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Telcos should pay for services

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OPERATORS of Internet telephony services should pay for their activities, said Maxis Communications Bhd's chief executive officer Jamaludin Ibrahim. He said the Internet telephony is currently "piggybacking" on other telecommunications operators' infrastructure, namely that of the Telekom Malaysia.

"So, it is only fair that certain things have to happen such as getting some contribution from those who want to provide Internet telephony facilities.

"All operators providing that should contribute in the form of real contribution or paying to a certain fund so that anybody who wants to go into it (Internet telephony) has to pay for it," he said.

The Government is still debating whether Internet telephony needs to be licensed because the services could be at the expense of existing telephone companies' operations.

The issue was addressed by Prime Minister Datuk seri Dr Mahathir Mohamad early this month, who said the Government needs to ensure that the existing telecommunications operators do not lose out to such activities. Internet telephony allows a user in Malaysia, for example, to make an international phone call via the Internet and yet pay only the local rate for connecting to the Internet Service Provider.

Eight telecommunications operators in the country, namely Telekom Malaysia Bhd, Celcom (M) Sdn Bhd, DiGi Telecommunications Sdn Bhd, Maxis Communications Bhd, Mobikom Sdn Bhd, Telekom Cellular Sdn Bhd, Time Telecommunications Sdn Bhd and Time Wireless Sdn Bhd signed an agreement on the Telecommunications Advertising Guidelines in Kuala Lumpur yesterday.

At the press conference later, the industry players were asked whether the Government's intention to provide some kind of security for the Internet telephony will affect the attractiveness of the country's Multimedia Super Corridor.

"From Maxis' point of view, we believe that in the long run the Internet telephony should be opened for everyone but like everything else, there are processes and steps that would have to be followed," Jamaludin said. Among others, he said the local tariffs have to be "rebalanced" so that it will not differ so much from the international tariffs.

"Right now, we do not have that cost being properly reflected in terms of the actual tariff," he said.

Meanwhile, Time Telecommunications managing director Jamal Surani said Time Telecoms take-over process is still being handled by the Corporate Debt Restructuring Committee (CDRC).

"The bids have been submitted and they are being evaluated," he said. Time Telecommunications is a subsidiary of Renong Bhd which is facing RM4.5 billion debts.

To date, three bids have been submitted to CDRC to take over all or part of Time Telecoms namely from Maxis, Singapore Technologies Corp and Kejora Harta Bhd.

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