

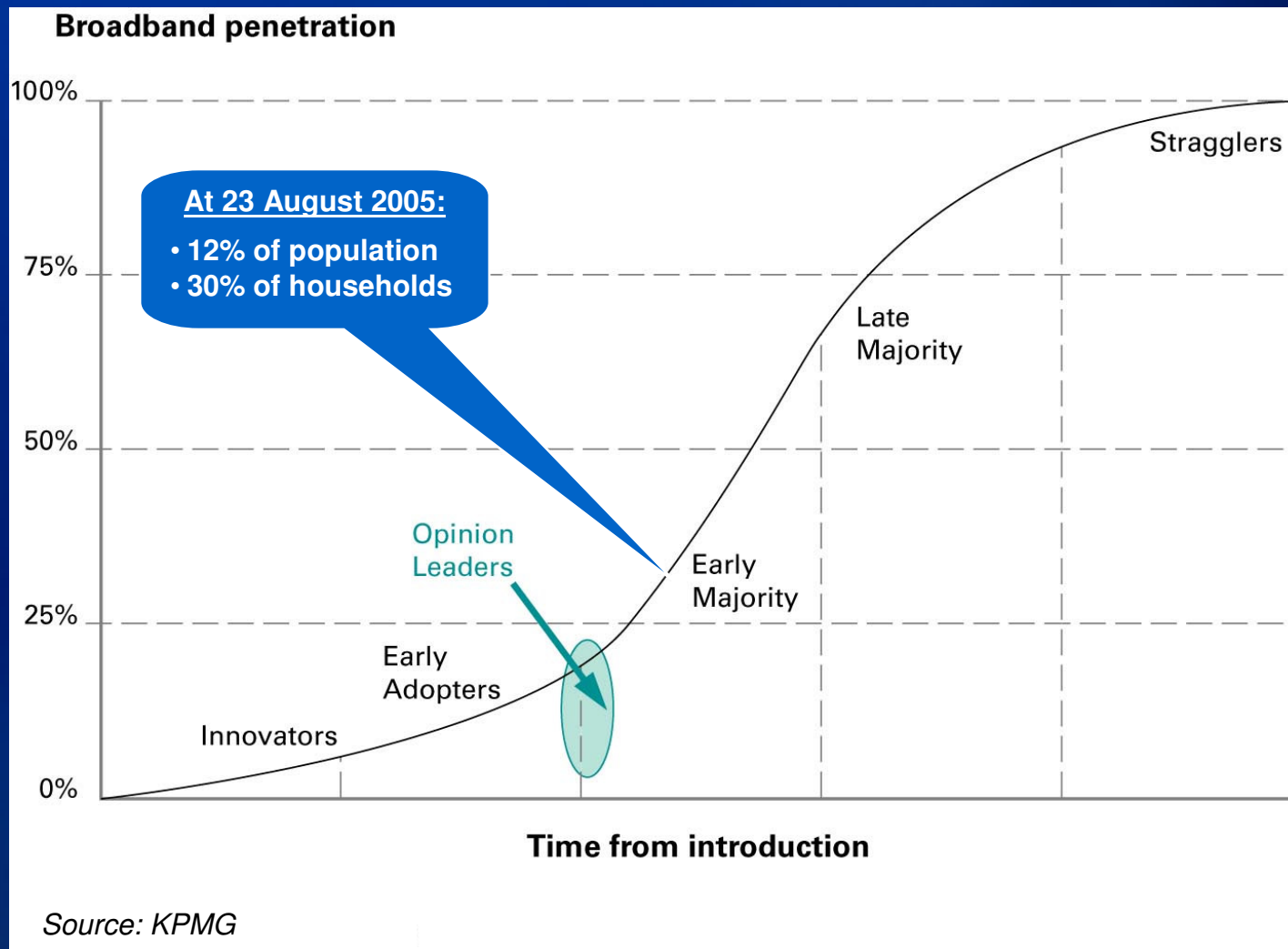


INFORMATION COMMUNICATIONS & ENTERTAINMENT

*Network Insight Institute*  
*Broadband Demand Drivers – The State of Play*

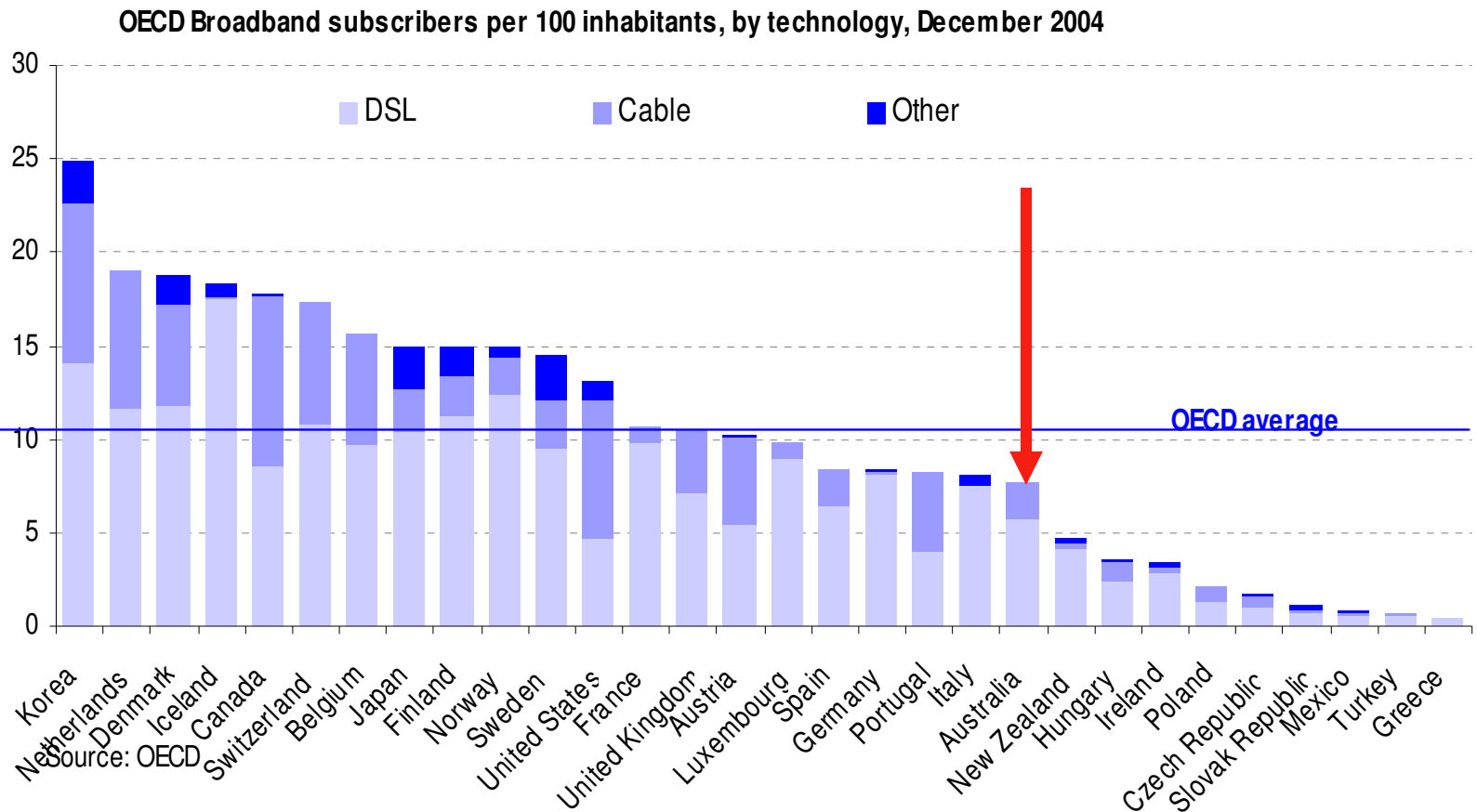
ADVISORY

# Australia's current broadband take-up...



# ...and on a global basis...

