



Facsimile

To Ross Anderson

Company Telecom Portland

Facsimile 055 236 56

From Alan Barrow
P.T.T.O.1

Subject COT Case

Network Products
National Facsimile Support Centre
23 rd Floor 242 Exhibition St.
Melbourne. 3000

Australia
Telephone 03 634 6993
Facsimile 03 640 0997

K01489

Date 29 October 1993

Ross,

The following pages are copies of my fax machines journal and the protocol printouts of failed calls.

On the date of 28-OCT-93 we were trying to create a line failure condition that would re-produce the same error on the transmitting machine and no record on the receiving Mitsubishi machine (055 267 230). The reason for this was to show that a sending fax machine could get to the point of transmitting a page to the Mitsubishi fax machine without the Mitsubishi machine having any record of the call.

The COT case call in question was the 27-10-93 at 10:46 on the journal (it is suspected that the clock in this machine is approx ~~1 Hour and 15 minutes~~ ^{45-46 min} in error). The duration of the transmitting machine page of 2:21 minutes suggests that the call failed at the end of the page, possibly when requesting a reply from the receiving end. The presence of the ID in the journal of "055 267230" indicates the call was connected to the Mitsubishi fax machine in question. The receiving Machine has no matching entry in its journal for this call.

A call was placed to 055 267230 and connectivity terminated at the beginning of the page but this resulted in an error of NG in the journal along with the ID of the calling fax machine. The only way to reproduce the conditions experienced above was to interrupt the power on the receiving Mitsubishi fax machine. This would result in an entry in the transmitting machine and no entry whatsoever in the receiving Mitsubishi machine.

During testing the Mitsubishi fax machine, some alarming patterns of behaviour were noted, these affecting both transmission and reception. Even on calls that were not tampered with the fax machine displayed signs of locking up and behaving in a manner not in accordance with the relevant CCITT Group 3 fax rules. A half A4 page being transmitted from this machine resulted in a blank piece of paper 4cm long. the relevant protocol printout in sample #2 shows that the machine sent the correct protocol at the end of the page. Even if the page was sent upside down the time and date and company name should have still appeared on the top of the page, it wasn't. During a received call the machine failed to respond at the end of the page even though it had received the entire page (sample #3). The Mitsubishi fax machine remained in the locked up state for a further 2 minutes after the call had terminated, eventually advancing the page out of the machine.

