

**The Hon Malcolm Turnbull,
Prime Minister of Australia**

Mr Dan Tehan, Federal Member for Wannon

Ms Sue Laver, Telstra General Counsel

Mr John P Mullen, Telstra Board Chair

The Hon Barnaby Joyce

Deputy Prime Minister

**Cape Bridgewater Holiday Camp
Service Verification Tests (Report)
Collision, Deception, Misleading and Deceptive Conduct**

Exhibits 30-B

**Alan Smith
Seal Cove
1703 Bridgewater Road
Portland (Victoria) 3305**



AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

92/596 (6)

7 September 1993

Mr Jim Holmes
Corporate Secretary
Telstra Corporation Ltd

Fax 632 3215

Dear Mr Holmes

COT CASES MONITORING ARRANGEMENTS

Your "two bob each way" letter of 31 August 1993 outlining how Telecom is to monitor the COT Cases' services in response to AUSTEL's direction of 12 August does little to inspire confidence in Telecom's approach to the issue.

The offer to provide in two weeks hence a "... critique of the technical aspects of ... [the] ...direction, including the test call program specified" might be interpreted as nothing more than an attempt to lay a foundation for disowning the tests if they appear to support the COT Cases. Why when we first asked for the tests over two months ago (MacMahon's letter to Hambleton of 30 June 1993), does it take another two weeks to come up with a critique of the monitoring proposals? This is the very lack of the pro-active co-operative attitude which prompted the direction of 12 August 1993.

I have similar concerns about you seeking AUSTEL's approval of the monitoring equipment so long after we first asked tests to be done. There are concerns by some of the customers Telecom is to monitor about the effectiveness of the monitoring equipment. These concerns have been inspired, at least in part, by comments made by Telecom employees to those customers and, of course, the problem experienced by Mr Smith when testing/monitoring equipment caused additional problems for him. The advantage of having independent endorsement of the equipment prior to its installation and the production of test data seems obvious to me. Instead, we are still liaising to obtain details of the specification and capability of the equipment to be deployed after its installation in four of the cases and within days of the proposed installation in the other cases.

It is clearly in the interests of all concerned to ensure that the monitoring pursuant to AUSTEL'S direction is conducted in the most timely and efficient manner. Please liaise with Mr Cliff Mathieson, AUSTEL's Specialist Advisor - Networks, (03 628 7389) re approval of the monitoring equipment.

3 QUEENS ROAD, MELBOURNE, VICTORIA
POSTAL: P.O. BOX 7443, ST KILDA RD, MELBOURNE, VICTORIA, 3004
TELEPHONE: (03) 628 7300 FACSIMILE: (03) 620 3021

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Draft conditions for installation of equipment

↙ The draft list of conditions for installation of monitoring equipment in the customers' premises only serve to reinforce my view that your letter is an attempt to have "two bob each way" - if the testing does not favour Telecom, you have laid a foundation for claiming that it is due to customer interference. I have already conveyed to you my concern that Telecom is unable to come up with tamper proof monitoring equipment for installation on the customers' premises.

Subject to you removing the endorsement "Telecom in confidence" on the top of the draft conditions, I am prepared to have them conveyed to the customers. I should, however, point out that they reflect little credit on Telecom if its intention were to produce a document that endeavours to provide the customers with any explanation or reasoning for the conditions.

Technical complexities

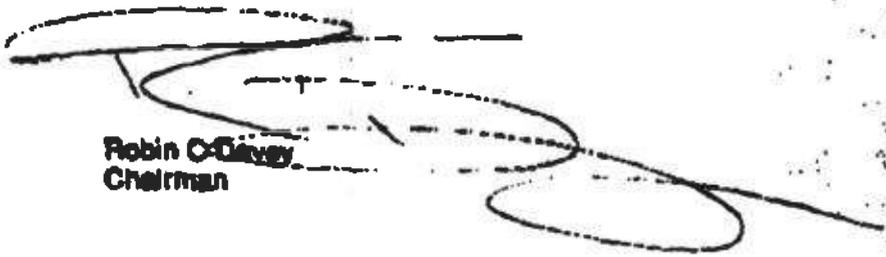
We look forward to receiving the technical and operational submission foreshadowed in your letter. The timing of about three weeks would seem appropriate. A decision whether, as suggested in your letter, it is desirable to engage an independent technical expert will be taken after receipt of your submission. If that is necessary, AUSTEL would be looking to Telecom to meet the costs involved.

Access to file and documents

While I understand that the arrangements for file examination are proving adequate, there was an agreement to list all files by 19 August and I understand that only some 60 files have been identified to AUSTEL to date. Please provide a comprehensive listing by the end of this week (10 September 1993).

Is it possible to provide parking for AUSTEL's officers who are attending Telecom's premises to inspect the files? This would result in a significant cost saving to AUSTEL's personnel who currently have to make use of commercial parking.

Yours sincerely


Robin O'Garra
Chairman

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Recommendation 18: *Telecom acquire equipment suitable for monitoring the service actually received at a customer's premises (cf: Coopers & Lybrand Recommendation 10 and Bell Canada International's Rotary Hunting Group Study Recommendation 8.3).*

Telecom Update - July 1994 Quarter

Telecom have nominated their members of the working party and they are awaiting Austel nominations. A draft terms of reference for the project have been provided to Austel for agreement.

Report of the joint working party is expected before 30 September 1994 and contracts for trial test equipment specified by the joint working party would seek supply by 30 March 1995.

AUSTEL Comment

Telecom was advised on 6 July 1994 of AUSTEL's nomination for the working party. AUSTEL has advised Telecom that the draft terms of agreement are acceptable. The timetable provided is accepted.

Recommendation 19: *Telecom satisfy AUSTEL that the monitoring systems and procedures Telecom uses to test individual services are effective.*

Telecom Update - July 1994 Quarter

Austel has been briefed on the proposals to progress the requirements of Recommendation 18 of the Austel Report. In addition, actions taken in response to the recommendations of the Coopers & Lybrand Report and the Bell Canada International Report and reported to Austel on 8 July 1994 are also relevant. Telecom has also scheduled a presentation to AUSTEL on 18 July 1994 of the revised fault management procedures and the monitoring systems and procedures it has in place at present to test individual services. However, it should be noted that system and procedure development is an evolving process, which means the current systems and procedures will be added to and enhanced over time.

AUSTEL Comment

AUSTEL has received a general briefing on these procedures. The detail of these procedures has yet to be examined, particularly in regard to the suitability of specific procedures at the various stages of the fault escalation process.

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**Bell Canada
International Inc.**

Telecom Australia

Rotary Hunting Group

Study

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BELL CANADA INTERNATIONAL INC

8.2 Customer Access Network Tests

In conducting the rotary hunting group tests, Telecom has acquired over the last two months, an independent review of portions of the inter-exchange network and rotary hunting groups for selected difficult fault customers. While the two tests are conclusive, the Customer Access Network (CAN) associated with the difficult fault customers should be the next set of tests performed. It is understood that significant analysis and tests have been conducted by Telecom on the CAN for the individual difficult fault customers.

It is recommended that Telecom perform independent tests of the CAN to complete the testing program for the selected difficult fault customers.

8.3 Test Equipment

On two occasions during the testing process, test equipment failures were experienced (AMERITEC AMIXT and ELMI Smart-10) which required a re-start of testing activities.

In addition, there was an insufficient supply of test equipment experienced during the start of testing. To resolve the situation, test equipment was obtained from other maintenance centres within the region.

It is recommended that additional test equipment be procured to adequately handle the normal workload and in addition, maintenance spares should also be available because in one case during the study the equipment had to be repaired before testing could be re-established.

Another recommendation is to conduct routine maintenance procedures on all test equipment and maintain a complete set of maintenance records to track the quality and performance of the devices.

A further recommendation, is to increase the supply of the more sophisticated trouble shooting test equipment such as the Tekelec CCS 7 equipment and as digitalisation (switching modernisation) increases the testing/trouble shooting capabilities should be made integral to the switching intelligence (software).

15.00 ADDITIONAL TESTS

Additional tests have been programmed for Devlin Bridge and Cape Bridgewater. The results were not available in time for the first draft and have been added in this addendum.

15.10 Glen Waters Fish Farm John Mayne

Numbers - 057 978 384
057 978 376 (Fax)
057 978 425 (Fax)

15.20 Cape Bridgewater Holiday Camp Alan Smith

Numbers - 055 276 276
- 055 267 230 (Fax)
- 055 267 260 (Gold Phone)
008 816 522 translates to 055 267 267

Test Base

The test base was extended to country exchanges with the addition of these two COT cases. Test calls were originated both from country and metropolitan exchanges using Traffic Route Testers (TRT) and terminating calls to Test Call Answer Relay Sets (TCARS) or Portable Tone Answer Relay Sets (PTARS).

These units enable call completion to the same hundreds group of numbers in the exchanges where COT customers reside.

Scope and Procedures

The test base was extended to include two specific COT customers with services homing on country exchanges. These customers offered extra challenges since the services offered by both clients encouraged calling from urban and rural exchanges in peak and non peak periods.

Telecom Planners assisted in drafting a test case that would ensure a representative sample of exchanges to originate calls and test the Public Switched Telephone Network (PSTN) completing calls to the Devlin Bridge ARK-D rural X-bar office parented off Seymour AXE digital exchange and to the remote multiplexing equipment serving Cape Bridgewater from the Portland AXE digital exchange.

As shown in 15.13 and 15.23, the TEKLEC CCS7 monitoring system was used to monitor all CCS7 links terminating to the homing exchanges of the two COT clients. As tests were performed, network specialists in Brisbane tracked all calls and provided immediate response and analysis of all traffic failing to terminate.

Executive Summary

The two additional COT cases, both housing off country exchanges, gave the test team the opportunity to assess the quality of service offered by Telecom to customers outside the metropolitan areas.

There were no major network or system failures found during our test procedures that could create the variety and number of troubles reported by these COT customers.

Test calls terminated to TCARS or PTARS test boxes within a hundreds group of numbers in the same exchanges serving these customers. Also it is important to note that all test calls were tracked and the progress of all lost calls immediately identified by network specialists in Brisbane using state of the art CCS7 monitoring systems. In this way any troubles found were identified to the appropriate groups for immediate action.

As stated earlier in this report and confirmed with these tests, as Telecom escalates its modernisation program and moves towards total digitisation of the exchanges, with the capability of automatic test features, network diagnostics built into the intelligent exchanges and the capability to monitor all CCS7 signaling links, service quality and network survivability will only move closer to perfection.

The overall test results are within world standards and in our opinion exceed the standards set by Telco's in a similar mode of modernisation.

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**IN THE MATTER OF an arbitration pursuant to
the Fast Track Arbitration Procedure dated 21
April 1994**

Between

ALAN SMITH

Claimant

and

**TELSTRA CORPORATION LTD trading as
TELECOM AUSTRALIA**

Telecom

WITNESS STATEMENT OF DAVID JOHN STOCKDALE

**I, DAVID JOHN STOCKDALE, Principal Technical Officer Grade 2, of 7th Floor, 35
Collins Street, Melbourne, in the State of Victoria, solemnly and sincerely declare and
affirm as follows:**

BACKGROUND

1. I am a member of Telecom's Networks and Interconnect Branch ("NIB"), in the Service Quality Improvement section. I previously worked for National Network Investigations (NNI) between October 1986 and May 1994.
2. NNI is the final point of referral in Telecom for the investigation of complex or unresolved faults with a customer's service. The requirement for involvement of NNI in a technical investigation is such that all normal fault handling procedures should be applied to the customer's problem (e.g. the appropriate "first-in" maintenance group should conduct testing and consult with the customer) prior to NNI being involved. NNI is a general network investigations group, as opposed to a technology specific support group (which can only provide technical support for a specific range of equipment). By referring a problem to NNI, a standard investigative procedure can be undertaken to determine that all aspects of the total customer service are operating satisfactorily.
3. I have been employed with Telecom continuously since February 1980.
4. My industrial experience can be broadly considered in two phases, Exchange Operations and Network Investigations. As a result of several years in Exchange and Inter-Exchange Maintenance, I was involved with the maintenance and operation of a wide variety of switching and transmission systems and this has given me the opportunity to develop a good working knowledge of the day-to-day requirements of Exchanges and of Network operations as a whole. Over the six and a half year period that I worked in operations, I was involved in ARE, ARF and Step by Step exchange maintenance, as well as the maintenance and operation of a wide variety of transmission and support systems.

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5. My experience in Network Investigations brought me into detailed contact with a broad cross section of the Network whilst working as part of a team of specialists. I have had to develop a detailed working knowledge of the switching, signalling, metering and transmission systems that make up the network as a whole and I have been involved in detailed, complex technical investigations into a variety of problems in the network and customer equipment areas. This has given me valuable insight into problem solving of complex network problems, as well as a good knowledge of the activities and requirements of many areas of Telecom. My work has led me to seek further knowledge in the Engineering field and as a result I have undertaken the Bachelor of Engineering part -time for the last six years.
6. More recently I have taken up a position as signalling systems specialist with the Service Quality Improvement section of Networks and Interconnect Branch. In this position I am required to provide technical assistance into the analysis of signalling data for the analogue and digital exchange system, with a specific emphasis on Common Channel Signalling System number 7 (CCS7).

