



27<sup>th</sup> February 2015

Secretariat  
ICT Statistics Review  
Australian Bureau of Statistics  
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ACCAN thanks the **ICT Statistics Review Committee** for the opportunity to contribute to its review. ICT statistics are critically important to ACCANs work. We provide our submission in the question and answer format suggested on the ABS website.<sup>1</sup>

### **What definitions do you use for information and communications technology?**

ACCAN is the peak communications organisation representing residential consumers, small business (20 or fewer employees) and not-for profit groups. We focus on goods and service encompassed by the converging areas of telecommunications, broadcasting, the internet and online services, including both current and emerging technologies. As such we would see information and communications technology covering a variety of mediums and technologies. In a world that is moving to the 'Internet of Things' this also includes communications not only between people but also things.

We agree with the ABS working definition that 'information and communication technologies' are "technologies and services that enable information to be accessed, stored, processed, transformed, manipulated and disseminated, including the transmission or communication of voice, image and/or data over a variety of transmission media".

### **What are your critical data needs in this area? What do you use the information for? (Why is this information important to you? What decisions are made using the information?)**

ACCAN represents consumers and small businesses. As part of our work we undertake analysis of the communication sector and represent issues to influential stakeholders on consumers' behalf. Our primary areas of concern are affordability, access, availability and adoption. Measuring the digital divide, identifying those in society most at risk and assessing what areas to target is our primary use of ABS and other forms of communications data. Data disaggregated to different levels in society (age, income levels, people with disability, differing education levels etc.) to identify those that are at risk of digital exclusion is important for ACCAN. Given the low numbers of people in these groups it is vital that we have access to statistics that accurately provide this granularity of detail. The census is central for this, as other surveys are not of significant scale for this use.

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<sup>1</sup> <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/8179.0.55.001main+features22014-15>

Understanding how people use communication technology; what medium they use; how often they use it; what they use it for is also important. Data which tracks consumer trends and behaviours is useful to ACCAN.

Data on household expenditure by income quintiles is also very important as it allows us to assess issues of affordability and understand levels of inequality. Affordability is a complicated multi-dimensional issue which is difficult to measure. ACCAN sources data from multiple sources such as household expenditure and ACCC changes in the prices in the telecommunication sector reports<sup>2</sup> in its assessment of this.

ACCAN uses the available data to inform and provide an evidence base for the policy positions that we take and in our work. We use the statistics to support our submissions and further our understanding of the market.

**What benefits are there to your organisation from having this information available to you (e.g. impact on your time frames, productivity, costs etc.)?**

ICT information allows us to conduct desk research without having to always outsource research projects. We can provide consumers with advice and produce policy positions in a timely manner. Regularly updated statistics allow us to monitor the dynamic communications market and ensure that we advocate for solutions to problems that are currently being faced by consumers and small businesses.

**Do the ABS statistics meet your information needs? If not, please provide a reason (e.g. accuracy, timeliness, relevance etc.) Are you aware of any other data that are, or may be publicly available which would meet your information needs? Who owns these data?**

As discussed above the ABS statistics are very useful to us and we use these statistics, alongside other publically available statistics, in our submissions and policy positions. There are a number of areas which we think ABS might consider in relation to current statistics reporting.

The *Household Use of Information survey* is one we use regularly. We rely on this survey as it is updated regularly, compared to the census, which is important in a dynamic market. However, we would like to raise the following issues in relation to the survey for ABS to consider.

- a. The survey has accuracy issues. Specifically the survey excludes very remote Indigenous communities and overseas residents. These groups of people may face particular communications exclusion.<sup>3</sup> While these groups are low in numbers and may be outliers to the overall survey data set, excluding them may give more optimistic figures than what is actually the case. ABS should consider how to include these potential groups. This will be particularly important if there are changes to the census as data on disaggregated level is not available anywhere else.
- b. ACCAN uses the internet use among the disaggregation levels (age, location, income etc.) regularly but would be keen for disability to be added to the disaggregation level in this survey.

