

Under the Inquiries Act 2013

In the matter of the Royal Commission of Inquiry into Historical Abuse in State
Care and in the Care of Faith-based Institutions

Witness Name: Murray Houston

Statement No.: WITN0250001

Exhibits: WITN0250002-WITN0250021

Dated: 18.09.2020

ROYAL COMMISSION OF INQUIRY INTO ABUSE IN CARE

**Witness statement of Murray Houston on behalf of The
Salvation Army**

[CONFIDENTIAL VERSION: SUBJECT TO GRO ORDERS]

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I, Murray Houston, will say as follows:

1. Introduction

- 1.1 My full name is Murray Houston. I reside in Masterton.
- 1.2 I provide this statement on behalf of The Salvation Army New Zealand (**The Salvation Army** or **TSA** or the **Army**) to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (the **Commission**) in respect of the Faith-based redress hearing that is scheduled to be heard in two stages before the Commission. The first stage is between 30 November and 7 December 2020, and a second stage in March 2021 (the **Faith-based redress hearing**). I understand my evidence will be given during the latter stage.
- 1.3 I am a senior employee of The Salvation Army. My current roles are two-fold: I am the Commercial Manager for The Salvation Army and am also Manager, Royal Commission Response. I have been employed with The Salvation Army since July 1999. I am not affiliated with the Church of The Salvation Army. I am a “lay” or “civilian” employee.
- 1.4 Since about the year 2000, I have had primary responsibility within The Salvation Army for dealing with claims and the redress process in relation to claims of abuse from children who were in children’s homes run by The Salvation Army. During my time in that role, I also had the job title of Referral Officer for these claims. I am, therefore, familiar with the subject matter of the Commission generally and, more specifically, the matters being considered by the Commission later this year as part of the Faith-based redress hearing.
- 1.5 As I understand things, the matters to be addressed at the Faith-based redress hearing are set out in a “Scoping Document” entitled “Redress Investigation: a case study into the redress

processes of the Catholic Church, Anglican Church and The Salvation Army". This paper was published in final form on the Royal Commission's website on or about 14 August 2020, although an earlier draft was provided by the Commission to TSA on 4 June 2020. My evidence has been guided by the content of this Scoping Document, including after confirmation from Ms Hanne Janes (one of the counsel assisting the Commission), via our solicitors that this is how I should approach this statement.

- 1.6 My evidence seeks to provide the Commission with information about how, since the early 2000s, The Salvation Army has dealt with and responded to claims of historic abuse by children who were resident in children's homes operated by The Salvation Army. My focus is very much on the children's homes context as this is where, by far, the majority of claims related to historical abuse of persons in the Army's care have arisen. I have some knowledge of other contexts in which claims of abuse in care have arisen within the Army and I comment on them briefly toward the end of this statement.
- 1.7 I note that I have endeavoured to ensure my evidence deals with matters at a general level, noting that the Scoping Document says that the Commission is not examining the merits of any individual claims, nor resolving disputed factual issues relating those claims. While this approach risks over-simplification in relation to some claims or persons, given that we have dealt with in excess of 200 claims, I have necessarily had to approach my evidence in this way.
- 1.8 I understand that Colonel Gerald Walker will also provide a statement of evidence on behalf of The Salvation Army for the Faith-based redress hearing.

2. Overview of evidence

- 2.1 At a personal level I wish to say, at the outset, that I welcome the opportunity to explain the practices and processes around claims handling that The Salvation Army and me personally have adopted through time. My involvement in this work has taken up a large part of my life for nearly 20 years. My involvement was something of an unexpected journey, given my background was in commercial matters. But, I adapted to the role and, while harrowing at times, I have also found aspects rewarding in assisting people to reconcile with the past and achieve healing.
- 2.2 TSA's response to claims has evolved over time and I acknowledge that some of the earlier approaches we took were not as empathetic as they could have been. It would be fair to say that initially there was some naivety and lack of understanding of the abuse of children and its effects on survivors, sometimes lasting for a lifetime. In the early 2000s, when we received many allegations of abuse in a short space of time, the nature and extent of the issues raised came as a shock to the then TSA leadership. Further, once we had established that we had some insurance cover for claims of historical abuse, some of our early responses were also driven by insurance considerations.
- 2.3 It took some time for us to work through what was happening and establish a good process. There have been some mis-steps, and our approach has not been perfect. Undoubtedly, some people may have ongoing concerns and grievances about the process engaged in with us.
- 2.4 However, standing back, I do believe that we have tried our very best to do the right thing.