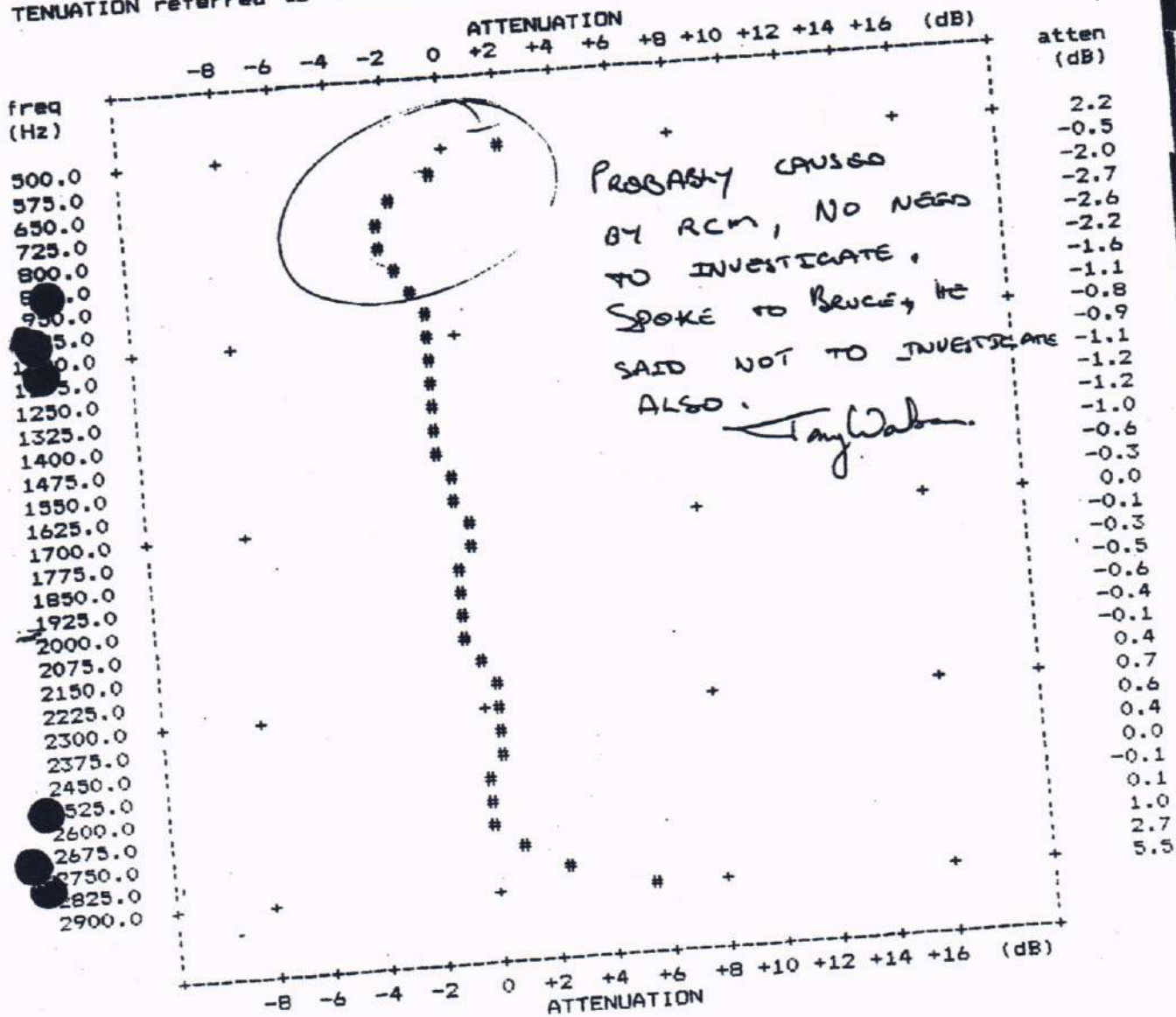
Regards
Alan Barrow

PR-24

inted: 30 Jan 1994 15:01:29

K01358

TENUATION referred to 1700.0 Hz



PR 25

Time	Reported By	Fault Details
21/7/92 1655	Tony Guigg 693 7455 PABX Section	680 9288 (TBS (Telecom) Foots complain of OS frequently. (i) few seconds after operator answered. (ii) few seconds after extension answers call redirected by Operator. Happened from { 380 2622 } { 329 2522 } PABX test all I/D cts and can't fail. Fault occurring since Mon 20/7

23/7 0900	Ian Knox PABX Sct 693 7260	781 2144 (Target Frankston) calling 364 9555 (Frankston) intermittently receive Ans No Voice. Outgoing lines from 781 2144 test OK 364 9555 test lines tested & OK. PTARS 364 9188 36A SUNSHINE RSSD.
--------------	----------------------------------	---

24/7/92	GORDON STOKES PERTH 055 231067	GORDON STOKES 055 231067 RANC, SOB 055-267267 COMPLAINING PEOPLE KING HIM GET KVA MESSAGE "SERVICE DISCONNECTED". LATEST REPORT 22/07/92 FROM STATION PIER PT NEAR WHERE "ABEL TASMAN PERTHS" SIMILAR FAULT REPORTED FIS SEQ 327 17/03/92. SUB VERY IRRATE LAUNCHED LEGAL ACTION. BALLARNT OSC HAS BEEN INVOLVED. NETWORK INVESTIGATION SHOULD HAVE BEEN BOUGHT IN AS FAULT HAS COME ON FOR 8 MONTHS
---------	--------------------------------------	---

PROBLEM 1

26

Date:

Wednesday, 21 April 1993 1:40PM

GREG,

I ACCEPT YOUR ARGUMENT. I GUESS I REACT FROM FRUSTRATION.

DON

From: Newbold, Greg
To: Pinel, Don
Cc: Wood, Don; Campbell, Ian; Pittard, Rosanne
Subject: RE: COT cases latest
Date: Wednesday, 21 April 1993 1:39PM

Don, thank you for your swift and eloquent reply. I disagree with raising the issue of the courts. That carries an implied threat not only to COT cases but to all customers that they'll end up as lawyer fodder. Certainly that can be a message to give face to face with customers and to hold in reserve if the complainants remain vexacious.

Other than that, I've got no probs with your suggestion except that to say we're happy to co-operate for a speedy resolution is not borne out by the COT case history and will be deriding mercilessly by the media. The briefer we are, the more likely we are to get a run on our own terms. However, the wording is clearly something for you guys to agree to with Ian Campbell. My main concern is about the overall strategy ie: not actively pushing the matter in the media.

Hindsight tells me that with Graeme Schorer we should have negotiated an agreed media statement with him as part of the settlement. It may be something to consider for future settlements. That way, we can go positively into the media with a resolution agreed to by all parties. This will make it very hard for COT case members to revisit the matter once a settlement has been reached and publicised.

Regards,

Greg.

C04094

From: Pinel, Don
To: Beattie, Ken; Wood, Don; Pittard, Rosanne; Newbold, Greg
Cc: Campbell, Ian; Anderson, Keith; Benjamin, Ted
Subject: RE: COT cases latest
Date: Wed, Apr 21, 1993 1:13PM
Priority: High

GREG,

THANKS FOR THE NOTES. I FEEL THE MEDIA RESPONSE IS A BIT TOO ABRUPT AND DEFENSIVE. CANT WE INCLUDE THAT:

THIS IS A DISPUTE BETWEEN BUSINESSES AND THE APPROPRIATE PLACE TO HAVE IT RESOLVED IS IN THE COURTS. WE ARE HAPPY TO COOPERATE TO ENSURE A SPEEDY RESOLUTION. IN ADDITION TELECOM HAS OFFERED AN ALTERNATIVE PROCESS TO RESOLVE USING AN INDEPENDANT ASSESSOR (AS SUGGESTED BY AUSTEL) BUT THIS PROCESS HAS NOT BEEN ACCEPTED BY THE OTHER PARTIES.

THERE MAY BE OTHER POSITIVE MESSAGES THAT WE CAN INCLUDE.

DON

Why did the "Hon. Warrick Smith" allow Telstra to dictate their own terms of reference when here is yet another Telstra FOI document, that shows "Austel" always intended the "Cot Four" to be assessed by an "Independent Assessor" no mention of arbitration, as trained legal person "Warrick" would have known when he read Telstra's preferred rules of arbitration, we would end up as we did "Lawyer Fodder".

