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Jaring, TMNet merger by year-end

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PENANG, Sat. - The Government has given two of the country's biggest Internet Service Providers - Jaring and TMNet - until year-end to merge.

Energy, Communications and Multimedia Parliamentary Secretary Chia Kwang Chye said the two ISPs would have to work out the details.

"It is up to Jaring and TMNet to decide what is best for them. We will not intervene.

"We view the merger as a positive move and will give our fullest support," Chia said after attending the Community Care Focus "Love in Action" charity food fair in Jalan Brother James, here.

Chia said both the ISPs had began talks on the proposed merger. The merger was proposed by Prime Minister Datuk Seri Dr Mahathir Mohamad when tabling Budget 2004 last month.

However, some industry observers claim that such a move would only create a monopoly and undermine the Government's efforts to create a healthy Internet service market.

Chia said the proposed merger would benefit consumers rather than create a monopoly.

"There will not be such a thing as a monopoly. We have at least 10 other ISPs which can provide similar services like Jaring and TMNet."