

ABORIGINAL ISSUES

Cost of residential school redress rising

Final settlement package likely to be more than \$5-billion as 29,000 expected to line up for additional compensation for abuse

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Twenty nine thousand.

That's Ottawa's latest estimate of how many people will ultimately come forward with compensation cases for physical and sexual abuse suffered at Canada's native residential schools.

The volume is more than twice what was expected, meaning the final cost of Canada's 2006 out-of-court settlement with former students is on pace to exceed \$5-billion – well beyond the original \$3.2-billion budget set five years ago.

The settlement awarded at least some money to all living former students, but also included an option for additional compensation for physical and sexual abuse via an Independent Assessment Process. It was estimated that 12,500 former students would apply.

Now the latest estimates forecast at least 29,000 IAP claimants will come forward, and the vast majority of claims so far have been validated by independent adjudicators. The sheer volume of successful cases supports those who say violent abuse was rampant, not isolated.

"I think the message is that sexual abuse was prevalent in these institutions," said Charlene Belleau, who manages the Assembly of First Nations residential schools unit. Ms. Belleau, a former B.C. chief, said she expects the final numbers will be even higher as the Sept. 19, 2012 deadline approaches.

With IAP settlements averaging just over \$120,000 including legal fees, a rough estimate suggests Ottawa could be on the hook for well over \$2-billion in additional costs tied to compensating former students.

The government is asking Parliament to approve an additional \$179.1-million to cover extra payments, but that's just the start.

"Departmental officials are currently in the process of determining the new estimated costs based on the increased application levels," said Michelle Yao, a spokeswoman for Aboriginal

Affairs Minister John Duncan.

Ms. Yao declined to speculate on how high the total cost of the settlement will climb. A department official said final numbers won't be known until after the application deadline, but did provide the latest estimate for total applicants and the average compensation amount.

However, Dan Ish, the chief adjudicator for the IAP, provided his own rough calculations as to the total IAP compensation cost – not counting legal fees – based on multiplying the latest number of claimants and the average payout.

"My best guess is that it will likely be over \$2-billion but less than three. A lot of money obviously," he said in an interview.

Residential schools were originally created as part of religious missionary work and started receiving federal support in 1874. They were then run as joint ventures by Ottawa and the churches as part of a policy to assimilate natives. Nearly all of the remaining schools were closed in the mid-1970s.

The original 2006 agreement broke down costs into six sections, totalling about \$3.2-billion. That included \$1.9-billion for a Common Experience Payment that went to all former students based on the number of years they attended the school.

The second largest section was the IAP, which allows former students to tell their story in a private hearing – sometimes with the alleged abuser present. Government-appointed adjudicators listen to the stories of abuse and approve compensation, using a matrix that increases the payment based on the severity of the physical or sexual abuse and the severity of the long-term emotional impact on the former student.

The remainder of the deal included \$125-million for Aboriginal Healing Foundation programs, \$100-million for the payment of plaintiffs' legal fees, and \$60-million toward a Truth and Reconciliation Commission.



Participants head to the third round of the Truth and Reconciliation Commission national hearings in Halifax in October of this year. ANDREW VAUGHAN/THE CANADIAN PRESS

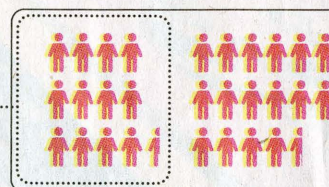
COMPENSATION CLAIMS

INDEPENDENT ASSESSMENT PROCESS

(additional compensation to victims of physical and sexual abuse)

THE DETAILS

Original estimate of qualifying students:
12,500



Latest estimate of applications*:
29,000

*Deadline for applications is Sept. 19, 2012

= 1,000 applications

Average compensation to date: **\$120,347**
Includes legal costs

THE MONEY

Original budget: **\$960-million**

Rough estimate of final cost: **\$3.5-billion**
Plus administration costs

Spent to date: **\$1.2-billion**

Aboriginal Affairs and Northern Development provided the latest estimates for applications and average compensation, but declined to speculate on the total cost. The rough estimate multiplies the applications and average compensation.