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du Canada

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of Canada

ONLINE SURVEY ON FINANCIAL DATA SHARING AND FINANCIAL DATA SECURITY

Executive Summary

Prepared for Finance Canada

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For more information on this report, please contact: por-rop@fin.gc.ca

Ce rapport est aussi disponible en français

Canada

This public opinion research report presents the results of an online survey conducted by Leger Marketing Inc. on behalf of Finance Canada. The research study was conducted in March 2021 with 2,000 Canadians.

Cette publication est aussi disponible en français sous le titre : Sondage en ligne sur le partage des données financières et la sécurité des données financières

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1. Executive Summary

Leger is pleased to present this report to Finance Canada, which presents the results of a quantitative survey on Canadian's perceptions on privacy protection and security transactions.

This report was prepared by Leger, which was mandated by Finance Canada (contract No. 60074-200894/001/CY, granted on November 13, 2020, and that has a value of \$37,343.68).

1.1 Background And Objectives

Through its Advisory Committee on Open Banking, Finance Canada is pursuing a review of the merits of open banking, with a focus on the protection of Canadians' privacy and the security of transactions. A first phase of the review was conducted in 2019. In support of the second phase of the Committee's review, Finance Canada wished to conduct a study to further understand Canadians' opinions and expectations regarding the security of their financial data and their level of competency with respect to their financial information.

This study provided valuable information for the second phase of Finance Canada's review led by the Advisory Committee and informed the Department's ongoing strategic work on financial data sharing and security. This study was completed using a quantitative survey with the Canadian population.

The objective of this research project was to examine Canadian sentiment around how their financial data should be used and governed, with a focus on privacy and security. More specifically, the study objectives were to gather:

- views about consumers' ability to move, use and control their own data;
- current privacy and security behaviours related to financial services, including view on/ awareness/understanding of current security/privacy measures;
- understanding and awareness of how data is used and moved in the current banking environment;
- usage of data-driven services, including those of a financial nature;
- views on the likelihood of using financial data to access new and innovative services;
- expectations for how personal data would be treated in a system of secure financial data-sharing, and roles and responsibilities of various actors in ensuring security and privacy protections; and,
- views around how information related to any future initiative should be communicated to consumers.

1.2 Methodology

To achieve the goals of the study, a Web-based quantitative research design was developed. Web surveys were completed using computer-assisted web interviewing (CAWI) technology. Data collection for this survey took place between March 2nd and 10th, 2021. A total sample of 2,000 Canadians 18 years of age or older, with demographic characteristics reflective of the

Canadian population were surveyed. The sample was drawn randomly from the Leo panel and the overall response rate for the survey was 16.98%.

Using data from the most recent Canadian census, the results were weighted according to gender, age, province of residence, mother tongue, education and presence of children in the household.

Since a sample drawn from an Internet panel is not probabilistic in nature, the margin of error cannot be calculated for this survey. Respondents for this survey were selected from among those who have volunteered to participate/registered to participate in online surveys. The results of such surveys cannot be described as statistically projectable to the target population. The data have been weighted to reflect the demographic composition of the target population. Because the sample is based on those who initially self-selected for participation, no estimates of sampling error can be calculated.

Details of the methodology and the survey questionnaire have been appended to this document (please refer to [Appendix A: Detailed research methodology](#) and [Appendix B: Survey questionnaire](#)).

Notes to the reader

The cross-tabulations in this report present the detailed responses obtained for some questions. Presented in the “Total” column are the results for all respondents, and then the results per subgroup (for example, age and split sample). **Red** (with a - symbol) and **green** (with a + symbol) numbers respectively indicate lower or higher results that are considered statistically significant compared to results obtained for other respondents. Two proportions or two averages are significantly different only when statistical tests confirm this difference.

1.3 Key findings

1.3.1 Canadians’ use of technology for their personal finance

A majority of Canadians (66%) agree that technology helps them make their lives more organized and that they can quickly learn how to use these new technologies (64%). These proportions are higher among Canadians between the ages of 18 and 34 years (respectively, 72% and 80%).

Eight out of ten respondents (79%) have an interest in personal finances. Canadians with a university degree (86%) and men (81%) are more likely to be interested in topics related to personal finance than others. Similarly, close to three quarters of Canadians (72%) say they are knowledgeable when it comes to understanding their personal finances. This proportion is higher among respondents 55 years of age or older.

When it comes to their personal finances, virtually all Canadians think that ensuring their personal financial data remains private (94%), that protecting their personal finance from fraud (94%) and that managing their personal finances (93%) are important issues.

