

Residential Schools update #12—Dec. 19, 2001

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1. Healing Fund Activities

Among the quiet successes of the national Anglican network is the steady record of accomplishment of the Aboriginal Healing Fund -- a bulwark in the commitment to meaningful, useful partnerships between the Anglican Church and its aboriginal members. Since the establishment of the fund by General Synod in 1992, this grassroots-oriented facility has established an impressive record over 10 years. Early next year, the fund will break two significant thresholds: over 100 projects will have received support, with grants exceeding \$1 million.

Thirty-one Healing Fund projects were approved during 2001, with total grants of \$337,000. The fund was supported by a grant base of \$300,000 from General Synod and the dioceses with supplementary funds from private donations. The fund was bolstered last month by a grant of \$50,000 from the Lutheran Life Insurance Society of Canada.

Applications for Healing Fund support outstrips resources. The criteria for approved projects is threefold: projects must be demonstrably "worthwhile"; they must involve aboriginal people in planning and implementation; and there must be a plan for measuring and evaluating results.

2. Negotiations with Government

In the annals of the Residential Schools affair, 2001 will be remembered as the period when hopes for co-operative settlement between the Federal Government and the four churches were raised to optimistic heights, only to be delayed and squandered through confusing actions by the Federal Government. Within a relatively short time of five months -- from June to November -- the government moved from a position of apparent openness, good faith and bilateral flexibility in its negotiating stance with the four churches, to a position of increasing rigidity, culminating on October 29th with the unilateral declaration of a government "solution".

Although the four churches raised concerns about the government's approach and mandate in addressing the Residential Schools litigation impasse as early as August, the ecumenical meetings nevertheless continued. During this time, the two sides had moved from exploratory discussions to a clearer elucidation of their respective positions. Although government and churches remained far apart on many proposed terms of settlement, the churches remained optimistic that further negotiations could lead to a viable compromise.

Instead, on October 29th, the Office of Indian Residential Schools Resolution swept aside church concerns to make the unilateral announcement that the government would assume responsibility for payment of 70 percent of damages awarded in the case of validated claims of physical or sexual abuse, as determined through the mechanism of alternate dispute resolution (ADR) or through out-of-court settlements. This "temporary solution" not only ignored repeated attempts by the church ecumenical group to negotiate a "comprehensive" solution to the problem, but also

left hanging the matter of the unassigned 30 percent -- in terms of responsibility, apportionment, legal mechanisms, enforcement and the sheer ability of churches to contribute toward settlement.

For their part, the churches' proposals included, among other key features, recognition of the monetary value of many of their programs and ministries of healing and reconciliation carried out in aboriginal communities, a "cap" on church liabilities, a multi-year payout period and recognition of the need to address issues of "cultural" as well as "physical" and "sexual" abuse. From the outset of negotiations, the churches made it clear to government that this framework was fundamental to the churches' ability to devise a realistic and affordable method of canvassing members for voluntary financial support.

Response from the churches to the government's unilateral "70/30 solution" reflected acute disappointment over a method that effectively ignored the negotiation process. At the same time, the churches were also cautiously supportive of signs of forward progress. In the official statement issued by the ecumenical group, the church view was expressed as follows:

"The government's offer is a reasonable first step...[but] the solution needed is not just about money. It's about bringing justice to individuals harmed and healing to communities affected."
”(*Jim Boyles*)

The House of Bishops, convening for their semi-annual meeting in Edmonton on the day of the government announcement, sounded a note of overall optimism. ““We welcome the announcement of the government that it will contribute 70 percent of settlements for validated claims,”” the Bishops said. "This indicates to us that the government does indeed desire to provide justice for those who were wronged. We regard this as a first step toward an agreement."

At the same time, the Bishops took the opportunity to underscore the reality of canvassing Anglicans for financial support of settlement contributions. ““We want to meet to the very best of our ability our responsibility to compensate financially those who suffered specific abuse in the schools... We will best be able to do that if we can assure Anglicans that support for bringing this new vision into reality will not be used to pay litigation costs."

