

## Canadian Evangelical Congregational Income, 2003–2008

by Rick Hiemstra, Director, Centre for Research on Canadian Evangelicalism

While most would be loath to admit it, many evangelical ministry leaders will reflexively evaluate a congregation's health first by attendance (or by some other measure of religious participation) and then by income. Evangelical congregations have a reputation for being preoccupied with church growth. So, if we look at Canadian evangelical congregational income, how have we been doing as a movement? Are some provinces doing better than others? Who has been growing faster, rural or urban congregations? What is normal income growth for an evangelical congregation? Does current congregational income matter when you are trying to grow? How might the income of an individual congregation compare with the national picture?

The common contemporary preoccupation is with the immediate situation: "What did the economic downturn, which made itself most strongly felt in 2009, do to congregational income?" This question will be answered in due course, but right now we should not let this question's urgency distract us from what is perhaps a more important question, "What happened in the pre-recessionary period?"<sup>1</sup> This question deserves priority for two reasons. First, the effects of the economic downturn cannot be measured without first establishing a baseline for how congregations fared prior to the recession when the Canadian economy was comparatively prosperous. Second, there is a danger, in the rush to examine a downturn, of assuming that the pre-recessionary period was a good one for congregational income. It was not. By assuming that it was, we may be tempted to blame many of our budgetary shortcomings on recent trends in the wider economy when, in fact, there were many signs of weakness during previous times of economic prosperity.

While the recession began in late 2008, there is only slight evidence in the data examined for this paper that the effects of the recession were being reflected in evangelical congregational income by the end of that calendar year.<sup>2</sup> Fiscal year 2008, then, provides us with a good boundary between good and hard times. This paper looks at evangelical congregational income from 2003 to 2008.

Here are the paper's major findings:

- Nationally between 2003 and 2008, Canadian evangelicalism was a movement whose income growth was relatively flat, averaging just 1.5% per year after adjusting for inflation;
- After adjusting for inflation, two-fifths of evangelical congregations experienced income declines between 2003 and 2008;
- Congregations in all income ranges were equally likely to have experienced decline between 2003 and 2008;
- Rural congregations tended to have half the income of urban ones;
- While rural churches had smaller incomes than urban ones, when growth was adjusted for inflation, rural churches' incomes actually grew faster;

<sup>1</sup> Comprehensive 2009 congregational financial data should be available by the summer of 2010.

<sup>2</sup> Nine-tenths of evangelical congregations have a December 31 fiscal year end. See table 2 for the distribution of the fiscal year ends for the congregations studied in this paper.

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- On average, 1.1 Canadian evangelical congregations started up for every one that closed between 2003 and 2008;
- There was a great income disparity among provincial medians of congregational incomes;
- When there are more evangelical congregations serving a population, congregational incomes tend to be smaller; and
- Congregations' income growth rate tended to fare better in provinces which were relatively more prosperous.

## Charitable Information Returns

Starting with the year 2000, the Charities Directorate of the Canada Revenue Agency has made most annual Charitable Information Return (CIR) data available online.<sup>3</sup> Each Canadian registered charity is required to complete a CIR on an annual basis in order to maintain its registration. Most evangelical churches register with the Charities Directorate at some point because it allows them to issue tax receipts for charitable gifts. This paper examines “Total Revenue” (line 4700) from the CIRs from 2003 to 2008 for Canadian evangelical congregations. Total revenue is an aggregate of all of a registered charity’s income streams, including tax-receipted gifts as well as income from other sources, such as various levels of government, other charities, interest and investments, and fundraising.<sup>4</sup>

## The Sample

The congregations included in this study met the following criteria:

- They belonged to one of the denominational affiliates of The Evangelical Fellowship of Canada (EFC) or they were an EFC congregational affiliate;<sup>5</sup>
- The CIRs they submitted for each of the years from 2003 to 2008 were posted on the Charities Directorate’s website by December 14, 2009.
- They had not changed their fiscal year end between 2003 and 2008.<sup>6</sup>

<sup>3</sup>Canadian Charitable Information Return Data can be viewed at <http://www.cra-arc.gc.ca/ebci/haip/srch/advancedsearch-eng.action>.

<sup>4</sup>Charitable Information Return form T3010A was used between 2003 and 2008. It was replaced with form T3010B for the 2009 fiscal reporting year. While the form T3010A is no longer available on the Charities Directorate website, T3010B (<http://www.cra-arc.gc.ca/E/pbg/tf/t3010b/t3010b-09e.pdf>) includes income line numbers from the T3010A form in the range from 4500 to 4700.

<sup>5</sup>A listing of EFC denominational affiliates can be found at <http://www.evangelicalfellowship.ca/NetCommunity/Page.aspx?pid=848>, accessed January 6, 2010, and a listing of congregational affiliates can be found at <http://www.evangelicalfellowship.ca/NetCommunity/Page.aspx?pid=5361>, accessed January 6, 2010.

<sup>6</sup>When registered charities change their fiscal year end, the CIR for either the current year or the subsequent year will not represent 12 months of financial activity. There is no easy way to annualize this information such that it can be compared with the CIRs from the calendar years both preceding and following it.

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The resulting sample included 4,646 out of approximately 11,000 evangelical congregations.

There are questions of both definition and enumeration to be addressed when arriving at an estimate of the number of Canadian evangelical congregations. John G. Stackhouse, Jr., has pointed out that “evangelical” can be defined by both a generic “type” and an actual historical “movement.”<sup>7</sup> Using the more methodologically rigorous of these approaches, all of the 4,646 congregations have been included in the sample because they have identified with the evangelical movement by being affiliated, either directly or indirectly, with the EFC.

The estimate of 11,000 evangelical congregations is arrived at by considering two sources. First, Outreach Canada’s ChurchMapCanada website identifies 10,152 “Evangelical” congregations.<sup>8</sup> Second, preliminary coding of the 2006 Charitable Information Return dataset by the Centre for Research on Canadian Evangelicalism (CRCE) identified 10,936 “Evangelical” congregations. Both of these enumerative estimates identify “evangelical” congregations by type, minus congregations from the Protestant Mainline denominations (Anglican, Presbyterian, Lutheran, and United Church of Canada). Our purpose in estimating the number of evangelical congregations is to give the reader a sense of the sample size relative to the probable number of congregations of either definition of “evangelical.”

We will also segment our data according to province and whether the congregation is rural or urban (see table 1 for the rural–urban distribution by province). A congregation was identified as rural if the second character of its postal code registered with the Charities Directorate was a zero (per Canada Post procedures) and as urban otherwise.<sup>9</sup> The rest of this paper does not attempt to include Canada’s territories in the provincial breakdowns because of the small sample size.

**Table 1.** Distribution of sample congregations, rural<sup>a</sup> and urban by province

Context	Province / Territory												
	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL	NT	NU	YT
Rural	156	194	185	131	475	33	0 <sup>b</sup>	184	18	139	9	2	3
Urban	546	409	129	162	1,232	200	266	123	14	28	4	0	4
All	702	603	314	293	1,707	233	266	307	32	167	13	2	7

<sup>a</sup> A congregation was considered rural if the second character of the postal code which was registered with the Charities Directorate on December 18, 2009 was a zero (“0”).

<sup>b</sup> Canada Post has urbanized New Brunswick postal codes. There are many evangelical congregations in a rural setting, but the general rule was followed for the analysis in this paper rather than trying to make an independent determination of which New Brunswick congregations were urban and which were rural.

<sup>7</sup> See John G. Stackhouse, Jr., “Defining ‘Evangelical,’” *Church & Faith Trends* 1:1 (October 2007). [http://files.efc-canada.net/min/rc/cft/V01101/Defining\\_Evangelical.pdf](http://files.efc-canada.net/min/rc/cft/V01101/Defining_Evangelical.pdf), accessed January 6, 2010.

<sup>8</sup> <http://churchmap.ca/Default.aspx?tabid=1133>, accessed January 6, 2010.