As at 31 December 2004 per OECD



# Broadband in Australia – a bit more detail

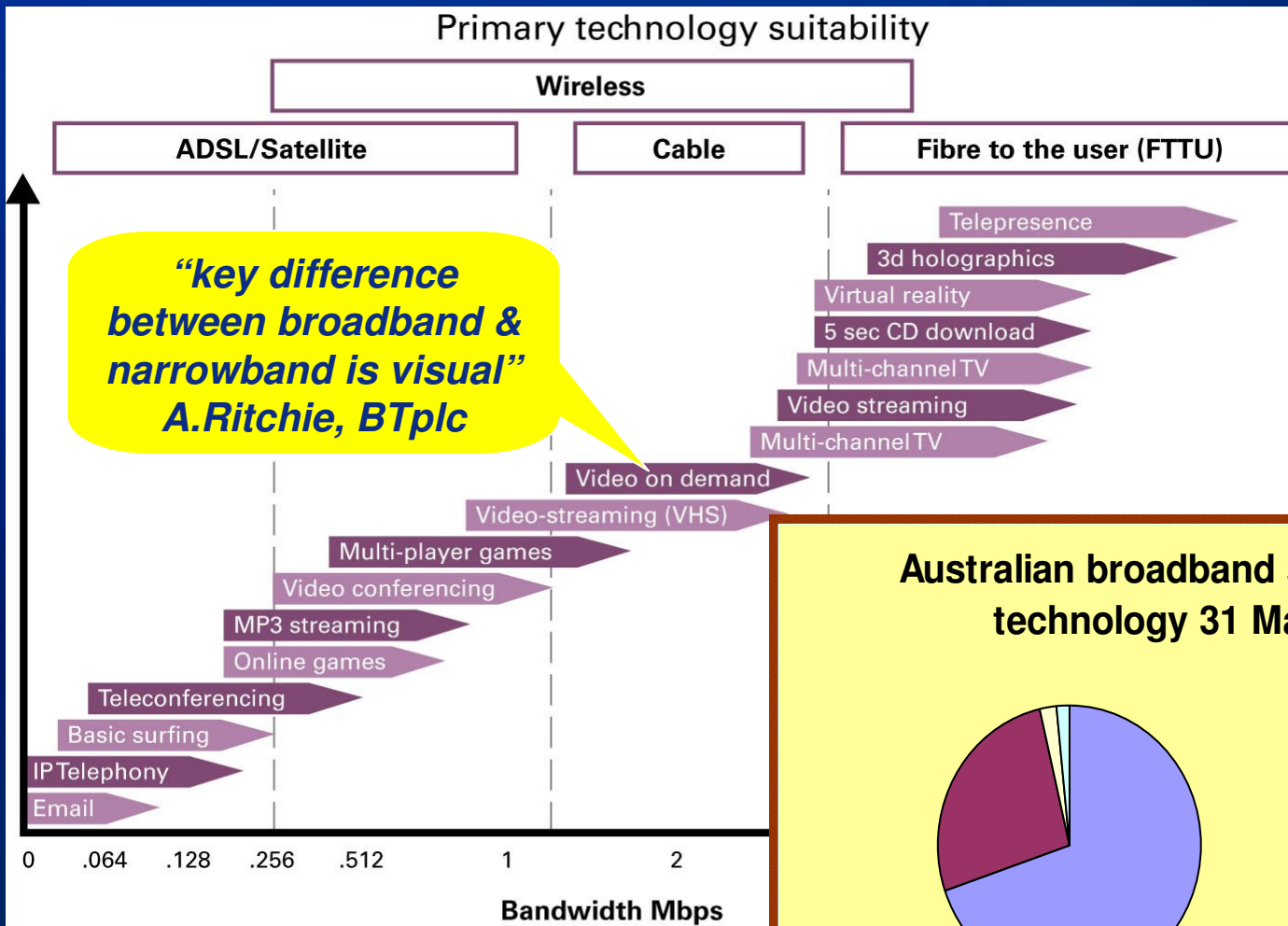
## ◆ Per recent ABS/ACCC statistics, as at 31 March 2005

- >1.8 million broadband subscribers
- annual growth in subscribers of >100%
- almost 700 ISPs
  - but 10 ISPs with >100,000 subs each = 84% of broadband households
- average household monthly downloads (MBs).....

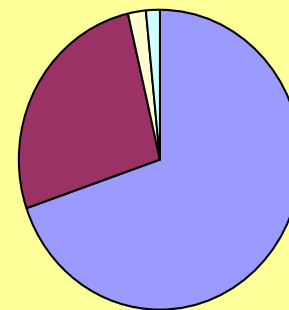


- BUT, average BB household downloads FELL 15% in 6 months!
- average business & Govt download is only 14% > households

