

My name is Bob Cotton, I am pastor of Maitland Christian Church, Maitland NSW. My wife and I are credentialed ministers with the Australian Christian Churches formally known as the Assemblies of God in Australia. We have pastored Maitland Christian Church for approximately 25 years.

Since the Royal Commission we have been actively involved in supporting survivors of Child Sex Abuse by clergy. I have appeared on television, on 60 Minutes & the Project, been interviewed on radio and have been the subject of numerous newspaper articles. Much of this was to do with the successful lobbying of NSW Parliament to increase the penalties for those who conceal child sex offences. Specifically Section 316A of the NSW crimes act.

As a result of this work and exposure I have come to know many survivors and have been able to assist some in their journey seeking financial compensation both civilly and through the redress scheme. I have heard not only their stories of the sexual abuse when they were little but also of further abuse by the institution during their quest to be fairly compensated.

My criticisms of the Redress Scheme are as follows:

1 The cap of \$150,000 is far too low and everything is weighted far too heavily in the favour of the church.

To me, the Redress Scheme is almost a “get out of gaol free card” for the church. I have sent you a copy of my church’s invoice to participate in the Redress Scheme. (Annexure 1) We are only a small church and because contributions are in proportion to the size of the church our contribution is quite small. You will see that we pay only \$189 per year to belong and not unlike car insurance there is an excess in the case of a claim. There are three excesses. For us they are \$7,500 for a pre 1995 claim, \$5,000 for a post 1995 claim and \$25,000 if the rapist had a history of offending.

I am assured by our people at the ACS – Australian Christian Services - that once a claim is paid, our denomination is forever protected against further claim, we are off the hook forever. I find this disgusting considering the vast difference between the average payout of the Redress scheme and the more reasonable figures being paid through civil litigation. It is my understanding that civil claims now regularly exceed \$1 million and I am aware of a case that settled out of court for over \$2 million.

If the Redress Scheme payouts were increased in proportion to the contribution, I would be happy to pay four or 5 times as much to lift the cap to over half a million. **I would ask that the Church's contributions be increased in order that the Redress payments be increased.**

I would like to suggest that if the church is not willing to accommodate our victims **then we should lose our tax exemptions** and be subjected to tax the same as every other business. **Money raised could then be used to create a fund that could properly compensate our victims. Such a fund should be administered by a body independent of the church because we have proven that we cannot be trusted.**

2 Conflict of interest with church owned insurance companies.

The Australian Christian Churches owns its own insurance company. I have provided a screenshot from website supporting this. **(Annexure 2)** Almost all of our member churches are insured through them as well as many other groups outside our denomination.

I am told by those senior to me that our insurance company WILL NOT cover us for historic child sex abuse claims. Despite the insurance company being in operation for over 20 years and despite our churches paying premiums for that long, we are on our own if a claim is made. I am told, for this reason it is essential that our churches individually sign up for the redress scheme because many of our smaller churches do not have the equity to pay if a judgement is made in a civil case. **Therefore Redress is the only option for our victims to be compensated . Many ministers would take this in good faith and pass on such information to survivors and steer them away from civil action. This is grossly unfair.**

I would like to suggest that if the Australian Christian Churches own the insurance company, then the Australian Christian Churches can change their stance to include claims for compensation for historic child sex offences.

When every other insurance company has a increase in claims they compensate the loss by increasing premiums. Again, we the church have betrayed the innocent, we should bear the burden of our crimes and if that means paying higher premiums, then so be it.

I am sorry to say that we are dealing with hard hearted people within the leadership of the church institution and I would like to give you an example of that.

I have attached a copy of an open letter to our National Executive that I sent to 3,500 pastors in my denomination only last year. **(Annexure 3)** The letter spoke of a boy called Brett Sengstock who was raped repeatedly by Pastor Frank Houston (dec), one of the most prominent ministers in our denomination's history. Brett's story was told in Case Study 18 of the royal commission, he was known by the pseudonym "AHA". Brett took civil action against our denomination who vigorously defended his claim and bullied him into ceasing and desisting under the threat of perusing him for costs. This seems to be standard practice according to other survivors of my denomination. I am told these costs would have exceeded \$200,000. What is repugnant beyond belief is that Brett was dying, he was suffering stage 4 cancer at the time. He was frightened of losing his house so he ceased action.

After my letter to the National Executive was ignored, having sent it a number of times and confirming that it was received I sent it as an open letter to all of our churches and pastors. I received about 12 replies, most asking me to "remove them from the mailing list", one asking if I could prove what I was claiming and only three people from 3,500 offered to help. This is a sad indictment of the church and evidence of the attitude that church leaders hold towards survivors being compensated.

One pastor who did reply to me forwarded me an email that they received from the National Executive when they raised questions about my open letter, I have attached a copy. **(Annexure 4)** You will see, that our National President's office advised the pastor that the Redress Scheme exists for us to "help" victims. In my opinion, stitching up a victim with the Redress Scheme and protecting ourselves from civil litigation is more "helpful" to us than the survivor.

This leads me to another conflict of interest, that being Church organisations (victims support services) steering survivors towards the redress scheme as suggested by the letter just referred to.

Many survivors of child sex abuse by the church often go back to the institution that abused them for help. There is a clear conflict of interest when church run departments and support groups refer survivors to the Redress Scheme rather

than advising them to investigate a Civil Claim with qualified legal professionals. It is obvious that we are more interested in protecting our own assets than doing the right thing by those whose lives we have stolen.

My final criticism

3 SOCIAL WORKERS AND OTHER UNQUALIFIED PEOPLE GIVING LEGAL ADVISE TO SURVIVORS ON THE PROS AND CONS OF REDRESS SCHEME VS CIVIL LITIGATION.

Recently, I directed a survivor to a law firm for an opinion on his abuse case and if it was worth pursuing civilly. Their professional legal advise was that the case was very strong and the Redress Scheme should only be considered as a last ditch effort if the civil case failed for some reason. He was advised to put his redress claim on hold while the civil case was run because if the redress made him an offer and he refused it then he could never make application through the scheme again (another glaring fault).

The survivor asked me to contact a particular social worker with the survivors support group that had helped him complete his redress application and advise them of his intent to pursue a civil claim. I asked the social worker to contact him and confirm this as I could not act on his behalf, which they did. The survivor then told me that the social worker was “very upset with him” & “extremely disappointed” in his decision to pause the application, that “civil action was the wrong way to go”, that he “wouldn’t get any extra money” by going civil and it would take much longer to receive payment, That he would get “probably \$200,000 to \$300,000 but lose most of that to the solicitors”.

The survivor had great trust in this social worker and their organisation, so this conflict caused them a huge amount of anxiety. This particular survivor is in public housing and on a pension and was denied a proper education because of their abuse.

Something needs to be put in place to protect vulnerable and traumatised people from being given unqualified legal advice from people whose occupation involves assisting with the completion of Redress applications.