<sup>9</sup> Canada Post has urbanized New Brunswick postal codes. There are many evangelical congregations in a rural setting, but the general rule was followed for the analysis in this paper rather than trying to make an independent determination of which New Brunswick congregations were urban and which were rural.

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**Table 2.** Distribution of the sample congregations' fiscal year ends by month, counts and percent

	Month of Fiscal Year End											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Counts	5	5	95	195	16	73	22	78	30	13	13	4,101
Percent	0.1%	0.1%	2.0%	4.2%	0.3%	1.6%	0.5%	1.7%	0.6%	0.3%	0.3%	88.3%

## Congregations That Closed

The dataset looked at in this study examines only congregations that were going concerns from 2003 to 2008. A natural question that follows from “What happened to congregational income for the congregations that were going concerns?” is “What was the overall failure rate for evangelical congregations during the same period?” To estimate this failure rate, we used the complete dataset of Canadian Charities provided by the Charities Directorate.<sup>10</sup> This dataset includes two pieces of data, Charity Status (status) and Effective Date of Status (effective date), that can be used to estimate the failure rate for evangelical congregations between 2003 and 2008. Several Charities Directorate category codes provided in the complete charities dataset were selected to represent evangelical congregations for the purpose of this estimate.<sup>11</sup> To be absolutely confident in our estimates, we would need both the date a charity was registered and, should it have been revoked, the date it was revoked. We are provided with only an effective date for a charity's current status, however, which may be either registered or revoked. Our revoked counts will thus have been slightly inflated by any congregations whose charitable status was revoked before the end of 2008 but which first registered after 2003.

<sup>10</sup>The entire list of Canadian charities, including charitable status and effective date of status data, can be downloaded in tab-delimited format from <http://www.cra-arc.gc.ca/ebci/haip/srch/advancedsearch-eng.action>, accessed February 11, 2010.

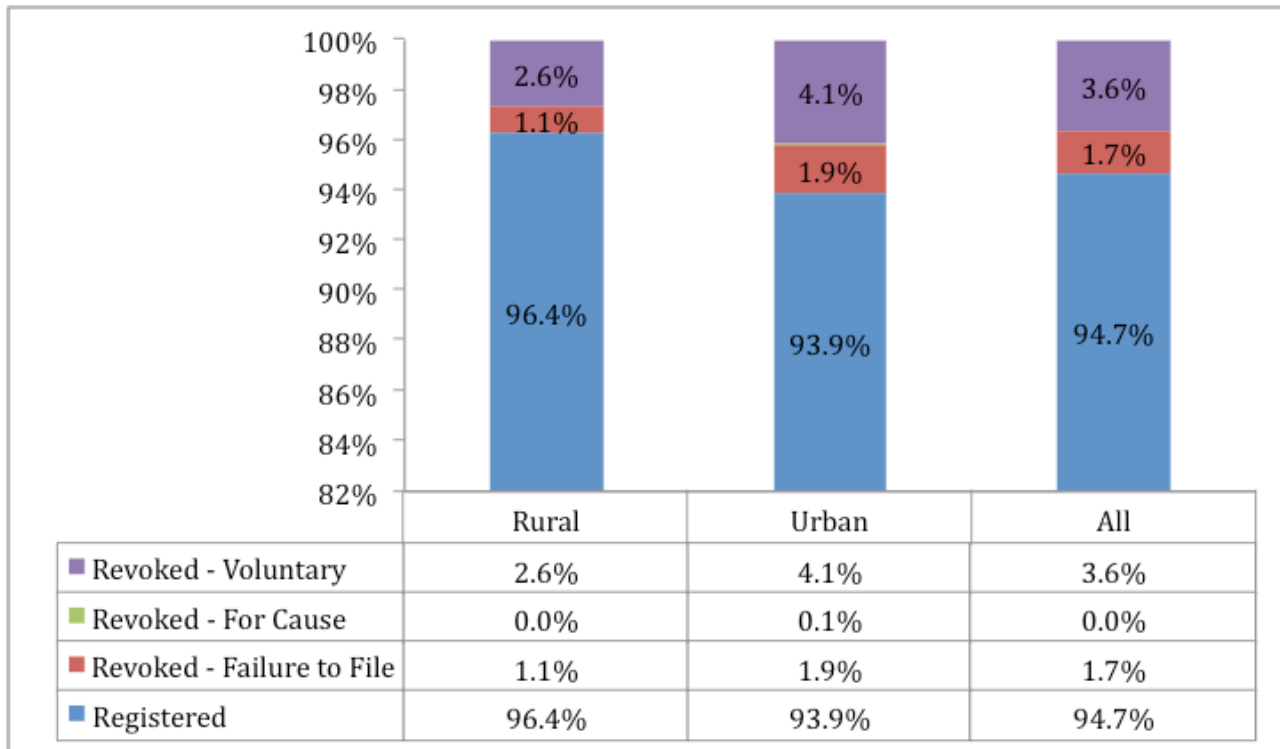
<sup>11</sup>Categorization of charities is done through a combination of two processes. First, a charity may itself select a category when it registers. Failing this, a Charities Directorate official will make a determination based on the best information available at the time of charitable registration. In practice a high level of mis-categorization takes place. The following category codes best represent evangelical congregations: 31, Baptist; 34, Mennonite Congregations; 36, Pentecostal Assemblies of Canada; 39, Other Denominations, Congregations or Parishes (not classified elsewhere); and 40, Salvation Army Temples.

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**Chart 1.** Charitable status in 2008 for evangelical congregations<sup>a</sup> with a registered status in 2003, percentages



<sup>a</sup> Evangelical congregations are defined as those with the following Charities Directorate category codes: 31, Baptist; 34, Mennonite Congregations; 36, Pentecostal Assemblies of Canada; 39, Other Denominations, Congregations or Parishes (not classified elsewhere); and 40, Salvation Army Temples. There were 12,742 charities in this sample, of which 3,578 were rural and 9,164 were urban. A congregation was considered rural if the second character of the postal code which was registered with the Charities Directorate on February 11, 2010 was a zero ("0").

Close to 1% of evangelical congregations close – or have their charitable status revoked for one reason or another – each year (see chart 1). The number of congregations is inching up, however. For every congregation that had its charitable status revoked between 2003 and 2008, 1.1 congregations were registered. The growth – which is very, very modest – in the number of evangelical congregations is occurring in urban contexts. For every urban congregation that had its charitable status revoked, 1.2 congregations were registered. By contrast, for every rural congregation that had its charitable status revoked, only 0.9 congregations were registered.

About two-thirds of revocations were voluntary and one-third were caused by the congregation's failure to file its annual CIR. In most of these cases, a congregational demise would be the reason that a congregation's charitable status was revoked. In extremely rare instances (only two were noted for this period), a congregation had its charitable status revoked "for cause."<sup>12</sup>

Overall the number of evangelical congregations appears to be holding steady with slight decreases in rural Canada and slight increases in urban Canada. While about 1% of congregations have their charitable status revoked for one reason or another, each year the number of new registrations more than offsets this loss.

<sup>12</sup>See the Charities Directorate glossary for a more detailed discussion of revocation terms. <http://www.cra-arc.gc.ca/tx/chrts/glossry-eng.html>, accessed February 12, 2010.

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## Measurements Used

Many sets of numeric data, such as our income data, will have a distribution or shape when charted on a histogram. A histogram is a graph that breaks the wider sweep of our data into equal ranges and counts how many values fall into each range representing each count as a bar. Chart 2 shows the distribution of our sample's 2003 total income data. In a strict sense this is not a histogram because the last range, " $\geq \$500,000$ ", is much larger than the other \$50,000 ranges. The tail of the histogram has been aggregated because the largest 2003 total income value in this sample was \$11,431,848 and to include all the intervening \$50,000 ranges would have been impractical. If the data were broken out into \$50,000 ranges you would see a tail to this distribution that very gradually declined to the right. The shape of this distribution is said to be positively skewed, meaning it has this long tail toward the right or positive direction.