MR SMITH

The first investigation of Mr Smith's service.

7. I was involved, as one of the principal investigating officers, with NNI's original investigation of Mr Smith's telephone service, between July 1992 & January 1993.
8. At the time that the NNI investigation commenced, Mr Smith had complained that customers who called him received a recorded voice announcement that his telephone was not connected ("RVA"). This information was conveyed to NNI by Mr. Smith, and also in background information passed to NNI from the Network Management Centre (the area that requested NNI involvement). The majority of these RVA complaints reportedly arose for calls from Melbourne.
9. There was substance in Mr Smith's original RVA complaint for a period of less than three weeks in March 1992. The problem in question related to a specific main trunking exchange situated in Melbourne known in Telecom as the MELU exchange. In March 1992, calls that passed through Melbourne to Cape Bridgewater progressed through one of three main exchanges - known as MELQ, MELU and MELX. At the MELU exchange in Windsor, a change was incorrectly made to programming within the network which resulted in calls to telephone numbers beginning with 055 267 not getting through. The problem was remedied on 19 March 1992 and Mr Smith was made aware of this problem both verbally and at a later point by Rosanne Pittard.
10. My colleague Hew Macintosh, through searches at the MELU exchange, discovered the RVA problem existed between 4 and 19 March 1992. This period was determined by checking the exchange data log for MELU to determine the date the change had been implemented and the date the resulting problem was rectified.
11. During NNI's original investigation of Mr Smith's alleged problems, the only event discovered that was of substance was the MELU problem. The commercial resolution of this problem was dealt with by Rosanne Pittard.

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12. NNI's first investigation was very lengthy and involved numerous test calls and the collection of line data. As an indication, an interim analysis of the work undertaken included a table detailing the testing completed and it showed a total of over 34,000 test calls had been made from a variety of origins. In the course of making these test calls, we did inadvertently cause a problem within the network. When conducting a test call run of over 8,000 calls from the Richmond area to Cape Bridgewater, we experienced an abnormally high congestion level. On further investigation it was found that a route between Hamilton and Portland had blocked itself from use due to an excessive number of short duration calls made over that route. It is almost certain that our test calls resulted in that problem.
13. Even after the MELU problem was remedied, we continued with our investigation and did not assume that everything was satisfactory with Mr Smith's telephone service until our investigation was completed. This was done in response to continued reports of difficulty by Mr. Smith and to ensure that there were not other factors influencing the performance of Mr Smith's service.
14. At the time of our first investigation, Mr. Smith received incoming calls and could make calls out on his 267 267 line. Many of the complaints received by those attempting to call Mr Smith up to that point were that Mr Smith's telephone was busy when Mr Smith said it was not. I believe that Mr Smith often miscalculated when he was on the telephone or for how long. On many occasions SMART 10 line event monitoring records established that when a person attempted to call Mr Smith, Mr Smith was talking to someone else on his 267 267 line.

The second investigation of Mr Smith's service.

15. I was also involved with NNI's second investigation of Mr Smith's telephone service, from May 1993 until December 1993, as a principal investigating officer (the investigation has, as yet, not been officially closed due to an ongoing requirement for NNI involvement). On 3 June 1993, as part of the second investigation of Mr Smith's telephone service, both myself and Hew Macintosh met with Mr Smith at his Cape Bridgewater premises to discuss his reported problems and to ascertain more detailed information about the configuration and usage of his service. At the conclusion of our discussions with Mr Smith, we returned by car to Melbourne only to realise later that we had left Hew's briefcase at Mr Smith's premises. Gordon Stokes from Telecom in Portland went to pick up the briefcase from Mr. Smith's premises. Mr Smith gave Gordon the briefcase and while Gordon was going through the documents contained in that briefcase to make sure everything was there, Mr Smith came out to Gordon's car and handed him another file which had originally been in the briefcase. The documents in the briefcase were also in a different order when recovered from Mr Smith than they had been originally. It is therefore clear that Mr Smith looked through the contents of the briefcase. The contents of the briefcase included the complete file from NNI's first investigation of Mr Smith's alleged faults. During the evening of the day the briefcase was left at Mr Smith's premises, SMART 10 line event monitoring records show that Mr Smith's 055 267 230 service was used to make calls to a number of people, some of whom he had not previously called who were related to data held in files from the briefcase. This suggests that Mr Smith had gone through not only the files relating to his service, but also other business and personal material kept in the briefcase.

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- 16. One letter contained in the briefcase was a summary report prepared by myself which concluded that the MELU fault had existed for approximately six weeks. When I had prepared this summary report, I referred to the initial investigations NNI conducted into the MELU problem. However, as mentioned above, Hew Macintosh had made further investigations at the MELU exchange which revealed that the problem had only existed for a maximum of three weeks. Although a note concerning Hew's investigation was on Mr Smith's file at the time I wrote my summary report, I had overlooked it when preparing the summary report and therefore used the incorrect estimate of six weeks. This oversight on my part was corrected in the final report of early 1993.
- 17. During NNI's second investigation of Mr Smith's service, we inadvertently caused a fault ourselves as part of implemented testing procedures. This fault arose from the use of the "malicious call trace" facility ("MCT"), that was placed on Mr. Smith's service at the Portland Exchange in an attempt to ensure more detailed data relating to Mr Smith's incoming calls. The additional information (specifically Calling Party number information) was required so that we could more accurately match possible problem calls against his fault reports. Mr Smith knew this form of testing was being undertaken, as we had discussed it with him. During the period that malicious call tracing was in place, when Mr Smith received calls from exchanges that can only provide limited detail regarding the A party number and hung up his telephone, there was a 90 second period after he hung up that the Exchange controlling the call believed that his call was not over. (Limited call details can occur for exchange technologies such as step by step. This is known as Partial Calling Line Identification, Partial CLI.). As a result, if parties attempted to call Mr Smith within this 90 second period, they would not be able to do so. Likewise, if Mr Smith attempted to make calls during this 90 second period, his phone would appear to be "dead" with no dial tone.
- 18. This fault is likely to have had only a marginal effect on Mr Smith's telephone service and was possible only between late May 1993 and early August 1993. The customer whose complaint alerted us to the problem was calling from Horsham.
- 19. The party calling from Horsham who alerted us to the MCT problem reported that they had a telephone discussion with Mr Smith which lasted for about fifteen minutes. However, the SMART 10 line event monitoring records suggest that the call in question lasted for two hours. Mr Smith believes this is evidence that the network has serious problems. My belief is that Mr Smith did not hang up his phone after the call was completed and therefore the SMART 10 equipment did not record his call as ending until the phone was later hung up. I base this belief on the testing conducted as a result of the discovery of the side effect of using MCT, as well as analysis of CCS7 data for the period that the MCT facility was in use.
- 20. At the beginning of our second investigation of Mr Smith's telephone service, we placed CCS7 testing equipment at the Warrnambool exchange because the Portland Exchange, despite being an AXE digital exchange, does not utilise CCS7 signalling and could not facilitate CCS7 testing. Placing CCS7 testing equipment at the Warrnambool exchange was a way of arriving at data relating to calls to and from Mr Smith's services for calls that went through the

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- Warmambool exchange. The majority of Mr Smith's incoming and outgoing STD calls went through the Warmambool exchange.
21. CCS7 testing showed that during the period that the MCT was on the Portland exchange, no other calls were received by Mr Smith from exchanges that would cause a problem other than the Horsham call in question.
 22. We also used End of Selection "call trapping" at the Portland exchange which provided us with even further information. This is a method whereby the exchange operations staff were requested to modify data relating to the handling of Mr Smith's incoming calls so that call path details for each call (both local and STD/IDD) were stored in a personal computer attached to the exchange. This method was employed at the discretion of local operations staff over a period of some months. However, this form testing has now ceased because call trapping is not designed for extended use in this way and can limit the normal operation and maintenance of the exchange.
 23. During our second investigation SMART 10/CCAS line event monitoring equipment was also installed at the Portland Exchange to record call data relating to Mr Smith.
 24. Whenever Mr Smith raised a query, we checked all the call data from all the various data gathering units. This gave a number of different data sources with which to compare and thereby increased our ability to respond to reported difficulties. At no point did we discover a serious ongoing fault that would explain or support Mr Smith's perceived problems.
 25. During NNI's investigations of Mr Smith's telephone service we were not locked into rigid rules concerning the way our testing was to be conducted. We were inventive in trying to think up novel ways of testing for faults with Mr Smith's service. An example of this was the use of CCS7 and also End of Selection tracing, both techniques uncommon at that time for general investigations. Nevertheless, despite running thousands of test calls and employing a range of investigative methods, it was not possible to isolate a recurrent fault with Mr Smith's service that would result in problems of the magnitude that he was alleging.
 26. At the meeting with Mr Smith that involved the briefcase incident, it was also agreed after discussions with Mr. Smith, that we should limit his 055 267 267 line from being able to make outgoing calls (with the exception of making calls to emergency services and to Telecom's service difficulties and faults). Mr Smith indicated that he did not use the 267 267 service for outgoing calls however call data and billing information showed that this was not the case. As a result of our discussions with Mr Smith, he agreed that limiting outgoing calls from 267 267 would be to his advantage and after NNI arranged with local operations staff to implement the appropriate changes, the line number 055 267 230 became Mr Smith's sole outgoing line for normal telephone calls. It was hoped that this would overcome the problem where callers into Mr Smith's camp reported the phone being busy because Mr Smith was inadvertently using the 267 267 service to make a call himself. However, it would not overcome the problem where Mr Smith left the phone off the hook.
 27. In 1993 NNI were also called to investigate Mr Schorer's telephone service in North Melbourne. Mr Schorer had regular occasion to call Mr Smith. During this

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Investigation we noticed that some complaints logged by Mr Schorer on the Leopard fault reporting system were due to mis-dialling. If Mr Schorer made outgoing calls from his premises, he could choose from either PABX lines (which require him to dial 0 before his intended number) or direct exchange lines (which do not require the additional 0 to be dialled). The line event monitoring records show that on some occasions Mr Schorer dialled 0 when it was unnecessary, and on other occasions did not dial 0 when it was necessary. For example, if Mr Schorer attempted to telephone Mr Smith on 055 267 267 through his PABX and did not dial the extra 0, he would dial 55 267 267 (which is an unallocated number) and would receive a recorded voice announcement. Alternatively, if Mr Schorer dialled the extra 0 when he should not have, he would dial 0055 267 267 (which is an unallocated 0055 number) and again he would receive a recorded voice announcement.

Conclusion

28. I believe that Telecom has provided Mr Smith with a very high level of personal attention (in terms of the amount of resources that have been committed to solving his problems). Examples of this include the assistance rendered to Mr Smith in relation to equipment not directly Telecom's responsibility (e.g. his facsimile machines), repeated attempts to try and identify a possible cause of Mr Smith's perceived difficulties and extensive time spent allaying Mr Smith's concerns.

AND I MAKE this solemn declaration conscientiously believing the same to be true and correct.

DECLARED at Melbourne
in the State of Victoria
this 5th day of December 1994.

) *David Jackalle*
)
)

Before me:

Waynelander

.....
WAYNE MAURICE CONDON
Frostell Hollingsdale & Page
101 Collins Street, Melbourne
A Solicitor holding a current
Practising Certificate pursuant
to the Legal Profession
Practice Act 1988.

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**IN THE MATTER OF an arbitration pursuant to
the Fast Track Arbitration Procedure dated 21
April 1994**

Between

ALAN SMITH

Claimant

and

**TELSTRA CORPORATION LTD trading as
TELECOM AUSTRALIA**

Telecom

WITNESS STATEMENT OF CHRISTOPHER JAMES DOODY

I, CHRISTOPHER JAMES DOODY, Regional Field Manager, Telecom Network Operations - Eastern, Country Victoria, of 111 Doveton Street South, Ballarat, in the State of Victoria, solemnly and sincerely declare and affirm as follows:

BACKGROUND

- 1. I have been employed with Telecom Australia for 17 years and have been in my current position since June 1994.**
- 2. In March 1991 I took up a position as a Network Performance Consultant as part of Telecom's Network Operations Group. My role was to look at the performance of the switching transmission and service delivery areas of Network Operations Country Victoria. This role principally involved making recommendations to the Network Operations Manager Country Victoria on ways to improve the performance of those areas. These recommendations included such things as the introduction of performance monitoring systems and measure, maintenance process improvements and trend analysis on a regional basis.**

MR SMITH

1992 Involvement

- 3. In late March 1992 I made arrangements for a testing program to be undertaken throughout every AXE node and major trunking node in Victoria to confirm that calls from those nodes could successfully be made to 055 267 XXX telephone numbers. I therefore established that there was excellent telephone access from all AXE nodes and major trunking nodes throughout Victoria to 055 267 XXX telephone numbers including those of Mr Smith.**

1993/94 Involvement

- 4. From December 1993 until April 1994 I held a position as a Network Operations Case Manager for Mr Smith and another Telecom customer who believed they were having ongoing problems with their telephone service. Complaints were referred to me by Bruce Pendlebury and Alan Miles of the Glen Waverley Fault Management & Diagnostic Group.**

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Each complaint made by Mr Smith was investigated.