16

27

F.O.I. document A03254 shows an internal TELSTRA letter from Don Pinel to Jim Holmes written on 28 September 1993. It indicates that a few weeks before TELSTRA agreed to a fast track settlement proposal they believed that "our best option is still to force these cases down a legal, structured path."

Holmes, Jim

From: ✓ Pinel, Don
To: Holmes, Jim
Cc: Parker, Harvey
Subject: Letter to Schorer
Date: Tuesday, 28 September, 1993 7:39PM

Jim,

Your proposed reply to Schorer is good although I assume it is more legalistic than Ian would like. I do not know of anyway to soften it without raising expectations.

One point not covered that you may like to consider is the question of "duress". This has been raised in a number of places and requires rebuttal.

Similarly the question of Telecom's regulatory and contractual protections from suit dont get a mention (it may not be necessary to raise these at this stage as they are certain to be provocative provided we dont allow expectations to from that we will relinquish such protection)

I also think that your section 2 sends conflicting messages. In one para you correctly identify the constraints on discussing a particular case with other than the specific customer . You do imply, however, that teh customers could give schorer some form of authority to act on their behalf. I am not sure that these two messages are consistent. Would a power of attorney, for example, allow disclosure to Schorer of settlement details covered by our form of release? I dont think so.

Perhaps I am getting too legalistic and defensive but we cant afford to let anything get away. However, our best option is still to force these cases down a legal, structured path.

Don

28

Page 1

A03254

Extracts from F.O.I. documents A00999, A01000 and A01004 state: "The whole process would be expeditiously handled, and would take ten-fifteen working days", there would be "a few days to report on each case and seek agreement", and that "Speed is of the essence"

74

Senator O'CHEE—And what were you told in that induction briefing about the group's role?

Mr White—In the first induction—and I was one of the early ones, and probably the earliest in the Freehill's area—there were five complainants. They were Garms, Gill and Smith, and Dawson and Schorer. My induction briefing was that we—we being Telecom—had to stop these people to stop the floodgates being opened.

Senator O'CHEE—What, stop them reasonably or stop them at all costs—or what?

Mr White—The words used to me in the early days were that we had to stop these people at all costs.

Senator O'CHEE—So when you were told to do a document better, that meant to do a better job of stopping them at all costs?

Mr White—I would say explaining the information available to the best of my ability. That is the best way I can explain it.

Senator O'CHEE—To the satisfaction of—

Mr White—The team leader.

CHAIR—Mr White, were you ever expected to fabricate information or to misinterpret the evidence?

Mr White—No.

CHAIR—So you were asked to explain to the best of your ability, if this could be explained not as Telstra's mishandling of it but as an error that could be explained?

Mr White—I was never ever coerced to do something that was immoral or illegal.

Senator O'CHEE—Mr Pinnock, you just heard evidence of this group being established after the fast-track arbitration process was set up.

Mr Pinnock—I am not sure whether the evidence was that it was after it was set up. I understood it was to be at the same time. But in the event, I take your point on that, Senator.

Senator O'CHEE—You have just heard evidence about the activities of this group. Do you think that Telstra's conduct in this is consistent with a simple, fast, non-legalistic approach to resolving the problem?



AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

95/0594-01

141

93/507

9 December 1993

Mr Ian Campbell
Managing Director - Commercial Business
Telecom

Fax 634 3876

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

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 clientele.

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".

In summary

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



Cliff Mathieson
Specialist Advisor - Networks

130

FOI RECEIVED
26/5/95



6 September 1994

Central Area
Network Operations
6/171 Roma Street
Brisbane
Australia

Ph (07) 837 3212
Fax (07) 236 4247

Mr G. Kealey
Bell Canada International
Suite 800, 1 Nicholas Street
Ottawa, Ontario, Canada, K1N 9M1

Gerry,

N00005

As you have been made aware through discussions with Mr K. Dwyer, an anomaly has been found in the test call records contained in the report "Bell Canada International Inc. REPORT TO TELECOM AUSTRALIA 1 NOVEMBER 1993".

Specifically, the start and finish times for the test run from Richmond digital exchange (RCMX), test line 03 428 8974, to Portland exchange, Cape Bridgewater RCM (CBWR) number range, test line 055 267 211, (detailed in section 15.23 of the report) are impracticable. The number of calls made during the test run could not have been completed within the time span shown and the test run would have clashed with other test runs performed within those times.

An examination of the test result summary forms filled out after the test runs (a copy of the relevant record forms is enclosed) reveals that the report details have been correctly derived from the summary forms.

This inconsistency in recording of times for a test run is not a fundamental flaw in the test results or the conclusions of the report, but the proper times of the run should be recorded if at all possible.

Discussions with a number of people assisting with the test call program during that period confirmed that considerable care was taken to avoid clashes of test calls to test answering bases and to ensure that test calling devices originated calls only to a single terminating test code during any test run.

