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# Price war spurs net use

**CAMERON ENGLAND**  
CHIEF BUSINESS REPORTER

A WIRELESS broadband price war is helping spur a nation-beating surge in internet use in South Australia.

Figures released by the Australian Bureau of Statistics yesterday show the number of internet subscribers in SA grew by 18.4 per cent to 496,000 between the end of December and the end of June, compared with a growth rate of 7.2 per cent for the nation as a whole. Wireless technology took off rapidly during the period, with the number of subscribers increasing by almost 90 per cent in six months across Australia.

More than 809,000 subscribers were recorded at the end of June, compared with 433,000 at the end of December.

Ovum telecommunications analyst Nathan Burley said Optus, Telstra and Vodafone had an aggressive price war starting late last year, which would have driven wireless take-up.

"We've seen a very strong attraction around particularly the USB modems that they are offering," Mr Burley said.

Adam Internet managing director

Scott Hicks said competitive new products on the market were helping drive growth.

"There's a number of customers who still can't get broadband so the new wireless products are certainly a big winner for them," he said.

Internode carrier relations manager John Lindsay said it was possible the numbers were distorted, as only internet service providers with more than 10,000 subscribers were counted. "It's likely some of the smaller providers were absorbed over that period, or have gone over the threshold," he said, while noting growth remained strong.

Australia's 7.32 million internet users are made up of 1.02 million business and government subscribers and 6.21 million household subscribers. We are increasingly opting for faster internet, with 43 per cent of all subscribers now on connections with a speed of 1.5 megabits per second (Mbps) or greater, up from 36 per cent six months ago. In contrast the number of subscribers on the slower dial-up connections fell 4 per cent to 1.57 million.

Companies bidding for the right to build the national broadband network have until November 26 to lodge their submissions.