

Vodafone 'hacked journalist's mobile'

EXCLUSIVE

ANTHONY KLAN

Telco giant Vodafone illegally accessed a journalist's mobile phone records to discover the source of stories about the company, hid systemic privacy breaches from authorities and covered up fraud in its Brisbane office, according to internal documents.

In a 2012 email from then Vodafone Hutchison Australia head of fraud Colin Yates to then Vodafone global corporate security director Richard Knowlton,

Mr Yates warns of the "huge risk" to the company if a string of allegations — which he "has no reason to believe" are not factual — "gets into the public domain".

Of particular concern to Mr Yates was the hacking of the "call charge records and text messages" from the mobile of Fairfax investigative reporter Natalie O'Brien, then a Vodafone customer.

On January 10, 2011, the day after O'Brien broke a story about major security flaws with Vodafone's Siebel data system — including that private call records could be illegally accessed — Vodafone investigators had discussions about searching her

phone records to find the Vodafone sources for the story.

"If the issue relating to breaching the reporter's privacy by searching her private call records and text messages gets into the public domain, this could have serious consequences given it is a breach of the Australian Telecommunications Act," Mr Yates writes to his global counterpart Mr Knowlton. "And (it) would certainly destroy all of the work done by VHA (Vodafone Hutchison Australia) over the past months to try and restore their reputation."

Further fuelling the situation, O'Brien is the wife of NSW Deputy Police Commissioner

Nick Kaldas, a fact noted by Mr Yates in his email. O'Brien declined to comment yesterday.

One of two potential whistleblowers named by Mr Yates in the email, former Vodafone investigator Mark Burridge, has since committed suicide. Mr Burridge and the other potential whistleblower named in the email, former Vodafone investigator Wayne Hancock, have since the Yates email been accused of stealing used phones from the company. Mr Hancock is understood to vigorously deny the allegations.

O'Brien's 2011 article revealed breaches with Vodafone's Siebel system meant the call records and

details of Vodafone customers — including home addresses, and driver's licence and credit card details — had been available on the internet.

The security flaw came about in part because Vodafone had stored the information on a website so it could be accessed from any computer rather than on a secure internal system. At that time, Vodafone Australia was under pressure with customer frustration over poor mobile coverage, which included a class action by more than 9000 customers.

In what could prove particularly damning for Vodafone, the Yates email suggests the company

actively covered-up from authorities the extent of the security breaches uncovered by O'Brien.

Following her story, Vodafone executives allegedly "told the press, the NSW Privacy Commissioner and other high-profile Australian agencies that the breach was a one-off incident".

Mr Yates wrote to Mr Knowlton: "As you know this is in fact not the case and VHA has been suffering these breaches since Siebel went live and did nothing or very little to close off the weaknesses that allowed them to occur."

It was only when Vodafone was "forced to act by the news story becoming public" that it took

action to fix the problem, Mr Yates wrote. He notes the alleged serious issues at the company were known by Burridge and Mr Hancock.

Burridge was dismissed — and Mr Hancock pressured to leave — in 2012 after Vodafone took action against them for allegedly forwarding or receiving photographs of nude females via work computers more than three years earlier.

That action by Vodafone came as the two men were investigating alleged fraud involving back-office sales team staff at Vodafone's Brisbane offices.

The two men said they had become aware of a "huge volume of complaints from customers"

who had been signed up for costly additional services that they had not paid for.

They said they had "evidence to interview 30 or 40 staff with a likelihood that most, plus senior management at the centre, could have been dismissed".

Last night, in a statement, VHA strongly denied any allegations of improper behaviour. The allegations were false, malicious and full of potentially damaging inaccuracies and VHA took its legal and corporate responsibilities very seriously, it said.

Do you know more?
kiana@theaustralian.com.au

Anti-China property protest to be repeated



Protests in the Sydney suburb of Artarmon



RENEE NOWY TARGER
David and Anne Bennett

times creates a symbolic threat. The best starting point to combat extreme reactions, she says, is to see the views as part of an intergroup relationship, and not simply as irrational or unreasonable individuals.

But most people, watching the protesters yell from the side of the road, are shocked, especially in the usually quiet backstreets in Sydney's leafy northern suburbs.

For Anne Bennett and her husband David, the shock was more immediate.

"It was in front of their house, being auctioned on the last weekend of August, that Folkes appeared.

"As an Australian I found it embarrassing, one of the placards read 'no Chinese ownership', and that they were targeting a group like that I found particularly abhorrent," Ms Bennett says.

"We were refugees when we came to this country and my parents loved Australia with such a passion because it gave them a second chance, so to see people holding up signs saying 'no foreign ownership' distressed me incredibly."

Folkes is counting on increasing disquiet from the signing of the free-trade agreement with China to push the issue into the mainstream.

"We've got all this foreign labour coming in, competing in the job market, competing in the schools," he says.

"We used to be the lucky country, but it's dropped significantly, it just doesn't make any sense in the way that we're not getting any benefit out of it."

Ms Bennett disagrees. "Is there any credence to what they are doing? I don't believe so. Nothing can give permission to single out a particular ethnic group and say they are not allowed to own property in this country."

