

Telecommunications  
Industry Ombudsman  
Annual Report 1998–1999



Telecommunications  
Industry  
Ombudsman

Free, independent, just, informal and  
speedy resolution of complaints about  
telecommunications services.



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# TELECOMMUNICATIONS INDUSTRY OMBUDSMAN

1998-99 Annual Report

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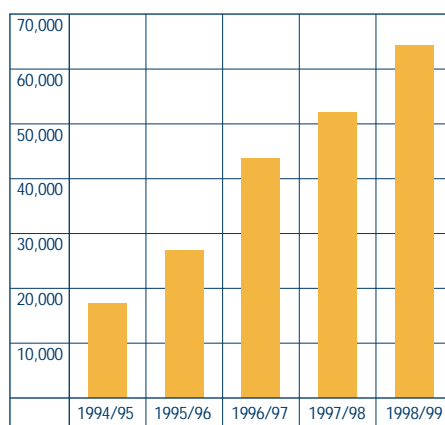
# 1998-99 AT A GLANCE

TIO membership increased by 62% to number 866

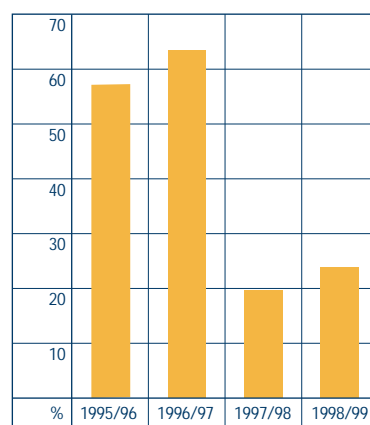
Total number of complaints increased by 23.5%, numbering 64,394

## Total number of complaints

An increase of 23.5% over the previous year, includes 10,258 non-allocated complaints.



## % Increase in complaints compared to previous year



1998-99 saw a continued rise in the number and complexity of complaints lodged with the TIO. The total number of complaints handled by the TIO increased by 23.5% to 64,394. Because some cases include more than one issue, a total of 67,023 issues were raised by complainants.

The continued increase in complaint numbers is mostly due to greater public awareness of the TIO, compensation available under the Customer Service Guarantee (CSG) and a sharp increase in complaints about faults and the provision of telephone services.

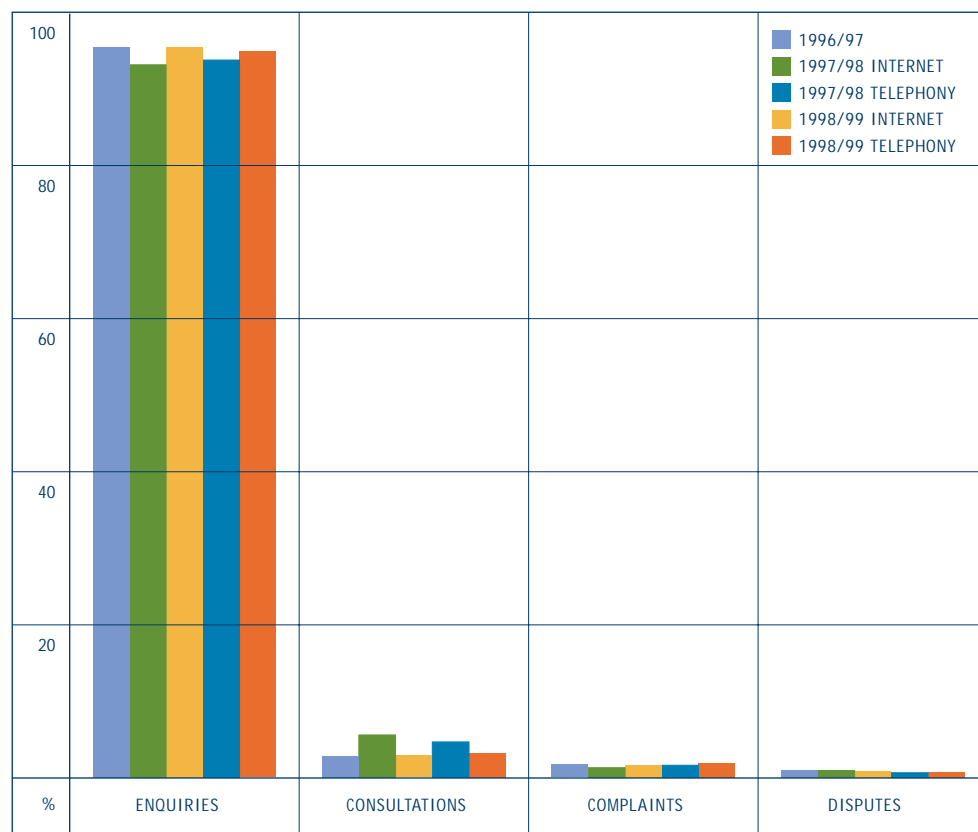
The number of TIO members also continued to increase, rising by 61.9% to 866 members at 30 June 1999. Internet Service Providers (ISPs) comprise 86.7% of the TIOs membership.

Complaints against ISPs accounted for 6.0% of all complaints, up from 3.2% in the previous year.

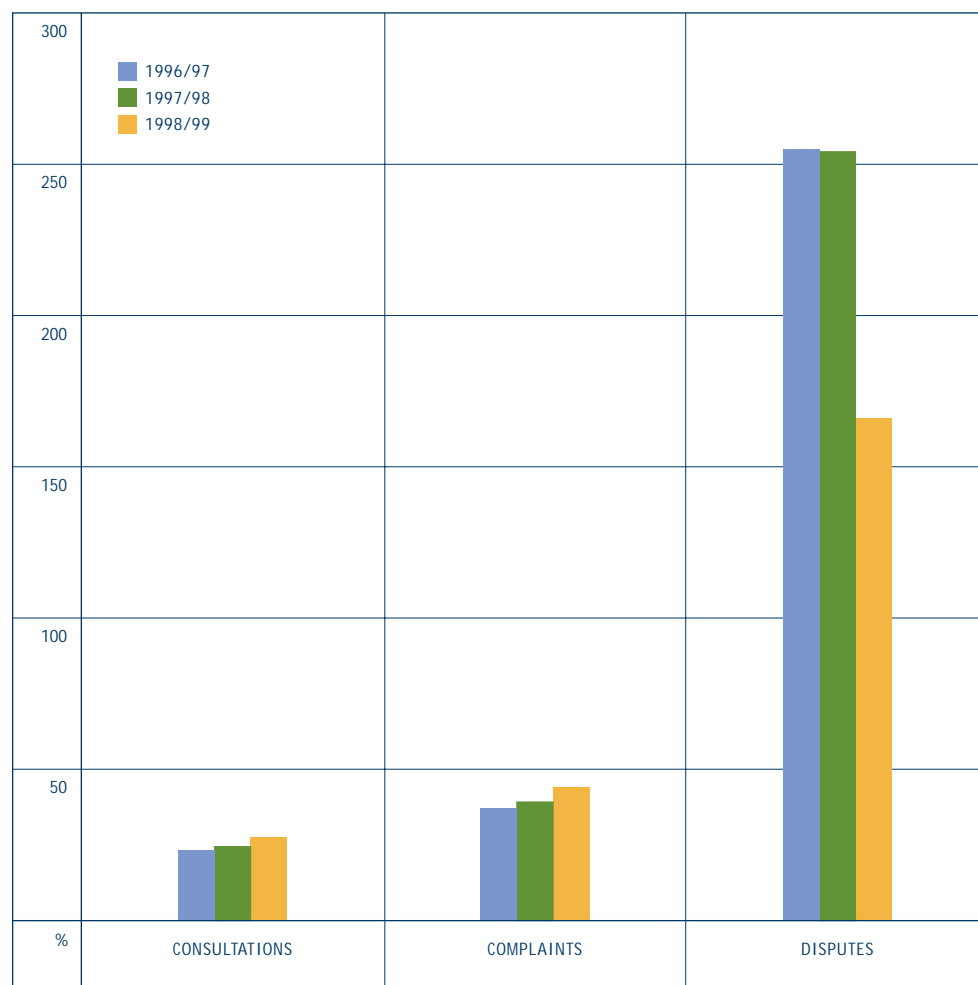
Despite increasing membership and complaint numbers the TIO maintained approximately the same complaint resolution times as last year. Costs to TIO members increased only slightly.

In addition to handling individual complaints, the TIO continued to represent its views on a variety of telecommunications issues affecting consumers to the Department of Communications, Information Technology and the Arts (DoCITA); the Australian Communications Authority (ACA); the Australian Communications Industry Forum (ACIF); the Australian Competition and Consumer Commission (ACCC) and individual TIO members.

### Complaint mix (% of total)



### Complaint resolution times (days)



# STATEMENT FROM THE CHAIRMAN OF COUNCIL

Throughout 1998-99, the Scheme has continued to provide excellent service despite increases in the volume and complexity of issues raised by callers.

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The Scheme has continued to provide an excellent service to consumers in the face of further increases in the volume and complexity of complaints.

The Council is comprised of both industry and public interest delegates representing a wide diversity of interests. This diversity is reflected in the lively debate and spirit of cooperation that characterises Council meetings. I would like to thank members of Council who give so generously of their time and expertise.

Following a review of the composition of Council, the number of members will be increased by two to include additional industry and consumer representatives. This will further enhance Council's representative nature. As this proposal requires changes to the Constitution, it will be put to a General Meeting during 1999.

Council membership changed during 1998-99 with the appointment of Ms Vic Marles to one of the four positions for public interest/user group representatives. Council viewed the departure of Elizabeth Morley at the end of her term of office with deep regret. Elizabeth was a strong representative who worked tirelessly to ensure the TIO retained its focus on the needs of the consumer. We thank Elizabeth for her outstanding contribution and wish her well in future pursuits.

The office of the TIO has been strengthened by the appointment of Deirdre O'Donnell as Deputy Ombudsman. We look forward to working with Deirdre in her new role.

I also wish to thank John Rohan, Chairman of the Board, and the other Directors for their steady leadership in the face of an ever-changing environment.

Finally, I wish to acknowledge the excellent work of Ombudsman John Pinnock and his team at the TIO. The admirable achievements of the Scheme would not be possible without the energy and commitment of TIO staff.

I look forward to the year ahead as the TIO prepares to meet and overcome new challenges in the next century.



The Hon Tony Staley  
Chairman of Council



THE HON TONY STALEY  
Chairman of Council



MS VIC MARLES  
Coordinator  
*Communications Law Centre,  
Victoria University of Technology*



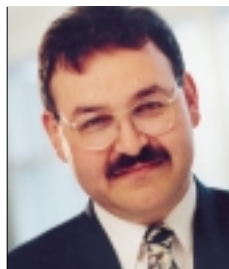
MR EWAN BROWN  
Executive Director  
*The Small Business Enterprise  
Telecommunications Centre Ltd (SETEL)*



MS PAM MARSH  
Chair  
*Consumers' Telecommunications Network*



MS ELIZABETH MORLEY  
Finished term of office June 1999  
*Australian Consumers' Association*



MR ANDREW BEDOGNI  
Manager  
*Regulatory Affairs,  
Cable & Wireless Optus*



MR TED BENJAMIN  
Director  
*Consumer Affairs, Telstra Corporation*



MR GRAEME HOLM  
General Manager  
*Corporate and Regulatory Affairs,  
Vodafone Network Pty Ltd*



MR BRIAN PERKINS  
Director  
*Regulatory and Legal, AAPT Ltd*

# STATEMENT FROM THE CHAIRMAN OF THE BOARD

1998-99 was another successful year for the TIO with a record number of telecommunications consumers making contact with the TIO.

Complaint numbers grew by almost one-quarter compared with the previous year and consumer feedback has been most positive.

During the year, TIO membership increased by more than half from 535 to 866. On behalf of the TIO, I would like to warmly welcome these new members. The high level of participation of new and old Scheme members is very pleasing to report. The TIO is continuing to address the ongoing challenge of ensuring that members understand the role and procedures of the TIO.

During 1998-99 Ms Susan Holmes and Mr Stephe Wilks joined the Board. Mr Wilks is one of two Directors appointed by Cable & Wireless Optus, while Ms Holmes was appointed as the Independent Director. I thank all my fellow Directors for their valuable contributions during the year.

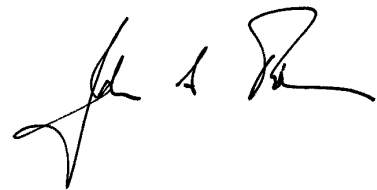
I also wish to express my appreciation to the Chairman of Council, the Honourable Tony Staley, and Council members for their enthusiasm and conscientious approach to the issues before them. In June 1999 we bade farewell to Elizabeth Morley whose term of office on Council had come to an end. The Board and Council thank Ms Morley for her dedication and unswerving commitment to the work of the TIO. A new consumer representative has been appointed.

In October 1998 the TIO relocated to new offices in William Street. The move was due to the success of the Scheme and corresponding growth in membership and staff numbers. We now have excellent facilities to carry us well into the next century.

The past year has seen an unprecedented level of debate about the TIO's funding system. The desire for change communicated by many of our small business members has led to a review of our funding system with changes effective from 1 July 1999. I thank all members for their input.

I would like to take this opportunity to thank John Pinnock, Deirdre O'Donnell and the TIO staff team. The success of the TIO is a testimony to their skill, enthusiasm and commitment.

We can all be proud of the achievements of the TIO and I look forward with great confidence to the TIO's continued development.



John Rohan  
Chairman of the Board





MR JOHN ROHAN  
Chairman of the Board  
Managing Director  
*Vodafone Network Pty Ltd*



MR COLIN MARLAND  
Executive Director  
*Chifley Group*



MR ADAM SUCKLING  
Group Manager  
*Regulatory Affairs,  
Cable & Wireless Optus*



MS DEIRDRE MASON  
Director  
*Corporate Affairs,  
Telstra Corporation*



MR KEVIN DINN  
Resigned June 1999  
Former Director  
*Zip Internet Professionals Pty Ltd*



MR STEPHE WILKS  
Director  
*Regulatory and Public Affairs,  
Cable & Wireless Optus*



MS SUSAN HOLMES  
Executive General Manager  
*RACV*



MR GRAEME WARD  
Group Managing Director  
*Public Affairs and Corporate Marketing,  
Telstra Corporation*

# OMBUDSMAN'S OVERVIEW

In many respects the primary focus of the TIO in 1998-99 – complaint resolution – was a recapitulation of past years with complaints continuing to increase at historic levels. This overall trend, however, masks a number of other developments.

John Pinnock Ombudsman



In many respects the primary focus of the TIO in 1998-99 – complaint resolution – was a recapitulation of past years with complaints continuing to increase at historic levels.

Billing remained the number one issue and the TIO experienced a further rise in the number of Internet Service Providers (ISPs) becoming members of the Scheme.

This overall trend, however, masks a number of other developments.

While increasing complaint numbers generally reflect rising public awareness of the TIO and its role, TIO statistics over the past year showed, for the first time, evidence of a decline in customer service standards in the basic and important areas of providing new telephone lines and repairing faults.

A number of factors are responsible for this trend. The introduction and growing consumer awareness of the Customer Service Guarantee (CSG), rapidly increasing demand for second lines by residential consumers, extreme weather conditions and the need to lift productivity have all had an impact, but isolating their relative effects is difficult, if not impossible.

Qualitative analysis of investigations also confirms a trend towards increasingly complex and time-consuming investigations as the range and complexity of communications products and services on offer continues to grow. Despite this trend and the stresses that it produces, TIO investigations staff have maintained a high level of professionalism and commitment.

**“...consumers are still battling to overcome basic [Internet] access problems such as call drop-out, congestion and slow download speeds.”**

Another issue is the increasing need to devote TIO resources to the industry-wide task of developing self-regulatory Codes of Conduct, an issue facing all parts of the telecommunications sector. This ongoing project is a centrepiece of the role of the Australian Communications Industry Forum (ACIF), and has demonstrated the professionalism of that body and its project officers. Nevertheless, while the industry has made considerable advances in developing operational or technical Codes, progress in establishing consumer Codes has probably fallen short of many expectations, as participants grapple with the thorny problem of the content of each Code.

In the other primary area of the TIO's focus, Internet related complaints, the figures also mask a number of issues. Starting from a 1997-98 base of 3%, Internet related complaints have risen to approximately 6% of total complaints in 1998-99, still a relatively low figure and below the predicted figure of 10%.

In this area, complaint statistics probably reflect a lower level of consumer awareness of the role of the TIO – a matter which the TIO must address – and a high degree of uncertainty among consumers as to what they can reasonably expect by way of customer service and industry standards.

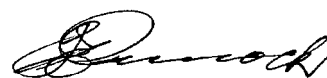
**“...TIO statistics over the past year showed, for the first time, evidence of a decline in customer service standards in the basic and important areas of providing new telephone lines and repairing faults.”**

In the area of customer service, the Code of Conduct established by the Internet Industry Association (IIA) is a welcome advance, although many ISPs have failed to adopt it or abide by its general provisions.

The real problem remains the inadequacy or lack of broad ISP industry standards at an operational or technical level, and the consequent difficulty for consumers and ISPs in making objective judgements of what to expect or what can be expected of them. So, while there have been a number of government and legislative initiatives designed to encourage e-commerce and to protect the security and privacy of transactions over the Internet, consumers are still battling to overcome basic access problems such as call drop-out, congestion and slow down-load speeds.

The failure of the industry in this regard is no doubt due to the immediacy of other concerns such as the demand for increasing bandwidth, heavy price competition and the chase for customers in an industry with low margins and few barriers to entry.

Nevertheless, the lack of commitment to establishing these necessary self-regulatory industry standards is shortsighted and will inevitably lead to demands from consumers for greater regulatory intervention.



John Pinnock  
Ombudsman

# TIO OPERATIONS

A member is only charged if the TIO receives a complaint from one of the member's customers.

## FUNDING

The TIO is an industry-sponsored scheme, deriving its funding solely from members who are charged fees for complaint resolution services provided by the TIO. Members consist of telecommunications carriers, telephone service providers (TSPs) and Internet Service Providers (ISPs).

A member is only charged if the TIO receives a complaint from one of the member's customers. Therefore, the funding system acts as an incentive for members to keep TIO investigations to a minimum by developing and maintaining effective complaint handling and customer service procedures.

Complaint handling fees during 1998-99 were as follows:

Complaint Category	Fee
Enquiry	\$15.00
Consultation	\$140.00
Complaint	\$292.00
Dispute	\$1,130.00

Revenue from complaint handling fees is used to fund the costs of operating the TIO's investigations area. These expenses include salaries for investigations staff, free-call telephone charges and half of overhead costs such as rental of office premises, stationery and other general operating items.

If a member incurs complaint handling fees it is also required to contribute a proportion of the TIO's overhead costs. These costs include marketing and

promotions, computer systems and other general operating items. The proportion of complaint handling fees attributed to a member determines the proportion of overhead expenses the member must pay. For example, if a member incurs 5% of the total complaint handling fees, it pays 5% of the overhead costs. Capital expenditure is quantified separately in the business plan and is funded in the same way as overhead costs.

The TIO Board may also obtain funds from members by raising a levy to finance special projects such as consultants' reports. To raise a special levy the TIO will make a request to the Board for funding over and above the current annual budget. Special levies are a rare occurrence as all expenditure is usually allocated in the business plan.

Members receive quarterly invoices for complaint handling fees incurred in the current quarter (including a proportion of overheads and capital expenditure), plus an estimated amount for charges expected to be incurred in the next quarter. A reconciliation of actual charges against estimated is completed each quarter.

During 1998-99 less than one-quarter of TIO members had complaints logged against them. Therefore less than one-quarter of members were required to contribute funds to the TIO.

The TIO has further refined its systems and procedures to manage the funding system efficiently. A business plan and budget is prepared each year for approval by Council and the Board.

The TIO's funding mechanism has been adjusted to take into account that the vast majority of members are now small businesses. From 1 July 1999 the TIO will waive all charges (including overheads and special levies) for the first four Level One complaints (formerly called Enquiries) received against each member per quarter. The four free complaints are not cumulative and only relate to Level One complaints.

While complaint handling fees did not increase during 1998-99, from 1 July 1999 the fee for a Level Three complaint (formerly called Complaint) will increase marginally from \$292 to \$315.

## MEMBERSHIP

The number of Scheme members continued to grow during 1998-99, increasing by more than 60% to 866 at 30 June 1999.

The overwhelming majority of TIO members are Internet Service Providers (ISPs) at 86.7% of total membership. Carriers and telephone service providers comprise 2.8% and 8.8% respectively, while 1.7% of members are both Internet and telephone service providers.

All carriers, telephone service providers and ISPs are obliged to join the TIO Scheme under the *Telecommunications Act 1997*. While there is no initial penalty for failing to join the Scheme, the TIO advises eligible non-members of their obligation to join. If the non-member company does not join the Scheme after a reasonable period of

time, the TIO will provide the company's details to the Australian Communications Authority (ACA), which has the authority to issue a legally binding direction for a provider to join the Scheme. The ACA can apply to the Federal Court for civil penalties against a service provider if it fails to comply with a direction. In 1998-99 the ACA issued directions to five ISPs.

After considering criticisms from small business ISPs, the Council and Board approved recommendations from the Ombudsman for several reforms to the Scheme's funding mechanism. In addition to receiving four free Level One complaints each quarter and, in line with the industry's move to introduce a common definition of complaint, the TIO will no longer directly charge members for information-giving calls. The cost of these calls will be recouped from overhead fees.

These changes represent a modest degree of cross-subsidisation of smaller members by larger ones, without eroding financial incentives for all members to resolve complaints speedily. However, direct complaint handling fees will increase in 1999-2000 to maintain the Scheme's financial stability.

The Council and Board, with the full support of the Ombudsman, rejected requests by some ISPs for the Scheme to accept complaints from members against other members. This decision applies to all disputes between members regardless of their respective size.

**"As of 1 July 1999, all members will receive four free Level One complaints (formerly called Enquiries) each quarter... the TIO will no longer directly charge members for information-giving calls."**

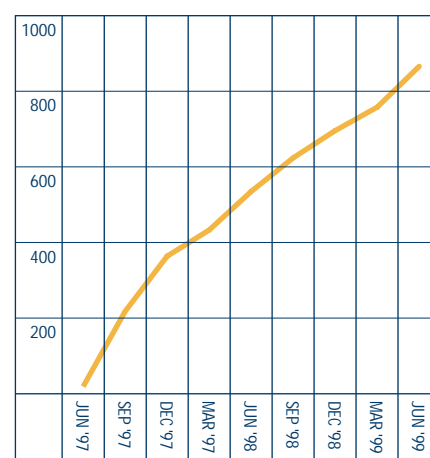
The creation and maintenance of a strong, productive working relationship with members is extremely important to the TIO. This is a constant challenge due to the large and ever-increasing number of Scheme members. The TIO's priority is to ensure that all members understand the TIO's procedures so that complaints are handled efficiently and escalation costs are kept to a minimum.

## GOVERNANCE

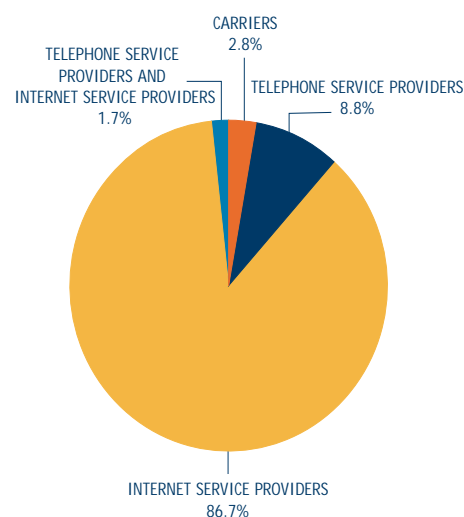
The TIO is governed by a Board of Directors and Council, and managed by an independent Ombudsman appointed by the Board on the recommendation of Council.

The Council is comprised of an independent Chairman and an equal number of representatives from TIO members and consumer interests. Chaired by the Honourable Tony Staley, the Council provides advice to the Ombudsman on policy and procedural matters and ensures that complaint handling procedures are effective.

## TIO membership growth



## TIO membership breakdown



Ten meetings of Council were held during 1998-99. At Council meetings a range of issues are considered including public awareness activities, jurisdictional questions, complaint handling procedures, the structure of Council, the manner in which complaints are made and the impact of consumer Codes.

The TIO Scheme is a company limited by guarantee and is accountable to its Board of Directors. TIO members appoint Directors for a two-year term of office. In addition to four scheduled face-to-face meetings per year, the Board also holds teleconferences as needed to discuss urgent or critical issues. The Board has corporate governance responsibilities including risk management, financial management of the Scheme, strategic affairs, budgeting and ensuring compliance with the Memorandum and Articles of Association and the Constitution.

In 1998-99 the Board considered a wide range of issues including the TIO's strategic and business planning, Board representation, year 2000 compliance, insurance policies, senior appointments and office relocation matters.

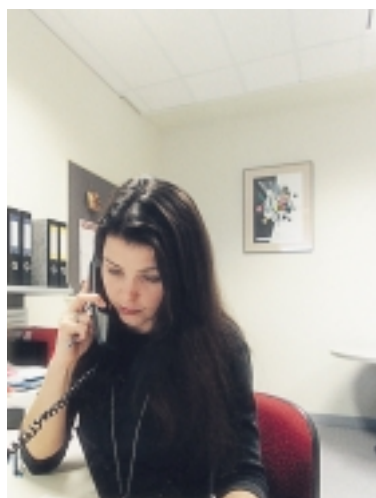
During the year the Board appointed Susan Holmes, a senior RACV executive, as Independent Director. Susan brings to the Board experience and wisdom garnered from both the public and private sectors.

## STAFFING

The TIO's hard working and highly professional staff have maintained excellent service levels to complainants and TIO members.

