

# Focus: Banks and Cyber Security

## Focus Sheet

### FAST FACTS

- Banks are leaders in Canada in cyber security and have invested heavily in cyber security to protect the financial system and the personal information of their customers from cyber threats
- The World Economic Forum estimates that the cost of cybercrime to businesses over the next five years will reach \$8 trillion.
- More and more banking transactions are now conducted online with 76% of Canadians primarily doing their banking online or through their mobile device

### The Bottom Line

Banks in Canada are at the forefront of the prevention and detection of cyber security threats and work closely with each other and with bank regulators, law enforcement and all levels of government to share best practices and other information to address the growing challenges posed by cyber crime.

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Cyber crime is an increasing threat facing Canada. The digitization of business and the growth of the “Internet of Things” creates new business opportunities but also new vulnerabilities, including cyber attacks.

A Canadian Chamber of Commerce report notes that the digital marketplace is growing exponentially faster than the traditional economy with the global internet economy valued at an estimated \$4.2 trillion in 2015.<sup>1</sup> And a World Economic Forum report estimates that cybercrime could cost business \$8 trillion over the next five years.<sup>2</sup>

Moreover, more and more banking transactions are now conducted online with 76 per cent of Canadians primarily doing their banking online or through their mobile device.<sup>3</sup>

Banks have sophisticated security systems in place to protect customers' personal and financial information. As part of a normal course of business, the banks actively monitor their networks and continuously conduct routine maintenance to help ensure that online threats do not harm their servers or disrupt service to customers.

## How banks protect against cyber crime

Banks are leaders in Canada in cyber security and have invested heavily in state-of-the-art cyber security measures to protect the financial system and the personal information of their customers from cyber threats. Over the past decade (2009-2019), banks have spent \$100 billion on technology, which includes technology dedicated to security measures.<sup>4</sup>

In fact, cyber security measures and procedures are part of the banks' overall security approach that includes teams of security experts that monitor transactions, prevent and detect fraud and maintain security of customer accounts.

## Collaborating with others

As leaders in the prevention and detection of security threats, the banking industry continues to provide active leadership to improve the resiliency of the financial sector against cyber threats, in partnership with key stakeholders within the government and law enforcement.

The CBA has been actively collaborating with Public Safety Canada for Cyber Security Awareness Month (October) every year since 2006. Cyber Security Awareness Month is an international effort by government and businesses to raise public awareness about cyber crime, internet safety, and how individuals can protect their personal and financial information.

The sector will continue to work with the Federal





Government and the new Canadian Centre for Cyber Security to successfully implement the new [National Cyber Security Strategy](#) with the common goal to create a more resilient, safer cyber environment for our citizens and businesses.

## What banking customers can do to protect themselves

While banks have extensive security systems in place and work around the clock to protect customers from fraud and assist police in their investigations, consumers have a role to play in protecting themselves as well.

The CBA website [has many articles](#) on how to recognize online threats. The CBA also publishes a regular [fraud prevention tip newsletter](#) to help consumers spot scams.

- 1 Canadian Chamber of Commerce: Cyber Security in Canada: Practical Solutions to a Growing Problem, April 2017
- 2 World Economic Forum, The Global Risks Report 2018: [http://www3.weforum.org/docs/WEF\\_GRR18\\_Report.pdf](http://www3.weforum.org/docs/WEF_GRR18_Report.pdf)
- 3 Abacus Data, How Canadians Bank, December 2018
- 4 CBA, six largest banks

The Canadian Bankers Association is the voice of more than 60 domestic and foreign banks that help drive Canada's economic growth and prosperity. The CBA advocates for public policies that contribute to a sound, thriving banking system to ensure Canadians can succeed in their financial goals.

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