



# Australian Social Trends June 2011

Online @ home

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# Online @ home

As computers have become more affordable over time, the number of Australian households using computers and accessing the internet has significantly increased. In 2008–09, nearly three-quarters of households had internet access, up from one in six a decade earlier. This growth, coupled with advancements in mobile internet technologies, has seen internet use change. Information technology (IT) is increasingly becoming an important part of the way we work, conduct our finances, communicate, learn and are entertained.

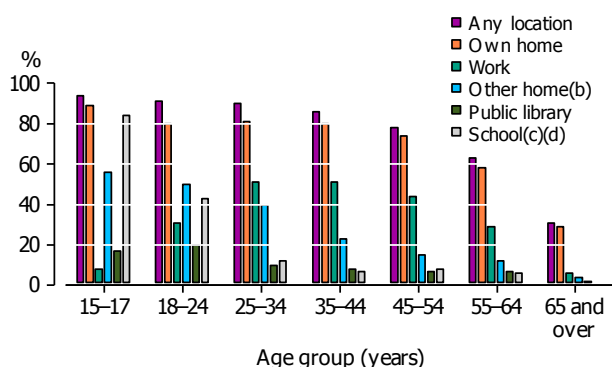
This article explores how we use and access the internet in our daily lives. The analysis presented in this article mainly focuses on use of the internet at home by persons aged 15 years and over. For information on children's IT use see '[Children of the digital revolution](#)' in *Australian Social Trends*, June 2011.

## Who's online?

In 2008–09, three-quarters (74%) of people aged 15 years and over had used the internet in the previous 12 months. Whether people used the internet, and where they used it, both varied with age. Much lower rates of internet use were reported among older age groups (31% for people 65 years and over).

Home was the most common location of access, with two-thirds (68%) of people accessing from this location. This was the case across most age groups, and particularly for older groups, with relatively few people 65 years and over accessing the internet from locations outside the home.

### Internet use by location of access(a) – 2008-09



- (a) More than one site may be nominated.  
 (b) Refers to the homes of friends, relatives and/or neighbours.  
 (c) Refers to internet access from an educational institution.  
 (d) The estimate for the 65 and over age group has a relative standard error of 25% to 50% and should be used with caution.

Source: ABS [Household Use of Information Technology, Australia, 2008-09](#) (cat. no. 8146.0)

### Data sources and definitions

The data presented in this article mainly comes from the household use of information technology topic in the ABS 2008–09 Multipurpose Household Survey (MPHS). The MPHS excludes people living in Very Remote areas. This is expected to have only a minor impact on any aggregate estimates that are produced for individual states and territories, except in the Northern Territory where this group accounts for around 23% of the population.

**Internet access** generally refers to the availability of internet connections via lines, points, ports, and modem to subscribers to access the internet. **Access** is also used in the broader sense when referring to peoples' internet use via computers and other web-capable devices.

**Equivalised household income.** Equivalising adjusts actual household income to take into account the different needs of households of different size and composition. There are economic advantages associated with living with others, because many household resources can be shared.

**Income quintiles** are derived by ranking all the population from lowest to highest income and then dividing that population into five equal groups. The lowest quintile is made up of the 20% of the population with the lowest income. For more information about household income measures see [ABS Household Income and Income Distribution](#) (cat. no. 6523.0).

**Remoteness Area (RA)** is a geographical structure which intends to classify areas sharing common characteristics of remoteness into broad geographical regions (Remoteness Areas). In this article, Remoteness Areas have been grouped as follows:

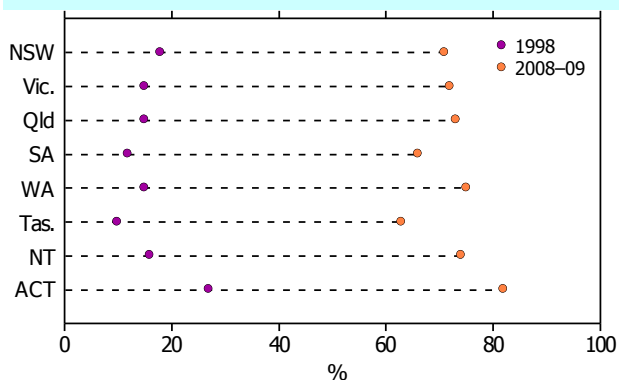
- Major Cities (of Australia).
- Regional (Inner Regional Australia plus Outer Regional Australia).
- Remote (Australia, Excluding Very Remote).

