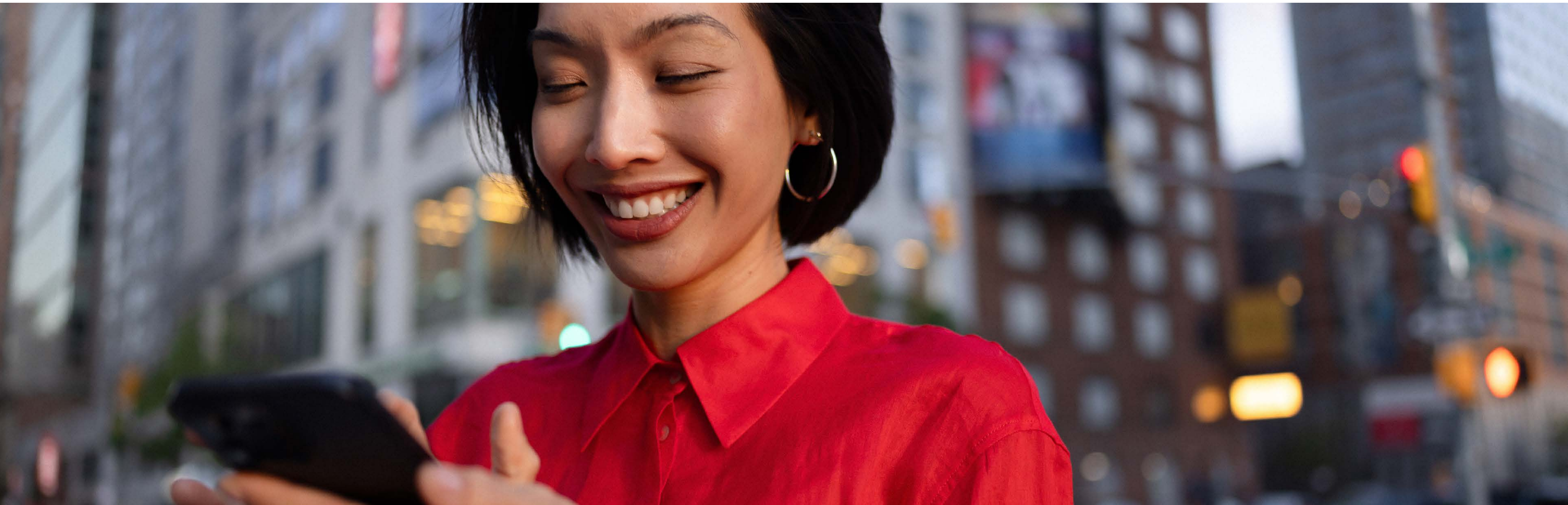


CANADIAN PAYMENT METHODS AND TRENDS REPORT



2026 | EDITION 13



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The views expressed in this report are solely those of the authors at the time of publication and should not be attributed to any of the organizations listed above.



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FOREWORD

BY: DONNA KINOSHITA, CHIEF PAYMENTS OFFICER, PAYMENTS CANADA

The trillions of dollars and tens of billions of transactions flowing through our national payment systems every year tell a profound story about Canada. They reflect how Canadians live, how businesses operate and how our national economy adapts to a changing world and geopolitical landscape.

Through this global lens, modern payment systems have emerged as critical national infrastructure required to drive productivity, strengthen economic resilience and reinforce a nation's competitiveness on the international stage. This reality has elevated payments on Canada's priority list, as evidenced in the federal government's **2025 federal budget** and **2026 Spring Economic Update**. Both outlined historic measures designed to modernize payment systems in support of national objectives to foster a more robust and competitive Canadian economy. This included direct support for Canada's forthcoming real-time payment system, the **Real-Time Rail (RTR)**, launching in 2026. The importance of modern payments and the specific role the RTR can play in advancing national objectives was further echoed by the Honourable François-Philippe Champagne, Minister of Finance and National Revenue. On the mainstage of The 2026 Payments Canada SUMMIT, he **reaffirmed the government's dedication** to working with all payment

industry stakeholders to ensure the accelerated development of the RTR's future capabilities.

Modern payments have also moved from technical industry discussions into daily news headlines. Topics such as consumer-driven banking (open banking), stablecoins, cross-border payments, AI and agentic commerce are gaining attention as the financial landscape undergoes its most significant transformation in generations. However, with rapid innovation comes evolving risk. As technology advances and payment methods become faster and more seamless, combatting fraud and financial scams grows increasingly complex. In 2026, three in 10 Canadians experienced scams involving the attempted theft or loss of money and/or personal information over a given 12-month period.

Protecting Canadians requires a united front. Payments Canada actively supports national multi-sector initiatives, including the Government of Canada's establishment of the

Financial Crimes Agency, the National Anti-Fraud Strategy and our work alongside industry partners in the Canadian Anti-Scam Coalition (CASC). As **Payments Canada recently emphasized** before the House of Commons Standing Committee on Industry and Technology (INDU), no payment type is immune to fraud, which is why Canada is leading internationally by launching Canada's RTR with mandatory, centralized fraud services from day one. This will complement participants' internal fraud controls and leverage a network advantage against the ever-evolving tactics of fraudsters.

Monitoring payment methods, trends, opportunities and challenges for the benefit of the entire payment ecosystem is at the heart of the Canadian Payment Methods and Trends (CPMT) report's history. For more than a decade, this report has provided an empirical baseline to inform the industry's strategic priorities and guide public policy. We gather and share these insights with you because—like fighting

fraud — payment modernization cannot be achieved in isolation. Transforming our payment infrastructure for the benefit of our country requires a deliberate, collective “Team Canada” approach that brings together financial institutions, regulators, fintech innovators, consumers, businesses and policymakers toward shared objectives.

Since publishing last year’s CPMT report, several of these shared objectives have become reality. To name a few:

As a direct result of the expansion of Payments Canada’s membership eligibility through changes to the *Canadian Payments Act in 2025*, we have **welcomed more than 20 new members**, including, for the first time, payment service providers (PSPs) under the *Retail Payment Activities Act* and local credit unions that are members of a Canadian credit union central. We are energized by the sustained momentum and eagerness from organizations seeking membership, the first step for those who are eligible to participate on our systems, including the RTR.

Our high-value payment system, **Lynx, achieved full adoption of ISO 20022 messaging standard (MX)** in alignment with the global initiative to discontinue payment instruction MT messages. The adoption of ISO 20022

is an important step in modernizing Canada’s payment landscape by allowing electronic payments to carry significantly more information. This is crucial for unlocking many of the benefits of the future of payments.

We also welcomed the government’s implementation of **Canada’s Consumer-Driven Banking (CDB) Framework**.

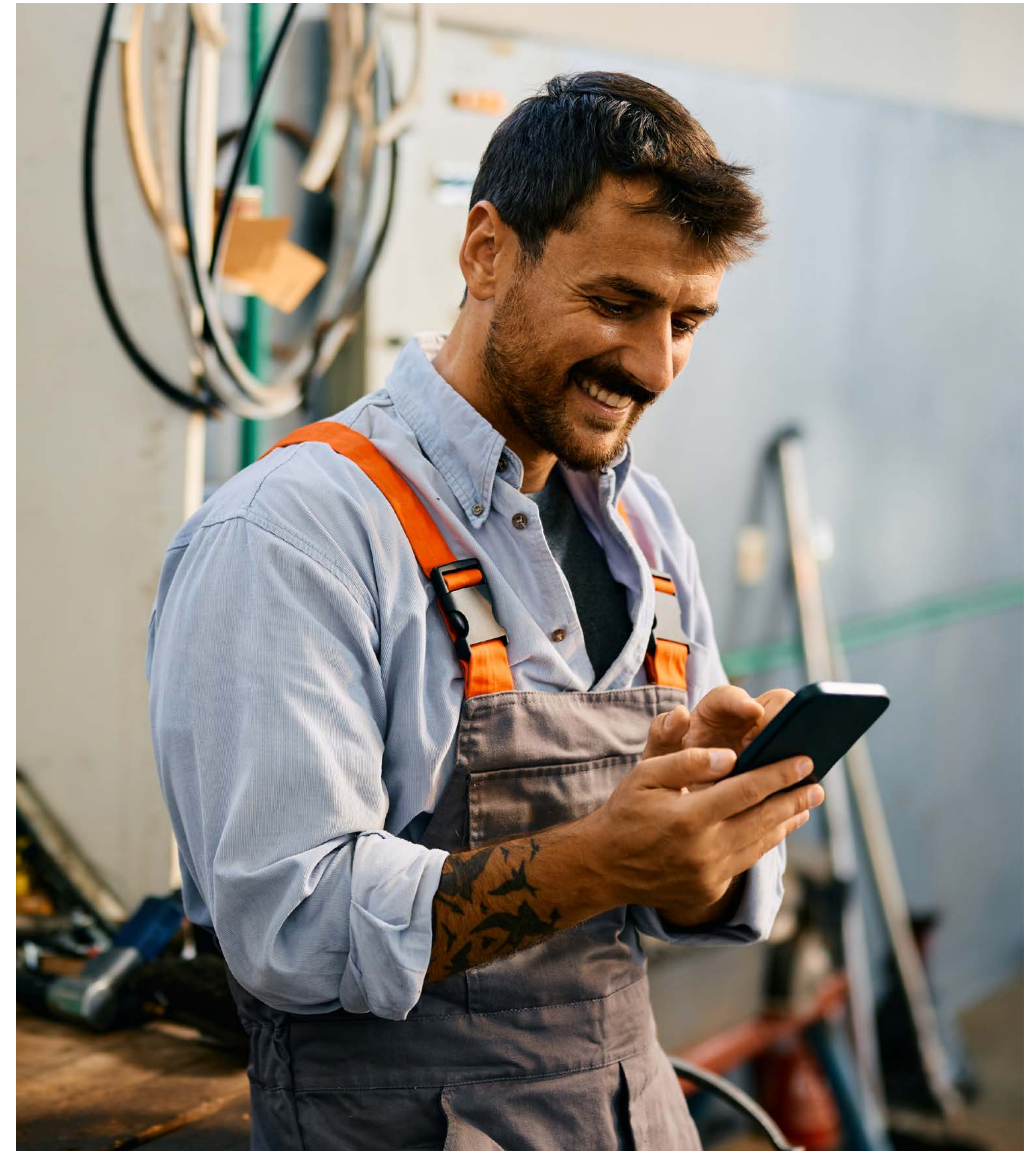
By enabling consumers and small businesses to selectively share their financial data and initiate account-based payments, CDB will fuel innovation and competition within the Canadian financial sector. Combining the openness of CDB with the speed of the RTR will drive further opportunities for more players to build innovative financial products and services.

Finally, the possibilities presented by the launch of the RTR—enabling instant, 24/7/365, data-rich payments—will begin to come to life. Through our research, we know that real-time payments appeal to the majority of Canadians because of the speed and convenience they offer. Scheduled to launch in Q4 2026, following robust and successful testing, the RTR will act as a foundation for the Canadian payment ecosystem to innovate and enable a wide range of benefits across the economy. Launching the RTR and accelerating post-launch functionalities and enhancements will help gig workers access their earnings instantly, give

small and medium-sized businesses real-time access to funds, speed up loan payouts and help businesses pay their suppliers without delay.

I look forward to the possibilities Canada will realize through the RTR — further amplified by broader access to Payments Canada’s membership, ISO 20022 adoption, consumer-driven banking and more — and seeing the positive impact on payment trends and the Canadian economy in future CPMT reports.

The launch of the RTR is a testament to what we can achieve when the entire ecosystem collaborates toward a common goal: building a payment system that is faster, safer and more inclusive for all Canadians. I invite you to explore the findings of the 2026 CPMT report as we continue advancing modern payments together.





METHODOLOGY

This report was compiled from multiple sources, including payment service providers, payment consultants and researchers, in order to obtain a comprehensive 2025 data set and deliver insights into how Canadian consumers and businesses pay.

The general methodology involves combining industry data and market research.¹ Industry data is derived primarily from Automated Clearing Settlement System (ACSS) data,² industry payment card usage data and quantitative and qualitative market research sources, including from the Bank of Canada.³ Data is also collected from payment service providers and payment networks on an aggregated annual basis, based on actual payment instrument usage data. Proprietary and third party survey research is used to fill data gaps and provide detailed insights.

The report compares data collected from 2025 with data from previous reports, allowing for the ongoing

analysis of trends. In the following sections, 2020 and 2025 data are compared to understand how payment trends have evolved.⁴ Year-over-year comparisons (2024 to 2025) are also considered.

For this year's report, the credit card volume and value estimates were obtained from Technology Strategies International (TSI) 2026 Payment Forecast report. The 2026 Payment Forecast report from TSI was used to collect both credit card (total) and credit card (contactless only) volumes and values to provide more consistency and reduce the potential for data discrepancies. Credit card volumes and values have been historically recast from 2015 to 2025

using TSI data. As a result, historical credit card and total payment volumes and values have been modified and are different in this year's report compared to previous reports.

Securities and derivatives transactions and trades are excluded from the research.⁵ Payment types that have not reached significant volumes are also excluded. This includes payment methods that are less than one per cent of total transaction volume or value (such as digital currencies).⁶ Finally, Lynx⁷ transactions are excluded⁸ to avoid double counting, as the payment volume and value information in this report are derived from the clearing data.

1 Appendix II includes details on methodology and assumptions, including consumer and business survey methodologies.
2 ACSS refers to Automated Clearing Settlement System, which along with the US Bulk Exchange application (USBE) makes up Canada's retail batch payment system – a dual currency clearing and settlement system through which the vast majority of payments (both paper-based and electronic; drawn on CDN or US dollar accounts at financial institutions domiciled in Canada) are cleared.
3 The Canadian Payment Methods and Trends report also includes value transactions that may not specifically be used for the exchange of goods and services. For instance, ABM transactions are used to obtain cash, where the cash is used for actual payments. Both types of transactions fall within the scope of this research as each forms an important element of the Canadian payment market. Payments Canada recognizes how this might pose as a form of double counting. However, the ABM transaction value accounted for three per cent of total paper payment value in 2025 so the impact is negligible.
4 To view previous reports, please see:
[Canadian Payment Methods and Trends Report 2025](#)
[Canadian Payment Methods and Trends Report 2024](#)
Total contactless volume and value, and total credit card contactless volume and value figures are based on estimates provided in the TSI 2026 Payment Forecast.
5 When a payment is made to purchase investments, the transaction will be counted among the appropriate payment segment. When derivatives, securities and other assets are exchanged and no payment is required or results, the exchange of value is not included.
6 Five per cent of adult Canadians reported ever using cryptocurrency for sending or receiving payments in 2025. For more information about consumer familiarity and likelihood of use, refer to the [digital currencies](#) section in the report.
7 Lynx is Canada's high-value payment system. The system processes large-value, time-critical payments with real-time settlement finality and complies with Canadian and international risk standards.
8 For analysis on Lynx, please see Payments Canada's [Annual Report](#).



EXECUTIVE SUMMARY

Payments Canada owns and operates the critical national payment infrastructure, rules and standards that keep Canada’s economy moving. In 2025 alone, our systems safely cleared and settled 103 trillion dollars. We are a national public-purpose organization that operates on a non-profit basis. Our vision is to enable prosperity, productivity and safety for Canada through trusted, world-class payments.

Annually, Payments Canada provides an overview of the payment trends observed in Canada through the publication of the Canadian Payment Methods and Trends (CPMT) report. The CPMT report aims to provide a holistic view of the payment market in Canada. This overview of payment behaviour and trends illustrates Canadians’ use of different payment types and demonstrates shifts in payment behaviours. It also looks at emerging issues and relevant developments taking place within the Canadian payment ecosystem.