# A quick view on technology



**Australian broadband subscribers by technology 31 March 2005**



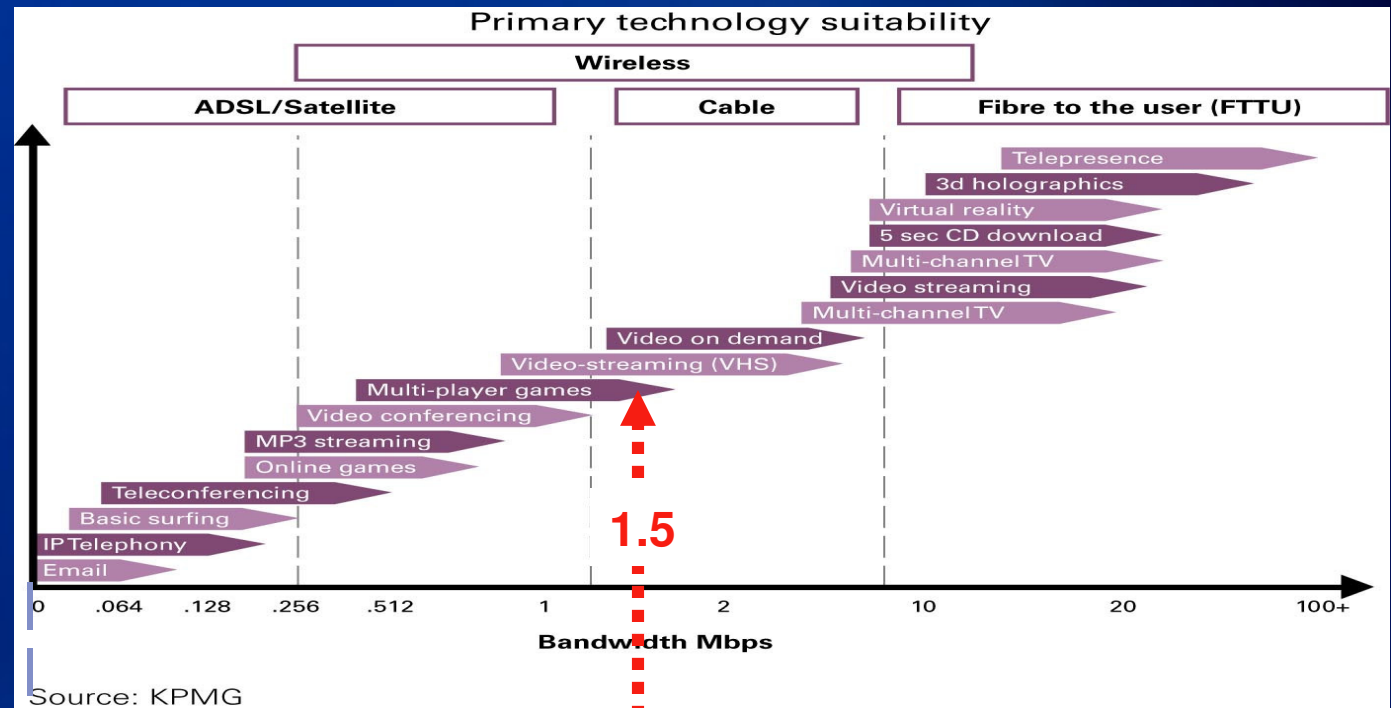
- DSL
- Cable/satellite
- Fixed wireless
- Other