For further information about Remoteness Areas see Chapter 8 of ABS [Australian Standard Geographical Classification \(ASGC\), July 2010](#) (cat. no. 1216.0).

Work was the second most popular location for accessing the internet (35%), particularly amongst the 25–34 and 35–44 age groups (both with 51%). People aged 15–17 years, and those aged 65 years and over, demonstrated significantly lower rates of access from the workplace (8% and 6% respectively).

A neighbour's, friend's or relative's house was the third most common location (25%). Younger people were more likely to access the internet from other people's homes than older people, with 56% of 15–17 year olds, 50% of 18–24 year olds and 40% of 25–34 year olds doing so.

## Household internet access by states and territories



Source: ABS [Household Use of Information Technology, Australia, 2008-09](#) (cat. no. 8146.0)

More than eight in ten (84%) people aged 15–17 accessed the internet from an educational institution, followed by less than half (43%) of 18–24 year olds. These age groups also had the highest rates of internet use from a public library (17% and 20% respectively).

## Household internet access

The popularity of homes as a venue for people to use the internet was reflected in the rates of households with internet access. In 2008–09, nearly six million Australian households (72%) had internet access, a sizeable increase from around one million (16%) in 1998.

While rates of home internet access have increased across all states and territories over the past decade, access rates do vary according to where people live. In 2008–09, households in the Australian Capital Territory were most likely to have internet access (82%) and those in Tasmania were least likely (63%). Households in Major Cities (75%) had higher rates of access than those in Regional (64%) and Remote Areas (62%).

Households with the highest rates of home internet access included those with children and those with higher levels of equivalised gross household income. In 2008–09, more than four in five (86%) households with children under 15 years of age had an internet connection compared with two-thirds (66%) of those without children. Nine in ten (90%) households with income in the highest equivalised income quintile had internet access, closely followed by 84% of households in the fourth quintile. In comparison, two-fifths (40%) of households in the lowest income quintile had home internet access.

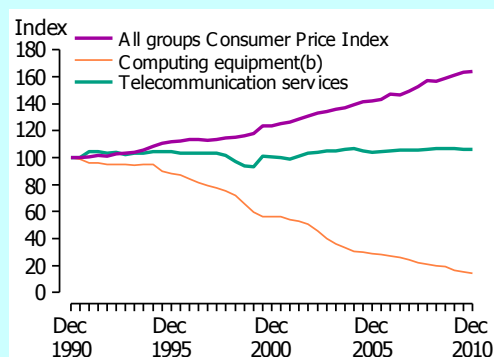
## ...broadband or dial up?

An estimated five million Australian households had a broadband internet connection in 2008–09, representing close to two-thirds (62%) of all households and 86% of

## How has the price of IT changed?

The rising rate of internet access in Australia can largely be attributed to the greater affordability of IT equipment and internet services. According to the ABS Consumer Price Index (CPI), in comparison to the increase in overall prices as measured by the CPI basket of consumer goods and services (or the All Groups CPI), the prices of Telecommunication services have increased at a lower rate and Audio, visual and computing equipment have recorded falls over the past two decades.

## Indices of price change(a)



(a) 1989/90 = 100.

(b) Audio visual and computing equipment.

Source: ABS [Consumer Price Index, Australia, Dec 2010](#) (cat. no. 6401.0)

households with internet access. Around 12% of households with internet access used dial-up connections.

As the majority of households with internet access used a broadband connection, the patterns for internet and broadband access were similar. Households in Major Cities had the highest rates of broadband internet access. Nearly nine in ten households in Major Cities (88%) with internet access had a broadband connection compared with 80% of households in Regional areas and 81% of households in Remote areas. Across the states and territories, broadband internet access rates also varied, with the highest rates for households in the Australian Capital Territory (91%), and Tasmania amongst the lowest with 78%.

## Business internet use

According to the ABS Business Characteristics Survey, in June 2009 90% of Australian businesses had internet access, up from 29% in 1997–98. During this time, the proportion of businesses with a web presence (i.e. a website or presence on another entity's website, excluding online directories) also increased from 6% to 42% in 2008–09.