If Mr Smith made a complaint about a customer's call from a particular location, I often directed the local exchange technicians to undertake a program of test calls through to the test line number which was 055 267 211. There were no faults ever detected by this testing program in relation to any of Mr Smith's complaints.

In addition to this testing system, I made arrangements to utilize CCS7 call data which was derived from equipment set up at the Warrambool AXE exchange. There were no problems identified by this standard test method.

AND I MAKE this solemn declaration conscientiously believing the same to be true and correct.

DECLARED at Melbourne)
in the State of Victoria)
this 12th day of December 1994.)



Before me:



CHRISTOPHER MARK McLEOD
Freskell Hollingdale & Page
101 Collins Street, Melbourne
A Solicitor holding a current
Practising Certificate pursuant
to the Legal Profession
Practice Act 1988.

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CAPE BRIDGEWATER
HOLIDAY CAMP

REVIEW OF DOCUMENTATION

27th July 2007

**Brian Hodge, B Tech; MBA
(B.C. Telecommunication)**

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5.2. Common Channel Signalling (CCS7)

Common Channel Signalling No.7 DOES NOT appear or function at Cape Bridgewater RSM. As no switching, analysis, or billing take place CCS7 is not required.

However a similar signalling system operates on the PCM multiplexing transmission system between Portland & Cape Bridgewater BUT is NOT connected to or forms any part of the CCS network.

The purpose of this signalling link to maintain a functional transmission & multiplexing system.

Document K04555 paragraph 4 indicates that CCS 7 was only used to monitor calls to Portland via the Warrnambool node (again 1993/94).

During the CCS7 network monitoring process, no calls within the Portland area were observed (refer Telstra document K04555 – CCS7 at time 1994, was only utilised on calls from Warrnambool AXE to Portland Axe, NOT during locals within the Portland area) . Indicating that the CCS7 network monitoring undertaken DID NOT take place in Portland, nor Cape Bridgewater systems or equipment.

As the CCS network transmits the call through the network no CCS7 link existed from Warrnambool to Portland at this time (eg. 1993/4).

During the early 1990's (eg. 1993), the rollout of AXE & the CCS network was still expanding. NOT all links to within Portland utilised the CCS network for signalling purposes. MFC signalling was utilised in Portland (as CCS7 was not utilised in Portland at this time as mentioned previously, MFC was the signalling system still operational having been utilised as part of the ARF system that was the major component of the network at that time).

Therefore collection of CCS7 data & the associated reporting of the network performance when related to services connected to Cape Bridgewater RSM. was inconclusive & flawed, as it only enable parts of the network hierarchy to be monitored at this time. Where network upgrading had not been completed or implemented the old signalling system were still operational and required for network operation. The monitoring techniques utilised for CCS7 were not applicable or relevant to the existing and obsolete systems and technologies.

world standards and are in fact superior to those used in other similar networks of equivalent digital penetration.

- *Telecom Australia has all the tools, skills and procedures needed to detect and locate troubles reported by the CoT customers.*
 - *The troubles found revealed some switching faults and potential for network congestion. The contribution made by these in degrading network performance was rated as insignificant.*
- (d) *Telecom generally accepts the findings and recommendation of the report."*

AUSTEL'S COMMENTS ON TELECOM'S RESPONSE

11.8 Prior to receiving Telecom's response to the Bell Canada International report as outlined in paragraph 11.6 above, AUSTEL had written to Telecom informing it that the claim in the Bell Canada International report to the effect that Telecom's customers received a grade of service that meets global standards goes too far because the study was an inter-exchange study only and did not extend to the customer access network - AUSTEL had agreed to the study being so limited on the basis that other monitoring it had requested Telecom to undertake on AUSTEL's behalf should provide AUSTEL with the data on the efficacy of the customer access network.

11.9 AUSTEL also noted that from the *COT Cases'* perspective there were limitations in Bell Canada International's first report, namely -

- *test call patterns used by Bell Canada International may not be typical of the COT Cases - but that of itself does not necessarily invalidate the outcome*
- *it did not extend to testing of PBX (rotary) search facilities that are of significance to some COT Cases but, again, this does not invalidate the results of the tests as far as they went*
- *it did not include test calling via 008 numbers which is of relevance to some COT Cases but, yet again, this does not invalidate the results of the tests as far as they went."*

(Letter dated 16 December 1993, AUSTEL to Telecom's Managing Director, Commercial Business)

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TAITS

SOLICITORS • CONSULTANTS

June 29, 1995..

Reply to
Our Ref
Your Ref

Warrnambool
Mr. Easy: 7:10

Mr. Neil Tuckwell,
Chairman,
Anstel,
P.O. Box 7449,
ST. KILDA ROAD,
MELBOURNE. 3004
FAX 03/9610 3021

29/6/95

Dear Sir,

Alan Smith - Cape Bridgewater Holiday Camp

We act for Mr. Alan Smith of Cape Bridgewater Holiday Camp, Portland.

Mr. Smith instructs:

1. He has had recent correspondence with your office and also discussions with Mr. Matherson regarding the testing by Bell Canada International Inc. and Neat during November 1993.
2. From 28.10.93 to 8.11.95 the Neat Testing was being evaluated. To perform the test an Ericsson Neat Network Test Unit was connected to the test number at the Cape Bridgewater RCM 055 267 211 in the same line group as Mr. Smith's number (055 267 267). Mr. Smith has the results of those tests.
3. Over the same period, during the Neat testing, Bell Canada International Inc. performed their tests to the same RCM number at Cape Bridgewater PTARS 055 267 211, from 12.45 p.m. on 3.11.93 until 4.30 p.m. 5.11.93 (from South Yarra 03 867 1234). Also, on the same day, from Richmond (03 428 8974), between 12.45 p.m. and 4.18 p.m. further tests were done to the same PTARS 055 267 211.
4. On 6.11.93 from 054 434 234 to the PTARS 055 267 211 more tests were done to that same number, finishing at 10 a.m. on 8.11.93.
5. Mr. Smith has already refuted the amount of test calls that took place over these days.

Please within 14 days advise our client as to whether or not the NEAT Testing was performed over the same period and time-frame as mentioned (November 5th, 6th and 8th), while Bell Canada International were also performing their own tests.

Yours faithfully,

Tait

TAITS SOLICITOR

30H

WARRNAMBOOL

131 Roper Street,
Warrnambool.
ED. Box 211
Warrnambool, 3200
CA 2025 Warrnambool
Tel (052) 61 4111
Fax (052) 61 4967

PORT PHOENIX

6 Prince Street,
Port Fairy.
P.O. Box 121
Port Fairy 3204
Tel (053) 68 3030
Fax (053) 68 2797

MORVELLA

118 Denlap Street,
Morwell.
R.O. Box 1
Morwell, 3777
Tel (055) 99 2304
Fax (055) 99 2096

MELBOURNE

Donnell Street
Melbourne, 3000
East Bay

MELBOURNE

Bankers Building

GEORGETOWN

GEORGETOWN

10000 Tait
Melbourne Law
Fills of Estate Planning
and Government
Planning & Administration.

10000 Tait
Melbourne Law
Government Legislation.



3 Queens Road

Melbourne

Victoria 3084

Tel: (03) 9836 7300

Fax: (03) 9836 3031

Free Call: 1800 338 626

TTY: (03) 9837 7470

940289 -10

12 July 1995

Tells Solicitors
PO Box 511
WARRNAMBOOL 3220

Facsimile (055) 81 4867

Attn Mr Ezzy

Dear Sir

Re: ALAN SMITH - CAPE BRIDGEWATER HOLIDAY CAMP

This letter responds to your correspondence dated 29 June 1995 (your reference Mr Ezzy:7:18) in relation to your client Mr Alan Smith. Mr N Tuckwell, Chairman, AUSTEL, has requested that I reply on his behalf.

The tests to which you refer were neither arranged nor carried out by AUSTEL. Questions relating to the conduct of the tests should be referred to those who carried them out or claim to have carried them out.

Yours faithfully

Cliff Mathison
General Manager
Carrier Monitoring Unit

cc Mr A Smith
Facsimile (055) 287 230

I, John Sherard Main
OF Break-O'-Day Road Glenburn 3717 In the State of Victoria
do solemnly and sincerely declare

THAT

I spoke to Ms Pia Di Mattina from the Telecommunications
Ombudsman's Office at approximately midday today.

She advised me that the Bell Canada International Inc Report to
Telecom Australia dated 1 November 1993 and the addendum dated
10 November 1993 were flawed documents.

 JOHN SHERARD MAIN

AND I make this solemn declaration conscientiously believing the
same to be true and by virtue of the provisions of an Act of
Parliament of Victoria rendering persons making a false
declaration punishable for wilful and corrupt perjury.

DECLARED AT LILYDALE In the
State of Victoria this SIXTH (6th)
day of November One thousand
nine hundred and ninety five

Before me


J. SAVAGE
CONSOLE 29348

30 J

END

In the mail on 5 May a thank-you note from the Prahran Secondary College included; *"The one drawback which you must try and do something about is the telephone. Many parents were anxious when the children failed to contact them on arrival. They had expressed concern about the long drive and we assured them that we would let them know when we reached camp. Unfortunately the Gold phone was not operational and we did not want students using your private phone as we were aware of the important calls you were expecting."*

It is essential that a telephone is available to a camping group at all times in case an emergency develops when you are not on the site. Please emphasise the importance of this to Telstra, as an unreliable service will prove extremely detrimental to your operation at Cape Bridgewater."

While speaking with a psychologist in Coburg by telephone on 5 May 1993 my connection cut out three times.

On 6 May 1993 a Portland travel agent tried to contact me at the camp - *"the phone rang three times, and then nothing."*

A Portland printer faxed me on 11 May 1993, *"I have been trying to get through on 267267 - but no luck."*

On 16/5/93 a Swedish backpacker wrote, *"I thought you would appreciate knowing that on numerous occasions I attempted to ring you from Darwin and continually received an engaged tone."*

My itemised telephone account shows that on 22 May 1993 there were nine calls from the same number to my 1800 business telephone. The customer wrote *"I dialled the telephone number ___ and finally after not being able to get through immediately, I quoted to you 'do I have the correct number for Cape Bridgewater Camp?' As at a previous time before finally getting through - at least twice 'a recorded message' was 'the number had been disconnected' which I thought at the time 'quite strange'. The calls varied from four seconds to twelve minutes and four seconds, and TELSTRA CHARGED FOR ALL OF THEM.*

008 - National Direct Dialed calls <i>continued</i>						
	Date	Time	Origin	Destination	Rate	Min:Sec
			Termination point 055267267	<i>continued</i>		
5-4	21 May	02:43 pm	05	055267267	Day	3:48
5-5	22 May	09:46 am	03725	055267267	Day	0:20
5-6	22 May	10:01 am	03725	055267267	Day	0:05
5-7	22 May	12:00 pm	03725	055267267	Day	0:06
5-8	22 May	02:00 pm	03725	055267267	Day	0:05
5-9	22 May	03:23 pm	03725	055267267	Day	0:07
5-10	22 May	04:21 pm	03725	055267267	Day	0:04
5-11	22 May	08:24 pm	03725	055267267	Night	12:04
5-12	22 May	08:37 pm	03725	055267267	Night	2:32
6-1	22 May	08:48 pm	03725	055267267	Night	5:15
6-2	23 May	08:00 am	03725	055267267	Economy	3:59



114

30K

This facsimile from 60 minutes dated 18 June 1993 is self explanatory.

60
minutes

60 MINUTES FACSIMILE

To: ...MR. ALAN SMITH.....
.....(055) 267 230.....
From: ...JULIAN CRESS.....
Date: ...JUNE 18TH 1993..... No of pages .1.....

DEAR ALAN,

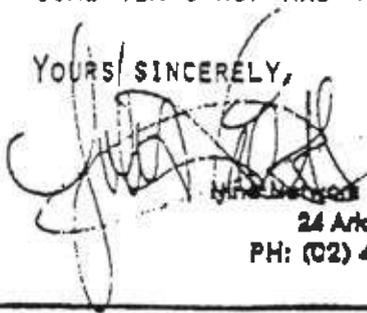
JUST A NOTE TO LET YOU KNOW THAT I HAD SOME TROUBLE GETTING THROUGH TO YOU ON THE PHONE LAST THURSDAY. PRETTY IRONIC CONSIDERING THAT I WAS TRYING TO CONTACT YOU TO DISCUSS YOUR PHONE PROBLEMS

THE PROBLEM OCCURRED AT ABOUT 11AM. ON THE "008" NUMBER I HEARD A RECORDED MESSAGE ADVISING ME THAT "008" WAS NOT AVAILABLE FROM MY PHONE AND ON YOUR DIRECT LINE IT WAS CONSTANTLY ENGAGED,

AFTER ABOUT HALF AN HOUR I CONTACTED SERVICE DIFFICULTIES IN SYDNEY. THEY CALLED THE LOCAL OPERATOR IN YOUR AREA WHO REPORTED BACK THAT YOU WEREN'T ON THE PHONE BUT THAT THE LINES IN YOUR AREA WERE CONGESTED AT THE TIME.

I'M AWARE THAT YOU HAVE BEEN HAVING PROBLEMS LIKE THIS FOR SOME YEARS NOW AND WISH YOU THE BEST IN SORTING THEM OUT.

