

Too many people excluded from internet - Nashua Mobile

The telecommunications industry has the potential to be one of the engines driving South Africa's GDP growth past six percent per year, but only if strong competition is nurtured in the sector.



That's according to Chris Radley, MD of Nashua Mobile, commenting on the health of the country's telecommunications industry ahead of World Telecoms Day on 17 May. He says that telecommunications is a levelling, democratising technology that empowers people to participate in the economy by giving them access to information and markets they did not have before.

However, telecommunications tariffs in South Africa are still somewhat high as a result of a lack of competition, he adds. This excludes many people from access to basic voice and Internet services that many countries are beginning to regard as a basic human right.

SMEs could operate more efficiently

The result is that the economy is less productive and globally competitive than it could be and that many people are denied the opportunities that fast Internet connectivity offers them to improve their lives, says Radley. For example, more affordable Internet services could help micro and small businesses to operate more efficiently and bring e-health, e-learning and other services to poor communities.

"Large businesses in South Africa are held back by high telecommunications costs. A number of studies place our cellular costs as among the highest in Africa, while one report says that we have the lowest minutes of telecommunications usage among the Brics countries. Stronger regulation, coupled with policies that encourage more infrastructure level competition, could help to change that picture," says Radley.

Regulatory processes must be sorted out

Nashua Mobile would like to see certain important regulatory decisions and processes concluded as soon as possible. The process around licensing the precious spectrum operators need for commercial deployments of LTE (more contentiously called 4G) networks is particularly urgent. This technology is key to bringing faster and more affordable mobile broadband to market. "Digital dividend spectrum is also up in the air," adds Radley. "South African regulators and legislators have an opportunity to position South Africa at the forefront of global telecoms if they move as quickly as the technology does."

However, despite these remaining challenges, South Africa also has much to celebrate on World Telecoms Day. The country has benefited from a flood of international bandwidth as a result of new submarine cables landing on the coast, and operators are linking up the metros with fibre. Prices are falling as result, even as quality improves. This is largely thanks to the work that the regulator and policymakers have done to accelerate competition in recent years.

For more, visit: <https://www.bizcommunity.com>