From their recollections of events several points regarding the sequence of events have been brought together:

- The tests were initiated to provide extra data from test calls into the number ranges of the CoT customers connected to Devlin's Bridge exchange and Portland exchange. The data was to be added as an addendum to the report dated 1 November 1993.
- Testing began Wednesday 3/11/93. Traffic Route Testers (TRT's) in the NIB test room 7/35 Collins Street Melbourne originated calls, via test lines connected to Richmond exchange, to test answering bases at Portland exchange and Devlin's Bridge exchange. A portable TRT at South Yarra exchange was also used to originate calls to the same exchanges.

31

FOI RECEIVED
26/5/95

- As Mr G. Kealey and Mr R. Baltis intended to travel to Portland exchange (via Warrnambool exchange) on Friday afternoon 5/11/93, they ensured that a TRT run from Richmond had finished and that a run from the South Yarra TRT had commenced satisfactorily before they left Melbourne at approximately 12.45 that day. They also arranged for test calls to begin from Bendigo exchange that afternoon, and made a call from Warrnambool exchange to South Yarra exchange late in the afternoon to ensure the South Yarra TRT had completed its test run program and stopped.
- No staff recalls or attendance were recorded or required at either South Yarra or Richmond exchange to attend to TRT's on Friday 5/11/93 or the weekend 6/11/93 & 7/11/93.

A complete examination of the times of the test calls from all the exchanges to the test lines at Cape Bridgewater and Devlin's bridge over the period from 3/11/93 to 9/11/93 shows that the only time the test run from the Richmond digital test line to the Cape Bridgewater 055 267 211 test answer base could have been made, without clashing with other test calls to the same test number, was between the afternoon of 3/11/93 and about midday of 4/11/93.

It appears that the details for the test run from the Richmond digital test line (03 428 8974) to Cape Bridgewater RCM (055 267 211) should have been recorded as beginning at approximately 4.18 pm on 3/11/93 (rather than 12.45 pm on 5/11/93) and finishing at about 12.45 pm on 4/11/93 (rather than 4.18 pm on 5/11/93), with other aspects of the test run remaining the same as previously recorded. These timings fit in with other test runs from the Richmond TRT line and with other test runs from other exchanges to the same line at Cape Bridgewater. They also provide a logical sequence in the overall test program and a reasonable average test call interval (43.9 sec. per call).

A table has been drawn up to show the test calls made over the period and is attached, showing the test run between the Richmond digital test line and the Cape Bridgewater test line in this logical time-slot within the overall test run program.

Could you please confirm whether or not this interpretation of the sequence of test runs matches with your recollections and personal notes, or whether there is any other way to correct the records of the test runs shown in the report.

N00006

Alan Humrich
GENERAL MANAGER
CENTRAL AREA

31

03-1995 14:47

FROM CAPE BRIDGE HDAY CAMP

TO

032778797

P.13

03 '95 03:01PM EMPLOYMENT CENTRE OTT

F.O.I. RECEIVED P.S. 26/5/95

AH

Humrich, Alan

From: Dwyer, Kevin
 To: Humrich, Alan; Gamble, Peter
 Cc: Baltais, Rudi; Killeen, Paul
 Subject: re: Smith's query on BCI Tests
 Date: 23 August 1994 10:03
 Priority: High

Mr Smith is correct in the suggestion implied in his query that the test results recorded in the 'Addendum - Additional Tests' part of the BCI report to Telecom, 1 November 1993, are impracticable.

Specifically the tests:

from - Richmond Digital, RCMX, 03 428 [redacted] T terminating to - Cape Bridgewater 055 26 [redacted] shown in section 15.23 of the report is impractical as the number of calls recorded could not have been made within the times shown and would have clashed with other test runs performed during those times.

Unfortunately the TRT run results tabulations filled out by the BCI reps. following the tests, from which the report was prepared, have the same times and dates and run results as are printed in the final report. The error in recording must have occurred in the transcription from the rough notes to the test results data tabulation forms. None of the original rough notes which may have been made by the various people involved are now available.

I have spoken to Gerry Kealey, the Bell Canada International representative, Paul Killeen and Rudi Baltais of NNI, and to staff at South Yarra exchange to determine the actual sequence of testing during that period. Each had similar recollections of beginning the series of tests to Portland Exchange (the Cape Bridgewater RCM code range) and Devlin's Bridge exchange from TRTs connected to Richmond and South Yarra lines on Wednesday 3/11/93. As Rudi and Gerry intended to go to Portland to see the Exchange and RCM, travelling on Friday afternoon 5/11/93, they ensured that a TRT run from Richmond had ceased and that a run from South Yarra had commenced with no troubles before they left Melbourne at about 12.45 that day. They made a call from Warrnambool exchange to ensure the run from South Yarra was terminated, but have no notes to confirm the date and time of the call.

It appears that the TRT run details for the run from Richmond (428 [redacted] T to Cape Bridgewater RCM range (055 26 [redacted]) should have been recorded as beginning approximately 4.18 pm, on 3/11/93 and finishing at approximately 12.45 pm, on 4/11/93, other aspects of the run remaining the same as recorded.

These timings would fit in with the other test runs from the Richmond TRT line and with other test runs to the same terminating line at Cape Bridgewater. They also provide a logical test run sequence and a reasonable average test call interval (43.9 sec. per call).

A detail record of the test runs performed during the extended test period is shown in the table (BCINOV.DOC) below:

<< File Attachment: BCINOV.DOC >>

Kevin Dwyer
 657 3003

N00037

hl COT

BCI [redacted]

CC [redacted]

32

This highlights the conflict of interest where Telstra make it very clear to Coopers & Lybrand (England) that if their input to AUSTELs commissioned COT CASE report (April 1994) is not to Telstras liking then they are threatened as indicated.