2.5 As I explain further below, from about early 2004, TSA leadership determined that we should generally try to take a non-legalistic approach to claim settlements and to ensure we had an approach that saw us take responsibility and that aided the well-being and healing of survivors. This approach was more consistent with the Christian values of The Salvation Army and our over-arching approach endures to this day. Importantly, when I say a non-legalistic approach, I mean that we do not require survivors to prove allegations to a particular legal standard before we settle with them and pay monetary compensation (although we do undertake claims verification as I describe below). We have also not relied on some legal defences that may have been available to us to exclude or limit our legal liability for some claims e.g. a limitation defence. As a result, apologies have been given and compensation paid even though the Army did not, or may not, have had a strict legal liability. We have sought to acknowledge our moral responsibility to people who were abused whilst in our care.

2.6 When I look at where we stand today:

- (a) I believe, and hope, that our current processes genuinely offer empathetic, efficient and effective redress with a focus on survivor well-being and healing. This is how I seek to go about my work. I understand the importance of survivors feeling like they have been heard and I give them that opportunity, doing all I can to ensure they are comfortable and supported in telling their story. It has been my thinking that at the point where a person has the courage to come forward, it was up to me, as TSA's representative, to engage with the person as soon as practicable because I believe that in them taking that first step to healing they were emotionally ready to tell us of their experiences and confront the past. For many this was extremely difficult for

them to do. I wish to acknowledge and appreciate early in my statement the many people who have come forward and spoken freely and honestly to me about very personal and painful events that happened to them.

- (b) The Army understands the importance of being seen to take, and actually taking, responsibility for the past. Our processes seek to do this in giving apologies and providing financial redress, while fully accepting that no amount of money could ever adequately compensate for abuse suffered.
- (c) I am well supported in the work that I do in advancing the Army's redress programme. As an organisation, The Salvation Army has committed significant resource, time and emotion in addressing claims related to abuse in its children's homes. Significant funding has been made available for me to travel to meet survivors and to ultimately settle claims. This work has been prioritised within the Army and I feel like my work is well respected within the Army.
- (d) I consider the Army has been diligent in addressing claims by appointing me, as a senior staff member, with broad authority and discretion, to deal directly and personally with survivors. This approach has ensured that we can address claims in a timely manner (most of the time) and with compassion for the survivor and their particular circumstances.
- (e) The Army continues to be committed to accepting responsibility for past wrongs, and in continuing to seek to provide healing and support to any person who was the subject of abuse whilst in its care. It has unreservedly

apologised in public forums, in personal letters and in meetings to those who have suffered as a result of such abuse.

- 2.7 I would hope that many people consider their experience of dealing with us in relation to claims and redress has been ultimately positive for them. I have received acknowledgements of this through time from many survivors. I have been told that the claims process engaged in with us has assisted them on their journey.
- 2.8 But, as I say, our process has not been perfect and, regrettably, there will be some people who feel unfairly treated or that the process did not work for them. There have also been periods when my relationships with some stakeholders e.g. Cooper Legal, have been strained. But, to the extent such criticisms exist I would hope that the main criticisms are more directed to our approach in the 2000s. This was when we were still establishing our approaches and our views on how legal issues would be factored into our approach. During this time, we had large numbers of claims that we were dealing with and we also became involved in a number of formal legal proceedings (which created their own complexities and which I discuss further below). Today I think we are much more streamlined and clear in our approach.
- 2.9 The Army is open to suggestions and recommendations as to how it may continue to improve its processes in relation to any potential future claims. In this regard, I also note, that in carrying out work related to this Royal Commission, I have been proactively reviewing claims previously declined to ensure that any changes to our approach or views through time is fairly applied to those who may have approached us at an earlier point. This is still a work in progress for us.

