



Israel Trade Commission  
Sydney, Australia



Ministry of Economy and Industry  
Foreign Trade Administration

# TELECOM INDUSTRY OVERVIEW

Prepared by the Israel Trade Commission

## Market Overview

**\$40B+**

INDUSTRY



**22M+**

MOBILE PHONE  
SERVICES

2% GROWTH



## Major players

**T TELSTRA**

**41.8%**  
market share

17.2M mobile services  
7M fixed voice services  
7.4M retail fixed broadband services  
Strategic investment of up to **\$3B**  
from FY2017-19.  
Moves into new markets: **e-health  
services, smart grids, mining  
technology**

**OPTUS** *yes*

**20-25%**  
market share

Majority of market share from  
mobile services (**8.41M  
subscribers**).

Optus Business and Cisco to  
invest **\$13B** over 3 years in  
developing local capabilities  
focused on **cyber security, cloud,  
IoT, and the 'Network of the  
Future'**.

**vodafone** **15.2%** market share

Overhaul of infrastructure, allowing it to convert 3G to LTE. More than 50%  
of Vodafone's traffic is on the 4G network.

**5.5M** subscribers, an improvement of 4.5% in FY2015-16.

Looking to take leadership in the **IoT market**.



## Facts and forecasts



There is **slow growth** in the overall telecommunications market.

Australia's 3G and 4G mobile networks rank **4th** in the world for speed and availability (OpenSignal 2016).

All three major telcos provide **4G coverage in major cities** but Telstra has a monopoly over mobile services in regional and remote areas.

Telstra and Optus aimed to achieve **98%** LTE population coverage by the end of 2016.

Australia's broadband speeds are ranked **60th** in the world (Akamai Technologies 2016).

The major growth market for broadband services will come from **video streaming**. In early 2015, there were approximately **2 million** Australians who subscribed to a 'video-on demand' streaming service.

Australia's largest ISPs by market share on the NBN are **Telstra** (45.4%), **iiNet** (TPG-owned) (13.4-14.1%), **Optus** (12.4%) and **TPG** (10-11%). Over **1.3 million** households and businesses are connected to the NBN.



Fiber infrastructure has surpassed copper infrastructure. The **National Broadband Network (NBN)**, a government scheme that was started in 2010 and is to be completed in 2020, is rolling out fibre-optic, fixed wireless and satellite infrastructure to replace the existing broadband infrastructure with a faster and more reliable broadband service.

A wholesale market of **data centres, connectivity, cloud computing** and **data analytics** is emerging.



Developments in 5G and higher spectrum range technologies continue. Telstra is partnering with Ericsson, Optus with Nokia, and Vodafone with Huawei, to develop 5G.

Australian IoT in the Home Market is expected to be worth **A\$200 million** by 2020 (Frost and Sullivan 2015).

The IoT market is forecast to add **more than A\$120 billion** to the Australian economy over the next ten years (KPMG 2016).