The best known data distribution is the bell curve or what statisticians call a normal distribution. Most of us are used to using the average, or arithmetic mean, to describe the central tendency of our data. However, the average is a good measure of central tendency, only if the data are normally distributed in that classic bell shape. Our sample's 2003 total income average, or arithmetic mean, for example, is \$232,170. A quick glance at chart 2 will confirm that most of our values are smaller than this, so the average is not a good representation of our data's centre.

Another measure of a distribution's central tendency is the median. The median is found by lining up all of our values from least to greatest and selecting the one that falls halfway through the list so that half the values are smaller and half are larger. The 2003 median is \$120,360. Again, by visually inspecting chart 2 we can see that the median is a much better approximation of the centre of our distribution than the average. When a distribution is skewed the median more accurately finds the centre of the distribution. Therefore, this paper looks at median values rather than average values.

Two types of data are presented in this article. The first type are reported values. These are the values reported on each congregation's CIRs. The second type are adjusted values. These are the reported values, adjusted for inflation, in 2003 dollars.<sup>13</sup> These adjusted values allow us to determine what real income growth has taken place.

## Baseline Characteristics

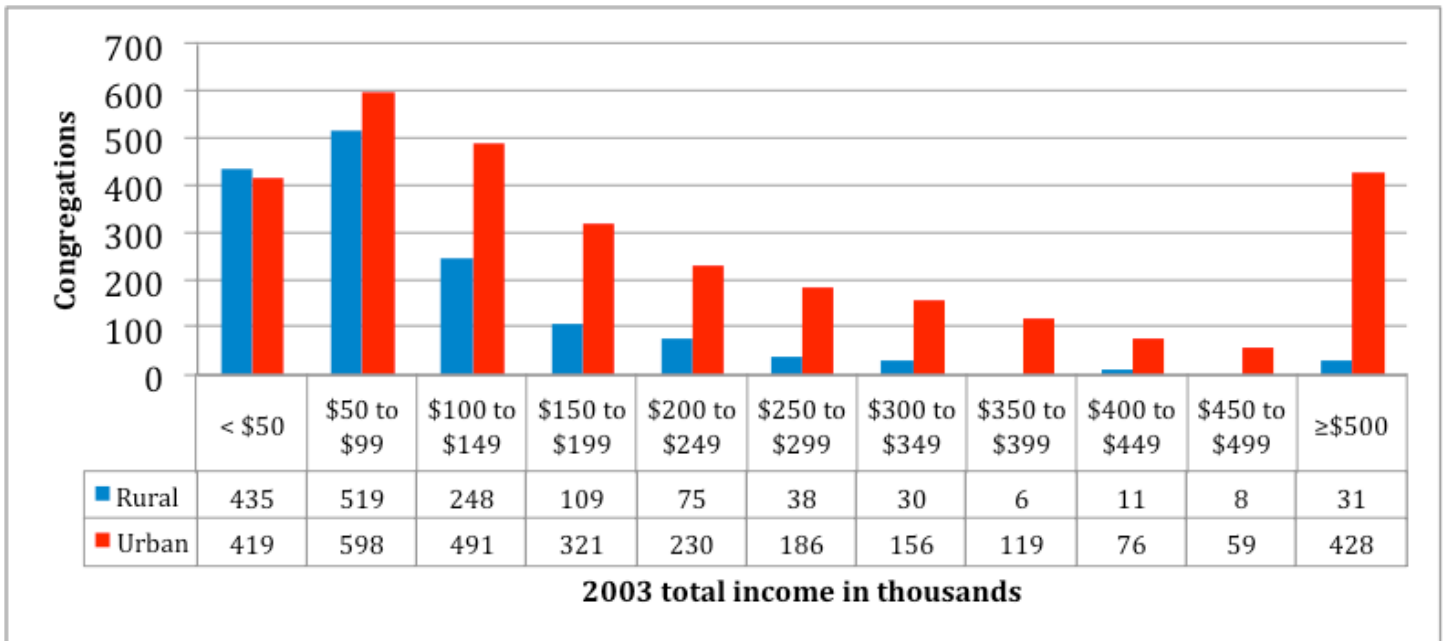
Most evangelical congregations have a modest income. The median 2003 total income for evangelical congregations was \$120,360, and close to 70% had a 2003 income under \$200,000 (see chart 2). The distribution has a heavy tail, meaning that a substantial proportion of congregations, about 10%, had incomes of \$500,000 or more. About 3% of congregations had total incomes of one million dollars or more in 2003; the proportion rose to close to 5% by 2008.

<sup>13</sup>See Appendix A for the Core Consumer Price Index values used to make the adjustment.

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**Chart 2.** Distribution of total income of evangelical congregations in fiscal year 2003, rural and urban



Note: Numbers do not add up to 1,529 for rural and 3,117 for urban because of missing values.

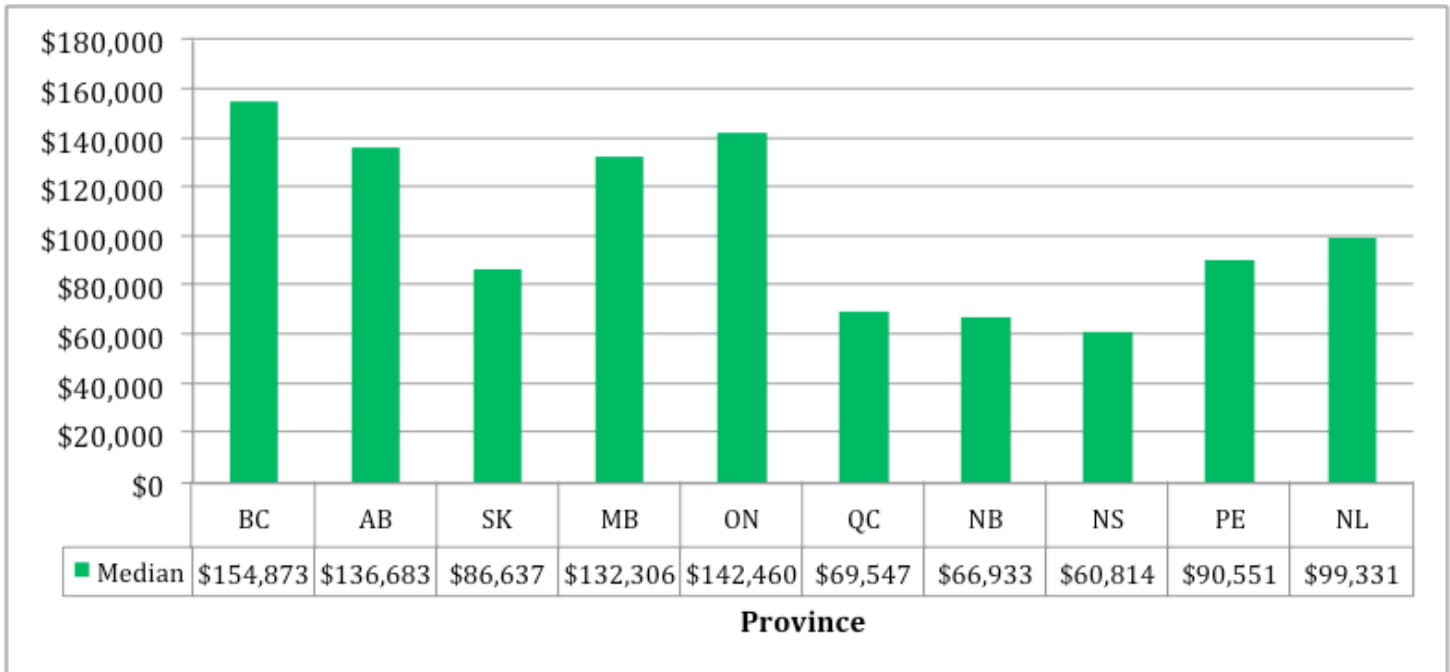
Urban congregations' median income, \$154,220, doubled that of rural congregations, \$76,462, and nine-tenths of congregations with incomes of \$500,000 or more were urban. While urban congregations owned the ≥\$500,000 end of the income distribution, they split the below \$100,000 end with rural congregations. This means that while most rural congregations have these smaller incomes, close to seven-tenths, they make up only half of smaller congregations.