2.10 This statement contains the following sections:

- (a) a summary of the claims made to The Salvation Army regarding historical abuse in the children's homes it had operated (section 3);
- (b) an overview of the approach to claims prior to 2003 (a time when the number of claims was relatively small) (section 4);
- (c) an explanation of events from about August 2003 which saw an increase in claims emerge and how this affected (and necessitated) a change in The Salvation Army's dealings of claims made by those children who had been its care (section 5);
- (d) an explanation of the process for handling and responding to claims that we put in place after 2003 and which endures to this day (sections 6 and 7)
- (e) some brief comments on where our internal investigations included speaking to alleged perpetrators (section 8);
- (f) other matters in the Scoping Document, not otherwise captured above (section 9);
- (g) comment on redress in other contexts within the Army (section 10);
- (h) conclusionary comments (section 11).

3. Summary of claims relating to children's homes

3.1 As noted above, my focus is on the settlement of claims brought to us by people who were in the residential care of The Salvation Army in our children's homes. To the best of my knowledge, since about the year 2000, I have dealt with all claims of abuse made against The Salvation Army in this context. There are a

small number of claims where I was not involved in the interview process (as I describe that further below), but I was ultimately responsible for the settling of all claims.

- 3.2 The allegations of historic abuse we have received have been wide-ranging including sexual, physical and psychological abuse and, related to psychological abuse, allegations of neglect or mistreatment. Such claims have included allegations against staff and officers of The Salvation Army but also allegations against third-parties, including abuse by other residents, visitors to the home and third persons such as family, foster parents or other caregivers. Often a claim we receive will include a series or combination of these sorts of allegations. The claims are heart-breaking.
- 3.3 As at 1 August 2020, The Salvation Army had received 238 claims of this nature arising from a children's homes setting. The first claim was made in February 2001. (I note that I am also dealing with a claim received after 1 August this year but I have not included that claim in the numbers I have outlined below as, at the time of this statement, it is still in its early days.)
- 3.4 The former homes of The Salvation Army to which the claims relate are (with the years of operation of that home noted and the number of associated claims identified):¹
- (a) Cecilia Whatman Children's Home, Masterton, 1925-1985; 45² claims;
 - (b) Bramwell Booth Children's Home, Temuka, 1916-1986; 67 claims;

¹ Some survivors made claims related to their time in care at more than one home.

² This includes a survivor who was resident at Whatman, but alleged abuse in a foster family context while on holiday from the home.

- (c) The Grange Girls' Home, Auckland, 1916-1976; 15 claims;
- (d) Hodderville Boys' Home, Putaruru, 1920-1986; 84 claims;
- (e) Mercy Jenkins Boys' Home, Eltham, 1909-1954/1955; 5 claims;
- (f) Florence Booth Girls' Home, Wellington, 1903-1969; 17 claims;
- (g) The Nest Children's Home, Hamilton, 1920-1990; 22 claims;
- (h) Mary Bryant Family Home, Hamilton, 1974-1999; 1 claim.

3.5 As at 1 August 2020 The Salvation Army has formally settled 166 of the children homes claims it has received. A settlement may include:

- (a) a personalised apology being made to the person making the claim;
- (b) a lump sum monetary payment from The Salvation Army to the person making the claim;
- (c) in some cases other more targeted financial payments such as:
 - (i) a payment toward a specific request e.g. to meet the costs of tattoo removal;
 - (ii) payments toward counselling costs;
 - (iii) contributions toward legal costs;
- (d) in some cases non-financial assistance. I recall one instance where we assisted a survivor's son undertake a TSA training programme (and also bought him a laptop to assist). In other cases we have provided additional funds

for family gatherings to occur, assisted with the installation of a headstone or assisted with Māori ancestry research.