Forces shaping Canada’s payment landscape

Canada’s economic growth slowed in 2025 compared to the previous year. Real gross domestic product (GDP) grew by 1.7 per cent in 2025 (down from two per cent in 2024), marking its slowest annual pace since 2020.⁹ Canada’s average monthly unemployment rate increased to

6.9 per cent in 2025 from 6.4 per cent in 2024.¹⁰ The rate of inflation decreased compared to the previous year. The Consumer Price Index (CPI) rose 2.1 per cent in 2025, down from 2.4 per cent in 2024. However, prices continued to rise in 2025, increasing 19.9 per cent over the past five years. Excluding energy, the annual average CPI increased 2.6 per cent in 2025, matching the increase in 2024. The cost of groceries rose more rapidly in 2025 (+3.5 per cent) than in 2024 (+2.2 per cent), while the cost of shelter increased to a lesser extent in 2025 (+3.0 per cent) than in 2024 (+5.7 per cent) on an annual average basis.¹¹

The ongoing trade conflict between Canada and the US had a negative impact on economic activity and growth. The average tariff rate on Canadian exports rose from 0.1 per cent at the beginning of 2025 to 5.9 per cent in October.¹² This led to a reduction in US demand for Canadian

goods, impacting jobs, productivity and living standards in Canada. It forced Canadian businesses to seek new trade partners and adjust their supply chains. It also led workers and capital to shift from industries most affected by tariffs toward other sectors and new opportunities. This transition has created challenges for affected workers and businesses. As restructuring continues to advance, productivity and economic growth are expected to be modest and recover gradually. The Bank of Canada expects GDP to decrease by 1.5 per cent by the end of 2026 compared to a year ago. About half of the shortfall caused by US tariffs comes from reduced potential output, while the remainder reflects increased excess supply.¹³

Economic uncertainty brought on by the trade conflict had a negative impact on consumer sentiment towards their overall economic outlook and personal finances. On average, over two thirds of Canadians

(68 per cent) felt the country was in or about to enter a recession compared to 61 per cent in 2024.¹⁴ Forty-three per cent of Canadians expected the economy to worsen in six months compared to 37 per cent in 2024.¹⁵ Still, over one in 10 Canadians (11 per cent) were unable to pay for their expenses and took on debt compared to 13 per cent in 2024. This resulted in a continued decrease in discretionary spending. Over three in four Canadians (76 per cent) reduced their non-essential activities and spending in order to save money in 2025, which was comparable to 2024 (79 per cent).¹⁶

Impact on the Canadian payment market

The total payment market in Canada experienced modest growth in both volume and value in 2025. Overall, a total of 26.7 billion transactions valued at \$12.9 trillion were conducted in 2025. The total Canadian payment

9 For more, see [The Daily – Gross domestic product, income and expenditure, fourth quarter 2025](#).
10 For more, see [Labour force characteristics, monthly, seasonally adjusted and trend-cycle](#).
11 For more, see [The Daily – Consumer Price Index: Annual review, 2025](#).
12 For more see [Outlook – Bank of Canada](#).
13 Ibid.
14 Consumer Economic Pulse, Wave 42, December 2025. Angus Reid Group (2025).
15 Ibid.
16 Ibid.

market grew by three per cent in volume and five per cent in value from 2024. For more, see **Figure 1: Total payment transaction volume and value**.

However, long-term payment trends remain unchanged. Card payments represent the most common way in which Canadians make payments as measured by volume. Credit and debit card transactions combined to make up 68 per cent of total payment volume in 2025, compared to 63 per cent five years ago. Online transfers and credit cards occupied the top two spots for past five-year volume growth (110 per cent and 75 per cent, respectively). Although prepaid cards represented one per cent of total payment volume in 2025, it ranked third for past five-year volume growth at 30 per cent. Electronic funds transfer (EFT) posted low double-digit past five-year volume growth in 2025. In spite of the fact that cash usage has gradually declined over the past decade, cash volume grew by five per cent over the past five-year period due to the post-pandemic reset in cash usage. Canadians returned to using cash for the same pre-pandemic payment situations. Cheques accounted for a small fraction of total payment volume and continued its gradual decline.

When it comes to payment value, EFT and cheques continued to lead all other payment types, representing a combined 83 per cent of total value in 2025, down slightly from 84 per cent in 2024. However, EFT and cheque value have trended in opposite directions over the long term. EFT value grew by 59 per cent over the past five years, up from 48 per cent in 2024. On the other hand, cheque value declined by 16 per cent over the past five years, down from 24 per cent in 2024.

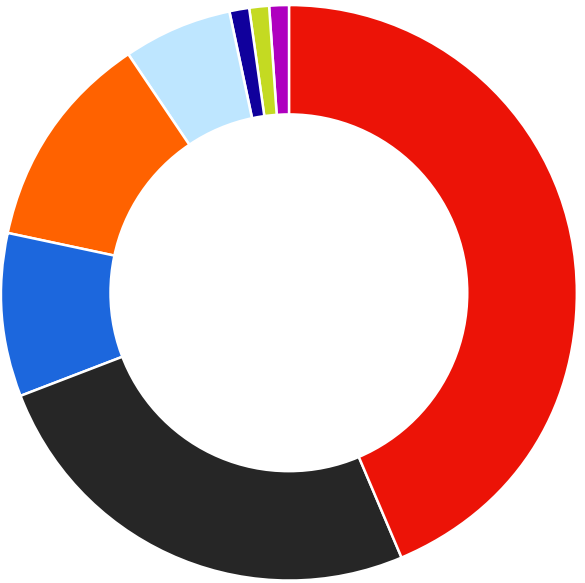
The number of contactless payments made by Canadians in 2025 grew by nine per cent, which was slightly lower than the year-over-year growth in 2024 (11 per cent). Contactless credit card payments continued to be the main driver of overall contactless payment growth. The number of contactless credit card payments made by Canadians in 2025 grew by 12 per cent (down from 14 per cent year-over-year growth in 2024).

Grocery stores and supermarkets continued to lead all other merchant categories in which contactless payments were used, with 62 per cent of contactless owners having used tap payments at these stores over a given six month period in 2025.¹⁷ Other common merchant categories in which contactless payments were used included: gas stations (44 per cent),

restaurants/bars (39 per cent), pharmacies/drug stores (38 per cent), quick service restaurants/coffee shops (38 per cent) and convenience stores (31 per cent).¹⁸ The proportion of contactless owners who used tap payments for public transit increased to 14 per cent (up eight per cent from 2024). This is a high-growth category for contactless payments, especially since several Canadian transit authorities now accept open-loop payments.¹⁹

E-commerce continued to be an appealing option for consumers.²⁰ E-commerce sales accounted for 6.1 per cent of total retail sales in 2025, virtually unchanged from a share of six per cent in 2024.²¹ Just under three in five Canadians (58 per cent) made an online purchase in a given month (compared to 60 per cent in 2024).²² Credit cards remained the most common payment method for online purchases in 2025, with 61 per cent of online shoppers paying by credit card in a given twelve month period. This represents a 11 per cent increase from a year ago.²³

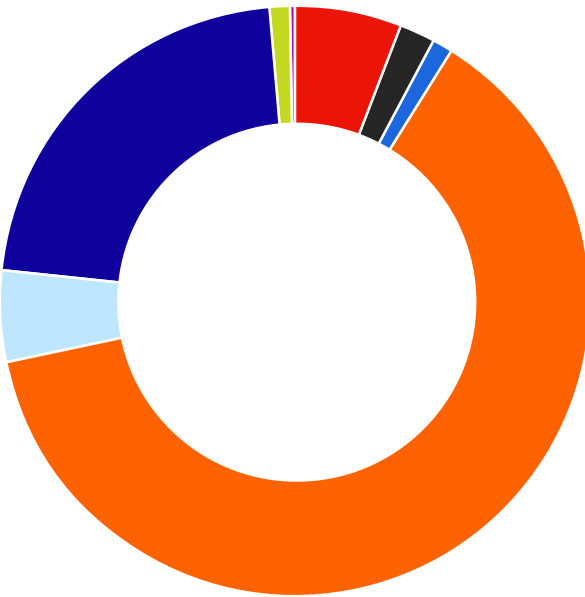
FIGURE 1: TOTAL PAYMENT TRANSACTION VOLUME AND VALUE
2025 VOLUME



26.7 billion

- **Credit card 43%** ↑ 75%
- **Debit card 25%** ↑ 19%
- **Cash 9%** ↑ 5%
- **EFT 12%** ↑ 12%
- **Online transfer 6%** ↑ 110%
- **Cheque 1%** ↓ 26%
- **ABM 1%** ↓ 22%
- **Prepaid card 2%** ↑ 30%

2025 VALUE



\$12.9 trillion

- **Credit card 8%** ↑ 66%
- **Debit card 2%** ↑ 21%
- **Cash 1%** ↑ 10%
- **EFT 63%** ↑ 59%
- **Online transfer 5%** ↑ 169%
- **Cheque 20%** ↓ 16%
- **ABM 1%** ↓ 9%
- **Prepaid card 0.2%** ↑ 53%

↑/↓ arrows indicate growth/decline over the past five years based on average percent change calculation.

¹⁷ TSI, Canadian Payments Forecast 2026.
¹⁸ Ibid.
¹⁹ Ibid. Note: Open-loop payments run on open-loop networks, which means a card or wallet issued by one bank can be used at any business connected to the same network. Common examples are Visa, Mastercard, and Interac cards.
²⁰ E-commerce refers to the use of web-based storefronts and applications via computers or mobile devices (e.g., smartphone, tablet) to obtain goods and services from merchants.
²¹ Statistics Canada. Retail trade, December 2025. For more, see: [Monthly retail trade sales by province and territory \(Statistics Canada\)](#). Note: figures are seasonally adjusted.
²² Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
²³ TSI, Canadian Payments Forecast 2026.

Paper

Paper payment instruments include cash, cheques and other paper items. Total paper transaction volume decreased by seven per cent, while value decreased by five per cent in 2025 compared to a year ago. The volume decrease was due to decreases across all paper payment types, while the value decrease was mainly driven by a five per cent decline in cheque value. The year-over-year reduction in cheque value was driven by a five per cent decline in commercial cheque value.²⁴ For more, see **Table 1: Paper year-over-year growth**.

TABLE 1: PAPER YEAR-OVER-YEAR GROWTH

Volume (in millions of transactions)

Payment method	2024	2025	Change %
Cash	2,544	2,359	-7%
Cheque (total)	340	320	-6%
Cheque (personal)	136	134	-1%
Cheque (commercial)	204	186	-9%
ABM	337	318	-6%
Total	3,221	2,997	-7%

Value (in millions of dollars)

Payment method	2024	2025	Change %
Cash	62,667	56,233	-10%
Cheque (total)	2,715,700	2,579,535	-5%
Cheque (personal)	52,750	50,000	-5%
Cheque (commercial)	2,662,950	2,529,535	-5%
ABM	62,089	70,358	13%
Total	2,840,456	2,706,126	-5%

24 TSI, Canadian Payments Forecast 2026.

Card

Card payments include credit, debit and prepaid cards. Total card transaction volume and value both increased by four per cent in 2025 from the previous year. Credit cards led all other card types for volume growth at seven per cent, while prepaid cards led all other card types for value growth at seven per cent. For more, see **Table 2: Card year-over-year growth**. Overall, credit cards made up 62 per cent of total card volume and 75 per cent of total card value (unchanged from 2024). Credit cards led debit cards in contactless volume. Credit card contactless transaction volume grew by 12 per cent from 2024 compared to five per cent for debit card contactless volume. Credit card contactless transaction value also grew more than debit card contactless transaction value year-over-year (15 per cent versus seven per cent, respectively). The total value of credit card contactless transactions was 2.8 times more than that of debit card contactless transactions in 2025.

TABLE 2: CARD YEAR-OVER-YEAR GROWTH

Volume (in millions of transactions)

Payment method	2024	2025	Change %
Debit card (total)	6,731	6,793	1%
Debit card (contactless only)	5,287	5,533	5%
Credit card (total) ²⁵	10,880	11,590	7%
Credit card (contactless only)	7,717	8,679	12%
Credit card (remote) ²⁶	1,088	1,159	6%
Prepaid	372	394	6%
Total	17,983	18,777	4%

Value (in millions of dollars)

Payment method	2024	2025	Change %
Debit card (total)	302,214	304,763	1%
Debit card (contactless only)	155,163	165,450	7%
Credit card (total)	974,500	1,024,400	5%
Credit card (contactless only)	406,837	466,850	15%
Credit card (remote)	97,450	102,440	5%
Prepaid	25,467	27,359	7%
Total	1,302,181	1,356,522	4%

²⁵ Note to reader: The contactless credit card volumes and values reported for 2024 and 2025 are now based on credit card volume and value estimates from the 2026 Payment Forecast report (TSI). As a result, the volume and value estimates for credit card (total), credit card (contactless only) and credit card (remote) for 2024 will differ from those appearing in the 2025 CPMT report.

²⁶ Credit card remote transactions include all transactions that are not made at physical (brick-and-mortar) and virtual (online) payee locations. Instead, payors use financial institutions or payment service providers as intermediaries that move funds to intended payees through their services (i.e., for bill payments and ongoing subscriptions).

Electronic

Electronic payments include electronic funds transfer (EFT) and online transfer. EFT includes direct deposit, electronic remittance, pre-authorized debit and other online bill payment transactions. Online transfer includes electronic transactions initiated through online services and providers, which are either pre-funded or linked to deposit accounts at financial institutions (for example, Interac e-Transfer and PayPal). Total electronic payment transaction volume and value grew by five per cent and eight per cent, respectively, from 2024 (see **Table 3: Electronic year-over-year growth**). The year-over-year growth in EFT value was slightly higher in 2025 compared to 2024 (seven per cent versus six per cent). EFT volume grew by one per cent in 2025 (unchanged from 2024). Online transfer volume increased by 13 per cent in 2025 (down from 16 per cent in 2024). Online transfer value increased by 18 per cent in 2025 (down from 23 per cent in 2024).