YOURS SINCERELY,



Minicom Australia Limited (A.C.N. 099 071 167)
24 Aramoon Road Wilsborough 2544
PH: (02) 438 3433 FAX: (02) 956 0627

30K

I have many other instances of sub-standard TELSTRA service, but restrict them to an occurrence on 17 August 1993. The inserts from F.O.I. documents K03096 and R11519 show that a lady from Daylesford rang me on five occasions but got a dead line. She reported this to Tina at TELSTRA Bendigo who could also not make contact.

File - Ala Smith's call of 17.8.93. at 5.35pm.

Enough is enough.

Tina from Bendigo.
(Telecom)

- ~~could not contact her at the~~
put her through

A lady was trying to ring him

for Daylesford.

Tactie.

a Bamford

053 483 58

Daylesford Community Centre

Neighbourhood Home

at 5.17, 5.18, 5.19 5.20 on 17.8.93.

008 815 522. OS

She got a dead line -

Alan heard it ring 5 ^{times} ~~times~~ ^{times}
(2 or 3 rings)

- picked up the phone
heard it echo.

Had trouble on the end
No answering machine.

1 Passed on to Charlie Van Babel

who will attend to the matter

RSP

17/8/93.

1 confirmed this with Ala Smith (by ringg his 008 line)

RSP

K03096

23
Talking time
- 267232

St. George 

January 28, 1994

St. George Bank Limited

ACN 055 513 070

Head Office: 4 -16 Montgomery Street, Kogarah NSW 2217

Locked Bag 1, PO Kogarah NSW 2217

Telephone: (02) 952 1111

Facsimile: (02) 952 1000. DX 11139 Kogarah

PLEASE REPLY TO:

2008

Mr A Smith
RMB Cape Bridgewater, 4408 Blowholes Rd
PORTLAND VIC 3305

Dear Mr Smith,

Thank you for your recent application for a St George Better Living Loan. We apologise for the delay in advising of the decision, however, our attempts to contact you on the phone number quoted by you ie: 008816522, proved unsuccessful.

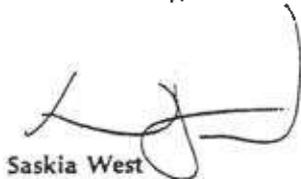
Following our check on the details you provided on your Application, I regret to advise you that we cannot approve a Better Living Loan for you at this time.

One factor we took into consideration is the credit report provided to us by the Credit Reference Association of Australia Ltd. Under the Privacy Act 1988, you have the right to obtain access to this information if you wish. This can easily be done by writing to the Consumer Relations Officer, Credit Reference Association of Australia Ltd, PO Box 966, North Sydney 2059. When contacting them you should provide your full name, date of birth, and current drivers' licence number (if any), and other identifying particulars they may require.

When in the future your circumstances have improved, you will be most welcome to apply again. If you would like to discuss your recent request in more detail, please don't hesitate to contact me on 952 2230.

Thank you for your interest in a St George Better Living Loan. We look forward to being of service in the future.

Yours faithfully,



Saskia West
ACCEPTANCE MANAGER
UNSECURED ACCEPTANCE

80500

30K

ANSWERED		(IA):	130	Free call 0 of 1500 calls		
METER PULSE NO CALL		(MNC):	9			
INCOMPLETE CALL		(INC):	6			
On 25-4	31 May 04:25 pm	03629	055267267	Day	1:42	0.53
On 25-5	31 May 05:15 pm	05257	055267257	Day	0:13	0.03
On 25-6	31 May 05:49 pm	03629	055267267	Day	1:04	0.32
On 25-7	31 May 05:51 pm	03629	055267267	Day	7:02	2.18

The 'wait time' shows the time before the customer picks up the handpiece - and this is followed by the length of the conversation.

This record shows calls 7 and 10, lasting 12 seconds and 10 seconds respectively but on my account these calls on 31 May were shown as 1.42 seconds and 1.04 seconds.

CALL CLASS	TIME	NUMBER DIALLED /RING/OPERATOR	WAIT TIME	CONVERS. TIME	METERING	PRICE
IA	1940531 08:21:50	RINGINGS: 5	00:06	00:06:19		
IA	1940531 09:14:30	RINGINGS: 10	00:14	00:17:18		
IA	1940531 10:08:29	RINGINGS: 4	00:06	00:07:16		
IA	1940531 12:02:44	RINGINGS: 6	00:10	00:06:09		
IA	1940531 12:22:15	RINGINGS: 6	00:09	00:01:00		
IA	1940531 13:02:46	RINGINGS: 6	00:08	00:00:58		
IA	1940531 16:25:07	RINGINGS: 4	00:06	00:00:12		
IA	1940531 16:52:16	RINGINGS: 6	00:08	00:09:58		
IA	1940531 17:15:20	RINGINGS: 6	00:09	00:00:12		
IA	1940531 17:49:03	RINGINGS: 6	00:08	00:00:10		
IA	1940531 17:50:59	RINGINGS: 6	00:08	00:07:04		
IA	1940531 18:19:54	RINGINGS: 6	00:07	00:01:01		
IA	1940531 18:53:24	RINGINGS: 2	00:04	00:08:00		
IA	1940531 20:54:13	RINGINGS: 4	00:05	00:13:25		

This clearly shows that I was charged for 2.24 seconds of conversation time that I did not receive.

In another situation that is equally difficult to understand it is clear that, on 13 January I received a call at 11.50 am which lasted for 9 minutes and 49 seconds. How then, can I receive another call at 11.57 am that lasts for 42 seconds, on the same number while my first conversation is still in progress? Please note that I was also charged 22 cents for the second call.

6-9	13 Jan 11:48 am	05526	055267267	Day	2:25	0.64
6-4	13 Jan 11:50 am	07443	055267267	Day	0:45	0.17
6-5	13 Jan 11:57 am	03585	055267267	Day	9:48	3.99
6-8	13 Jan 01:54 pm	06526	055267267	Day	0:42	0.22
6-7	13 Jan 03:57 pm	05	055267267	Day	2:07	0.48
6-6	14 Jan 10:27 am	05784	055267267	Day	4:51	1.50
					0:47	0.24

Documents C17431 and C17433 show some thirty-one faults between 16 December 1993 and 28 December 1993. A call recorded at 22:17:53 on Monday 20 December 1993 really takes some explaining - the wait time that the telephone was supposed to be ringing was 3599 seconds, and the conversation time was supposed to be 32775 seconds. The telephone rang for 59 minutes and 98 seconds and someone spoke for more than 45 hours - who is kidding who here? Please note that the time/date of the next recorded call falls well within the 45 hour time span.

30K

Attachment Two
FOI – 1800 billing documents
H36178, H36291, H36293

Attachment 4

Beaman, Nigel

From: Zeegers, Peter
To: Beaman, Nigel
Cc: Bergin, Maria
Subject: RE: 1800 prefix network conditioning
Date: Monday, 11 October 1993 3:42PM
Priority: High

Nigel
Please accept my apologies. Apparently 1800 99 was left off the original Exchange Data Change Note that conditioned the network for 1800. I only became aware of this today as a result of your message. Network Engineering tell me that it has been identified as an issue for some 3 weeks and that the 1800 implementation working group were aware of it, (1800 747, 767 were excluded as well but we have no working services on this range). In any case it was not escalated.

The data change note to fix 1800 99 went out last week and was completely loaded in WA by last Friday.

Can you let me know of any other complaints and please ask your informants to ensure these are reported as faults so that they are dealt with by operations & maintenance.

Regards

From: Beaman, Nigel
To: Zeegers, Peter
Cc: Morgan, Kerr; DiMarzo, Nick; Paxton, David; Stygal, Robert; Farrell, Bernadette; Bergin, Maria
Subject: 1800 prefix network conditioning
Date: Monday, October 11, 1993 12:21PM

Peter,

I am receiving a disturbing number of reports of instances where the 1800 prefix "does not work" in the network.

Unfortunately most of the cases I know of have been reported by customers who have tried to use the new prefix in response to Telecom advertising / advice to do so, only to find that "Telecom has stuffed up again". In at least one case the customer has developed extensive advertising using the new prefix and only found out there was a problem after having committed substantial dollars.

When checked out, these are NOT CPE baring to dial 1 instances but rather legitimate customer claims of a mistake by Telecom where some exchanges were "missed" or in one case in WA where an engineer "didn't thing the number range was approved for use so decided not to open it up" (1800 99X XXX range)

Commercial only went ahead with our marketing campaigns based on several assurances from you that the network conditioning would be completed and then an assurance that it had been completed post 20/9/93.

Given we are now part way through a major Direct Mail national campaign launching Freecall 1800 Statewide, I need to know the extent of the problem of missed areas across the country.

When I spoke to Merla about organising a test across the network, she said she did not think there was any process in place to run such a test and that I should address the problem to you and your area.

Surely there is a way to organise for a simple test call to be made from every exchange to a test Freecall 1800 number with a follow up confirmation to a central (fault reporting area perhaps) location that the call either did or did not get through.

Please respond ASAP as I have sales and sales support staff buying time with customer waiting for response.

Beaman, Nigel

From: Zoegers, Peter
To: Beaman, Nigel
Cc: Chaseling, Barry; Peck, Chris; Balshaw, Dave; Farrell, Bernadette
Subject: RE: 1800 PROBLEMS
Date: Monday, 1 November 1993 10:53AM
Priority: High

I believe the DMS time out problem fix will fix the NSW problem.

Can we not get the admin areas not to be so emotive about terms like "inundated". What we need is facts and to know where, when, who, so faults can be addressed. I've asked Network Engineering to get involved with the fault reporting loop so they have feed back and can fix. All problems should be reported as a fault so they can be recorded and dealt with (and escalated as necessary).

From: Beaman, Nigel
To: Zoegers, Peter
Cc: Farrell, Bernadette
Subject: FW: 1800 PROBLEMS
Date: Monday, November 01, 1993 9:36AM
Priority: High

Peter,

For your information as requested.

Regards Nigel

From: Peck, Christopher
To: Bergin, Maria
Cc: Beaman, Nigel; Hassett, Tony; Petrie, Bruce
Subject: 1800 PROBLEMS
Date: Friday, 29 October 1993 4:17PM
Priority: High

Maria

Just recently the QLD Admin group had a customer who advertised their Freecall as 1800 on TV, press and radio. However some areas from Northern NSW were unable to get through, subsequently the customer is seeking compensation. Now the customer cannot change the number to 008 as this will be far too expensive for his company.

All Admin groups are being inundated with complaints from customers who have advertised their numbers as 1800 but their customers are simply unable to get through to them. I have also spoken to our fault staff out at Waverley who are also being inundated with the same complaints.

Now as far as I can tell we have no way of telling if areas of Australia are having difficulties getting through unless a fault has been placed by the customer, and this is only stage that it is brought to our attention. All the Admin groups know to refer the fault through to our fault centres, but as you can understand this all goes over like a lead balloon with the customer.

I believe that we should get all the relevant parties together to discuss this problem further before we have another expensive compensation case on our hands.

Christopher

Page 195

H36293

30L

SENT BY
DATE
TIME

M. J. Kerley

Colocom
AUSTRALIA

Internal Memo

Commercial & Consumer
Office of Customer Affairs
17/242 Exhibition Street
Melbourne
Victoria, 3003
Australia

Telephone (03) 634 7982
Facsimile (03) 632 3541

To Harvey Parker
Group Managing Director - Commercial
and Consumer

From Greg Newbold
Group Communications Manager

Subject Serious 1800 problem

Date 5 November 1993

File
Attention cc: David Carle Chief Operating Officer - Commercial
and Consumer

URGENT
Greg Newbold / Peter Kelly
*Please review, take action
to ensure this
is under control and
report back to me on
your action.*

G
Harvey,

Your 1800 Staff Centre line has generated a call from Bruce Patric (008 819 164) from Commercial Special Services (testing area) at Glen Waverly who advised that the 1800 service has defects which in some cases are preventing the connection of customer calls. Customers instead get a recorded voice announcement saying that the service is unavailable. Also there is Post-Dialling Delay of up to 20 seconds which means that a customer will think their call hasn't gone through and will hang up.

The matter is under active management - a software change is required to fix part of the Post-Dialling Delay problem and this is expected to be implemented today by the manufacturers of the 1800 equipment. The remainder of the problem is being dealt with by the Interconnect group located in Hobart as they hear about each fault.

The issue of non-connected calls leading to RVAs is also being dealt with in Hobart on a similar basis.

Bruce has been informed that a Queensland customer is seeking compensation for an extensive 1800 advertising campaign which allegedly didn't work and Bruce is further advised that there are many other customers considering similar action.

Bruce is concerned that the matter requires fixing at a national network level not just on a fault by fault basis. He also raises the question whether we should be actively promoting 1800 in the current circumstances.

