

# **INTERNET USAGE AND COMPUTER TRAINING IN THE WAIKATO REGION**

*Bridget Daldy and John Gibson*

## **Introduction**

The impact of technology and international competition has led to a growing emphasis on the need for an educated and well-trained workforce. The ability of workers to use computers may be especially crucial as firms attempt to compete in an increasingly digital economy. At the same time, businesses are changing the ways that they interact with their customers, placing greater reliance on the Internet and other forms of e-commerce.

Information is available at the national level on both the skill base of New Zealand workers, in terms of information technologies, and on the access that New Zealand consumers have to the Internet and their reliance on it for carrying out e-commerce transactions. However, at a regional level much less information is available, and this void may hamper the attempts of local businesses to participate more fully in the digital economy.

This article summarises the regional results of two national surveys of Internet use and workforce computer training. The aim of the article is to provide information that may be relevant to Waikato region businesses who are either contemplating greater use of the use of Internet or providing greater levels of workforce training in computing and information technologies.

## **Internet Usage**

The data come from the AC Nielsen NetWatch survey, which provides detailed information on Internet usage. A total of 12,000 people aged 10 years and over are surveyed each year throughout New Zealand. The results reported here come from the July 2000 to June 2001 survey, where the sample for Hamilton had 470 respondents.

The NetWatch survey asks about whether people have ever used the Internet and whether they have used it in the last four weeks. For the purposes of this article, the people using the Internet in the last four weeks are considered as regular users. Unlike some other sources of data, the Internet usage reported by the NetWatch survey can be from the respondent's own home, from their workplace or school, and from other locations.

According to the survey results, just under one-half (47.7%) of New Zealanders aged 10 years and above can be considered as regular Internet users. The proportion of regular Internet users in Hamilton is similar to the national average, and corresponds to approximately 58,000 users.

### Internet usage in Hamilton compared with other areas

	Hamilton	Other major urban areas <sup>a</sup>	New Zealand
People regularly using the Internet <sup>b</sup>	58,000	854,000	1,533,000
Population percent using the Internet	48.7%	53.3%	47.7%

<sup>a</sup> Other major urban areas includes Auckland, Wellington, Christchurch and Dunedin.

<sup>b</sup> Regular use is considered to be in the last four weeks.

But compared to other major urban areas, Hamilton residents are less likely to be regular Internet users, with a gap in the participation rate of almost five percentage points. Regular use of the Internet in the other urban areas varies from around 57% in Dunedin and Wellington, to approximately 52% in Auckland and Christchurch. It is interesting that Dunedin and Hamilton are of approximately similar size, yet have a significant difference in the rate of regular Internet usage. Therefore, it does not seem likely that the lower rate of Internet usage in Hamilton is due to it being a smaller urban area.

Further evidence on the relatively low rate of Internet usage in Hamilton comes from disaggregating the results for the non-regular users into those who have *never* used the Internet and those who used it in the last 12 months but not in the last four weeks. According to the survey results, 47.9% of the Hamilton population have never used the Internet. This is rather higher than the average for other major urban areas (40.4%) and is higher even than the average for all of New Zealand (45.4%).

Overall, the NetWatch survey results suggest that Hamilton residents lag somewhat behind other urban New Zealanders in their use of the Internet. This may be a relevant factor for Waikato region businesses to account for when they are designing e-commerce strategies for their home market.

### Employer-provided training

The data used here come from the Education and Training Survey, conducted by *Statistics New Zealand* as a supplement to the September 1996 Household Labour Force Survey. This was the first, and remains the only major survey of job-related training in New Zealand. The survey asked respondents aged 15-64 about their participation in training either provided by an employer or obtained externally. A total of 13,988 people who had worked for wages or salaries in the 12 months prior to the survey answered the questions on employer-provided training. A total of 22,257 people answered the questions on external training. For each in-house and external training course (up to a maximum of four) the survey asked respondents about the main subject of the course, where "Computing" was included as a choice along with eight other broad subject areas.

Concentrating first on the results for employer-provided training, it appears that workers in the Waikato region were significantly less likely to have received training in computing than were workers in the rest of New Zealand. In fact, the training rate in computing for Waikato workers (2.3%) was less than one-half that for workers in the Auckland region (4.8%), and less than one-third of that for workers in the Wellington region (7.2%).

### **Training rates in computing amongst all wage and salary earners**

<i>Area</i>	<i>% of wage and salary earners who received employer-provided training in computing in the previous year</i>
Waikato region	2.3%
New Zealand	4.1%

The low training rates in computing for Waikato region workers may be because there is either:

- ?? a low rate of employer-provided training in the region, across all subjects, or
- ?? concentration on subjects other than computing for those workers in the region who received employer-provided training.

To distinguish between these two causes, a further analysis was conducted but is restricted just to the 3194 workers who had received some form of employer-provided training in the 12 months prior to the survey. Nationally amongst these workers, 17.5% indicated that at least one of their training episodes had Computing as its main subject. However, amongst Waikato region workers who received training, only 9.3% of them indicated Computing as the main subject of one of their training courses. In other words, the Waikato region appears to have been marked by a low emphasis on computer training rather than by a low level of training in general.

### **Computing as a share of training subjects**

<i>Area</i>	<i>% of those receiving employer-provided training who indicated the main subject was computing</i>
Waikato region	9.3%
New Zealand	17.5%

Similar regional trends are apparent for the 'external' training, which might be accomplished with short courses at night and in the weekends, and is organised by the individuals rather than their employers. Across all of New Zealand, 2.6% of the working age population participated in external courses where the main subject was Computing but in the Waikato region the participation rate was only 1.7%. Amongst those who did an external training course on any subject, in the Waikato only 15.8% chose Computing as the subject, whereas the national average indicates that 21.3% chose Computing.

### **Conclusion**

The results of the two large-scale surveys summarised here suggest that the Waikato region may lag behind other areas of New Zealand in both Internet use and computer training. While the situation for training may have changed since the 1996 survey was carried out, the information presented on Internet usage is very up-to-date. The fact that both surveys point in the same direction, seems to support the inference that the Waikato region lags behind competing regions. To the extent that Internet use and workforce computer skills are important determinants of business success in an increasingly digital economy, these trends may provide some grounds for concern about the competitiveness of the Waikato regional economy.