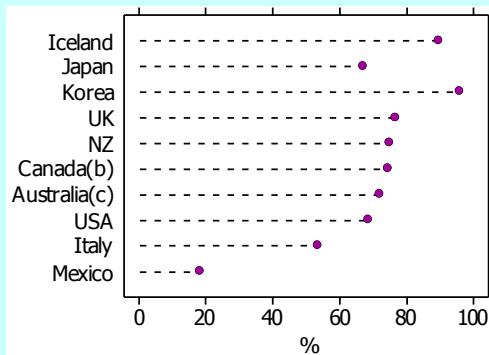
In Australia, internet income generated from online transactions for goods and/or services increased from \$81 billion in 2007–08 to \$123 billion in 2008–09. Smaller employers (with 0–4 employees) generated the least internet income (\$10 billion). Larger businesses (with over 200 employees) generated \$56 billion in internet income.

## International Comparisons



In 2009, the Republic of Korea (South) had the highest proportion of households with internet access (96%), whilst Mexico had the lowest (18%). Australia, New Zealand, Canada, and the United Kingdom all had relatively similar levels of household internet access (ranging from 72% to 77%).

### Households with internet access, selected OECD countries – 2009(a)



- (a) Or closest year of available data.  
 (b) Data for 2008.  
 (c) Data for 2008-09.

Source: ABS [Household Use of Information Technology, Australia, 2008-09](#) (cat. no. 8146.0); [OECD Key Information and Communication Technology \(ICT\) Indicators](#), <[www.oecd.org](http://www.oecd.org)>

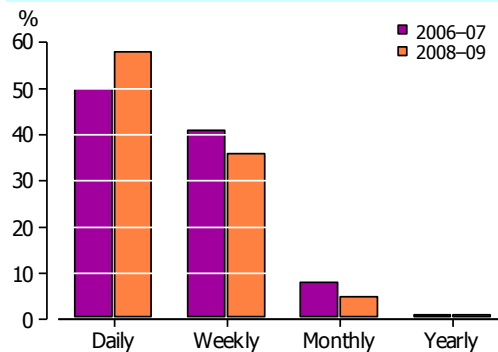
While broadband is the most common type of household internet connection, increasing numbers of Australians are also accessing the internet via other technologies. According to data from the ABS Internet Activity Survey, at the end of December 2010 there were 8.2 million mobile handset subscribers in Australia, a 21% increase from June of that year.<sup>1</sup> The volume of data downloaded via mobile handsets also increased substantially from 717 terabytes during the quarter ending June 2010 to 4,029 terabytes during the quarter ended December of the same year.<sup>1</sup>

## How often are we online?

In 2008–09, there were almost 11.6 million (68%) Australians aged 15 years and over who accessed the internet at home. Over nine in ten (94%) were using the internet at least once a week, with over half (58%) of these people accessing the internet daily, up from 50% in 2006–07. Due to a greater proportion of people accessing the internet on a daily basis, the proportion of people accessing the internet weekly and monthly decreased (to 36% and 5% respectively).

Young people were the age group most likely to access the internet on a daily basis. Nearly seven in ten (69%) 18–24 year olds who accessed the internet at home used the internet daily. Rates were similar among 25–34 year olds

## Frequency of internet use at home(a)(b)



(a) Persons 15 years and over.

(b) Excludes 'don't know' category.

Source: ABS [Household Use of Information Technology, Australia, 2006-07; 2008-09](#) (cat. no. 8146.0)

(65%), while around half of people in older age groups accessed the internet daily (52% amongst 35–54 year olds and 53% for those aged 55 years and over).

Higher levels of non-school qualifications were also associated with more frequent internet use. Among those accessing the internet at home with a non-school qualification, people with a Bachelor degree or above were most likely to use the internet daily (68%), followed by 59% of those with an Advanced diploma or diploma. Half (50%) of people with a Certificate I, II, III or IV accessed the internet daily.