There are striking differences in provincial incomes (see chart 3). Most of the western provinces' 2003 median congregational incomes doubled those of the Atlantic provinces. We could try to explain this as a broad regional variation except for Saskatchewan, whose congregations had a substantially lower median income than those of other western provinces. Several other possible explanations for the differences were explored, including the relative average of provincial wages, the relative strength of evangelicalism in each province based on 2001 census religious affiliation data and the percentage of provincial congregations that were rural. None of these provided a very good explanation for the variation except the ratio of a province's population to the number of its congregations.

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**Chart 3.** Median total income of evangelical congregations in fiscal year 2003, by province



Church planters have often used this ratio in order to identify potential sites for church plants; the higher the ratio, so the assumption has been, the greater the need for new congregations. It has also been assumed that more churches serving a population would mean a greater penetration of the gospel. To investigate whether there was a relationship between this church planting metric and evangelical congregational income, we used the 2006 census populations for each province. For the number of evangelical congregations we used two sets of provincial congregation counts. The first count came from this study's sample. The second came from Outreach Canada's ChurchMapCanada.com<sup>14</sup> (see table 3). In each case the population per congregation and the median total income were scatter plotted (see charts 5 and 6). Québec, with its large Roman Catholic majority and corresponding small evangelical minority, was left out of these plots because it did not fit the pattern. Each scatter plot suggests a similar linear relationship between the population per congregation and the median congregational income.

<sup>14</sup><http://churchmap.ca/Default.aspx?tabid=1133>, accessed January 6, 2010.



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**Table 3.** Evangelical congregation counts, population, and population per evangelical congregation, for the sample and for Outreach Canada's ChurchMapCanada.com, by province

Province	Number of Evangelical Congregations		2006 Provincial Population <sup>b</sup>	Population per Evangelical Congregation		Median Evang. Cong. Income in Fiscal Year
	Sample	ChurchMapCanada <sup>a</sup>		Sample	CMC <sup>a</sup>	
BC	702	1,740	4,113,487	5,860	2,364	\$180,407
AB	603	1,305	3,290,350	5,457	2,521	\$190,453
SK	314	616	968,157	3,083	1,572	\$110,451
MB	293	588	1,148,401	3,919	1,953	\$159,253
ON	1,707	3,675	12,160,282	7,124	3,309	\$162,770
QC	233	754	7,546,131	32,387	10,008	\$86,832
NB	266	499	729,997	2,744	1,463	\$82,915
NS	307	526	913,462	2,975	1,737	\$70,231
PE	32	90	135,851	4,245	1,509	\$107,618
NL	167	310	505,469	3,027	1,631	\$133,702

<sup>a</sup> Outreach Canada's ChurchMapCanada.com (<http://www.churchmapcanada.com/Default.aspx?tabid=1133>, accessed January 12, 2010).

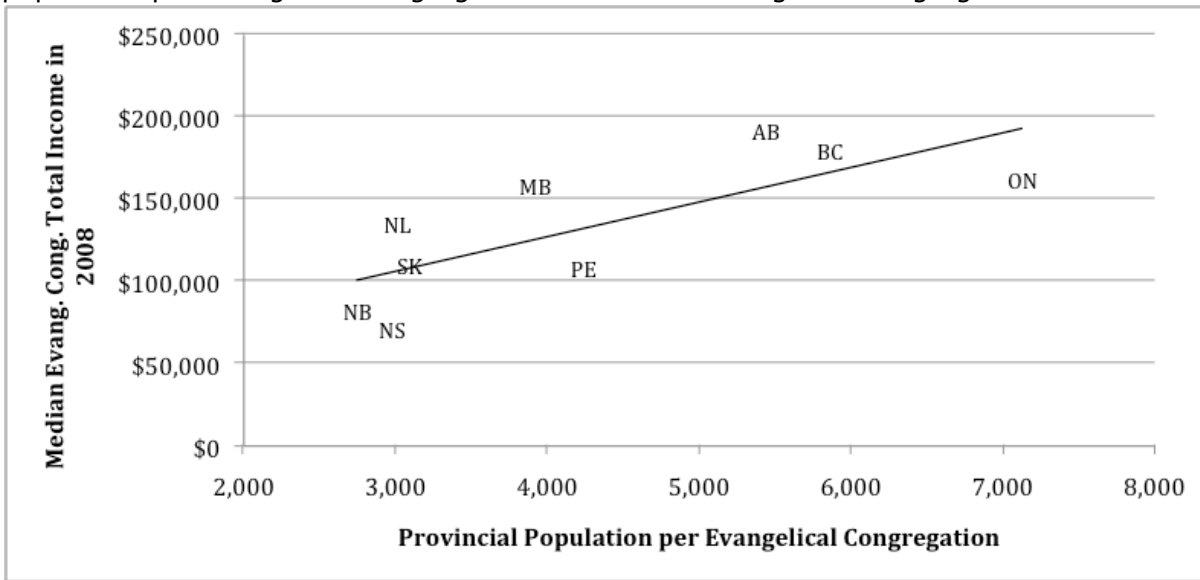
<sup>b</sup> Population and dwelling counts, for Canada, provinces and territories, 2006 and 2001 censuses - 100% data (<http://www12.statcan.gc.ca/census-recensement/2006/dp-pd/hlt/97-550/Index.cfm?TPL=PIC&Page=RETR&LANG=Eng&T=101>, accessed January 12, 2010).

<sup>c</sup> 2008 was chosen as the reference year instead of 2003 because it more closely matched the dating of the other data being compared.

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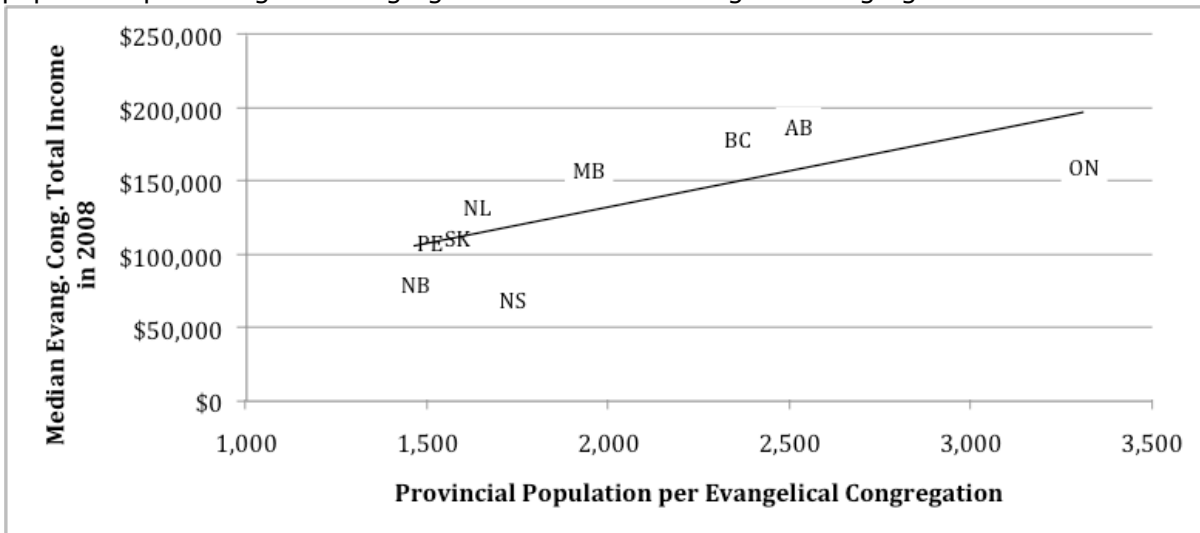


**Chart 4.** Scatter plot of median total income of evangelical congregations in fiscal year 2008<sup>a</sup> by provincial population per evangelical congregation. Number of evangelical congregations taken from the sample



<sup>a</sup> For data see table 3.