Regards,
Greg Newbold
Greg Newbold

*W/SW
All test phone will have 30L
Thursday
was loaded
late.
H36178*



AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

95/0594-01

141

93/907

9 December 1993

Mr Ian Campbell
Managing Director - Commercial Business
Telecom

Fax 834 3878

Dear Mr Campbell

BELL CANADA INTERNATIONAL REPORT

This letter is to convey to you advice to the effect that while AUSTEL was -

- consulted on the terms of reference for the Bell Canada International (BCI) audit of Telecom's testing and fault finding capability, and study of its network, to determine if there is a fundamental network fault
- of the view that the proposed testing would provide a useful snapshot of current network functionality and that the terms of reference allowed for sufficient flexibility to produce results relevant to a consideration of issues raised by COT Cases (without drawing conclusions on an individual customer's complaint),

on a preliminary analysis the report fails to live up to the expectations raised by the terms of reference.

Findings must be qualified

The BCI study concluded that "...customers served from the test originating and test terminating exchanges receive a grade of service that meets global network performance standards..." (sixth paragraph of the Executive Summary). Any findings to that effect must be qualified by the fact that the BCI audit focused on only one part of what is commonly called "the network", namely Telecom's exchange-to-exchange operations. BCI's audit did not extend to an equally significant part of "the network", namely the customer access network.

To put it another way, the tests conducted by BCI neither were nor purported to be "end-to-end" testing, but involved testing of part of the network only - the inter-exchange network. The tests were not applied in a manner designed to check complete end-to-end network performance from a customer's perspective. They were made from exchange equipment to exchange equipment and, except in one case, did not traverse customer lines or use customer premises equipment. The conclusions which may be drawn from the

5 QUEENS ROAD, MELBOURNE, VICTORIA
POSTAL: P.O. BOX 7443, ST KILDA, MELBOURNE, VICTORIA, 3004
TELEPHONE: (03) 828 7300 FACSIMILE: (03) 820 3021

30.M

study cannot go beyond the inter-exchange network. The findings cannot be presented in the way they were in the Executive Summary to suggest that they embrace the network as a whole, including the customer access network.

Test call patterns not typical of COT Cases

The test calling patterns adopted apparently reflected the main network traffic streams relevant to the exchanges currently providing services to the COT Cases and related customers, but did not necessarily reflect typical traffic patterns experienced by those customers. While the results can be considered indicative of the general switched public network performance of the exchanges involved, they cannot be guaranteed to be representative of calling performance from typical client locations to the exchanges serving the COT Cases and related customers.

Also for whatever the reasons, such as time constraints, the testing undertaken by BCI appears very narrowly focused. For example, in Melbourne BCI undertook test calling from only seven exchange localities out of the 100 or more in the Melbourne metropolitan area, with only selective test calling from the Western suburbs. This is particularly disappointing in that both of the Melbourne businesses included in the testing claim to have experienced difficulties with respect to calls from Western suburbs based clients.

Testing of PBX ("rotary") search facility

Particular concern has been expressed by COT Cases dependent on older (cross bar) exchange technology, in relation to periodic faults of the rotary search facilities which are designed to allow calls dialled to a single number to be offered to a group of access lines appearing in the customer's premises.

With the benefit of hindsight, exchange-to-exchange network integrity tests for COT Cases traffic cannot be considered comprehensive without the inclusion of testing of this facility in the terminating exchanges serving the relevant COT Cases.

I understand that BCI is currently undertaking further testing to redress this shortcoming in its report.

008 services

Also with the benefit of hindsight, given the concerns expressed by certain of the COT Cases the realistic testing of network performance should have included test calling via any relevant 008 number.

Retrospectivity

The report itself highlights the fact that the tests provide only a *snapshot* which does not necessarily reflect the problems that COT Cases have experienced in the past - see paragraph 5.00 of the report which "... recognises that the tests performed by BCI ... look at the network at a specific point in time. The results therefore, may be completely different from those obtained at some other point in time. Furthermore, as troubles are cleared when found, it is unlikely that the same trouble conditions will show up in subsequent tests".

30M

95 / 0594 - 01

In summary

143

Having regard to the above, I am of the opinion that the BCI report should not be made available to the assessor(s) nominated for the COT Cases without a copy of this letter being attached to it.

Yours sincerely



Carl Matheson
Specialist Advisor - Networks

30/04

example, in Melbourne, Bell Canada International undertook test calling from only seven exchange localities out of the 100 or more in the Melbourne metropolitan area, with only selective test calling from the Western suburbs. This was disappointing in that both of the Melbourne businesses included in the testing claimed to have experienced difficulties with respect to calls from Western suburbs based clientele.

Testing of PBX ("rotary") search facility

11.15 Particular concern had been expressed by *COT Cases* dependent on older (cross bar) exchange technology, in relation to periodic faults of the rotary search facilities which are designed to allow calls dialled to a single number to be offered to a group of access lines appearing in the customer's premises.

11.16 With the benefit of hindsight, exchange-to-exchange network integrity tests for *COT Cases* traffic should have included testing of this facility in the terminating exchanges serving the relevant *COT Cases*.

008 services

11.17 Also with the benefit of hindsight, given the concerns expressed by certain of the *COT Cases* the realistic testing of network performance should have included test calling via any relevant 008 number.

11.18 Telecom responded to AUSTEL's letter of 16 December 1993 referred to in paragraph 11.10 above in the following terms -

"As you would be aware, the CAN is simply a distribution network from the Telephone Exchange to the customer premises. It does not raise the same sort of issues in terms of complexity of operation as the inter-exchange network.

Bell Canada International Inc (BCI) was commissioned by Telecom Australia (Telecom) to test the network and to determine if there was a fundamental network fault or series of faults which would create the type and magnitude of troubles identified by the customers referred to as difficult fault causes. The BCI approach (given the study time requirements) was to complete an overall review of network translations and routing patterns and to assess any common network elements that could be applicable to the difficult fault Customer's problems. BCI then developed and conducted an appropriate testing program which maximized testing of the likely common problem areas. Given the nature of the faults reported, any potential problem was considered most likely to be in the public switched telephone network.

The CAN and customer lead in are also an important element in delivering a service and also must operate to agreed standards of performance. However, they are more direct in operations and are not subject to the same level of complexity and hence the same potential for concerns as the inter-exchange network. In addition, the CAN is normally specific to a particular customer and is not common.

As you may be aware, Telecom has extensively tested the CAN. These results indicated a satisfactory level of performance. Telecom is also reviewing the benefits of an independent review (tests) of the CAN for the selected difficult fault customers. Before making a decision on further testing, Telecom is undertaking a further detailed analysis of tests conducted and alternative testing methodologies to better assess the benefits of additional testing. The compliance testing currently being jointly developed by AUSTEL will also form part of Telecom's consideration of the need for further independent testing.

In respect of your comments on the perceived limitations in the report from the perception of the COT cases, BCI has now completed additional testing to address these perceived limitations.

Additional testing did not include testing via relevant 008 numbers. However, the 008 service is essentially a service that utilises the inter-exchange network and is a set of translations which directs calls to the appropriate telephone numbers through the inter-exchange network. That segment of the 008 service that utilises the inter-exchange network will perform at a level comparable to the inter-exchange network.

I have attached for your information a copy of the following reports:

- i) the Rotary Hunting Group Study completed by BCI; and*
- ii) The Inter-Exchange Network Test results for the supplementary tests of Western suburbs exchanges."*

(Letter dated 7 January 1994, Telecom's Group General Manager - Customer Affairs to AUSTEL)

30N

92/0596(8)

27 January 1994

Mr S Black
Group General Manager -Customer Affairs
TELECOM

Facsimile No: (03) 832 3241

Dear Mr Black

ISSUES RAISED BY MR ALAN SMITH - CAPE BRIDGEWATER HOLIDAY CAMP

Mr Alan Smith has recently raised a number of issues relating to his service generally and to his 008 service. AUSTEL requests that you investigate and report on the issues raised by Mr Smith as detailed below. The 008 issues relate to the period covered by Mr Smith's most recent bill. A copy of the relevant page of this bill is attached with this letter.

- (1) Mr Smith's 008 bill records 4 calls made on 5 January 1994 from the origin 05521. These call were made between 4.29 & 4.39 pm. Mr Smith states that he did not receive these calls. He has investigated the matter himself and established that the calls were made from 055 212 671, being the facsimile number of the Portland Tourist Bureau. Evidently the Manager of the Tourist Bureau, Ms Burch, tried to send a facsimile to Mr Smith on the wrong number. Mr Smith states he did not receive these calls on the date and time in question, and is adamant that no calls with a fax tone were answered by him on this date. He is 95% sure that his phone did not ring on the date and time in question.

In responding to this issue, can you please address the possibility that calls may have been incorrectly switched elsewhere in the network than Cape Bridgewater Holiday Camp, and that the charging system servicing Mr Smith is operating inaccurately.

- (2) Mr Smith's 008 bill records 3 calls made on 13 January 1994 around 1.50 pm from the origin 03 580. These calls were all of short duration, being respectively of 4, 8 and 20 seconds duration. Mr Smith has stated that Tina Velthuyzen (telephone number 03 580 4710) rang Mr Smith once on his 008 number on 13 January around 1.50 pm, conversing for approximately 10 minutes. (Two calls were also made by Ms Velthuyzen at 11.38 am and 11.46 on 13 January - there is no dispute with these calls.) Mr Smith has

30-0

stated that Ms Velthuyzen will corroborate his statement of the call made at 1.50 pm. Mr Smith is concerned with the integrity of the 008 billing system, as the bill data does not correspond with Ms Velthuyzen's and his recollection of calls made at this time.

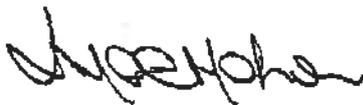
- (3) Mr Smith's 008 bill records a call made on 16 January at 7.23 pm of duration 16 minutes 24 seconds. Smith said he has no recollection of this call and questions whether it was made.

In responding to this issue, can you please provide the full telephone number of the party making the call to Cape Bridgewater at this time and date.

- (4) Mr Smith has also sought advice as to whether his service has been subject to either recording or voice monitoring at any time and, if so, when and for what purpose.
- (5) Mr Smith is preparing his fast track settlement claim. An aspect of this apparently involves the identification of two test calls included in a previous bill. At Mr Smith's request the identification of the Telecom personnel who made these calls was sought by AUSTEL in a letter dated 15 October 1993 but was declined by Mr Pinel on the grounds "that further detail as to the purpose and intent of this information" was required before identification would be considered. (Letter dated 8 November 1993.) Regardless of the rights or wrongs of that decision, Mr Smith now seeks a statement from Telecom that its personnel did make these calls at the time and for the duration shown - for this purpose the identification of the personnel is not required.
- (6) Finally, regarding the ELMI tape left inadvertently at his premises, Mr Smith has asked the significance of the arrows drawn on the tape and for a statement of the quality of service for the seven days in question.

Can you please respond to the matters raised in this letter by 4 February 1994. If you have any queries on matters raised in this letter, please contact Bruce Matthews on 828 7443.

Yours sincerely



John MacMahon
General Manager
Consumer Affairs

cc Mr A. Smith

30-0

I, TINA VEITHUYZEN

2063

of 15/23 GOVERNOR RD
MORDIALLOC

in the State of Victoria
do solemnly and

sincerely declare

THAT On the 13th of January I
 called Cape Bridge Water Holiday
 Camp on 008 816522 seven times
 one after the other but the number
 was engaged. However when I
 called the eighth time I got a recording
 telling me the number was not connected
 I did dial again to get through when I
 told the operator of the camp this he asked me
 to ring John McMahon at Anstel who was
 not available I did however speak to Mr
 Matthews who asked me to tell him exactly
 what happened I did this. Mr Matthews
 then rang back - asked me to report the fault
 to Telecom Business faults which I proceeded
 to do.

T Veithuyzen

AND I make this solemn declaration conscientiously believing the same to
 be true and by virtue of the provisions of an Act of the Parliament of
 Victoria rendering persons making a false declaration punishable for wilful
 and corrupt perjury.

DECLARED at Mordialloc in the

State of Victoria this

20th

day of January

One thousand

nine hundred

94

Before me

R. OWEN

Justice of the Peace

T Veithuyzen

30-0

NOTHING REPORTED IN LEOPARD SINCE 20/11/93
Facsimile Only 008 FAULT IN S&P.

20/11/93 (9)
Telecom
AUSTRALIA

To Bruce Pendlebury

From Fiona Hills
Manager
Major Disputes

Commercial & Consumer
Customer Affairs

Locked Bag 4960
Melbourne 3100

37/242 Exhibition Street
Melbourne 3000

Telephone (03) 632 3224
Facsimile (03) 632 3241

Facsimile ~~550~~ 7404

File
Date 10/2/94

Company Vic/Tas

Total Pages 2

Location C&C

Distrib.

K01001

Bruce,
Alon Smith - Cape Bridgewater has cited recent phone / fax difficulties in a letter to the TIO dated 25/1/94. He has provided confirmation from the callers that they experienced difficulties. I am required to respond to the TIO with copies of all relevant Telecom documentation. This should include copies of fault reports etc.

Incidents mentioned

13/1/94 Mrs Tina Velthuisen 18 S/23 Governor Rd Moradillo

267267 called 008 816522 seven times but the number was engaged, eighth time regarding whether connected. Got through on ninth attempt.

