

issues to be addressed in the *Fast Track Settlement* and proposed arbitration procedures.

↙ **The Cape Bridgewater Remote Customer Multiplexer (RCM)**

7.29 Mr Smith of the Cape Bridgewater Holiday Camp, one of the *original COT Cases*, reported a significant level of faults when serviced by the analogue ARK exchange at Cape Bridgewater. That exchange was replaced in 1991 with a modern AXE digital exchange at Portland together with a Remote Customer Multiplexer (RCM) at Cape Bridgewater. It appears that there were problems in the installation of the RCM and that the alarm system which was meant to be activated when the level of faults exceeded a specified threshold was not connected effectively. The alarm system may have remained non-operative for some 18 months. Data produced by Telecom indicates that during that 18 months one-third of the RCM capacity, including that part providing Mr Smith's service, was subject to 46,000 minutes of degraded service (Minute dated 12 July 1993, Telecom's Supervising Engineer, National Switching Support, Melbourne to Manager, Warrnambool Control Operations Group).

7.30 It is difficult to reconcile Telecom's recent explanation of the effect of the RCM's fault on Mr Smith's service with Telecom's own contemporaneous notes of its effect.

7.31 The Cape Bridgewater RCM fault was diagnosed by a technical expert from Telecom's National Network Investigations team in July 1993. He then wrote in the following terms to Telecom's Manager, Warrnambool Central Operations Group -

"Initial reports were of a vocal customer at Cape Bridgewater complaining of VF cut-offs [a term referring to loss of voice communications] in one direction. The customer had been transferred off system 1, onto systems 2 and 3 on the 24th February '93, and had experienced no further problems. Investigations revealed that system 1 was running a large number of degraded minutes (DM) and errored seconds (ES) in the Portland to Cape Bridgewater direction, these errors could have caused the VF cut-off problem."

(Minute dated 12 July 1993, Telecom's Supervising Engineer, National Switching Support, Melbourne to Manager Warrnambool COG)

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7.32 Telecom's more recent (18 February 1994) summary of the effect of the fault upon Mr Smith's service was to the following effect -

"The fault would have caused only some low level noise on the transmission of conversations in the Portland to Cape Bridgewater direction.

There was a low probability of any occurrence of call drop out or impact on Mr Smith's ability to make or receive calls."

(Letter dated 18 February 1994, Telecom's Group General Manager, Customer Affairs to AUSTEL)

7.33 Telecom's more recent assessment of the effect of the Cape Bridgewater RCM fault on Mr Smith's service not only conflicts with the contemporaneous report quoted in paragraph 7.31 above but also does not accord with Telecom's contemporaneous GAPS record for September 1992 which shows a significantly higher complaint rate of *call drop out* and *no ring received* for customers who were reliant on the defective plant than for those dependent on the remainder of the Cape Bridgewater RCM.

Pulse Code Modulation (PCM) fault

7.34 As observed in Chapter Six, in the course of Telecom's investigation of Mrs Gillan's complaint Telecom's technicians identified faulty Pulse Code Modulation equipment as a possible cause of *call drop outs* affecting her business, Japanese Spare Parts (see Chapter Six).

7.35 Again, it is difficult to reconcile the contemporaneous reports of this problem with Telecom's more recent report (10 February 1994) entitled "*Difficult Network Faults - PCM Multiplex Report*". Statements in the report that the impact of the Siemens A735 call cut off fault on incoming calls was not significant must be read in light of contemporaneous reports (referenced in Chapter Six) that -

"... the problem, when solved, will generally clear the cut off problem which we perceive as the major disability confronting our customers."

"Evidence exists that Cut Offs are widespread in the region"

14 JUL 95 21:08 P.01

Street
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Dear Sir,

Casualties of Telecom (COT Cases)

I am writing this in support of Mr Alan Smith, who, I believe has a meeting with you during the week beginning 17 July.

I first met the COT Cases in 1992 in my capacity as General Manager, Consumer Affairs at Austel. The "founding" group were Mr Smith, Mrs Ann Garms of the Tivoli Restaurant, Brisbane, Mrs Shiela Hawkins of the Society Restaurant, Melbourne, Mrs Maureen Gillan of Japanese Spare Parts, Brisbane and Mr Graham Schorer of Golden Messenger Couriers, Melbourne. Mrs Hawkins withdrew very early on, and I have had no contact with her since then.

