

## SMITH - REVIEW OF FINANCIAL CLAIM

### 5.6 Additional Costs of Acquiring Facilities - \$91,000 (\$172,000 revised)

FHCA Recommendation	Claim	Defence
	\$172,000	-

DM Ryan has claimed \$172,000 for the additional cost now suffered by CBHC to purchase and build additional facilities at CBHC.

It is claimed that the cost of these facilities in 1990-91 was \$208,000 and this has now risen in 1994 to \$299,000. This claim was increased to \$172,000 (per letter from DMR dated 21 January 1995). The claim was increased to allow for the tax which will be payable on the claim ( $\$172,000 \times 47\% = \$80,840$ ).

Claim	\$172,000
Tax	<u>\$(80,840)</u>
Net Receipt	<u>\$91,160</u>

Smith had planned in 1990/1991 to acquire, repair and erect buildings at a cost of up to \$208,000 made up as follows:

	\$
• Tender costs of mobile health centre - accommodates 40 Reclad outside to blend in with the other buildings	20,000 15,000
Removal costs	4,000
Plumbing	2,500
Electrical	2,000
• Costs of 3 unit cabins - each cabin accommodates 8-12	63,000
• Cost of 2 unit cabins - each cabin accommodates 8-12	42,000
• Cost of renovation to managers house	25,000
• Cost of repairs to toilets and showers	2,000
• General repairs - say \$5,000 per annum (6.5 years)	<u>32,500</u>
<b>Total</b>	<u><b>208,000</b></u>

*I wanted to argue with him - 1990 + by - 1991 for \$208,000.  
 But a photo, I see to borrow. Let me know now - \$299,000 - change  
 compensate for price has risen - increased cost by ~~199,000~~  
 Crappy claim - too remote*

STATE OF NEW YORK

IN SENATE  
January 11, 1911

REPORT  
OF THE  
COMMISSIONERS OF THE LAND OFFICE

IN RESPONSE TO A RESOLUTION PASSED BY THE SENATE  
MAY 17, 1909

11

## SMITH - REVIEW OF FINANCIAL CLAIM

*see notes*

### 5.7 Loss of Capital Value in the Business - \$447,000

FHCA Recommendation	Claim	Defence
	\$477,000	-

DM Ryan have projected a proforma profit and loss statement with estimated operating expenses and have calculated a maintainable profit figure of \$308,000. Based on this, DMR have valued the business in the range of \$925,000 to \$1,100,000.

DM Ryan state the present valuation of CBHC based purely on land and buildings is \$230,000.

Capital loss calculation:

	DM Ryan Business Valuation	Land and Building Valuation	Capital Loss
Low Range	\$925,000	\$230,000	\$695,00
High Range	\$1,100,000	\$230,000	\$870,000

Alternatively, DM Ryan has argued that this capital loss can be replaced by A Smith retaining the business and rebuilding the business to the level where the capital loss would be diminished or eliminated.

#### Alternative Capital Loss Claim

DM Ryan have prepared as analysis of the expected income and expenses over the next 2 years and the future profits (losses) which should be earned (incurred) as the business is rebuilt. Throughout 1995 and 1996 (two years) it is assumed that the business will be rebuilt based on 40% (1995) and 60% (1996) occupancy.

Expected losses to 30 June 1995	\$38,089
Expected profit to 30 June 1996	\$308,486
Expected other costs in 1996	<u>\$100,000</u>
	<u>\$446,575</u>

*Ryan says value of business 925 - 1.1 (proforma for \$250)  
 Ryan gives alternative - lost profit - \$447,000  
 (really re-establishment costs)*

*Smith*

## SMITH - REVIEW OF FINANCIAL CLAIM

### 5.10 Capital Costs for New Telephone System \$25,000

A new UHF receiver is required to be installed at Cape Bridgewater to overcome the existing service difficulties and faults. The cost is \$25,000.