18/1/94 Fax transmissions to 8664314

267230 * 1 successful transmission @ 10:42 2 pages
1 unsuccessful transmission @ 10:44 5 pages

30-0



AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

94/0269

16 November 1994

Mr S Black
Group General Manager
Customer Affairs
TELECOM

Facsimile No: (03) 632 3241

Dear Steve

SERVICE VERIFICATION TEST ISSUES

The recent SVT results for Mr Alan Smith raise some issues on which AUSTEL requests clarification, as follows.

- The letter provided to Mr Smith informing him of his SVT results notes that the Public Network Call Delivery Tests relevant to his 008 service used a 1-800 number that simulated the routing of his 008 services. AUSTEL is seeking confirmation from Telecom that the network equipment utilised on calls to the 1-800 number is the same as that which would have been used by calls to Mr Smith's 008 service (with the exception of the termination number).
- The Call Distribution Tables on pages 12 and 14 record that the total calls made to each number are in excess of 600. AUSTEL requests that Telecom detail the process which determines the "1st 500" calls under test 6.3, given that a combined total of over 600 calls have been made from multiple origins.

I would also like to take this opportunity to formally confirm three issues raised at our recent meeting of 9 November 1994.

- (1) Telecom will provide AUSTEL with the detailed individual call data (ie. time of day & origin of call) which has been the subject of previous correspondence from AUSTEL. This data was originally requested by AUSTEL on 25 August 1994. As discussed at our meeting, the data is

30-7

required by AUSTEL as part of our review of the SVT, and will be required by the consultant assisting AUSTEL in this review. (Please note that call data for all the test calls is required, not just the data for the first 500 calls). AUSTEL requires this data by 23 November 1994. The provision of this data by this date is essential to the effectiveness of AUSTEL's review of the SVT.

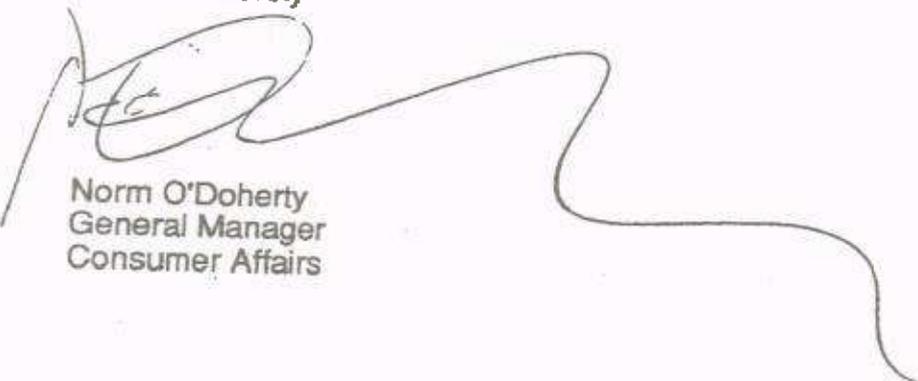
- (2) In the near future Telecom will conduct the "Demonstration Tests" on the services of customers for whom the SVT have been completed. AUSTEL notes that the SVT were conducted a considerable time ago on some of these customer's services. Although these tests are not part of the SVT, this data will be used by AUSTEL in our review of issues related to the SVT. The results from the "Demonstration Tests" will also be provided to our consultant, and AUSTEL requires some of these test results by 23 November 1994.
- (3) That Telecom will shortly provide, as requested in AUSTEL's letter of 11 October 1994, a statement on:

the deficiency of the current testing process for the "Call Continuity / Dropouts to Neighbouring LIC" test contained in the Service Verification Tests (SVT). This statement should also detail the action Telecom intends to take to address this deficiency.

This statement will be provided to AUSTEL's consultant as part of the review of the SVT, and is required by 23 November 1994.

The three matters detailed above have been all been outstanding for some time. I would be grateful if you could address your personal attention to ensuring the required information is provided to AUSTEL by the date requested.

Yours sincerely



Norm O'Doherty
General Manager
Consumer Affairs



AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

94/0269

4 October 1994

Mr S Black
Group General Manager
Customer Affairs
TELECOM

Facsimile No: (03) 632 3241

Dear Steve

**CHARGING DISCREPANCIES REPORTED BY ALAN SMITH AND ISSUES
RELATED TO SHORT DURATION CALLS ON 008 SERVICES**

Mr Alan Smith of Cape Bridgewater Holiday Camp has recently written to AUSTEL complaining of a number of charging discrepancies occurring on his 008 service. A copy of Mr Smith's letter is attached, as is an accompanying sheet which contains 008 bill data over the period 27 May to 29 May 1994 in comparison with other incoming call monitoring data over the same period.

Mr Smith has previously raised some of the issues identified in his letter with AUSTEL but had requested that AUSTEL not take them up on his behalf as he was concerned they may conflict with his "Fast Track" Arbitration process. AUSTEL seeks a response on the following issues.

- (1) Mr Smith states that a caller to his 008 number experienced 3 occurrences of a "not connected" recorded voice announcement (RVA) on 27 May 1994 between 7:51 pm and 7:59 pm. Mr Smith states that "these faults" were reported to Telecom's 1100 number. AUSTEL requests that Telecom provide details on the investigations made into the fault report(s) and any findings made on this issue.
- (2) Was Mr Smith informed of the results of any investigations conducted in regard to the RVA report(s) identified in (1)? If not, why not?

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30-Q

- (3) AUSTEL notes that regardless of Telecom's findings on the RVA issue identified in (1), there appears to be a significant discrepancy between the duration of one call identified on the 008 bill and the duration of that call as identified on the "monitoring data". The relevant call appears on the 008 bill against the code "23-9" and is logged as being of 3 minutes 15 seconds duration. On the "monitoring data" what appears to be the same call, made on 27 May 1994 at 19:58:46, is logged as being of 2 minutes 46 seconds duration. AUSTEL requests that Telecom explain this discrepancy if this issue has not been dealt with in the reply to (1).
- (4) Mr Smith's bill for his 008 service details one call (code 23-12) as being of 1 second duration. The call data has no information detailing the origin of the call. AUSTEL requests that Telecom explain the circumstances which may have led to this "short duration" call and why no data is provided on the origin of the call.
- (5) AUSTEL is aware of another Telecom customer in the Portland region, Mr Jason Boulter of the Malaleuca Motel (008 034 449), who maintains that many "short duration" calls are occurring on his 008 bills. This customer suspects that these "short duration" calls represent call attempts by potential clients to contact his business which are not received at his premises. AUSTEL requests that Telecom provide a comprehensive explanation of the possible causes of "short duration" calls on 008 services. Telecom's response should specifically address the issue raised by Mr Boulter. AUSTEL is aware that Telecom is currently investigating the general issue of "short duration calls", but is also aware that 008 services are not included in this investigation.
- (6) Telecom is requested to respond to Mr Smith's claim that on his 267 230 service he is being charged "on average 11% over charged seconds".
- (7) The central issue raised by Mr Smith in his letter is that he is being charged for calls that do not connect to his 008 service. The calls identified in (1) are cited by Mr Smith as instances of

such calls. Telecom is requested to specifically address this issue in its response.

For clarification of any of the matters raised in this letter please contact Bruce Matthews on (03) 828 7443.

Yours sincerely



Bruce Matthews
Consumer Protection



11 November 1994

By facsimile: 820 3021

468

Customer Response Unit
Commercial & Consumer

Level 37
242 Exhibition Street
Melbourne Vic 3000
Australia

Telephone 03 634 2977
Facsimile 03 632 3235

Mr B Matthews
AUSTEL
PO Box 7443
St Kilda Road
MELBOURNE VIC 3004

Dear Sir,

CHARGING DISCREPANCIES RECORDED BY ALAN SMITH AND ISSUES RELATED TO SHORT DURATION CALLS ON 008 SERVICES

I refer to your letter dated 4 October, 1994 to Mr Steve Black. I am responding to this letter as the Manager responsible for handling Mr Smith's dispute with Telecom.

You have requested Telecom to provide to you information relating to charging discrepancies reported by Mr Smith in relation to short duration calls on his 008 services together with other information.

Each of the questions put by you in your letter of 4 October, 1994 will be answered as part of Telecom's defence to Mr Smith's claims lodged under the Fast Track Arbitration Procedure. As you are aware, information relevant to defence documents are confidential under the procedure and may not be made known to third parties. The Fast Track Arbitration Procedure was established with the input and consent of Austel.

In respect of the confidentiality aspect, the Arbitrator has advised Telecom that he considers that the parties (to the arbitration) must remember at all times that these proceedings are subject to the confidentiality provisions set out in clauses 16-19 of the Fast Track Arbitration proposal. In particular, Telecom has been asked to bear in mind that a breach of confidentiality (even inadvertently) could lead to a dismissal of the claim pursuant to Clause 12 of the proposal.

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2.

Mr Smith himself is obviously concerned about these implications as your letter advises that he has raised this very point with you and was concerned that any action by Austel may conflict with the Fast Track Arbitration process.

If the information requested is provided to you outside of the approved Arbitration Rules, other parties to the Fast Track Arbitration Procedure may also seek other information through you and expect answers in like manner. I believe that this will prove dysfunctional to an orderly and manageable arbitration process and could possibly lead to its breakdown. It would also involve Telecom in breaking its confidentiality undertaking under the Fast Track Arbitration Rules.

Mr Smith, of course, has rights under the Arbitration Rules to request the Arbitrator to provide him with relevant information at any time and Telecom has indicated that it will comply with a directive of the Arbitrator to provide information.

In these circumstances, Telecom finds itself faced with two conflicting obligations; that to Austel and that to the confidentiality requirements of the arbitration process. It is Telecom's view that Mr Smith's interests are more than adequately protected by the Austel approved arbitration process and that the issue should be left in the capable hands of the Arbitrator to determine the appropriate remedy, if any, for Mr Smith.

I would appreciate your comments on how this complaint might be resolved.

Turning from the particular issue of Mr Smith to the general question of the operation of the 008 service, Telecom considers that the 008 service operates satisfactorily and does not raise any issues of concern. If you require specific information on the general principles of operation of the 008 service, Telecom is happy to respond.

Yours faithfully,



Ted Benjamin
National Manager
Customer Response Unit

30-Q-



AUSTEL
AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

94/0269

1 December 1994

Mr T Benjamin
National Manager
Customer Response Unit
TELECOM

Facsimile No: (03) 634 8441

Dear Mr Benjamin

**CHARGING DISCREPANCIES RECORDED BY ALAN SMITH, SHORT DURATION
CALLS ON 008 SERVICES AND ALAN SMITH'S ARBITRATION**

This letter is provided in response to your letter dated 11 November 1994 entitled "Charging Discrepancies Recorded by Alan Smith and Issues Related to Short Duration Calls on 008 Services."

I consider that the fundamental issue raised in your letter is your statement:

If the information requested is provided to you outside of the approved Arbitration Rules, other parties to the Fast Track Arbitration Procedure may also seek information through you and expect answers in like manner. I believe that this will prove dysfunctional to an orderly and manageable arbitration process and could possibly lead to its breakdown. It would also involve Telecom in breaking its confidentiality undertaking under the Fast Track Arbitration Rules.

My response to this statement is as follows. AUSTEL can not disregard issues of concern which come to our attention because these may be the subject of arbitration. I note that AUSTEL is not a party to the Fast Track Arbitration Procedures and is therefore not aware of the specific issues which have been raised in this process. Furthermore, under the Fast Track Arbitration Procedure there is a mechanism for dealing with the disclosure of confidential information, as follows:

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30-0

If there is any disclosure of any part of the subject matter or the conduct of the Procedure, the Confidential Information or the Arbitrator's award by either party, then the Arbitrator may take such steps as he thinks appropriate including the dismissal of the claim in the event of a disclosure by the claimant.

If Telecom wishes to take up the issue of any disclosure of confidential information which may have occurred or which may in the future occur under the "Fast Track" Arbitration Procedure then this should be taken up with the Arbitrator of this Procedure. The Procedure itself has mechanisms for ensuring an "orderly and manageable arbitration process" is followed. If Telecom has concerns that the Procedure is becoming unmanageable for reasons of disclosure of confidential information then these should be raised with the Arbitrator, not AUSTEL. This general advice also applies to issues of disclosure of confidential information in the Arbitration Procedures for the "COT 12" and the pending General Arbitration Procedures to be administered by the TIO.

AUSTEL still requires an answer to the issues raised in my letter of 4 October 1994, and requests that an answer to all the issues be provided by 15 December 1994.

I note that your letter states that "Each of the questions put by you in your letter of 4 October 1994 will be answered as part of Telecom's defence to Mr Smith's claim lodged under the Fast Track Arbitration Procedure." As AUSTEL has not sought information and is not aware of any of the details of Mr Smith's claims under the Fast Track Arbitration Procedure, I was therefore not aware until I received your letter that Mr Smith has raised all of the specific issues identified in my letter. I suggest that in future Telecom not divulge information of this nature to AUSTEL on any matters raised by AUSTEL which are matters raised in arbitration. This in itself could be regarded as disclosing information which is confidential under the arbitration process.

