

Committee to hear how cost of internet services can be lowered

By [Linda Ensor](#)

20 Sep 2016

The high cost of mobile and data services in SA comes under the microscope over the next two days when the portfolio committee on telecommunications and postal services interrogates the question together with industry stakeholders.



©Aliaksei Verasovich via [123RF](#)

Of major interest to committee chairperson Mmamoloko Kubayi is how the industry can contribute to lowering the cost of internet usage for universities and schools. She has asked a representative of the University of the Western Cape to make a presentation on the effect of the cost of communication on students. Two non-governmental organisations, the Right2Know and the Alliance for Affordable Internet (A4AI), will also make submissions.

The cost to communicate

The Department of Telecommunications and Postal Services will outline government policy, while the Independent Communications Authority of SA will provide details of its regulatory approach.

Mobile phone operators are also in line to focus on the issues impinging on the costs of communication, and representatives of the small and medium enterprise sector will be making an input as well. Altogether, 12 presenters will address the committee including the Internet Service Providers Association and the A4AI.

Kubayi said in an interview yesterday that the issue of the cost to communicate had arisen during the committee hearings last year on over-the-top services. The committee itself has exerted pressure on Icasa to reduce rates but Kubayi believed that mobile phone operators could voluntarily go further.

"I don't think everything has to come from policy and regulation," she said. "There are certain things that mobile phone operators can do to reduce costs. They have an obligation to contribute to a better society in addition to doing business, particularly in the sphere of education." She suggested that internet usage by students could be made free.

Spectrum scarcity

DA telecommunications and postal services spokesperson Marian Shinn expects the public hearings will once again highlight that the lack of availability of spectrum for wireless broadband services is the major cause of high prices. "The unavailability of spectrum has created an artificial scarcity that has stifled competition needed to drive down prices."

The spectrum scarcity was due to the delay in the migration from analogue to digital broadcasting - which would create more space for wireless broadband services - as well as the policy uncertainty on how high-demand spectrum will be allocated.

The A4AI noted in its 2015-2016 Affordability Report that in SA an affordable internet connection costs most South Africans between 6%-19% of their monthly income.

Source: Business Day

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