Most Canadians have a chequing account (92%), a credit card (82%) or a saving account (76%). On average, Canadians deal with 2 different financial institutions to meet their needs. Four Canadians out of ten (41%) only deal with one single institution.

Four Canadians out of ten (40%) are worried about the use of their personal financial information by their financial institution. This proportion is highest among Quebecers (58%). Three quarters of Canadians (76%) agree that their personal financial information remains their property.

Data-driven apps are not very well known by Canadians. Only one in ten (10%) believes that these apps are used to direct services to the consumer using their personal information. Regarding other online services or platforms, more than six in ten Canadians (62%) use social media on a daily basis and almost half (44%) use online banking at least once a week. Wearable devices and digital assistants have a limited reach in Canada, with respectively 60% and 46% of Canadians saying they never use them. Nevertheless, Canadians believe that online services collect personal information from their users. Nine out of ten (87%) believe that social media platforms collect data on their users and almost the same proportion (72%) believe that online banking does as well.

Among respondents using online banking, eight out of ten (80%) are confident that their financial institution is able to keep their personal information safe, but one of the biggest concerns (37%) remains data security and privacy.

A vast majority of Canadians (88%) do not currently use financial technology or services that require them to share data from their financial institution by providing their log-in credentials. Six Canadians out of ten (58%) are open to using digital wallets and online payment systems. More specifically, 40% already use digital wallets and 19% do not use them but are open to try them in the future. The proportion of Canadians that are already using digital wallets or are open to use them in the future is significantly higher among respondents between 18 and 34 years of age (69%) and 35 to 54 years of age (65%).

Almost half of Canadians (46%) are open to using digital banking services. More specifically, a quarter (25%) already use digital banking and almost the same proportion (22%) do not yet but are open to use digital banking in the future. The proportion of Canadians that are already using digital banking or are open to use that in the future is higher among younger respondents (18-34 years of age) (58%)

There is an openness on the part of Canadians to try most of the online services, however, one in two Canadians (50%) are not open to trying cryptocurrency or digital currency in the future. Some of the services surveyed are unknown to a significant proportion of Canadians. Fintech Lending

(39%), Fintech Consumer Credit (34%), robo-advisor or personal financial management (31%) and Financial Technology Services (30%) have the lowest awareness among the Canadian population.

1.3.2 Open banking and consumer directed finance concepts

For this part of the survey, respondents were split in two samples. Half of the sample saw the questions regarding open banking, while the other half saw the same questions but regarding the consumer directed finance concept.

Overall, only a small minority of Canadians (7%) have heard about the concepts of open banking or consumer directed finance. Respondents between 18 and 34 years of age are more likely to have heard of these concepts. A third of Canadians have a positive opinion of these two financial concepts, while a slightly higher proportion (37%) have a negative opinion of them. Six Canadians out of ten (59%) believe that open banking and consumer directed finance would make them more vulnerable to fraud and the same proportion (59%) believe that it would put them at risk of having their identity stolen.

Four Canadians out of ten (38%) do not have any concerns about open banking and consumer directed finance. The most frequent concern is regarding data security, privacy and hacking of security systems (14%).

Some significant differences can be observed when the two concepts are compared. The term open banking seems to have a more negative connotation in the minds of Canadians. We can observe that significantly more Canadians have a negative opinion of open banking (39% vs 37%) than consumer directed finance. Also, a slightly higher proportion of Canadians believe that open banking would make them more vulnerable to fraud than consumer directed finance would (62% vs 55%).

To keep up to date with these novel concepts, half of Canadians (51%) would prefer to be informed by their bank or their financial institution.

1.4 Use of results

The results of this research will enable Finance Canada to have a better understanding of Canadians sentiment regarding the use of their financial data.

1.5 Notes on the interpretation of research findings

The observations expressed in this document do not reflect those of Finance Canada. This report was drawn up by Leger based on research conducted specifically for this project.

Additional Information

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1.6 Declaration of political neutrality and contact information

I hereby certify, as Senior Officer of Leger, that the deliverables fully comply with the neutrality requirements of the [Policy on Communications and Federal Identity](#) and of the [Directive on the Management of Communications – Appendix C](#) (Appendix C: Mandatory Procedure for Public Opinion Research).

Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, party positions, or the performance assessment of a political party or its leaders.

Signed by:

A handwritten signature in blue ink, appearing to read "Christian Bourque".

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