**Chart 5.** Scatter plot of median total income of evangelical congregations in fiscal year 2008<sup>a</sup> by provincial population per evangelical congregation. Number of evangelical congregations taken from ChurchMapCanada.com



<sup>a</sup> For data see table 3.

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Median congregational income and the population per congregation are correlated; in fact, simple linear regression suggests that about half of the interprovincial variation can be explained by the population per congregation ratio.<sup>14</sup> Correlation does not tell us causality (that is, we do not know if it is the population per congregation that is driving congregational income or congregational income that is driving the ratio of the population per congregation or some other factor that is driving both) and the relationship is a weak one. While statistically we cannot prove causality, our knowledge of evangelical growth intentions does help us somewhat here. Evangelical Christians plant churches with the hope and expectation that people will become Christians through that congregation's ministry. If we assume that congregational income is related to measures of religious participation such as attendance and membership – and this is a reasonable assumption – then we would expect that growing congregations would also mean growing congregational incomes. Now, if we expect planting more congregations will result in more people becoming Christians, then so long as the pool of potential converts has not been exhausted we should be able to plant churches without affecting the incomes of other established congregations. That is, one congregation's numerical growth should not affect another congregation's income. However, this assumes that the people who are being drawn to a new congregation have not been involved in another one. If adding more congregations to serve a population tends to draw down median congregational income, this suggests that the available population that would participate in evangelical congregations is fixed and that we are merely “circulating the saints” rather than winning new converts. This finding would also seem to confirm sociologist Reginald Bibby's assertion that Canadian evangelical Christians are not growing as a percentage of the Canadian population.<sup>15</sup>

This should give evangelical Christians pause when making claims about growth, as it appears that much of our growth – and the income picture suggests that it is modest – is coming at the expense of other congregations.

## National Income Growth

The national trend line for median total income between the years 2003 and 2008 was modest. While the median reported total income growth rate from 2003 to 2008 was 19%, this number fell to 8% when adjusted for inflation. This means that the median total income for Canadian evangelical congregations grew at an annual adjusted rate of about 1.5% from 2003 to 2008. Slight evidence of the onset of the recession can be seen in both the levelling off the median growth trajectory and the slight dip for the adjusted median growth rate (see chart 6). It appears that real growth was arrested in 2006.

<sup>14</sup>The correlation coefficients, a measure of the strength of the relationship, between income and the population per congregations are 0.760 and 0.710 for charts 5 and 6 respectively and are significant at the 0.05 level. For chart 5 the R2 value was 0.577 and F was 9.551. For chart 6 the R2 value was 0.433 and F was 7.121.

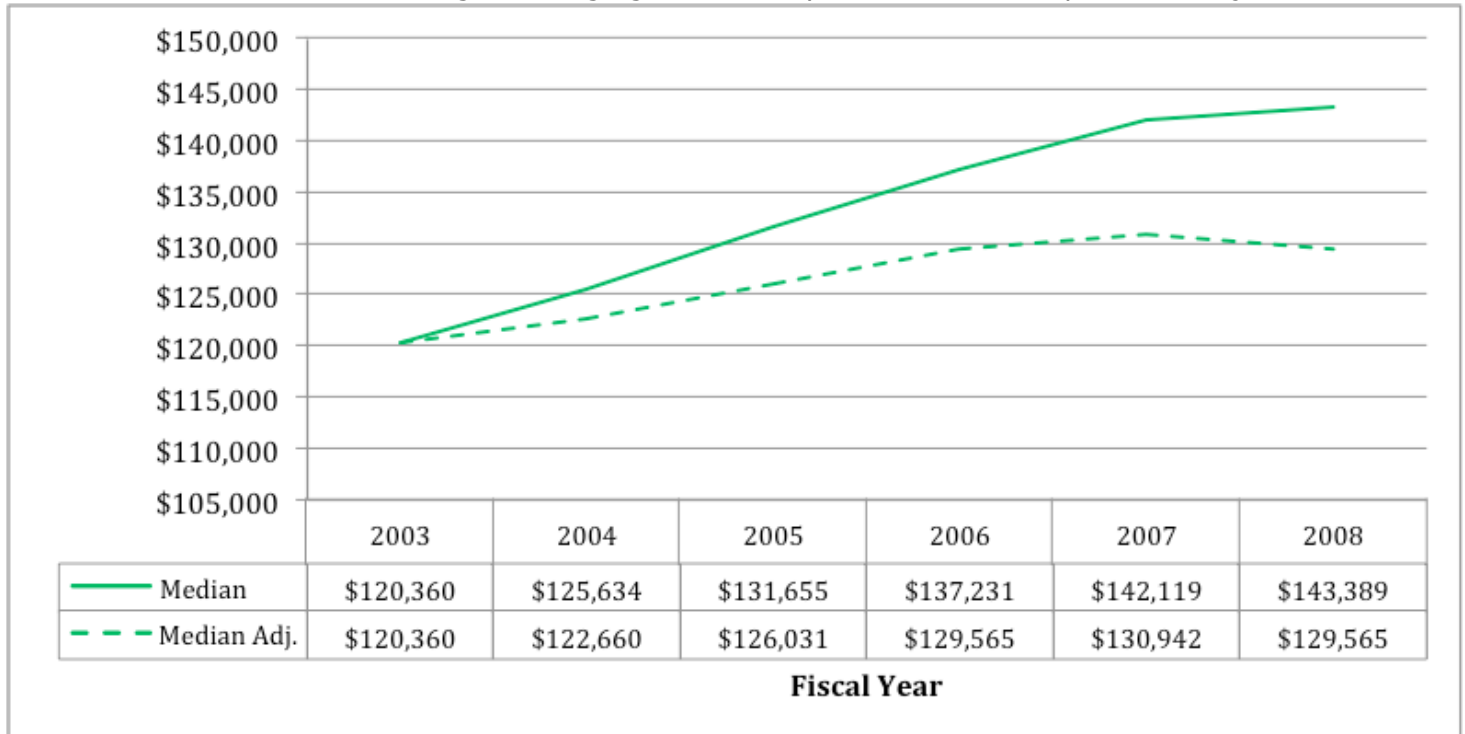
<sup>15</sup>Reginald Bibby, *Restless Churches: How Canada's Churches Can Contribute to the Emerging Religious Renaissance*, (Kelowna, BC and Toronto: Wood Lake Books and Novalis, 2004): 39.

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**Chart 6.** Median total income of evangelical congregations, fiscal years 2003–2008, reported and adjusted for inflation



Note: 4,646 congregations.

## Rural and Urban Income Growth

Rural and urban congregations have very different income profiles, which differ both in growth rate and in size. When adjusted for inflation, rural congregational total income grew faster than urban congregational income, albeit just slightly (see table 4). The slight income growth superiority for rural churches over urban ones is dwarfed in dollar terms, however, by the different median starting places. Rural congregations' median income was half that of urban congregations (see chart 7).