Kate Reynolds, a social psychologist at the Australian National University, says when one group is seen to be buying property that has traditionally been held by another, it some-

THIS LIFE Inside Review

US the land of promise for Dion



Dion Lee with a design modelled by Anastasia Lagune in New York

MEG URBANI

GLYNIS TRAILL-NASH
NEW YORK

Dion Lee is of the same mind as fellow Australians Nicky and Simone Zimmermann — he wants to spend more time in the US.

With his fourth show at New York Fashion Week late today (Sydney time), the Sydney designer believes that for such an important market — his biggest for wholesale accounts — an investment in time is even more important than one in money.

"I'm trying to be more present in this market," he says. "There is just so much potential here, it's

great to be able to support the retailers more. It's about being here and being available and being more involved.

"It feels like (Nicky and Simone) are constantly here as well. It's about creating that presence so it's not just (turning up at) fashion weeks."

With Australia still making up most of his business, thanks largely to his retail business, Lee is open to the idea of opening an international store.

"I'd love to explore LA, maybe before New York. With LA in general, culturally there's a lot happening in music, design, fashion, everything. In terms of retail as well, there's a really good

pocket happening there at the moment. New York is a little bit more disjointed. It's interesting with New York how it's such a changing retail landscape."

This spring/summer 2016 collection once again shows off Lee's extraordinary talents in pattern cutting and construction. Some pieces feature two-tone bonded fabrics that are hand-cut and woven together to create a knitted effect; others are more body conscious, splicing together different fabrics. Lee says a lot of the collection is based on layering.

On Thursday, the first day of New York Fashion Week, Sydney's Rebecca Vallance showed her collection of polished "pop



Fashion Palette swimwear



Rebecca Vallance designs



A creation by Tome

noir" — a collection that drew on a combination of 1940s film noir heroines and 1970s party girls.

US-based Australians Ryan Lobo and Ramon Martin showed their Tome label in what could easily be considered a personal best for the label, taking inspiration from Australian sculptor Fiona Hall.

The Australian ready-to-wear platform Fashion Palette showed 20 designers over two extremely long shows, with two established brands anchoring the other, emerging brands, which would have done better to stay clear of the global catwalks until they had further honed their work on home soil.

Crash survivor found after six nights in bush

JARED OWENS

An injured 19-year-old woman has been rescued by police after surviving six cold nights in bushland after her car careened down an embankment and ploughed into a creek west of Canberra.

Surviving with no food and only creek water, Kathleen Bautista was yesterday discovered by police at 10.25am only a few hundred metres from the wreckage of her black Hyundai i30.

Investigators were alerted to signals from Ms Bautista's phone, directing search crews to the Cotter area about 15km west of the city. The injured and dehydrated teenager from Canberra suburb Gordon was discovered within an hour.

Text messages the teenager had sent her boyfriend and family on the morning of her disappearance had caused investigators to have "extreme concern" that she had tried to hurt herself or run away.

ACT Detective Sergeant John Giles said Ms Bautista was in hospital in a stable condition with non-life threatening leg and abdominal injuries. He described her rescue as a "high-five moment".

"When we first approached Kat and she was lying on that hill, and she started to speak, it was certainly the best moment of my policing career and I'm certain it was a moment that no one there will ever forget," Mr Giles said.



Kathleen Bautista

Constable Lachlan Ryan said she was dehydrated, injured from the accident and starting to suffer from exposure, but lucid.

"I had a clear conversation with her. She was chatty and even started telling jokes. She was relieved and she thanked us profusely," he said.

"She was actually, despite her circumstances, in very good spirits."

The woman's father, Ronnie Bautista, said he was over the moon that she had been found safe and sound.

"I got the phone call from John while I was in the car. That's probably the loudest scream that I made when I heard the news that Kat was with him," Mr Bautista said.

His daughter had last been seen about 8am in Chapman, southwest Canberra, after spending the previous night dancing with friends in the city.

Police said they "spared no resource" in the search for Ms Bautista, using helicopters and cameras to narrow the search area.

ADDITIONAL REPORTING: AAP

Boom tish: Dutton joke hits fan

JARED OWENS

Politicians have faced incessant harassment from microphones for decades yet it appears some cabinet ministers still cannot recognise a long black cylinder hovering just above their heads.

Awaiting the arrival of ethnic and religious leaders for a refugee resettlement meeting at Parliament House, Immigration Minister Peter Dutton was caught joking, apparently, about rising sea levels inundating the homes of Pacific islanders.

As delegates started meandering in, Mr Dutton suggested to Tony Abbott that their guests were running on "Cape York time" — an apparent allusion to the impunctual lifestyle in remote far north Queensland.

The Prime Minister, who had just returned from climate talks with Pacific leaders in Papua New Guinea, chuckled back: "We had a bit of that up in Port Moresby."

Mr Dutton replied to his leader: "Time doesn't mean anything when you're about to be, you know, have water lapping at your door."

Mr Abbott began to laugh loudly, but was silenced by Social Services Minister Scott Morrison, who pointed out the microphone. "There's a boom up there." After the meeting, Mr Dutton brushed off questions about the "private conversation" with his boss.

Pacific Island leaders this week failed to convince Australia to support its push for greenhouse gas reductions that would aim to limit average temperature rises to 1.5C.

Labor deputy Tanya Plibersek said climate change was no laughing matter and insisted the Prime Minister apologise.

Koreti Tiutumu, the Pacific coordinator of climate activist group 350.org, has written to Mr Abbott seeking an apology for laughing at Mr Dutton's "deeply offensive" comment.

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