 2003 and 2011 (see chart 11 below). Since pastors are usually part of a congregation's compensated staff complement and some congregations are not reporting any compensation, chart 11 suggests that since 2009 Wesleyan Movement congregations are increasingly facing pastoral shortages. While the SA has a consistently high proportion of corps reporting compensation, these numbers apply to all staff and not just officers (ordained clergy). The SA tends to staff its social service ministries with at least some paid employees. Therefore, reports of compensation may reflect the presence of staff who are not officers. Because of this, it is difficult to determine from the present data whether the SA is experiencing similar difficulty filling its pulpits as other Wesleyan Movement denominations.

What is clear, however, is that, for the BiC, Wes, FM, and Naz denominations, the economic downturn meant that some congregations, especially smaller ones, were no longer able to – or perhaps decided not to – provide financial compensation to their staff.

Chart 11. Percentage of congregations which submitted CIRs and reported total compensation values (Line 4880), 2003–2010, by denomination



The SA median total compensation grew more than 80% between 2003 and 2011 or at about 10% per year. This was faster than in the other Wesleyan Movement denominations, whose compensation rose at more modest rates of between 6% and 7% per year. These compensation growth rates outstripped inflation, which was about 2.1% per year between 2003 and 2011. Further, increases in median compensation outpaced the 2.8% per year growth in median tax-receipted gifts over the same period.

Travel and Vehicle Expenses

Travel and vehicle expenses for local congregations are mostly reimbursement to the pastoral staff for expenses associated with visitation or other church business. The price of unleaded gasoline in Toronto rose 71% between September 2003 and September 2011 and by similar percentages across the country. Gasoline is not the sole factor that drives the operation of a vehicle, but we know that the other costs of operating a vehicle have risen as well. We would expect, therefore, that the median travel and vehicle expense of congregations, all other things being equal, would have risen. This was not the case (see chart 12 below). The most remarkable thing about this chart is that *median travel and vehicle expense either was flat or declined for Wesleyan Movement denominations*. Of those reporting travel expenses in 2003 and 2010, only two-fifths of congregations increased the amount they spent on travel, while half made reductions.

¹³Statistics Canada, CANSIM Table 326-0009, "Average retail prices for gasoline and fuel oil, by urban centre, monthly (cents per litre) (accessed February 16, 2012, http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=3260009).

There are several possible reasons why travel and vehicle expenses did not rise: 1) congregations may have capped the expense; 2) congregations may have reduced the amount they were reimbursing their staff for travel; 3) pastoral staff could have paid for some of the increased travel expenses out of their own pockets; or 4) pastoral staff are doing less visiting than they did in the past. Unlike with total compensation, there was no significant change in the percentage of congregations reporting vehicle expenses between 2003 and 2010. The failure of the travel and vehicle expense trend to match the trend line of the cost of operating a motor vehicle in Canada over the past decade has potential significant implications for congregations. It would appear that pastors are doing less visiting than they did a decade ago. If this is in fact true, then there has been a major – and likely unintentional – shift in pastoral practice.

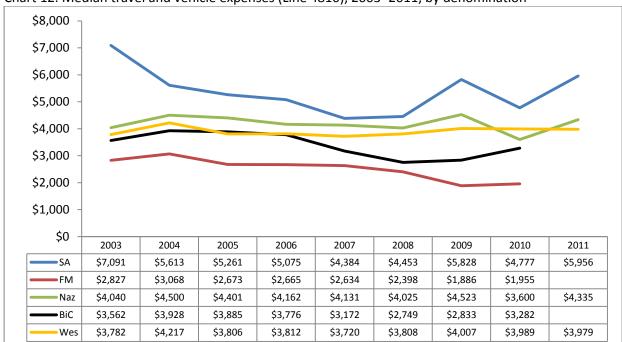


Chart 12. Median travel and vehicle expenses (Line 4810), 2003–2011, by denomination

Note: There was insufficient data for the SA and FM denominations in 2011.

