

AUSTRALIAN MARKET INTELLIGENCE

Australia's digital health gap is *Israel's opportunity*

Australia spends AU\$270B on healthcare annually but cannot fill 100,000 clinical positions. Israeli deep-tech has built the AI-driven solutions that close that gap without hiring.

THE MARKET

A AU\$270B health system undergoing rapid digital transformation.

AU\$270B

Annual healthcare spend. 10.3% of GDP, above the OECD average of 9.3%

USD 8.9B

Digital health market in 2025, growing at 14.92% CAGR to USD 31.1B by 2034

AUD 951M

Government digital health investment committed over four years

AUD 598M

Allocated over two years for My Health Record modernisation alone

Australia cannot *staff* its health system

100K Nurse shortage projected for 2025

Australia faces a shortfall of 100,000 nurses now, forecast to reach 123,000 by 2030. Rural areas have up to 50% fewer healthcare professionals per capita than cities.

82% Of health professions in shortage

AIHW data shows more than four in five health occupations were in shortage in 2023. Fill rate for health professional vacancies sits at just 44%.

400K Aged care worker gap by 2040

CEDA projects a 400,000-person aged care shortfall by 2040. The sector needs 17,000 additional workers every year just to maintain current care levels.

Where Australian digital health investment is flowing



2026 Federal Budget committed over AUD 1.8B to digital health systems. Procurement decisions are being made now.

THE STRUCTURAL PROBLEM

Australia cannot train its way out of this. Technology must replace the workforce it cannot find.

WORKFORCE SHORTFALL

100,000+

Clinical positions unfilled across nursing, general practice, and allied health

AI ADOPTION RATE

1.2M

Australians already using AI-supported telehealth, with 64% improvement in early detection rates

82% of health professions are in shortage. The fill rate for vacancies is 44%. **AI-driven diagnostics, remote monitoring, and clinical decision support are not optional extras · they are workforce replacements.**



WHY ISRAEL

1,600+ active companies. USD 3.4B in medtech exports. The world's most clinically validated digital health ecosystem.

- **AI diagnostics and clinical decision support**

Companies like Aidoc deployed in 900 hospitals globally, cutting diagnostic time by 30%. Built precisely for understaffed radiology and clinical teams.

- **Remote patient monitoring and aged care**

Smartphone-based monitoring platforms reducing preventable readmissions by 15%. Directly applicable to Australia's 400,000-person aged care gap.

- **Point-of-care diagnostics and telehealth**

AI-powered rapid diagnostics enabling care delivery in rural and remote settings where 27% of Australians live with severely reduced access to services.

- **Clinical workflow automation and EMR integration**

Voice-to-clinical-note tools and workflow automation freeing clinical time. Direct fit with Australia's My Health Record modernisation programme.

THE ENTRY WINDOW

Three reasons Australian health buyers are ready now

- 1 Federal budget has released the capital**
Over AUD 1.8B committed to digital health in the 2026 Federal Budget. Hospital networks, aged care operators, and Medicare bodies are actively procuring. The budget cycle is open.
- 2 Legislative mandates are creating structural demand**
The Health Legislation Amendment Act 2025 and Modernising My Health Record Act 2025 are creating compliance-driven technology procurement across every segment of the health system.
- 3 Israeli companies are largely absent from this market**
US and European vendors have deep hospital relationships in Australia. Israeli digital health companies - with superior AI capability - largely do not. Reference customers established now will define market position in a USD 31B market by 2034.



SIGMA VENTURES ADVISORY

Meeting in *Tel Aviv* this June?

We are meeting Israeli digital health and deep-tech companies in mid-June. If Australia or APAC is on your roadmap, let's talk fit, GTM, and demand.

sigmaventures.co ↗

"Where Israeli deep-tech meets Asia-Pacific opportunity"