Date: 25 June 2024

# Title: MAX report finds digital divide denies 1 in 3 job seekers employment opportunities

* 1/3 people looking for work aren’t confident in applying for jobs due to their digital skills
* 42% of all middle to mature-age respondents (46 – 65) didn’t believe they had the ability to keep up to date with the digital skills required to maintain employment.
* Half of 36 to 45-year-old DES customers were worried about their digital skills. 62% feared they did not have the ability to keep up to date either.
* 90% of our customers surveyed believed that there was not enough human interaction involved in the recruitment process.
* 1 in 5 customers surveyed do not have access to reliable internet and close to half do not own or have easy access to a digital device such as a PC.

MAX Solutions, one of Australia’s largest employment services providers, has released the results of a survey into the impact of digital skills and resources on finding work.

The Digital Divide white paper seeks to provide a better understanding of the challenges that people with unequal access to digital technology and skills encounter in securing and maintaining employment.

Australian workplaces have seen a 12% increase in demand for digital skills since 2016 and by the year 2026 could be facing a shortfall of more than 300,000 workers with the appropriate digital skills.[[1]](#footnote-2)

Yet for many Australians, there exists a digital divide, a lack of digital literacy skills, poor or no access to information and communications technology, compounded by the effects and implications of the use of digital recruitment technologies and AI in the employment market.

Of those impacted, it disproportionately affects people with disability, those with low levels of education or employment history or those who have other traditional barriers to employment such as those who are culturally and linguistically diverse (CALD) or mature age.[[2]](#footnote-3)

This digital divide creates additional barriers for those seeking work who do not have the resources or requisite skills to engage with an increasingly automated and artificial employment process.

MAX Solutions Managing Director Darren Hooper said:

“An often-repeated claim about digital technology is that it opens up a wealth of economic opportunities. While this may be true for some, those who don’t have the skills or the access to digital resources are effectively denied these opportunities.

“When you consider that those who lack reliable internet access, their own PC, or solid digital skills, often experience economic, physical, or cultural disadvantage, it becomes a serious equity issue. Digital skills, while important for Australia’s economic future, are far more wide-reaching in their impact as digital technology becomes enmeshed in our everyday lives.

“While digital access is not formally a human right, digital access is critical for addressing disadvantage and something government and businesses need to address.

“As new technology such as Artificial Intelligence (AI) becomes more prominent and jobs continue to shift towards needing more complex skills, there is a very real danger of more people being left behind or left out of the opportunities of the future. Employers should be future-proofing their businesses by investing more in the digital skills of their staff and minimising the barriers within their recruitment processes.

“The focus of the current unemployment system needs to change too. In order to focus on the right job for the right person, instead of a focus on a job right now, there needs to be a stronger emphasis on the provision of education and support for those who need it.”

## Key findings

**Digital confidence**

Nearly all job applications are found via job search sites or social media platforms.

However, MAX’s survey found 1 in 3 people looking for work aren’t confident in applying for jobs due to their lack of digital skills.

Those who have been unemployed for less than six months and those who have been long-term unemployed (more than 36 months) show the lowest levels of confidence in their digital skills.

The lack of self-belief is consistent across cohorts but disproportionately affects certain demographics.

42% of all middle to mature-age respondents (46 – 65) didn’t believe they had the ability to keep up to date with the digital skills required to maintain employment.

This age group currently stands at 24% of the population, however, with the median age trending up towards 47 years old the expectation is that this group will increase in size in the future.

This poses interesting questions as to how government policy can assist in developing the digital skills capacity of Australians as they age.

Disability Employment Services (DES) customers broadly have lower levels of confidence in their ability to meet the digital demands of the workplace.

The results showed that nearly half of 36 to 45-year-old DES customers were worried about their digital skills. 62% feared they did not have the ability to keep up to date either.

**The link between education and digital skills**

There is a strong link between the level of education achieved and the confidence in their digital skills.

As the survey shows, as the respondents get older, they are more likely to have lower confidence in their digital skills. As technology has changed so too have school curriculums, however those who attended school 10, 20 or 30 years ago likely had far different exposure to digital skills and technology.

More than 70 per cent of DES respondents who did not engage with any education past high school lacked digital skills confidence.

This particular cohort of DES customers were also far more likely to not own a digital device such as a PC (72%) and nearly half did not have access to reliable internet connections (45%).

The concept of life-long learning is important in light of these results. Those who do not continue education past the mandatory years of schooling find it difficult to participate fully in Australia’s modern economy.[[3]](#footnote-4)

**Access to technology**

1 in 5 customers surveyed do not have access to reliable internet and close to half do not own or have easy access to a digital device such as a PC.