In April 1999 the TIO welcomed Deirdre O'Donnell as the new Deputy Ombudsman following the resignation of Wally Rothwell. Wally was an integral part of the TIO and made many valuable contributions during his three years as Deputy Ombudsman. Deirdre has ten years experience in the telecommunications industry with Telstra, Austel and Cable & Wireless Optus. Deirdre's knowledge and experience has already proved invaluable to the office.

**Sarah Radford**  
Receptionist/Administrative Assistant



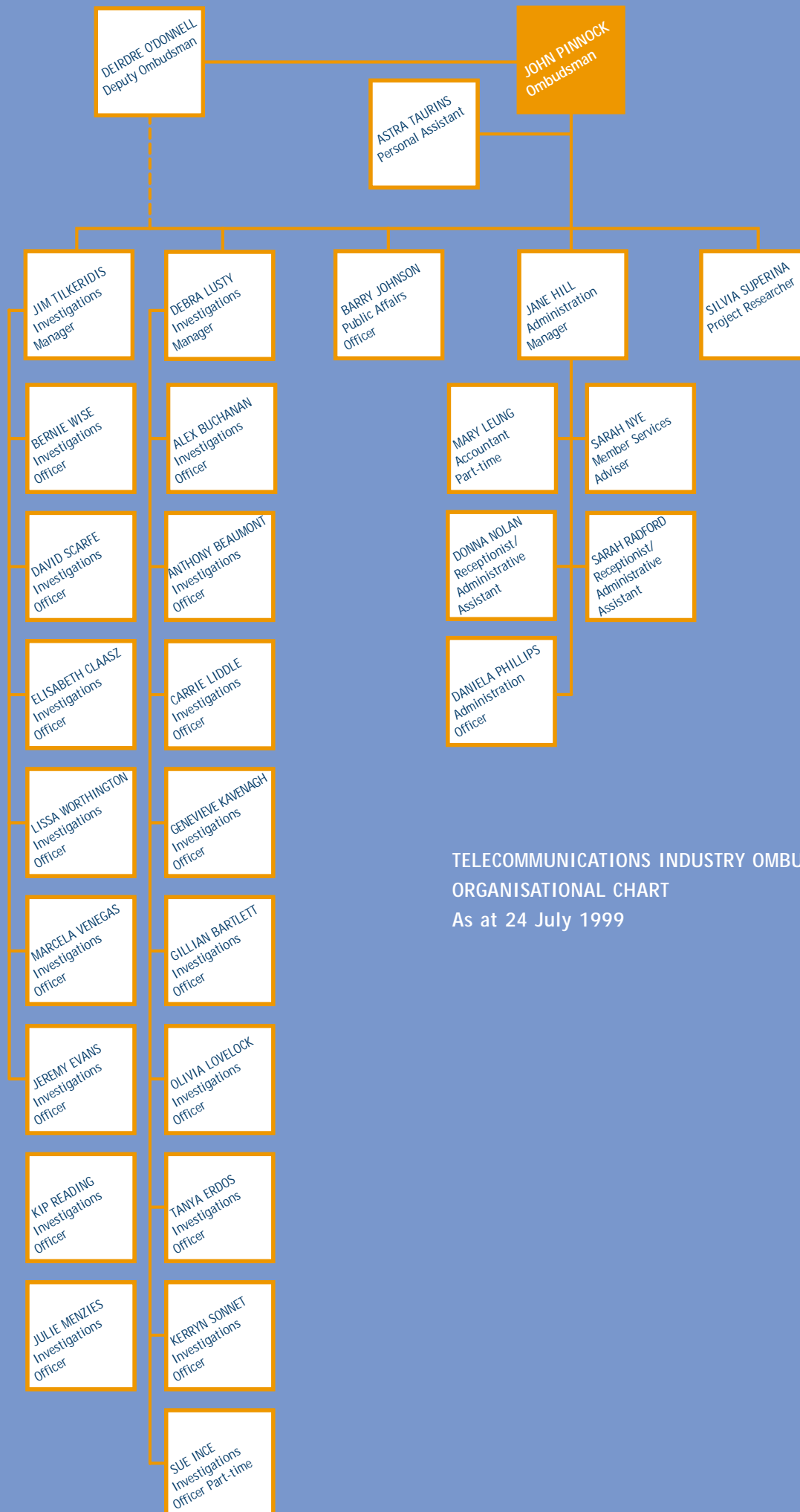
**'The efforts of the staff team have fortified the TIO's reputation for providing professional, impartial and effective complaint resolution services.'**

The TIO is fortunate to have a committed, high calibre investigations team. In response to the growth of the Scheme, five new Investigations Officer positions and a further Investigations Manager position were established during 1998-99. Debra Lusty was promoted from Investigations Officer to the newly created position of Investigations Manager. The TIO also welcomed several new Investigations Officers to the team, including Gillian Bartlett, Anthony Beaumont, Elisabeth Claasz, Tanya Erdos, Jeremy Evans, Kip Reading, Olivia Lovelock, Kerryn Sonnet, Claire Tacon and Trevor Mason.

The TIO sadly farewelled Kerryn Garner, Public Affairs Officer, and Louise Wardlaw, Member Services Adviser. Kerryn and Louise made outstanding contributions to the TIO and we wish them well in their future endeavors. Barry Johnson has been appointed as the new Public Affairs Officer and Sarah Nye was promoted from Investigations Officer to Member Services Adviser. Donna Nolan joined the administration team as Administrative Assistant.

Further positions will be created as required by the continued growth in demand for the TIO's services.

The efforts of the staff team have fortified the TIO's reputation for providing professional, impartial and effective complaint resolution services.



TELECOMMUNICATIONS INDUSTRY OMBUDSMAN  
ORGANISATIONAL CHART  
As at 24 July 1999



## ADMINISTRATION

The TIO is constantly reviewing its procedures with a view to improving service to complainants and members.

The rapid growth in demand for the TIO's services presents an ongoing challenge for staff to stay fully informed on current issues. The TIO holds regular staff meetings and training workshops to share information and discuss issues and procedures. The TIO also maintains an Intranet to assist information flow around the office.

The TIO's Case Management System (CMS) computer software is central to the efficient operation of the investigations area. CMS is used by a number of Ombudsman's offices and other complaint handling agencies around Australia. The TIO uses CMS to record complaints and generate statistics and complaint summaries. During the year the TIO was advised that maintenance and development support for CMS would become unavailable in the near future. With the assistance of consultancy services from KPMG, the TIO has prepared detailed specifications for a replacement for CMS. The TIO is calling for tenders and expects a new system will be in place by June 2000.

Over the year, the TIO has progressed a Year 2000 compliance program. The Board has overseen the program with advice provided by specialist Year 2000 consultants at HLB Mann Judd, which also provides audit services to the TIO.

In late October 1998 the TIO relocated to larger offices in Melbourne due to steadily increasing staff numbers. The move was most successful and has provided the TIO with space for anticipated future growth.

## COMMUNITY RELATIONS

An independent public awareness survey conducted in August 1998 found that 47% of respondents had heard of the TIO. This compares with 31% of respondents in a similar survey conducted in 1996. Much of the improvement in awareness is attributable to the 12-month TIO Public Awareness Campaign conducted in 1997-98 with funding from Telstra, Cable & Wireless Optus and Vodafone. Despite increasing public awareness of the Scheme, the TIO continues to place a high priority on its activities in this area.

Throughout 1998-99 the TIO used a number of communications tools and strategies to achieve maximum impact in a cost-effective manner. In one initiative, a 30-second Community Service Announcement was broadcast on television and radio across Australia at no cost to the TIO. The TIO also regularly used news media, current affairs programs and talk-back radio shows to disseminate information on a wide range of consumer issues including the Customer Service Guarantee (CSG), mobile phone contracts, customer transfer processes and billing delays.

Articles prepared by the TIO were published in a variety of newspapers, journals, newsletters and magazines, including a regular article for *The Australian* newspaper. The TIO's quarterly newsletter, *TIO Talks*, continued to be distributed free of charge to consumer groups, businesses and media outlets. *TIO Talks* provides consumer advice on topical issues and an update on the number and nature of complaints handled by the TIO.

In addition to the use of media and publications, the TIO regularly addressed

**"An independent public awareness survey conducted in August 1998 found that 47% of respondents had heard of the TIO [compared] with 31% of respondents in a similar survey conducted in 1996."**

consumers directly through a variety of public speaking engagements. The Ombudsman joined other industry ombudsman schemes to present public information sessions in Queensland, Tasmania, South Australia, Western Australia, and the Northern Territory. Other TIO staff also conducted information sessions in regional Victoria, New South Wales and Western Australia.

The TIO launched an awareness campaign for Arabic and Spanish speakers in January 1999 following a successful 1997-98 campaign targeting Chinese and Vietnamese speakers. The 12-month campaign includes advertising in the Spanish and Arabic press, distribution of Arabic and Spanish language consumer fact sheets, and representation at ethnic community events and forums.

In the coming 12 months the TIO's community relations activities will focus on raising public awareness of emerging consumer issues, evaluating the impact of the TIO's non-English campaigns and improving awareness among people with disabilities. Through these activities the TIO will maintain



Top: Silvia Superina Project Researcher

Below: Donna Nolan Receptionist/Administrative Assistant



the Scheme's excellent reputation as an independent source of public information and comment.

## INDUSTRY CODES

Telecommunications legislation provides for the industry to develop Codes of Conduct. Although industry Codes are voluntary, once a provider becomes a signatory to a Code it is bound by the Code provisions. Companies that agree

to abide by a particular Code may incur sanctions for breaches of that Code.

Codes are developed by the Australian Communications Industry Forum (ACIF), a self-regulatory body which comprises representatives from industry and consumer groups.

Two different kinds of Codes are currently being developed. These are consumer Codes and operational/network Codes. Work is currently in progress on six consumer Codes:

- Prices, Terms and Conditions
- Privacy – Calling Number Display
- Privacy – Customer Personal Information
- Internal Complaint Handling
- Billing
- Credit Management.

In addition to contributing to the development of Codes, the Ombudsman also has the discretion to agree to deal with consumer complaints relating to individual Codes. The Ombudsman's decision depends on a number of principles, including the views of the TIO Council and whether the Code is registered with the Australian Communications Authority (ACA).

Where this agreement has been given, the TIO will investigate complaints about Code breaches against Code signatories. This investigation will take place regardless of whether or not the signatory is a member of the TIO.

The TIO will usually not agree to deal with consumer complaints arising from operation and network Codes unless this is likely to significantly disadvantage consumers. Instead the

TIO will focus its attention on handling complaints under the variety of consumer Codes being developed.

The TIO is currently investigating how Codes will be implemented in practice to prepare for the expected introduction of some consumer Codes during the next financial year. This includes developing procedures to ensure the TIO is able to deal with, and record and report on Code complaints.

One of the most difficult issues confronting the industry at present is the decision of the ACA not to declare dealers and agents as a section of the telecommunications industry. The decision means that dealers and agents are not required to participate in the development of Codes, and cannot be directly required by the ACA to adhere to any Codes.

Whether telecommunications providers will be willing and able to require their dealers to comply with relevant Codes will be an important test of the effectiveness of Codes in the future.

**"The TIO is currently investigating how Codes will be implemented in practice to prepare for the expected introduction of some consumer Codes during the next financial year."**

# COMPLAINT HANDLING

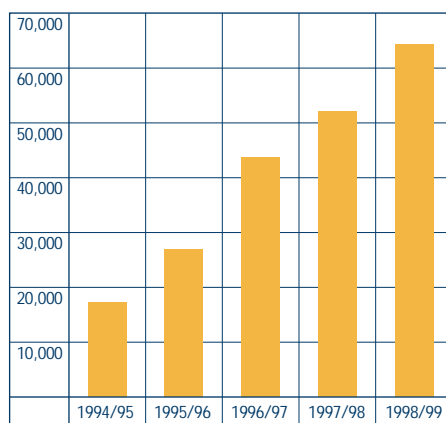
The TIO is an office of last resort for consumers attempting to resolve disputes with companies that are members of the TIO Scheme.

## 1998-99 COMPLAINT LEVELS AND COSTS

Complaint level	Response from member	Cost to TIO member
Enquiry	Usually not required	\$ 15
Consultation	Within 2 weeks	\$ 140
Complaint	Within 4 weeks	\$ 292
Dispute	Indefinite resolution period	\$1,130

## Total number of complaints

An increase of 23.5% over the previous year, includes 10,258 non-allocated complaints.



## PHILOSOPHY AND APPROACH

The TIO is an office of last resort for consumers attempting to resolve disputes with companies that are members of the TIO Scheme. Having explored all other avenues, consumers can turn to the TIO as an alternative to the court system. The TIO's approach is to offer consumers accessible, free, non-bureaucratic, speedy, independent and just resolution of complaints.

'Independence' for the TIO means that complaints are examined on the facts as presented by both sides, and an assessment is made as to the most reasonable outcome. 'Just' outcomes are achieved by settling on a resolution which is based on what is fair and reasonable, rather than on strictly legal grounds.

The two critical factors in effective complaint resolution are a commitment to the principles of good customer service by the member concerned, and a demonstration of good faith in the approaches of both parties to the dispute.

## COMPLAINT ESCALATION PROCESS

An independent review of the TIO's investigations function during 1998-99 resulted in the development and implementation of new complaint

escalation guidelines. The new guidelines are designed to ensure greater consistency in the classification of complaints, and to provide Scheme members with a better understanding of reasons for escalation.

The TIO has four levels of complaint classifications – Enquiry, Consultation, Complaint and Dispute. In keeping with the new guidelines, on 1 July 1999, these terms were changed to Level One, Level Two, Level Three and Level Four respectively.

An Enquiry is defined as being resolved immediately or within one working day. Consultations and Complaints require members to respond to the TIO's request for information within a set timeframe. Disputes are dealt with by the Deputy Ombudsman and have varying timeframes depending on their complexity.

The TIO may escalate a complaint to the next level if a member fails to respond in time or provides an unsatisfactory response.

To ensure complaints are handled thoroughly and efficiently, each matter is managed by a single Investigations Officer right through the first three complaint levels. An Investigations Manager reviews a matter if the complainant is not satisfied with the resolution reached by the Investigations Officer.

Complaints which are escalated to Dispute are handed over to the Deputy Ombudsman for further investigation. The Deputy Ombudsman will attempt to reach a resolution through mediation or conciliation. Where no agreement can be reached the Ombudsman has the power to make a legally binding Determination or Direction.



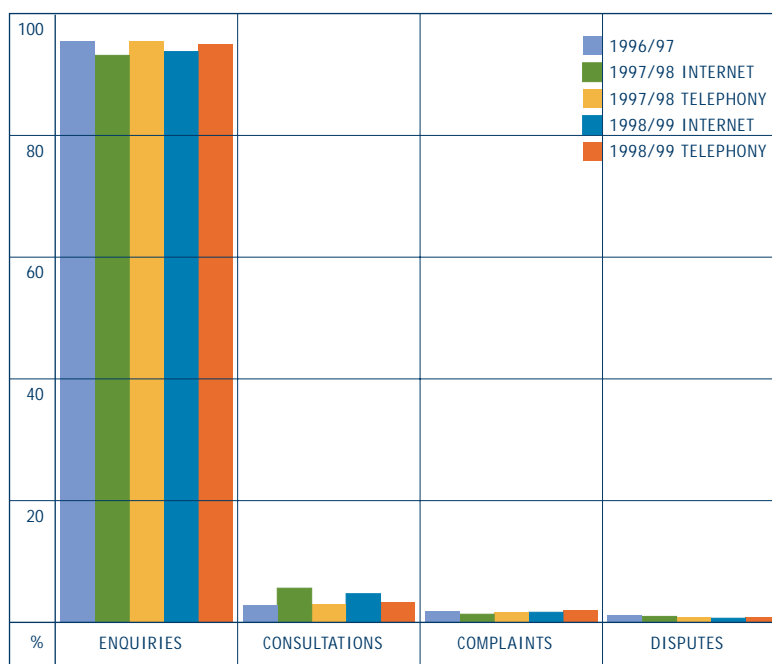
## RESOLVING DISPUTES

### Deirdre O'Donnell

'Complaints which reach Dispute level often involve small businesses whose telecommunications services have been disrupted. The development of compensation claims for losses suffered as a result of a telecommunications problem can be a very complex exercise. Where necessary, the TIO calls on appropriate independent experts to assist in the resolution of disagreements involving sophisticated technical matters.

In one complaint, two parties to a Dispute had their own firmly held views on the nature of a problem which had been recurring over a number of years. Both were able to support their positions with detailed technical arguments. The TIO sought the advice of an independent expert, whose objective assessment served as a circuit-breaker for the issue. As a result, a compensation amount acceptable to both parties was negotiated by the TIO and the matter was resolved.'

Complaint mix (% of total)



## COMPLAINT NUMBERS

The number of complaints handled by the TIO has continued to rise considerably. In 1998-99 the TIO handled 64,394 matters, an increase of 23.5% over the previous year.

Complaints about Internet Service Providers (ISPs) comprised 6% of the total, representing a marked percentage increase over the previous year. This is still a very small proportion of the TIO's total complaint load considering that ISPs make up more than four-fifths of the TIO's membership.

The continued growth in complaint numbers is partly due to heightened public awareness of the TIO and its role in handling complaints relating to telephone and Internet access services.

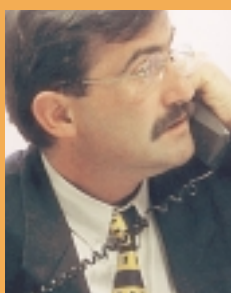
## COMPLAINT MIX

Complaint mix proportions have remained broadly consistent with those for previous years, with the vast majority concluded at Enquiry level. This year, 94.9% of telephone service complaints fell into this category, representing a small decrease on the proportion for the two previous years of 95.5%. This decrease was offset by a slight rise in the proportion of matters handled at Consultation and Complaint levels. Disputes remained at 0.05% of complaints handled. During the year 29 Disputes were resolved.

The proportion of Internet service complaints handled at the Enquiry level was very similar to last year, with 93.76% of matters resolved at this level. The proportion escalated to Consultation decreased from 5.54% to 4.63%, while as in 1997-98 only one Internet-related Dispute was raised.



**Debra Lusty**  
Investigations Manager



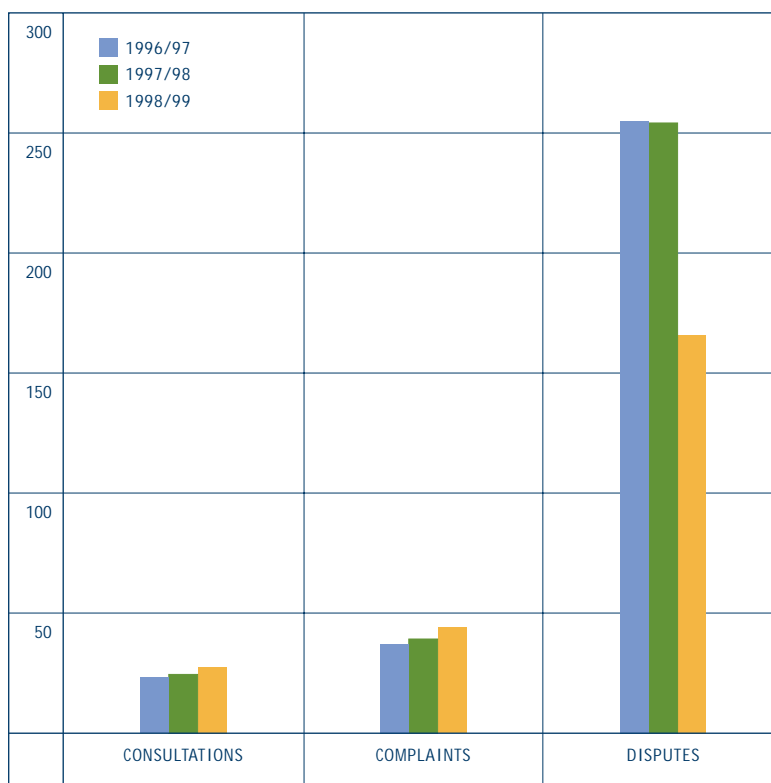
**Jim Tilkeridis**  
Investigations Manager

### COMPLAINT REVIEWS

All complainants have the right to have their complaint reviewed by an Investigations Manager if they are not satisfied with the outcome.

In 1998-99 the TIO conducted 203 complaint reviews. In 88.2% of reviews the initial decision of the Investigations Officer was upheld and no further action was required. In 6.9% of reviews the complaint was referred back to the service provider for further consideration, while the remaining 4.9% were resolved through other means.

Complaint resolution times (days)



### COMPLAINT RESOLUTION TIMES

The TIO recently introduced changes to its complaint handling process on the recommendation of the Ombudsman and Council. The changes extend the time provided for complainants to request a review of unfavourable decisions by the TIO. Therefore, this year's resolution times are not directly comparable with previous years.

Until these recent changes to the complaint handling process, the earliest possible resolution time for a Consultation was 21 days. The average for 1998-99 was 27.5 days, representing a slight increase over the two previous years.

Similarly, until recently, complaints required at least 35 days to resolve. In 1998-99 the average time taken to resolve a complaint was 44 days.

Disputes have no specified time limit, however the TIO aims to resolve them within 90 days. While the average time for Dispute resolution remained high at 166 days, this is a marked decrease over previous years.

Increases in average complaint resolution times were also due to the complexity of issues being handled and a 23.5% rise in the number of matters received by the TIO. Issues raised in TIO complaints reflect the highly complicated nature of products and transactions which increasingly characterise the telecommunications industry.

## COMPLAINT OUTCOMES

Investigations Officers routinely record their assessment of a complaint outcome from the complainant's perspective. This assessment is based on feedback from the consumer once a matter is closed. Outcomes may be partially or substantially in favour of the complainant, not in favour or not recorded. Outcomes for Enquiries are not recorded as these are usually settled without the need for a dispute resolution process.

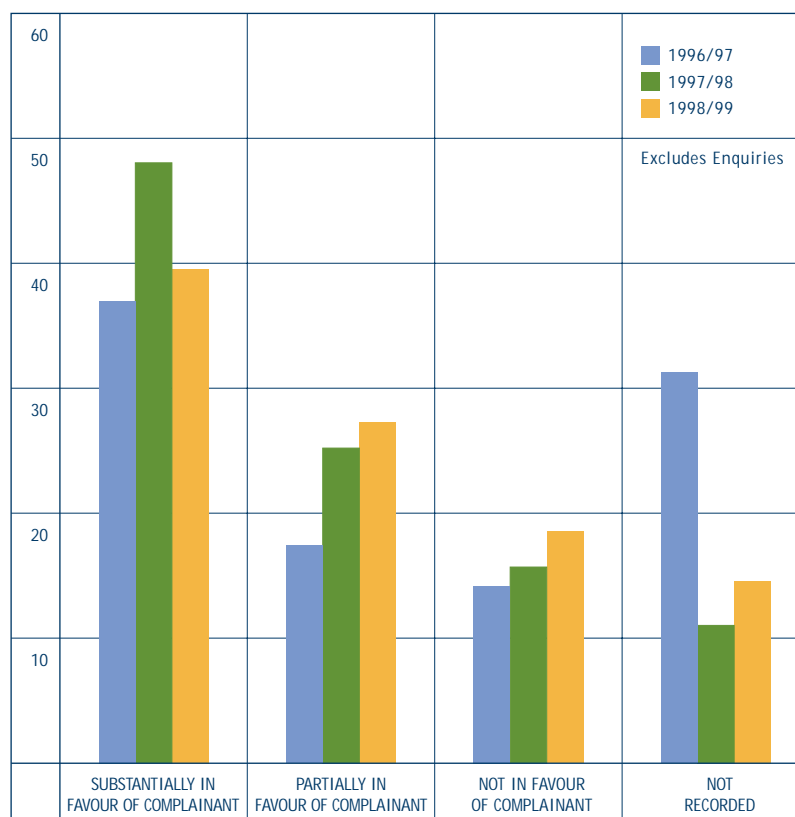
The past year has seen a decline in the proportion of complaints which were resolved substantially in favour of the complainant, from 48.1% to 39.6%. The number of outcomes which were either partially in favour or not in favour of the complainant increased slightly.

Complaint outcomes remain an important indicator of the TIO's overall complaint-handling performance. They serve to reinforce the fact that the TIO is an impartial assessor of a complainant's concerns, rather than an advocate for one or other party. Although complainants cannot be guaranteed an outcome in their favour, they can have confidence that their complaint has been examined independently and objectively by the TIO.

## QUALITATIVE PERFORMANCE

Over the past year the TIO has regularly reviewed its performance through independent surveys of complainants' satisfaction with the Scheme's complaint handling process.

Complaint outcomes (% of total)



Although these surveys have consistently shown a high degree of satisfaction with the way in which the TIO handles complaints, the most recent survey revealed some aspects where the TIO had fallen short of past performances.

This slight deterioration may be regarded, incorrectly, as evidence of 'burn out' among investigation staff. However, this disguises the fact that any problems revealed are largely the result of increases in calls and the number and complexity of complaints.

Therefore, the ongoing challenge is to maintain adequate numbers of investigative staff and develop new procedures to efficiently and effectively investigate complaints.

At the initiative of investigation staff, the TIO conducts regular complaint workshops. In these workshops TIO decisions are reviewed to ensure investigation staff maintain a high level of professionalism and a consistent approach to particular issues.

# TELEPHONE SERVICE INVESTIGATION ISSUES

In 1998-99 a total of 60,530 telephone service complaints were lodged, representing a 19.9% increase on last year.

## OVERVIEW

In 1998-99 the TIO logged a total of 60,530 telephone service complaints, representing a 19.9% increase on the 50,476 matters lodged in the previous year. As a complaint may include more than one issue, a total of 63,069 issues were lodged with 5,274 complaints about matters outside the TIO jurisdiction, leaving 57,795 issues raised within jurisdiction.