DTT state that no information has been provided in support nor explained how the receiver will resolve the communication fault.

DM Ryan says in reply, that this is for the Arbitrator to determine.

#### Smith

Smith has said verbally that given they are now laying optic fibre for the telephone lines, this is no longer required.

D Read said in his opinion, the VHF receiver would not solve any problems.

### 5.11 Advertising Costs \$72,300

*CBHC for 5 years only  
now that PETERS better*

#### Claim

DM Ryan state that CBHC needs to be re-marketed once the rebuilding and refurbishment programs have been completed. To rebuild CBHC's reputation an advertising campaign will need to be implemented as follows:

*- double dipping - one spend amount for advertising  
- should have been*

Quotation received by Smith:

Vic/TV	<i>reduction contribution for cost of capital bank 7</i>	\$38,000
SES/8		\$11,500
Telemarketing - 250 schools and 150 clubs		\$10,550
Telemarketing to clubs		<u>\$12,500</u>
		<u>\$72,550</u>

#### Defence

DTT state that to outlay 136% of last years revenue as advertising is not a commercial strategy for a properly managed business.

*16/06/01  
Now laying optic fibre so doesn't need to purchase*

*He wants a new place - will this resolve the problems?  
- ~~DTT~~ I had say they it  
wouldn't solve the problem  
- Can't get problems at moment  
anyway*

WRONG = 1



The first part of the paper is devoted to a general discussion of the problem. It is shown that the problem is equivalent to a problem in the theory of differential equations. The second part of the paper is devoted to a detailed study of the problem. It is shown that the problem is solvable if and only if certain conditions are satisfied. The third part of the paper is devoted to a study of the properties of the solutions of the problem. It is shown that the solutions are unique and that they depend continuously on the data of the problem. The fourth part of the paper is devoted to a study of the asymptotic behavior of the solutions of the problem. It is shown that the solutions approach a certain limit as the independent variable approaches infinity.





# Chlorine Isotopes

22

Pop 1  
Pop 2  
Pop 3

Chlorine has two isotopes,  $^{35}\text{Cl}$  and  $^{37}\text{Cl}$ .

The relative atomic mass of chlorine is 35.5. This is the weighted average of the masses of the two isotopes. Let  $x$  be the relative abundance of  $^{35}\text{Cl}$  and  $1-x$  be the relative abundance of  $^{37}\text{Cl}$ . Then  $35x + 37(1-x) = 35.5$ . Solving for  $x$  gives  $x = 0.75$  and  $1-x = 0.25$ . Therefore, chlorine consists of 75%  $^{35}\text{Cl}$  and 25%  $^{37}\text{Cl}$ .

Chlorine is a diatomic molecule,  $\text{Cl}_2$ . The relative molecular mass of chlorine is 71. This is the weighted average of the masses of the two isotopes. Let  $x$  be the relative abundance of  $^{35}\text{Cl}_2$  and  $1-x$  be the relative abundance of  $^{37}\text{Cl}_2$ . Then  $70x + 74(1-x) = 71$ . Solving for  $x$  gives  $x = 0.5$  and  $1-x = 0.5$ . Therefore, chlorine consists of 50%  $^{35}\text{Cl}_2$  and 50%  $^{37}\text{Cl}_2$ .

Chlorine is a halogen and is highly reactive. It is used in many industrial processes, including the production of plastics and pharmaceuticals. It is also used in water treatment to disinfect water.

Chlorine is a yellow-green gas with a strong, pungent odor. It is toxic and can cause respiratory irritation. It is also a strong oxidizing agent and can react with many other elements.

Chlorine is found in nature as a diatomic molecule,  $\text{Cl}_2$ . It is extracted from brine through electrolysis. The chlorine gas is then used in a variety of industrial processes.

Chlorine is an essential element for many organisms. It is used in the production of hydrochloric acid, which is important for the digestion of food. It is also used in the production of many other chemicals.

