

THQ MEMO

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D.E.D.

TO: TERRITORIAL FINANCE COUNCIL

DATE: February 4, 1999

FROM: EMPLOYEE RELATIONS DIRECTOR

SUBJECT: PRELIMINARY ASSESSMENTS OF CLAIMS FOR DAMAGES -
WESTERN AUSTRALIA

1. EXECUTIVE SUMMARY
 2. RECOMMENDATIONS
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1. EXECUTIVE SUMMARY:

On 5 August, 1997 Territorial Executive Council approved an extensive internal process for the assessment of claims from victims of abuse within the organisation.

The background material and detailed documentation provided to TEC at that time was developed in response to the particular events in Western Australia surrounding the sentencing of Allan Smith, and the accompanying attention by the media, and intensive aggravation by some of the victims.

The approved process has been followed over the last eighteen months to the point where a preliminary assessment of damages has now been received in respect of 11 such victims.

Based on an individual assessment process, the suggested financial negotiating parameters has been identified in each case. Some claimants may be prepared to settle within these parameters, some may not.

The approved internal assessment process comprehends the possibility of mediation or arbitration in difficult cases, as an alternative to more formal public court proceedings. The recommendations which follow, if adopted, will allow the attempted process of settlement, within defined parameters, to be undertaken.

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2. RECOMMENDATIONS:

- 2.1 That approval be given for the attempted settlement of claims for financial compensation within the individual parameters outlined in the report dated 14 January, 1999 from Freehill Hollingdale and Page.
- 2.2 That any settlement achieved within these parameters be processed by the Personnel Department in conjunction with the Divisional Commander and Freehill Hollingdale and Page, and in accordance with the legal documentation approved by Territorial Executive Council on 5 August, 1997.
- 2.3 That any such settlements be funded from the financial resources specifically set aside for this purpose.
- 2.4 That further specific contingency funding be allocated in the forthcoming budget considerations in respect of financial compensation, counselling costs and legal costs.
- 2.5 That further discussion between the Personnel Department and Freehill Hollingdale and Page be held on the question of whether a written apology to claimants should be offered on behalf of The Salvation Army.

3. MATTERS OF CLARIFICATION:

- 3.1 \$246,815 is currently held for the purposes referred to in Recommendation 2.3.
- 3.2 It is important that if any written apology by the organisation is to be offered, the wording is such that it cannot be used against the organisation as an admission of liability or guilt, in the event of any future court proceedings.

Freehill Hollingdale and Page have therefore been asked to consider whether it is possible to draft any form of apology that does not prejudice the organisation in these circumstances.

- 3.3 THQ has been funding external professional counselling for some claimants for some considerable time.

The inclusion of a component for counselling in the negotiation parameters is designed to secure, if possible, closure on future counselling obligations within any settlement achieved.

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- 3.4 It is intended that the most recent claimant referred to by the Divisional Commander (RED REDACTE) be encouraged, as far as possible, to interact with the organisation in a manner similar to the existing 11 claimants.

It is understood that Mr. REDACTE is not, as yet, legally represented.

- 3.5 The current 11 claimants have all been legally represented in the process undertaken to date. Three separate solicitors are representing the present 11 claimants.
- 3.6 Full and complete details of all incidents of criminal behaviour (including police reports) are held by Freehill Hollingdale and Page, on behalf of the organisation. This is mentioned because access may be needed if negotiations become difficult, and the media begins to press again for comment by the Army, both in response to the behaviour itself, and the attitude of the Army itself towards the victims.
- 3.7 Continued effective inter-action between the Personnel Department and the Public Relations Department therefore remains critical, in the event that media interest begins to re-surface.

A rather new element that has surfaced in the assessment process that the media would no doubt target, is the allegations that "...members of the Army were aware of the conduct of Smith and took no action to stop the abuse....(2nd paragraph of Clause 4, page 3 of the Freehill Hollingdale and Page report dated 14 January, 1999).



G. R. SAPWELL,
EMPLOYEE RELATIONS DIRECTOR.