**Purpose of Report**

The purpose of this paper is for you to:

**Note** that the Ministry of Education has prepared an analytical report focusing on digital skills and digital inclusion for 16 to 65-years-olds.

**Agree** that this Briefing will be proactively released.

**Summary**

- This paper briefs you on the Ministry of Education’s new analytical report *Digital Inclusion in New Zealand*, which focuses on the digital skills and digital inclusion of New Zealand’s 16 to 65-year-olds. Digital inclusion is equity of opportunity to participate in society using digital technologies.

- It analyses data from the OECD’s Survey of Adult Skills which is part of the Programme for the International Assessment of Adult Skills (PIAAC). The Survey assessed adults’ skills in problem solving in technology-rich environments – a digital skills domain. New Zealand participated in 2014.

- The report’s key findings include:
  - 44% of New Zealand 16 to 65-year-olds had strong digital skills in 2014
  - young people had much stronger digital skills than people older than their mid-forties, though some young people were low skilled or digitally excluded
  - New Zealand had wide ethnic disparities in digital inclusion
  - participating in digital activities in everyday life was a stronger factor for digital inclusion than participating in digital activities for work
– social trust was associated with digital inclusion.

• The report will be published on the Ministry’s Education Counts website on Thursday 25 March 2021.

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10/03/2021

Hon Chris Hipkins  
Minister of Education  
22/3/21
Background

1. This paper briefs you on the Ministry of Education analytical report *Digital Inclusion in New Zealand*, which focuses on the digital skills and the digital inclusion of 16 to 65-year-old New Zealanders. Digital inclusion is equity of opportunity to participate in society using digital technologies. It analyses data from the OECD’s Survey of Adult Skills which is part of the Programme for the International Assessment of Adult Competencies (PIAAC).

2. The Survey of Adult Skills was the most comprehensive survey of adult skills undertaken in New Zealand. Another 38 countries and economies took part and New Zealand participated in 2014. The Survey assessed adults’ skills in problem solving in technology-rich environments – a digital skills domain. It also assessed literacy and numeracy skills.

3. The Survey collected a wide range of background information, including demographic variables, education, work, skills and qualifications required for jobs, the use of skills for work and in everyday life, first and home languages, and migration status.

4. This report is the final in-depth report of the Ministry’s planned analytical programme using the Survey data. This programme began in 2016 when the OECD published its first releases and has continued with detailed and summary reports on, for example: the relationships between skills and education, work, and social wellbeing; the skills of young people, Māori and Pacific Peoples; and regional skill profiles.

What does *Digital Inclusion in New Zealand* cover?

5. The report addresses the questions:
   a. how digitally included are different groups of New Zealanders?
   b. how much does digital inclusion vary across age, gender, ethnicity, education and other characteristics?
   c. what are the relationships between people’s digital skill and their participation in digital activities for work and in everyday life?
   d. what are some dimensions of digital exclusion, and what are the characteristics of digitally excluded people?
   e. what are the characteristics of people with very strong digital skill?

6. The report sets its findings in the context of the New Zealand government’s 2019 *Digital Inclusion Blueprint Te Mahere mō to Whakaurunga Matihiko*. The report also keeps in view the digital changes in the decades before 2014 and the years since, the sudden digital impact in 2020 of the COVID-19 pandemic, and New Zealand’s participation in the second cycle of the Survey in 2022.

Key findings of *Digital Inclusion in New Zealand*

7. Key findings include:
   a. 44% of New Zealand 16 to 65-year-olds had strong digital skills in 2014. This points to their strong digital inclusion. It was the highest proportion, along with
Sweden, of the countries participating in the Survey, and compares with the OECD average of 31%.

b. digital skill levels corresponded closely to literacy and numeracy skill levels
c. young people had much stronger digital skills than people older than their mid-forties, though some young people were low skilled or digitally excluded
d. higher levels of education were associated with stronger digital inclusion
e. New Zealand had wide ethnic disparities in digital inclusion
f. the more often workers participated in different digital activities for work, the stronger their digital skill and the higher their average pay rate
g. participating in digital activities in everyday life was a stronger factor for digital inclusion than participating in digital activities for work
h. social trust was associated with digital inclusion.

Consultation
8. The Ministry consulted with the following agencies on a draft version of the report: the Ministry of Business, Innovation and Employment, the Tertiary Education Commission, and the OECD.

Key Risks and Benefits
9. The report provides broadly relevant background for work across government on digital inclusion and digital skills, given the ongoing embedding of digital interaction across government, business and communities.
10. The Ministry does not consider that the report poses any significant risks.

Next Steps
11. We will publish *Digital Inclusion in New Zealand* on the Ministry’s Education Counts website on Thursday 25 March 2021.

Other Relevant Information
12. The Survey dataset has been lodged in Stats NZ’s Integrated Data Infrastructure (IDI) which makes it available to accredited users to analyse together with other collections in the IDI. The OECD has published a range of international comparative reports that include New Zealand findings and also maintains a web-based function to explore the findings across participating countries.

Proactive Release
13. We recommend that this Briefing is proactively released as per your expectation that information be released as soon as possible. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.
Annexes

Annex 1: Digital Inclusion in New Zealand (version subject to final check)