

The benefits of banking in Canada: accessibility, affordability, and choice

Focus Sheet

FAST FACTS

- More than 99 per cent of Canadians have a bank account
- 38 per cent of Canadians say they pay no service fees at all and another 34 per cent had their account fee waived (another 43 per cent pay \$15 or less per month)

The bottom line

For consumers and businesses, Canada's competitive banking system provides excellent value, ready access and wide choice.

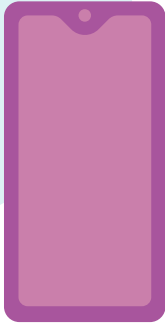
Of the 80 banks operating in Canada, more than 40 offer financial products and services to Canadian consumers, including bank accounts, credit cards, loans and investments.

Banking in Canada is affordable

According to the World Bank, more than 99% of adult Canadians have an account with a financial institution,¹ so the accessibility of banking services in Canada is incredibly high. Whether it's a savings, chequing, low-fee, student, or senior – full of bells and whistles or a plain vanilla account – there is a lot of choice for Canadians and over 100 account packages to choose from in the marketplace.

- Banks have worked hard to ensure that there are low-cost accounts, priced at \$4 or less per month, for those who need or want them.





- 38 per cent of Canadians say they pay no service fees at all and another 34 per cent had their account fee waived.²
- Youth, students, seniors, Registered Disability Savings Plan beneficiaries and newcomers to Canada can access discounted or free accounts.
- Payday loans aren't the answer for small, short-term borrowing and are extremely expensive: overdraft protection, lines of credit and low-rate credit cards are much more affordable alternatives. And banks are [strong supporters of credit counselling](#) if needed.

A wide range of mortgage and credit products available

Canadians continue to have access to a banking system that is accessible, affordable and competitive.

Mortgages

Canadians have access to and continue to make use of affordably-priced credit, including mortgages. There are [different types of mortgages available](#) and many interest rate options.

- Banks have developed a model plain language mortgage document to help make the contract terms easier to understand for customers.
- Banks in Canada provide a [wealth of information](#) for consumers on home buying and mortgages.

Credit Cards

A credit card is a convenient and flexible payment tool that can be used at millions of locations in more than 200 countries around the world. Credit cards are:

Accessible – as unsecured credit, you don't need to have collateral to back up the loan. And the loan is interest free from the time of purchase until the end of the billing period.

Convenient – credit cards can be used 24 hours a day, seven days a week, every day of the year and allow you to instantly pay for what you need.

Safe – credit cards offer fraud protection with zero liability to the consumer and coverage for purchases if the item is damaged, stolen or not delivered within 90 days.

A majority of Canadians pay their credit card balance off every month:

- A Bank of Canada survey found that 71% of Canadians pay their balance off in full every month.⁴
- The majority of Canadians use credit cards as a payment tool rather than a loan product. For them, reward programs, insurance, retail discounts and affinity programs are very attractive.

There are many low interest rate cards to choose from and more than 30 have an interest rate of under 13%.

Technology is making banking more convenient

Technology is changing the way financial products and services are accessed and used by Canadians and the innovative financial technologies introduced by banks are increasing choice and improving convenience and security for customers. Customers can now:

- pay for services using Tap & Pay contactless technology,

- connect with banking website chatbot, available 24/7, to provide customer support,
- use biometrics to access your mobile banking app,
- transfer money online easily and quickly,
- deposit a cheque with their mobile banking app, and
- get quick access to their accounts at more than 18,600 bank-owned ABMs⁵ across Canada and more when travelling abroad.

Forty-seven per cent of Canadians say they bank primarily online and another 30 per cent use mobile banking apps as their primary method.⁶ [Satisfaction levels](#) with online and mobile banking are very high:

- 97 per cent of Canadians are satisfied with online banking,
- 96 per cent of Canadians say they are satisfied with mobile banking services, up from 80 per cent in 2022.

Customers can also use the extensive branch banking system for in-person service, in some cases seven days a week and in the evening. And you can drop into a Canadian bank branch in many parts of the U.S. and in a number of countries around the globe.

As technology evolves, customers' digital expectations are rising. This is the leading catalyst for continued innovation as banks develop new, easier and more convenient ways for Canadians to bank safely and securely.



Consumer education and financial and digital literacy

Financial literacy is an essential life skill and the banking sector has long recognized that it has a role to play in supporting and strengthening financial literacy.

Banks are leaders in supporting financial education activities in communities across the country, helping millions of Canadians improve their financial skills.

Bankers across Canada also volunteer their time to deliver the CBA's free and non-commercial financial literacy seminars: Your Money Students for youth and the Your Money Seniors program for older adults.

At a time where digital banking is becoming the norm, banks also understand they have a role to play in helping their customers get comfortable with new banking technologies, while also keeping them informed about how to detect and prevent financial frauds and scams.

Canadians trust and value their banks

Of all the companies that consumers have relationships with, few are more personal and sensitive than the relationship with their bank. Canadians look to their banks to safeguard their money, help finance their home or business, manage their savings and investments, and plan their retirement.

But no less important is satisfaction in the value that customers feel they get from their bank. Banks have worked hard to make banking more convenient – extending branch hours and enhancing online and mobile banking – enabling banking literally around the clock and around the world.

Help for those who need it

Banks are committed to helping their customers manage through financial difficulties. The Canadian Bankers Association has partnered with Credit Counselling Canada, an association of accredited non-profit credit counselling agencies, to offer a [Debt and Money Quiz](#). This easy “Yes” or “No” quiz allows Canadians to assess their financial health and provides recommendations to help those who are struggling. You can take the quiz at debtmoneyquiz.ca

Here are some tips if you're struggling with debt:

- Talk to your bank early. Banks have a strong interest in working with their clients who are facing financial difficulty to help them stay in good standing with their creditors. If you're struggling, talk to your bank and your other creditors to discuss the situation and find out if there are options to help you pay off your debt. Banks may be able to be flexible and help customers make alternative arrangements to repay the money they owe to their bank. For example, banks may be able to help you by providing advice, debt counselling and flexible loan repayment arrangements such as loan consolidation or lengthening the term of the debt to reduce regular payments. They may also refer you to a not-for-profit credit counselling agency if they feel it would be helpful.
- Seek help from a not-for-profit credit counselling agency. You may seek help from a not-for-profit credit counselling agency, which provides guidance on budgeting and money management and, if necessary, intervention on repaying debts through structured debt management plans. Not-for-profit credit counselling agencies provide a number of different services. For some clients, general money management education

and counselling may be enough help. For others, the counsellor may talk with creditors to help them understand the client's situation and make alternate arrangements for the client to repay the debt directly. For others still, a debt management program may be appropriate so that the counsellor can negotiate arrangements with creditors, provide ongoing counselling and channel the payments to creditors.

¹ World Bank, Global Findex Database 2021, pg. 175 <https://bit.ly/3cPauyB>

² Christopher Henry, Doina Rusu, Matthew Shimoda, 2023 Methods-of-Payment Survey Report: [The Resilience of CashBank of Canada Staff Discussion Paper 2024-8](#), July 2024

³ CBA Mortgages in Arrears statistics, May 2024

⁴ Christopher Henry, Doina Rusu, Matthew Shimoda, 2023 Methods-of-Payment Survey Report: The Resilience of Cash, Bank of Canada Staff Discussion Paper 2024-8, July 2024

⁵ Number of ABMs, CBA, <https://cba.ca/abms-in-canada>

⁶ Spark Insights, How Canadians Bank, 2024

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.

Canadian Bankers Association www.cba.ca