**Table 4.** Growth in median total income of evangelical congregations, fiscal years 2003–2008, rural and urban, reported and adjusted for inflation<sup>a</sup>

Context	Income Growth	
	Reported	Adjusted
Rural	22%	11%
Urban	18%	7%

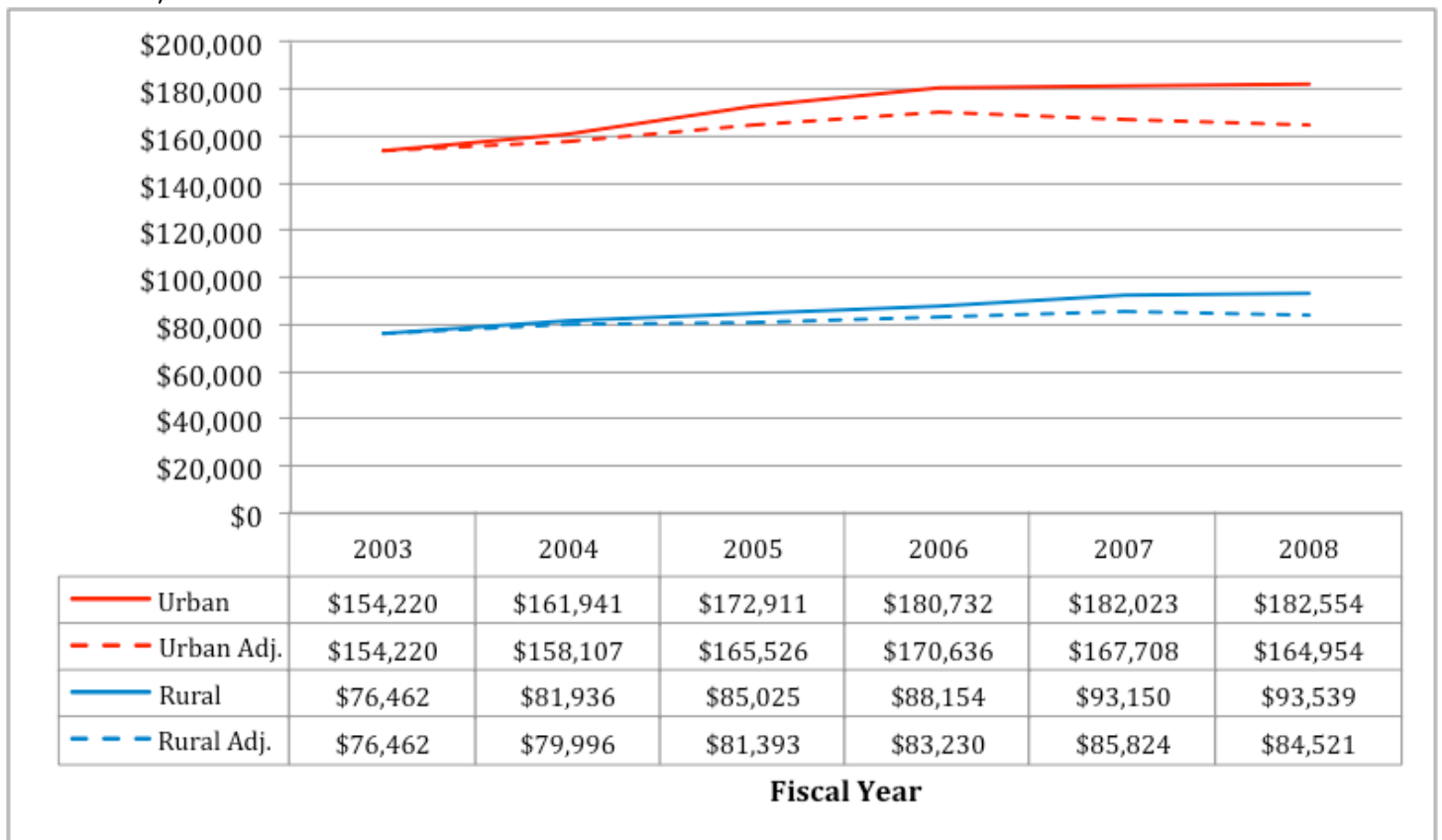
<sup>a</sup> A congregation was considered rural if the second character of the postal code which was registered with the Charities Directorate on December 18, 2009 was a zero ("0").

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Chart 7 breaks out the trends we saw in chart 6 along rural–urban lines. While there was a slight dip in adjusted median rural income from 2007 to 2008, \$85,824 to \$84,521, the steeper reversal was found among urban congregations, whose adjusted median income fell from \$170,636 in 2006 to \$165,954 in 2008, a decline of about 3%.

**Chart 7.** Median total income of evangelical congregations fiscal years 2003–2008, reported and adjusted for inflation, rural<sup>a</sup> and urban



<sup>a</sup> A congregation was considered rural if the second character of the postal code which was registered with the Charities Directorate on December 18, 2009 was a zero (“0”).

Continuing urbanization means that our cities are the areas with population growth and therefore the greatest opportunities for church planting and the wider growth of the evangelical movement. This makes the weakness of income growth in urban contexts all the more troubling, not because income is down per se, but because income is an indication of attendance and participation. Canadian evangelicalism cannot grow unless it grows in our cities.

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## Provincial Income Growth

Provincial income portraits also varied widely. Looking at provincial adjusted growth rates for median income, it would appear that income growth follows the relative economic prosperity of each province. Alberta saw the largest percentage median total income growth, at 26% (see table 5). At the other end of the growth spectrum was Ontario, with an adjusted median total income growth of just 3% between 2003 and 2008. While Alberta was enjoying prosperity fuelled by the oil and gas industry, in Ontario a high Canadian dollar was putting pressure on manufacturing, the centre of its economy.

To be sure, economics is only one factor in the tepid income growth of Ontario congregations. Demographic shifts are also likely at play as immigration from non-Christian regions of the globe reshapes the Ontarian religious landscape. Doubtless the religious landscape is being changed right across the country, but Ontario receives 52.3% of Canada's immigrants, with 4 of every 10 settling in the Greater Toronto Area.<sup>16</sup> The Canadian fertility rate is below replacement level, so population growth is occurring through immigration. Unless Evangelicals are finding or making members in these new immigrant communities, they can expect to eventually see declines in both religious participation and income.

**Table 5.** Growth in median total income of evangelical congregations, 2003–2008, reported and adjusted, by province

Median	Province									
	BC	AB	SK	MB	ON	QC	NB	NS	PE	NL
Reported	17%	39%	28%	20%	14%	25%	24%	16%	19%	19%
Adjusted	5%	26%	15%	9%	3%	13%	12%	4%	7%	7%

Note: The sample size for Prince Edward Island (PE) was small, 32; therefore, its values should be used with caution.

## Distribution of Growth Rates

Looking at median growth rates tells only part of the story. If we look at individual congregations and examine their growth between 2003 and 2008, we find that about three-tenths of evangelical congregations experienced negative income growth between 2003 and 2008, a number that rises to about two-fifths when their income gains were adjusted for inflation (see table 6).

<sup>16</sup>Tina Chui, Kelly Tran, and Hélène Maheux, "Immigration in Canada: A Portrait of the Foreign-born Population, 2006 Census" (Statistics Canada, 2007): 16 and 27. <http://www12.statcan.ca/census-recensement/2006/as-sa/97-557/pdf/97-557-X1E2006001.pdf>, accessed February 1, 2010.

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**Table 6.** Percentage of evangelical congregations with positive and negative total income growth between 2003 and 2008, reported and adjusted for inflation