Source: ABS

Source: KPMG



# What can we do at home currently?



Broadband subs

65%

35%

Internet subs

91%

9%

Households

34%

60%

6%



Source: ABS, KPMG

# ...and on a global basis...

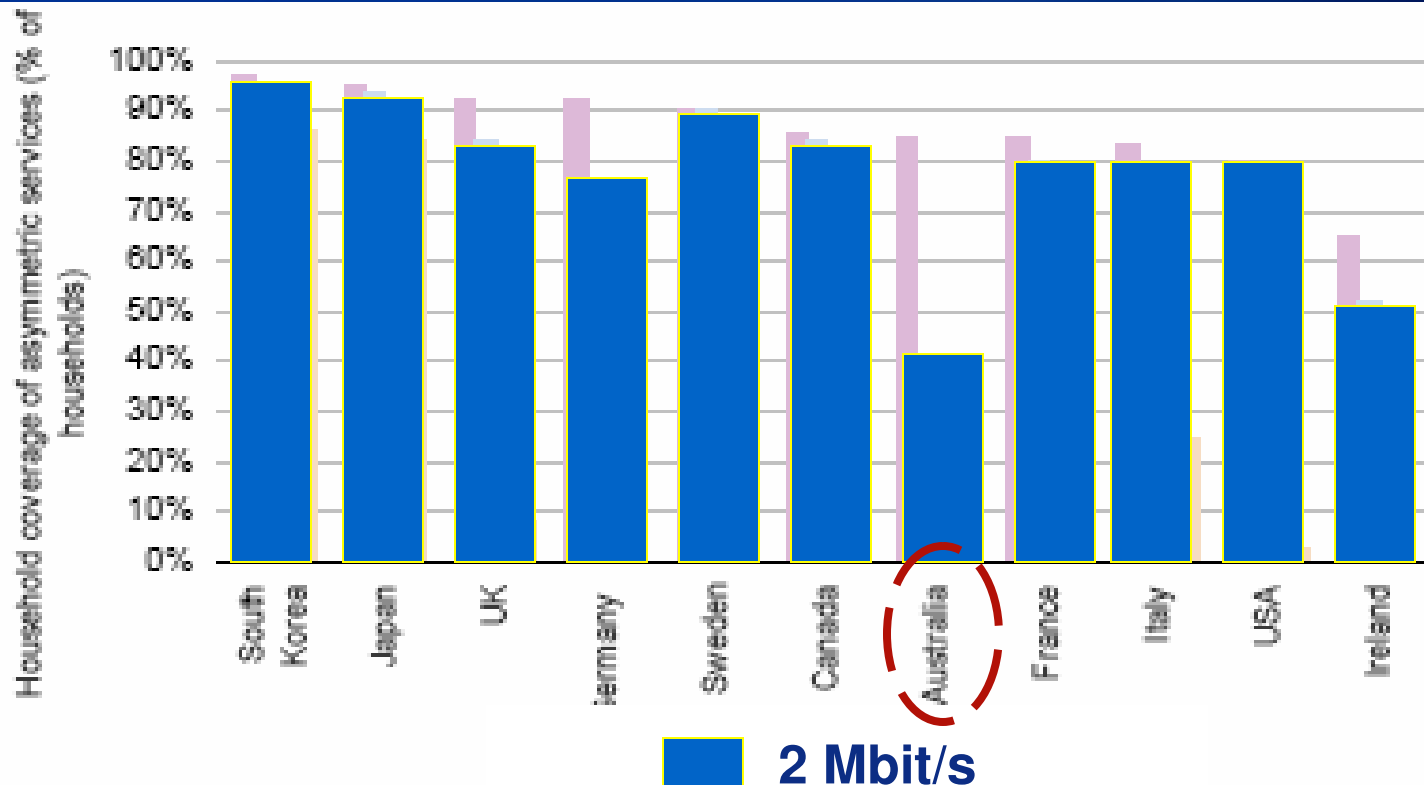


















Exhibit 0.1: Availability of asymmetric sophisticated broadband services by country, Q1 2005  
[Source: Analysys]

# Global comparison of business indicators...

## Ranking of Usage by Business Indicators - 2004

Rank	Ordering Online	WLAN	VoIP	Paying Govt.	Ecommerce revenue
1	Sweden 	UK		Sweden	South Korea
2		Sweden	South Korea	France	Canada
3	Canada	Germany			
4	USA		UK	South Korea	Sweden
5	UK	Italy	Sweden		USA
6	Germany		France	Canada	UK
7		USA		UK	Italy
8	Italy	Canada	USA	Italy	
9	France		Canada	USA	
10		France	Italy	Germany	Germany
11	South Korea	South Korea	Germany		France

Source: Analysys

# Global comparison of household indicators...

## Ranking of Usage by Residential Indicators - 2004

Rank	Downloading TV, video & movie clips	Online gaming use	VoIP use	Teleworking
1	France 	South Korea	Japan	USA 
2		Sweden	Italy	
3	USA 	Japan 	France	Sweden
4			Sweden	Japan
5	Germany	USA	South Korea	Canada
6	Italy	Canada	USA	Germany 
7	South Korea	Italy	Ireland	
8	Sweden	France	Germany 	Ireland
9	Japan	Germany 		Italy
10				France
11		Ireland	Canada	

Source: Analysys

# Some observations...

- ◆ Australia is still lagging in total broadband adoption
- ◆ We lag even further at speeds >1.5-2 MBps
- ◆ However, we do not seem to be too disadvantaged in our use of the technology (so far)
- ◆ Further funds just set aside from Telstra sale
  - *Connect Australia \$1.1 Bn*
    - \$878M *Broadband Connect* program (HiBIS extension)
    - \$113M *Clever Networks* program
      - *“strategically invested in new broadband infrastructure.....at least matching other investment....for delivery of ...health & education in regional areas.”*

***Will it all be enough?.....only time will tell.***



## **Presenter's contact details**

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