Internal Memo



Network & Technology

To Ian Campbell
Managing Director, Commercial

From D. C. Campbell
Group Managing Director

Subject Coopers & Lybrand Report on DNT Costs

Date 9 November 1993

File

Attention

Dear Ian,

Australia
Telephone 03 832 8800
Facsimile 03 832 8822

I have perused the executive summary of this report and I am concerned that it does not reflect a professional, responsible approach and I believe that Coopers & Lybrand should be approached and requested to reconsider the entire tone and direction of the report.

Items like R10 and R11 on page 9 appear to go beyond their terms of reference and do not as first reading, appear to be commercially reasonable. Item 2.7 on page 24 at the end of the first paragraph in connection with testing by Telecom states that we could have pursued the testing further in spite of customer rejection. This conclusion ignores a letter from Austel advising that they considered further testing inappropriate and the omission of this additional fact completely misrepresents the situation. I am concerned that this may reflect a sloppy, incomplete approach of the full report.

I believe that it should be pointed out to Coopers & Lybrand that unless this report is withdrawn and revised, that their future in relation to Telecom may be irreparably damaged.

D.C. CAMPBELL

had I known ~~had I known~~
need of this be done for
just U.S. law

33

Pittard, Rosanne

From: Newbold, Greg
To: Fuery, Patrick; Beattie, Ken; Pinel, Don; Campbell, Ian; Pittard, Rosanne; Parker, Harvey; Holmes, Jim; Benjamin, Ted; Marshall, Ross
Cc: Vonwiller, Chris
Subject: 5pm COT wrap-up
Date: Wednesday, 7 July 1993 5:28PM
Priority: High

At around 5pm today, Senator Boswell released another news statement saying broadly that Telecom cannot hide behind the secrecy clauses in the settlements it has made.

Rumble has contacted the Senator's office and left a message that we are prepared to provide a briefing to him to put the Telecom side of the story. We should therefore prepare materials on the understanding that we may be called upon at short notice.

The confidentiality arrangements can be defended in terms of the settlements being commercial arrangements and that Telecom makes similar arrangements with all sorts of customers for commercial reasons on a daily basis.

The total follow-on media interest in the Boswell inquiry story has amounted to three calls. One from Exchange newsletter, one from AAP and one from Clinton Porteous of the Herald-Sun.

I advise that Clinton be targetted for some decent telecomms exclusive stories to get his mind out of the gutter. He will write a nasty piece in tomorrow's (thursday) paper. He will certainly mention the confidentiality clauses and I fully expect a call from him at home tonight.

Ross, can you and I caucus on maybe showing Clinton around an exchange and showing him the efforts we've gone to. Even on a confidential basis, it might stop him taking the Graeme Schorer line every time.

I think it should be acknowledged that these customers are not going to become delighted. We are dealing with the long-term aggrieved and they will not lie down. Even if we were to weaken and give them a fist full of dollars, they would, in my view (and Don's, Ken's and Rosanne's) simply crow of a victory and then continue to complain about our allegedly poor service.

Further, I propose that we consider immediately targetting key reporters in the major papers and turn them on to some sexy "look at superbly built and maintained network" stories.

Regards,

Greg.



C04054

We are dealing with the long-term aggrieved and they will not lie down. Even if we were to weaken and give them a fist full of dollars, they would, in my view (and Don's, Ken's and Rosanne's) simply crow of a victory and then continue to complain about our allegedly poor service.

Further, I propose that we consider immediately targetting key reporters in the major papers and turn them on to some sexy 'look at superbly built and maintained network' stories."

34

File: ~~_____~~
COT Case

Holmes, Jim

From: Newbold, Greg
To: Pittard, Rosanne
Cc: Pinel, Don; Wood, Don; Holmes, Jim
Subject: COT matters
Date: Wednesday, 16 June, 1993 8:59AM
Priority: High

Rosanne:

Good news re channel nine news. Haven't checked all outlets but as it didn't run on the main bulletin last night, we can be pretty certain that the story died the death. I wish I could figure which phrase it was that convinced Jason Cameron not to proceed. Might have been one of Jim Holmes' pearls.....

Neil Mitchell had another bite this morning. Said to keep those faxes rolling into Schorer.

What happened to the draft letter to the Portland newspaper? In these matters affecting rural areas, it's important to support our staff. Please advise re outcome of letter.

regards,

Greg.

A04646

On 16 June 1993 TELSTRA's document A04646 appeared. *"Good news re channel nine news. Haven't checked out all outlets but as it didn't run on the main bulletin last night, we can be pretty certain that the story died the death. I wish I could figure which phrase it was that convinced Jason Cameron not to proceed. Might have been one of Jim Holmes' pearls ..."*

Neil Mitchell had another bite this morning. Said to keep those faxes rolling into Schorer.

What happened to the draft letter to the Portland newspaper? In these matters affecting rural areas, it's important to support our staff. Please advise re outcome of letter." Jason Cameron was the head reporter for channel nine news, Jim Holmes was TELSTRA's Corporate Secretary, and Schorer was Graham Schorer - one of the Casualties of Telstra group. What exactly were the pearls that were cast? Were they pearls of wisdom, financial pearls, or another type of pearl?