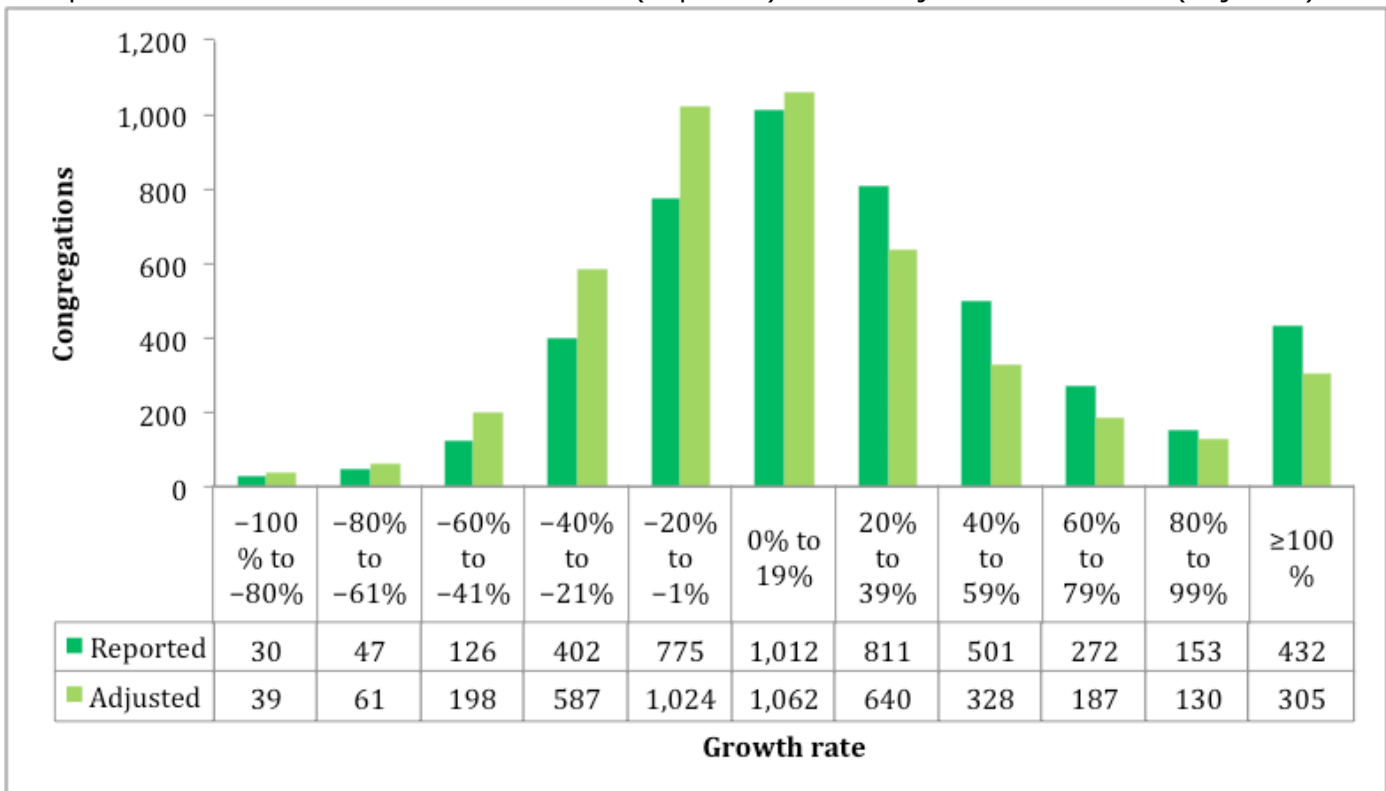
Growth Rate	Percentage of Congregations with Reported Income Changing in the Given Direction	Percentage of Congregations with Adjusted Income Changing in the Given Direction
Negative growth	30%	41%
Positive growth	69%	57%
Missing value	2%	2%
Total	100%	100%

Chart 8 provides us with a finer breakdown of the distribution of gainers and decliners. By inspection we can see that most congregations' income experienced moderate growth, 0% to 19%, or moderate decline, 1% to 20%, between 2003 and 2008. Most of the congregations that experienced decline between 2003 and 2008 saw only moderate decline, although as noted above, each year about 1% of congregations ceased operating

Income size does not appear to have affected the likelihood that a congregation would experience decline. Across the 2003 income ranges used in chart 2, the decliners remained close to 40% of congregations. This means that congregations with larger budgets were not, as a rule, realizing growth advantages over congregations with smaller budgets, as might have been expected when there is more money available for program spending.

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**Chart 8.** Distribution of growth rates for total income of evangelical congregations, fiscal years 2003–2008, as reported on Charitable Information Returns (Reported) and as adjusted for inflation (Adjusted)



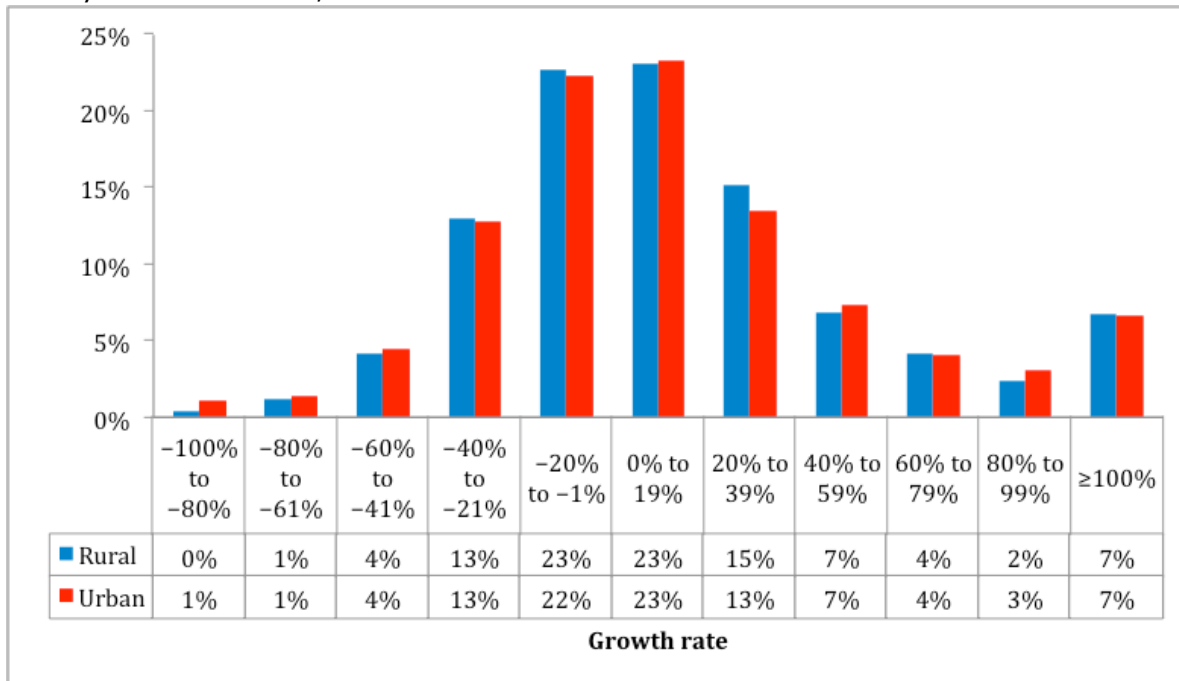
While, rural congregations grew slightly faster than urban ones (see table 4), the percentage income growth distribution was essentially the same for rural and urban congregations.



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**Chart 9.** Percentage distribution of adjusted growth rates in total income of evangelical congregations, fiscal years 2003–2008, rural and urban

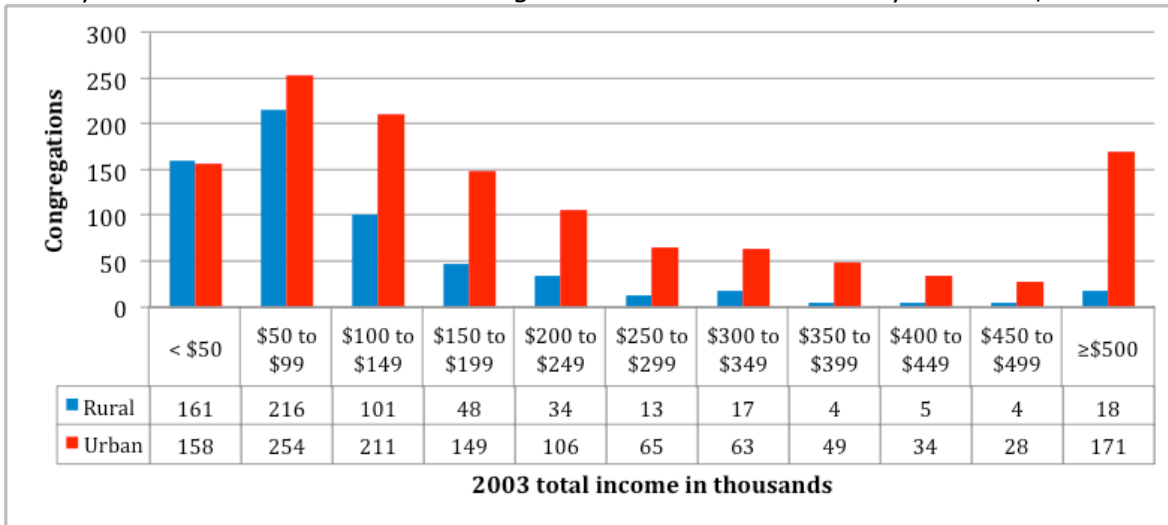


Charts 10 and 11 show that the distribution of gainers and decliners fairly closely matches the respective shapes of their overall distributions (compare with chart 2). Variations from their distributions in chart 2 would indicate places of relative growth weakness or strength according to their 2003 income range. Since there are no major deviations in the distribution, income size does not appear to affect income growth rates.