When we consider the costs of owning technology to an individual in receipt of a welfare payment, this is not an insignificant amount and is often balanced with choices around other basic needs such as food, clothing and utility costs.

DES customers, who must also contend with the additional costs associated with living with a disability, may face even harder financial decisions when budgeting.[[4]](#footnote-5)

This may be why DES customers broadly, with some cohorts in particular, are more affected due to a lack of access to digital technology and subsequently lower levels of digital confidence.

**Employers and job candidates are disconnected**

Responses from employers reveal that businesses might be making recruitment processes harder than they need to be.

The vast majority of employers (88%) believed that their recruitment processes made it easy for prospective applicants with more than 90% also believing their processes were accessible to those with disability.

Business leaders also believed that their recruitment processes had the right mix of human interaction at 94%.

The response from our customers when asked the same questions shows a big disconnect, with more than half of customers across all groups having experienced difficulties applying for jobs online.

In stark contrast to employers’ sentiments, more than 90% of our customers surveyed believed that there was not enough human interaction involved in the recruitment process.

Whilst employers feel the human interaction is right, the reality is that the interaction is probably only being felt by the one person who is successful for the role.

**Digital applications**

Digital platforms like Seek and Indeed are still the number one source of applicants for most businesses.

However, from our survey respondents, it appears that broad sections of society are being excluded, particularly those of mature age or living with disability.

While 95% of Australians own a smartphone, businesses use a range of applications and programs for recruitment that may not be optimised for use on mobile devices such as through company-specific application software (40%) or third-party ID verification software (14%) and generally require a PC.

For those segments of the population unable to afford or access these digital technologies, they are effectively locked out of progressing job applications when it suits them.

Although online forms are relatively easy to complete on a phone, standard elements of a job application include a cover letter and a resume.

A cover letter can be composed on a phone but it’s arguably a more difficult task. A resume is near impossible and attaching it to an application is a complicated process without a laptop.

**The future of job applications**

40% of business respondents signalled they plan to spend the same or more on assistive or AI technologies that streamline the recruitment process in the upcoming financial year.

Further to that point, around 70% of those surveyed do not currently use AI technologies within their applicant screening process – where AI is normally used to support the recruitment process.

Employees also aren’t the only ones with concerns about technology with businesses surveyed only expressing moderate confidence in the impartiality and accuracy of AI technology.

It is important that businesses seeking to implement these types of tools first consider what is important in their own recruitment practices and the impact these tools may have.

ENDS

**About The Digital Divide Report**

As one of Australia’s largest employment services providers and a leader in adult education and training, MAX is uniquely placed to gain a greater insight into what impacts a lack of digital resourcing and skills has on finding, securing, and maintaining employment.

In March and April 2024, MAX distributed surveys to MAX customers in employment services via email and text message.

These surveys of 17 to 19 questions differed depending on whether customers were part of the Workforce Australia (WFA) or Disability Employment Services (DES) programs, as well has other demographic considerations such as CALD people.

The survey asked questions about respondents’ access to digital resources, their confidence in their own digital skills and their experiences applying for jobs digitally.

We received 1,160 responses and note that in order to respond to the survey, some level of digital skills was required, even though this was minimal.

We also received responses from more than 150 businesses across Australia to a 20-question survey about the use of digital technology within their recruitment practices, their views on how their business handles recruitment and how they plan to recruit in the future.

1. Growing Australia’s digital workforce (futureskillsorganisation.com.au) [↑](#footnote-ref-2)
2. Thomas, J., McCosker, A., Parkinson, S., Hegarty, K., Featherstone, D., Kennedy, J., Holcombe-James, I., Ormond-Parker, L., & Ganley, L. (2023). Measuring Australia’s Digital Divide: Australian Digital Inclusion Index: 2023. Melbourne: ARC Centre of Excellence for Automated Decision-Making and Society, RMIT University, Swinburne University of Technology, and Telstra [↑](#footnote-ref-3)
3. OECD (2018), Equity in Education: Breaking Down Barriers to Social Mobility, PISA, OECD Publishing, Paris, https://doi.org/10.1787/9789264073234-en. [↑](#footnote-ref-4)
4. Mitra, Sophie and Palmer, Michael and Kim, Hoolda and Mont, Daniel and Groce, Nora, Extra Costs of Living with a Disability: A Review and Agenda for Research (April 1, 2017). Disability and Health Journal, Forthcoming, DOI/10.1016/j.dhjo.2017.04.007, Available at SSRN: https://ssrn.com/ abstract=2967775 [↑](#footnote-ref-5)