TABLE 3: ELECTRONIC YEAR-OVER-YEAR GROWTH

Volume (in millions of transactions)

Payment method	2024	2025	Change %
EFT	3,222	3,250	1%
Online transfer	1,486	1,683	13%
Total	4,708	4,933	5%

Value (in millions of dollars)

Payment method	2024	2025	Change %
EFT	7,647,900	8,209,393	7%
Online transfer	568,576	669,150	18%
Total	8,216,476	8,878,543	8%

Canada’s economic performance compared to other G7 nations

Gross domestic product (GDP) of G7 countries from 2015 to 2025

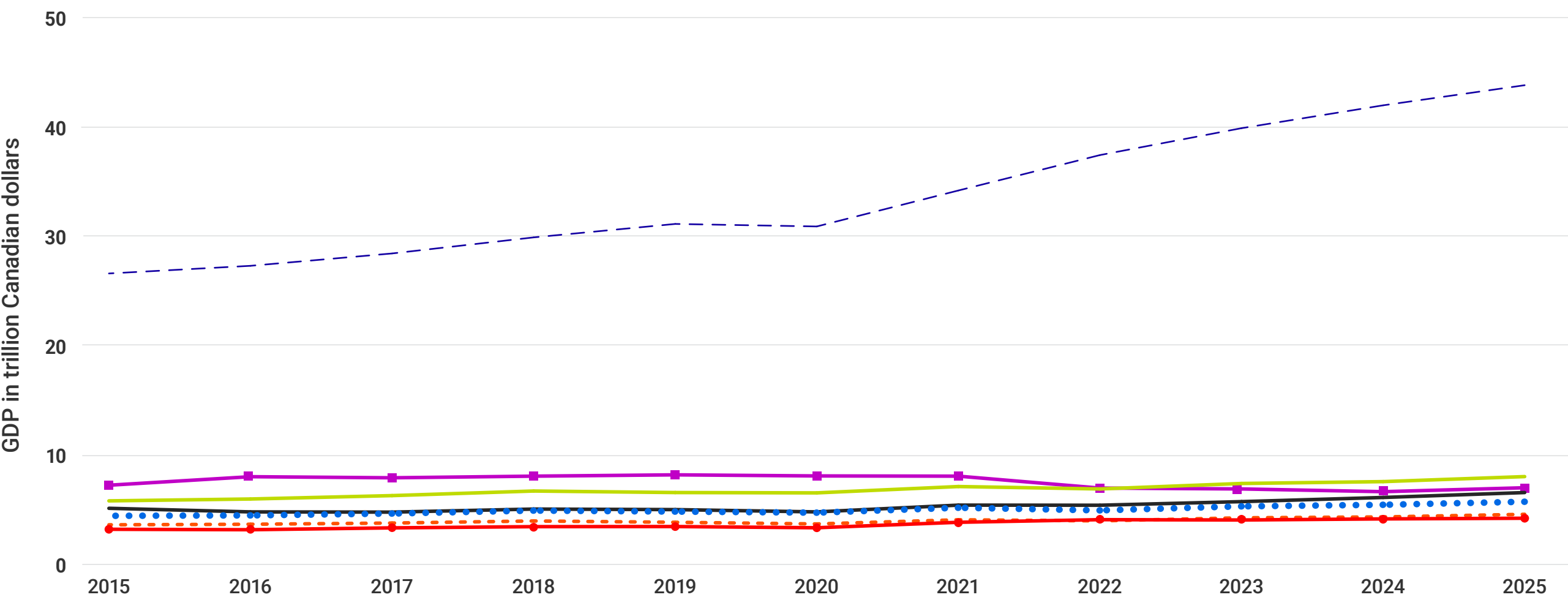
Payment activity is positively correlated with annual GDP performance. Growth in total payment volume and value usually moves in the same direction as GDP growth. The US led all other G7 countries with the highest GDP. Over the past decade (2015 – 2025), the GDP of the other six countries fluctuated, while the US’ grew almost constantly, reaching an estimated 42.8 trillion CAD in 2025. The US was also the world’s largest economy ahead of China. Germany had the second largest economy of the G7 countries at around seven trillion CAD. Canada’s GDP was around 3.19 trillion CAD in 2025, placing last among the G7 countries.²⁷ The US-Canada trade war reduced the level of Canadian GDP by approximately 0.6 per cent relative to the pre-trade war baseline. Most of the impact came through their direct effects on exports.²⁸

GDP growth rates of G7 countries from 2015 to 2025

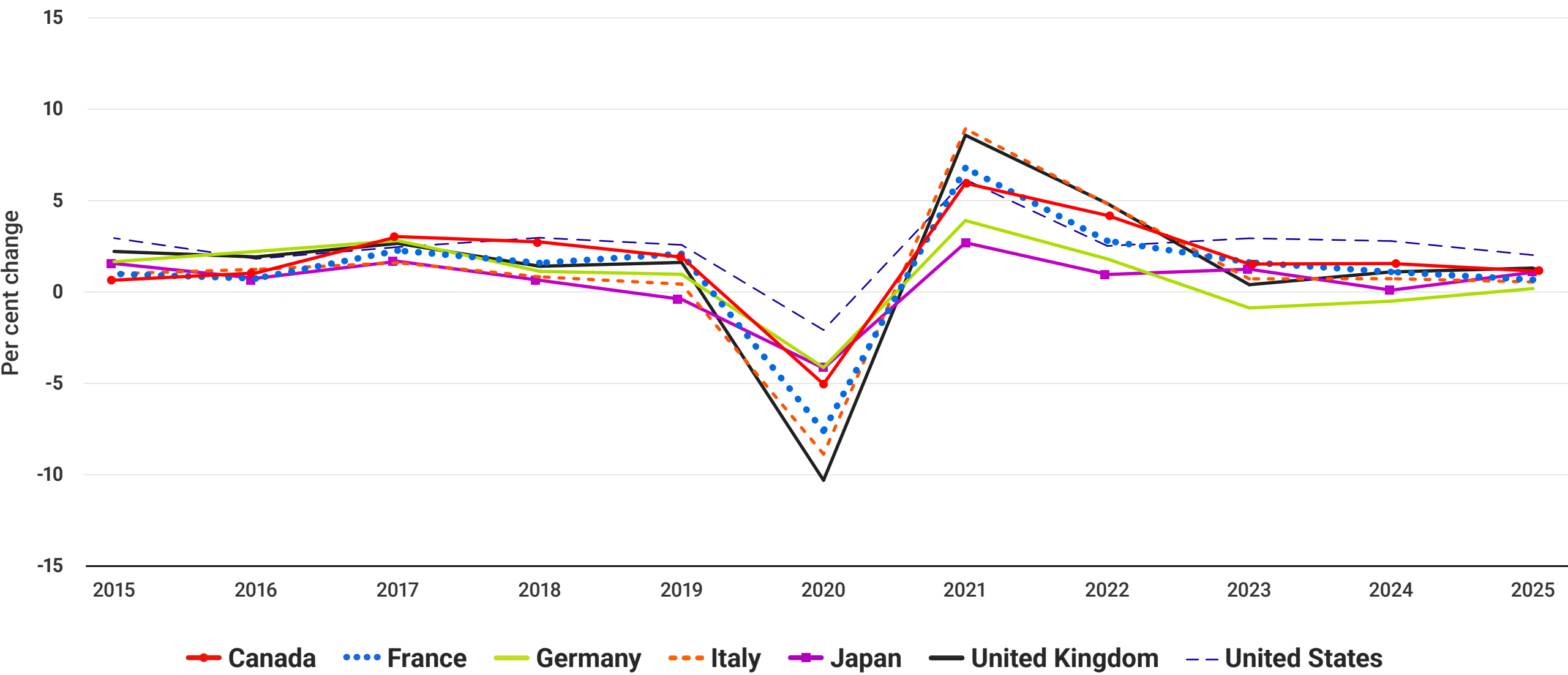
GDP growth of all G7 countries significantly declined in 2020 due to the COVID-19 pandemic. This was followed by a strong recovery the following year. Among the G7 countries, the year-over-year GDP growth experienced by the US, Canada and Italy in 2021 more than offset their declines in the previous year. After reaching a high water mark of 5.95 per cent GDP growth in 2021, Canada’s annual GDP growth has been trending downwards over the past four years. However, it has consistently placed in the top three G7 countries for annual GDP growth from 2022 to 2025. In 2025, Canada placed third among the G7 nations behind the UK and the US (US: 2 per cent; UK: 1.3 per cent; Canada: 1.1 per cent).²⁹

27 For more, see: [G7 GDP 2025 | Statista](#).
28 For more, see [A Look Back at 2025: It Was All AI and Tariffs | Post](#).
29 For more, see: [G7 GDP growth 2025 | Statista](#).

GDP OF G7 COUNTRIES FROM 2015 TO 2025



GDP GROWTH RATES OF G7 COUNTRIES FROM 2015 TO 2025



G7 countries’ share of the world’s GDP from 2015 to 2025

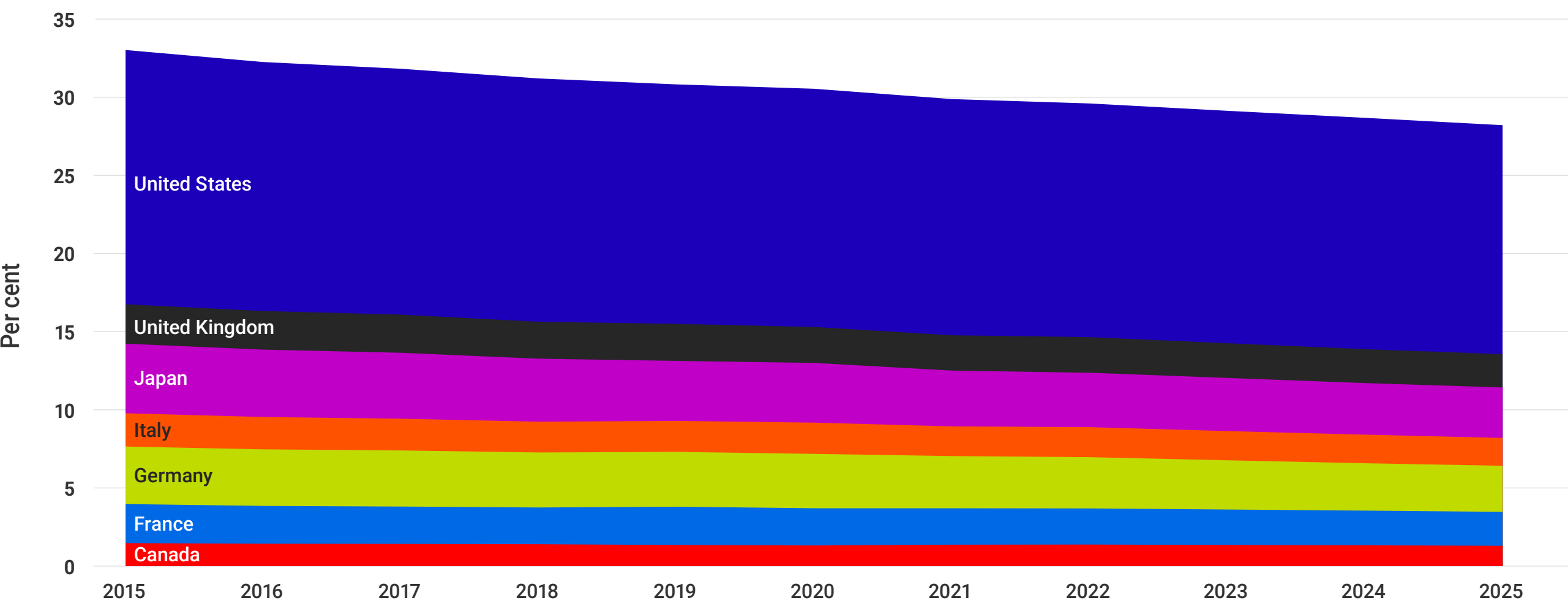
The G7 countries’ share of the world’s GDP decreased by 15 per cent to a 28 per cent share in the past decade (2015 – 2025), caused by China’s and India’s economic development and growth during this period. Of the G7 countries, the US held the largest share of the world’s GDP at 14.65 per cent in terms of purchasing-power-parity (PPP) in 2025. Canada’s share of the world’s GDP was 1.3 per cent in 2025, decreasing by 12 per cent from 2015.³⁰

Annual inflation rates in G7 countries from 2015 to 2025

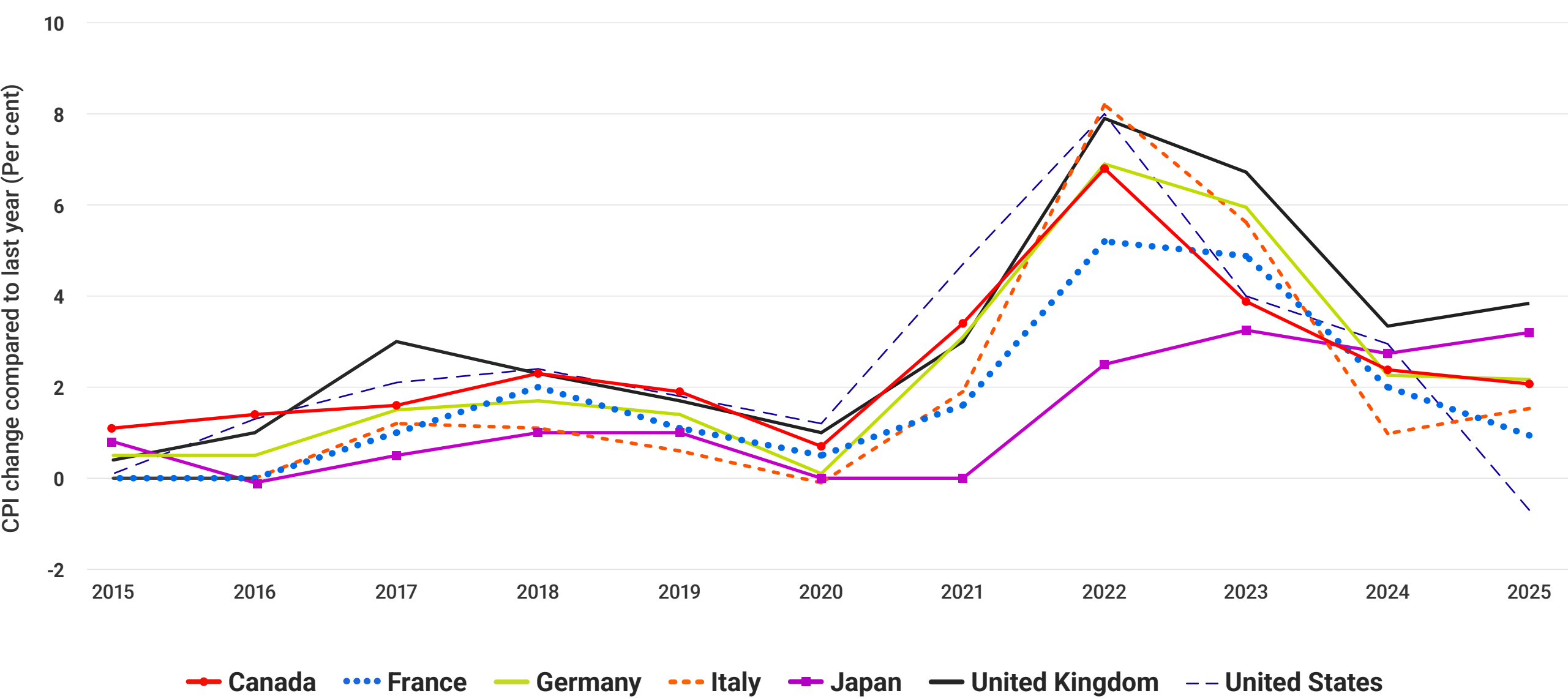
Payment activity is negatively correlated with the annual inflation rate. Total payment volume and value usually decrease when the inflation rate rises. There was a global-wide

spike in inflation rates in 2022 triggered by Russia’s invasion of Ukraine in February that year. The price of gas and electricity were significantly impacted by this event. Among the G7 countries, the high-low range was between 2.5 per cent in Japan and 8.2 per cent in Italy in 2022. Inflation rates decreased for most G7 countries except for Japan in 2023. Canada’s inflation rate has continued to fall from 2024 to 2025. The inflation rate in 2025 was 2.1 per cent (below its 10-year average inflation rate of 2.50 per cent). It had the third lowest annual inflation rate behind Italy (1.5 per cent) and France (0.9 per cent). The top three G7 countries with the highest annual inflation rate were the UK (3.8 per cent), Japan (3.2 per cent) and the US (2.7 per cent) in 2025.³¹

G7 COUNTRIES’ SHARE OF THE WORLD’S GDP FROM 2015 TO 2025



ANNUAL INFLATION RATES IN G7 COUNTRIES FROM 2015 TO 2025



30 For more, see: [G7 countries’ share of world’s GDP 2000-2025 | Statista](#).
31 For more, see: [G7 Inflation rates 2025 | Statista](#).



RESEARCH AT A GLANCE

Key themes

Real-time payments appeal to the majority of Canadians mainly for the speed and convenience it offers. Adoption of real-time payments by consumers and businesses is expected to be driven by specific use-case characteristics where immediacy directly affects outcomes, particularly in disbursement scenarios.

Over one in two Canadians (52 per cent) find real-time payments appealing.³²

A few emerging use cases for real-time payments include gig worker payout, instant small and medium-sized enterprise (SME) settlement, immediate loan funding and instant supplier payments.

► **Gig worker payout:** There is an unmet need among gig economy participants (payor and payee) for a payment solution that addresses key payment pain points—speed, payment reconciliation, cost and accessibility.³³ Current payment methods such as EFT direct deposit, Interac e-Transfer, cheque, PayPal transfer and cash used for sending/receiving payments once the job or contract is completed are perceived to be adequate, but real-time

payments are viewed as an appealing alternative for a large majority of gig workers and businesses that employ gig workers.³⁴

► **Instant SME settlement:** Over one in three SMEs (37 per cent) indicate that payment delays (i.e., total time it takes to process a payment) matter greatly to them.³⁵ From a payee perspective, instant settlement means little to no risk of chargebacks and greater predictability and ease of managing the business' cash flow. There is a strong liquidity benefit for SMEs, particularly in cash flow-sensitive segments, where immediate access to funds reduces reliance on credit and improves working capital management.