"The prolonged negotiations with the government and the continuing cost of litigation are wearing down our capacity and our resolve to respond to need. We have to be relieved of this burden if we are to do our part,"” the Bishops said.

Additional reaction to the government unilateral “70/30” declaration

Church "mortgages"

In the days immediately following the government's 70/30 announcement, a lively debate ensued in the national media on the inflammatory subject of church mortgages. The public parry-and-thrust was kindled following the publication on November 1st of a front page story by Richard Foot of The National Post. In the Post story, Bud Smith, Chancellor of the Diocese of Cariboo, disclosed that the federal government had requested the churches provide "commercial security" to guarantee their share of damage awards. Chancellor Smith -- a one-time Attorney-General of

British Columbia -- spoke bluntly to The National Post, making it clear that the use of the term "security" in government legal documents had the undeniable practical meaning that churches were being requested to provide mortgages on church properties as the security.

As shock and public criticism of government mounted, government officials moved quickly to deny the substance of Bud Smith's revelation. Deputy Prime Minister Herb Gray, in charge of the Residential Schools brief, wrote strongly-worded letters to a number of national and church publications expressly denying the government had ever requested mortgages or other commercial security from church organizations.

For the record, two facts on the matter of church "securities" may help clarify what was really said. The government position, set out in September 2001, made explicit reference that "security" was to be provided by the churches. Additionally, Department of Justice officials in B.C. prepared a thorough inventory of all assets of the Diocese of Cariboo, including real property as well as goods and chattels.

Anglican Aboriginal Response

In a separate response to the government position of October 29th, two initiatives reflective of the aboriginal perspective were initiated from Anglican sources. Two requests for meetings -- one from the Rev. Larry Beardy, a Cree from Split Lake and member of the negotiating team of General Synod, and one from the Anglican Council of Indigenous Peoples (ACIP) -- were sent to Assistant Deputy Minister Jack Stagg. Both delegations are seeking to inform Mr. Gray and Mr. Stagg of the valuable role played by the Anglican Church in healing and reconciliation work within aboriginal communities.

3. Financial Update

General Synod

On November 17th 2001, the Council of General Synod (CoGS) approved the budget for General Synod for the fiscal year 2002, indicating General Synod will be in a position to continue in operation through the forthcoming year.

General Synod revenue projections for the fiscal year 2002 indicate sustained -- indeed, slightly increased -- diocesan contributions, enabling General Synod to maintain a "hold-the-line" budget for 2002. As in the past, General Synod has provided firm assurances that diocesan revenues will be used solely in support of ongoing Program work, and that expenses associated with Residential Schools litigation will be borne by drawing down General Synod assets.

Beginning in May 2000, the Officers of General Synod sounded the alarm that General Synod would exhaust all available liquid assets by the end of the current year. Approaching yearend 2001, the improved cashflow position of General Synod -- hence the ability to continue operations through 2002 -- has been secured by three factors:

A slowdown in the payout rate of out-of-court settlements in some cases in British Columbia;
An increase in bequests and donations to General Synod;
The successful closing of the real estate transaction for the sale of General Synod property in Toronto for development into a new headquarters facility.

Diocese of Cariboo

As earlier reported, the Executive Council of the Diocese of Cariboo decided in September 2001 that Cariboo will cease operations on December 31st. As the Diocese moved into the final days of its active life, an emotional retirement party for Bishop Jim Cruickshank was held in the See City of Kamloops on December 1st. Bishop Jim announced he will begin his retirement as Diocesan Bishop by accepting a part-time position as lecturer at the Vancouver School of Theology, beginning in the New Year.

As the 19 parishes of the former Cariboo Diocese seek to continue their ministry, Archbishop David Crawley, Metropolitan of the Ecclesiastical Province of British Columbia and the Yukon, will provide pastoral oversight to the 9,000 Anglicans on Cariboo parish rolls. The Diocese is transferring church properties, which it has held in trust for the congregations, to a new legal entity known as the Fraser Basin Property Society. The Rev. Canon Gordon Light has been appointed by Archbishop Crawley to co-ordinate the activities of the newly organized office of the Anglican Parishes of the Central Interior (APCI).