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<sup>2</sup> <https://www.accc.gov.au/publications/accc-telecommunications-report/accc-telecommunications-report-2012-13>

<sup>3</sup> I.e. lack of services to meet their needs.

- c. We would also be keen for further questions on reasons why households have no internet access. ACCAN is interested to ascertain if the reasons are that households don't need a connection, they lack the skills/knowledge/confidence, the equipment cost is too high, the access cost is too high, it is not available in the area, they access the internet elsewhere (work, mobile phone etc.) so don't need it at home or are not interested in having a connection etc.. The reason why households don't have internet access is not reported in Australia and therefore it is difficult to distinguish households that face connection barriers and those that choose to not have connections.
- d. Further questions on the use of social networking and reason for accessing a public authority or service (information, downloading a form, submitting forms) would also be beneficial in this survey. These uses are often quoted as benefits of the communications sector and it would be useful to have statistics to verify the extent of these uses. The ACCC and ACMA release some of this information on these topics in their reports. It would be beneficial if these could be linked.

The *Household Expenditure Survey* is difficult to accurately use as there is no standalone communications category, like there is for food or transport, and the elements need to be updated for the dynamic communications market. ACCAN would be keen to have statistics on the amount of disposable income spent on telecommunications products and services. Income is a factor in the 'digital divide', so having information on communication expenditure by income levels would allow us to evaluate affordability policies.<sup>4</sup>

- a. The UN Classification of Individual Consumption According to Purpose (COICOP) recommends that communications has its own category.<sup>5</sup> Having a standalone category for communications would help us identify how much income is spent here and how it is changing over time, both as a standalone category and within the category. Currently some expenditure is captured under household equipment category while others are captured in household services category. ACCAN suggests that ABS uses a standalone communications category in the Household Expenditure Survey.
- b. We feel that this would be an apt time for ABS to give consideration to the titles and inclusion of consumption segments. A number of issues, such as the treatment of bundled products (both bundled services and bundled services and products), inclusive allowances and the boundary between communication and information processing equipment, need to be considered.<sup>6</sup> It would be useful to easily identify the overall levels of income spent on communications and the structure of this – between services and equipment and between fixed, mobile and internet – and by equivalised income levels<sup>7</sup> and total income levels. Expenditure items which are growing in popularity, such as streaming services, cloud

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<sup>4</sup> Those with lower incomes are less likely to have internet connections.

<sup>5</sup> <http://unstats.un.org/unsd/cr/registry/regcst.asp?Cl=5&Lg=1>

<sup>6</sup> See discussion by EU Commission on the topic here:

[https://webgate.ec.europa.eu/fpfis/mwikis/cpg/index.php/Telecommunications:\\_their\\_treatment\\_in\\_HICP](https://webgate.ec.europa.eu/fpfis/mwikis/cpg/index.php/Telecommunications:_their_treatment_in_HICP)

<sup>7</sup> Equivalised total household income is household income adjusted by the application of an equivalence scale to facilitate comparison of income levels between households of differing size and composition, reflecting that a larger household would normally need more income than a smaller household to achieve the same standard of living.

computing and 'internet of things' products, need to be carefully considered in their categorisation.

The *Disability, Ageing and Carers survey* provides ACCAN with vital information on internet usage among these groups of people. However, these surveys are infrequent. We would suggest that some of this level of information to be released as a standard part of the Household Use of Information releases. ACCAN would be interested in the breakdown of internet use by disability type and age.

*Business Use of Technology survey* is very useful for us as it provides information on the types of subscriptions businesses have, what purposes they use the internet for, reasons for not having a web presence and interaction with government organisations. We would suggest that it also provides information on the speed of broadband. It should be broken down into the types of broadband connection by size of business.

The ABS should consider establishing communications as standalone industry topic, as with Agriculture. Some of this information is included in the Innovation, Science and Technology industry heading but our view is that this does not capture the area sufficiently.

