



## Keeping Ahead in ICT

### *Rival Operators*

#### **Voice-over**

But 'phone shops aren't the only solution. Vodacom's rival operator, MTN, has developed their own system. MTN is owned by an independent consortium of black South African companies and foreign investors. They're critical of Vodacom and its 'phone shops, claiming their own system is better.

#### **Ross MacDonald, Group Executive, MTN**

In terms of our community service obligation the two chosen routes are a payphone route and a 'phone shop route. The difference between the two, we believe, is that the payphone route is more accessible by using existing places of business as installations, and at those places of business having vendors who sell prepaid debit cards. Those prepaid debit cards are used by the user on the 'phone. What it does is that there is no coin in the 'phone, there's no temptation to vandalise the 'phone, steal from the 'phone, that's the one thing. The other thing is that the 'phone is accessible twenty-four hours a day, which is important. In terms of the way that 'phone shops work, and my understanding is that a lot of them are containerised, and so at the end of the day the guy's gonna close up shop and go home, so those 'phones are effectively out of range, and so that is one of the big differences that we have. The other, I think, advantage of our system is that the customer is able to receive calls, he's able to take incoming calls, in other words he will advise the user on the other side what his 'phone number is, and can take incoming calls, in fact this constitutes a third of our traffic, and I don't believe this is possible on the other system.

#### **Peter Rantloane, Community Services, MTN**

We have in this area something like ten 'phones, scattered in and around this area in places like shops, clinics, schools, tuck shops, you know so that people can have easy access to them. There are no services, there isn't the police station, there isn't the hospital....now if somebody gets ill or somebody gets knocked down by a car clearly you can go to the 'phone, you know, and that has proved to be helpful to the communities.

#### **Voice-over**

But the internal rivalries of MTN and Vodacom only matter to the companies. In rural areas and townships alike, what's important is for people to have access to telephones where there was no access before.

#### **Peter Dzingwa, Phone Shop Owner**

Look it hasn't been as easy as I'm maybe sounding about it but, you know, I think it's from the experience of seeing, you know, the change in people's lives that comes up and boils over, and you get fairly excited about it. It has been quite a learning curve, but I think we just about hit the top now.

#### **Voice-over**

But 'phone shops might provide much more. Bringing telephones to the people of South Africa is only the beginning.

#### **Jay Naidoo, Minister for Telecommunications**

The two central goals that we put into place was first building a digital, fibre optic, high speed, broadband backbone that will link every city and town in our country, and that will be in place in a year's time. The second was extending universal service, so an obligation on them to deliver three million new lines over the next five to six years, and to connect every school, village, clinic, police station, community centre, and post office in the country so, in a sense,

creating that network and almost a central nervous system so that we are able to take the modern applications, for example, telemedicine and distance education, to the remotest locations in our country.

**Peter Dzingwa, Phone Shop Owner**

We're putting PC's, as you can see, also the fax facilities, we also put in a photocopier, which is the machines at the back there. You know you can't believe this overnight you just turned a squatter area into like any other place, in the middle of London would be this, you'd get exactly the same sort of service that you're getting here. So when one looks at that, you find that really that brought in quite a big change. Now we've also got here facilities for email and internet, but in all honesty, we haven't used those because I didn't even know what an email was when they started the thing. But the beauty about it is that the facility is there.

**Jay Naidoo, Minister for Telecommunications**

Well the 'phone shops were an earlier version of what we now call a telecentre, in that the knowing that the technology and cellular in the more developed parts of the world had been what addressed the needs of the affluent and powerful, and people who already probably had 'phones at home, in their cars, as well as 'phone lines for the internet and the email, etcetera, the question was how could we take the most modern technology and adapt it to conditions in our country that address some of our policy priority.

**Voice-over**

The measure of the government's success will be whether these children will grow up using email, whether they'll feel at home charting a course with the World Wide Web. But in most townships they're still struggling with basic need, it's a balance of extremes.

**Cathy Zwanie, Principal, Khatlautschelo School**

We do have electricity, we have running water and sewerage. We have a slight problem with a telephone; we have a wire that comes into the school, but every now and then it snaps, and we don't know, maybe it could be vandalising around here, 'cos each time it's fixed the following day it's not working, so I've given up on it, so we use the 'phones up the road, the fax and everything, from Vodacom up the road. We would like to have a computer, a fax, you know for the children to get used to using the computer 'cos when they go to school, and when they start looking for work every company wants you to be computer literate, and that's important for schools at an early age to expose their children to the type of life that they have to live early in their adulthood.

**Voice-over**

The trouble is, computers demand a lot of money which the government is unwilling, or unable, to spend.

**Cathy Zwanie, Principal, Khatlautschelo School**

We got a few thousand from the government a few months ago but we are not allowed to use it for competition or anything, it was just to augment all the equipment that we did not have. We are only interested in what benefits the child directly, as much as computer benefits the children, they feel they cannot afford it now.