In the current situation where it is possible that both parties to the Fast Track Arbitration Procedure have divulged information to AUSTEL which details issues raised in this Procedure I propose to take the following course of action. AUSTEL will write to the Arbitrator enclosing copies of correspondence on this matter. AUSTEL will seek confirmation from the Arbitrator that Mr Smith has raised the issues detailed in my letter. Should the Arbitrator confirm that these issues have been raised then AUSTEL will not provide a response to Mr Smith on them, as he will have received this response through the Arbitration Process. AUSTEL will inform Mr Smith of AUSTEL's actions in this regard. Should the Arbitrator fail to provide any information

30-Q

on whether these issues have been raised under arbitration, or deny that all these issues have been raised by Mr Smith, then AUSTEL will write to Telecom further on this matter. I note that under the Fast Track Arbitration Procedure the Arbitrator does not become involved in assessing the detail of the claimant's submission until Telecom has provided its response to that submission, therefore the Arbitrator may not be in a position to provide a rapid response to AUSTEL's letter.

I must emphasise that AUSTEL is not seeking to prejudice Mr Smith's arbitration. The issues raised by Mr Smith, however, concern matters which potentially affect a considerable number of Telecom's customers and it is on this basis that AUSTEL has taken up these issues. It is also the stated reason why Mr Smith raised these issues with AUSTEL in his 3 October 1994 letter, as he "Thought this information might be of concern to AUSTEL". In this context, I note that my 4 October 1994 letter also raises the concerns of another Telecom customer, Mr Jason Boulter, regarding the operation of his 008 service. In addition, concerns on the general operation of Telecom's 008 service have recently been raised with AUSTEL by the Federal Member for Wannan, Mr David Hawker. The issues raised by Mr Hawker will be the subject of a separate letter to Mr Steve Black, but information you provide in response to my 4 October 1994 letter may well form part of AUSTEL's response to Mr Hawker.

In summary, the issues raised in my 4 October 1994 letter are of concern to AUSTEL, and will remain of concern until Telecom provides a response to AUSTEL which AUSTEL considers allays this concern.

On another matter, thankyou for your offer to provide information on the general principles of the operation of Telecom's 008 service. I would like to take up this offer once you have responded to the issues raised in this letter.

Yours sincerely



Bruce Matthews
Consumer Protection

30-Q

MEDIA Release



Telecommunications
Industry
Ombudsman

FRIDAY 12TH MAY, 1995

MEDIA RELEASE

1ST TELECOM COT CASE ARBITRATION FINALISED

The Telecommunications Industry Ombudsman, Administrator of the Fast-Track Arbitration Procedure, today released to the parties the Arbitrator's Award in the first COT Case arbitration.

The arbitration is a confidential process, with the arbitration agreement having been negotiated by the parties and the Administrator with the assistance of Special Legal Counsel in mid 1994. This arbitration process flowed from a settlement proposal brokered by AUSTEL.

The Administrator noted that the arbitration process, under the direction of the independent Arbitrator Dr Gordon Hughes, appointed with the agreement of the parties, had been run in accordance with principles of natural justice.

"While the issue of the customer's access to documentation via FOI had caused delays in the process, the arbitration procedure proved to be a fair and successful means of finally resolving this long-standing dispute" the Administrator said.

Whilst not identifying the claimant or the quantum of the Award, the Administrator noted that the findings of the Resource Unit, the specialist technical advisers to the Arbitrator, indicated that the claimant had suffered considerable technical difficulties during the period in question. It was found that faults did exist which caused the service to fall below a reasonable level, and that apart from some customer premises equipment (which includes telephone cabling, phones, answering machines or facsimiles connected within the customer premises), most of the problems were in the Inter Exchange Network.

For further information please contact:

MR WARWICK SMITH
PH: (03) 9277 8777

30-R

94/269

3 October 1995

Mr Steve Black
Group General Manager
Customer Affairs
Telstra

Facsimile No: (03) 9632 3241

Dear Mr Black

**CALL CHARGING AND BILLING ACCURACY OF TELSTRA'S
008/1800 SERVICE**

I write concerning charging discrepancies raised in 1994 by Mr Alan Smith of Cape Bridgewater Holiday Camp regarding his 008 service, and the wider issue these discrepancies raise for Telstra's 008/1800 customers. These matters have been the subject of previous letters from AUSTEL to you and to Mr Ted Benjamin, dated 4 October 1994 and 1 December 1994, respectively. The charging discrepancies have again been raised with AUSTEL by Mr Smith following the conclusion of his Fast Track Arbitration Procedure.

As noted in AUSTEL's letter of 1 December 1994 (copy attached), the matters raised by Mr Smith concerned an issue which has the potential to affect a considerable number of Telstra's customers. Specifically, the matters raised issues about the call charging and billing accuracy of Telstra's 008/1800 service.

To date, AUSTEL has not received a response from Telstra which allays AUSTEL's concerns about this issue. Telstra's introduction of a 12 cent flag fall for its 008/1800 service has increased AUSTEL's concerns, given the issues raised by Mr Smith included matters related to short duration calls.

AUSTEL has a responsibility to investigate potential systemic network performance issues which come to its attention. Accordingly, I request that Telstra provide a response to the issues raised in AUSTEL's letter of 4 October 1994 (copy attached) by COB 13 October 1995.

CMU/09/OK

Postal Address: P O Box 7443 St Kilda Road Melbourne Victoria 3004

No 1151151
27/11/95
05:07PM

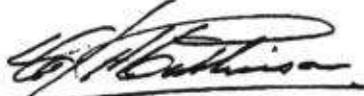
AUSTEL EXEC. MEL 61 3 98287394

3 Oct 1995 16:21

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I note from Mr Benjamin's letter of 16 December 1994 that Telstra was then in the process of preparing a response addressing the issues raised.

Yours sincerely



Cliff Mathieson
General Manager
Carrier Monitoring Unit

cc Mr John Pinnock, TIO

30-5

FILE NOTE*Legal and Professional Privilege Applies - Telecom Confidential*

FILE: MR ALAN SMITH
FROM: LYN CHISHOLM
SUBJECT: BILLING DISPUTE 1800 TELEPHONE SERVICE
DATE: 16 JANUARY, 1998

On 14 January, 1998, Lyn Chisholm and Phil Carless of Telstra's Customer Response Unit met with Mr Smith to examine documentation in relation to his complaints lodged with the Minister's Office and the Telecommunications Industry Ombudsman regarding his 1800 telephone service.

Mr Smith in these complaints had made general allegations with regard to overcharging of the 1800 telephone service, however, Telstra had not received any supporting documentation along with his complaints.

In telephone discussions with Mr Smith, I advised him that in order for Telstra to address his claims, documentation supporting his complaints would need to be forwarded to allow Telstra to fully investigate the matter.

Mr Smith raised concerns with regard to the matter and the Arbitration and I advised that I would be investigating any instances he put forward since the conclusion of the Arbitration. Mr Smith stated that he had evidence of instances that spanned through the Arbitration and that the problem was not addressed in the Arbitration and further that the same instances continued after the Arbitration.

I suggested that we meet so that Telstra could view the documents he was referring to and work at resolving the matter from there.

Meeting Notes 14 January, 1998**Present at Meeting**

Lyn Chisholm - Telstra
Phil Carless - Telstra

Alan Smith - Cape Bridgewater Holiday Camp
Ray Whitworth - Observer

Alan Smith explained that he had attempted to have this matter addressed in his Arbitration and via Austel and the Ministers office for quite some time. He believes that this issue was not addressed in his Arbitration although Telstra had given an undertaking to Austel in November, 1994.

I explained to Alan that it was my understanding that at the time Austel wrote to Telstra, the Arbitration was in process and that Telstra had written back to Austel and the Arbitrator that it believed the matter would be addressed in the Arbitration.

30-T

I then explained to Alan that Telstra had replied to the letter from Austel dated 4 October, 1994 and to further letters from Austel on this matter dated 1 December, 1994 and 3 October, 1995 and in this provided a response to his complaints of charging discrepancies and short duration calls on the 1800 telephone number.

Mr Smith put forward two copies of the Lanes Resource Unit reports. One that had been forwarded to him as part of the Arbitration and one that had been obtained from Dr Hughes's office by mistake when he collected his Arbitration documents.

In what appeared to be a "Draft" of the Lanes report, a paragraph appears relating to Mr Smith's billing complaints, that an addendum report was to be provided at a later date otherwise the report is complete.

Mr Smith stated that the issued report did not include the addendum report nor did it make any reference to his 1800 complaints.

Further Mr Smith produced various printouts of CCAS data in comparison with his Telstra accounts. In many instances the calls add up however, in some cases there appeared to be differences in the duration of the call times.

Mr Smith also provided Telstra accounts that showed an overlap in the time of calls.

Mr Smith stated that there were also discrepancies in details taken by the Commonwealth Ombudsman. He advised that he had asked the Commonwealth Ombudsman to only use the 1800 telephone number when contacting Mr Smith. In the Assessment Documentation for Mr Smith's claim for compensation for FOI matters, Mr Smith states that there is a large discrepancy between the number of calls listed by the CO as being made to Mr Smith and the number of calls he had been charged for on the 1800 account.

I note that the examples given by Mr Smith at the meeting spanned the period of the Arbitration and after the conclusion of the Arbitration.

I advised that Telstra had not seen copies of his examples and had not been able to clearly respond to his complaints without being able to examine the documentation he had put forward at the meeting.

Mr Smith advised that he had provided all details to the TIO office, I responded that we may not have seen all the documentation he had put forward and that the TIO at this point had not raised a formal dispute or complaint regarding the matter.

I advised Mr Smith that I would seek copies of any additional information that they may have with regard to his complaint.

Mr Smith advised that he would provide me copies of all documentation that he had with regard to the 1800 number and copies of the documentation he had produced at the meeting. Mr Smith advised that he would provide this material to me during the week beginning 19 January, 1998.

30-T

I advised that once Telstra had received the information, further investigation could be carried out in the matter.

Mr Smith again enquired about the matter of the Arbitration. I again advised that I would be examining the documents with regard to complaints after the Arbitration, and that a further response with regard to the Arbitration would be provided.

30-T

Commercial & Consumer

37th Floor
242 Exhibition Street
Melbourne Vic 3000

86

Telephone (03) 632 7700
Facsimile (03) 632 9241

8 April 1994

Mr Robin Davey
Austel
By Facsimile: 820 3021

Dear Mr Davey

Preliminary Draft Austel Report ("the Report")

The purpose of this letter is to confirm Telecom's comments made to your officers in respect of the preliminary draft of the Austel Report which was made available to Telecom for comment.

Those comments are covered in the following three sections: General Comments, Key Issues of Major Concern to Telecom, and Comments on Secondary Issues.

Telecom's General Comments

As a broad comment, if the Recommendations in the Report reflect the amendments and additions I discussed with Mr MacMahon yesterday, then Telecom would consider the Recommendations substantially acceptable and would so state.

However, Telecom understood the purpose of Austel's Report was to assess defects in Telecom's process of dealing with customer complaints of persistent faults, and the Report fails to accomplish this objective. Telecom is willing to accept a report that illustrates the history of the problem by describing the COTs' complaints, fairly presenting Telecom's responses to those complaints, analysing how Telecom's processes and systems may have failed to address and resolve those complaints in a satisfactory and timely manner, and then presenting Austel's Recommendations for improvements. Telecom cannot accept a report that merely repeats unsubstantiated, and in some cases defamatory, claims without giving equal space to Telecom's reply, thereby giving express and implied support to those claims. Austel is not in a position to arbitrate on the merits of those allegations.

Austel and Telecom have agreed that Dr Gordon Hughes, as arbitrator, will adjudicate on the merits of those claims and will determine the amount of compensation, if any, required. This is not Austel's function, nor has it conducted the kind of investigation that would enable it to responsibly make such determinations of law or fact.

Telecom acknowledges that its handling of aspects of the COT cases has not always been ideal and recognises that improvements need to be made, as has been evidenced by Telecom's prompt and diligent response to the recommendations of the Coopers and Lybrand Report.

However, in respect of the narrative in the Report, Telecom considers that the Report is unbalanced in that allegations against Telecom by many parties, many of which are defamatory and still unsubstantiated, are simply repeated without providing adequately for Telecom's response to these allegations. By repeating these allegations, Austel cloaks them with credibility.

We acknowledge that - see 1.2 2.21

Must be able to be addressed before any investigation into allegations

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In addition, I spent some four hours with Mr MacMahon yesterday going through in detail Telecom's comments and concerns on the narrative of the Report. In general, Telecom considers that Austel's selective use of technical information in the Report has the potential to mislead readers and, in a number of cases, the conclusions drawn from the material presented are unsound and unsubstantiated by the evidence. Telecom is also concerned that in the more general areas the information presented demonstrates an unacceptable bias against Telecom.

In our discussion yesterday, Mr MacMahon offered me the opportunity to provide responses to a number of these allegations and I have agreed to do so. I will provide these responses by Monday 11 April 1994.

unsettled and see

Telecom also considers that two additional issues for which Austel has a primary responsibility, should be specifically included in the Recommendations. The two matters are firstly, the need for Austel and the carriers to agree a definition of a satisfactory standard of service against which future performance can be measured, and secondly, the requirement for Austel to move promptly to set limitations on carriers' liability under section 121 of the Telecommunications Act 1991. The latter matter has now become urgent. Recent media coverage has heightened the public awareness of the availability of compensatory payments for business losses without reference to the normal limitations of liability which are provided to telecommunications carriers worldwide. In addition, customer response to the recent damage to Telecom plant in Melbourne and Hobart has demonstrated the need for stability in this area.

