

Ministre des Affaires indiennes et
du Nord canadien et interlocuteur fédéral
auprès des Métis et des Indiens non inscrits



Minister of Indian Affairs and
Northern Development and Federal Interlocutor
for Métis and Non-Status Indians

Ottawa, Canada K1A 0H4

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AUG 15 2006

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Mr. Allan Donovan
Donovan & Company
Barristers and Solicitors
6th floor – 73 Water Street
VANCOUVER BC V6B 1A1

Dear Mr. Donovan:

As Minister responsible for Indian Residential Schools Resolution Canada, I wish to thank you for expressing your concerns about the resolution of Indian Residential School (IRS) claims as set out in your correspondence of February 14, 2006. The Honourable Vic Toews and I share your concerns for the well being of former IRS students and strive to resolve their claims in the most professional and forthright manner possible. I apologize for the delay in responding.

The Government of Canada remains committed to the fair and equitable resolution of claims by former IRS students. Canada is guided by a commitment to achieving a just and fair resolution of the IRS legacy in a timely manner, and in a manner that respects the dignity of former students.

In an attempt to speed the resolution of IRS claims, on May 30, 2005, the Government appointed the Honourable Frank Iacobucci to work with stakeholders in the IRS litigation to develop an agreement on a fair and lasting resolution of the legacy of IRS. These stakeholders included legal counsel for former students, legal counsel for Church entities, and other representatives of former students including the Assembly of First Nations and other Aboriginal organizations. To this end, the Government announced an Agreement In Principle (AIP) on November 23, 2005 between Canada and plaintiffs' counsel representing more than 12,000 individual plaintiffs as well as the Assembly of First Nations and Church entities. I am pleased to advise you that the Government of Canada approved the IRS Settlement Agreement on May 10, 2006. The Settlement Agreement will now require court approval in accordance with legislation governing class proceedings. Consequently, it is necessary to include consideration of the relevant court processes and requirements. For example, opt-out periods are included in the Agreement to address the opt-out requirement found in class proceedings legislation.

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The Settlement Agreement, including the Individual Assessment Process (IAP), is the product of negotiations between the various stakeholders in the IRS. The IAP was negotiated based on stakeholder input and is designed to address deficiencies and improve on strengths of the former Alternative Dispute Resolution process. During the negotiations that produced the IAP, it was agreed that a grid would be used to calculate compensation for validated claims of abuse.

Canada's commitment to address the IRS legacy and its commitment to Canada's Aboriginal peoples is demonstrated throughout the Agreement and is also reflected in its provisions that establish the Truth and Reconciliation Commission, which will provide former IRS students with a venue to tell their stories, while compiling an historical record of the IRS system and its legacy. At the same time, the Truth and Reconciliation Commission allows the relationship between Aboriginals and non-Aboriginals to be forward looking, with an emphasis on rebuilding and renewing Canada's relationships with former IRS students.

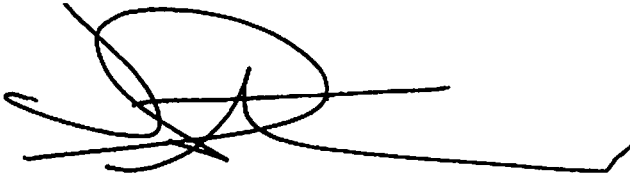
In recognition of the negative elements of the IRS experience and its impacts on many former IRS students, the Agreement includes a Common Experience Payment (CEP) to eligible former IRS students. The stakeholders that participated in the negotiations that resulted in the Agreement concluded that the CEP is a fair method of compensation for the residential school experience and that it is a suitable vehicle to assist in the resolution of outstanding IRS litigation.

As you probably know, the Settlement Agreement does not deal specifically with issues such as language and culture. However, it is important to recognize that Canada currently spends \$30,000,000 annually on programs and projects specifically designed to support a wide range of community-based Aboriginal languages and cultural programs through Canadian Heritage and the Department of Indian Affairs and Northern Development. In addition, on December 19, 2002, an additional \$172.5 million initiative was announced that will occur over 10 years and work with Aboriginal people to preserve, revitalize and protect Aboriginal languages and cultures for all Aboriginal people.

In closing, the Settlement Agreement and its component processes concern more than just compensation - they reflect an emphasis on reconciliation in an environment where the IRS legacy is addressed through processes that treat former students with dignity and respect.

Thank you again for writing on this important issue.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Jim Prentice', written over a horizontal line. The signature is stylized with loops and a long horizontal stroke.

The Honourable Jim Prentice, PC, QC, MP

c.c.: The Honourable Vic Toews, PC, QC, MP