Billing issues continued to be the major area of complaint, accounting for 34.5% of all issues raised. However 1998-99 saw significant increases in complaints about the provision of telephone services, at 13.6% of issues raised, and faults at 9.6% of issues raised. Mobile issues accounted for 9.3% of all telephone service complaints.

The TIO Information category was introduced last year to capture membership enquiries and requests for TIO publications. These accounted for 4.7% of telephone service issues in 1998-99 compared to 8.0% in the previous year.

Issues outside the TIO's jurisdiction usually relate to the setting of charges, customer-owned equipment, industry disputes and telecommunications policy. These issues are not allocated to any particular TIO member and are not included in the investigation issues breakdown.

**"...1998-99 saw significant increases in complaints about the provision of telephone services, at 13.6% of issues raised, and faults at 9.6% of issues raised."**

## BILLING

Issues Raised = 19,901

Billing issues continue to account for the highest proportion of complaints handled by the TIO at 34.5% of all telephone service complaints.

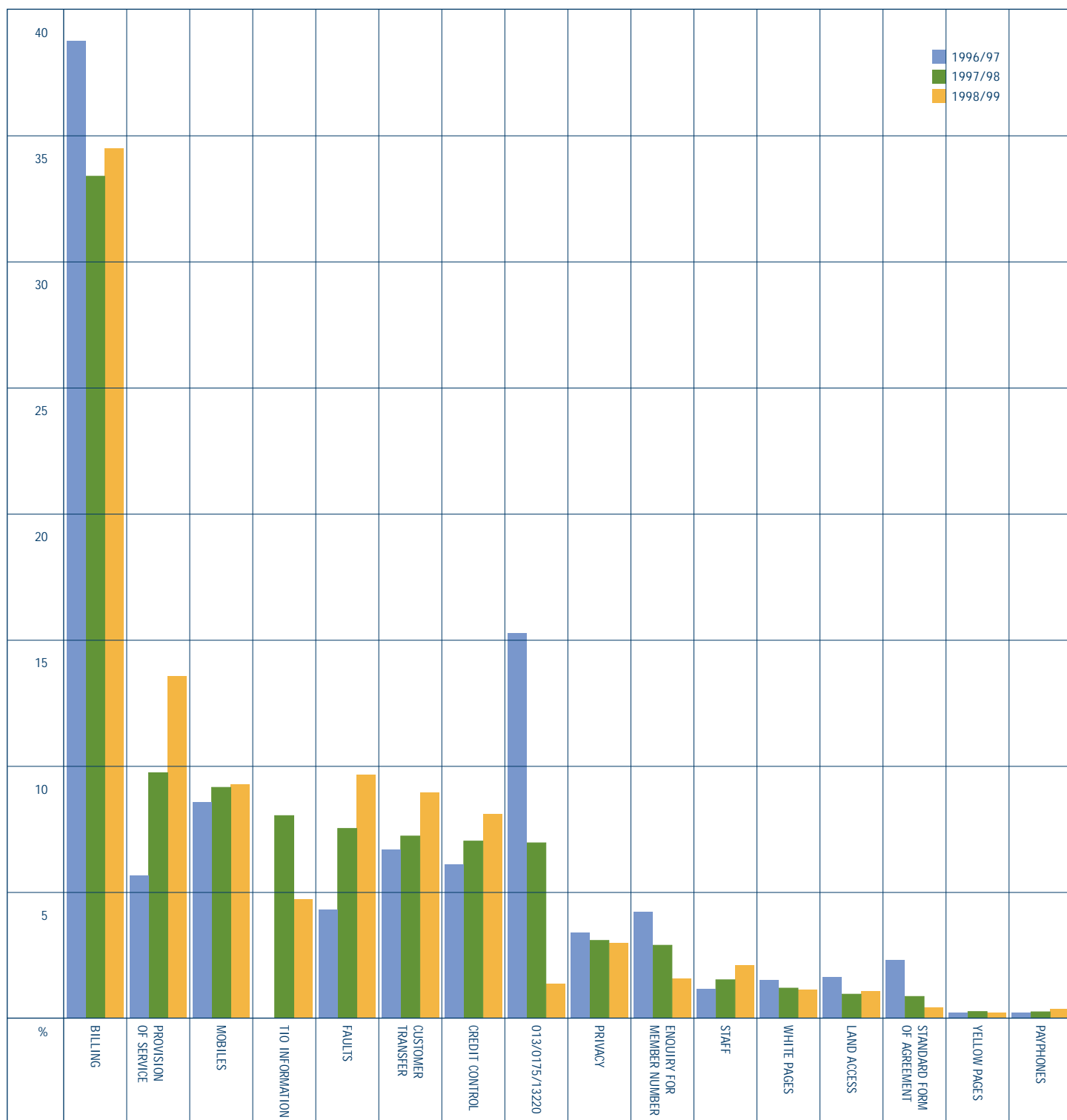
Complaints about billing for fixed line services represented 81.4% of all billing issues, a small reduction from 82.8% last financial year. Complaints about billing for mobile services increased slightly to 18.6% of all billing complaints.

Complaints about amounts listed as 'other charges' on bills increased significantly to become the most common fixed line billing complaint. Other major areas of fixed line billing complaints were problems with payments and delays in billing.

Mobile services billing complaints experienced a similar trend, with complaints regarding 'other charges' increasing significantly. The TIO handled a smaller percentage of complaints regarding mobile service payment problems compared to last year.

Resolving billing complaints often requires a significant amount of time to be invested by the complainant, the telephone service provider and the Investigations Officer. The TIO may ask the complainant to supply statutory declarations, previous accounts and other evidence to support the claim that their account is incorrect. The TIO may also ask the telephone service provider to conduct technical testing of the line.

Telephone service issues breakdown (% of total)







## CASE STUDY

### Marcela Venegas

'The TIO recently investigated a billing complaint relating to 190, local, long distance and international call charges. The complainant was adamant that \$1,300 worth of calls had not been made from her telephone service.

During the course of the TIO's investigation, the telephone company was asked to provide technical data and other information to substantiate the validity of the calls.

The results of this technical testing failed to reveal any problems that may have affected the billing of the service. In addition, calls of a similar nature had been registered on a new and unrelated telephone service the customer had arranged to be connected following a change of address.

As a result of the investigation, the TIO could not recommend that credit be applied to the customer's account.'

### Billing Delays (Backbilling)

Backbilling, the practice of billing for calls made prior to the current billing period, has been a consistent source of complaint in recent years. In 1998-99 however, the proportion of backbilling complaints dropped significantly from 19.5% to 11.5% of all billing complaints.

The decrease is largely a result of Telstra moving to complete its service provider legacy debt recovery project.

### Payment Issues

Complaints relating to payment issues are the second most common billing problem raised by complainants. The majority of these complaints concern dissatisfaction over payment arrangements made between consumers and telephone service providers. The TIO may investigate payment complaints where the arrangement seems unfair or unreasonable.

### Other Charges

1998-99 saw a marked increase in the proportion of complaints regarding other charges. Fixed line complaints about other charges increased from 8.8% to 25.2% of all billing complaints, while mobile service complaints increased from 5.4% to 8.9%.

The rise in complaints about other charges is mostly due to a large number of complaints being referred to the TIO by Billbusters during September and October 1998. The company, which has now ceased trading, claimed to reduce consumers telephone bills by correcting billing errors. The TIO did not investigate the majority of these matters as the complaints were either unsubstantiated or Telstra had not been given the opportunity to resolve the complaint before the matter was brought to the TIO.

Complaints about other charges include billing issues that do not fit into other complaint categories and complaints about international mobile roaming. Other charges also include matters where complainants claim to have been charged for services which they had never heard of or never used, or that charges have been applied for services which were requested but never connected.





## CASE STUDY

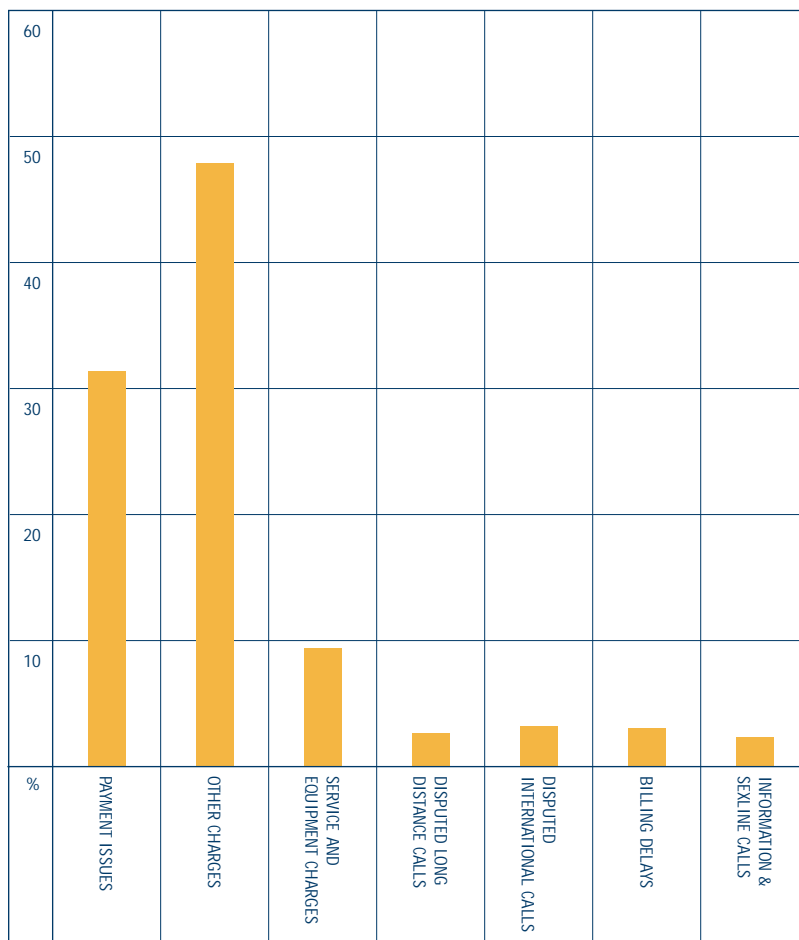
### Anthony Beaumont

'I took a call from a woman who claimed that she had never received itemised accounts for her mobile service, only overdue notices including late payment penalties and administration costs. The woman approached the TIO when the problem continued to occur after she gave her service provider an opportunity to fix it.

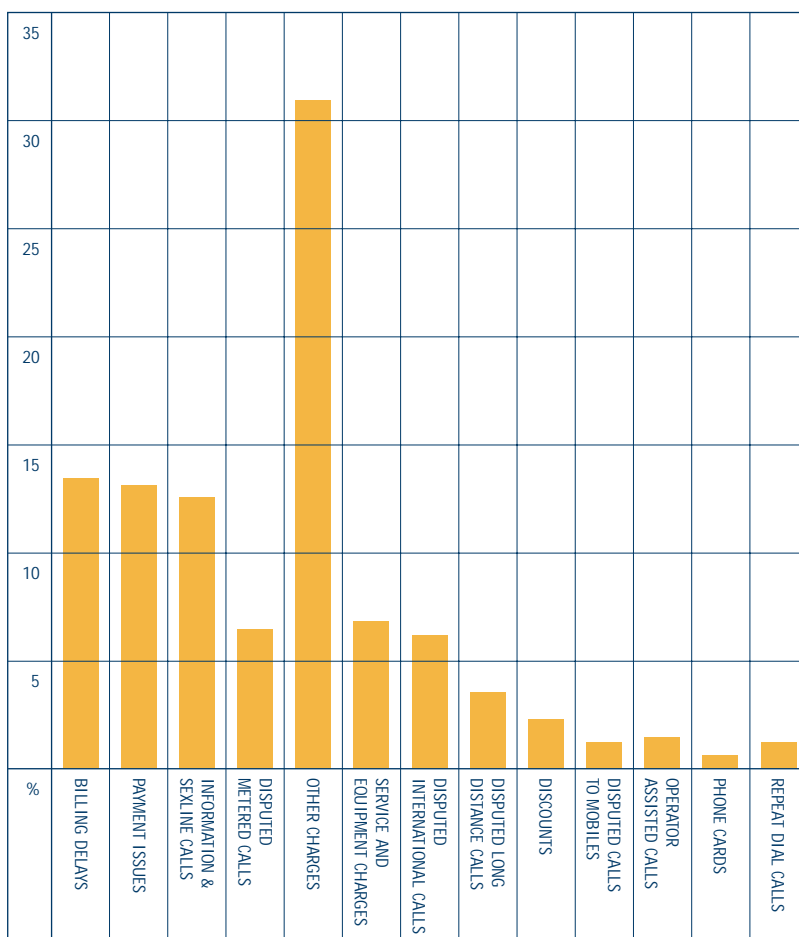
The woman wanted her contract cancelled due to the poor service she had received. The TIO took up the complaint with the service provider, which provided copies of itemised accounts and refunded all late fees as a gesture of goodwill.

However, as poor service is not adequate grounds for release from a contract the TIO did not recommend that the contract be cancelled. The woman was satisfied with the outcome and the problem did not recur.'

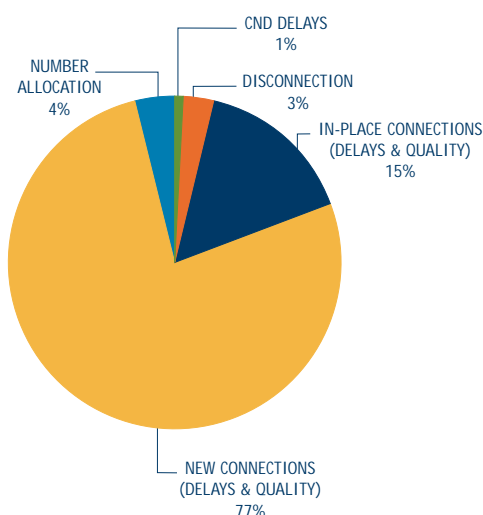
Billing issues – mobile services (% of total mobile billing complaints)



Billing issues – fixed line services (% of total fixed line billing complaints)



## Provision of service



## PROVISION OF SERVICE

Issues Raised = 7,823

Complaints about the provision of telephone services increased markedly during 1998-99 to become the second highest source of telephone service complaints, rising from 9.7% of the TIO's total complaints in 1997-98 to 13.6% in 1998-99.

The increase is due to a sharp rise in the number of complaints relating to delays in the installation of new services. Provisioning also covers complaints about the quality of new telephone installations, service disconnections, number allocation and delays in connection of in-place telephone services. Provisioning complaints relate to fixed services and not mobile or Internet services.

The increase in provisioning complaints may be a result of rising awareness of compensation available under the Customer Service Guarantee (CSG). Other reasons may be lack of technical staff, bad weather delaying installations, lack of available cable and increasing demand for second lines.

During 1998-99 an unusually high proportion of provisioning matters were escalated to Consultation or Complaint level. The TIO may escalate a provisioning matter where the complainant has not been given a connection date or has been waiting for a connection beyond the timeframe allowed under the CSG.

The TIO assists complainants by encouraging telephone service providers to commit to a connection date. The TIO may also request interim services and confirm compensation payments available under the CSG.



### CASE STUDY

#### Lissa Worthington

**'I took a call from a woman who was distraught over being unable to contact her daughter via telephone. The woman's daughter lived in a rural area and had been waiting ten months for a new telephone connection. The delay was due to a lack of cabling and other infrastructure.**

**I contacted the telephone company and arranged for the service to be connected. The woman's daughter received a CSG payment of over \$5,500 in compensation for the delay. The woman was delighted to be able to call her daughter.'**



## FAULTS

Issues Raised = 5,560

The proportion of complaints regarding faults during 1998-99 increased significantly for the second consecutive year. Fault complaints made up 9.6% of telephone service complaints received by the TIO during 1998-99 compared to 7.5% for the previous year, with large rises in the first and second quarters of 1999.

More than 75% of fault complaints related to delays in fault rectification. In 53.8% of these matters complainants contacted the TIO seeking speedy rectification of the fault, while 37.6% requested compensation under the Customer Service Guarantee (CSG) and 8.6% sought compensation for loss of business or income.

Other major areas of fault complaints were recurring faults, missed appointments and network faults.

As with provisioning, the rise in fault complaints can be attributed to an increase in fault rectification delays, greater consumer awareness of compensation available under the CSG and the vulnerability of the Customer Access Network (CAN) to water damage.

The TIO's jurisdiction does not extend to the investigation of complaints relating to the provision, supply or repair of customer premises equipment such as faxes, PABXs and other small business equipment.

## CASE STUDY

### Sue Ince

**'I received a call from a man who had contacted his telephone service provider to report that his telephone service was not working. A technician the telephone company sent to his house determined that the fault was caused by a lightning strike. The technician repaired some damaged cable and assumed that the service had been restored to the customer. However, this was not the case.**

**The TIO contacted the telephone service provider and requested further testing. The testing showed that in addition to the cabling, the lightning strike had also damaged the rental handset. The telephone service provider replaced the handset and compensated the complainant under the CSG for each working day that he was without a telephone service.'**

## CUSTOMER SERVICE GUARANTEE

Issues Raised = 3,743

The Customer Service Guarantee (CSG) is a collection of performance standards introduced by the Australian Communications Authority (ACA). The CSG requires telephone companies to adhere to arranged appointment times, and meet set time limits for the repair of faults and the provision of standard telephone services including enhanced call features (such as call waiting and call barring). Telephone service providers are obliged to inform customers of their entitlements under the CSG.

The CSG provides for financial payments to customers where the set time limits are not met. Under the current standard, the customer must make a claim for compensation rather than receiving a payment automatically.

CSG time limits vary depending on the population of the community where the customer lives, the availability of infrastructure and whether the delay relates to fault repair or connection of service. As a general rule, CSG time limits for fault repair are one working day for metropolitan areas, two working days for regional areas and three working days for remote regional areas. CSG time limits are longer for requests for connections.

For every working day that the telephone company exceeds the time limit, the customer is entitled to a rebate equivalent to the monthly rental fee for the standard telephone service; \$11.65 for residential and \$20 for business customers. Compensation



### CASE STUDY **Julie Menzies**

'I received a call from a complainant in relation to an eight-month delay in having her telephone service connected. The complainant's telephone company incorrectly advised her that she lived in a remote rural area and was not entitled to claim rebates until six months after the application date. After her service was eventually connected the telephone company offered the woman a rebate of \$1,600.

Our investigation revealed that the complainant was actually entitled to \$6,000 compensation under the CSG. The rebate was finally granted to the complainant five months after the telephone service was connected.'

increases to \$40 for each working day beyond the first five working days of delay. A payment of \$20 per working day after five days is payable for delays in the provision of enhanced call features.

Where a telephone company breaches the CSG and does not pay compensation, the TIO will investigate the matter according to standard TIO complaint handling procedures.

Telephone companies may claim exemptions to the CSG for circumstances outside of their control, such as natural disasters or extreme weather conditions. The TIO investigates the validity of such claimed exemptions on a case by case basis, but is concerned that the current provisions for exemption need to be tightened.

Complaints relating to the CSG during 1998-99 comprised 6.5% of total issues raised. The number of CSG-related issues raised increased from 1,947 in 1997-98 to 3,743 this year. However, these figures are not directly comparable as the CSG did not come into effect until January 1998. CSG complaints are recorded as issues raised under faults and provision of service categories. Of all CSG issues, 55.8% related to delays in provision of service while the remainder related to delays in fault repairs.

During 1998-99 the TIO made a number of recommendations on proposed amendments to the CSG. Some of these amendments may take effect during 2000. The proposed changes broaden the scope of the CSG so that it applies to a service regardless of the type of

equipment used on that service (at present the CSG does not cover lines used for faxes, Internet access or switching handsets such as PABXs). However payment of rebates will be restricted to five lines. Telephone companies will also be required to make compensation payments to their customers automatically, without the need for the customer to be aware of their entitlements or request rebates.

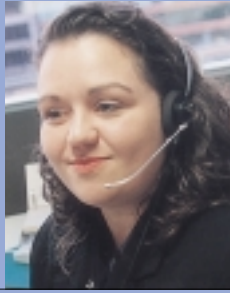
### MOBILES

Issues Raised = 5,340

The proportion of mobile service issues raised increased slightly over the year to 9.3% of total telephone issues. Mobile service issues include complaints about network faults, contracts and coverage.

Complaints about GSM digital mobile services rose to 97.8% of mobile service issues, while complaints relating to AMPS analogue mobile services decreased from 3.7% to 2.2%. The decrease in analogue complaints reflects the phasing out of the AMPS service.

Complaints about mobile contracts continued to account for the largest proportion of digital mobile matters at 60.2%. The majority of these complaints related to consumers not fully understanding the terms and conditions of mobile contracts before signing. The TIO regularly appeals to consumers to make sure they read contracts and ask questions about the period of the contract, available network coverage, monthly payments and penalties for early cancellation before making a commitment.



## CASE STUDY

### Elisabeth Claasz

'I took a complaint from a pensioner who had received a call from a dealership advising that he had won a mobile phone. When he went to the dealership, the complainant was told that he had to sign a series of forms in order to collect his prize. He was not told that the forms were actually a contract for mobile services.

The complainant said he read, but did not fully understand, the terms and conditions of the documents. On receiving his first bill the complainant realised that he could not afford the commitment and turned to the TIO for assistance.

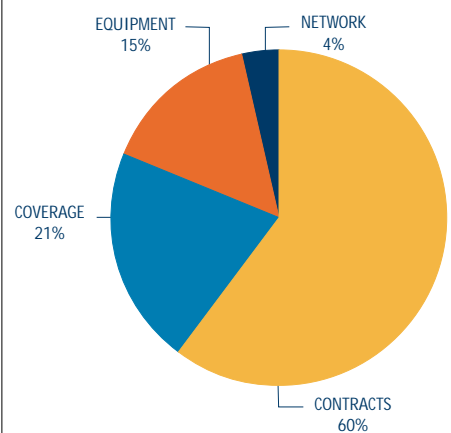
I contacted the mobile service provider who promptly cancelled the service on the grounds that the complainant had been misled into signing the contract. The complainant returned the handset to the dealer.'

In many instances the TIO is unable to assist consumers who have signed contracts without reading them, as these documents are legally binding on the consumer and mobile service provider. However, the TIO will investigate complaints where the consumer has been misled or the mobile service provider has not adhered to the terms of the contract.

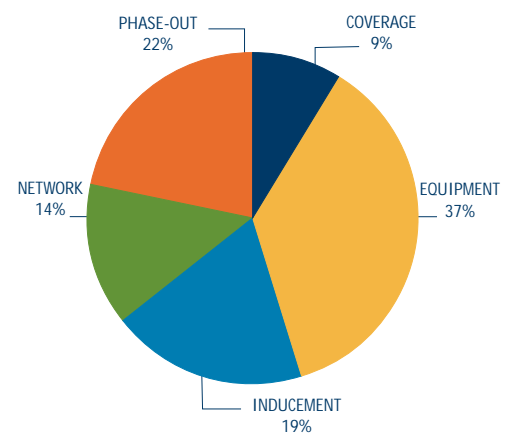
Complaints about coverage form the second largest category of digital mobile issues at 21.0%. Coverage complaints are typically the result of consumers not being shown a network coverage map before signing a contract. The TIO will investigate complaints where the customer has been misled about available coverage.

New CDMA digital mobile networks are expected to begin operating during the next financial year. The TIO will investigate and report on consumer complaints regarding these new networks.

### Mobile issues – GSM Digital 97.8% of total mobile complaints



### Mobile issues – AMPS Analogue 2.2% of total mobile complaints





## CASE STUDY

### Bernie Wise

'A man contacted the TIO disputing the fact that a company had the right to transfer his service on the basis that his wife signed a transfer form. The complainant maintained that as he was the account holder the company had no right to transfer his service without his signature.

The transfer form stated that the person signing the transfer claimed authority to sign on the account holder's behalf. The telephone service provider argued that by signing the form the complainant's wife was claiming she had authority to sign on her husband's behalf.

Investigation by the TIO revealed that the transfer was invalid, and therefore the wife did not have the authority to sign on behalf of her husband. The company reversed the transfer.'

## CUSTOMER TRANSFER

Issues Raised = 5,169

Complaints relating to customer transfer between telephone companies (or 'churn') accounted for 9.0% of telephone service issues raised over the year, an increase from 7.2% of issues raised in 1997-98.

As the telephone market becomes more competitive many companies are using aggressive marketing tactics in an attempt to lure more customers. As a result, the incidence of unauthorised customer transfer, also known as 'slamming', continues at an unacceptable level. Slamming occurs when the sales person signs the churn form on behalf of the customer or gives misleading information to entice the customer into signing the form.

Although in the TIO's experience telephone service providers take slamming very seriously, unauthorised churn accounted for 70.5% of customer transfer complaints, a slight increase over the previous year. Most companies promptly return customers to their preferred telephone service provider and usually refund any associated call charges.

The TIO receives many complaints from people who claimed they were misled into signing a transfer form. In most of these instances sales people told the customer that the transfer form the customer signed was a competition entry form, a request for further information or proof that a sales representative had visited the premises. Customers often sign forms without reading them, and only realise they

have been churned some weeks later when they receive their first bill from the provider. The TIO continues to encourage consumers to be wary of door-to-door sales pitches and carefully read any documentation before signing.

The TIO has also encouraged the industry to develop more stringent guidelines on who can sign a churn form. Telephone service providers should only accept signatures of the account holder or a person with proof of authority to do so. However, the TIO has found that in many instances the door-to-door sales agent involved has not made an acceptable check of identity.

The TIO is concerned that complaints about slamming may increase over the following year with the opening of Telstra's local loop and the introduction of full number portability on 1 January 2000.