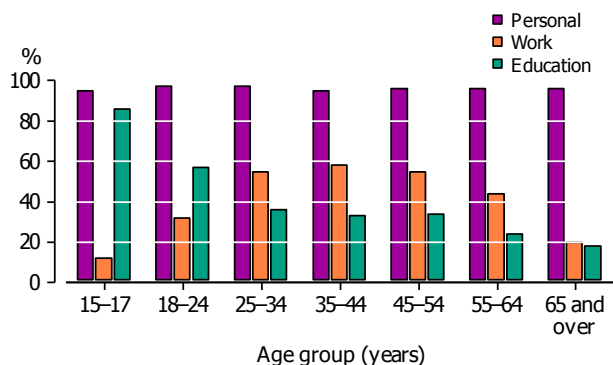
As noted previously, whether households have internet access appears to be associated with income. However, once households have internet access, income then does not appear to be strongly associated with how frequently it is used at home. There were similar rates of daily internet use among people with equivalised gross household income in the highest (64%) and lowest income quintiles (59%). Those in the second (53%) and third income quintile (56%) had some of the lowest rates of daily internet access.

## Online learning

The Australian Government's 2008 [Digital Education Revolution \(DER\)](#) is seeing a number of students in Years 9–12 issued with laptops under the [National Secondary Schools Computer Fund](#), with the goal of achieving a computer to student ratio of 1:1 by 31 December 2011.<sup>2</sup> To be implemented over seven years<sup>3</sup>, the DER seeks to achieve more equal access to information for all students, as well as increasing teacher and student IT proficiency.

Online learning environments allow more people access to education, as well as granting flexibility that traditional educational institutions may not.<sup>4</sup> According to Open Universities Australia, in 2009, the nation's online education sector generated approximately \$2.74 billion in revenue in 2009.<sup>5</sup> In the same year, Open Universities Australia alone had more than 49,000 student enrolments, 32% greater than in 2008.

## Purpose of internet use at home(a) – 2008-09



(a) More than one purpose could be nominated.

Source: ABS [Household Use of Information Technology, Australia, 2008-09](#) (cat. no. 8146.0)

## What do we do online?

While there are many reasons people use the internet, including for work and education, most use it for personal reasons, such as emailing, banking, gaming, preparing job applications and online shopping. In 2008–09, the majority (96%) of people aged 15 years and over who accessed the internet at home did so for personal reasons, making it the most common purpose for internet use across all age groups. Nearly half (46%) used the internet for work purposes, while around four in ten (39%) used it for education or study purposes.

Of those who accessed the internet from home, young people were more likely than older age groups to use the internet for education purposes, with 66% of 15–24 year olds using the internet for this reason. Higher rates of internet use for education and study by young people reflects the greater likelihood of these age groups being engaged in secondary or tertiary education, as well as the increasing importance of online learning tools in the delivery of education.

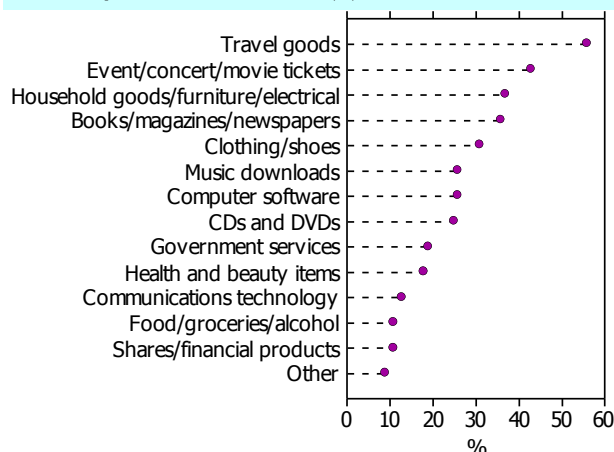
People aged 25–54 years had the highest rates of using the internet for work purposes, with lower rates reported in younger and older age groups.

Although the proportion of people using the internet for voluntary and community purposes was relatively low across the board, the rate tended to increase with age, with people aged 55–64 years and those aged 65 years and over amongst the age groups most likely to use the internet for this reason (both with 15%).

## ...online shopping

Many Australians use the internet to shop online. In 2009, the domestic online retail sales for all sectors of the economy were estimated to have totalled between \$19 and \$24 billion.<sup>6</sup>

## Online purchases – 2009(a)



(a) Proportion of all respondents who purchased goods or services in the 6 months to November.

Source: ACMA, 2010, [Australia in the digital economy: Consumer engagement with e-commerce](#), <[www.acma.gov.au](http://www.acma.gov.au)>.

In 2008–09, nearly two-thirds (64%) of Australian internet users aged 15 years and over used the internet for making online purchases, up from 61% in 2006–07.