Occupancy Costs

Occupancy costs (CIR line 4850) include rent, the principal portion of mortgage payments, maintenance and repairs, utilities, taxes and all other costs related to maintaining premises used by a charity. ¹⁴ Chart 13 shows a steady rise in median occupancy costs, with the SA showing the largest percentage growth, (50% between 2003 and 2010) and the FM showing the smallest (29%). The Consumer Price Index for shelter costs (i.e., housing) rose 20% from September 2003 to September 2010, which was less than the most modest median increase for a Wesleyan Movement denomination. ¹⁵ An increase in occupancy costs may be a positive change if it means buildings are being used for more ministry. A less positive potential explanation would be to suggest that many church buildings are older structures, built when building codes had lower insulation standards. These

¹⁴Canada Revenue Agency, "Completing the Registered Charity Information Return." (2010): 22 (accessed February 28, 2012, http://www.cra-arc.gc.ca/E/pub/tg/t4033-1/t4033-1-10e.pdf).

¹⁵Statistics Canada, "Consumer Price Index (CPI) Table 326-0020."

congregations would be more exposed to spikes in energy prices. More research, however, would be needed to fully understand why occupancy costs are rising so quickly.

Chart 13. Median occupancy costs (Line 4850), 2003–2011, by denomination \$60,000 \$50,000 \$40,000 \$30,000 \$20,000 \$10,000 \$0 2003 2004 2005 2006 2007 2008 2009 2010 2011 SA \$32,425 \$40,944 \$37,866 \$44,049 \$45,397 \$46,543 \$47,506 \$48,599 \$52,620 FM \$19,102 \$17,590 \$20,738 \$19,927 \$18,499 \$19,611 \$24,035 \$22,959 Naz \$18,621 \$18,935 \$22,326 \$17,763 \$19,691 \$23,924 \$24,100 \$23,568 \$26,474 BiC \$25,320 \$27,561 \$31,804 \$26,636 \$28,747 \$25,832 \$29,840 \$32,669 Wes \$19,100 \$18,059 \$19,743 \$17,082 \$21,992 \$21,861 \$28,989 \$28,902 \$30,112

Note: There was insufficient data for the SA and FM denominations in 2011.

I am concerned about the completeness of occupancy costs data for Wesleyan Movement congregations. Chart 14 shows the percentage of congregations that report occupancy costs. It is conceivable that church plants hosted by a mother church may not have any occupancy costs to report. However, even congregations that rent should have some value to include for line 4850 on their CIRs. In 2010, only 79% of congregations reported occupancy costs, and less than half of Naz congregations did so. It seems improbable to me that so many congregations did not have occupancy costs to report. I suspect that, in most of the cases where no occupancy costs are reported, the CIRs have been incorrectly completed for this line item.

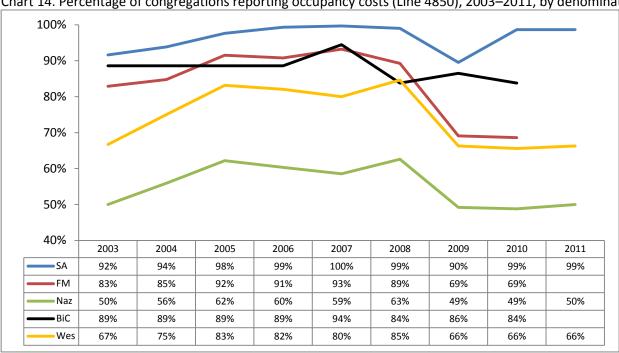


Chart 14. Percentage of congregations reporting occupancy costs (Line 4850), 2003–2011, by denomination

Education and Training for Staff and Volunteers

Data on education and training for staff and volunteers includes costs related to courses, seminars, and conferences. In a church setting, these costs might be associated with a training day for Sunday school teachers or the fees involved with sending pastoral staff on a course. 16 Consistent investment in education and training is correlated with higher congregational income growth. 17 While we cannot say why this is the case, I suspect that such investments are received as a vote of confidence in people's ministries and giftings and that this is the kind of congregational culture that is attractive and conducive to growth. It was surprising, therefore, to find that many congregations do not invest anything in education and training. Chart 15 shows the percentage distribution of the reported congregational investments in education by denomination in 2010. The rate of investment has held fairly consistent for each denomination over the reference period. The BiC, whose higher rate of investment has fallen in recent years, offers the lone exception to this consistency. SA corps are more likely to make investments than other Wesleyan Movement denominations.

