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## Australia's internet affordability improves, but big gaps remain between capital city residents and the rest

The latest results from the Australian Digital Inclusion Index powered by Roy Morgan Research reveal how the country's internet affordability is tracking, where it's most and least affordable, and where are the biggest digital divides.

Telstra and Swinburne University of Technology developed the Australian Digital Inclusion Index (ADII) last year to measure and monitor levels of digital inclusion across the population. The ADII includes three key elements: Access, Ability and Affordability, each of which comprises a range of consumer data collected by Roy Morgan's ongoing national Single Source survey.

The [inaugural report](#), based on data to March 2016, identified that digital Access and Ability were increasing nationally—but Affordability was declining. This new update reveals that Australia's digital Affordability has improved since then, but with big differences for people living in or outside capital cities.

Nationally, Australia scored 52.1 on the Affordability in the latest 12 months to September 2016 (up from 51.2 in March, but still below the level of 53.5 in 2014). The rising score indicates increased affordability of internet services, based on both how much of our income we spend on internet and how much data we get for that spend.

When it comes to digital Affordability, a clear divide exists between capital cities and the rest of the country. Overall, Australian State capitals together score 54.6, compared with 47.5 for the other 36 percent of the population living outside those six cities.

**Top Five Most and Least Affordable Internet Areas**

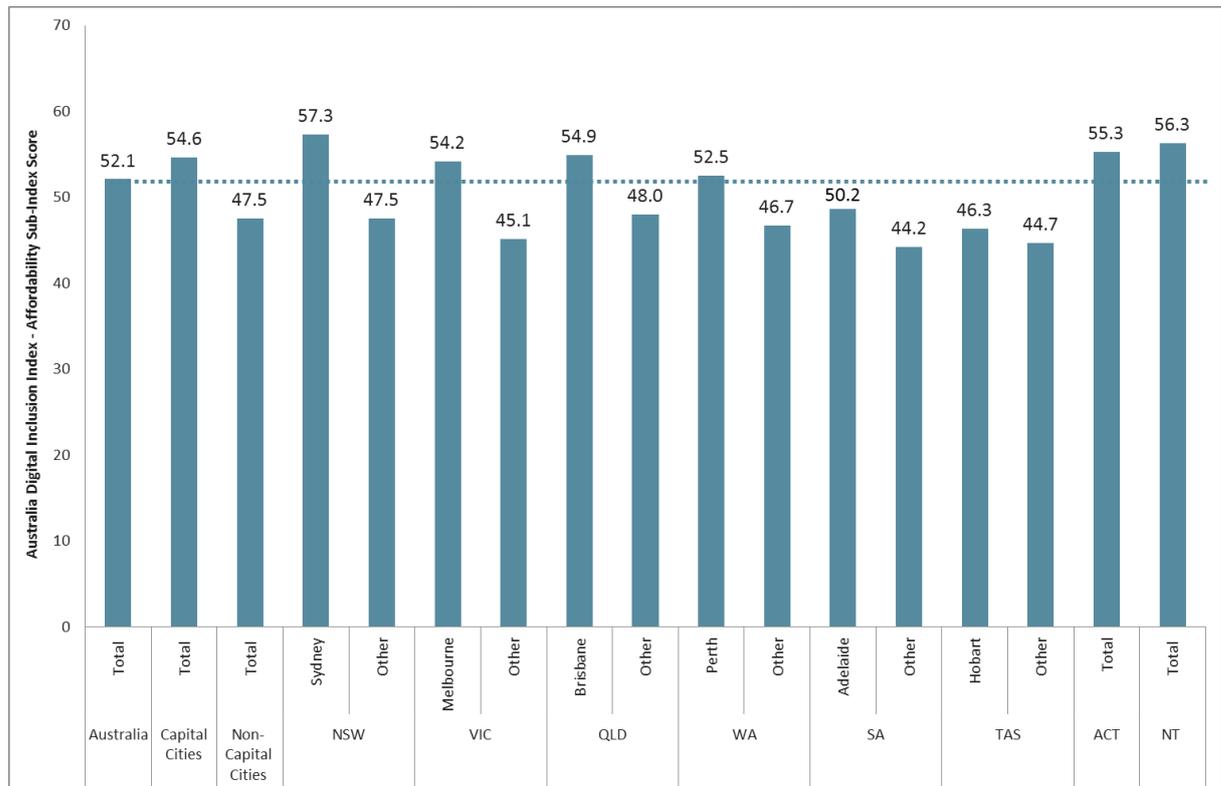
Most Affordable internet		Least Affordable internet
Sydney (57.3)	1	Regional SA (44.2)
Northern Territory (56.3)	2	Regional TAS (44.7)
Australian Capital Territory (55.3)	3	Regional VIC (45.1)
Brisbane (54.9)	4	Hobart (46.3)
Melbourne (54.2)	5	Regional WA (46.7)