- The majority of SMEs (53%) would use real-time payments to receive money in select situations.³⁶

► **Immediate loan funding:** Both consumers and businesses stand to potentially benefit from immediate loan funding. The success of the buy now, pay later (BNPL) business model illustrates the demand and need for immediate loan funding. For consumers, being able to receive instant loan funding means greater convenience (24/7/365 availability), access to emergency liquidity and avoiding predatory alternatives (i.e., when traditional banks take too long, consumers may turn to high-interest payday lenders). For businesses, being able to provide instant loan funding to their customers means providing greater convenience for their customers, realizing the potential for increased revenue, enabling faster transactions and improving the overall customer experience.

³² Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

³³ Payments Canada/Leger. 2023 Consumer and Business Payments Tracker Surveys.

³⁴ Ibid.

³⁵ Ibid.

³⁶ Ibid.

- Embedded lending is among the leading types of embedded finance services that businesses currently use, or are interested in using. The primary reason businesses currently provide or would be interested in providing embedded lending services is to improve their customer service quality by offering a more convenient and integrated experience.³⁷
- BNPL is a form of embedded lending. Close to one in five businesses (17 per cent) offer a BNPL payment option for their customers as part of the checkout process.
- Over one quarter of all Canadians (26 per cent) have ever used BNPL to pay for their purchases.
- The main reasons why Canadians frequently use BNPL are: the ability to defer payments (34 per cent); getting approved fast (28 per cent);

and receiving discounts/loyalty rewards (28 per cent). So, the ability to receive immediate loan funding is a key driver of BNPL use. Overall, it demonstrates the desirability of accessing approved credit in real time.

- Young Canadians (18 – 34) are especially more likely than other age groups to be frequently using BNPL (13 per cent) for these reasons.

► **Instant supplier payments:** Instant supplier payments represent an operational use case where immediate settlement improves supplier liquidity and payment certainty. Value is highest in time-sensitive or just-in-time supply chain scenarios, but adoption would depend on buyer payment behaviour, cost considerations and treasury practices.³⁸

Consumer-driven banking (also known as open banking) will empower consumers by giving them control over their financial data, enabling secure sharing with third-party providers. With the *Consumer-Driven Banking Act* now law in Canada, the focus shifts to delivery, regulatory detail and operational readiness.³⁹ There are many pathways to payment innovation and improving consumer payment experiences under a consumer-driven banking regime.

Embedded payments and consumer-driven banking may converge to provide consumers with a seamless transaction experience, redefining how transactions take place, offering more integrated, customized and accessible experiences. Embedded payments allow merchants to make payments invisible to consumers by integrating payment options directly into their platforms. This may take the form of ride-hailing apps offering instant payment solutions, or e-commerce platforms providing seamless checkout experiences. Consumer-driven banking will empower consumers by giving them control over their financial data, enabling secure sharing with third-party providers. This will allow apps to offer tailored payment and financial solutions, from dynamic pricing based on

real-time credit assessments to budgeting tools and personalized loyalty programs. The convergence of embedded payments and consumer-driven banking has the potential to create an interconnected and efficient transaction ecosystem, revolutionizing how businesses and consumers interact with money.⁴⁰

With the consumer-driven banking framework moving from policy to delivery and the Real-Time Rail (RTR) nearing launch, combining real-time payments with open data could transform the financial services and payments industry. The convergence of real-time payments and consumer-driven banking has the potential to deliver fast, informed and data-driven financial services and payments to consumers.

This convergence shifts financial services from static and batch-based to dynamic and real-time. Instead of manually-initiated payments and reconciliation after-the-fact, payments may be triggered by certain conditions determined upfront. A critical component to this convergence is trust and value exchange. Consumer-driven banking relies on consumers consenting to share their data, but it will only scale if there is clear value in return – whether that’s faster access to services, financial insights, or smarter financial services. Overall, the convergence of consumer-driven banking and real-time payments may enhance the user experience by delivering faster, smarter, data-driven financial services to Canadians.

³⁷ Payments Canada/Leger. 2025 Business Payments Tracker Survey.

³⁸ Ibid.

³⁹ For more, see: [Open Banking in Canada Moves from Blueprint to Law](#).

⁴⁰ For more, see: [The top six payment trends for 2025](#).



Various types of digital assets are vying for relevance within the Canadian payment ecosystem. These include: traditional cryptocurrencies such as Bitcoin, which are not pegged to a reserve asset; stablecoins, which are pegged to a reserve asset; and tokenized deposits, which are digital representations of traditional commercial bank deposits. Ultimately, it is not about one payment method replacing all the others. It is about building a complementary, multi-rail ecosystem where each option plays to its specific strengths. It is likely that we are heading toward a future of coexistence, where different rails serve different needs.

Systems like Lynx for high-value transfers, the RTR (following initial phases of system participation), the Automated Clearing Settlement System (ACSS) and existing credit card networks will continue to persist. Because of their deep integration and immense consumer trust, they will continue to account for the bulk of our domestic retail and commercial volume.

Tokenized deposits will run parallel to those traditional rails. They are already carving out a specific niche for high-speed, high-value business-to-business (B2B) transactions and smart contracts, offering blockchain efficiency, but keeping it within the regulated, trusted banking sphere.

Stablecoins may also become a permanent fixture in the payments environment, but their predominant benefit will remain heavily focused on bridging the gaps in cross-border payments and specialized programmable innovations.

Bitcoin and similar assets are exchange tokens designed for peer-to-peer payments and long-term value storage. Bitcoin acts primarily as a speculative investment due to its scarcity (capped at 21 million), while its broad reach may make it useful for remittances and transfers, especially in unstable economies.⁴¹

⁴¹ For more, see: [The cryptocurrency ecosystem explained: A guide for businesses](#).

Agentic commerce can potentially make it easier and more convenient for consumers to complete the buying process from researching new products, evaluating potential options, selecting the best option and completing the transaction at the point-of-sale. However, many Canadians do not find agentic commerce appealing due to concerns over their personal information security, the AI agent’s ability to make correct purchase decisions, liability for unauthorized purchases and loss of personal connection with the retailer. Consumer adoption of agentic commerce in Canada will be hampered if these issues go unaddressed and if the appropriate regulatory guardrails are not established to protect Canadians.

- ▶ Over two in five Canadians (43 per cent) do not find agentic commerce appealing, while about one in four (24 per cent) find it appealing.⁴²
- ▶ The top five reasons why Canadians do not find agentic commerce appealing were:
 - Concerns over the safety and security of their data and personal information (58 per cent).
 - Concerns about the AI agent making incorrect or unpredictable purchasing decisions, leading to mistakes or financial loss (52 per cent).
 - Losing the personal connection with the retailer — i.e., preferring human interaction when shopping (51 per cent).
- Concerns over liability for unauthorized purchases resulting from fraud or a cybersecurity breach — i.e., questions surrounding the scope of liability attached to the consumer who delegated authority to the AI agent, the retailer that accepted the transaction and the AI agent provider that built and operates the AI agent liable (48 per cent).
- Concerns about the potential difficulty of reversing unauthorized, unwanted purchases (47 per cent).⁴³
- ▶ Among Canadians who find agentic commerce appealing, the drivers of appeal included:
 - The ability of AI agents to search for the best deals, compare prices across different retailers in real time, and automatically apply coupons, ensuring the best price (45 per cent).
 - The ability of AI agents to analyze multiple options in seconds, saving users time (44 per cent).
 - It is simple and easy to use (35 per cent).
 - The ability of AI agents to handle complex tasks like travel booking, which requires the AI agent to coordinate flights, hotels and activities, ensuring a seamless, integrated experience (30 per cent).
 - The ability of AI agents to learn from past purchases, browsing behaviour and specific user preferences to provide users with highly relevant, curated product or service recommendations, making their shopping experience more convenient.⁴⁴



⁴² Payments Canada/Leger. 2026 Consumer Payments Tracker Survey.
⁴³ Ibid.
⁴⁴ Ibid.

THE PAYMENT LANDSCAPE

A number of significant developments occurred in 2025 that will impact the future payment landscape in Canada.

The Government of Canada announced its 2025 budget, *Budget 2025: Canada Strong*, which focused on several key themes—shifting from reliance to resilience, protecting Canada’s sovereignty and security, and building a stronger Canadian economy. The budget acknowledges the importance of payments in supporting these objectives through:

- ▶ **Safer payments:** Since September 2025, the Bank of Canada is supervising payment service providers under the *Retail Payments Activities Act* (RPAA).⁴⁵
 - ▶ **More choice for Canadians:** As of September 25, 2025, eligibility for Payments Canada membership expanded, allowing eligible new firms to apply for direct access to core payment systems.⁴⁶
 - ▶ **Faster payments:** Payments Canada’s forthcoming RTR will enable instant, 24/7/365 money transfers.⁴⁷
 - ▶ **Consumer-driven banking:** Budget 2025 advances consumer-driven banking, including payment initiation capability by mid-2027 to enable direct bank payments through third-party apps.⁴⁸
 - ▶ **Stablecoins:** Budget 2025 introduces a federal framework to regulate fiat-backed stablecoins to improve safety, trust and adoption in digital payments.⁴⁹
 - ▶ **Transparent international remittances:** The government will require banks to clearly disclose pricing and costs for cross-border transfers so consumers can compare fees.⁵⁰
 - ▶ **Fixing misdirected payments:** The government also plans to require banks to investigate and attempt to resolve payments accidentally sent to the wrong recipient.⁵¹
- The Government of Canada’s commitment to advance consumer-driven banking, combined with Payments Canada’s recently expanded

membership eligibility and the forthcoming RTR, will set the stage for a new era of innovative payment solutions that combine data, speed and safety to help Canadians and their businesses thrive.

The Government of Canada announced that the Bank of Canada is the lead regulator for the consumer-driven banking file, replacing the Financial Consumer Agency of Canada. This move consolidates oversight of consumer-driven banking under the central bank to align with its existing responsibilities for payment modernization. The intent of this move is to allow fintechs and payment service providers to undergo a single national security review for both consumer-driven banking and payment systems, potentially reducing redundancy.⁵²

The Government of Canada is developing a National Anti-Fraud Strategy and legislative amendments requiring banks to have policies to



⁴⁵ For more, see [Budget 2025—Canada Strong](#).
⁴⁶ For more, see [Expanded access to critical payment infrastructure will drive competition and growth for Canada](#).
⁴⁷ For more, see [Real-Time Rail payment system](#).
⁴⁸ For more, see [Budget 2025—Canada Strong](#).
⁴⁹ Ibid.
⁵⁰ Ibid.
⁵¹ Ibid.
⁵² For more, see: [Consumer-driven banking](#).



prevent and address fraud, while giving consumers more control over their accounts. The government is also setting up the Financial Crimes Agency to investigate money laundering cases, organized criminal activity and online financial scams, and to recover illicit proceeds.⁵³

Canada's RTR program made significant progress in 2025, which included transitioning successfully into the comprehensive testing phase, onboarding new Payments Canada members who can now apply for RTR participation, publishing The Real-Time Rail Participation Guide for Payment Service Providers and advancing a critical component of the RTR payment system, the legal framework. In advance of the RTR's 2026 Q4 launch, Payments Canada is focussed on testing, participant onboarding and operational readiness. It enters the performance, security and resilience and industry solution testing phases, which are designed to push the limits of the entire RTR payment system in its target environments to ensure that Canada's RTR can safely and effectively handle a high volume of transactions in real-time, and ensure participants meet certification for launch.⁵⁴

Canada's high-value payment system, Lynx, reached a pivotal milestone, fully transitioning to the ISO 20022 financial message standard (MX messages), marking a significant leap forward for payment innovation across the country. This achievement aligns with the global initiative to discontinue legacy MT payment messages. The adoption of ISO 20022 is an important step in modernizing Canada's payment landscape. This global financial messaging standard allows electronic payments to carry significantly more information, which is crucial for the future of payments. The rich data traveling with payments offers numerous benefits:

- Smoother cross-border exchanges.
- Increased innovation in payment products and services.
- Reduced reliance on manual processes and older technologies, like cheques.
- Faster adaptability to evolving technology and enhanced opportunities for automation.⁵⁵

⁵³ For more, see [Government announces new measures to help protect Canadians and businesses against extortion – Canada.ca](#).

⁵⁴ For more, see [Canada's Real-Time Rail Quarterly Update with Jude Pinto: 2026 Q1 | Payments](#).

⁵⁵ For more, see [Lynx achieves full adoption of ISO 20022 messaging standard \(MX\) and implementation of hybrid postal address format | Payments](#).

WHERE THE RUBBER HITS THE ROAD—REAL WORLD USE CASES OF REAL-TIME PAYMENTS

Real-time payments are transforming the global financial landscape, whether it be through advancing greater financial inclusion, redefining cross-border trade and remittances, or shifting corporate treasury to “just-in-time” finance. Real-time payment systems provide the foundational infrastructure to foster more innovation, competition, efficiency and connectivity within the global economy.

Working with our financial institution members, regulators and stakeholder partners, Payments Canada is transforming Canada’s payment platforms to ensure it remains globally competitive in today’s digital economy. The RTR, launching in Q4 of 2026, is Canada’s new real-time exchange and clearing and settlement payment system that supports instant, data-rich payments. It will enable Canadians to conduct payment transactions in real-time. This article explores how the benefits of real-time payments will have an impact on end users in the form of real-world use cases. It identifies some of the more promising use cases and how they can benefit the daily lives of Canadians and/or the day-to-day operations of businesses.

What are real-time payments?

Real-time payments are electronic payments made between bank accounts that are initiated, cleared and settled within seconds, at any time of the day or week, holidays and weekends included.

Today, consumers and businesses have access to a wide variety of payment methods, including credit, debit and prepaid cards, Interac e-Transfer, electronic funds transfer, wires, cheques and cash. Unlike these current methods, real-time payments will allow them to move their money much faster and more securely, with finality of settlement. Being able to send and receive a payment instantly allows consumers and businesses to avoid potential late fees and better predict when they will get paid. Since payments are sent, cleared and settled in seconds, they will know their funds have been deposited securely with no risk of cancellation. Real-time payments also use the ISO 20022 financial messaging standard which allows payment messages to carry more than just transaction amounts and account numbers. With ISO 20022, additional payment details can be embedded like invoice references, purchase order numbers, tax IDs and even full remittance details — such as who sent the funds and why — all in a machine-readable, structured format. For businesses and the government,

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this means fewer errors and faster payment reconciliation leading to greater operational efficiency.

Over 120 countries worldwide currently provide a form of real-time payments, with Canada introducing a single system to make the real-time exchange and settlement of payments happen.⁵⁶ Real-time payments have the potential to transform Canada's economy, giving Canadians more transparency and confidence in payments, helping them manage their money and providing access to their payments any day, any time.

What is the Real-Time Rail?

Canada's Real-Time Rail (RTR) payment system, owned and operated by Payments Canada, is new critical payment infrastructure that will allow Canadians to send and receive data-rich payments in real-time. These payments will not only be sent and

received in real-time, but they will also clear and settle between their financial institutions in real-time, 24/7, 365 days a year.⁵⁷

The RTR will transform Canada's payment ecosystem by offering consumers and businesses the ability to send or receive payments instantly, anytime and without any risk that the payment might be reversed at a later time. Canada will also be among the first to launch a real-time payment system incorporating centralized fraud services such as confirmation of payee, a transaction "safety" score, a risk list, and a reporting and intelligence platform from day one, which will enhance security.⁵⁸

The journey to the RTR has been a complex undertaking and the goal of a resilient, high-performing and secure real-time solution is closer than ever. Testing of the RTR began

after successful completion of the technical application build in Q3 of 2025. Testing occurs in multiple phases and includes, but is not limited to, system integration testing, user acceptance testing, industry assurance testing, operational readiness testing, performance testing and security testing. The comprehensive testing phase of Canada's RTR ensures we are delivering an instant, reliable and resilient payment system that serves those in Canada well into the future.⁵⁹

Canada's RTR will launch following robust and successful testing that meets Canada's expectations for a trusted and secure payment system. Overall, the ability to send or receive payments in real-time will give consumers greater certainty in transactions, increased transparency and greater control over their finances.