Chlorine is a common element in the Earth's crust. It is found in many minerals, including chlorite and chlorite. It is also found in seawater and in the atmosphere.

Chlorine is a common element in the human body. It is used in the production of hydrochloric acid, which is important for the digestion of food. It is also used in the production of many other chemicals.

Chlorine is a common element in the environment. It is found in many minerals, including chlorite and chlorite. It is also found in seawater and in the atmosphere.

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Smith has provided numerous examples where large groups have attended CBHC to support the rationale for increasing bed numbers to 166. An analysis of the information provided by Smith in fact shows that the average size of groups is still substantially less than 100 and there is insufficient information to suggest that Smith would have been successful in getting a large number of groups in excess of 100 people to Cape Bridgewater.

From the information provided, FHCA consider that Smith may not have been able to attract large fully catered groups in sufficient quantity to pay for the funding of the additional facilities.

### 3.0 Three Hour Travel Distance

DTT state that the School Needs survey found that schools generally preferred to travel less than three hours to camp sites. As CBHC was more than three hours from the main metropolitan area of Melbourne, its target market (schools, as assumed by DTT) was reduced accordingly. DTT believe that this reduced market continues to effect CBHC's profitability. DTT calculated the percentage of Victorian schools within three hours of Portland to be as follows:

	% of Victorian Schools	Schools
Government	15.7%	304
Independent	15.0%	102
		<u>406</u>

FHCA believe the School Needs survey (as quoted by DTT) provides limited information. The survey was sent out to 2,651 Victorian primary and secondary schools and only 10% were returned. There are obvious limitations in utilising a survey when only 10% of those surveyed respond. Details of the schools that replied to the survey are as follows:

	% of Victorian Schools
State Schools	74%
Church Schools	20%
Private Schools	6%

↙ An analysis of the clientele of CBHC shows that only 53% were in fact schools. Further, the clientele of CBHC from 1988 to 1994 shows that there are a considerable number of attendees that have travelled more than three hours. FHCA also note that DTT's analysis of schools within three hours excludes those schools from South Australia and particularly schools close to the South Australian/Victorian border, which means that the potential market for CBHC is in fact bigger than the number of Victorian schools mentioned above. ↘

L69460

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CONFIRMATION  
OF FAX



10 January 1996

Telecommunications  
Industry  
Ombudsman

Mr Alan Smith  
Cape Bridgewater Holiday Camp  
Blowholes Rd  
RMB 4408  
CAPE BRIDGEWATER VIC 3306

John Pinnock  
Ombudsman

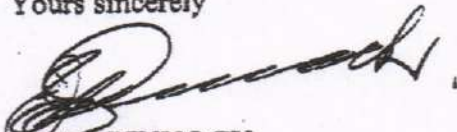
Dear Mr Smith

I refer to your letter of 31 December 1996 in which you seek to access to various correspondence held by the TIO concerning the Fast Track Arbitration Procedure.

The arbitration of your claim was completed when an award was made in your favour more than eighteen months ago and my role as Administrator is over.

I do not propose to provide you with copies of any documents held by this office.

Yours sincerely



JOHN PINNOCK  
OMBUDSMAN

570

*"... providing independent, just, informal, speedy resolution of complaints."*

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12 February 1997

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Attn: Mr John Wynack

Dear Sir

Alan Smith - Your reference number C/94/625

I refer to your letters of 3 January and 7 February 1997. I apologise for the delay in replying, however Mr. Black's personal assistant has been on annual leave and consequently I was unable to speak with her in relation to your queries.

Telstra responds to your specific queries as follows:

- It is the case that Mr Black left Telstra's employ in April, 1996;
- You comment that you believe Telstra "should have taken steps to protect documents covered by [Mr Smith's] request while it consulted with Mr Smith in an attempt to scope down the FOI request".