- 3.6 The time taken to resolve a claim has varied. In some instances, claims have been resolved in less than two weeks from the time that the survivor (or their representative) approaches The Salvation Army to the date of settlement (with settlement typically represented by the survivor countersigning an agreed settlement statement). Most have taken longer than a few weeks but I am naturally quite an efficient person. With the support of the Army, I have prioritised this part of my role over the years to try to deal with claims as expeditiously as I can in as many instances as I can. I appreciate delay risks causing further upset to survivors.
- 3.7 But, some claims have taken longer to resolve for a variety of reasons. This may be because they are simply harder to resolve as information is incomplete, we thought it necessary to further investigate the claim, the person is not happy with what the Army may have offered by way of resolution or the Army itself cannot meet the person's requests. It may be because the person is not in a position to advance their claim for a period of time e.g. there have been instances where a person has gone to prison and they have held off on pursuing their claim for a period. Legal proceedings have also tended to cause more delay in resolution as the relevant legal processes are worked through. I discuss these court proceedings further below.
- 3.8 Other persons have, for whatever reason, not progressed their claim beyond an initial enquiry or discussion. In those cases it is not clear if they wish to progress matters or not. In any instances where there has not been a formal resolution the claim remains "open" if they choose to further progress their claim. There are around 60 in this category at present. Sometimes, the case may be that the person has not sought a formal apology, monetary compensation or any other particular action from us. Some

people simply wanted to tell their story (or the story of someone they knew).

- 3.9 I am aware of at least two persons who passed away following their initial contact with the Army. Those claims have not progressed further. More generally though I note that I have dealt with claims brought on behalf of others, including where the person subject to abuse had died.
- 3.10 Of the 238 claims we have received, there are currently two persons for which I would say the settlement process is still actively underway. These are persons who have relatively recently progressed a claim beyond an initial enquiry or discussion and have indicated they seek a formal resolution, but we have not been able to get in contact with them since their last correspondence.
- 3.11 There are 10 children's home claims that we have formally declined to settle. I note that there were two other claims that were initially declined but those have been revisited and subsequently settled. As I have noted above, I am in a process of further reviewing those claims we have declined to ensure that any changes to our approach or views through time are fairly applied to those who may have approached us at an earlier point.
- 3.12 The Salvation Army has been named as a defendant, or a second or third defendant to the Crown, in 11 legal proceedings relating to care in our children's homes. Several of these were initiated in the 2006 – 2007 period. But, ultimately, we have resolved all of the legal claims in which we were named as a defendant by agreement. That is, to the best of my knowledge, all have been resolved or settled out of court with no judgment against us for payment of a monetary sum. We have settled with ten of the persons concerned. All our settlements are voluntary.

The person we did not settle with had withdrawn their claim against The Salvation Army.

4. **Claims prior to 2003**

- 4.1 In the early 2000s but prior to August 2003, The Salvation Army had received some claims from individuals who advised that they had been in the care of The Salvation Army as children and had suffered abuse. I believe there were ten in this category.

Not relevant to the NJ process

- 4.4 Given my role as commercial manager, which included oversight of the Army's insurance arrangements, this was when I first started to have involvement in abuse claims against the Army.

4.5 When The Salvation Army started receiving an accelerating number of claims of abuse from former residents of children's homes in about August 2003, it is fair to say that we did not have any formal policies or procedures in place for responding to such allegations. Up until that point we had largely relied on our lawyers to help guide us through the process of how we should respond to such allegations. Any issues that arose were being dealt with in an ad hoc way. Events of August 2003 changed that.

5. **Events in 2003: the increase in claims and a process established**

Increase in claims

5.1 An Australian documentary that was broadcast on New Zealand television on or about 18 August 2003 resulted in a turning point for claims against The Salvation Army in New Zealand. The documentary explored abuse in Salvation Army homes in Australia and included an apology on behalf of The Salvation Army in Australia.³

5.2 Within 24 hours of the documentary and apology airing, The Salvation Army had received multiple – I estimate over 20 – contacts from individuals who were concerned about the allegations in the documentary and/or who advised that they had unhappy experiences while in children's homes run by The Salvation Army in New Zealand. Not all of these contacts became formal claims but it was suggestive of what was to come. More calls and contacts quickly followed.