**REAL-TIME PAYMENTS
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THEIR MONEY AND
PROVIDING ACCESS TO
THEIR PAYMENTS ANY
DAY, ANY TIME.**

⁵⁶ For more, see: [The Real-Time Payments World Map | PYMNTS.com](#).

⁵⁷ For more, see: [Real-Time Rail payment system](#).

⁵⁸ *Transaction safety score* is a method of assessing the likelihood of a transaction being fraudulent, assigning a numerical score based on various factors and data points. *Central risk list* is a centrally managed shared database of account identifiers and fraud-related attributes flagged by participants as either suspected or confirmed fraud. *Confirmation of payee* is a payment verification service that confirms the account name matches the name you have entered for a payment.

⁵⁹ For more, see: [Real-Time Rail payment system](#).

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Consumer and business sentiment towards real-time payments

Payments Canada research indicates that many Canadians find real-time payments appealing. When asked about the appeal of real-time payments, over half of all Canadians (52 per cent) found it appealing, 40 per cent were neutral and only seven per cent found it not appealing. Furthermore, over one-third (34 per cent) would likely switch from their current payment methods to real-time payments.⁶⁰ For more, see **Figure 2: Consumer appeal and likelihood to switch to real-time payments**. Consumers and businesses are interested in using real-time payments for a number of payment situations. The main use cases include peer-to-peer transfers, bill payments, government disbursements and paying vendors and employees.⁶¹ For more, see **Figure 3: Top three situations for sending and receiving payments in real-time (consumer and business)**.

The primary motivation for Canadians wanting to switch to real-time payments is the ability to send or receive payments faster than current payment

methods allow — 29 per cent mentioned this as their main reason.⁶² Among those who are unlikely to switch to real-time payments for either making point-of-sale or remote payments, the main reason is that they are more comfortable using their current payment methods (32 per cent).⁶³ In 2025, 63 per cent of Canadians reported not experiencing any type of payment challenges in a given six month period. However, almost one in four Canadians (24 per cent) were dissatisfied with the cost of payments.⁶⁴ This result suggests that Canadians may choose to use a combination of real-time and current payment methods, depending on the situation, or keep using their current payment methods. This may change over time due to a better end-user understanding of real-time payments and their potential use cases.

Businesses rely on a variety of payment methods such as EFT, online bill payments, pre-authorized debit, Interac e-Transfer, credit card, cheques and wires for their operations. These are used for bill payments, paying suppliers and employees and receiving payments from customers and the government.

Payments Canada research showed that businesses were more likely than consumers to have experienced challenges when sending or receiving payments. In 2025, 39 per cent of businesses reported not experiencing any type of payment challenges in a given six month period (compared to 63 per cent for consumers).⁶⁵ The main payment frustrations facing businesses in 2025 were: high fees (16 per cent); ensuring bills were paid on time (13 per cent); managing the business' cash flow (11 per cent); processing delays (nine per cent); and security/safety (nine per cent).⁶⁶ The features and benefits of the RTR address many of these payment pain points. As such, businesses may be more likely than consumers to switch from their current payment methods to real-time payments should that option be available.

Important will be communications and outreach to businesses to confirm that sending/receiving payments in real-time is safe, secure and, from a cost perspective, comparable to or better than current payment methods.

60 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
61 Payments Canada/Leger. 2025 Consumer and Business Payments Tracker Surveys.
62 Payments Canada/Leger. 2024 Consumer Payments Tracker Survey.
63 Ibid.
64 Ibid.
65 Payments Canada/Leger. 2025 Business Payments Tracker Survey.
66 Ibid.

FIGURE 2: CONSUMER APPEAL AND LIKELIHOOD TO SWITCH TO REAL-TIME PAYMENTS

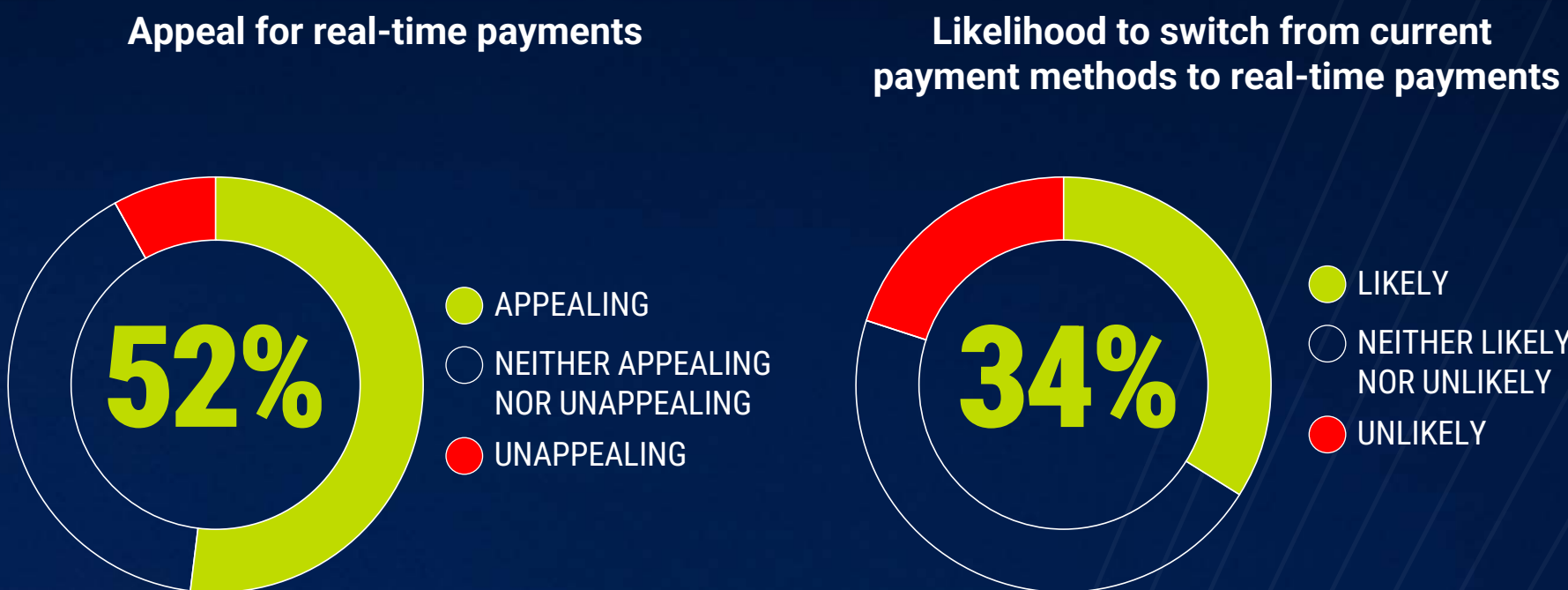
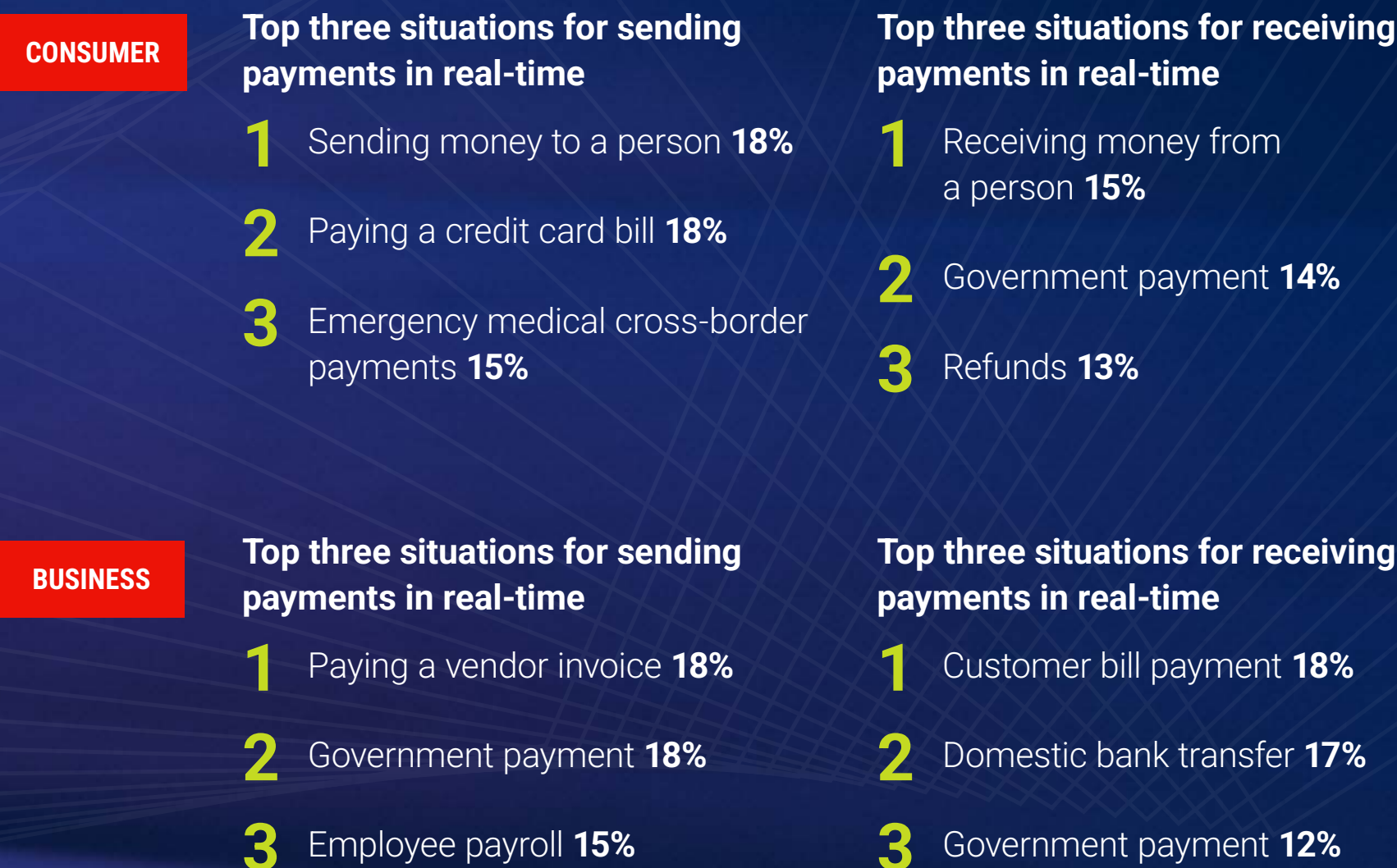


FIGURE 3: TOP THREE SITUATIONS FOR SENDING AND RECEIVING PAYMENTS IN REAL-TIME (CONSUMER AND BUSINESS)



Promising use cases for real-time payments

Real-time payments appeal to the majority of Canadians mainly for the speed and convenience they offer. Adoption of real-time payments by consumers and businesses is expected to be driven by specific use case characteristics where immediacy directly affects outcomes, particularly in disbursement scenarios. Several high-volume use case categories, such as bill payments and government receivables, are already well served by existing batch and scheduled payment methods (e.g., electronic funds transfer, debit and Interac e-Transfer). Real-time payments do not address a fundamental gap, but instead offer incremental improvements in data, speed, confirmation and control. There are stronger use cases where immediacy improves outcomes, and their adoption will largely depend on integration and operational readiness.

Gig worker payout

In Canada, nearly 4.6 million adults participate in the gig economy, working as freelancers or temporary contract workers. It includes individuals who use online gig platforms in which they may connect with clients through online platforms or apps, or take on

gig/temporary work, or through more traditional methods such as going through a temporary worker staffing agency, through word-of-mouth referrals and professional networking.⁶⁷ Gig worker payout represents a strong use case for real-time payments, which would provide valuable benefits to both the payor (business) and payee (gig worker).

The most common ways in which gig workers get paid in Canada are via EFT direct deposit, Interac e-Transfer, cheque, PayPal transfer and cash. Both businesses and gig workers currently prefer using Interac e-Transfer and EFT direct deposit for the convenience and security. Cheque is also currently preferred by businesses for paying gig workers, partly because it makes payment reconciliation easier. Cash is another preferred option by gig workers for getting paid because it allows them to be paid instantly.⁶⁸

For businesses that hire gig workers, the top payment irritants they encounter when paying gig workers are: payment reconciliation (34 per cent); the time it takes for gig workers to receive their pay once their contract is over (27 per cent); traceability of the payments (21 per cent); and the fees associated

with the payment methods used (14 per cent).⁶⁹

For gig workers, the top payment irritants they encounter when receiving payment for their services after completing their job or contract are: the time it takes to get paid once a contract is over (36 per cent); the fees associated with the payment method used by the employer (25 per cent); and getting paid by cheque (20 per cent).⁷⁰

Regarding fees, financial institutions charge users a range of fees associated with different payment methods. Fee exposure varies by payment method and institution; certain methods (e.g., push-to-card, wire, cheque) may carry higher direct or indirect costs.

For these reasons, both the payor (business) and payee (gig worker) within the gig worker payout scenario might have a low to medium attachment with their existing payment solution and be open to adopting new solutions that address their payment frictions.

The key benefits of real-time payments for businesses for this use case are: instant, 24/7 payment; data-rich payments (i.e., structured remittance data enabling automated reconciliation



67 Payments Canada/Leger. 2026 Consumer Payments Tracker Survey.

68 Payments Canada/Leger. 2023 Consumer and Business Payments Tracker Surveys.

69 Payments Canada/Leger. 2023 Business Payments Tracker Survey.

70 Payments Canada/Leger. 2023 Consumer Payments Tracker Survey.



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and clearer payment references); and more efficient and scalable disbursement compared to existing methods (e.g., Interac e-Transfer limits, batch constraints and administrative overhead when paying multiple workers). Similarly, the key benefits of real-time payments for gig workers for this use case are: instant, 24/7 access to earnings; reduced reliance on delayed or fragmented payment methods (e.g., waiting for batch deposits or dealing with multiple Interac e-Transfer payments due to amount limits); and lower exposure to fees or workaround costs associated with accessing funds (e.g., avoiding payday loans due to faster payout timing).

These benefits are not theoretical. Across international jurisdictions with live real-time payment systems, contractor and worker payouts have emerged as a successful early adoption use case. In Brazil, food delivery drivers, rideshare workers and micro-entrepreneurs rely heavily on Pix, the country's instant payment system. It has become the gold standard for instant payouts in Latin America, virtually replacing cash and traditional debit transfers for the gig workforce.⁷¹ In India, logistics, food delivery (like Zomato and Swiggy) and rideshare platforms use United Payments

Interface (UPI) to push earnings directly into workers' bank accounts or digital wallets immediately after a task is completed. It is highly cost-effective for platforms as it bypasses traditional card processing fees.⁷² The UK has millions of individuals participating in the gig economy. Courier, courier-delivery and freelance platforms utilize Faster Payment System (FPS) to clear sterling payments into worker bank accounts within seconds, keeping driver turnover low.⁷³ And, in the US, real-time and near-real-time rails are widely used for gig and contractor payouts.

In Canada, the success of this use case would depend on: financial institution readiness to originate real-time disbursements; employer operational adjustments to payout timing; employer technical upgrades to their Enterprise Resource Planning system; fraud and liquidity controls; and business incentive relative to current payment methods. Importantly, Canada's RTR will be among the first to include centralized fraud services, such as confirmation of payee, from day one. This ensures that businesses and individuals can benefit from instant wage payouts while having the right guardrails in place to protect them.

