

## BACKGROUND ...

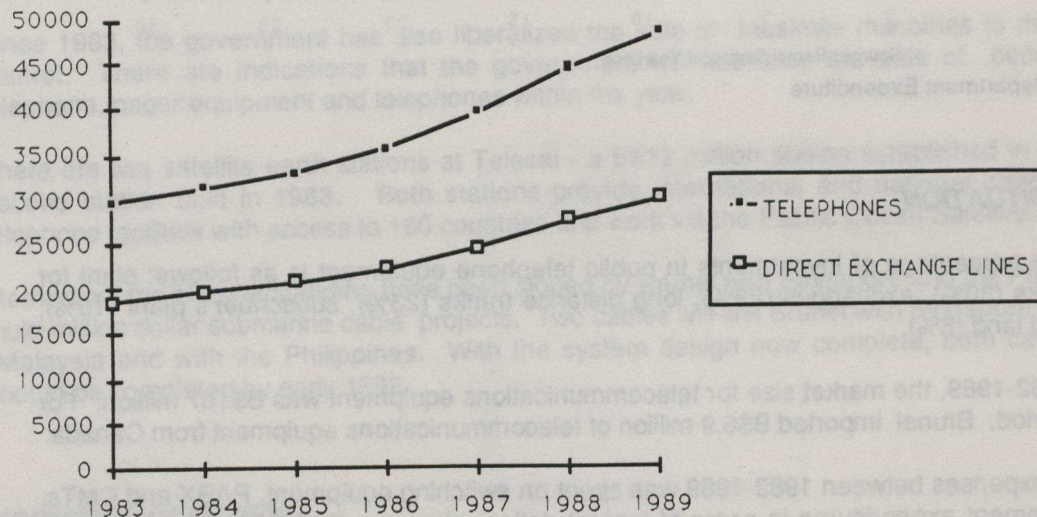
## CURRENT SITUATION ...

### DEMAND FOR CAPITAL EQUIPMENT

#### Telephone Sets

The demand for telephones has increased steadily. Since 1980, the number of telephones has been growing by 10% per annum. To date, there are 48,561 telephones installed in Brunei, or 19 per 100 people. The aim is to raise this to 32 per hundred by 1990. Currently in Brunei telephones have to be rented from JTB. There are indications, however, that the department will open sales to the private sector within the year.

DEMAND FOR TELEPHONE SETS



Source : Brunei Telecommunications Department

#### Mobile Telephones and Paging Systems

Cellular mobile radio operations began in February 1989. The mobile service is connected to the public automatic telephone service. There are plans to provide remote areas, where it is not economical to lay telephone cables, with cellular mobile radio communication. Of a total of 9 expected base stations, 8 are now operational. The subscriber base is up to 550 now.

Currently, high subscriber rates and government control of radio frequency are seen to be inhibiting demand. However, demand for mobile telephone sales will increase with Brunei Telecom's pending relaxation of mobile telephone sales by the private sector. The Ministry predicts a demand of 10,000 cellular mobile telephones within the next 5-7 years.

The base station for a country wide paging system will be in operation by early 1991. There also are plans to open the sale of subscriber pagers to private companies.