The treatment these individuals have received from Telecom and Commonwealth government agencies has been disgraceful, and I have no doubt that they have all suffered as much through this treatment as they did through the faults on their telephone services.

One of the most striking things about this group is their persistence and enduring belief that eventually there will be a fair and equitable outcome for them, and they are to be admired for having kept as focused as they have throughout their campaign.

Having said that, I am aware that they have all suffered both physically and in their family relationships. In one case, the partner of the claimant has become quite seriously incapacitated; due, I believe to the way Telecom has dealt with them. The others have all suffered various stress related conditions (such as a minor stroke).

During my time at Austel I pressed as hard as I could for an investigation into the complaints. The resistance to that course of action came from the then Chairman, Mr Robin Davey. He was eventually galvanised into action by ministerial pressure. The Austel report looks good to the casual observer, but it has now become clear that much of the information accepted by Austel was at best inaccurate, and at worst fabricated, and that Austel knew or ought to have known this at the time.

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TEC NO.

16 Jul 95 7:32 P.01

After leaving Austel I continued to lend support to the COT Cases, and was instrumental in helping them negotiate the inappropriately named "Fast Track" Arbitration Agreement. That was over a year ago, and neither the Office of the Commonwealth Ombudsman nor the Arbitrator has been successful in extracting information from Telecom which would equip the claimants to press their claims effectively. Telecom has devoted staggering levels of time, money and resources to defeating the claims, and there is no pretence even that the arbitration process has attempted to produce a contest between equals.

This has increased the stress levels and feeling that there may be no hope of an equitable outcome, and I have observed the general health of all claimants declining noticeably over the last eight or nine months in particular.

Because I'm not aware of the exact circumstances surrounding your meeting with Mr Smith, nor your identity, you can appreciate that I am being fairly circumspect in what I am prepared to commit to writing. Suffice it to say, though, that I am fast coming to share the view that a public inquiry of some description is the only way that the reasons behind the appalling treatment of these people will be brought to the surface.

Even if the remaining claimants receive satisfactory settlements (and I have no reason to think that will be the outcome) it is crucial that the process be investigated in the interests of accountability of public companies and the public servants in other government agencies.

I would be happy to talk to you in more detail if you think that would be useful, and can be reached at the number shown above at any time.

Thank you for your interest in this matter, and for sparing the time to talk to Alan.

Yours sincerely

Amanda E. Davis

Amanda Davis

15 July '95

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If the RCM goes "down" the effect would be the same as a break in the cable of a customer connected directly to an exchange. Thus when an outgoing call was attempted, no dial tone would be received and hence a call could not be made. When another customer originated a call to a customer on an RCM system that was "down", the calling customer would receive normal ring tone. It should be noted that, should this situation occur, then an alarm signal would be generated by the exchange unit of the RCM to alert staff to the situation.⁷⁰

- 153 A feature of the RCM system is that when a system goes "down" the system is also capable of automatically returning back to service. As quoted above, normally when the system goes "down" an alarm would have been generated at the Portland exchange, alerting local staff to a problem in the network. This would not have occurred in the case of the Cape Bridgewater RCM, however, as the alarms had not been programmed. It was some 18 months after the RCM was put into operation that the fact the alarms were not programmed was discovered. In normal circumstances the failure to program the alarms would have been deficient, but in the case of the ongoing complaints from Mr Smith and other subscribers in the area the failure to program these alarms or determine whether they were programmed is almost inconceivable.
- 154 Examination of LEOPARD data for individual fault reports from Cape Bridgewater complaining of both NDT and NRR over the period September 92 to the end of February 93 indicate a substantial number of these complaints. The relevance of these fault reports to a system in the Cape Bridgewater RCM going "down" are that they indicate that calls from services in the area could neither get in or out of the area, indicating that the RCM may have gone "down" for a period. Complaints of both NDT and NRR originated from at least 15 separate services in the area over this period. The period of most numerous complaints occurred from 21 to 24 November 1992, with complaints originating from 6 separate services, none of which belonged to the Cape Bridgewater Holiday Camp. When inquiries

⁷⁰Black to MacMahon - 18 Feb 1994