It is the case that Telstra did indeed take such steps, as Telstra wished to retain all of the files created by Mr Black relating to the CoT claims. For that reason Mr Benjamin, Telstra's Director Consumer Affairs, instructed Mr Black's personal assistant to forward all of Mr Black's CoT files to the FOI Unit. As a result a large number of files (86 in all) were forwarded to the FOI Unit. Unfortunately, at that time the files in question were apparently not recognised as files relating to CoT matters, rather they were thought to be simply files of miscellaneous material. I should note that Mr. Black's personal assistant does not specifically recall disposing of the files in contention, rather she believes that they must have not been recognised and disposed of as they are not amongst the files forwarded to the FOI Unit. In this regard there were a number of other files which contained miscellaneous material, none of which related to CoT matters. Mr Benjamin instructed Mr Black's personal assistant that it was in order to dispose of that material as none of it appeared to be relevant to any current or ongoing matters.

As you will see from the above these files were inadvertently disposed of. It was Telstra's intention to retain all files held by Mr Black relating to the CoT matters. It is unfortunate that these files were disposed of, however I reiterate that that was not Telstra's intention. I point out also that, happily, this ought not limit the documents available to Mr Smith pursuant to his

57D

FOI request. In this regard I note that:

- As my letter to you of 20th December 1996 noted, the files maintained by Mr Black of each piece of outward correspondence dispatched by him on any matter whilst he was at Telstra were retained and were inspected pursuant to the request from your office. As a result, three further pieces of correspondence were identified which fell within the scope of Mr Smith's FOI request. Consequently, I am satisfied that Telstra has completed as full a search as it is able for copies of correspondence from Mr Black to Dr Hughes for the period in question;
- In the three pieces of further correspondence located on Mr Black's files, reference is made to a letter from Dr Hughes to Mr Black dated 18th January 1994. Telstra has been unable to locate a copy of that letter on its files. Consequently I have written to Dr Hughes asking him to provide a copy of same to Telstra and will then pass that document on to Mr Smith.

As noted above I believe Telstra has completed as full a search as it is able for correspondence from Mr Black to Dr Hughes. As I noted in my letter of 20th December 1996 to you, if Mr Smith believes there is correspondence between Telstra and Hunt and Hunt which he has not received then Telstra would raise no objection if he chose to approach Hunt and Hunt directly or the Telecommunications Industry Ombudsman to request them to search their files.

On a separate matter I note that Mrs Garms has written to Telstra quoting from my letter to you of 20th December 1996. Whilst it is a matter for you as to how you deal with Telstra's responses, it was not my understanding that they were being passed on to Mrs Garms. If that is, in fact, the case I would appreciate the courtesy of being advised of that in advance.

I trust that the above responds to your queries. However if you require any further information please do not hesitate to contact me.

*R. W. Watters*

Yours faithfully

John Armstrong  
Consumer Affairs Counsel

Per: Robyn Watters

Ref No: C/94/225

// March 1997



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Dear Mr Armstrong

I refer to previous communications concerning our investigation of complaints by Mr Alan Smith. In particular I refer to our investigation of the complaint alleging that Telstra unreasonably delayed providing documents requested in his October 1995 FOI application - Telstra was notified of the complaint on 19 June 1996. On 7 March 1997 I sought information from three Telstra officers about one aspect of your response to that complaint viz the disposal of some of Mr Black's papers after Mr Black left the employ of Telstra.

The Ombudsman's office will soon respond to the statement read to Mr Wynack prior to Mr Wynack interviewing Ms Gill.

Attached is a copy of a letter I received from Mr Smith today. Mr Smith informed me that document number L68994 was included among documents he received in June 1996 pursuant to his FOI application of October 1995. Mr Smith stated that he did not receive a copy of the letter referred to in Mr Black's letter viz the letter from Mr Hughes dated 28 September 1994.

I should be grateful to receive your comments on Mr Smith's statement. In providing your comments, please advise me whether document L68994 was sourced from Mr Black's files. If not, please inform me of the source of the document ie from which Telstra file was document L68994 extracted.