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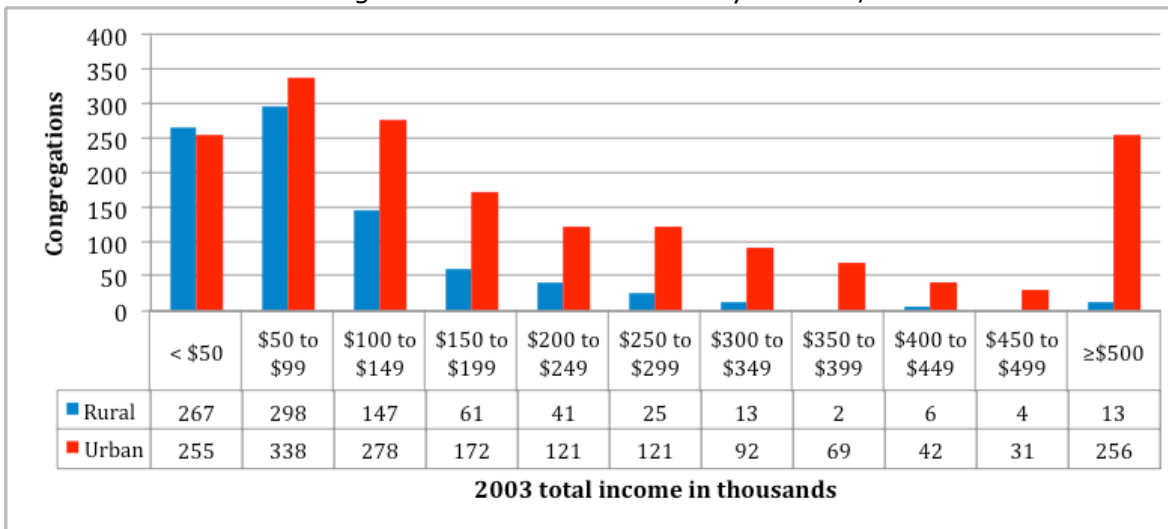


**Chart 10.** Distribution of congregations with negative adjusted total income growth between fiscal years 2003 and 2008 across ranges of total income in fiscal year 2003 , rural and urban



Note: Numbers do not add up to 1,529 for rural and 3,117 for urban because of missing values.

**Chart 11.** Distribution of congregations with positive adjusted total income growth between fiscal years 2003 and 2008 across ranges of total income in fiscal year 2003, rural and urban



Note: Numbers do not add up to 1,529 for rural and 3,117 for urban because of missing values.

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## Conclusions

Evangelical congregational income growth between 2003 and 2008, a period of relative economic prosperity in Canada, has been modest at best, with median total income growing at about 1.5% per year. While a handful of congregations have experienced remarkable growth, two-fifths had negative adjusted income growth over the period examined in this study. What is more, this rate of decline appears consistently across income ranges, and rural and urban contexts.

Rural congregations, as a rule, experienced slightly greater percentage income growth than urban ones. While this sounds encouraging, the gains in actual dollars were modest because rural congregations had roughly half the median base, relative to their urban counterparts, from which to grow.

About 1% of evangelical congregations close each year, and a slightly larger number are opened. Optimistically, the gains in the number of congregations are happening in urban contexts. However, it is in urban contexts where we see the most weakness in income growth. This urban income weakness is especially troubling when one considers that this decline has taken place in a context of urbanization, which has swollen the populations from which churches could draw congregants. Canada is a country with a high rate of immigration, and these new Canadians tend to settle in urban areas. We know from census data that the majority of new immigrants come from Asia, and the percentage penetration of evangelical Christianity into these immigrant populations is in the lower single digits. Urban churches will have to find ways of growing into these immigrant communities or find themselves preaching the gospel to a dwindling Canadian-born population.

It appears that provincial income differences are correlated with the population per congregation. This suggests that increasing the number of congregations has the effect of decreasing the income of all congregations. This finding then suggests that rather than making evangelistic inroads we are tending to circulate the saints. It also suggests that the spectacular income growth of congregations with very large incomes may be being made at the expense of congregations with smaller incomes. Provincial income growth rates, on the other hand, appear to be at least partially linked to provincial economic growth.

Taken as a barometer of evangelical congregational vitality, congregational income growth, as a whole, points to a movement that is keeping just ahead of stagnation. Many congregations are, in fact, in decline and only a very few are doing very well. Money is but one measure of vitality, of course, but it is an important one because it is also a rough measure of religious participation: a growing congregation generally needs to have a growing income. Canadian evangelicalism, as of late, does not have a vibrant income growth trajectory. Looking back now in 2010 with, we trust, the worst of the recent recession behind us, perhaps the more important question is not “What happened during the recession?” but “What did not happen during the good times?”

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## Appendix A. Canadian Consumer Price Index, 2003–2008

**Table 1.** Canadian Consumer Price Index, 2003–2008

Year	Core Consumer Price Index
2003	103.1
2004	105.6
2005	107.7
2006	109.2
2007	111.9
2008	114.1

Source: Bank of Canada: Rates and Statistics [http://www.bankofcanada.ca/en/rates/inflation\\_calc.html](http://www.bankofcanada.ca/en/rates/inflation_calc.html), accessed January 5, 2009.

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## Appendix B. Total Income Reported in Fiscal Year 2008, Selected Percentiles

**Table 1.** Total income reported by evangelical congregations in fiscal year 2008, selected percentiles, rural and urban

Context	Percentile						
	10	25	50	75	90	95	98
Rural	\$27,937	\$53,637	\$93,539	\$167,089	\$282,344	\$377,452	\$569,663
Urban	\$44,195	\$89,603	\$182,554	\$392,315	\$762,975	\$1,214,977	\$2,066,843
All	\$36,945	\$72,835	\$143,389	\$311,275	\$600,159	\$949,271	\$1,647,265

**Table 2.** Total income reported by evangelical congregations in fiscal year 2008, selected percentiles, by province

Province	Percentile						
	10	25	50	75	90	95	98
BC	\$47,505	\$88,969	\$180,407	\$409,453	\$779,055	\$1,215,440	\$1,937,215
AB	\$58,084	\$95,642	\$190,453	\$384,945	\$825,686	\$1,476,649	\$2,270,919
SK	\$39,150	\$65,894	\$110,451	\$212,061	\$458,654	\$710,285	\$1,359,732
MB	\$42,321	\$90,395	\$159,253	\$355,963	\$648,478	\$947,666	\$2,228,373
ON	\$43,334	\$81,722	\$162,770	\$340,107	\$641,427	\$1,081,103	\$1,794,715
QC	\$29,158	\$50,694	\$86,832	\$166,240	\$340,429	\$500,858	\$933,593
NB	\$17,330	\$38,523	\$82,915	\$162,228	\$383,832	\$586,883	\$803,450
NS	\$13,378	\$28,710	\$70,231	\$142,148	\$246,979	\$349,712	\$556,700
PE	\$29,733	\$44,734	\$107,618	\$209,020	\$386,207	\$601,619	\$822,459
NL	\$53,120	\$82,635	\$133,702	\$200,637	\$393,315	\$615,542	\$828,550
All	\$36,945	\$72,835	\$143,389	\$311,275	\$600,159	\$949,271	\$1,647,265