

WHEN A PASTOR RESIGNS OR IS TERMINATED?

A number of issues arise when pastoral change takes place such as severance, recognition, agreements, etc. What follows is information supplied by Dr. Dick Kronendonk of Canadian Council of Christian Charities:

Severance – what is the church’s responsibility? When it comes to severance pay, there is no specific legal requirement. A rule of thumb when an employee is terminated by the employer is that the courts will use a yardstick of approximately one month’s pay for each year of service. However, the reasons for the termination are also taken into account.

When a pastor decides to leave voluntarily, there does not appear to be a requirement to make a severance payment. However, if the resignation was in any way a result of actions by the board, a severance package should be considered. If the separation could be construed as a “constructive dismissal” in spite of the fact that the pastor resigned, a larger severance could be considered.

If on the other hand, the resignation was in no way anticipated (i.e., the relationships between the pastor, board and congregation were good), then it may not be appropriate to give any severance at all. A charity must devote all of its resources exclusively for charitable purposes. To give away money when there is no need is not charitable. But do bear in mind that we are held to the standard of law in all matters of employer and employee relationships. This makes it extremely important that the church does not lose its credibility as a witness and an institution that is just and fair.