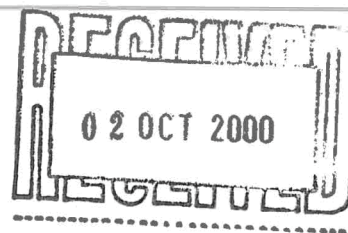




- Families, Youth and Community Care
- Disability Services

28 SEP 2000



Sr Di-Anne Rowan RSM  
 Congregational Leader  
 Rockhampton Congregation of the Sisters Of Mercy Australia  
 PO Box 1576  
 ROCKHAMPTON QLD 4700

Dear Sr Di-Anne

Thank you for your letter of 17 August 2000.

I appreciate that your Congregation and the Catholic Diocese of Rockhampton have reached settlements with many claimants who are former residents of Neerkol. While you have advised that these settlements were conditional on a discontinuance of the legal actions against the State, the State was not a party to these negotiations and has not been provided with copies of the settlements. As none of these actions have actually been formally discontinued, and as the quantum involved has the potential to be substantial, the State has an obligation to act in a financially prudent manner in relation to these cases.

As you will be aware, an application by AYR to overcome the Statute of Limitations defence was heard by the Supreme Court on Thursday 31 August 2000. On Friday 8 September 2000 the Court dismissed AYR's application to extend time, however Mrs AYR's claim for equitable compensation may still continue.

In response to recommendation 39 of the Forde Inquiry, the Government has established a trust fund to support former children in care by providing financial assistance to cover reunion costs, counselling support services, self improvement expenses such as the cost of education and health expenses. The Queensland Government has provided \$1million to establish the Trust, to be managed by the Public Trustee in conjunction with a Board of Advice chaired by Mrs Leneen Forde. The Government's response in relation to claims for individual monetary compensation has been clearly articulated on many occasions, and, in particular, in the official Queensland Government Response to the Report of the Commission of Inquiry tabled in Parliament in August 1999.

It is the position of the Queensland Government that it will defend this particular action or any similar actions that may be brought against it. On legal advice, I am therefore unable to accede to your request to withdraw the notices of contribution in the AYR matter.

Yours sincerely

**Anna Bligh MP**  
**Minister for Families, Youth and Community Care**  
**Minister for Disability Services**

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