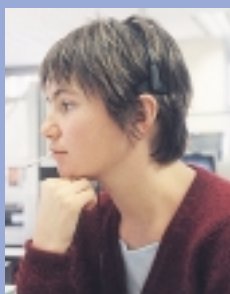
## CREDIT CONTROL

Issues Raised = 4,679

Credit control issues constituted 8.1% of the TIO's total complaint load, compared to 7.0% in the previous year. Many credit control complaints resulted from an initial billing complaint with a telephone company. The category of credit control includes fixed and mobile service related complaints.

The majority of credit control issues raised related to the collection of old debts and complaints about credit control policies of telephone service providers. Other credit control complaints involve call barring, bonds and companies' terms and conditions for providing services.





## CASE STUDY

### Olivia Lovelock

**'I received a complaint from a young man who claimed his phone company had barred him from using a 190 service that he had called in the past. The young man advised that his father was the account holder. TIO investigations found that his father had in fact placed a bar on the service to stop his son from using it. The TIO found that, as the account holder, the young man's father was entitled to impose the bar.'**

While the TIO does not have the authority to change a provider's credit management policy, it can investigate instances where the policy is not consistently applied. Complaints related to these policy matters may include the rejection of a mobile contract application, debt collection and barring of access to long distance services. Complaints about all of these issues have increased over the last year.

The number of bond related issues has halved compared to the previous year due to telephone service providers moving away from a bond payment system.

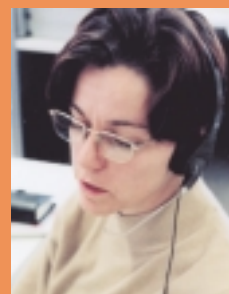
## PRIVACY

Issues Raised = 1,726

Privacy complaints accounted for 3.0% of all telephone service issues lodged with the TIO in 1998-99. Similar to previous years, the majority of these complaints relate to nuisance and malicious calls at 27.5% of privacy complaints. Other privacy issues include silent lines at 17.2% and telemarketing at 9.3%.

The TIO receives a considerable number of calls from customers who believe that having a silent line means they will not receive telemarketing calls. While silent numbers are not published in the White Pages directory, telemarketing companies can still call the number through random dialling and telemarketing contact lists.

Complaints about Calling Number Display (CND) accounted for 10.1% of all telephone privacy issues. CND allows a caller's number to be viewed by the person receiving the call. People experiencing delays in the connection or disconnection of CND services may be entitled to compensation under the Customer Service Guarantee (CSG). Silent numbers are automatically blocked from CND.

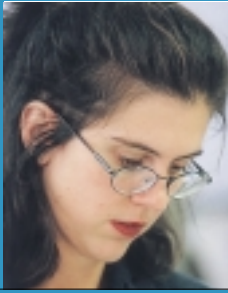


## CASE STUDY

### Gillian Bartlett

**'I received a call from a man who requested a silent number after being harassed by his ex-girlfriend. The harassment involved the police and forced the man to move house. The man was concerned to discover that his new number and address were available through 013 directory assistance.'**

The TIO arranged for the man's number to be removed from directory listings, and the White Pages offered to waive the annual fee for silent numbers. There was no evidence that the man's ex-girlfriend had used 013 to access his new number. Where there is proof that the complainant or their family are at significant risk due to such an error, the White Pages may pay for relocation costs or the installation of a security system.'



## CASE STUDY

### Alex Buchanan

'Recently, a residential customer contacted the TIO to complain that for the past 25 years he had been paying for an enhanced directory listing relating to a deceased former resident of his property. The previous occupant had an enhanced listing that had not been cancelled and the White Pages had continued printing and charging for the listing.

The complainant had paid the directory charges assuming that it related to his own service. Following investigation by the TIO, the complainant was provided with a refund for charges incurred over the previous seven years. Due to the Statute of Limitations, the complainant was unable to recover the full amount.'

## STAFF

Issues Raised = 1,207

Complaints relating specifically to telephone company staff remained low at 2.1% of all issues. Cases about staff generally involve complainants being treated rudely or receiving poor customer service.

The TIO recently introduced a new sub-category, 'staff administration error', which refers to service representatives neglecting to update customer details such as address and name changes.

The TIO generally refers staff issues back to the service provider to resolve internally. However, the TIO may take up serious breaches of conduct directly with the member.

## DIRECTORIES

Issues Raised = 771

Directory issues represented 1.3% of total telephony complaints received by the TIO in 1998-99. Directory issues include complaints about the Yellow Pages and the White Pages.

Many people are unaware that 'enhanced' directory listings continue to be printed every year unless the White Pages receives formal notification to cancel the listing. The TIO receives a large number of calls from business people who have been charged for an 'enhanced' listing in the year or years following the closure of a business. As the contract conditions in the back of the White Pages stipulate that cancellation is required, the TIO is usually unable to assist in these matters. Other complaints received at the TIO relate to errors and omissions in directory listings.



## CASE STUDY

### Genevieve Kavenagh

'I received a call from a complainant who objected to a carrier's proposal to lay cables alongside his driveway. The complainant suggested other routes for the cabling as he planned to develop this land in the future.

The carrier replied that it was not technically feasible to lay cable in the suggested locations and doing so would harm nearby vegetation. The TIO raised the matter with the carrier, which organised an inspection of the proposed and suggested sites. The carrier eventually agreed to lay the cables through the complainant's suggested site, allowing him unimpeded land access for future development.'





The TIO has no jurisdiction over business directories and cannot enforce Determinations or Recommendations relating to Yellow Pages complaints. However, Investigations Officers will liaise with the Yellow Pages in an attempt to resolve disputes amicably. This arrangement has worked successfully to date.

## LAND ACCESS

Issues Raised = 625

Complaints involving land access issues accounted for 1.1% of all complaints received by the TIO this year.

Of all land access complaints, 83.7% related to cabling, 8.0% related to breaches of the *Telecommunications Code of Practice* and the remaining 8.3% involved mobile phone towers.

Cabling complaints are often the result of a landowner or third party objection to paying repair costs after accidentally cutting telephone cables. In most instances the complainant has not checked the location of cables around the area in which they plan to dig. The TIO is unable to assist in these instances, as there is a clear obligation on the complainant to investigate cable locations and exercise due care when digging. To access information about cable locations, a call the 'dial before you dig' freecall number (1100).

Land access complaints also involve objections to the placement of cabling either on or near a complainant's property. If the installation is a low-impact facility sited on a landowner's property, the landowner will have a limited right of objection under the

*Telecommunications Code of Practice*.

The TIO has the authority to determine objections under the Code.

Complaints received by the TIO regarding mobile towers often involve complainants objecting to the erection of towers on or near their property. The TIO is unable to investigate these complaints as towers are not classified as low-impact facilities. In general, state or local government planning authorities regulate mobile tower construction.

## STANDARD FORM OF AGREEMENT

Issues Raised = 247

A Standard Form of Agreement (SFOA) details the general terms and conditions of the supply of a telephone service, including specific services, products and applicable charges.

Telephone service providers are required to have a SFOA unless they wish to negotiate individual contracts with customers. Although SFOAs can be long and complex, service providers must allow customers to view the document on request.

Matters falling under the category of SFOA relate to charging and pricing concerns and complaints about the policies and procedures of telephone companies. SFOA complaints have gradually decreased from 4.4% of issues raised in 1995-96 to less than 0.5% in 1998-99.

In most instances the TIO will investigate whether the telephone service provider is adhering to the terms and conditions of its SFOA.

However, the TIO does not have jurisdiction over the setting of tariffs or the policies and business practices of telephone service providers. Therefore, the TIO often refers SFOA complaints to other organisations such as the Australian Communications Authority (ACA) or the Australian Competition and Consumer Commission (ACCC).

## PAYPHONES

Issues Raised = 211

Over the past year the TIO has received 211 complaints regarding payphones, representing 0.4% of total telephone service complaints. The majority of complaints were about faulty or damaged public phones. The TIO has no jurisdiction over the location or type of payphones installed.

Telstra, in conjunction with the Police, Lifeline and the Keep Australia Beautiful Council, has launched a project called 'Phonewatch' which asks people to 'adopt' a phone box. Telstra is hoping this will encourage people to report acts of vandalism and generally help keep payphones in working order.

# INTERNET SERVICE INVESTIGATION ISSUES

In 1998-99 the TIO logged a total of 3,864 complaints about Internet-related issues. This represents a 132.5% increase on last year.

## OVERVIEW

In 1998-99 the TIO logged a total of 3,864 Internet related complaints, accounting for 6.0% of TIO's total complaint load. This represents a 132.5% increase on the 1,662 matters lodged in the previous year. As a complaint may include more than one issue, a total of 3,954 issues were raised. 687 were about matters outside the TIO jurisdiction, leaving 3,267 issues raised within jurisdiction. Billing related matters continued to be the major area of complaint, accounting for 55.8% of all Internet issues raised. Access problems made up 17.9% of Internet issues, while complaints about contracts accounted for 7.4%.

Complaints about repeat dial call charges increased to 14.5% of Internet billing issues compared to 10.0% for the previous year. This frustrating problem relates to Internet connection drop-outs and charges for telephone calls to Internet Service Providers (ISPs) which appear to result in a busy signal.

The TIO regularly deals with complaints where Internet users receive telephone bills with an unusually large number of local calls. In many instances, investigation by the TIO reveals that the calls are of very short duration and coincide with periods when someone is accessing the Internet. This is caused by calls to an ISP repeatedly dropping out after a few seconds, and the user's Internet access software attempting to reconnect by repeatedly dialling the ISP's number. In many cases the Internet user is unaware that this is

occurring because their modem speaker is muted.

In some instances complainants are adamant that they have been charged for calls to their ISP which resulted in a busy signal. In 1998 the Internet Industry Association (IIA) carried out an independent study into the causes of short call duration and call drop-outs.

The results of the study showed that while consumers believed that they had been charged for 'busy' or 'engaged' calls to their ISP, the calls were successful albeit of very short duration (meaning Telstra complied with technical standards for the carriage of voice calls). Investigation revealed that calls may drop out after a successful telephone connection of only a few seconds, usually before the user has the opportunity to log on to the Internet.

The study highlighted a number of factors which are likely to cause drop-outs. These include Easy Call and Call Waiting functions, faults on the telephone line, incorrect software or modem settings, incorrect user IDs or passwords, inactive Internet accounts, problems with the ISP's equipment and incompatible user and ISP modems.

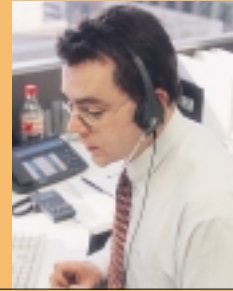
Given that call drop-out is likely to be a symptom of an underlying problem such as modem incompatibility, the TIO believes that the ISP industry, including equipment manufacturers, have an obligation to investigate and fix the problem.

Telstra's Big Pond is the largest ISP offering a dial-up service in Australia. Telstra's reasoning that meeting

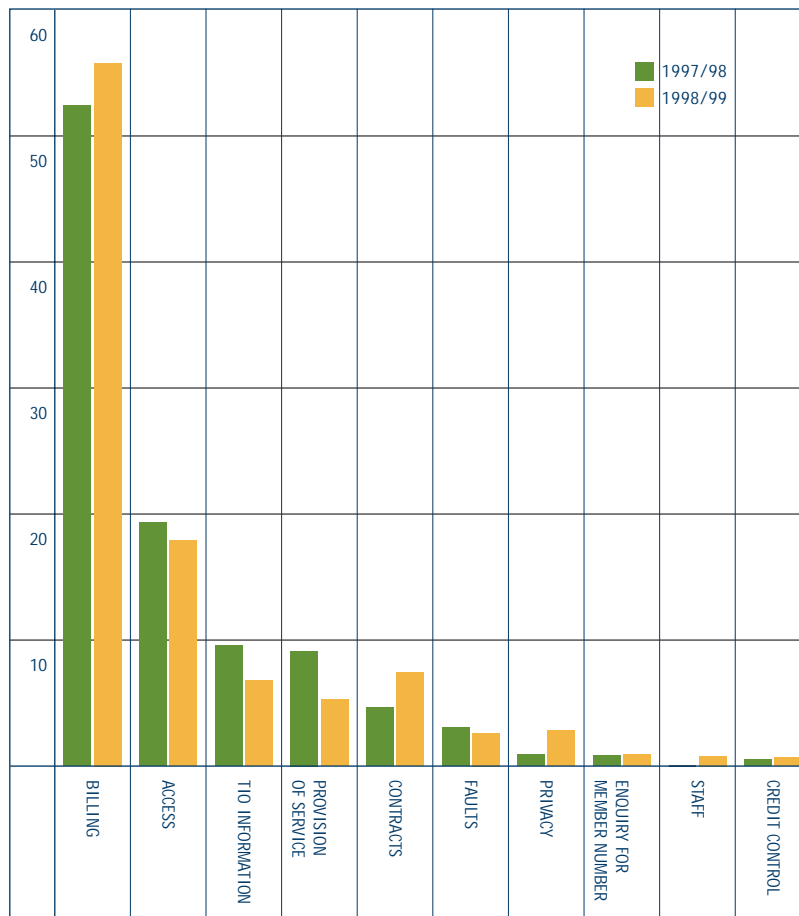
technical standards for voice call connection is a sound basis for charging for calls which fail to connect to an ISP is somewhat unconvincing, especially where Telstra Big Pond is the ISP. This is evidenced by a recent Consumer Claims Tribunal decision which said that in such circumstances (call drop-out) Telstra had failed to provide a service.

To help avoid unusually large bills, the TIO recommends that Internet users disable the 'repeat dial' function on their Internet access software. Also, if Internet users are having problems accessing the Internet they should wait until the ISP is less congested, or contact their ISP and ask for assistance.

**"Given that call drop-out is likely to be a symptom of an underlying problem such as modem incompatibility, the TIO believes that the ISP industry, including equipment manufacturers, have an obligation to investigate and fix the problem."**



Internet issues breakdown (excluding out of jurisdiction)



## CASE STUDY

### Jeremy Evans

'I took a call from an Internet user who reported that he was frequently unable to establish a connection with his ISP. I raised the complaint with the ISP, and was advised that the difficulties were due to the customer's modem being incompatible with the ISP's equipment.

The ISP admitted that it had not warned the customer of potential problems at the point of sale, and offered to credit Internet charges incurred by the complainant. The ISP also provided a letter of explanation to the customer so that he could obtain a replacement modem from his dealer.'

## INTERNET ACCESS

Issues Raised = 585

Complaints about Internet access made up 17.9% of total Internet service complaints lodged with the TIO.

Typical Internet access issues include slow download speeds, Internet Service Providers (ISPs) disconnecting users and complaints that users are able to connect to the Internet only intermittently or not at all. This last issue may be related to short duration calls and call drop-out problems.

In raising a complaint with an ISP, the TIO takes into consideration any claims the ISP has made about service levels, including download speed and ease of access. Internet users should be aware that budget-priced access deals are unlikely to offer the same access levels as more expensive services.

Most users are connected to the Internet through normal telephone lines which are designed for voice transmission and have limited data transmission capacity. The TIO may refer

complainants to their phone company if the problem is attributed to a fault on the line rather than a deficiency or fault with the ISP's equipment.

The TIO also receives complaints from users who claim an ISP has cancelled their Internet access. The TIO accepts that an ISP may cancel an account if it suspects that a customer is using their Internet service in an inappropriate or illegal manner.



## CASE STUDY

### Carrie Liddle

'I received a complaint from a man who connected to an ISP through software contained on a free CD-ROM he received when purchasing a new computer. The CD-ROM packaging stated that customers could obtain one month free unlimited access with no joining fee. When he asked to be disconnected within the first month, the complainant was advised by the ISP that he must pay for one month's usage subsequent to his 'free' month.

I took up the complaint on the grounds that the offer of a free month's usage was misleading or, at the very least, ambiguous. While conditions did apply to the deal, the necessary information was provided in fine print and did not clearly specify that users could not cancel within the first month at no charge. The ISP agreed to cancel the account without charging for the additional month.'

## INTERNET CONTRACTS

Issues Raised = 242

Complaints about Internet contracts made up 7.4% of total Internet-related complaints received by the TIO.

In 58.7% of issues about Internet contracts, users complained that their Internet Service Provider (ISP) failed to clearly explain the contract terms and conditions before they signed the agreement. Unfortunately, in most of these instances the TIO is unable to assist the complainant as a signed contract is usually legally binding. Internet users should make sure they carefully read and understand access contracts before signing.

The other source of complaints about Internet contracts is misleading information provided by an ISP or its agent. The TIO can investigate matters where the complainant was induced to sign a contract through false or misleading information. Consumers should be alert to potentially misleading wording in advertising such as 'free hours' or 'unlimited access'.

## INTERNET BILLING

Issues Raised = 1,822

Complaints about Internet billing again made up more than one-half of Internet issues. Problems included disputed log on times, unauthorised use of Internet accounts and direct debit issues.

Disputed connection times comprised the largest source of complaints at 25.3% of all Internet billing issues. This issue includes complaints about unauthorised people accessing Internet

accounts (known as 'hacking' or 'freeloading'). In most hacking complaints, investigation by the TIO revealed that the account holder failed to take adequate steps to protect their user name and password.

In freeloading complaints the unauthorised person remotely breaks into an Internet user's computer and steals their password and user name. Freeloading is very difficult to detect, and investigation involves reviewing Internet Service Provider (ISP) log-on reports, local call records and ISP dial-in records. Although some ISPs argue that they are not responsible for charges resulting from freeloading, most ISPs do accept a duty to help minimise this activity by informing their customers of appropriate security measures.

Towards the end of the year the TIO began to receive an increasing number of complaints from people who had been billed for Internet usage through fraudulent access to their phone line. The TIO will continue to investigate this issue, however complaints generally reflect the failure of the on-line industry to develop widespread account authentication and verification procedures which are as sophisticated as the industry's other types of technology.

Other major billing issues included unauthorised direct debit matters at 15.0% of total Internet billing issues and complaints about Internet users unwittingly making long-distance calls to connect to the Internet at 14.3% of complaints. The TIO believes that ISPs have a responsibility to inform



## CASE STUDY

### Kip Reading

'On comparing his ISP account with his phone bill, a man found that he was being charged for log-ons that had not been made from his telephone line. The TIO took up the complaint and requested further information from the ISP.

On investigation, the ISP discovered that the disputed dial-ins were coming from another state. As the man had kept his password secure and changed it regularly, there was a strong possibility that an Internet account freeloader had remotely accessed his computer and stolen his password. As a gesture of goodwill the ISP agreed to waive half the disputed charges.'

customers of the appropriate local number to dial in order to connect to the ISP. If no local number is available, ISPs should advise customers before they sign an access contract that they are required to make a long-distance call to connect to the Internet.

## INTERNET SECURITY/PRIVACY

Issues Raised = 93

The number of privacy complaints jumped from 12 in 1997-98 to 93 in 1998-99, representing a percentage increase from 0.9% to 2.9% of all Internet issues. While not recorded by the TIO as billing issues, the majority of Internet privacy complaints relate to unauthorised access to Internet accounts. Other privacy issues include unauthorised distribution of personal information by ISPs and concerns over security of credit card details. The TIO often refers these complaints to the Privacy Commission.

## INTERNET FAULTS

Issues Raised = 86

While the number of complaints regarding faults has increased from 40 to 86 this year, the proportion of fault issues compared to all Internet complaints has fallen to 2.6%. Again the majority of complaints regarding faults related to call drop-outs. These matters can be difficult to resolve as the fault may lie with the consumer's telephone service, modem or equipment setup.

## INTERNET SERVICE PROVISION

Issues Raised = 172

Complaints about the provision of Internet services constituted just over 5.3% of all Internet issues. These complaints mainly concerned the standard of service provided, including service features and support services.

Other major issues include delays in Internet connections, problems with e-mail services and difficulties with software provided by Internet Service Providers (ISPs).

# PROFILE OF COMPLAINANTS

As in previous years, the overwhelming majority of matters handled by the TIO were received from residential and small business complainants.

As in previous years, the overwhelming majority of matters handled by the TIO were received from residential and small business complainants. Government bodies and charities made up a small but increasing percentage of complainants.

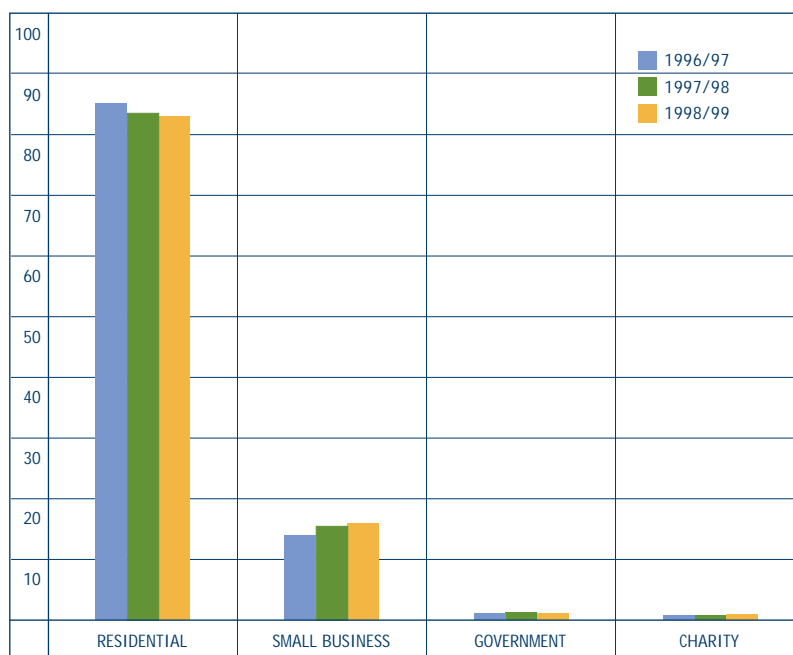
The trend of gradual increases in the proportion of complaints lodged by small businesses continued with a slight rise to 16.0%, up from 15.5% in the previous year. This was offset by a slight reduction in the proportion of complaints from residential consumers.

## METHOD OF COMPLAINT

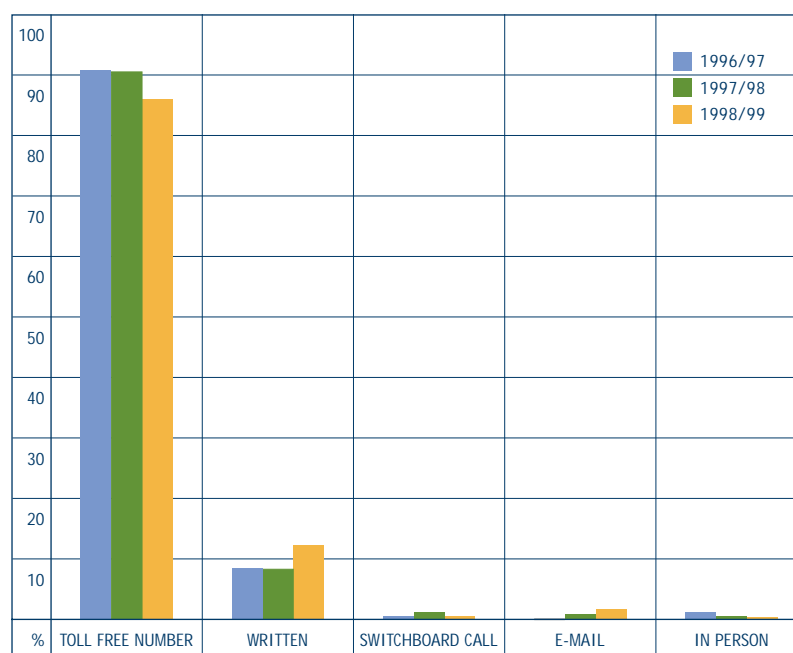
While there was a slight reduction in the proportion of complaints received through the toll free number, this continues to be the most popular method of lodging a complaint with the TIO.

The proportion of written complaints increased by more than one-third. While only accounting for 1.3 % of complaints received, the proportion of complaints received via e-mail more than tripled.

## Type of complaint



## Method of complaint





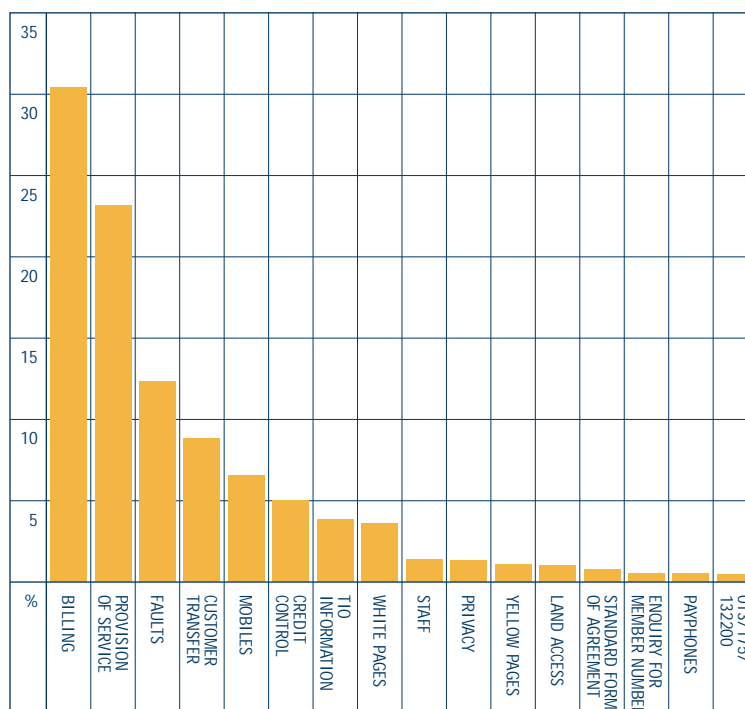
## SMALL BUSINESS COMPLAINTS

The slight rise in the proportion of complaints lodged by small businesses was reflected in the number of issues raised, with a marginal increase from 8,443 to 8,612 issues (a single complaint may include several issues). Of these issues 629 were out of the TIO's jurisdiction, leaving 7,983 within jurisdiction.