35

Pendlebury, Bruce

T

From: [redacted]
To: Pendlebury, Bruce
Subject: RE:
Date: Thursday, 7 April 1994 2:05PM

Bruce,

I am happy to provide the data, but will be unavailable until Monday. [redacted] as indicated he would be happy to provide the analysis if required. I don't mind either way. Would you prefer that he provided the analysis or are you happy that I do so (as time permits). I await your response.

Regards,

From: Pendlebury, Bruce
To: [redacted]
Date: 7 April 1994 8:51

K01006



David,

Mr Alan Smith is absent from his premises from 5/8/94 - 8/8/94. On other occasions when he has been absent there have been documented complaints received [usually months later] involving NRR etc. I called the premises at aprox. 4:55 pm 6/4/94 the answer time was 4] secs.

I intend on this occasion to document his absence and file al data I can collect for the period. That way we should be prepared for anything that follows.

Could you please collect the Charge Check and Signalling data for the period and provide some analysis of unanswered, busy UC and long delay before answer.

Regards, Bruce P

F.O.I. document K01006 is also alarming. It is from Bruce Pendlebury of Telstra to David (name blanked out) and states "Mr Smith is absent from his premesis from 5/8/94 - 8/8/94." How did Telstra know this when K01006 was dated 7 April 1994 and they had told the Australian Federal Police that malicious call tracing only occurred around August 1993? could it be that Telstra was privy to my private telephone conversations while I was involved with Arbitration Settlement procedures between 7 April 1994 and 11 May 1995? My technical advisor lived in Queensland and all discussions about my Arbitration Settlement procedures took place by telephone.

36 A



PROTECTED



14 April 1994

COMMERCIAL AND CONSUMER
CUSTOMER AFFAIRS

37/242 EXHIBITION STREET
MELBOURNE
VICTORIA 3000
Australia

Telephone (03) 632 7700
Facsimile (03) 632 3241

F A X E D

...14/4/94...

Mr A. Smith
Cape Bridgewater Holiday Camp

Facsimile No. 055 267 230

Dear Mr Smith

I refer to your letter to Mr Blount received in this office by facsimile on 11 April 1994. Mr Blount has asked me to respond on his behalf.

I note in your letter that you question how Telecom is aware of a discussion you had with Mr Malcolm Fraser. Please note that Telecom has records of you discussing this matter with three officers of Telecom over the past 12 months. Accordingly, it is most likely that the file note originated from your discussions with a Telecom officer.

Given that your assertion that you had not discussed the matter with Telecom is incorrect, Telecom does not propose to take this matter any further at this time. However, please note that I have referred your letter and this response to the Australian Federal Police for their information.

Yours faithfully

Steve Black
GROUP GENERAL MANAGER
CUSTOMER AFFAIRS

PROTECTED

FREEDOM OF INFORMATION ACT 1982
(COMMONWEALTH)
DOCUMENT HAS BEEN RELEASED
UNDER THE FOI ACT BY
THE AUSTRALIAN FEDERAL POLICE

36B

Telecom Corp
ACN 061 776 56

COMMONWEALTH & DEFENCE FORCE
OMBUDSMAN

Prudential Building, cnr London Circuit & University Avenue, Canberra City
GPO Box 442, Canberra, A.C.T. 2601, Australia
Tel: (06) 276 0111; Fax: (06) 249 7829; Int. Fax: + 61 6 249 7829

C/94/225

15 April 1994

Mr Steve Black
Telstra Corporation Limited
Facsimile 03 632 3241

Dear Mr Black

I refer to previous communications concerning the complaint we received from Mr Alan Smith concerning TELECOM's handling of his application under the FOI Act.

In your letter to Mr Smith dated 5 April 1994 you informed him, inter alia, " the documents which now have been provided to you are copies of all of Telecom's files as at 30 November 1993 which exclusively concern your telephone services, from the following sections within Telecom:

- Commercial and Consumer
- Network Operations
- National Network Investigations."

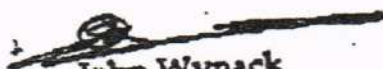
In your facsimile message to Mr Smith dated 14 April 1994 you referred to 'records' held by Telecom which refer to Mr Smith discussing with three Telecom officers, over the past twelve months, a discussion Mr Smith had with Mr Malcolm Fraser.

Mr Smith informed me that the records are not included among the documents provided to him by Telecom.

Please advise where the 'records' of the discussions with Telecom officers are located and why they were not included with the documents sent to Mr Smith. It would be helpful if you would send copies of the 'records' for my perusal.

Should you require any clarification of my request, I should be pleased to discuss the matters with you.

Yours sincerely


John Wynack
Director of Investigations

cc Rod Pollard

000725

36C

Bruce Pendlebury
DNF Group

540 Springvale Rd
GLEN WAVERLEY
VIC 3150
Australia

Telephone (03) 550 7367
Message Bank
Facsimile (03) 582 1828

14 April, 1994

Simon Chalmers
c/- Stephen Black
Customer Response Unit
242 Exhibition St
MELBOURNE VIC 3000

K00947

Dear Simon,

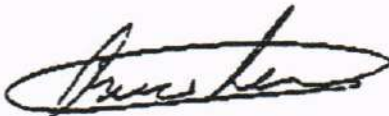
In answer to your query as to whether Mr Alan Smith of the Cape Bridgewater Holiday Camp has ever mentioned call Mr Malcolm Fraser. I do recall Mr Smith referring to speaking to Mr Fraser.