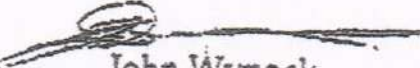
I am not inquiring about document L69202.

571

My inquiries in this letter relate to the complaint I notified to Telstra on 19 June 1996.

Given that this inquiry is very specific, I should be grateful to receive a reply within 14 days.

Yours sincerely

  
John Wynack  
Director of Investigations

571

Ref No: C/94/625

March 1997



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Dear Mr Armstrong

I refer to previous correspondence and discussions concerning the complaint by Mr Alan Smith, which on 19 June 1996 in a letter to Telstra, I summarised as alleging '..that Telstra unreasonably has delayed providing documents requested under the FOI application.' (the FOI application was dated 18 October 1995)

On 20 December 1996 you informed the Ombudsman :  
*'Telstra has been unable to locate Mr Black's further general files which include copies of the correspondence received from Hunt & Hunt in relation to the development of the Fast Track Arbitration Process and I am advised that these files, along with other documents, were disposed off by his personal assistant sometime after he left Telstra's employ.'*

On 12 February 1997, in response to queries I raised in a letter of 3 January 1997, you qualified your statement of 20 December 1996 with the following:

*'Unfortunately, at that time the files in question were apparently not recognised as files relating to CoT matters, rather she believes that they must not been recognised and disposed of as they are not amongst the files forwarded to the FOI Unit.'*

On 7 March 1997, I interviewed Ms Gill, Mr Benjamin and Mr Kearney in an attempt to obtain information about the alleged disposal of the documents to assist the Ombudsman to form a view as to whether Telstra had acted unreasonably in failing to provide documents to Mr Smith pursuant to his October 1995 FOI application.

571



During the course of her interview, Ms Gill informed me that the papers dealing with Mr Black's role in establishing the Fast Track Arbitration Procedure were on an 'arbitration file' and that that file is one that is missing. Ms Gill said that *'.. I don't recall having sent it to anybody and I don't recall having put it in the bin..'* Ms Gill said that the 'arbitration file' was a manilla folder *'..but a fairly thick one.'*

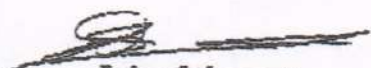
Mr Benjamin had no recollection of such a file being in existence or among those he sighted after Mr Black's departure. Mr Benjamin said that *'Mr Black himself would have removed files from the office, I understand, on his departure but I presume they are personal files.'*

On the basis of the information given to me by Mr Benjamin and Ms Gill, it is extremely improbable that Ms Gill disposed of the documents in the 'arbitration file', or indeed any other documents from Mr Black's office which would have been included in Mr Smith's FOI application of 18 October 1995.

Please inform me of the actions Telstra has taken to ascertain the whereabouts of the specific file which Ms Gill described as the 'arbitration file'. Has Telstra asked Mr Black whether he has any knowledge of the whereabouts of the file? I would appreciate receiving your response to this letter within seven days of the date of this letter.

The Ombudsman will write soon about the statement read by the lawyer from Malleson's prior to my interview of Ms Gill, and the opinion that the section 9 notices, issued to Messrs Benjamin and Kearney and to Ms Gill, were invalid.

Yours sincerely

  
John Wynack  
Director of Investigations

C/94/195

122

4 October 1997

*Facced at 3.25  
4/10*



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Dear Mr Armstrong

I refer to my letter to Telstra dated 13 March 1997 (copy attached for your convenience) in which I asked you to inform me of the actions which Telstra has taken to ascertain the whereabouts of the specific file which Ms Gill described as the 'arbitration file', and whether Telstra asked Mr Black whether he has any knowledge of the whereabouts of the file.

I have no record of receiving a response to my inquiries. Please inform me when I might expect to receive a reply

Yours sincerely

  
John Wynack  
Director of Investigations

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