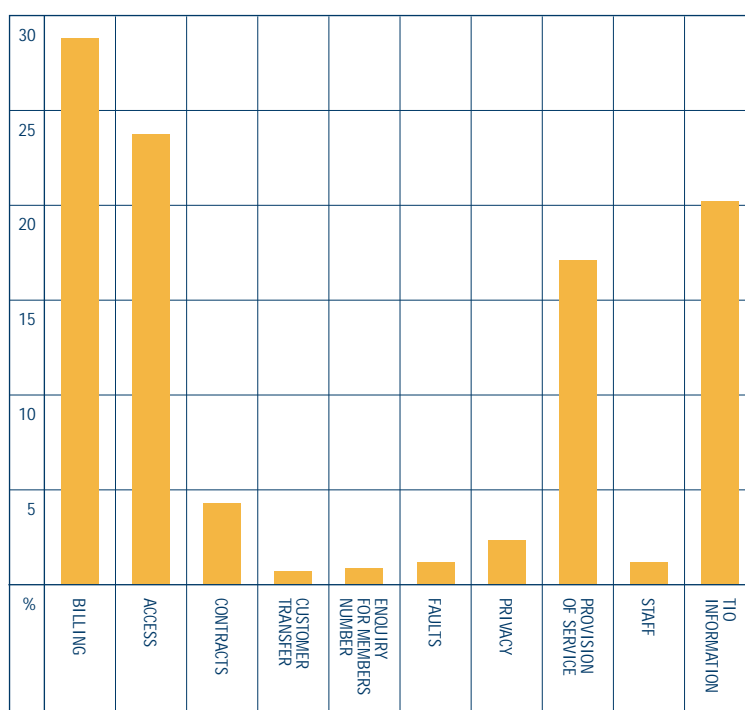
Telephone service issues accounted for 96.1% of all issues raised by small businesses. While telephone billing issues decreased from 35.3% to 30.4%, this was offset by increases in the proportion of issues about provision of service, which rose markedly from 16.4% to 23.2%, and faults, increasing from 8.9% to 12.3%. These changes are in line with the TIO's general statistics on telephone service issues.

The number of Internet service issues raised by small businesses increased by more than three-quarters to 338 issues, including 76 issues raised out of the TIO's jurisdiction. This represents 3.9% of all issues raised by small businesses, compared to 2.2% for the previous year. Billing, access, provision of service and TIO information continued to be the main areas of enquiry. The proportion of complaints relating to access rose from 20.2% to 23.5%, while complaints relating to contracts decreased from 6.2% to 4.3%.

Telephone service issues raised by small business (% of total)



Internet service issues raised by small business (% of total)





Daniela Phillips (standing) Administrative Officer  
Sarah Nye (seated) Member Services Adviser

## COMPLAINTS BY STATE

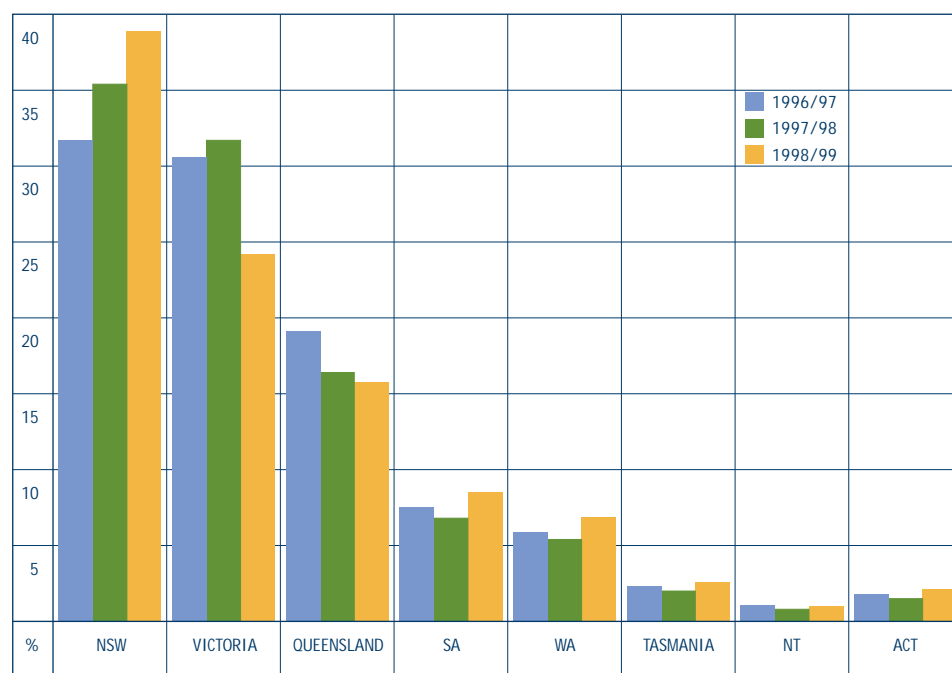
The proportion of complaints from NSW rose significantly for the third year in a row. This increase was offset by a significant decrease in the proportion of complaints from Victoria. South Australia and Western Australia recorded slight increases, while Queensland recorded a slight decrease.

As a percentage of total number of complaints for the state, NSW recorded the highest number of complaints about provision of service at 18.3%, well above the national average of 13.6%. The Northern Territory recorded the second highest proportion of complaints about provision of service at 17.6%, while Tasmania and Queensland recorded the lowest proportions at 8.9% and 10.0% respectively.

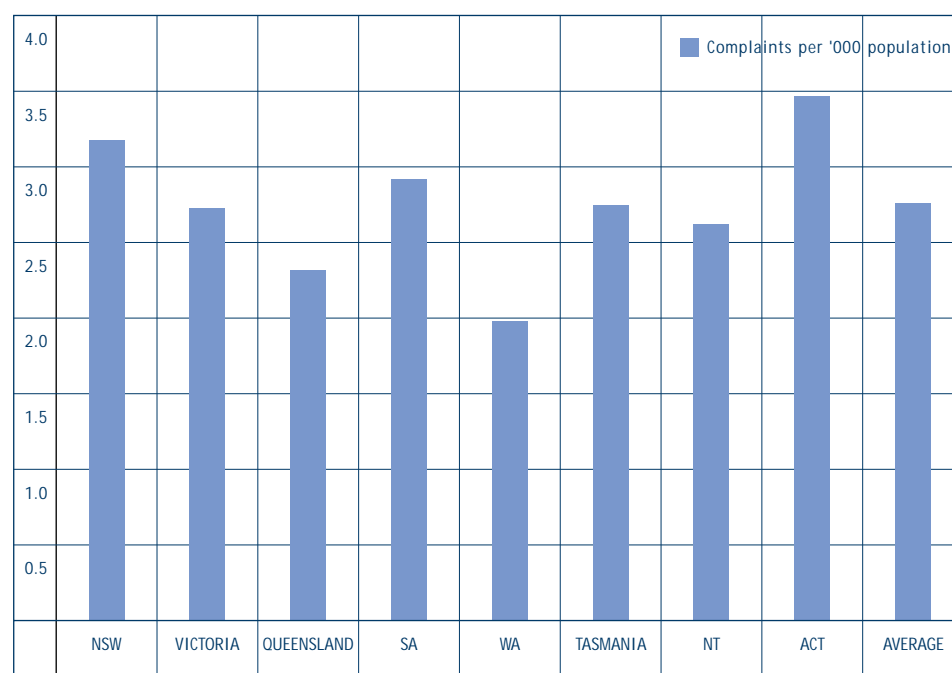
Tasmania and the Northern Territory recorded the highest proportion of complaints regarding faults at 13.2% and 13.1%, while Western Australia's proportion was the lowest of all states at 7.2%. Of complaints received from NSW, 11.6% related to faults, compared to the national average of 9.6%.



### State distribution of complaints (% of total)



### Complaints per '000 of population, based on 1996 census conducted by ABS



# GLOSSARY

## ACA

(Australian Communications Authority)

The body responsible for regulation of many aspects of the telecommunications industry with extensive powers under the *Telecommunications Act 1997*.

## ACCC

(Australian Competition and Consumer Commission)

The body responsible for regulating anti-competitive or unfair business practices and enforcing the *Trade Practices Act 1974*.

## ACIF

(Australian Communications Industry Forum)

An independent body established by industry to manage telecommunications self-regulation. A primary function of ACIF is to develop industry and consumer Codes of Practice.

## AMPS

(Advanced Mobile Phone System)

The first public mobile telephone service introduced in Australia. The AMPS network will close in most areas on 31 December 1999, and all remaining areas during 2000.

## Arbitration

A process formally set up by the TIO and its members, where an arbitrator is appointed to hear and bring down a finding to resolve a matter between a TIO member and a complainant. This process is only used if a Dispute cannot be settled, the matter is extremely complex or the amount of compensation is likely to exceed \$50,000. The arbitrator's decision is binding on all parties.

## Backbilling

Billing by a service provider for calls or services provided prior to the current billing period. Service providers have differing policies regarding the waiver of charges for backbilled services.

## Board

The TIO Scheme is a company limited by guarantee and is accountable to its Board of Directors. The Board has corporate governance responsibilities including risk management, financial management of the Scheme, strategic affairs, budgeting and ensuring compliance with the Memorandum and Articles of Association and the Constitution.

## Carrier

An organisation which holds a carrier licence as defined by the *Telecommunications Act 1997*. In very general terms, a carrier provides the physical infrastructure used to supply carriage services to the public.

## CDMA

(Code Division Multiple Access)

A new type of digital mobile service different to GSM digital. Several companies are planning to open CDMA networks in Australia during 2000.

## Churn

The process of transfer of customer accounts between service providers. This may be for pre-selection, over-ride dialling and/or billing purposes.

## CND

(Calling Number Display)

A service which allows a caller's number to be viewed by the person receiving the call.

## Codes

Performance standards set by ACIF and the industry. While compliance with Codes is voluntary, once a company is a signatory to a Code it is bound by the standards set in that Code. The ACA has the power to direct companies to comply with Codes.

## Complaint

Expression of dissatisfaction or grievance with a telecommunications service or product.

## Complaint Levels

The TIO's classification of the complexity or severity of a complaint. The previous levels of Enquiry, Consultation, Complaint and Dispute were replaced by Levels One to Four on 1 July 1999.

## Constitution

The TIO Constitution outlines the roles, responsibilities and powers of the Board, Council, members and the Ombudsman. The Constitution may be changed with the unanimous approval of the Board.

## Council

The TIO Council is comprised of an independent Chairman and an equal number of representatives from TIO members and consumer interests. Council provides advice to the

Ombudsman on policy and procedural matters and ensures that complaint handling procedures are effective.

### CSG

(Customer Service Guarantee)

A set of performance requirements placed by the ACA on suppliers of the standard telephone service. The CSG sets time limits and other standards for rectification of faults, connections and appointments. The CSG entitles consumers to a set scale of compensation payments if the standards are not met.

### Determination/Direction

A finding made by the Ombudsman when all efforts at resolution have been expended. The Ombudsman may make Recommendations to the value of \$50,000 and binding Directions to the value of \$10,000.

### GSM

(Global System for Mobiles)

A digital mobile phone system. In Australia, Telstra, Optus and Vodafone operate separate GSM networks.

### Investigations Officer

TIO staff member who receives, investigates and resolves complaints.

### ISP

(Internet Service Provider)

A company which provides Internet access service to the public. All ISPs are required to be members of the TIO. ISPs represent by far the largest group of TIO members.

### Issue

The matter about which a complainant has contacted the TIO. A single complaint may involve several issues. While the TIO charges its members by number of complaints, it reports on the basis of number of issues raised. The TIO groups similar issues into categories, such as billing, faults and privacy.

### Mediation

An alternative dispute resolution method used by the TIO where a mediator is appointed to bring parties together and achieve a mutually agreed resolution.

### Member

A telecommunications service provider which is a member of the TIO Scheme. The *Telecommunications Act 1997* requires all carriers and eligible carriage service providers to be members of the TIO.

### Memorandum and Articles of Association

Document outlining the rules and principles governing the TIO and its members. It is broader and more comprehensive than the Constitution, and covers areas such as administration and funding. This document may be amended with the approval of two-thirds of TIO members in attendance at an Annual General Meeting.

### PABX

(Private Automatic Branch Exchange)

A switching system used by medium to large organisations to route incoming and outgoing calls.

### Resolution

A complaint outcome found by the TIO which is satisfactory to the complainant and the TIO member.

### Service Provider

A carrier or carriage service provider which provides telephone, mobile or Internet services.

### SFOA

(Standard Form Of Agreement)

The form of contract between a service provider and its customer where there is no special or specific individual negotiations as to terms and conditions. A service provider must register its SFOA with the ACA.

### Standard Telephone Service

Fixed telephone service providing two-way voice communication for local, long distance and international calls. The standard telephone service does not include mobile services, customer equipment or Internet services.

# MEMBERSHIP

TIO Membership List as of 30 June 1999

ISP - Internet Service Provider

TSP - Telephone Service Provider

COMPANY	TYPE	JOINED	COMPANY	TYPE	JOINED
1990 Multiline BBS Pty Ltd	ISP	8-Sep-98	Aquarius Communications	ISP	3-Nov-97
21st Century Pty Ltd	ISP	1-Jul-97	Arachnet Pty Ltd	ISP	24-Aug-98
3D Net	ISP	4-Mar-98	Arcadia Technology	ISP	10-Dec-97
3rd Rock Internet Services	ISP	22-Jun-99	Arcomnet	ISP	14-Jan-98
A R Internet	ISP	11-Nov-97	Ardebil Pty Ltd	ISP	21-Jul-98
A Y Communications	ISP	22-Oct-97	Artel Computer Pty Ltd	ISP	1-Jul-97
A1 Internet Connectors	ISP	9-Oct-98	ASC Computers & Electronics Pty Ltd	ISP	21-Dec-98
AAPT Ltd	Carrier	1-Jul-97	Asgard.net, DigiSoft Pty Ltd T/as	ISP	25-Sep-97
Acay Network Computing Pty Ltd	ISP	16-Oct-97	Asia Pacific Enterprise Link Pty Ltd	ISP	18-Jan-99
Access Internet	ISP	1-Jul-97	Associated Service Providers Pty Ltd (ASP)	TSP	21-Jul-97
Access Little Pond Internet Services Pty Ltd	ISP	9-Dec-98	Astron Communication and Information		
Access Net	ISP	1-Jul-97	Services P/L	TSP	16-Jul-97
Access One Pty Ltd	ISP	26-Sep-97	AT & T Communications Services Aust Pty Ltd	TSP	1-Jul-97
Access Plus Corporate	TSP	10-Nov-98	AT&T EasyLink Services Australia Pty Ltd	ISP	27-Mar-98
Access Sydnet	ISP	3-Jun-98	Atlas Global Net, Mosaic Pty Ltd T/as	ISP	24-Sep-97
Accsoft Computer Technology Pty Ltd	ISP	27-Oct-97	Atnet Pty Ltd	ISP	19-Dec-97
Ace Internet Services Pty Ltd	ISP	1-Sep-97	AudioPhiles Paradise	ISP	21-Nov-97
Ace Online Pty Ltd	ISP	21-Jul-98	Aurum Internet Services	ISP	8-Sep-98
Aceconnect	ISP	17-Sep-98	Ausnet Services Pty Ltd	ISP	3-Oct-97
Acenet Internet Services	ISP	18-Jan-99	Ausnetwork Pty Ltd	ISP	6-Apr-99
ACEPIA	ISP	23-Apr-98	AUSOM Incorporated	ISP	1-Jul-97
Acorn Communications Pty Ltd	ISP	6-May-99	Ausstar, Windytide Pty Ltd T/as	Carrier	28-Sep-98
ACR.NET	ISP	1-Jul-97	Austasia Net Pty Ltd	ISP	1-Jul-97
ACTEW Corporation Ltd	TSP & ISP	3-May-99	Austcomm Tele Services Pty Ltd	TSP	30-Jul-97
Active Australia Pty Ltd	ISP	20-Oct-98	Australia Connect Pty Ltd	ISP	21-Jul-98
Active Internet	ISP	27-May-99	Australia Internet Solutions Pty Ltd	ISP	13-Oct-97
Adam Pty Ltd	ISP	15-Oct-97	Australia Online	ISP	25-Mar-98
Adap-2-Us	ISP	24-Jun-99	Australian Communication Exchange Ltd	TSP	1-Jul-97
Adnet Internet Access	ISP	7-Aug-98	Australian Institute of Information		
Advanced Internet Services Pty Ltd	ISP	21-Jul-97	Technology Pty Ltd	ISP	12-May-98
Advantra Pty Ltd	ISP	21-Oct-97	Australian Netlink Pty Ltd	ISP	21-Jul-97
AdviserNet (Sealcorp Holdings Ltd)	ISP	2-Feb-98	Australian Specialist Infotech Operations	TSP & ISP	26-Aug-98
Afnet, Australian Fast Network	ISP	15-Oct-98	Australian Utility Brokers Pty Ltd	TSP & ISP	21-Jul-98
AFS Computers Central Coast	ISP	10-Nov-98	Australink Communications Pty Ltd	TSP & ISP	5-Aug-98
Agile Communications	Carrier	8-Sep-98	Avirnex Communications Australia Pty Ltd	TSP	1-Jul-97
AJM Services Pty Ltd	ISP	8-Jul-97	Avon Global Communications	ISP	21-Jul-98
Alexia Internet Services	ISP	25-Aug-98	Axs Systems, B L Software Pty Ltd T/as,	ISP	24-Aug-98
All Things Internet (First Netcom Group)	ISP	1-Jul-97	B clear and simple	TSP	26-May-99
Allnet	ISP	23-Jun-98	BackMeUp	ISP	22-Oct-97
Allstate Connect	ISP	18-Jan-99	Banana Shire Council	ISP	17-May-99
Alpha Dot Net Australia Pty Ltd	ISP	31-Oct-97	Bateman's Bay Internet Services Pty Ltd	ISP	30-Mar-98
Alpha Network Shop Pty Ltd	TSP & ISP	31-May-99	Beach Access Group	ISP	21-Dec-98
Alphalink	ISP	1-Jul-97	Beethoven Computer Services	ISP	4-May-98
Alphanet Pty Ltd	TSP & ISP	6-Oct-97	Bellfrog Network	ISP	18-Jan-99
Alphawest Pty Ltd	ISP	9-Jul-98	Better Net Pty Ltd	ISP	23-Nov-98
Alphernet, Alpher On Line T/as	ISP	26-Jun-98	Betterlink Pty Ltd	ISP	21-Dec-98
Amaze Technologies Pty Ltd	ISP	6-Oct-97	Beyond Net NQ, Sampine Pty Ltd T/as	ISP	19-Jun-98
Ambience Internet	ISP	11-May-99	Beyond Tech Com & Associates	ISP	28-Aug-98
Amcom Pty Ltd	Carrier	10-Sep-98	BFI Internet Services	ISP	28-Jun-99
America Online, AOL Bertelsmann Online			Big Mobile Communications Pty Ltd	TSP	3-Aug-97
Services T/as	ISP	20-Oct-98	BigNet, Brisbane Internet Group T/as	ISP	13-May-98
Americom, Koyo Pty Ltd T/as	TSP	29-Sep-97	Bigone	ISP	22-Mar-99
Amisoft	ISP	13-Nov-97	BIN Telecommunications Pty Ltd	ISP	25-Mar-99
ANCC Internet (Aust) Pty Ltd	ISP	28-Apr-98	Blue Mountains Internet	ISP	4-May-98
Annexion	ISP	24-May-99	Blue Net	ISP	18-Jan-99
ANS Communications Pty Ltd	ISP	2-Apr-98	Blue Planet Net	ISP	20-Nov-97
APA Communications Pty Ltd	ISP	1-Dec-97	Blue Print Internet	ISP	15-Oct-98
APEX Internet	ISP	30-Nov-98	Bluewave Internet Service Provider	ISP	24-Aug-98

COMPANY	TYPE	JOINED	COMPANY	TYPE	JOINED
BMR.Net Internet Services	ISP	1-Sep-97	Computer & Technology Supplies Pty Ltd	ISP	27-Aug-98
BoldWeb	ISP	22-Jul-97	Computer Mania	ISP	10-Nov-97
Braenet Pty Ltd	ISP	25-Jun-98	Computer West, Melzen Pty Ltd T/as	ISP	19-Jun-98
Braidwood Internet, Goulburn Internet Services Pty Ltd T/as	ISP	27-Oct-97	Computers etc	ISP	21-Dec-98
Branch Computing Pty Ltd	ISP	2-Mar-98	Computers on the Run	ISP	30-Jul-97
Bridge Online Systems	ISP	27-Nov-97	Computing Success	ISP	10-Jun-99
Brisbane Internet Technology Pty Ltd	ISP	17-Dec-97	Comswest InterNET Pty Ltd	ISP	24-Aug-98
Brisnet.org.au	ISP	25-Mar-99	Comswest Pty Ltd	TSP	24-Nov-97
BT Australasia Pty Ltd	TSP	30-Jul-97	Connect Direct Internet	ISP	27-Jul-98
Bunbury Gateway	ISP	21-Oct-98	Connect Infobahn Australia	ISP	1-Jul-97
Bunbury Internet Pty Ltd	ISP	4-Aug-98	Connect.com.au Pty Ltd	ISP	1-Jul-97
Burko Computers	ISP	18-Jul-97	Connectivity Australia Pty Ltd	ISP	30-Nov-98
Business Environment Systems	ISP	7-Aug-98	Connexus Internet Service, Internex Australia T/as	ISP	10-Mar-98
Business Resource Development	ISP	29-Oct-98	Contal Information Technology Pty Ltd	ISP	12-Jun-98
Cable & Wireless Optus	Carrier	1-Jul-97	Coolangatta.Gold.Com	ISP	21-Dec-98
Caboolture Networks	ISP	23-Jun-98	Corinthian Internet Services	ISP	6-Apr-98
Cairns Network Services, Cairnsnet Pty Ltd T/as	ISP	6-Apr-98	Corplink, APAC Internet Ltd T/as	ISP	20-Apr-98
Call Australia	TSP	1-Jul-97	Corporate Internet Australia	ISP	21-Nov-97
Caloundra Net	ISP	10-Nov-98	Coscom Technology	ISP	16-Apr-99
Canterbury Computers	ISP	25-Feb-99	Cosmos Integrated Communications	ISP	19-Sep-97
CardCall International	TSP	18-Sep-97	Country Netlink Pty Ltd	ISP	1-Jul-97
Catchnet	ISP	3-May-99	CR's Computer Mart Pty Ltd	ISP	10-Sep-98
CBS Group Pty Ltd	TSP	22-Sep-97	CSCCS Internet	ISP	15-Jan-98
CCNS Internet Providers	ISP	15-Oct-98	CSI Holdings Pty Ltd	ISP	18-Jul-97
Celestial Enterprises, Down Under Consultants T/as	ISP	12-May-98	CVS Communications Corporation	TSP & ISP	27-May-99
Cellular One Communications Ltd	TSP	1-Jul-97	CybaNet Internet Services, Cybertech Computing T/as	ISP	23-Oct-97
Central Coast Internet Pty Ltd	ISP	13-Nov-97	Cyberbiz	ISP	6-Mar-98
Chariot Internet Pty Ltd	ISP	30-Oct-97	Cybercrow	ISP	27-Jan-98
Charon Information Services	ISP	1-Jul-97	Cyberelectric Pty Ltd	ISP	9-Feb-98
Chatnet BBS	ISP	22-Mar-99	Cyberlink Technologies	ISP	28-Jun-99
Cherry Internet Access	ISP	1-Sep-97	Cyberloom Pty Ltd	ISP	30-Apr-98
Cherry Technology Pty Ltd	ISP	8-Jun-99	Cybernet Pty Ltd	ISP	9-Dec-98
Chilli Internet Solutions Pty Ltd	ISP	26-Mar-98	CyberOne Pty Ltd, ACT Online Internet	ISP	3-Sep-97
CIC Technology, Gratesand Pty Ltd T/as	ISP	20-Nov-98	Cyberspace Corporation Pty Ltd	ISP	2-Dec-97
Cimtec Pty Ltd	ISP	14-Oct-97	Cynet	ISP	1-Jul-97
CITEC	ISP	18-Jul-97	Cyrus Technologies	ISP	21-Jan-98
Cityplus	ISP	8-Jun-99	Cytech Corporation Pty Ltd	ISP	17-Sep-98
Clarinet Internet	ISP	1-Jul-97	D P Corporate Pty Ltd	TSP	17-Jul-97
Clover Computing	ISP	10-Jun-98	Darkstar Internet	ISP	24-Oct-97
Club World.Net Pty Ltd	ISP	26-Sep-97	Darling Downs Internet Services	ISP	30-Jul-98
Clubnet	ISP	18-Jan-99	Dataline.Net.Au Pty Ltd	ISP	22-Oct-97
CMS Telecommunications	TSP	21-Jul-97	Davnet Pty Ltd	Carrier	30-Mar-98
Coast Connect	ISP	18-May-99	DCS Internet	ISP	15-Oct-97
Coastal Waters Internet, Wavecliff Pty Ltd T/as	ISP	31-Oct-97	Desiin Pty Ltd, T/as INI Access	ISP	27-Apr-98
Coastnet ISP	ISP	21-Jul-97	Desintel Communications Pty Ltd	TSP & ISP	20-Apr-99
Cobweb Internet Services Pty Ltd	ISP	21-Dec-97	Dezza Net Pty Ltd	ISP	1-Jun-98
Colltseum.net.au	ISP	23-Mar-98	DIALix Pty Ltd	ISP	18-Jul-97
Comacom	ISP	10-Jun-98	DialUp	ISP	23-Jan-98
Comaxes Corporation Pty Ltd	ISP	29-Jun-99	Dieselnet Pty Ltd	ISP	14-Sep-98
ComCen Pty Ltd	ISP	17-Jul-97	Digiplus Pty Ltd	TSP	17-Jul-97
Commerce Australia Pty Ltd	ISP	3-Apr-98	Digital Connect Communications	ISP	28-Aug-98
Communicat Pty Ltd	ISP	1-Jul-97	Digital Media Corporation Pty Ltd T/as		
Compass Net	ISP	9-Jul-98	USSR.net	ISP	10-Jun-99
Compuserve Pacific, Fujitsu Aust Ltd T/as	ISP	7-Jan-98	Direct Net Solutions Pty Ltd	ISP	29-Sep-98
			Direct Telecoms Pty Ltd	TSP	20-Oct-98
			Disk-O-Tech On-Line	ISP	10-Dec-97