Mr Smith made mention of this during a telephone conversation with myself during 1993.

I cannot remember the exact date of the conversation, but I believe it would have been during April or May.

I did not record the incident as Mr Smith did not mention his contact with Mr Fraser in relation to a fault report.

Yours sincerely,



Bruce Pendlebury
Difficult Network Faults Manager

000603
36 E

Cape Bridgewater

The customer accepted a payment from Telecom as full settlement of his claim. This offer was made without admission of liability and with confidentiality conditions included. However, the customer has subsequently made further claims stating that he settled for too little and that his problems have not been fixed. He has implied that he does not consider the settlement conditions as binding on him. He has recently been in contact with Austel, the Ombudsman, Malcolm Fraser and the media on this matter.



36D

000389

LPP

Fraser demands answers

FORMER Prime Minister, Malcolm Fraser, wants to know how and why his name has appeared on an internal Telecom memo, following the alleged bugging of a 'phone conversation with COT founding member, Alan Smith, about a year ago.

Mr Fraser told the Observer he had spoken to Mr Smith, who runs the Cape Bridgewater Holiday Camp, about 12 months ago.

Mr Smith telephoned Mr Fraser seeking advice about his on-going problems with the national telecommunications carrier.

Following startling revelations that Telecom has been carrying out unauthorised "monitoring" of telephone conversations, Mr Smith learned recently that an internal Telecom memo contained details of his conversation with the former Prime Minister.

Mr Smith obtained a copy of the memo under Freedom of Information. He then contacted Mr Fraser again last week and informed him about the matter.

Mr Fraser told the Observer he was surprised, and that he would be sending a letter to Telecom demanding an explanation.

Mr Smith said the memo did not contain any details of the original conversation itself.

"It doesn't say much," Mr Fraser said. "It notes that the conversation took place and who was involved."

Mr Fraser added that while he experienced occasional problems with telephones at his property, Nareen, he said that he had not experienced problems such as Mr Smith outlined.

Casualties of Telecom have lodged complaints about unauthorised phone "monitoring" with the Federal Police, who are now investigating the complaints.

← THE PERIOD TO WHICH THE ORIGINAL PHONE CALL TOOK PLACE WAS IN APRIL 1993.

YET TELSTRA IN DEFENCE OF MY ARBITRATION STATE VOICE MONITORING (MCT) DIDN'T START UNTIL JUNE 1993 FINISHING IN AUGUST/SEPTEMBER 1993.

(SMK) CLAIM DOCUMENT NOT VIEWED BY DMR + LANCES YET SUBMITTED UNDER ARBITRATION SHOWS TELSTRA WERE AWARE OF PRIVATE ARRANGEMENTS MADE OVER THE PHONE IN APRIL 1994.

IT IS CLEAR FROM THE ABOVE - MALCOLM FRASER ISSUE 1993 - AND THE ISSUE OF APRIL 1994 SHOWS AT LEAST A 12 MONTH PERIOD TELSTRA LISTENED TO MY PRIVATE PHONE CALLS.

RE - ORAL HEARING TRANSCRIPT 11/10/94
I SUBMITTED TO THE ARBITRATOR THAT I WANTED THIS ISSUE ADDRESSED AS PART OF MY CLAIM.

11: Testing the System

Material in the previous chapter demonstrates how F.O.I. documents helped to expose the depths to which Telstra executives would drop to minimise, trivialise, or belittle customer complaints. Technical records also reluctantly provided under the F.O.I. Act expose further concerns in the areas of Telstra call monitoring devices and methods, customer surveys, incorrectly charges calls, and the use of flawed reports from 'independent' overseas investigators.

I do not disagree with the right of Telstra to use a M.C.T. (Malicious Call Trace) or other monitoring devices in their attempts to identify and rectify telecommunication network problems. I do, however, react strongly to the misuse of these powers. In September/October 1992 when C.O.T. was perceived to be a treat to Telstra, C.O.T. members believed that their telephones were being taped without their knowledge or consent.

```
CORPORATE & GOV'T, MAJOR CUSTOMER GROUP                                19/08/92 (02/93)
PADGHAM                                                                SVC01      2.4.8
                                SERVICE ORDER DISPLAY
                                PRESS [ESC] TO LEAVE THIS FUNCTION  Restore : 00/00/00
                                                                Time      : 0:00

Order No.: 55773596      Serial #:
Customer : [REDACTED] 1) Site No. : 0001      Name: [REDACTED]
2) Address : 32 COSTIN ST
3) City/ST : FORTITUDE VALLE QLD 4006      Phone: [REDACTED]
4) Crs strt : [REDACTED]      Map Locn: [REDACTED]
5) Contact : [REDACTED]      Hours: [REDACTED]
6) Site Mark: [REDACTED]      Phone: ( ) [REDACTED]

7) Territory : B2-25-213-VLY Quote:      Open Svc Calls: N CSR : BAM01 DGP: 23
8) Contract : 201521      RENT      C/T: RAS      Eff: 28/10/90      Exp: 28/10/9
9) System : E308      COMMANDER E308      10) PO #:
11) Called In: 10/03/92 12) Time: 03:29      Type: E308 RENT CONTRACT
    Call Status: CL 13) Bill Type : NC 14) Req. Type:      15) Priority: 01
16) Commit Dt: 10/03/92 Time :16:00      17) Appt It:      Time: 0:00 0:00
18) FE : B702
19) Description: LINE 1 NDT NRR SUSPECT SABOTAGE ??????

F1: Labor Usage F2: Parts Usage F3: Solutions F4: Misc Expense <CR>: Continu

CORPORATE & GOV'T, MAJOR CUSTOMER GROUP                                19/08/92 (02/93)
PADGHAM                                                                SVC01      2.4.8
                                SERVICE ORDER DISPLAY
                                PRESS [ESC] TO LEAVE THIS FUNCTION

Order No.: 55773596      Call Type: C20      Serial#:      Commit: 10/03
Customer : TIVOLI THEATRE RESTAURANT      COMMANDER E308
Contact : [REDACTED]      Phone: ( ) [REDACTED]      Terr: B2-25-213-VLY
Descr : LINE 1 NDT NRR SUSPECT SABOTAGE ??????
Narrative:
1) 10/03/92 07:10 EB613
2) 2528373 TESTS LOOPED....8K ...MAYBE THE BUG HAS SLIPPED OFF
3) LOCKS LIKE A JOB FOR SUPER SLEUTH SHERLOCK KELLY?????????
4)
5)
6)
Page 1 of 1
```