5.3 It is hard to do this period justice in this statement, but things escalated quickly as the extent of allegations and seriousness of

³ The documentary was entitled "The Homies", a colloquial term used to refer to children in care in Australia. The apology was given by Mr John Dalziel, Communications Director of The Salvation Army in Australia.

the matters being raised were clearly much more widespread and significant than any of us, then in senior roles at The Salvation Army, had been aware of (including in light of claims that had been made to date). There was intense media interest and shock and concern throughout the organisation at what we were hearing.

Leadership's response

- 5.4 The Salvation Army leadership, including the then Territorial Commander, Shaw Clifton, took immediate charge of this wider issue and what was established as our approach over the next few months, really set the foundation for our approach thereafter. In the early stages I would meet with Commissioner Clifton regularly, including to share information about in-coming calls and to discuss media queries.
- 5.5 An informal sub-committee was formed to formulate a plan and help guide our response in what was a very dynamic time. I was part of this sub-committee, together with Commissioner Clifton, Lieutenant Colonel Garth McKenzie, the Chief Secretary, and Major Alistair Herring, the Secretary for Programme.
- 5.6 Leadership very quickly made it clear that claims being received needed to be dealt with very seriously and in the most sensitive way possible. I recall Shaw Clifton and other senior leadership, including Alistair Herring and Ross Gower, had to front media at this time and it stands in my mind to this day that Shaw Clifton stated very early on that The Salvation Army would “*not duck or weave on this. I want it all brought out and put on the table*”.⁴ That is, he stated that we should, and would, take responsibility and be up front. While we did not immediately have a formal policy, our leadership were frequently appearing on media during

⁴ One News Report of 26 August 2003 quoting Shaw Clifton [TSA.801.0005] / [WITN0250002].

this time. This was an opportunity to set out what our process was to be and hopefully also reach some survivors. Public statements like this which were, and remain, influential to our approach to redress included:

- (a) “Staff are following a set procedure with all those who allege abuse. Major Herring said initially staff offer to meet the person and hear their story if that is what people wish. For some that is enough to provide closure to incidents which occurred decades earlier. People are also offered counselling at the army’s expense. Records of their time in Salvation Army care can also be handed over. Sometimes matters are resolved at that point. An apology is offered if that is seen as helpful.”⁵
- (b) “We take whatever responsibility we can for the Salvation Army of yesterday.”⁶

5.7 By the end of September 2003, approximately 45 contacts (out of approximately 100 contacts at that point) were in the nature of a formal claim. This shift in numbers meant there was a need to put in place a more formal and organised process to ensure the claims were dealt with in a timely manner, and appropriately, given the sensitive subject matter. Leadership determined that survivors would be central to the process and should be given an opportunity to be heard.

My appointment and the involvement of The Salvation Army’s insurers

5.8 The Salvation Army appointed me to deal with the claims internally. When I was given this task, I did not have any formal

⁵ Newspaper report of 28 August 2003 quoting Alistair Herring [TSA.801.0013] / [WITN0250003].

⁶ Newspaper report of 12 September 2003 quoting Alistair Herring [TSA.801.0018] / [WITN0250004].

training or experience in dealing with issues of this nature.

However, being a reasonably loyal and amiable person, I trusted the then-Territorial Commander's wisdom in appointing me to do this work.