# MEMBERSHIP

TIO Membership List as of 30 June 1999

COMPANY	TYPE	JOINED	COMPANY	TYPE	JOINED
Dnet Internet Services	ISP	17-Jun-99	FONETel Pty Ltd	ISP	25-May-98
Doctor Net	ISP	2-Jul-97	Fox All Service Pty Ltd	ISP	24-Aug-98
Dot Communications Ltd	ISP	2-Oct-97	Freeonline.com.au Pty Ltd	ISP	21-Jun-99
Dove Australia Pty Ltd	ISP	6-Nov-97	Funnel Web Internet, True North Consulting T/as	ISP	9-Jan-98
DOVENETQ	ISP	15-Aug-97	Futureweb Pty Ltd	ISP	9-Jul-98
Downslink	ISP	7-Aug-98	G3 Communications	TSP	21-May-98
Dragnet Internet Services Pty Ltd	ISP	26-Nov-97	Galaxy Internet	ISP	21-Jul-98
Dragon Net	ISP	13-Oct-97	Gateway Internet	ISP	5-May-99
Dynamic Bell	TSP	2-Oct-97	Geko Internet Pty Ltd	ISP	18-May-98
Dynamite Internet	ISP	1-Jul-97	GKY Internet	ISP	1-Jul-97
E2F Pty Ltd	ISP	25-Aug-98	Global Connect (Aust) Pty Ltd	ISP	24-Mar-99
Eaglecom Pty Ltd	ISP	1-Dec-98	Global Gossip	TSP	17-Nov-97
Eagles BBS Internet Services Pty Ltd	ISP	12-Nov-97	Global Info Links, Ipswich City Council	ISP	20-Oct-97
Easynet Pty Ltd	ISP	28-Nov-97	Global One Communications Pty Ltd	TSP	1-Jul-97
ECK net	ISP	18-Jun-99	Global Web Pty Ltd	ISP	1-Jul-97
Eclipse Telecommunications Pty Ltd	TSP	1-Jul-97	Globalchat	ISP	25-May-99
ECN Internet	ISP	14-Nov-97	Globec Internet Services Pty Ltd	ISP	28-Aug-98
Ecopost Pty Ltd	ISP	4-Aug-97	Go Get Netted Pty Ltd T/as Netmail Results	ISP	7-Jun-99
EDITGroup.aunz.com, Enhanced Design and Information Technology Group T/as,	ISP	20-Nov-98	GOL - Goldsborough Online Pty Ltd	ISP	17-Feb-99
EG Communications	ISP	25-Mar-98	Goldnet, Morgan Electrical Services T/as	ISP	30-Jul-98
EISA Pty Ltd	ISP	1-Jul-97	Goulburn Internet Services	ISP	27-Oct-97
Elitenet Pty Ltd	ISP	10-Jun-99	GPS Systems Pty Ltd	ISP	12-May-98
Elmtree Consulting Services	ISP	28-May-99	Gravity Internet	ISP	24-Dec-97
Elu Information Systems Pty Ltd	ISP	27-Oct-97	Great Circle Internet Services Pty Ltd	ISP	9-Oct-98
Emmaus College	ISP	18-Sep-98	Great Lakes Hardnet Café, Arsonello T/as	ISP	23-Jun-98
Emp Com	TSP	25-May-99	Greenbank Net	ISP	25-Feb-99
Enter Net Australia Pty Ltd	ISP	12-Jun-98	GSAT, Geelong Science & Technology Centre	ISP	14-May-98
Entity Connect, CMH Enterprises T/as	ISP	3-Jun-98	GSM Rentafone Pty Ltd	TSP	16-Jul-97
EON Technology Pty Ltd	ISP	18-May-98	Gupta's Communications Pty Ltd	TSP	18-Jan-99
Escape Internet Online and Multimedia Services	ISP	1-Jul-97	Gympie Office Automation	ISP	18-Jan-99
Escape.Net	ISP	12-Jan-98	Hal9000	ISP	29-Dec-97
EtherTech Pty Ltd	ISP	2-Jun-99	HAQ IT Pty Ltd	ISP	24-Mar-99
EW Systems Australia Pty Ltd	ISP	27-May-99	Hard Disk Café	ISP	3-Jun-99
Extensive Service Provisions	ISP	15-Jun-99	Hardnet Internet Access (Hardnet Cafe)	ISP	30-Oct-97
Ezi Phone Card Pty Ltd	TSP	2-Apr-98	Hare.Net.au	ISP	3-Mar-98
Ezi Prepaid Mobile Pty Ltd	TSP	2-Apr-98	Hartingdale Pty Ltd	ISP	1-Jul-97
Ezi Telecommunications	TSP	1-Jul-97	Healey Communications Australia	ISP	5-Oct-98
Ezy2geT	ISP	4-May-99	Hermes Internet	ISP	24-Jul-97
Ezylink	ISP	19-Jan-99	Hexanet Pty Ltd	ISP	25-Feb-99
F1 (Formula One) Internet Services	ISP	18-Jan-99	Hi Tech Net	ISP	1-Jul-97
F1 Computer Services	ISP	16-Jun-99	Highlands Internet Pty Ltd	ISP	21-Dec-97
Fast Access Network Pty Ltd	ISP	1-Jun-98	HighTide Internet Pty Ltd	ISP	4-Sep-97
Fast Business Internet	ISP	21-May-99	Highway 1 (Australia) Pty Ltd	ISP	21-Jul-98
Fast Internet	ISP	29-Aug-98	Hilink Internet Pty Ltd	ISP	25-Jul-97
Fastlink Communications Pty Ltd	ISP	18-Aug-97	Hitech City	ISP	7-May-99
Fastmail Internet Services Pty Ltd	ISP	18-Nov-97	Holodoc-Oz	ISP	23-Jun-99
Fax International Australia Pty Ltd	TSP	18-Jul-97	Horizon Telecommunications Pty Ltd	Carrier	6-Apr-98
Federation Cyber-Café	ISP	12-Jun-98	Hotkey Doncaster	ISP	1-Jul-97
First Link Internet Service Pty Ltd	ISP	1-Jul-97	Hotkey Internet Services Pty Ltd	ISP	29-Oct-97
First Netcom Pty Ltd	TSP	1-Jul-97	Hotkey Ivanhoe (Starway Ivanhoe)	ISP	27-Nov-97
Fish Internet	ISP	29-Oct-98	Hotkey Knox	ISP	21-Nov-97
Flatrate Internet	ISP	16-Apr-99	Hotlinks Internet Services Pty Ltd	ISP	1-Oct-97
Flex Internet Technology Pty Ltd	ISP	8-May-98	Hotnet	ISP	21-Sep-98
Flexinet ISP and Internet Café, Warwick			Hrimas Enterprises Pty Ltd	ISP	21-Nov-97
Enterprise Association	ISP	10-Jun-98	HTML Net	ISP	9-Jul-98
Flow Communications	ISP	10-May-99	Hub Communications Pty Ltd	ISP	10-Jun-98
			Hudson Data	ISP	2-Mar-99

COMPANY	TYPE	JOINED	COMPANY	TYPE	JOINED
HunterLink Pty Ltd	ISP	16-Sep-97	Internet W.W.W. Network	ISP	11-Nov-97
Hutchison Telecommunications	Carrier	1-Jul-97	Internet Whitsunday	ISP	2-Feb-99
Hyperlink	ISP	1-Jul-97	Internex/Internex LV	ISP	19-Jun-98
Hypermax Pty Ltd	ISP	22-Mar-99	Internode Systems Pty Ltd	ISP	1-Jul-97
Icenet Pty Ltd	ISP	28-Nov-97	Intersat, Communications Inc Pty Ltd T/as	ISP	15-Feb-99
Idxnet Computing Pty Ltd	ISP	3-Dec-97	Intertech Net Au	ISP	17-Jun-99
iForm	ISP	21-Jul-97	Interweb Connections	ISP	1-Jul-97
iiNet Technologies Pty Ltd	ISP	25-Aug-98	Interworx Technologies	ISP	13-Nov-97
IIS Group Pty Ltd	ISP	18-Sep-97	Intrapoer Pty Ltd	ISP	29-Jul-98
IIS Pty Ltd	ISP	1-Jul-97	IO Communications	ISP	26-May-99
Image Networking, Teragen Pty Ltd T/as	ISP	16-Mar-98	ION Pty Ltd	ISP	1-Dec-97
Immortal Technology Pty Ltd	ISP	9-Dec-98	Ioshpere, Sysworks Technologies T/as	ISP	10-Sep-98
Immortalnet Internet Services	ISP	8-Sep-98	Ioville, Sysworks Technologies T/as	ISP	10-Sep-98
Impact Creativity Centre	ISP	10-May-99	Iridium South Pacific Pty Ltd	Carrier	1-Dec-97
Impaq Network Services	ISP	21-May-99	Irvnet.org.au	ISP	21-May-99
Impulse.Net	ISP	1-Jun-99	IS-1 Communications Pty Ltd	TSP	1-Jul-97
Independent Business Equipment	ISP	7-May-98	Isage	ISP	7-Jun-99
I-Netcomm	ISP	3-Jun-99	Island Internet Services	ISP	1-Jul-97
Infinite Data Australia Pty Ltd	ISP	27-Mar-98	ISP Interactive Pty Ltd	ISP	30-Mar-98
Infinity Online	ISP	19-Mar-99	IT Fusion	ISP	29-Jun-99
Infoflex Pty Ltd	ISP	24-Nov-97	IT Lite Computing Solutions Pty Ltd	ISP	13-Nov-97
Infonet Telecommunications, T/as Ezinet	ISP	29-Apr-98	IT Works Consulting Pty Ltd	ISP	14-Jul-98
Informed Technology	ISP	28-Aug-98	Itel Technology	ISP	16-Apr-99
Inpho Interactive	ISP	17-Sep-97	Japan Telecoms Corporation Pty Ltd	TSP & ISP	29-Apr-98
Inspired Networking	ISP	18-Jan-99	Jaycom Internet Services Pty Ltd	ISP	5-Mar-98
Instant Communications	ISP	15-Oct-98	Jeack Internetworking	ISP	8-Oct-98
In-Tech Telecommunications Pty Ltd	ISP	28-Aug-98	Jfax Communications Australia Pty Ltd	TSP	14-Jan-98
Integrated Technology Resources	ISP	2-Feb-99	Jigsaw Technology Pty Ltd	ISP	20-Apr-98
Integrity Network Solutions	ISP	28-Jun-99	JMB Internet Services	ISP	8-Jan-98
Interact Computer Centre	ISP	15-Oct-98	JRC Internet Services	ISP	7-May-98
Interact Technology Group Pty Ltd	ISP	1-Jul-97	Jumbuku Pty Ltd T/as Hotkey Malvern	ISP	2-Mar-98
Interactive Globalnet (IGN) Pty Ltd	ISP	10-Nov-97	Justnet Pty Ltd	ISP	11-Aug-98
Intercoast Systems Pty Ltd	ISP	20-Nov-98	Kapunda Computing Centre	ISP	22-Sep-98
InterDomain Pty Ltd	ISP	1-Jan-98	Katanning Regional Telecentre Inc.	ISP	18-Jan-99
Interfusion Net	ISP	8-Oct-98	KDD Australia Pty Ltd	TSP	11-Feb-99
Interlink Technology Solutions Pty Ltd	ISP	21-Sep-98	Kern Internet Providers	ISP	24-Aug-98
Inter-Met	ISP	1-Jul-97	Kewl Internet Services	ISP	14-Sep-98
International Networking Technology	ISP	17-Nov-97	Key Internet Services, Teragrove Pty Ltd T/as,	ISP	4-Jun-98
Internet 4 Free Pty Ltd	ISP	22-Mar-99	Knowledge By Design Pty Ltd	ISP	1-Jul-97
Internet Access Australia Pty Ltd	ISP	1-Jul-97	L.I.S.P Pty Ltd (Local Internet Service Provider)	ISP	8-Jan-98
Internet Club Australia	ISP	1-Oct-98	Labyrinth Connections Pty Ltd	ISP	1-Jul-97
Internet Commercial Connections Pty Ltd	ISP	17-May-99	Launch Internet Services	ISP	1-Jul-97
Internet Depot	ISP	1-Jun-99	Lavalink Internet Services	ISP	29-May-98
Internet Express	ISP	1-Jul-97	LCR Telecom Pty Ltd	TSP	22-Jan-98
Internet Express	ISP	2-Sep-98	Leb-Com Pty Ltd	ISP	11-Oct-97
Internet Express, Dytec Industries T/as,	ISP	18-Jan-99	Lexicon Internet Services	ISP	1-Jul-97
Internet Ezy	ISP	2-Jul-98	Link Telecommunications	TSP	1-Jul-97
Internet Infobahn Pty Ltd	ISP	1-Jul-97	Linkit Internet Services	ISP	10-Nov-98
Internet Information Superhighway Pty Ltd	ISP	11-Nov-97	Linknet Internet Service Providers	ISP	16-Mar-99
Internet Interface Systems Pty Ltd	ISP	5-Nov-97	Links Internet	ISP	14-Sep-98
Internet North Pty Ltd	ISP	1-Jul-97	Lismore Internet Services	ISP	1-Jul-97
Internet on the Coast Pty Ltd	ISP	1-Jul-97	Livewire Communications	ISP	29-Jan-99
Internet Plus Pty Ltd	ISP	11-Nov-97	Logicworld Pty Ltd	ISP	1-Jul-97
Internet Service Providers Pty Ltd	ISP	1-Jul-97	Lynx Internet Connections	ISP	12-Jun-98
Internet Temora	ISP	25-Feb-99	MacConnect	ISP	4-Aug-98
Internet TV Australia	ISP	9-Dec-98	Mackay Internet	ISP	1-Oct-98
Internet Unlimited	ISP	23-Nov-98			
Internet Victoria	ISP	28-Oct-97			



# MEMBERSHIP

TIO Membership List as of 30 June 1999

COMPANY	TYPE	JOINED	COMPANY	TYPE	JOINED
Macquarie Corporate Telecommunications	TSP	1-Jul-97	Netracom	ISP	11-Feb-99
Macrocom Pty Ltd	Carrier	30-Mar-98	Netrix Internet	ISP	16-Apr-99
Magic Computers (Aust) Pty Ltd	ISP	11-Jun-99	Netro	ISP	17-Nov-97
Magna Data Australia Pty Ltd	ISP	24-Sep-97	NetServ Communications Pty Ltd	ISP	1-Dec-98
Magna Field Pty Ltd	ISP	29-Dec-97	Netski Pty Ltd	ISP	21-Jul-97
Marketing Solutions Pty Ltd	ISP	10-Jun-98	Netspace Online Systems Pty Ltd	ISP	1-Jul-97
matra.com.au Pty Ltd	ISP	5-Jan-98	Netspeed Internet Communications	ISP	11-Dec-97
Matt And Trish Enterprises (M.A.T.E.)	ISP	17-Jun-99	Netstra Pty Ltd	ISP	18-Nov-97
Maxi Internet Services	ISP	2-Mar-98	NetStream Internet	ISP	11-Feb-99
MCI Global Resources	TSP	21-Jul-98	Net-tech Internet Services, Network Technology Pty Ltd T/as	ISP	20-May-99
McPherson Media Pty Ltd	ISP	21-Jan-98	Nettrade, Portofino Promotions Pty Ltd T/as	ISP	21-May-98
Melbourne PC User Group Inc	ISP	13-Oct-97	Netway Technologies Pty Ltd	ISP	13-May-98
Merlin Australia	ISP	3-Sep-97	Netwide Solutions Pty Ltd	ISP	24-Oct-97
Metro Computer Services	ISP	30-Jul-98	Netwit Conexus	ISP	1-May-98
Metrolink, Draco Pacific Pty Ltd T/as	ISP	1-Dec-97	Network Support Service (Qld) Pty Ltd	TSP & ISP	1-Jun-99
Metro-Soft, Draco Pacific Pty Ltd T/as	ISP	1-Dec-97	Networkx Internet Access Providers	ISP	28-May-99
Microed Pty Ltd	ISP	1-Jun-99	NetYP	ISP	10-Nov-98
Micronica	ISP	30-Apr-98	New Approach Systems & Software	ISP	24-Nov-98
Microplex Pty Ltd	ISP	3-Oct-97	New Star, Xinhua News Telecommunications Pty Ltd T/as	Carrier	25-Aug-98
Microsystems Support	ISP	18-Dec-97	Newave Internet Services Pty Ltd	ISP	17-Sep-97
Microtech.com.au, NHA Pty Ltd T/as	ISP	11-Mar-98	Newsagency 1	ISP	27-Jan-99
Microtronics Pty Ltd	ISP	6-Nov-97	Next Century Australia	ISP	20-Apr-98
Midnite Communications	ISP	25-Feb-99	Nextracom, Leading Edge PC Consulting T/as	ISP	24-Aug-98
Mikka International	ISP	23-Jul-97	NHJ Northlink Communications	ISP	18-Jan-98
Mildura.Net.Au	ISP	2-Mar-98	NKA Communications Pty Ltd	ISP	21-Jul-98
Mindvision Interactive Pty Ltd	ISP	20-Aug-97	Nobbys Net	ISP	1-Jul-98
Minervanet Pty Ltd	ISP	2-Apr-98	Noisenet	ISP	1-Jun-99
Minopher Pty Ltd	ISP	31-Dec-97	Nornet	ISP	4-Aug-97
Mira Networking Pty Ltd	ISP	1-Jul-97	North Atlantic Telecomms. Gateway Pty Ltd	ISP	19-Sep-97
Mission Internet	ISP	3-May-99	North Net Internet Services	ISP	17-Dec-97
MNS Internet Services	ISP	22-Jul-98	Northern Exposure Technologies Pty Ltd	ISP	10-Dec-97
Mobile Innovations Pty Ltd	TSP	1-Jul-97	Northern Rivers Gateway	ISP	1-Jul-97
Mondial Net Pty Ltd	ISP	23-Mar-98	Northern Rivers Net T/as Rivers	ISP	8-Jun-99
Moranbah Internet Services, Penthurst Pty Ltd T/as	ISP	17-Sep-98	Northgate Communications	Carrier	21-Aug-97
Mosman City Internet Services	ISP	29-Nov-97	NorthPower turboWeb	ISP	20-Apr-98
Mr Bean's Internet	ISP	11-Sep-98	Novanet Pty Ltd	ISP	31-Oct-97
Mudgee Internet	ISP	19-May-98	Now.Com.Au Pty Ltd	ISP	24-Mar-98
Mullumbimby Access Point Pty Ltd	SP	17-Sep-98	NPGX Pty Ltd	ISP	15-Oct-98
Multibase Web Australis	ISP	1-Jul-97	NT Technology Pty Ltd, Katherine Computer Services Pty Ltd T/as	ISP	27-Aug-98
Multitel Communications Pty Ltd	TSP & ISP	21-Apr-99	NTT Australia Pty Ltd	ISP	31-Mar-98
Namadgi Corporation	ISP	1-Jul-97	Oasis Internet	ISP	29-Oct-98
Nationwide Communication Pty Ltd	TSP	11-Jun-99	Ocean Internet Pty Ltd	ISP	7-May-98
NBC Networks Pty Ltd	ISP	29-Sep-98	Octa4 Pty Ltd	ISP	28-Jan-98
Nectar Online Services	ISP	20-Nov-97	OCTEC Incorporated	ISP	11-Feb-99
Net Sydney Internet Services	ISP	14-Sep-98	Odd Software Pty Ltd	ISP	18-Jan-99
Net Trek On-Line Services	ISP	26-Jun-98	Odyssey World Pty Ltd	ISP	17-Jun-98
Net200 Pty Ltd	ISP	14-Jul-98	Offis Pty Ltd	ISP	20-Nov-98
NetConnect Communications Pty Ltd	ISP	27-Oct-97	OMCS, Om.Com Services T/as	ISP	1-Jul-98
Netcore Pty Ltd	ISP	1-Jul-97	Omen Internet, EBI Enterprises Pty Ltd T/as	ISP	8-Oct-98
NetEffect Internet Pty Ltd	ISP	7-Jan-98	Omni Plus Pty Limited	TSP	19-Dec-97
NetExcel	ISP	4-Aug-97	OmniConnect Pty Ltd	Carrier	18-Sep-97
NetExpress	ISP	12-Jun-98	Omninet	ISP	14-Jul-98
Netlink Communications Services	ISP	28-May-98	On Australia Pty Ltd	ISP	16-Jul-97
Netpacket Pty Ltd	ISP	1-Dec-98	On the Net, Artson Systems T/as	ISP	22-Sep-97
Netpage	ISP	1-Jul-97	Onclick, Brookwell Industries Pty Ltd T/as	ISP	20-Nov-98
Netpro Express Internet, Barroband Pty Ltd T/as	ISP	14-Aug-98			

COMPANY	TYPE	JOINED	COMPANY	TYPE	JOINED
One Click	ISP	9-Dec-98	Primecall	TSP	1-Jul-97
One Earth Internet Pty Ltd	ISP	29-Jan-98	Primus Telecom	Carrier	1-Jul-97
One.Tel GSM 1800 Pty Ltd	Carrier	18-May-99	Professionals In Computer Knowledge Pty Ltd	ISP	1-Jul-97
One.Tel Ltd	TSP & ISP	1-Jul-97	Profluent Systems Australia Pty Ltd	ISP	24-Jun-99
Online 2000	ISP	3-May-99	ProjectX	ISP	30-Mar-99
Online Australia (OAL) Pty Ltd	ISP	16-Apr-99	PSR Group Pty Ltd	TSP	1-Jul-97
OnThe Net Pty Ltd	ISP	31-Oct-97	PTC Communications Pty Ltd	TSP & ISP	24-May-99
Optus Vision Pty Ltd	Carrier	8-Dec-97	QD.COM	ISP	4-Mar-98
Orac Internet	ISP	18-Nov-97	Q-NET	ISP	1-Jul-97
Oriental Express Technology Pty Ltd	ISP	30-Oct-97	QP Australia Pty Ltd	ISP	28-May-98
Orion Net Pty Ltd	ISP	16-Apr-99	Quail Internet Connections	ISP	4-May-99
Orion Online	ISP	6-Apr-98	Quantum Springs Internet Services	ISP	1-Jul-97
Orits Australia	ISP	12-Mar-99	Quasi Space	ISP	19-May-98
Orli-Tech Pty Ltd	ISP	20-Apr-99	Quicknet Internet Provider Pty Ltd	ISP	17-Dec-97
Outback Queensland Internet	ISP	20-Apr-99	Rabbit International	ISP	4-Feb-99
Overflow Internet Services	ISP	17-Jun-98	Rainbow.Net	ISP	24-Sep-97
Oz Email	ISP	1-Jul-97	Ram Network Services Pty Ltd	ISP	8-May-98
Oz One Connect	TSP	9-Jul-98	Rapidnet	ISP	1-Jul-97
Oz Telecom Pty Ltd	TSP	15-Apr-98	RBE Internet Services	ISP	10-Nov-98
Oz Web Internet Services	ISP	25-Mar-99	RedicalI Pty Ltd	TSP	21-Jun-99
Oz2000 Internet	ISP	2-Feb-99	Redscape Pty Ltd	ISP	10-Jun-98
Ozdocs Internet Services	ISP	18-Nov-97	Relax Internet Enterprises Pty Ltd	ISP	12-Jun-98
OzGuide	ISP	15-Jun-99	Restless Online Services	ISP	17-Sep-98
Ozland.Net.Au	ISP	2-Mar-98	Retnet Internet Services	ISP	21-May-99
Oznetcom Pty Ltd	ISP	9-Dec-98	RGTechnologies Pty Ltd	ISP	15-Jun-99
Oz-One Internet Services	ISP	30-Jul-98	Ribbon Net	ISP	25-Feb-99
OzRamp, APAC Internet T/as	ISP	20-Apr-98	Ripnet	ISP	25-May-99
Ozstralia.Net	ISP	29-Jan-99	Riverland Internet, The Murray Pioneer Pty Ltd T/as	ISP	9-Dec-97
Pacific Internet Australia Pty Ltd	ISP	30-Apr-99	Rivernet Solutions	ISP	9-Oct-97
Pahth Telecommunications	TSP	1-Jul-97	Rivers Network Pty Ltd	ISP	6-Jan-98
Paradigma Pty Ltd	ISP	20-Oct-98	Rocknet	ISP	3-Dec-97
Paradox Digital	ISP	24-Jun-99	RP Internet Services	ISP	14-Jul-98
Park Web Services	ISP	2-Sep-98	RSL Com Australia Pty Ltd	TSP	1-Jul-97
Parkes Forbes Business Enterprise Centre, T/as Bec Net	ISP	21-Nov-97	Rubix Computers Pty Ltd	ISP	14-May-99
Patash Pty Ltd	ISP	14-Oct-97	Rural Business Machines Pty Ltd	ISP	3-Feb-98
Paul Murphy, agent for Bignet	ISP	18-Jan-99	Ruralnet, Mildura Office Equipment T/as	ISP	28-Apr-98
PC Oznet Pty Ltd	ISP	8-Jun-99	SA Country Club II BBS	ISP	17-Feb-99
pcProfessionals	ISP	6-Jan-98	SA Schools Net	ISP	17-Nov-97
Pegasus Networks Comms Pty Ltd	ISP	3-Oct-97	Sapphire Coast Internet	ISP	18-Sep-98
Penrith Netcom Pty Ltd	ISP	22-Aug-97	Satellite Call Centres Australia Pty Ltd	TSP	25-Jul-97
Petersen's Online Services	ISP	4-Dec-98	Satellite Cowboys Pty Ltd	TSP	25-Jul-97
Phoenix Business Solutions Australia Pty Ltd	ISP	20-Aug-97	Satlink Internet Services	ISP	1-Jul-97
Pilbara Systems Internet	ISP	21-Aug-97	Saturn Communications Pty Ltd	ISP	20-Apr-98
PillarBox Internet Post Pty Ltd	ISP	28-Apr-99	SCCL Australia Ltd	Carrier	2-Feb-99
Pipeline Internet	ISP	16-Jul-97	Schoolsnet Australia Pty Ltd	ISP	1-Jul-97
Pipeline Internet	ISP	16-Jul-97	SCI Net - South Coast Internet, Braidwood Internet	ISP	8-Oct-98
Plan B Internet Services Pty Ltd	ISP	30-Mar-99	ScoastNet Pty Ltd	ISP	15-Oct-97
Planet Internet	ISP	8-Oct-98	Scott Lechmere Internet Service Provider	ISP	21-Dec-98
Pocket Money Ltd	TSP	18-Jun-99	SE Network Access Pty Ltd	ISP	1-Jul-97
Portal Communications Australia Pty Ltd	ISP	15-Jan-98	Selcon Internet Pty Ltd	ISP	4-Feb-99
Power Computers (SA) Pty Ltd	ISP	21-May-98	Senalink Pty Ltd	ISP	18-Nov-97
Powersurf Network	ISP	23-Apr-99	SG Technology Pty Ltd	ISP	25-Jun-99
PowerTel Ltd	Carrier	1-Jul-97	Share.Net Internet Services	ISP	18-May-99
Powerup Pty Ltd	ISP	28-Oct-97	Shelford Technologies Pty Ltd	ISP	14-Sep-98
Precisium	ISP	12-May-99	Shoalnet Pty Ltd	ISP	1-Apr-98
Preferred Internet Provider	ISP	26-Nov-97			
Prima Internet Services, Netexpress Communications Pty Ltd T/as	ISP	1-Jul-97			