*1 Agree
2 We acknowledge but not a matter for comment*

Key Issues of Major Concern to Telecom

There are five key issues of major concern to Telecom. Each is dealt with in turn below.

*See paras 1.38-8.37
his own letter comments*

1. The allegation that the Chairman of Telecom misled the then Minister for Communications, Mr David Beddall. This allegation is supposedly supported by Austel by quotations from letters from Telecom and Austel. Telecom has not previously been given the opportunity to comment on this allegation. Telecom is also concerned that AUSTEL does not appear to have consulted the previous Minister on his views on this matter. Telecom's view is that this allegation must be removed from the Report. No

No! We say does not carry the true meaning and content of the problem.

2. The allegation that Mr Ian Campbell misled the Senate and that Telecom misled other Parliamentarians. From our review of the Report, there is no evidence offered to support the allegation that Mr Campbell misled the Senate, and from my personal knowledge of the comments of at least one of the Senators briefed at these sessions, Telecom considers that this allegation is completely unfounded. I understand from Mr Campbell that you have indicated that this allegation is to be withdrawn. Would you please confirm this in writing. The allegation that [redacted] was misled by the information that was given to him by Telecom has also been included in the Report apparently without investigation. Telecom is concerned that you do not appear to have consulted [redacted] on his views on this matter. Telecom's view is that this allegation must be removed from the Report. No

*Will do so
Not necessary documents speak for themselves*

3. The allegation originally made by [redacted] that Telecom misled the Australian Federal Police in an earlier investigation of allegations in respect of her telephone service, which is repeated in the Report by Austel in an authoritative way. Telecom considers that the presentation of this matter in the Report is misleading and defamatory. It is my understanding that Austel has made no inquiries of the Australian Federal Police in respect of this matter.

Not necessary documents speak.

[redacted] original allegations were investigated by the Australian Federal Police and they found no evidence to support her claims. [redacted]

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This misses the point that we have a summary of a briefing and the briefing is wrong

When [redacted] repeated her allegation to Telecom on 27 February 1994, Telecom referred the allegation to the Australian Federal Police for their information and review. Whilst Telecom has not received a formal response from the Australian Federal Police, it is my understanding from oral comments that they have considered the allegation and the impact of [redacted] statements on the original findings, and do not consider that the matter needs to be reviewed further. Under these circumstances, Telecom considers that the allegations repeated in the Report are unwarranted and must be withdrawn. Opportunity should be given to the Australian Federal Police to comment on this material before it is published.

Let us check with the AFP if correct we might note

4.

The Report, when commenting on the number of customers with COT-type problems, refers to a research study undertaken by Telecom at Austel's request. The Report extrapolates from those results and infers that the number of customers so affected could be as high as 120 000. Telecom is of the view that this statement is patently flawed and is not supported by the outcomes of the study and the subsequent follow up interviews and evaluated material which has been provided to Austel.

This has been deleted (2.68)

In view of the high media profile that this Report is likely to generate, and Austel's failure to limit carrier liability under Section 121 of the Telecommunications Act, it is considered by Telecom that the inclusion of this reference is unnecessary, inflammatory and must be deleted.

5.

Paragraph 6.106 of the Report uses the word 'cover-up' to describe the attitude of Telecom staff in relation to COT matters. Telecom considers that the use of this term is defamatory, inflammatory and inappropriate and requests that it be replaced by the word 'defensive'.

I would be prepared to accept this.

Comments on Other Issues

As Telecom has spent some four hours briefing Mr MacMahon on the detailed comment, it is not proposed to deal with those detailed matters in this letter.

However, it is appropriate to raise the issue of Austel's interpretation of the Bell Canada International consultant's report. It is Telecom's view that the comments purporting to be derived from the information in this report and the statements made that the Bell Canada International report supports the COT allegations are not soundly based. Opportunity should be given for Bell Canada International to comment on this material before it is published.

We do not say that the evidence to us - see 1.53 and 11.26 11.27 11.28 11.29 11.30 11.31 11.32.

Yours sincerely,

GROUP GENERAL MANAGER
CUSTOMER AFFAIRS

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9 April 1994

ed 10/4/94
Mr Robin Davey
Austel
By Facsimile: 628 7394

Dear Mr Davey

Preliminary Draft Austel Report ("the Report")

I refer to my previous letter dated 8 April 1994 and our subsequent conversation, and .

In relation to the key issues of major concern to Telecom which I raised in that letter, I confirm the following:

1. In relation to point 5, you have accepted Telecom's requested amendment;
2. In relation to point 4, you have agreed to withdraw the reference in the Report to the potential existence of 120,000 COT-type customers and replace it with a reference to the potential existence of "some hundreds" of COT-type customers; and
3. In relation to point 2, you have agreed to withdraw the allegation that Mr Ian Campbell misled the Senate, and you will also alter the wording in respect of the reference in the Report to the statements made by Telecom to Mr Wright, to read that the statements had the "potential to mislead".

I also confirm your advice that you will include a recommendation in the Report that Austel will settle with the carriers a standard of service which they will offer, and that you will include a statement in the Report that Austel will move to determine limitations on carriers' liabilities under section 121 of the Telecommunications Act as a matter of urgency.

Key Issues Which Remain of Major Concern to Telecom

Telecom still holds the following concerns about the key issues which were raised in my previous letter.

1. In respect of the first key issue raised in my previous letter, you have refused to withdraw the disputed reference on the grounds that the words of paragraphs 8.38 and 8.39 of the Report only indicate that the Chairman of Telecom did not disclose the true nature and extent of COT case problems, and do not specifically state that the Chairman of Telecom misled the then Minister for Communications, Mr David Beddall.

Telecom's concern is that this statement comes directly under a heading "COT case allegations" and a clear statement in the first line that Telecom misled the Parliament. Telecom is of the view that the juxtaposition of these paragraphs carries the clear inference that the Chairman of Telecom misled the then Minister for Communications, Mr David Beddall.

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Telecom is also concerned that the Report purports to be an independent review of the COT allegations by Austel, which holds itself out as being disassociated from the matters under review. However, the evidence led to support Mrs Garms' allegations that Telecom has misled the Parliament refers to documents evidencing a personal disagreement between the Chairman of Austel and Telecom as to the efficacy of a ministerial briefing note. Telecom disputes the Chairman of Austel's views on this matter and is of the view that unless the allegation is removed from the Report, the Report will still imply that the Chairman of Telecom misled the then Minister. This is unacceptable to Telecom.

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Telecom is also concerned that AUSTEL does not appear to have consulted the previous Minister on his views on this matter. Telecom's view is that this allegation must be removed from the Report.

2. In respect of the second key issue raised in my previous letter, I note your advice that you propose to retain the altered reference to Mrs Garms' allegations in respect of Mr Keith Wright. Telecom still has the following concerns with your proposal. Telecom is concerned that it has not been given sufficient time to contact the officer who gave the briefing and obtain a statement of his understanding of Telecom's systems and to prepare a proper response in relation to this matter for inclusion in the Report. Telecom is of the view that if this allegation is to remain, then Telecom should be given adequate time to prepare a formal response for publication **in the Report.**
3. In respect of the third key issue raised in my previous letter, I note your advice that you propose to include the findings of the initial Australian Federal Police (AFP) investigation into Mrs Garm's allegations of corruption to make it clear that there was no evidence to support her allegations, and also to withdraw any specific reference to Telecom having misled the AFP. However, Telecom's concern is that this statement comes directly under the heading "COT case allegations" and is presented in the context of a section where allegations by Mrs Garms that Telecom misled the Australian Federal Police are presented. This clearly infers that Telecom misled the Australian Federal Police in the conduct of their investigation.

Telecom is concerned that this makes the Report misleading for two reasons. First, the statements relied upon by Mrs Garms to support her allegation, were not relevant to the subject matter of the investigation carried out by the Australian Federal Police. It would therefore not have affected the outcome of the Australian Federal Police investigation which related to the physical disconnection of **her service.**

Secondly, Mrs Garms' allegation that Telecom is corrupt and has misled the AFP, is untrue. The basis of her allegation is that Mr Bennett's purported statement to the AFP, that Telecom did not have access to check her old Commander telephone system, is not consistent with the file note dated 31 May 1990. Her allegation is that Mr Bennett's statement is untrue because Telecom had physical access to view her equipment, as evidenced by the file note.

Access to check equipment from a technical point of view refers to the ability to physically access equipment and the capacity to disassemble the equipment for testing and repair. The file note indicates that Mrs Garms had not taken out a maintenance contract for that equipment with Telecom and the equipment was privately installed and maintained. From a technical perspective Telecom did not have access to check the equipment, in that it did not have Mrs Garms' authority or the responsibility to disassemble the equipment for testing and repair. Therefore the two statements are **consistent.**

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Mrs Garms has accused Telecom of corruption twice, and has also made allegations of corruption against the AFP. The first allegation of corruption against Telecom has been investigated by the AFP and found to be without foundation. The allegation of corruption against the AFP has also been investigated and found to be without foundation. The allegations which Austel now seeks to re-state in the Report in an authoritative way have also been referred to the AFP and it is Telecom's understanding that, after further consideration, the AFP does not consider that the matter needs to be reviewed further. Telecom considers that the proposed changes to the Report are insufficient and considers that the allegations repeated in the Report are unwarranted and must be withdrawn.

Telecom is also concerned that Mr MacMahon has been incorrectly informed that the AFP officer who conducted the original inquiry into Telecom, has been found guilty of corruption charges and is in prison. I have taken this matter up with the AFP who have advised me that this is totally unfounded. As Austel appear to have been seriously misinformed about the status of the AFP inquiries and AFP personnel, Telecom considers that any matters dealing with AFP investigations must be formally cleared with the AFP.

Telecom also considers that it should be given the opportunity to provide specific responses to any allegations of COT members re-stated in the Report, and that adequate time should be allowed for this purpose.

4. In respect of the fourth key issue raised in my previous letter, Telecom is still concerned that, in the absence of agreed service standards, the proposed reference to "some hundreds" of customers has the potential to be misleading.

At our meeting on 6 April 1994, Mr Ian Campbell indicated that Telecom accepted that the number of customers reporting DNF-type problems might be more than 50. However, in the absence of agreed service standards, it is not possible to define objectively how many customers are not receiving a satisfactory level of overall service.

The number of customers currently in serious dispute with Telecom on all service-related matters of which Telecom is aware, is substantially less than 100. Accordingly Telecom's view is that the only reference made in the Report to the number of potential COT customers, should be the original reference to "more than 50" customers.

Telecom considers that the Report's findings which purport to be derived from the information in the Bell Canada International (BCI) report, are misleading in that they focus on minor issues and ignore the primary findings of the BCI report in relation to those same issues, and are also in some cases factually incorrect. The Report is also unbalanced because the findings do not deal with the primary findings of the BCI report but only deal with peripheral issues favourable to the views of the COT customers.

In the concluding section of the section of the Report dealing with BCI, Austel makes no reference to the primary findings of BCI, but instead focuses on the following statement.

"The BCI report suggests the following weaknesses:

- potential problems attributable to older technology
- inadequacies in monitoring and testing equipment
- inadequacies of maintenance spares
- inadequacies of maintenance procedures
- potential problems attributable to number assignment procedures."

The executive summary of the BCI report directly contradicts a number of these points. It states that "the testing and fault locating equipment and systems, as well as procedures to detect and correct network troubles were found to be comparable with world standards...". It also states that "the TEKELEC/CCS7 test system with enhancements by Telecom is the most powerful tool available in a digital network." In view of this, Telecom considers that the Report is factually incorrect. Telecom is also of the view that the statement that BCI found inadequacies of maintenance spares, is factually incorrect

If the following amendments are made, this section of the Report will be more be more balanced. The amendments include:

- relating Telecom's responses to COT issues and dealing with them together,
- correcting the errors of fact in Austel's findings in relation to technical matters,
- referring to the fact that supplementary testing addresses Austel's concerns regarding the original testing, and
- provide prominence to the primary findings of BCI in the relevant sub-section of the Report dealing with Austel's findings.

In addition, opportunity should be given for Bell Canada International to comment on this material before it is published.

It is also critical to point out that repetition of the unsubstantiated allegations of the four COT customer (unsubstantiated because AUSTEL recognises that an arbitrator will make these final determinations) without at the same time offering Telecom's response to those claims, is misleading and biased.

AUSTEL must either (1) not publish four COT customer's allegations at all, or (2) publish them alongside Telecom's responses, state that AUSTEL does not take one side or the other since the allegations will be determined by an arbitrator, point out how these disputes illustrate defects IN THE PROCESS of Telecom's process for resolving customers' complaints, and proceed to make recommendations on IMPROVING THE PROCESS. This will involve much new material being inserted in the Report to present our position on each quoted COT claim.

Finally, Telecom understands that you may amend the Report to reflect concerns raised with you by the COT customers. As these changes may raise further issues of concern to Telecom, Telecom is of the view that it should have an adequate opportunity to comment on any such changes.

Yours sincerely,

Steve Black
GROUP GENERAL MANAGER
CUSTOMER AFFAIRS