71 For more, see: [Payment and E-commerce Trends in Brazil for 2024 | PCMI](#).

72 For more, see: [Fintech for Gig Platforms: Payments + Credit for Indian Drivers | Billcut](#).

73 For more, see: [Real-time payouts for drivers and delivery workers – Fire](#).

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Insurance claims payout

The RTR can enable insurance providers to push claim payouts to policyholders' accounts seconds after approval. Funds can be immediately accessed in emergency scenarios (e.g., house fires or accidents) where victims require immediate liquidity (e.g. for temporary housing or repairs). Instant payment for insurance claim payouts can benefit both consumers (B2C payments) and commercial businesses (B2B payments).

For insurance providers, delays in customer claim settlement lead to overall customer dissatisfaction and are the biggest driver of customer churn. For customers, claim settlement time is the biggest pain point. Research released in 2025 indicates that individuals who receive disbursements (like insurance claims) instantly report up to 17 per cent higher satisfaction than those waiting for traditional methods like cheques or delayed EFTs.⁷⁴ The latest Ipsos data on the Canadian insurance sector identifies "payment clarity" and "real-time status" as the two biggest friction points. The report suggests that removing friction from claims — specifically through

immediate resolution and payment — is the fastest way to build trust.⁷⁵

Modern policyholders expect the same frictionless financial interactions they get from dealing with platform-based technology companies or fintechs (e.g., Uber, SkipTheDishes, KOHO or Wealthsimple). The shift toward real-time insurance payouts is part of a broader movement in fintech toward embedded finance, where disbursements are seamless, user-controlled and increasingly invisible. For these reasons, both insurance providers and their customers might be open to new solutions for sending and receiving an insurance claim payout.

The key benefits of real-time payments for insurance providers would be: instant, 24/7, data-rich payments; potentially lower overall cost and greater efficiency relative to cheques and wires; and improving customer satisfaction and loyalty. The key benefit of real-time payments to claimants is faster access to funds, especially during time-sensitive situations like emergencies.

The Asia-Pacific region leads the world in real-time insurance claim

disbursements, heavily supported by government-backed infrastructure and mobile-first consumer habits. In India, insurtechs and traditional insurers heavily leverage the UPI to send instant health, auto and crop insurance payouts directly to bank accounts or digital wallets via mobile numbers or virtual payment addresses.⁷⁶ Singapore (PayNow) and Thailand (PromptPay) operate well-established real-time networks that are interconnected. Insurers use them for near-instant travel and health insurance claims.⁷⁷ Through PayID, Australian insurers widely offer real-time claims payouts to customers' bank accounts, cutting out the traditional two to three day bank processing wait.⁷⁸ In other jurisdictions such as the UK, US and Brazil, real-time rails have been used to enable faster insurance claim payments where insurers integrate real-time payments capabilities into their claims systems.

Several things would need to be in place for instant insurance claim disbursements to take hold in Canada. Most importantly, insurance providers need to integrate their claims management system into a financial institution's APIs that route to the RTR for payment initiation.

To this end, the insurance provider needs to be operationally ready to originate real-time payments. To safely and effectively start initiating instant claim disbursements, the insurance provider must address operational pillars such as upgrading their fraud detection abilities, shifting from batch to continuous reconciliation and revamping their liquidity and cash management strategy. Other key factors include: the ability for receiving financial institutions to accept RTR payments; and the availability of accurate recipient payment credentials.

Overall, insurance claims payout represents a strong disbursement use case where immediacy directly improves customer experience and financial recovery following insured losses. Value is particularly high in time-sensitive or high-impact claims, while broader adoption depends on insurer integration with claims processing and payment systems. This use case includes both consumer (B2C) and commercial (B2B) insurance payouts, expanding applicability, but introduces additional operational complexity.

⁷⁴ For more, see: [Instant Isn't Optional: The Rise of Real-Time Payouts in Canada](#).

⁷⁵ Ipsos. 2025 Canadian Satisfaction Index (CSI) Insurance Report.

⁷⁶ For more, see: [What Are Real-Time Payments? Worldwide Statistics | Thunes](#).

⁷⁷ For more, see: [The Ultimate Guide to Real-Time B2B Cross-Border Payments](#).

⁷⁸ For more, see: [Insurance Payments Platform | Monoova](#) and [What Is a PayID and How Does It Work? — Duck Creek](#).





Instant supplier payment

Instant supplier payment is another strong use case where real-time payments can benefit both the payor (business) and payee (supplier/vendor). This use case focuses on B2B payments involving businesses that operate just-in-time (JIT) or near-JIT supply chains. JIT is a form of inventory management that requires working closely with suppliers so that raw materials arrive as production is scheduled to begin, but no sooner. The goal is to have the minimum amount of inventory on hand to meet demand.⁷⁹

A common friction point facing businesses that operate JIT supply chains is that they are not able to have their shipments (such as raw materials, finished goods) released immediately until the payment to the supplier/vendor is settled. With current payment methods, this can take days, which means they are forced to wait longer for their shipment to arrive. For example, the majority of businesses use EFT for paying their suppliers. Pre-authorized debits are commonly used by businesses to pay for goods and services related to business activity (often recurring).⁸⁰ Business pre-authorized debits generally take three to five business days to clear and settle through the batch payment system. Usually, funds are held for a set number of business days before

being released to allow for standard returns such as non-sufficient funds, invalid account, closed account or stopped payment. As a result, this wait time negatively impacts production times, revenue generation and cash flow management. It requires businesses to maintain a float to ensure adequate funds are available to pay for purchases due to settlement delays. For the supplier/vendor, the delay in getting paid also negatively impacts revenue generation and cash flow management.

For these reasons, businesses that operate a JIT or near-JIT supply chain could benefit from more efficient payment methods. Payments Canada research indicates that 18 per cent of SMEs and 23 per cent of mid-market businesses would use real-time payments to pay a supplier/vendor. Also, 17 per cent of SMEs and 24 per cent of mid-market businesses indicated that they would use real-time payments to receive a customer bill payment (from a business client).⁸¹

Almost one in four businesses (SME – 23 per cent, mid-market – 24 per cent) indicated the main concern they have about real-time payments is whether the cost of this service would be more than what they pay now for sending/receiving payments.⁸² An increase

in fees is more likely to affect SMEs as they are highly sensitive to changes impacting their business costs. They would be faster to react to a change in fees versus mid-market businesses. Research conducted among SMEs uncovered that most businesses could manage a small increase in transaction fees (one to two per cent), but nearly all indicated that an increase beyond that would likely result in a change in payment type, or change in banking institution.⁸³

The key benefits of real-time payments for both payor and payee for this use case are: instant, 24/7 payment; and potentially lower overall cost relative to higher cost methods such as push-to-card, wires or cheques depending on pricing structure. However, the potential lower cost would not be a primary factor compared to existing low-cost options, such as Interac e-Transfer or business pre-authorized debits/pre-authorized credits. For the supplier/vendor, real-time payments also provide greater certainty of funds without any risk that the payment might be reversed at a later time.

The instant supplier payout use case can be observed in action in other jurisdictions where real-time payments are supported. For example, in the UK, FPS enables immediate business transfers.⁸⁴ In Australia, NPP supports

⁷⁹ For more, see: [Just-in-Time \(JIT\) Inventory: A Definition and Comprehensive Guide | NetSuite](#).

⁸⁰ Payments Canada/Leger. 2025 Business Payments Tracker Survey.

⁸¹ Ibid.

⁸² Ibid.

⁸³ Payments Canada/RSG. 2022 The Future of Retail Batch Payments in Canada Qualitative Research Report.

⁸⁴ For more, see: [What is Faster Payments? A guide to the UK's real-time bank transfer system](#).

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real-time transfers between business accounts.⁸⁵ And, in Brazil, Pix allows businesses to transfer funds instantly to other businesses.⁸⁶

For this use case to be realized successfully in Canada, the sending financial institutions must enable RTR payments from business accounts. Similarly, the receiving financial institutions must be able to receive and credit RTR payments to supplier accounts. Adoption also depends on integration with accounts payable systems, supplier invoicing workflows and appropriate fraud and liquidity controls.

Overall, instant supplier payment represents a strong operational use

case where immediate settlement improves supplier liquidity and payment certainty. The value is highest in time-sensitive or JIT supply chain scenarios, but adoption depends on buyer payment behaviour, cost considerations and treasury practices. Continued reliance on scheduled payments for working capital management limits migration, potentially resulting in targeted rather than broad adoption. This implies the need to support competitive pricing, integration into treasury and accounts payable workflows and sufficient transaction limits and data capabilities to enable invoice-level reconciliation, in order to expand adoption beyond time-sensitive use cases.

⁸⁵ For more, see: [How Real Time Payments Are Transforming Business in Australia](#).

⁸⁶ For more, see: [A guide to Pix payments in Brazil | Stripe](#).



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Conclusion

This article explored several promising use cases of real-time payments. Other potential use cases of real-time payments include: consumer rent payments; immediate loan funding; domestic wire alternative; government disbursements; immediate merchant payouts and real estate transactions. The two factors that most likely will drive the creation and adoption of real-time payment use cases are: 1) it addresses an unmet need, or solves an existing problem; and 2) the dependencies that allow the use case to materialize are met. For this reason, some use cases of real-time payments will undoubtedly follow a quicker path to market than others.

Overall, RTR adoption is expected to be selective. The RTR will complement existing payment systems rather

than broadly displacing them. Batch processes will remain central in areas where current efficiency, liquidity management and process integration outweigh the need for immediacy. The pace of adoption will be determined less by the availability of the rail and more by ecosystem readiness, including biller and government integration, workflow alignment and the potential development of supporting capabilities such as Request-to-Pay. The RTR will succeed where it is embedded into specific payment journeys with clear value, rather than as a general-purpose replacement for existing payment methods.

The impending launch of the RTR will modernize Canada's financial landscape by enabling data-rich,

electronic payments to clear and settle instantly, 24/7/365. For consumers, this means unprecedented control over their finances, allowing them to make time-sensitive payments and see the funds transfer in seconds. For businesses, the RTR will provide an immediate boost to liquidity and cash flow management, allowing them to make better business decisions, strengthen their operations and contribute to Canada's economic prosperity. Finally, the RTR paves the way for payment service providers to build tailored, innovative financial products, offering consumers and businesses more choice in how they pay and get paid.

THE IMPENDING LAUNCH OF THE RTR WILL MODERNIZE CANADA'S FINANCIAL LANDSCAPE BY ENABLING DATA-RICH, ELECTRONIC PAYMENTS TO CLEAR AND SETTLE INSTANTLY, 24/7/365.

FINDINGS

The sections below build on a number of different data streams in order to provide a comprehensive view of consumer and business payment behaviour conducted via paper, cards and electronic payment methods.⁸⁷

⁸⁷ All per cent changes reported in the following sections are based on an average annual per cent change calculation unless otherwise stated. To find the per cent change, you first subtract the earlier index value from the later one, then divide that difference by the earlier index value, and finally multiply the result by 100.



Five-year Canadian payment transaction trends

In 2025, Canadians conducted a total of 26.7 billion payment transactions worth \$12.9 trillion. Over the past five-year period, total payment volume and value both increased by 37 per cent (see **Table 4: Five-year Canadian payment transaction trends**). Total payment volume and value growth in the long run has been steady overall. The five-year compound annual growth rates for total payment volume and value have been growing at an increasing rate from 2019 – 2025. The dip in growth in 2020 was due to the contractionary impact of the COVID-19 pandemic. This also explains why the five-year growth rate in total payment volume and value was exceptionally higher in 2025 compared to previous years. For more, see **Figure 4: Total payments five-year compound annual growth rates (volume and value)**.

Card, online transfer and electronic funds transfer (EFT) payments were the main drivers of volume and value growth over the past five years. Credit cards led all other card types for five-year growth in volume and value (75 per cent and 66 per cent, respectively). Overall, credit cards

accounted for 43 per cent of total payment volume in 2025. Although prepaid cards accounted for less than one per cent of total payment value in 2025, they represented the second fastest growing card type by value over the past five years (53 per cent).

Online transfer volume increased by 110 per cent, while value increased by 169 per cent from 2020. Even though online transfers make up a relatively small proportion of total payment volume and value (six per cent and five per cent, respectively), they continued to exhibit the highest volume and value growth of any payment method over the past five years. The five-year compound annual growth rates (volume and value) for online transfer continued to increase at a decreasing rate. For more, see **Figure 5: Online transfer five-year compound annual growth rates (volume and value)**. This downward trend is tied to Interac e-Transfer usage. Online transfer volume and value mainly consist of Interac e-Transfer transactions. Over time, Interac e-Transfer usage has become widespread and is approaching market

maturation. The online transfer five-year compound annual growth rate (volume and value) curves are expected to eventually flatten.

EFT payments accounted for 63 per cent of total payment value in 2025 and ranked third highest among all payment types for past five-year value growth (59 per cent). In the paper payment instruments category, cash and cheque were trending in opposite directions in terms of long-term growth. Cash volume and value grew by five per cent and 10 per cent, respectively, over the past five years, while cheque volume and value declined by 26 per cent and 16 per cent, respectively, over the same period. Cash use has been relatively stable since 2020, with cash being used for about 20 per cent of point-of-sale (POS) purchases, representing 11 per cent of total POS transaction value.⁸⁸ Although Canadians are increasingly using electronic payment methods, 55 per cent of them have no plans to go completely cashless and still wish to continue using cash.⁸⁹

TABLE 4: FIVE-YEAR CANADIAN PAYMENT TRANSACTION TRENDS

Payment method	Total volume 2020		Total volume 2025		Change from 2020 %
	in millions	% of total volume	in millions	% of total volume	
Cash	2,242	12%	2,359	9%	5%
Cheque	432	2%	320	1%	-26%
ABM	408	2%	318	1%	-22%
Debit	5,699	29%	6,793	25%	19%
Credit	6,640	34%	11,590	43%	75%
Prepaid	303	2%	394	1%	30%
EFT	2,908	15%	3,250	12%	12%
Online transfer	801	4%	1,683	6%	110%
Total	19,433	100%	26,707	100%	37%

Payment method	Total value 2020		Total value 2025		Change from 2020 %
	\$ millions	% of total value	\$ millions	% of total value	
Cash	51,231	1%	56,233	1%	10%
Cheque	3,056,371	32%	2,579,535	20%	-16%
ABM	77,371	1%	70,358	1%	-9%
Debit	251,731	3%	304,763	2%	21%
Credit	618,300	7%	1,024,400	8%	66%
Prepaid	17,884	0%	27,359	0%	53%
EFT	5,147,089	54%	8,209,393	63%	59%
Online transfer	249,123	3%	669,150	5%	169%
Total	9,469,100	100%	12,941,192	100%	37%

88 For more, see [Methods-of-Payment Survey—Bank of Canada](#).
89 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

FIGURE 4: TOTAL PAYMENTS FIVE-YEAR COMPOUND ANNUAL GROWTH RATES (VOLUME AND VALUE)