# MEMBERSHIP

TIO Membership List as of 30 June 1999

COMPANY	TYPE	JOINED	COMPANY	TYPE	JOINED
Shortech International Pty Ltd	ISP	10-Jun-98	Synflux International Pty Ltd	ISP	28-Jul-97
Signal Telecommunications Pty Ltd	TSP	2-Mar-98	Tablelands Internet	ISP	1-Jul-97
Silicom Pty Ltd, T/as SAT Internet Services	ISP	23-Apr-98	Tactical Access Provider	ISP	24-Aug-98
Silkweb	ISP	17-Jun-99	Talent	ISP	24-Jun-99
Singapore Telecom Australia Pty Ltd	TSP	14-Jul-98	Talk 2000	TSP	1-Jul-97
SITA	TSP	1-Jul-97	Tasman Internet Services	ISP	15-Oct-98
Skynet Australia	ISP	1-Jul-97	Tasmania's Access Server Pty Ltd	ISP	3-Dec-97
Skytel Pty Ltd	TSP	9-Jul-98	Tech Info Pty Ltd	ISP	16-Jun-99
Smart Radio Systems Pty Ltd	ISP	20-Nov-97	Tech IpeX Pacific Pty Ltd	ISP	1-Apr-99
Smarter Way (Aust) Pty Ltd	ISP	2-Jul-98	Techno.Access	ISP	12-May-98
Softcell Pty Ltd	ISP	18-Jun-99	Teknet Canberra Pty Ltd	ISP	1-Jul-98
Soft-Tech Information Services	ISP	1-Jul-97	Teksupport Pty Ltd	ISP	3-Oct-97
Soul Pattinson Telecommunications Pty Ltd	ISP	5-May-99	Telconnect Pty Ltd	TSP	19-May-99
South East On Line	ISP	20-Oct-98	Tele Link Telecommunications Pty Ltd	TSP	1-Jul-97
Southern Cross Connect Pty Ltd	ISP	27-Aug-98	Telecom Asia Pacific	ISP	25-Feb-99
Southern Cross Telco Pty Ltd	TSP	1-Jul-97	Telephone Bill Pty Ltd	TSP	1-Jul-97
Southern Internet Services	ISP	27-Nov-97	Telstra	Carrier & TSP	1-Jul-97
Southern Matrix International Pty Ltd	ISP	17-Jun-99	Telstra Big Pond	ISP	1-Jul-97
Southern Star Communications Pty Ltd	ISP	1-Jul-97	Telstra Multimedia Pty Ltd	Carrier	16-Jul-97
Southwest Internet Systems	ISP	7-Aug-98	Teltech Enterprises Pty Ltd	ISP	1-Jul-97
Space.Net	ISP	25-Jul-97	Tera Nova	ISP	2-Jun-99
Speed Internet Services Pty Ltd	ISP	18-Jan-99	Terminal Velocity	ISP	30-Nov-98
Speedlink Internet Service Providers	ISP	10-May-99	Terminus Network Services	ISP	18-Jan-99
Spiderweb Access	ISP	14-Jul-98	Terra Communications (SA) Pty Ltd	ISP	6-Apr-99
Spin Internet Services Pty Ltd	ISP	20-Apr-98	Terramax Pty Ltd	ISP	15-Oct-98
Spirit Networks Pty Ltd	ISP	21-Jul-97	Terrigal Internet Services	ISP	1-Jul-97
Springboard Computer Systems	ISP	18-Mar-99	Terrigal Net	ISP	1-Jul-97
Squirrel Internet	ISP	9-Dec-98	Terry Anthony Computers	ISP	23-Mar-99
Stairway Internet Services	ISP	11-Feb-99	Tetraplex Pty Ltd	ISP	20-Mar-98
standard.net	ISP	1-Jun-99	The Australian Internet Comp Pty Ltd	ISP	1-Jul-97
Star Online Services, Tower Networking Pty Ltd T/as	ISP	19-Jun-98	The Computer Shop - Nelson Bay	ISP	10-Jun-98
Starnet IS Pty Ltd	ISP	1-Jul-97	The Galaxy Gateway Computer System	ISP	27-Apr-98
Starway Brighton	ISP	16-Oct-97	The Info Xchange Inc	ISP	3-Dec-97
Starway Melbourne	ISP	13-Oct-97	The Internet (Aust) Pty Ltd T/as Totally		
Starway Preston	ISP	15-Oct-97	Holistic Enterprises Internet	ISP	17-May-99
Starwon Enterprises Pty Ltd	ISP	1-Jul-97	The Internet Group Ltd	ISP	2-Mar-98
Stealth Internet	ISP	16-Jan-98	The ISP Doctor	ISP	11-Mar-98
Strategic Software International Pty Ltd	TSP & ISP	1-Dec-98	The Message Exchange	ISP	1-Jul-97
Struggler's Internet Services, Struggler's Enterprises T/as	ISP	24-Aug-98	The Net Enterprises Pty Ltd	ISP	1-Jul-97
SubNet Internet Service Pty Ltd	ISP	1-Jul-97	The PlaNet CyberGate	ISP	1-Jul-97
Summit Internet Solutions	ISP	27-Aug-98	The University of Queensland	ISP	17-Jun-98
Sun Multimedia Pty Ltd	ISP	9-Dec-97	The Web Factory	ISP	15-Jun-99
Sunshine Beach Software Pty Ltd	ISP	12-Jun-98	Timemac Pty Ltd	TSP & ISP	9-Dec-98
Sunshine Networks, ATS International T/as	ISP	14-Oct-97	TMI Telemedia International Hong Kong Ltd	TSP	1-Sep-97
Supa Computer Services	ISP	25-Feb-99	Tnet.Com.Au	ISP	20-Aug-98
Super Digitech Internet	ISP	7-Aug-98	Tokyo Network	ISP	1-Jul-97
Super Network Consultants, NZ Trading Exchange Ltd T/as	ISP	16-Sep-98	Tepend.Com.Au	ISP	1-Jul-97
Super Save Telecommunications	TSP	7-Sep-97	Totally Connected, Rost International Pty Ltd T/as	ISP	30-Nov-98
Surfnet City Café	ISP	29-Oct-98	TotalNet Internet Service	ISP	12-Nov-97
Swannet Internet Services	ISP	9-Oct-98	Touch88, United Sources Pty Ltd T/as	ISP	2-Sep-98
Swiftlink Communications	ISP	18-May-98	TPG Internet Pty Ltd	ISP	1-Jul-97
SwiftNet Pty Ltd	SP	13-May-99	TransAct Carrier Pty Ltd	Carrier	16-Apr-99
Switch.Com Pty Ltd	ISP	14-Jul-98	Translobal Communications Telecom Solutions	ISP	3-Oct-97
Sydney Internet Networking Services	ISP	3-Apr-98	Treko Internet	ISP	17-Jun-98
Sympac Computing Pty Ltd	ISP	3-Jun-98	Trend Internet Services, Taipei International T/as	ISP	28-Jul-98

COMPANY	TYPE	JOINED	COMPANY	TYPE	JOINED
Triode Internet	ISP	22-Apr-98	Westconnect Pty Ltd	ISP	8-Sep-98
Trumpnet Pty Ltd	ISP	16-Dec-97	Western Communication Solutions Pty Ltd	TSP	14-Oct-97
TSN - The Saunders Network	ISP	17-Feb-99	Western Internet Services	ISP	15-Jun-99
Tudogs.net.au	ISP	15-Jan-98	WestNet Pty Ltd	ISP	14-Jul-98
Turbonet	ISP	6-Apr-99	Westvic Internet Pty Ltd	ISP	23-Apr-98
TX Communications Pty Ltd	ISP	23-Nov-98	William Connect	ISP	16-Apr-99
Tyco Services, Grinell Asia Pacific Pty Ltd T/as	ISP	11-Aug-98	Wimmera Webward	ISP	9-Dec-98
Ultraset	ISP	17-Nov-97	Windspeed	ISP	29-Apr-99
Unidial Prepaid Communications Pty Ltd	TSP	1-Jul-97	Winshop Services	ISP	28-Aug-98
United Energy Ltd	TSP	1-Jul-97	Winterton Communications Pty Ltd	TSP	10-Aug-98
United Energy Telecommunications Pty Ltd	Carrier	1-Jul-97	Woftam Jones Pty Ltd	ISP	1-Jul-97
United Telecommunications (AUST) Pty Ltd	TSP	1-Jul-97	Wollongong Ezynet, Janasas Pty Ltd T/as	ISP	16-Sep-98
United Telecommunications, UCMS T/as	TSP	1-Jul-97	WooZoo Telecommunications Pty Ltd	ISP	2-Mar-98
Universal Networks Australia Pty Ltd	ISP	10-Sep-98	World Wide Warehouse	ISP	2-Sep-98
Unixpac Pty Ltd	ISP	7-Jun-99	World Wire Pty Ltd	ISP	1-Jul-97
UUNET Australia Ltd	ISP	18-Jan-99	Worldcom Australia Pty Ltd	Carrier	26-Jun-98
Value Connect	ISP	29-Jan-99	World-Link Internet	ISP	16-Mar-99
Valylink Centre 3000	ISP	1-Jul-97	WorldTel Pty Ltd	ISP	3-Mar-98
Vanguard Holdings Pty Ltd	TSP	18-Jun-99	WorldxChange	TSP	1-Jul-97
Vianet Australia	ISP	28-Jul-98	WWN Telecom	TSP	26-Feb-98
Vicnet	ISP	26-Mar-98	X Com Australia Pty Ltd	ISP	25-Jul-97
Vicweb Pty Ltd	ISP	21-Jul-98	XcelNet Enterprise	ISP	10-Jul-97
Video Data Service	ISP	21-Nov-97	Xintian Pty Ltd, Exapro T/as	ISP	24-Aug-98
Viper Productions	ISP	9-Dec-98	Xpressnet Internet	ISP	13-May-99
Virtual Computers Pty Ltd	ISP	3-Nov-97	Ynet	ISP	5-Nov-97
Vision Internet Services	ISP	1-Jul-97	Young Online Pty Ltd	ISP	29-Apr-99
Vivanet Pty Ltd	ISP	21-Apr-99	Your Internet Service, Goulburn Internet Services Pty Ltd T/as	ISP	27-Oct-97
Vodafone Network Pty Ltd	TSP	1-Jul-97	Zeta Internet, Kralizec Pty Ltd T/as	ISP	14-Nov-97
Vodafone Pty Ltd	Carrier	1-Jul-97	Zip World Pty Ltd	ISP	26-Oct-98
Voice-Tel Pty Ltd	TSP	17-Sep-97	Zircon Systems	ISP	11-Nov-97
Votel Pty Ltd	TSP	29-Jul-97	ZX.Net	ISP	1-Jul-97
VTay Technology	ISP	25-May-99			
WA Net	ISP	16-Jun-98			
WA Telecentre Exmouth Inc.	ISP	21-Jul-98			
Wagga Training Services	ISP	10-Oct-97			
Wantree Development Pty Ltd	ISP	1-Jul-97			
Warren Pont	ISP	6-Jan-98			
Wavecliff Pty Ltd	ISP	31-Oct-97			
Web Ace	ISP	21-Dec-98			
Web Australis Pty Ltd	ISP	1-Jul-97			
Web Feet Internet Café	ISP	21-Sep-98			
Web One	ISP	3-Mar-98			
Web Solutions, Zenith Pty Ltd T/as	ISP	14-May-98			
Webaxs, Web Access Aust Pty Ltd T/as	ISP	10-Oct-97			
Web-A-You Internet Services, MyWorld Communications T/as	ISP	27-Apr-98			
Webfront Pty Ltd	ISP	2-Mar-98			
Webmail Internet Solutions	ISP	10-Jun-98			
Webmedia Australia Pty Ltd	ISP	1-Jul-97			
WebRider Pty Ltd	ISP	15-Oct-98			
Webscan	ISP	8-Jan-98			
Website	ISP	14-May-98			
WebStation	ISP	1-Jun-99			
Webtel, Mr Bits.Com Pty Ltd T/as	ISP	26-Nov-97			
Webtime Pty Ltd	ISP	17-Jun-98			
Webxpress	ISP	16-Jun-99			
West Australian Networks	ISP	14-Jul-98			

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
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## DIRECTORS' REPORT

Your directors present their report on the Telecommunications Industry Ombudsman Ltd (TIO) for the year ended 30 June 1999.

### DIRECTORS

The following persons were directors of Telecommunications Industry Ombudsman Ltd during the whole of the financial year and up to the date of this report:

J F Rohan (Chairman);  
C J Marland;  
D Mason;  
A A Suckling; and  
G B Ward.

K W Dinn was a director from the beginning of the financial year until his resignation on 12 July 1999.

S P Wilks was a director from his appointment on 24 August 1998 until the date of this report.

S L Holmes was a director from her appointment on 4 June 1999 until the date of this report.

### GROWTH OF THE SCHEME

Since its inception, the TIO scheme has experienced significant growth in demand for complaint resolution services. In 1998-99, the complaint load increased by 23.5% compared to 1997-98. Complaint numbers for 1994-95 to 1998-99 are presented below.

#### Number of Complaints 1994-95 to 1998-99 (financial years)

Year	1998-99	1997-98	1996-97	1995-96	1994-95
Total	64,394	52,138	43,715	26,905	17,205

Further growth in enquiry and complaint numbers is anticipated during 1999-2000. This is due to growing consumer awareness of the Scheme and an increase in the TIO's jurisdiction under the Consumer Codes.

## Directors' Report (continued)

### OPERATING RESULTS

The operating deficit for the year was \$34,740. The TIO's total revenue and expenditure has increased in line with the Scheme's complaint load. The results for the year ended 30 June 1999 and previous years are as follows.

	1998-99	1997-98	1996-97	1995-96
Total Revenue	\$3,258,048	\$2,394,718	\$2,177,575	\$1,945,115
Total Expenditure	\$3,292,788	\$2,347,817	\$2,102,623	\$1,967,519
<b>Surplus/(Deficit)</b>	<b>\$(34,740)</b>	<b>\$46,901</b>	<b>\$74,952</b>	<b>\$(22,404)</b>

The TIO Ltd has been granted exemption from income tax under Section 23(g)(v) of the Income Tax Assessment Act until 30 June 2001.

### MEMBERS' FUNDS

Due to the deficit of \$34,740, members' funds were reduced from \$350,415 to \$315,675 at the end of 1998-99. This reflects the increasing costs of operating the Scheme.

### DEBT RECOVERY

Bad debts have increased during 1998-99. Bad debts of \$11,236 were written-off at the end of the financial year. Further write-offs will be necessary in the next financial year. Some debt is owed by insolvent providers. As a consequence, it is unlikely that the TIO will recoup these debts.

In response, the provision for bad debts was increased from \$25,000 to \$110,000. The TIO also established a debt recovery policy, and legal action for debt recovery was initiated against four providers. One debt recovery proceeding was taken no further when administrators were appointed, and one other matter was withdrawn following the payment of the debt. The other two matters are being pursued.

### CASH FLOW

As a result of the TIO's fluctuating cash flow position, the Board has recently approved an overdraft facility. The TIO's bankers, Commonwealth Bank of Australia, are providing an overdraft facility of \$150,000. This will be available to meet any temporary shortfall in working capital.

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
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## Directors' Report (continued)

### RELOCATION

During 1998-99 the TIO relocated its offices to Level 15, 114 William Street, Melbourne. The move was necessary because TIO operations had outgrown its existing offices due to recruitment of additional staff to meet an increase in complaint load. The TIO Ltd has agreed to a five year lease of the new premises. The landlord, VEI Super, has provided a fit out allowance of \$650,000 to the TIO. The fit out allowance is to be repaid over a five year term.

### PRINCIPAL ACTIVITIES

During the year, the principal continuing activity of the Telecommunications Industry Ombudsman Ltd was the investigation and resolution of complaints from small business and residential consumers.

There were no significant changes in the nature of the activities during the year.

### INVESTIGATIONS

The TIO monitors levels of complainant satisfaction and confidence with the service provided by the TIO. Issues identified through the monitoring process are addressed as they arise by the Ombudsman and his team.

A key performance indicator and business goal of the TIO is to maintain or reduce complaint resolution times. Due to rising complaint numbers and increasing workload of Investigations Officers, the TIO is developing a quality assurance program to ensure the complaint handling process is consistent with the mission of the TIO. The quality assurance program includes the following activities:

- (a) training/staff development to assist in maintaining and developing skills in complaint resolution; and
- (b) internal auditing of complaint files to ensure a professional and consistent approach.

### INDUSTRY DEVELOPMENT

In 1998-99 the TIO has continued to work co-operatively with industry and the community to identify, prevent and/or address systemic problems. The TIO has also actively participated in industry forums to assist in achieving this objective, and has made a substantial contribution to the development of Consumer Codes of Practice.



## Directors' Report (continued)

### COMMUNICATIONS

During the year, the TIO worked to improve awareness levels within the general community and among telecommunications users with special needs. The TIO has also sought to maintain the TIO's reputation as a credible, independent, accessible and professional organisation. Communications and marketing activities for 1998-99 included broadcast of a community service announcement on radio and television nationally, ongoing programs targeting ethnic groups and people with disabilities, distribution of newsletters and brochures, general media relations and maintenance of an Internet site.

### GOVERNANCE

Following ongoing discussion, it is proposed to change the composition of the Council to include a further two representatives, one from industry and one representing consumer interests. This proposal will be put to a general meeting of members of the TIO Ltd.

The TIO Board was further complemented by the appointment of Ms Susan Holmes to the position of independent director. Ms Holmes brings a wealth of experience and knowledge to the Board.

The Board will be undertaking two major reviews in the year 2000. The first is a review of the Memorandum and Articles of Association and the Constitution of the TIO, and the second is a review of the structure of the Board. As the TIO is now in its sixth year of operation, it is important that the Scheme continues to evolve to meet the needs of consumers and the industry.

### MEMBERSHIP

The *Telecommunications Act 1997* required all carriers and eligible carriage service providers to be members of the TIO and comply with the Constitution and Memorandum and Articles of Association of the Scheme. Eligible carriage service providers are those which supply:

- a standard telephone service where some of the customers are residential or small business customers; or
- a public mobile telecommunications service; or
- a carriage service which enables end users to access the Internet.

A carriage service intermediary which arranges the supply of the services referred to above qualifies as an eligible carriage service provider.

These requirements are now incorporated in the *Telecommunications (Consumer Protection and Services Standard) Act 1999*.

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
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## Directors' Report (continued)

There has been a rapid growth of members from approximately 16 in 1994 to 866 as at 30 June 1999. The increase in the number and diversity of members of the Scheme presents new challenges for the TIO. The TIO must ensure that all Internet Service Providers join the scheme and that all members are aware of the function and role of the TIO. The TIO must also understand the nature of carriage services and products supplied by its members.

Whilst the majority of eligible carriage service providers are members of the Scheme, there remain some who have refused to join. The TIO has referred a number of these providers to the Australian Communications Authority for being in breach of the *Telecommunications Act 1997*. During the year the Australian Communications Authority directed five providers to join the TIO.

## STAFFING

Staff numbers continue to grow. Below is a summary of staff numbers reported in last year's annual report compared with present and future staffing requirements.

Position	1997-98	1998-99	Projected 1999-2000
Ombudsman	1	1	1
Deputy Ombudsman	1	1	1
Administration Manager	1	1	1
Public Affairs Officer	1	1	1
Investigations Managers	1	2	2
Investigations Officers	11.6	14.6	19.6
Member Services Adviser	1	1	1
Research/Project Officer	1	1	1
Secretary	1	1	1
Accountant	0.4	0.4	0.4
Administrative Officer	1	1	1
Administrative Assistants	1	2	3
IT Systems Coordinator	0	0	1
TOTAL (EFT)	22	27	34

The increase in staffing has been principally in the investigation area reflecting the increase in complaint numbers. The TIO recruited Deirdre O'Donnell to the position of Deputy Telecommunications Industry Ombudsman following the resignation of Wally Rothwell.

## Directors' Report (continued)

### DIVIDENDS

Under the terms of its Memorandum and Articles of Association, the TIO Ltd is not permitted to pay dividends to members.

### YEAR 2000 PROJECT

The TIO Ltd has almost completed a year 2000 project to ensure, as far as possible, that its operations will not be adversely affected by the year 2000 systems issue.

In 1998, the TIO engaged HLB Mann Judd (Vic) Pty Limited to assist the TIO in ensuring that it has taken all appropriate action in relation to year 2000 compliance.

There are two main objectives as follows:

- (a) that the TIO's key computer software and embedded systems are modified for year 2000 compatibility, and
- (b) that the TIO's principal suppliers and members have taken appropriate steps to ensure that their key programs and systems are also year 2000 compatible, thus helping to ensure continuity of supplies and services.

The methodology adopted by the TIO comprises six phases as follows:

- Phase 1 understanding the Y2K problem
- Phase 2 problem identification and evaluation
- Phase 3 risk analysis
- Phase 4 systems audit and risk assessment
- Phase 5 rectification
- Phase 6 testing and reporting.

That part of the project relating to the TIO's own programs and systems will be completed within the next few weeks. This has involved identifying critical systems at risk, replacing or repairing those systems and vigorous testing.

The remainder of the project is ongoing. The TIO has contacted its principal suppliers to seek confirmation that their systems have been satisfactorily modified for the year 2000 compatibility. As these are independent operators we do not have access to their systems and cannot test the results of their modifications. However, we will continue to obtain confirmation that, as far as possible, their systems will operate effectively in the year 2000. The TIO is currently formulating contingency plans for alternative sources of supply and distribution for key areas.

### GOODS AND SERVICES TAX

During 1999, the TIO will assess the impact of the Goods and Services Tax (GST) on its business.

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
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## Directors' Report (continued)

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the company in the year ended 30 June 1999.

### MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

A number of changes have been made to the complaint classification and funding mechanism. These changes apply from 1 July 1999 and are designed to acknowledge the changing membership of the Scheme. The changes primarily reflect the need for the telecommunications industry to move to a common definition of complaint and are in response to concerns raised by Internet Service Providers of the practice of charging direct fees for information-giving. The changes are as follows:

- (a) four levels of complaint will be established with the following charges:

Category	Fee
Level One	\$15.00
Level Two	\$140.00
Level Three	\$315.00
Level Four	\$1,130.00

These levels accord essentially with the original classifications of Enquiry, Consultation, Complaint and Dispute. There has been no change in the fees, except for that of Level Three (Complaint) which has risen marginally from \$292 to \$315, in accordance with the recommendation from KPMG in its 1998 report on the investigations area;

- (b) matters that are information only, and do not constitute a complaint, will be classified as Enquiries and will not be allocated against the relevant provider. Matters of this nature include queries about whether a particular provider is a member of the TIO;
- (c) all fees (including overhead and any special levy) will be waived for the first four Level One complaints received for any particular provider for any given quarter; and
- (d) the TIO will begin to levy an indirect fee for complaint reviews and non-allocated enquiries.

The major challenges for the TIO during 1999-2000 will be the selection and implementation of a new complaints management system, the continuing development of a quality assurance and audit program for the investigations area, and the handling of complaints under Consumer Codes.

