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5 May 1995

Our Ref: GLH

Matter No: 5126886

Your Ref:

Mr Alan Smith
Cape Bridgewater Holiday Camp
RMB 4408
CAPE BRIDGEWATER
Portland Vic 3305

Dear Mr Smith

ARBITRATION - TELECOM

I refer to your telephone message of 4 May and your facsimiles of 4 and 5 May 1995 and advise I do not consider grounds exist for the introduction of new evidence or the convening of a hearing at this stage.

I reiterate that any comments regarding the factual content of the Resource Unit reports must be received by me in writing by 5.00 p.m. on Tuesday 9 May 1995.

Yours sincerely

GORDON HUGHES

cc E Benjamin, W Smith, P Bartlett, J Rundell

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North Fitzroy
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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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TEL 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