New technologies and emerging trends are often not captured well in statistical releases. For example, statistics on the awareness and use of cloud storage.<sup>8</sup> The ACMA covers some of these new technologies and emerging trends in its yearly Communications Report, however, it would be useful if the ABS considered this more comprehensively as part of its releases, without duplicating the good work of the ACMA. The annual ACMA Communications Report is particularly useful for our work and covers a variety of topics. While we understand that some of the ACMA information is available on a disaggregated level, what is published is limited as it is generally lacking in granularity of detail, for example it is not broken down by age or location.

The telecommunication companies (retail and wholesale) all have a large number of data, such as the level of internal complaints handled and plans consumers are subscribed to. This information is not made public, further limited collection of this in the Internet Activity Survey may be useful. The TIO releases its statistics on escalated complaints; however, it would be helpful to publically have information on the number of complaints dealt with by each of the providers so that issues such as consumer satisfaction can be more accurately measured.

**Is there data that your organisation holds which are, or could be released publicly to add to the available information on ICT? Please include any administrative or 'big data' sources.**

We conduct research and surveys among consumers on their satisfaction with the communications sector. We also commission a number of studies and grants. These are available on our website.<sup>9</sup> We would be happy to share these but they are sometimes minor and generally once off. We have no 'big data' sources.

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<sup>8</sup> The Office for National Statistics (UK) releases statistics on this as part of their yearly release.

<http://www.ons.gov.uk/ons/rel/rdit2/internet-access---households-and-individuals/2014/stb-ia-2014.html>

<sup>9</sup> <http://accan.org.au/our-work/research>

### **Other than cost, are there any major barriers to collecting, producing and/or using statistics to inform your ICT statistical information needs?**

While using ICT statistics we are mindful of the different definitions and the over reliance on categorising what consumers are offered as opposed to what they are receiving. The variety of definitions is a barrier for using ICT statistics. For example, with penetration rates some statistics collect on a household level, while others on an individual level. Households and individuals can both have a number of connections, therefore when statistics report 'number of subscriptions' it is difficult to ascertain exactly how many people are involved. This makes it difficult to cross reference multiple statistical sources to research one topic. What consumers receive can also vary significantly from what they believe they are purchasing, and two people who purchase the same product may have different experiences. Policy recommendations are often muddled by data on access connection types and available plans. There are so many varying factors (e.g. distance from the exchange) that make a connection type not universal (e.g. cable/DSL etc. connections do not deliver the same service to everyone) and give rise to plans not delivering everything they offer. There are many cases of individuals with Fibre to the Premises only being able to get 10Mbps and consumers purchasing 50Mbps plans but achieving lower. We often have issues with data for this reason. While access and plans are useful information it disguises real consumer experience.

The communications market is dynamic with services offered changing all the time and merging into other services. For example, services are upgraded (e.g. mobile services from 2G to 4G) and serve a multitude of purposes -a mobile phone service now provides entertainment, tools to purchase online, make calls etc. This can make it difficult to infer longitudinal trends.

### **What role do you see your organisation playing in the collection and dissemination of publicly available ICT statistics?**

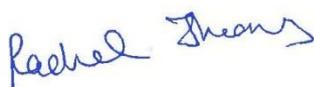
ACCAN produces policy papers and tip sheets which contain ICT statistics and that are disseminated publically to consumers and small businesses.

ACCAN also commissions research on consumer expectations and behaviours. For example, our 'Broadbanding Brunswick'<sup>10</sup> report which was conducted by the University of Melbourne provided useful statistics on the take-up of broadband in an NBN first release site. All of our reports are made publicly available and can be accessed by a wide range of people interested in the issue.

### **What role(s) do you see for other organisations in ICT statistics?**

ACMA, ACCC and TIO all produce valuable statistics on the state of the communications sector. The telecommunication companies also have a role in providing statistics on their customers, the services they offer and areas they cover. There are a number of research bodies that produce valuable research, such as the CSIRO and the Regional Australian Institute.

Sincerely



Rachel Thomas  
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<sup>10</sup> [https://accan.org.au/files/Broadbanding\\_Brunswick.pdf](https://accan.org.au/files/Broadbanding_Brunswick.pdf)