



CATHOLIC ARCHDIOCESE
OF MELBOURNE

memo

Date: 15 February 2018

To: All CAM Staff

Subject: **Fairfax Articles**

Dear Colleagues

As you will be aware, The Age has run a series of articles this week on the Church, its assets and financial position.

There are obvious errors in the articles and in on-line videos, notwithstanding responses to numerous questions provided to The Age prior to publication, which will mislead readers who do not understand the structure and governance of the Church.

The Age articles give readers the impression that the Archdiocese has access to assets which are not its own to meet claims of abuse. This misleads readers as well as victims of abuse.

It is important to be clear that the Archdiocese has (since 1996) and will continue to meet all upheld claims of sexual abuse against clergy and other personnel of the Archdiocese from its own resources and insurance when available.

While it is not possible to give an exhaustive response to the articles and on-line media reporting, in order to assist you in responding to queries or concerns, I note below some of the key points:

1. While institutions like St Vincent's and Cabrini Hospitals, Loreto Mandeville Hall and Xavier College are located within the Archdiocese of Melbourne, they are not institutions in respect of which the assets belong to or are under the authority or control of the Archbishop or Archdiocese of Melbourne.
2. None of the properties featured in an on-line video published by The Age belong to the Archdiocese. Rather they are the assets of parishes or religious congregations. None of the properties shown in the video are assets to which the Archdiocese can have recourse to meet claims against it.
3. The fact that the property assets of parishes such as Our Lady of Victories Camberwell and St John's Parish Heidelberg are held on trust for those parishes by The Roman Catholic Trusts Corporation for the Diocese of Melbourne does not mean that the Archbishop or Archdiocese of Melbourne has or is able to call on the assets of those parishes to meet claims made against the Archbishop or Archdiocese of Melbourne.
4. Where the Archdiocese or a parish makes properties available for use by a third party, the rental income derived from that third party can only be applied towards the charitable purposes of the owner of the property.

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5. The Age failed to record that properties held in the municipality of Greater Dandenong belong not to the Archdiocese but rather to the parishes of Dandenong, Dandenong North, Keysborough, Noble Park, Noble Park North and Springvale. None of these assets are available to meet claims of abuse.
6. The Archbishop's residence in Kew was acquired in 2005 for 30% of the proceeds of sale of the former residence in Gellibrand Street, Kew, with the balance credited to diocesan funds.
7. The sale by the Archdiocese to the Archbishop of the Dromana property was done on arm's length terms consistent with the formal valuation obtained in accordance with diocesan policy and with the Archbishop separately legally represented in the transaction. The Archbishop used personal savings and an inheritance to fund the acquisition. The sales proceeds were credited to diocesan funds.
8. In response to a request from the Royal Commission the Archdiocese provided its audited financial statements for the years ended 31 December 2011, 2012 and 2013. The Royal Commission specifically excluded from the formal notice issued to the Archdiocese production of the financial reports for individual parishes, chaplaincies and schools as well as entities such as CatholicCare and the Catholic Education Office.
9. The Archdiocese has met all upheld claims under the Melbourne Response and all settled civil claims from insurance when available and otherwise from its own resources without recourse on a single occasion to the assets of parishes or schools.
10. All upheld redress claims have since November 2016 been considered under the Melbourne Response against a cap of \$150,000 which is the cap proposed by the Commonwealth Government for the National Redress Scheme. In fact survivors of child abuse in the Archdiocese who received amounts under previous caps have been able since November 2016 to obtain additional redress. Since this announcement in November 2016, an additional amount of \$10.73M has been paid as additional redress to 227 recipients of compensation for child abuse under previous caps.
11. With the additional redress payment of \$10.73M, the Archdiocese has made payments totalling \$28.53M between 1997 and February 2018 to 394 survivors of child abuse excluding amounts paid for counselling, legal and other costs.

Among the most concerning aspects of The Age articles is their unwillingness to recognise that the Church is based on community. In building up a community, the Church engages with its community both spiritually and socially. Spiritual engagement occurs in our parish churches while social engagement occurs through the facilities which parishes make available through the generosity and support of local parishioners in every parish and in every diocese.

The Archdiocese has over the past 5 to 10 years under the leadership of the Archbishop and Vicar General taken many steps to demonstrate its commitment to the care, safety and wellbeing of children and our zero tolerance approach to child abuse. We all continue to share the responsibility individually and collectively to ensure that the wellbeing and safety of children remains at the forefront of all we do. We should not allow coverage such as has occurred this week to divert us from this commitment.

Yours sincerely



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