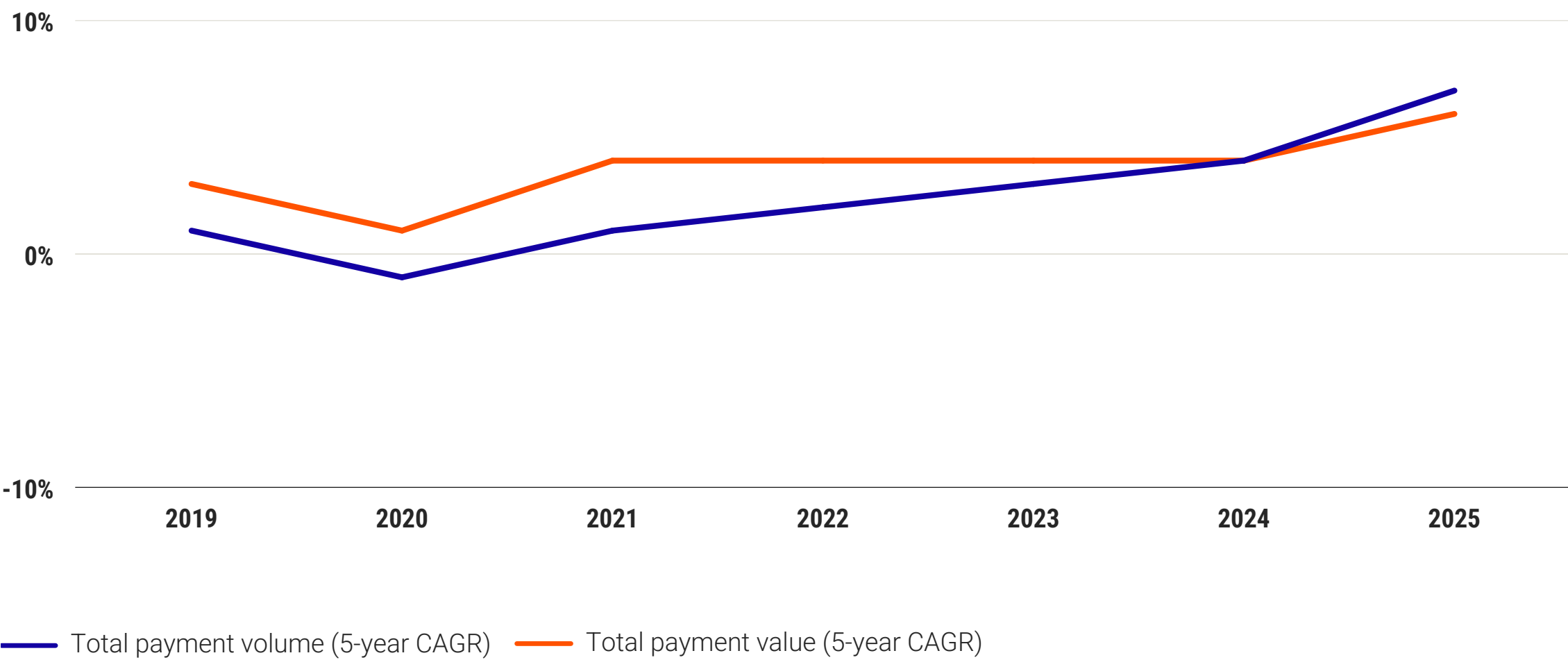
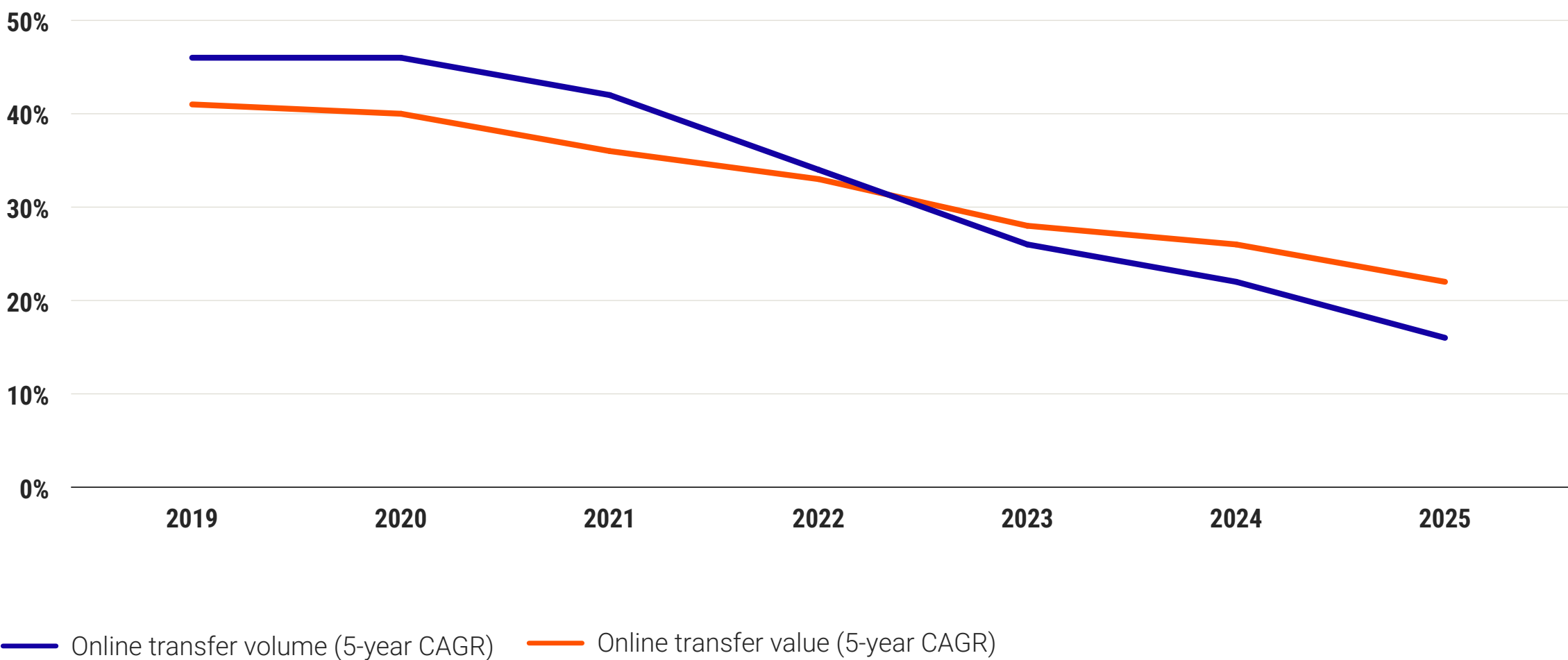


FIGURE 5: ONLINE TRANSFER FIVE-YEAR COMPOUND ANNUAL GROWTH RATES (VOLUME AND VALUE)



Year-over-year Canadian payment transaction trends

The following analysis compares the 2025 data to 2024 data (see **Table 5: One-year Canadian payment transaction trends**). This perspective allows us to identify if trends observed in previous years are continuing, and to spot the emergence of potential trends.

Canada’s real GDP grew by 1.7 per cent in 2025 (down from two per cent in 2024), marking its slowest annual pace since 2020. The slower rise in GDP in 2025 was mainly driven by reduced exports, particularly to the US.⁹⁰ As a result, total payment volume and value experienced modest gains year-over-year (three per cent and five per cent, respectively).

The one-year compound annual growth rate trend for total payment volume can be looked at in two parts — there was a sharp drop and rebound between 2019 and 2021, followed by a gradual declining trend

between 2021 and 2025. The one-year compound annual growth rate trend for total payment value experienced wider fluctuations from 2019 – 2025. There was a drop and sharp rise between 2019 and 2021, followed by continued fluctuations in rates of growth from 2022 – 2025. Various economic shocks can be linked to the movements in these payment volume and value growth rate trends: the impact and recovery period associated with the COVID-19 pandemic; the shifting of Canada’s inflation rate from a sharp post-pandemic surge to a gradual cooldown; and the impact of the US tariffs on Canadian exports, business investment and spending, employment and consumer spending.⁹¹ For more, see **Figure 6: Total payments one-year compound annual growth rates (volume and value)**.

TABLE 5: ONE-YEAR CANADIAN PAYMENT TRANSACTION TRENDS

Payment method	Total volume 2024		Total volume 2025		Change from 2024 %
	in millions	% of total volume	in millions	% of total volume	
Cash	2,544	10%	2,359	9%	-7%
Cheque	340	1%	320	1%	-6%
ABM	337	1%	318	1%	-6%
Debit	6,731	26%	6,793	25%	1%
Credit	10,880	42%	11,590	43%	7%
Prepaid	372	1%	394	1%	6%
EFT	3,222	12%	3,250	12%	1%
Online transfer	1,486	6%	1,683	6%	13%
Total	25,913	100%	26,707	100%	3%

Payment method	Total value 2024		Total value 2025		Change from 2024 %
	\$ millions	% of total value	\$ millions	% of total value	
Cash	62,667	1%	56,233	1%	-10%
Cheque	2,715,700	22%	2,579,535	20%	-5%
ABM	62,089	1%	70,358	1%	13%
Debit	302,214	2%	304,763	2%	1%
Credit	974,500	8%	1,024,400	8%	5%
Prepaid	25,467	0%	27,359	0%	7%
EFT	7,647,900	62%	8,209,393	63%	7%
Online transfer	568,576	5%	669,150	5%	18%
Total	12,359,113	100%	12,941,191	100%	5%

90 For more, see [The Daily – Gross domestic product, income and expenditure, fourth quarter 2025](#).
91 For more, see [Economic and fiscal overview | Budget 2025](#).

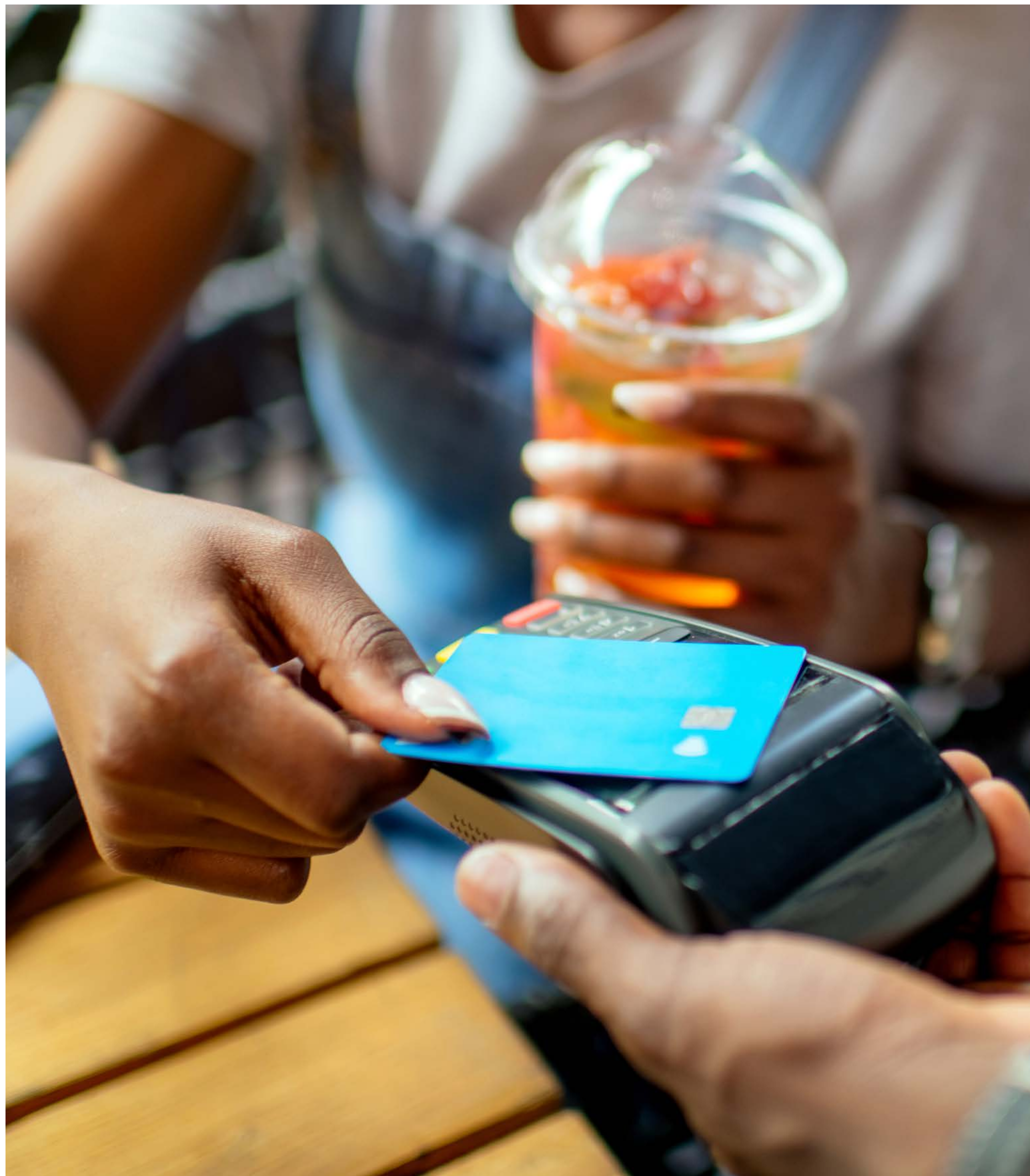
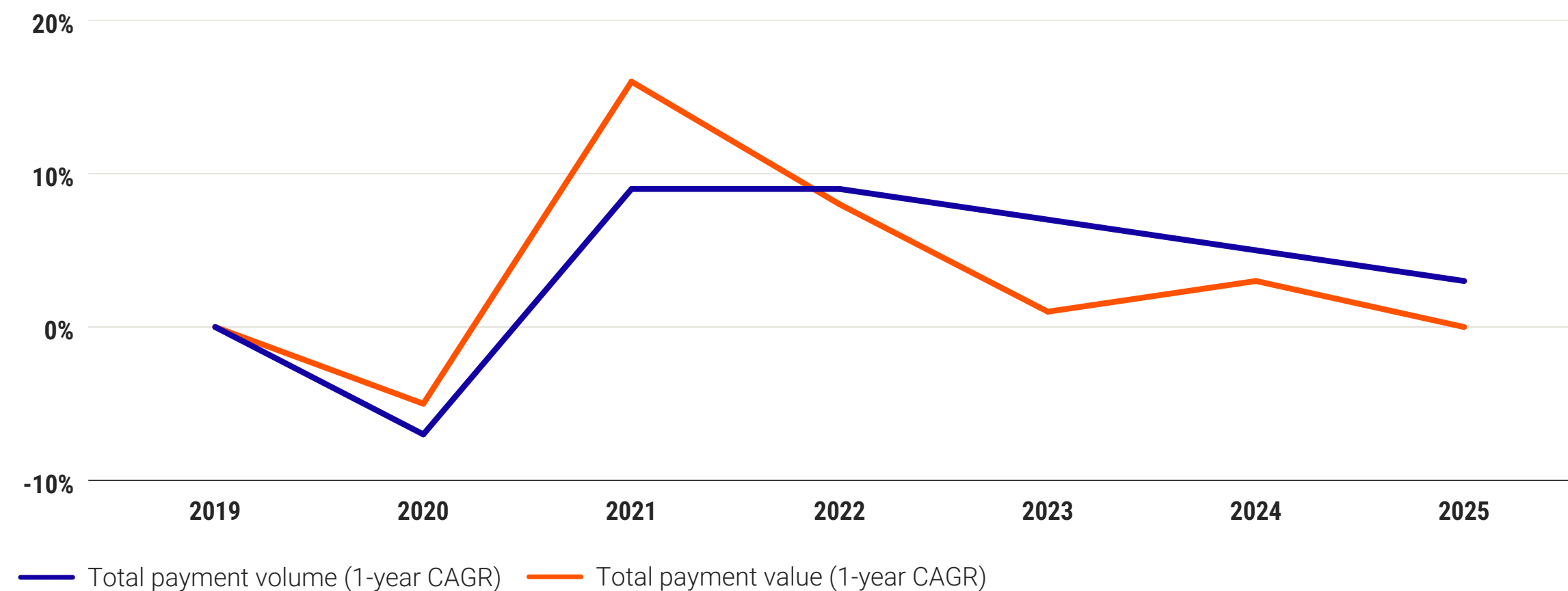


FIGURE 6: TOTAL PAYMENTS ONE-YEAR COMPOUND ANNUAL GROWTH RATES (VOLUME AND VALUE)



Overall, year-over-year payment transaction trends were similar to those observed a year ago. Card volumes and values increased in 2025. Credit cards displayed the greatest year-over-year growth in transaction volume, while prepaid cards displayed the greatest year-over-year growth in transaction value. Credit and debit cards were the leading two payment methods of choice for in-store and online purchases among Canadians and represented 68 per cent of total payment volume in 2025 (unchanged from 2024).