¹⁶Canada Revenue Agency, "Completing the Registered Charity Information Return." (2010): 22 (accessed February 28, 2012, http://www.cra-arc.gc.ca/E/pub/tg/t4033-1/t4033-1-10e.pdf).

¹⁷Rick Hiemstra, "Canadian Evangelical Congregational Investment in Education, 2003–2008," Church & Faith Trends 3:2 (August 2010): 1 (accessed February 28, 2012, http://files.efc-canada.net/min/rc/cft/V03I02/Education Investment 2003-2008.pdf).

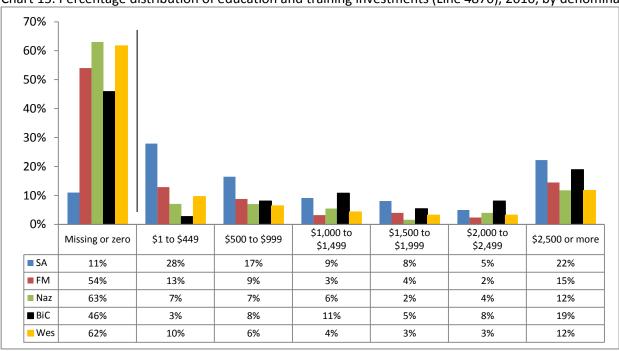


Chart 15. Percentage distribution of education and training investments (Line 4870), 2010, by denomination

Considering those congregations that do make investments, we can see from chart 15 that congregations tend either to be heavy investors (\$2,500 or more) or modest investors (less than \$1,000). Of the congregations reporting education investments, only one-third raised the amount of their investment between 2003 and 2010, yet more than half made reductions. Of course, the effectiveness and adequacy of an educational investment depends on the goals and size of a congregation. In fact, \$2,500 may represent a small investment for a large congregation, and \$1,000 may represent a large investment for a small congregation.

Overall, however, it would appear that most Wesleyan Movement congregations do not make large enough financial investments in education and training that would facilitate robust continuing education for their staff and volunteers. Furthermore, the strength of these investments has waned between 2003 and 2010.

Summary

The Wesleyan Movement is weighted toward the east in Canada. Most denominations have a strongly regional presence, with only the SA able to claim a broad national footprint. The approximately 800 congregations of the Wesleyan Movement represents less than a tenth of all evangelical congregations, and these congregations tend to be smaller than other evangelical congregations.

Wesleyan Movement congregations tend to be smaller than Evangelical congregations generally. We also know that smaller congregations are disproportionately rural. It is surprising then, that Wesleyan Movement

¹⁸Some larger congregations may have resources to do internal education that does not have a financial cost; however, it is unlikely that smaller congregations could do so.



congregations tend to be both small and urban. Having limited financial resources in urban settings carries its own set of challenges, the foremost being adequately compensating staff for a higher urban cost of living.

There appear to be three distinct denominational financial streams within the Canadian Wesleyan Movement. The FM, Naz, and Wes congregational profiles show striking similarities in revenue, compensation, occupancy costs, and investments in education and training. Financially, the BiC congregations share similar growth trajectories as the FM, Naz, and Wes congregations but have larger income streams and larger compensation expenses. Third, the SA evidences a unique financial profile that I believe is largely accounted for by its social service ministries. When tax-receipted gifts (most likely tithes and offerings) are considered, SA corps appear to be very similar to other Wesleyan Movement congregations.

Compensation and occupancy costs are rising much faster than inflation. At the same time, other line items such as investments in education and travel allowance have flatlined or waned. It may be that the growth in compensation and occupancy costs is putting pressure on these other budgetary line items. Some of the unintended consequences of these pressures may be a reduction in pastoral visitation and inadequate funding for continuing education.

While income is but a crude measure of growth, a measure it is. And by it, Wesleyan Movement congregations are growing, barely. Of course, this is a general statement about the movement as a whole, and no doubt there are bright spots that may be reported. However, generally speaking, growth can be described as tepid at best.

This profile is a collection of statistics, or soundings. It is not a comprehensive picture of what God is doing in the midst of Wesleyan Movement congregations. It is, however, within the limitations that I have tried to clearly set out, a picture that should help with a discussion about the health and direction of the movement that exists to "spread scriptural holiness" across Canada.