Overall, capitals average 6.5 points higher for Affordability than the rest of their State—and the larger the State, the larger the divide. Sydney is the most affordable place in Australia for internet with a score of 57.3—almost 10 points higher than the rest of NSW (47.5). Both Territories score well above the national norm: the Northern Territory (56.3) and the ACT (55.3).

Brisbane's internet is marginally more affordable (54.9) than Melbourne's (54.2), and regional Queensland also scores highest of the non-capital areas (48.0).

Regional South Australia has the lowest Affordability score of all (44.2), although Adelaide itself is also well below the national average (50.2). The divide between capital and non-capital is smallest in Tasmania, where Hobart's 46.3 is less than two points better than the 44.7 elsewhere.

### Australian Digital Inclusion – Affordability Sub-Index



Source: Roy Morgan Single Source, October 2015 – September 2016, sample = 14,416 Australians aged 14+

Compared with the findings to March 2016 released in the first Australian Digital Inclusion Index report, the overall divide between capital cities and the rest narrowed marginally over the next six months, from 7.2 to 7.1 points. While Affordability improved for both, it rose faster in Non-Capitals (up 1.0 point, or 2.2 percent) than in Capitals (up 0.9 points, or 1.7 percent).

The [full report](#) includes deeper geographic detail about the Access, Ability and Affordability levels within capital cities and across State regions, as well as demographic segments such as age, income and education, people with disabilities, indigenous Australians and migrants from non-English speaking backgrounds.

**Michele Levine, CEO – Roy Morgan Research, says:**

*“Powered by Roy Morgan’s national Single Source survey, and developed by Telstra and Swinburne University of Technology, the Australian Digital Inclusion Index (ADII) comprises three key sub-indices. As well as Affordability, it monitors Access (including frequency, methods and places of internet usage, technology owned, and data allowances) and Ability (online skills and activities, and attitudes to learning about new technologies).*

*“By integrating all these metrics into one digital measurement, the ADII delivers an ongoing portrait of Australia’s digital landscape. When assessed across demographics and geography—down to Local Government Area—governments, industry bodies, and technology businesses such as NBN Co are able to pinpoint and work to minimise the divide between the ‘haves and have-nots’ of digital inclusion.*

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*“During the six months after the first ADII report, the gap in internet Affordability between capital city and non-capital city residents narrowed slightly, driven by faster improvement in regional areas. Changes in household incomes, mobile phone and home broadband plans, the number of internet connections people have, and the roll-out of the NBN all impact the overall measure of Affordability.*

*“Queensland showed the strongest improvement, with a rising Affordability score in both Brisbane (which overtook Melbourne in the latest data) and regional areas. The Northern Territory, regional Tasmania and Sydney also showed strong Affordability gains compared with six months earlier.*

*“Meanwhile overall Affordability declined slightly in Melbourne, Perth and the ACT.”*

**To learn more about the Australian Digital Inclusion Index, call (+61) (3) 9224 5309 or email [askroymorgan@roymorgan.com](mailto:askroymorgan@roymorgan.com)**

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**About Roy Morgan Research**

Roy Morgan Research is the largest independent Australian research company, with offices throughout Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years’ experience in collecting objective, independent information on consumers.

**Margin of Error**

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

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