- 5.9 As I have said above, we had an insurance policy that covered historic abuse claims. Because of the nature of the claims and the potential exposure, all claims were initially then to be dealt with under our insurance policy. As a result of this, the claims were forwarded to McElroys and Mike Ring QC, lawyers for our insurers, to help us assess and consider them.
- 5.10 We were not fully insured and were subject to significant excesses but, given the scale of the issue that seemed to be emerging, we needed to work alongside the insurer. There was an expectation that the insurer would be involved in the settlement of any claims but, in time, I was given reasonable authority to take settlements forward in consultation with Mike Ring QC.
- 5.11 Toward the end of 2003, along with our insurer, we agreed some guiding principles:
- (a) We needed to deal with each claim individually. This was already an important principle for TSA and we had already established that a key part of our response was that we would wish to arrange face to face meetings with each survivor.
 - (b) We would provide as much information as possible when someone requested access to their records from their time in the home, albeit we generally requested that such requests for information be made in writing.
 - (c) It would be important to take a consistent approach, including in respect of the first meeting with a survivor. We

developed a series of questions/topics that would act as a reference point for each meeting.⁷

(d) We agreed that, if requested, we would provide funds for counselling, accepting costs from professionally registered counsellors, and without seeking feedback on the outcome of that counselling.

(e) We discussed how to handle apologies and agreed that, where appropriate apologies would be given.

5.12 However, tensions arose between the various considerations, including the availability of insurance and maintaining our legal rights but also seeking to provide an empathetic and survivor based approach.

5.13 A key issue was around the possible limitation period. The claims we were receiving dated back to alleged abuse between the 1930s and the 1980s. Because of the time which had passed, we were advised that there were likely to be limitation issues from a civil liability perspective. As is to be expected, the insurer was keen to rely on that defence to limit exposure.

Not relevant to the NJ process

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11. Conclusion

11.1 I make the following final concluding comments.

11.2 In 2003, it became apparent that a number of survivors were also state wards. We did work with CYF in these early periods to some extent but not in a formal way or in a way that impacted the way we chose to go about addressing the claims we were facing. As I note above, whether or not a person had also obtained compensation from the state was not factored into our

assessment. I am now aware through evidence filed for the state redress hearing that there was some sort of CYF investigation and/or unit established into the possible impact of claims against The Salvation Army. To my knowledge TSA did not contribute to this investigation.

- 11.3 As I said at the start of my evidence, the Army is open to suggestions and recommendations as to how it may continue to improve its processes.
- (a) We could consider publishing our process, as I have described much of it in this statement, more prominently e.g. on our website and elsewhere. We could consider what more we could do to make the process better known and accessible to Māori, Pacific people, and people with disabilities, mental illness and other vulnerable groups.
 - (b) We could consider developing a more formal claims matrix. I personally feel this may risk making claim resolution less personal and tailored but I am aware this has been looked at in other contexts and it is something for possible consideration.
 - (c) Another option may be to have a second person more actively involved in assessing and agreeing with my proposed offer of compensation. However, one of the great benefits of our approach to date has been its speed and the fact we channel financial resources toward settlement and not legal and other costs. I would be concerned the risks of slowing down claims resolution if too many additional steps and checks are included.
 - (d) I have commented on the work I have commenced in reviewing claims that were previously declined. I would be open to suggestions as to how this work could be further

progressed or enhanced. It is not necessarily straightforward to first locate and then approach someone about these matters, including as that person may well have moved on with their life. Similar considerations may apply to persons who made a claim but is now deceased. Reopening the claim with an estate when a significant amount of time may have passed may not be straightforward.

- (e) I have considered if there is more we can do to assist in access to files. We could consider digitalizing children's home files but doing this for all such files may be disproportionate for us as compared to the number of children who may seek access to such files. The number of children we had in our care through time was many thousands. Also, and I appreciate there are exceptions, I believe we have generally been able to respond to requests for files in a reasonably short space of time. We also already endeavour to keep redactions to an absolute minimum.
- (f) We already have policies and training for officers and staff regarding child protection and in responding to abuse claims but we can continue to review and update these policies and training to incorporate key learnings from this Royal Commission (and not only waiting until its conclusion).

Statement of Truth

This statement is true to the best of my knowledge and belief and was made by me knowing that it may be used as evidence by the Royal Commission of Inquiry into Abuse in Care.

Signed: _____
Murray Houston

Dated: _____