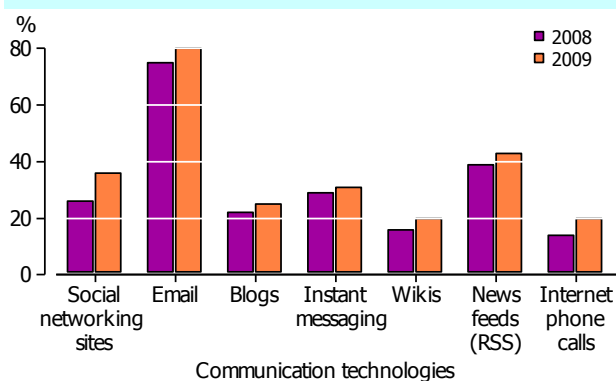
Australians purchase a range of goods and services online. According to the Australian Communications and Media Authority (ACMA), the most popular online purchases (in the 6 months to November 2009) were travel goods, with 56% of respondents who had participated in online shopping having made such a purchase.<sup>7</sup> Entertainment events, concerts and movie tickets followed, with 43% having purchased these goods.<sup>7</sup> The most common reasons given for making online purchases were the convenience (74%), lower prices (38%) and a wider availability of products and services (16%).

Men were reported to be more likely to make online purchases than women (74% and 65% respectively). Differences were also observed between age groups, with people aged 25–34 years (82%) and 35–44 years (79%) dominating online purchases. Of those aged 25–34 years, 15% had purchased 16 or more goods or services online in the 6 month research period, with 18% of 35–44 year olds doing the same. Over half (54%) of Australian internet shoppers spent less than \$1,000 online in the 6 months prior to November 2009.

## ...social networking

More Australians are taking advantage of the communications technologies available online. The Australian Government Information Management Office (AGIMO) reported an increase in the take up of social networking technologies amongst internet users (aged 18 years and over) between 2008 and 2009.<sup>8</sup> Social networking sites grew in popularity, with 36%

## Use of online communication technologies(a)



(a) Persons 18 years and over.

Source: AGIMO, 2009, [Interacting with Government](http://www.finance.gov.au), <[www.finance.gov.au](http://www.finance.gov.au)>

of users accessing these sites in 2009, up from 26% in 2008. Over this period, there were also increases in usage of blogs (from 22% to 25%) and news feeds (from 39% to 43%). Younger people were more likely to engage in social networking than those in older age groups. The average age of social networkers was 35 years, whilst those who didn't use social networking sites had an average age of 53 years.<sup>8</sup>

## Looking ahead

IT has become an important part of the way we work, communicate, do business and are entertained. The decreasing cost of IT has seen increasing numbers of Australian households embrace IT and this trend is expected to continue with advancements in internet and mobile technologies. For example, the rollout of the Australian Government's National Broadband Network is expected improve broadband access to Australian businesses and households, and in doing so support improved service delivery across areas such as education and health.<sup>9</sup>

## Endnotes

- 1 Australian Bureau of Statistics, 2011, [Internet Activity, Australia, Dec 2010](http://www.abs.gov.au), cat. no. 8153.0, ABS, Canberra, <[www.abs.gov.au](http://www.abs.gov.au)>.
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- 4 Clark-Ibanez, M. & Scott, L. 2008, 'Learning to teach online', *Teaching Sociology*, vol. 36, no. 34, p. 37.
- 5 Open Universities Australia, 2010, [Open Universities Australia Annual Report 2009](http://www.open.edu.au), Open Universities Australia, Victoria, p. 10,11,17, <[www.open.edu.au](http://www.open.edu.au)>.
- 6 Department of Broadband, Communications and the Digital Economy, 2010, [The future of Australian retail](http://www.digitalbusiness.gov.au), DBCDE, Canberra, <[www.digitalbusiness.gov.au](http://www.digitalbusiness.gov.au)>.

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- 8 Australian Government Information Management Office, 2009, [Interacting with Government](http://www.finance.gov.au), AGIMO, Canberra, p. 12, 14, <[www.finance.gov.au](http://www.finance.gov.au)>.
- 9 Access Economics, 2010, [Australian Business Expectations for the National Broadband Network](http://www.accesseconomics.com.au), Access Economics, Canberra, p. 13, <[www.accesseconomics.com.au](http://www.accesseconomics.com.au)>.

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