### Directors' Report (continued)

Except for the matters noted above, at the date of this report, no matter or circumstance has arisen since 30 June 1999 that has significantly affected or may significantly affect:

- a) the operations of the Telecommunications Industry Ombudsman Ltd in future financial years: or
- b) the results of those operations in future financial years: or
- c) the state of affairs of Telecommunications Industry Ombudsman Ltd in future financial years.

### LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

It is expected that receipts from eligible carriage service providers will increase because of the increase in members and the growing public awareness of the Scheme.

### ENVIRONMENTAL REGULATIONS

Apart from statutory provisions of general applicability, the TIO is not subject to any specific environmental regulation.

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
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Directors' Report (continued)		
INFORMATION ON DIRECTORS		
Director	Experience	Special Responsibilities
J F Rohan <i>B Mech Eng, Grad Dip IE, MBA, FIEAust</i>	Managing Director of Vodafone New Zealand Ltd. Previously Managing Director of Vodafone Network Pty Ltd where he was responsible for the set up and operation of the Vodafone digital mobile telephone network in Australia. Previous positions include Executive General Manager of James Hardie Building Services and Technologies, Chief Executive of McConnell Dowell's Building Product Group, Australian and New Zealand and General Manager of Comalco Building Products. Also a member of the TIO Council from 1993-1996.	Non-executive Chairman for 33 months.
K W Dinn <i>BSc</i>	Previously Director of Zip World Pty Ltd and Managing Director of NetPort Systems Pty Ltd. Currently Deputy Chairman of the Internet Industry Association (IIA) and a member of the Board of Directors of the Australian Domain Name Administration. Has been involved in the Internet industry for four years.	Non-executive Director for 8 months.
S Holmes <i>Dip Phys Ed, B Ed, B Psych, M Psych (clin)</i>	Executive General Manager, Support Services and Communications, Royal Automobile Club of Victoria (RACV) Ltd. Previously Chief Executive, Melbourne City Marketing from 1992-1995 and Chief Executive, Small Business Development Corporation from 1988 to 1991.	Non-executive Director for 1 month.
C J Marland	18 years experience in the telecommunications industry being one of the co-founders of CorpTEL. Former Senior Telecommunications Analyst for Professional Energy Services. Other previous positions include NSW State Manager of Digital Telecommunications as well as The Electricity Trust of South Australia and Australian National Railways.	Non-executive Director for 32 months.
D Mason <i>BA (Hons), Dip Ed</i>	22 years experience in corporate affairs, education and telecommunications. Currently Director of State Relations and Employee Programs, Telstra Corporation Ltd.	Non-executive Director for 35 months.
A A Suckling <i>BA (Hons), MPPM</i>	Currently Group Manager of Regulatory Affairs, Cable and Wireless Optus. Has worked within the telecommunications industry for six years. Former Principal Researcher for Gough Whitlam.	Non-executive Director for 16 months.
G B Ward <i>BEC (Hons)</i>	Over 25 years telecommunications industry experience. Currently Group Managing Director of Public Affairs and Corporate Marketing, Telstra Corporation Ltd. Co-Chair of Telstra Consumer Council (TCC) and Telstra Small Enterprise Consultative Council (TSECC).	Non-executive Director for 56 months.
S Wilks <i>BSc, LLB, LLM</i>	Director of Regulatory and Public Affairs at Cable and Wireless Optus. Previously a corporate/technology lawyer (including extended project work in Hong Kong prior to telecommunications market deregulation) and head of regulatory affairs for BT Asia Pacific.	Non-executive Director for 11 months.

## Directors' Report (continued)

### MEETINGS OF DIRECTORS

The numbers of meetings of the company's directors held during the year ended 30 June 1999, and the number of meetings attended by each director were:

	Number Eligible to Attend	Number Attended
Number of Meetings Held : 6		
Number of meetings attended by:		
Mr J F Rohan	6	3
Mr K W Dinn	6	5
Ms S L Holmes	1	1
Mr C J Marland	6	6
Ms D Mason	6	5
Mr G B Ward	6	4
Mr A A Suckling	6	4
Mr S Wilks	6	4

### DIRECTORS' BENEFITS

During the year, a director's fee of \$2,083 was paid to Susan Holmes as the independent director. Due to the relocation of the office, a new PABX and telephone system was purchased. The TIO's old PABX and associated equipment was sold to CorpTel Pty Ltd at a price of \$5,000. This transaction was based on normal commercial terms and conditions.

Except for that noted above, since 30 June 1998, no director of the company has received, or has become entitled to receive, a benefit because of a contract that the director, a firm of which the director is a member or an entity in which the director has a substantial financial interest, has made (during the year ended 30 June 1999 or at any other time) with:

- a) the TIO Ltd, or
- b) an entity that the TIO Ltd controlled, or a body corporate that was related to the company, when the contract was made or when the director received, or became entitled to receive, the benefit.



# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
Annual Report - 30 June 1999

## Directors' Report (continued)

### INSURANCE OF OFFICERS

During the financial year, the Telecommunications Industry Ombudsman Ltd paid a premium of \$6,455 to insure certain officers of the company.

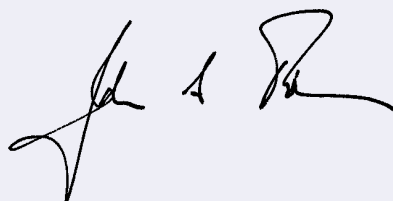
The officers of the company covered by the insurance policy include the directors: J F Rohan, K W Dinn (resigned), S L Holmes, C J Marland, D Mason, A A Suckling, G B Ward, S Wilks and the secretary J E Hill.

The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the company.

### AUDITORS

HLB Mann Judd continues as the TIO Ltd's auditors in accordance with Section 327 of the Corporations Law.

This report is made in accordance with a resolution of the directors.



J F Rohan  
Director



G B Ward  
Director

Melbourne  
15 September 1999

## PROFIT AND LOSS STATEMENT

For the year ended 30 June 1999

	Notes	1999 \$	1998 \$
Revenue from operating activities	2	3,221,879	2,358,958
Revenue from outside the operating activities	2	36,169	35,760
<b>Total revenue</b>	2	3,258,048	2,394,718
Operating profit/(loss)	3	(34,740)	46,901
Retained profits at the beginning of the financial year		350,415	303,514
<b>Retained profits at the end of the financial year</b>		315,675	350,415

The above profit and loss statement should be read in conjunction with the accompanying notes.

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
Annual Report - 30 June 1999

## BALANCE SHEET

As at 30 June 1999

	Notes	1999 \$	1998 \$
<b>Current Assets</b>			
Cash	4	88,381	619,511
Receivables	5	347,513	161,787
Other	6	44,738	23,051
<b>Total Current Assets</b>		<b>480,632</b>	<b>804,349</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	7	730,185	111,360
<b>Total Non-Current Assets</b>		<b>730,185</b>	<b>111,360</b>
<b>Total Assets</b>		<b>1,210,817</b>	<b>915,709</b>
<b>Current Liabilities</b>			
Accounts Payable	8	268,391	214,294
Borrowings	9	202,517	-
Provisions	10	69,881	47,019
Other		-	303,981
<b>Total Current Liabilities</b>		<b>540,789</b>	<b>565,294</b>
<b>Non-Current Liabilities</b>			
Borrowings	11	354,353	-
<b>Total Non-Current Liabilities</b>		<b>354,353</b>	<b>-</b>
<b>Total Liabilities</b>		<b>895,142</b>	<b>565,294</b>
<b>Net Assets</b>		<b>315,675</b>	<b>350,415</b>
<b>Members' Funds</b>			
Retained Profits		315,675	350,415
<b>Total Members' Funds</b>		<b>315,675</b>	<b>350,415</b>

The above balance sheet should be read in conjunction with the accompanying notes.

## STATEMENT OF CASH FLOWS

For the year ended 30 June 1999

	Notes	1999 \$	1998 \$
<b>Cash flows from Operating Activities</b>			
Receipts from members		3,042,483	2,374,993
Payments to suppliers and employees		(3,082,122)	(2,275,954)
		(39,639)	99,039
Interest received		13,499	35,760
<b>Net cash inflow/(outflow) from operating activities</b>	17	(26,140)	134,799
<b>Cash Flows from Investing Activities</b>			
Payments for property, plant and equipment		(774,220)	(51,031)
Proceeds from sale of property, plant and equipment		16,341	308
<b>Net cash outflow from investing activities</b>		(757,879)	(50,723)
<b>Cash Flows from Financing Activities</b>			
Proceeds from borrowings		708,140	-
Repayment of Casualties of Telecom		(290,856)	-
Expenditure on public awareness		(13,125)	-
Repayment of borrowings		(151,270)	-
<b>Net cash inflow from financial activities</b>		252,889	-
<b>Net increase (decrease) in cash held</b>		<b>(531,130)</b>	<b>84,076</b>
Cash at the beginning of the financial year		619,511	535,435
<b>Cash at the end of the financial year</b>	4	<b>88,381</b>	<b>619,511</b>

Non-cash financing and investing activities 18

The above statement should be read in conjunction with the accompanying notes.

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
Annual Report - 30 June 1999

## NOTES TO THE FINANCIAL STATEMENTS

30 June 1999

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the Corporations Law.

It is prepared in accordance with the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

#### (a) Income Tax

The company is exempt from income tax under Section 23(g)(v) of the Income Tax Assessment Act.

#### (b) Acquisitions of Assets

The cost method of accounting is used for all acquisitions of assets. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition.

#### (c) Revenue Recognition

Amounts disclosed as revenue include fees charged to our members for complaint resolution services.

#### (d) Receivables

Amounts due from members are recognised at the amounts receivable.

Collectibility is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to collection exists.

#### (e) Recoverable Amount of Non-Current Assets

The recoverable amount of an asset is the net amount expected to be recovered through the net cash inflows arising from its continued use and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is revalued to its recoverable amount.

The expected net cash flows included in determining recoverable amounts of non-current assets are not discounted to their present values using a market-determined, risk-adjusted discount rate.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)

(f) Depreciation of Property, Plant and Equipment

Depreciation is calculated on a straight line basis to write off the net cost of each item of property, plant and equipment over its expected useful life to the entity. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

Furniture and fittings	5-10 years;
Plant and equipment	3 years.

(g) Leasehold Improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the entity, whichever is the shorter. Leasehold improvements held at the reporting date are being amortised over 5 years.

(h) Leased Non-Current Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incident to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The lease asset is amortised on a straight line basis over the term of the lease, or where it is likely that the entity will obtain ownership of the asset, for the life of the asset. Lease assets held at the reporting date are being amortised over 5 years.

Lease payments are allocated between interest (calculated by applying the interest rate implicit in the lease to the outstanding amount of the liability), rental expense and reduction of the liability.

Other operating lease payments are charged to the profit and loss statement in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
Annual Report - 30 June 1999

## Notes to the Financial Statements 30 June 1999 (continued)

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (i) Trade and Other Creditors

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

#### (j) Maintenance and Repairs

Maintenance and repair costs are charged as expenses as incurred.

#### (k) Year 2000 Software Modification Costs

Costs relating to the modification of computer software for year 2000 compatibility are charged as expenses as incurred.

#### (l) Employee Entitlements

##### *(i) Wages and Salaries and Annual Leave*

Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

##### *(ii) Long Service Leave*

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

#### (m) Borrowing Costs

Borrowing costs are recognised as expenses in the period in which they are incurred, and include finance lease charges.



Notes to the Financial Statements  
30 June 1999 (continued)

NOTE 2 REVENUE

	1999	1998
	\$	\$
<b>Revenue From Operating Activities</b>		
Volume and overhead billing	3,221,879	2,358,958
<b>Revenue From Outside the Operating Activities</b>		
Interest	13,499	35,760
Proceeds from sale of non-current assets	16,340	-
Bad debt recovery	6,330	-
	36,169	35,760
<b>Total revenue</b>	<b>3,258,048</b>	<b>2,394,718</b>

NOTE 3 OPERATING PROFIT

	1999	1998
	\$	\$
<b>Net Gains and Expenses</b>		
Operating profit includes the following specific net gains and expenses:		
<b>Expenses</b>		
Borrowing costs		
Finance charges paid/payable	25,658	-
Net loss on disposal of property, plant and equipment	(7,903)	-
Depreciation		
Furniture and fittings	7,418	8,074
Plant and equipment	49,293	34,052
<b>Total depreciation</b>	<b>56,711</b>	<b>42,126</b>
Amortisation		
Leasehold improvements	64,596	-
Plant and equipment under finance leases	9,845	-
<b>Total amortisation</b>	<b>74,441</b>	<b>-</b>
Other charges against assets		
Bad and doubtful debts – trade debtors	96,236	4,905
Other provisions		
Employee entitlements	22,862	10,236
<b>Total other provisions</b>	<b>119,098</b>	<b>15,141</b>
Rental expense relating to operating leases		
Minimum lease payments	145,125	150,000
<b>Total rental expense relating to operating leases</b>	<b>145,125</b>	<b>150,000</b>

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
Annual Report - 30 June 1999

## Notes to the Financial Statements 30 June 1999 (continued)

### NOTE 4 CURRENT ASSETS – CASH

	1999 \$	1998 \$
Cash at bank and on hand	78,739	64,714
Deposits at call	9,642	554,797
	88,381	619,511

#### Deposits at call

The deposits are bearing floating interest rates between 3.75 and 4% (1998 – 4% and 4.75%)

### NOTE 5 CURRENT ASSETS – RECEIVABLES

	1999 \$	1998 \$
Amounts due from members	457,513	186,787
Less: Provision for doubtful debts	110,000	25,000
	347,513	161,787

### NOTE 6 CURRENT ASSETS – OTHER

	1999 \$	1998 \$
Prepayments	44,738	23,051

Notes to the Financial Statements  
30 June 1999 (continued)

NOTE 7 NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	1999 \$	1998 \$
<b>Plant and equipment</b>		
Plant and equipment – at cost	351,593	386,967
Less: Accumulated depreciation	223,165	326,543
	128,428	60,423
 Plant and equipment under finance lease	73,038	-
Less: Accumulated amortisation	9,845	-
	63,193	-
 Total plant and equipment	191,621	60,423
 <b>Furniture and fittings</b>		
Furniture and fittings – at cost	41,942	79,986
Less: Accumulated depreciation	20,373	29,049
	21,569	50,937
 Furniture and fittings under finance lease	581,591	-
Less: Accumulated amortisation	64,596	-
	516,995	-
 Total furniture and fittings	538,564	50,937
	730,185	111,360

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
Annual Report - 30 June 1999

## Notes to the Financial Statements 30 June 1999 (continued)

### NOTE 8 CURRENT LIABILITIES – ACCOUNTS PAYABLE

	1999	1998
	\$	\$
Trade creditors	204,853	124,788
Other creditors	63,538	89,506
	268,391	214,294

### NOTE 9 CURRENT LIABILITIES – BORROWINGS

	1999	1998
	\$	\$
Lease liabilities	202,517	-

### NOTE 10 CURRENT LIABILITIES – PROVISIONS

	1999	1998
	\$	\$
Employee entitlements	69,881	47,019

### NOTE 11 NON-CURRENT LIABILITIES – BORROWINGS

	1999	1998
	\$	\$
Lease liabilities	354,353	-

### NOTE 12 FINANCIAL INSTRUMENTS

#### (a) Credit Risk Exposures

The credit risk on financial assets of the entity which has been recognised on the balance sheet, is generally the carrying amount, net of any provisions for doubtful debts.

#### (b) Interest Rate Risk Exposures

The company's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the entity intends to hold fixed rate assets and liabilities to maturity.

Notes to the Financial Statements  
30 June 1999 (continued)

NOTE 12 FINANCIAL INSTRUMENTS (CONTINUED)

(b) Interest Rate Risk Exposures (continued)

Fixed Interest Maturing in 1999

	Notes	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total
<b>Financial assets</b>							
Cash and deposits	5	88,381	-	-	-	-	88,381
Receivables	6	-	-	-	-	347,513	347,513
		88,381	-	-	-	347,513	435,894
Average interest rate		3.88%					

**Financial liabilities**

Trade and other creditors	9	-	-	-	-	268,391	268,391
Lease liabilities	10,12	-	202,517	354,353	-	-	556,870
		-	202,517	354,353	-	268,391	825,261
Average interest rate			7.75%	7.75%			
Net financial assets (liabilities)		88,381	(202,517)	(354,353)	-	79,122	(389,367)

Fixed Interest Maturing in 1998

	Notes	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total
<b>Financial assets</b>							
Cash and deposits	5	619,511	-	-	-	-	619,511
Receivables	6	-	-	-	-	161,787	161,787
		619,511	-	-	-	161,787	781,298
Average interest rate		4.38%					

**Financial liabilities**

Trade and other creditors	9	-	-	-	-	214,292	214,292
Lease liabilities	10,12	-	-	-	-	-	-
		-	-	-	-	214,292	214,292
Net financial assets (liabilities)		619,511	-	-	-	(52,505)	567,006

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
Annual Report - 30 June 1999

## Notes to the Financial Statements 30 June 1999 (continued)

### (b) Interest Rate Risk Exposures (continued)

#### Reconciliation of Net Financial Assets to Net Assets

	Notes	1999 \$	1998 \$
Net financial assets as above		(389,367)	567,006
Non financial assets and liabilities		-	-
Property, plant and equipment	8	730,185	111,360
Other assets	7	44,738	23,051
Provisions	11	(69,881)	(47,019)
Other liabilities		-	(303,983)
Net assets per balance sheet		315,675	350,415

The carrying amounts and net fair values of financial assets and liabilities at balance date are:

	1999		1998	
	Carrying amount	Net fair value	Carrying amount	Net fair value

#### On-balance sheet financial instruments

##### Financial assets

Cash	78,739	78,739	64,714	64,714
Deposits	9,642	9,642	554,767	554,767
Trade debtors	457,513	347,513	186,787	161,787
	545,894	435,894	806,268	781,268

##### Financial liabilities

Trade creditors	268,391	268,391	214,294	214,294
Other creditors	-	-	303,981	303,981
Lease liabilities	556,870	556,870	-	-
Non-traded financial liabilities	825,261	825,261	518,275	518,275

None of the classes of financial assets and liabilities are readily traded on organised markets in standardised form.

Notes to the Financial Statements  
30 June 1999 (continued)

(b) Interest Rate Risk Exposures (continued)

Net fair value is exclusive of costs which would be incurred on realisation of an asset, and inclusive of costs which would be incurred on settlement of a liability.

NOTE 13 REMUNERATION OF DIRECTORS

	Directors of 1999 \$	Entity 1998 \$
Income paid or payable, or otherwise made available, to directors in the entity in connection with the management of the affairs of the entity.	2,083	-

The numbers of directors whose total income from the entity or related parties was within the specified bands are as follows:

\$	\$	1999	1998
0	9,999	7	7

NOTE 14 REMUNERATION OF AUDITORS

	1999 \$	1998 \$
Remuneration for audit or review of the financial reports of the entity.	12,500	11,600
Remuneration for other services	32,290	1,262



# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
Annual Report - 30 June 1999

## Notes to the Financial Statements 30 June 1999 (continued)

### NOTE 15 COMMITMENTS FOR EXPENDITURE

	1999 \$	1998 \$
<b>Lease Commitments</b>		
Representing:		
Cancellable operating leases	-	-
Non-cancellable operating leases	333,981	1,334,050
	333,981	1,334,050
<b>Operating Leases</b>		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Not later than one year	90,535	268,370
Later than one year but not later than 5 years	243,446	1,002,568
Later than 5 years	-	63,112
Commitments not recognised in the financial statements	333,981	1,334,050
<b>Finance Leases</b>		
Commitments in relation to finance leases are payable as follows:		
Not later than one year	237,222	-
Later than one year but not later than 5 years	401,067	-
Later than 5 years	-	-
Minimum lease payments	638,289	-
Less: Future finance charges	(81,419)	-
Total lease liabilities	556,870	-
<b>Representing lease liabilities</b>		
Current (note 9)	202,517	-
Non-current (note 11)	354,353	-
	556,870	-

The average interest rate implicit in the lease is 7.5%

## NOTE 16 RELATED PARTIES

### Directors

The names of persons who were directors of TIO Ltd at any time during the financial year are as follows: John Rohan, Kevin Dinn, Deirdre Mason, Colin Marland, Graeme Ward, Adam Suckling, Stephe Wilks and Susan Holmes. All of these persons were also directors during the year ended 30 June 1998 except for Stephe Wilks who was appointed on 24 August 1998 and Susan Holmes who was appointed on 4 June 1999. In addition, Kevin Dinn held office as a director until his resignation on 12 July 1999.

### Transactions with directors and director related entities

A director, John Rohan, is the managing director of Vodafone New Zealand Ltd. TIO Ltd invoiced \$113,580 during the year in respect of complaint handling fees for Vodafone Pty Ltd and other related Vodafone entities. The transactions were based on normal commercial terms and conditions.

A director, Colin Marland, is a former employee of CorpTEL Pty Ltd. TIO Ltd invoiced \$23,766 during the year in respect of complaint handling fees for CorpTEL Pty Ltd. In addition, TIO Ltd's old PABX and associated equipment was sold to CorpTEL Pty Ltd for \$5,000. These transactions were based on normal commercial terms and conditions.

Two directors, Deirdre Mason and Graeme Ward are employees of Telstra Corporation. TIO Ltd invoiced \$1,926,363 and \$45,755 during the year in respect of complaint handling fees for Telstra Corporation and Telstra Big Pond. The transactions were based on normal commercial terms and conditions.

A director, Kevin Dinn, is the former director of Zip World Pty Ltd. TIO Ltd invoiced \$203 during the year in respect of complaint handling fees for Zip World Pty Ltd. The transactions were based on normal commercial terms and conditions.

Two directors, Adam Suckling and Stephe Wilks are employees of Cable & Wireless Optus. TIO Ltd invoiced \$272,741 and \$317 during the year in respect of complaint handling fees for Cable & Wireless Optus and Optus Vision. The transactions were based on normal commercial terms and conditions.

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Telecommunications Industry Ombudsman Limited ACN 057 634 787  
Annual Report - 30 June 1999

## Notes to the Financial Statements 30 June 1999 (continued)

### NOTE 17 RECONCILIATION OF OPERATING PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1999 \$	1998 \$
Operating profit after income tax	(34,740)	46,901
Depreciation and amortisation	131,153	42,126
Provision for doubtful debts	85,000	-
Loss on disposal	7,903	-
Net gain on sale of non-current assets	-	-
Increase (decrease) in trade debtors	(270,726)	16,035
Increase in other operating assets	(21,688)	(19,420)
Increase (decrease) in trade creditors	54,096	38,921
Increase (decrease) in other provisions	22,862	10,236
Net cash inflow/outflow from operating activities	(26,140)	134,799

### NOTE 18 CONTINGENT LIABILITY

A claimant in the 'Casualties of Telecom' (COT) arbitration process, in which the TIO acted as administrator, has suggested that legal action may be taken against the TIO or its officers, employees or agents.

No details have been provided of any alleged wrongdoing and the TIO has requested the claimant to provide details sufficient to determine whether there is any basis for a claim against the TIO or its officers, employees or agents.

The Board has made its own internal inquiries and is unable to identify any basis on which a claim might be brought. Accordingly, no amount has been provided in the accounts in respect of the potential claim.

## DIRECTORS' DECLARATION

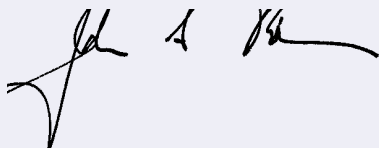
The directors declare that the financial statements and notes set out on pages 61 to 76:

- (a) comply with Accounting Standards, the Corporations Regulations and other mandatory professional reporting requirements, and
- (b) give a true and fair view of the company's financial position as at 30 June 1999 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Law, and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



J F Rohan  
Director



G B Ward  
Director

Melbourne  
15 September 1999

## INDEPENDENT AUDIT REPORT

To the members of the Telecommunications Industry Ombudsman Limited

### Scope

We have audited the financial report of the Telecommunications Industry Ombudsman Limited for the financial year ended 30 June 1999 as set out on pages 61 to 77. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and the Corporations Law so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows.

The audit does not provide any assurances that the company's systems, or any other systems that the company relies on in the conduct of its activities such as those of suppliers and service providers, are year 2000 compliant or whether plans and associated actions are adequate to address the year 2000 issue. The year 2000 issue has been addressed only in the context of existing audit responsibilities under Australian Auditing Standards to express an opinion on the financial statements.

The audit opinion expressed in this report has been formed on the above basis.

HLB Mann Judd (Vic Partnership)

Level 32, Nauru House, 80 Collins Street, Melbourne, Victoria, 3000 Australia. DX 30811 Collins Street.

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HLB Mann Judd (Vic Partnership) is a member of  International and the HLB Mann Judd National Association of independent accounting firms.



**INDEPENDENT AUDIT REPORT** (Cont.)

To the members of the Telecommunications Industry Ombudsman Limited (Cont.)

**Audit Opinion**

In our opinion, the financial report of the Telecommunications Industry Ombudsman Limited is in accordance with:

- (a) the Corporations Law, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 1999 and of its performance for the financial year ended on that date; and
  - (ii) complying with Accounting Standards and the Corporations Regulations; and
- (b) other mandatory professional reporting requirements.

A handwritten signature in blue ink that reads 'HLB Mann Judd'.

**HLB MANN JUDD**  
Chartered Accountants

A handwritten signature in blue ink that reads 'Barkla'.

**J G BARKLA**  
Partner

24 September 1999  
Melbourne

**Bankers**

Commonwealth Bank of Australia

**Solicitors**

Corrs Chambers Westgarth

**Auditors**

HLB Mann Judd

**Information Technology**

Beethoven Computer Services Pty Ltd