The previous documents indicate that on 19 August 1992 the telephone of C.O.T. member Ann Garms - of the Tivoli Theatre Restaurant serviced from the Fortitude Valley Exchange - was suspect to "sabotage?????" and that "maybe the bug has slipped off". What was the bug? Who was using it? Who was "Super sleuth Sherlock Kelly?????" F.O.I. document B00471 shows that the Tivoli Theatre Restaurant was certainly under scrutiny. By the way, was the Compass referred to in this document Compass Airlines? I believe it was serviced through the Fortitude Valley Exchange and also experienced horrific telephone problems - but that's someone else's story.

File Subject Interference

Phone [REDACTED] From [REDACTED]

To [REDACTED]

This document contains allegations, circumstantial evidence, facts and hearsay supplied over a period of time by 3 particular customers. I wish to point out I have compiled the following from a third party perspective and do not guarantee the accuracy or otherwise of the information.

My reasons are that I am continuously bombarded by these allegations from customers due to my exposure to them, up to now I have shrugged them off. Now if there is any substance in them I feel Telecom should at least keep itself informed.

There have been a number of other customers alleging possible interference, but in all these cases we have satisfied both ourselves and the customer they had been the victim of nothing more than a technical problem. These three however leave room for doubt.

FOI.

John Bereton (Fed Police) initially stated a particular person was being paid money for 3 people + others in Telecom to manipulate some services. Arrangements were made of Gus Dodds and a KH at Lutwyche as being close to the truth. Why was Federal police stopped from investigating Tivoli case. When John Ingram of Protective Services got a letter from Anne Garms the investigation reopened. Why did John Bereton start to deny anything and the volunteer for service in New Guinea for 2 years.

Why was Gus Dodds of Protective Services investigated? and investigation stopped short of his bank account, Did Barry Bennet do this. As he seen by Brian Toohey (Compass Security) & others helping himself drinks behind the bar at the International Hotel at Spring Hill and their office for phone calls as if he owned the place.

Why were investigations into allegations of sabotage to Compass Airlines stopped?

B00-171

⊕

Pendlebury, Bruce

From: Gamble, Peter
To: Pendlebury, Bruce
Cc: [REDACTED]
Subject: FW: CAPE1.DOC
Date: Tuesday, 26 April 1994 3:12PM

K00940

Bruce, for information.

Following a call from Alan Smith, I have just had a discussion with Les Churcher re a complaint that Alan Smith lodged earlier today (Leopard No 364 608). I described to Les more accurately what the problem is and he will discuss my comments with Alan Miles.

Peter.

From: Gamble, Peter
To: [REDACTED]
Cc: [REDACTED]; Black, Stephen; Rumble, Paul; [REDACTED]
Subject: RE: CAPE1.DOC
Date: Tuesday, 26 April 1994 2:33PM

John, thanks for the response.

I should have chased it up earlier, but I was on leave.

I am concerned to note that heat may be part of the problem. I had occasion earlier this year to get involved in another ongoing case involving an RCM with a heat problem at Murrumbateman (just outside Canberra). Although the problems experienced by the customer were different, as was the nature of the technical problem, the root cause seems to have been the same - viz heat.

I do note, however, that one of the symptoms from the Murrumbateman case was "Not Receiving Ring", something Alan Smith at Cape Bridgewater has been complaining about for some time.

Peter.

From: [REDACTED]
To: Gamble, Peter
Subject: FW: CAPE1.DOC
Date: Tuesday, 26 April 1994 1:09PM
Priority: High

Peter

Please see reply from Bob Braid. I don't know why you did not get a copy but I will follow up

Do you need anything else.

Regards

From: [REDACTED]
To: Gamble, Peter
Cc: [REDACTED]
Subject: FW: CAPE1.DOC
Date: Tuesday, April 26, 1994 12:40PM
Priority: High

Peter,

Reference your Mail message enquiring about the status of the DNF at Cape Bridgewater, I sent the