Online transfer volume and value grew by 13 per cent and 18 per cent, respectively, in 2025 (down from 16 per cent and 23 per cent a year ago). Online transfer remained the

leading payment type for year-over-year volume and value growth, driven by Interac e-Transfer usage. Interac e-Transfer volume and value increased by 14 per cent and 18 per cent, respectively, in 2025 compared to a year ago. The average annual number of Interac e-Transfer transactions per user increased by nine per cent to 42 transactions in 2025.⁹²

Year-over-year growth in EFT volume and value were nearly identical to the gains made in 2024. EFT volume increased by one per cent (unchanged from a year ago), while value increased by seven per cent (up from six per cent a year ago). The year-over-year EFT volume and value gains were mainly driven by growth in the volume and value of commercial automated

fund transfers (four per cent and nine per cent, respectively). Cash volume and value decreased by seven per cent and 10 per cent, respectively, compared to 2024. Cheque usage saw slightly lower declines in volume and value year-over-year compared to cash. Cheque volume and value decreased by six per cent and five per cent, respectively, in 2025. This was driven by declines in commercial cheque volume and value from 2024 (nine per cent and five per cent, respectively). The year-over-year decline in personal cheque volume and value was one per cent and five per cent, respectively.

⁹² Figures provided by Interac.

2025 HIGHLIGHTS

A total of

2.4 billion
transactions worth
\$56 billion

were made using cash by Canadians
in 2025.⁹³

Cash transaction volume and value
decreased, respectively, by

7% & 10%

year-over-year.⁹⁴

Cash transaction volume and value have been
in decline over the long-term with 10-year
compound annual growth rates of

-9% & -6%

respectively.

The average cash transaction value was

\$24

—down from \$25 in 2024.⁹⁵

93 Figures based on data provided by the Bank of Canada. Note: The Canadian Payment Methods and Trends report uses an extrapolation of the POS cash purchase data from the Bank of Canada's 2025 Methods of Payment Study for the month of November 2025 to obtain an estimate of total cash transaction volume and value for all of 2025.

94 Ibid. Note: The Bank of Canada revised its average per day per person cash value estimate from its 2024 Methods of Payment survey. The updated 2024 cash value estimate is used in the 2026 CPMT report; it will be different from the 2024 cash value estimate contained in the 2025 CPMT report. This change also impacts the year-over-year growth calculation for cash value.

95 Ibid.

Cash

Cash usage decreased more steeply in 2025. The year-over-year percentage decrease in transaction volume was seven per cent compared to two per cent in 2024.⁹⁶ Transaction value decreased by 10 per cent year-over-year compared to eight per cent in 2024.⁹⁷

Cash payments have gradually declined over the long term. The 10-year compound annual growth rates for cash transaction volume and value were -9 per cent and -6 per cent, respectively. Overall, Canadians conducted a total of 2.4 billion cash transactions worth \$56 billion in 2025.⁹⁸ The average cash transaction value was \$24, down from \$25 in 2024.⁹⁹

In 2025, cash accounted for nine per cent of total payment transaction volume and less than one per cent of total payment transaction value. It remained the fourth most used payment method behind credit and debit cards and EFT by volume compared to 2024.

For point-of-sale (POS) payments, cash volume decreased by seven per cent to 2.1 billion transactions, while value decreased by 10 per cent to \$51 billion from 2024.¹⁰⁰ Overall, cash accounted for 11 per cent and four per cent of total POS volume and value,

respectively, and far behind credit and debit cards.

Canadians are using cash less often for POS and peer-to-peer payments (P2P) in favour of digital options such as credit, debit and prepaid cards, as well as Interac e-Transfer. The driving forces behind this shift in payment usage behaviour include: increased ease and convenience linked to contactless payments; receiving loyalty rewards for using debit and credit cards; and other benefits linked to cards and Interac e-Transfer payments, such as ease of tracking expenses and increased safety and security.¹⁰¹ Digital wallets and mobile payment apps are also competing with these established payment methods to replace cash for making POS and P2P payments.

Despite the long-term decline in cash payments, 45 per cent of Canadians continued to frequently use cash in 2025 (down significantly from 48 per cent a year ago). These were individuals who used cash every

couple of weeks, or more often, to make payments. The profile of frequent cash users remained unchanged. They tended to be male, older, less educated, unbanked and lived in rural areas and outside of Quebec. They were also more likely to be self-employed and have a lower annual household income.¹⁰²

The average number of times cash was used in a given week was 3.7 for those Canadians that used cash (fairly similar to 3.5 in 2024).¹⁰³ Almost one third of Canadians (32 per cent) who used cash monthly or more often mainly used it for day-to-day payments such as making purchases, paying expenses or paying a friend or family member (unchanged from 2024).¹⁰⁴ Thirty-nine per cent used cash not only for day-to-day payments, but were also holding onto it for emergencies (fairly similar to 42 per cent in 2024).¹⁰⁵ Close to three in 10 Canadians (29 per cent) mainly held onto cash in case of emergencies (fairly similar to 26 per cent in 2024), which meant they

96 Ibid.

97 Ibid.

98 Ibid.

99 Ibid.

100 Ibid. Note: To calculate POS cash volume and value, it is assumed that POS cash transaction volume and value account for 90 per cent of total cash transaction volume and value.

101 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

102 Ibid. Note: Frequently use cash = Daily, 2-3 times a week, once a week, or every couple of weeks.

103 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey. Note: Excludes zero mentions.

104 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

105 Ibid.



had stopped using cash for day-to-day payments.¹⁰⁶ Overall, there was a slight migration away from using cash in a multi-purpose manner towards holding onto it for emergency use only among cash users in 2025.

The most common payment situations for using cash were unchanged from a year ago and included: paying for low value (\$20 or less) purchases (66 per cent); paying a tip (49 per cent); paying someone back for money that was borrowed (35 per cent); sending a cash gift to someone (26 per cent); charitable donation (19 per cent); paying for high value (more than \$20) purchases (19 per cent); and buying goods or services “under the table” to avoid paying tax (15 per cent).¹⁰⁷

Many Canadians still received some or all of their employment income in cash. Over one in four Canadians (27 per cent) received at least some of their monthly employment income in cash, with four per cent of them receiving the majority of their income in cash (i.e., more than 50 per cent of their monthly income was paid in cash). The proportion of Canadians who did not receive any portion of their monthly employment income in cash was 67 per cent (more or less the same as 68 per cent from last year).¹⁰⁸

The primary drivers of frequent cash usage among Canadians were wide acceptance, speed and the ability to use their own funds rather than borrow (unchanged from 2024). Making it easier to budget spending also entered the top five ranking of drivers of cash use, tied for fifth place with ease/convenience.¹⁰⁹ For more on the top drivers of cash use, see **Table 6: Top five drivers of cash use (consumers)**.

Men were significantly more likely than women to use cash for buying goods or services “under the table” to avoid paying tax (18 per cent versus 12 per cent, respectively) and getting paid for work (10 per cent versus six per cent, respectively). Women were significantly more likely than men to use cash for buying goods or services (seven per cent versus two per cent). Older Canadians (55 or over) were significantly more likely than young (18 – 34) and middle-aged (35 – 54) Canadians to use cash for paying for low value purchases (75 per cent versus 51 per cent and 66 per cent, respectively).¹¹⁰

Of the consumers who used cash for POS purchases, their main reasons for doing so were unchanged from 2024 and included: having cash on hand that they wanted to spend

(44 per cent); the transaction was a low amount – under \$15 (29 per cent); ease and convenience of using cash for that transaction (27 per cent); cash payments are fast (21 per cent); the merchant preferred or only accepted cash (19 per cent); and helped manage my spending (16 per cent).¹¹¹

Among the Canadians who used cash for making P2P payments, their primary reasons for doing were also unchanged from 2024 and included: it was easier and more convenient for them to use cash (29 per cent); the person they were giving money to preferred or only wanted cash (29 per cent); they had cash on hand that they wanted to spend (29 per cent); cash payments are fast (22 per cent); the transaction was a low amount – under \$15 (21 per cent); and it was safe/secure (14 per cent).¹¹²

The biggest frustrations that Canadians experienced when using cash for payments were unchanged from 2024 and included: not having enough cash on hand to make a payment (25 per cent); not being able to make online purchases (24 per cent); stores not accepting large denomination notes (22 per cent); recovering lost or stolen cash is difficult because ownership is not

easily traceable (17 per cent); less convenience than card payments or Interac e-Transfer (15 per cent); and difficulty to track their spending (15 per cent).¹¹³

Young Canadians were significantly more likely than middle-aged and older Canadians to feel more “spend guilt” when handing over physical cash for payments versus cards or digital payments (19 per cent versus nine per cent and six per cent, respectively).¹¹⁴ Older Canadians were most likely not to have any challenges or frustrations with using cash for payments compared to other age groups. Over two in five (45 per cent) did not experience any pain points when making cash payments.¹¹⁵

While the long-term trend is a move away from cash, the majority of Canadians do not wish to see cash completely go away. Over half of Canadians (55 per cent) indicated that they have no desire to go completely cashless (more or less unchanged from 57 per cent in 2024), while 13 per cent of Canadians have already gone cashless (fairly similar to 11 per cent in 2024).¹¹⁶

Young Canadians were significantly more likely than other age groups

106 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

107 Ibid.

108 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.

109 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

110 Ibid.

111 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.

112 Ibid.

113 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

114 Ibid.

115 Ibid.

116 Ibid.

to have gone completely cashless (unchanged from a year ago). One in five young Canadians did not use cash at all (fairly similar to 18 per cent in 2024), while 35 per cent of them were thinking of going cashless. Older and middle-aged Canadians were significantly more likely than young Canadians to still want to continue using cash. Sixty-three per cent of older Canadians and 53 per cent of middle-aged Canadians had no plans to go completely cashless compared to 45 per cent of young Canadians.¹¹⁷

There are several reasons why some Canadians have no desire to go completely cashless. Many people

still rely heavily on cash, particularly the elderly, the unbanked and those who use cash for small payments. Cash allows consumers to manage their spending. Finally, cash is still a preferred payment method during a crisis because it is widely accepted and unaffected by technological issues (e.g., power or internet outage).

Looking ahead, Bill C-2, a legislative proposal introduced by the Government of Canada in June 2025, may impact overall cash usage among Canadians in future. Bill C-2 is designed to strengthen federal anti-money laundering laws by “making it illegal for any person, business, bank

or charity to accept a cash payment, donation or deposit of \$10,000 or more.”¹¹⁸ It would also prohibit businesses from depositing their daily earnings in a secure mail slot after banking hours.¹¹⁹ These two measures potentially introduce friction by making it riskier and more difficult for businesses to operate in cash. Some cash-heavy businesses may find it hard to deposit all their earnings at any bank. If these pain points push enough businesses to go cashless, it may lead the way towards a more cashless society for the future.

TABLE 6: TOP FIVE DRIVERS OF CASH USE (CONSUMERS)

Base: Frequently use cash (n=1,717)

Widely accepted	37%
Fast	37%
Able to use my own funds (rather than borrow)	25%
Anonymous	21%
Easier/more convenient than other payment methods	20%
Makes it easier to budget my spending	20%

Frequently use = monthly or more often

117 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

118 For more, see: [Canada shouldn't go cashless](#).

119 Ibid.



2025 HIGHLIGHTS

There were a total of

320 million
cheque transactions valued at
\$2.6 trillion

Volume and value declined by six per cent and five per cent, respectively, from 2024.

Cheques represented

1% 20%
of total payment volume (down from two per cent a year ago) and of total payment value (down from 22 per cent in 2024).

Personal cheque volume decreased by one per cent to

134 million
transactions, while personal cheque value also decreased by five per cent to \$50 billion from 2024.

Commercial cheque volume decreased by nine per cent to 186 million transactions, while commercial cheque value decreased by five per cent to \$2.5 trillion. Commercial cheque value represented

98%
of total cheque value, unchanged from 2024.

The average cheque transaction value increased by one per cent to

\$8,056
compared to \$7,987 in 2024.

Cheque and paper

Overall cheque usage continued to decline in 2025. Cheque volume declined by six per cent to 320 million transactions, while cheque value decreased by five per cent to \$2.6 trillion from a year ago.

Cheques were used less by consumers than businesses. Personal cheque volume accounted for 42 per cent of total cheque volume in 2025. However, commercial cheque volume experienced a greater year-over-year decline than personal cheque volume in 2025. Personal cheque volume decreased by one per cent compared to nine per cent for commercial cheque volume, year-over-year.

Overall, the year-over-year decrease in commercial cheque volume accounted for 90 per cent of the year-over-year cheque volume reduction in 2025. Commercial cheque usage comprised 98 per cent of total cheque value in 2025 (unchanged from a year ago).

The average cheque transaction value increased by one per cent from \$7,987 to \$8,056 in 2025. The average cheque transaction value for personal and commercial was \$373 and \$13,586, respectively, in 2025.

Canadians used cheques less frequently than businesses. Thirty-nine per cent of Canadians reported using cheques less than once a month, compared to 26 per cent

for businesses. Forty-two per cent of Canadians did not use cheques at all compared to 20 per cent for businesses.¹²⁰

Canadians were not making cheque payments more often for the following reasons: they did not have a need to make more cheque payments (51 per cent); they had no interest in paying by cheques (38 per cent); less convenient than other payment methods (28 per cent); not fast enough (15 per cent); retailer did not accept cheque payment (14 per cent); and did not receive discounts/loyalty rewards for using this payment method (12 per cent).¹²¹ These results remained relatively unchanged from a year ago.

Canadians prefer cheque payments because they make it easier to keep track of expenses, are perceived to be more convenient than other payment methods and allow Canadians to use their own funds rather than borrow.¹²² For more on the top drivers of cheque use, see **Table 7: Top five drivers of cheque use (consumers)**.

Cheques were typically used by consumers to pay a person or

business for the following situations: rent payment (16 per cent); utility bills (16 per cent); credit card bill payment (16 per cent); retail purchases (16 per cent); cash gift (15 per cent); tax payment (14 per cent); and charitable donation (13 per cent).¹²³

The most common situations for receiving a cheque payment from a person or business included: government disbursement (49 per cent); work pay (40 per cent); cash gift (30 per cent); rent payment (18 per cent); and loan repayment (18 per cent).¹²⁴

In its 2025 federal budget, the Canadian government introduced important changes to enhance cheque usage among consumers. Budget 2025 proposes to amend the *Bank Act* to raise the dollar threshold and shorten the hold period on cheque deposits to improve accessibility to cheque payments, benefiting Canadians who rely on cheques.¹²⁵

Businesses prefer cheque payments because they are: widely accepted; the preferred method for receiving payments from their suppliers; easily

120 Payments Canada/Leger. 2025 Consumer and Business Payments Tracker Surveys.
121 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
122 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
123 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
124 Ibid.
125 For more, see: [Budget 2025 – Canada Strong](#).

traceable if lost; and allows businesses to use their own funds rather than borrow.¹²⁶ For more on the top drivers of cheque use, see **Table 8: Top five drivers of cheque use (businesses)**.

The most common payment situations for cheques among businesses were paying suppliers/vendors (41 per cent); paying for professional services (37 per cent); government payments (32 per cent); paying employees (30 per cent); charitable donations (27 per cent) and rent/commercial lease payments (22 per cent).¹²⁷ Mid-market businesses are significantly more likely than small businesses to pay their suppliers using cheques (54 per cent versus 40 per cent, respectively).¹²⁸

The biggest pain points facing businesses when using cheques were: long hold period (41 per cent); cheques can be stopped or returned (39 per cent); bounced cheque

payment due to non-sufficient funds (35 per cent); having to visit a bank branch to physically deposit a cheque (35 per cent); and the potential for cheque fraud (34 per cent).¹²⁹ Mid-market businesses were significantly more likely than small businesses to indicate the potential for cheque fraud as a disadvantage of cheque use (48 per cent versus 33 per cent, respectively).¹³⁰

Half of all businesses in Canada believe that they will completely move away from using cheques in the future (down significantly from 57 per cent in 2024). Of these businesses, 30 per cent believe that they will completely move away from using cheques within the next one to two years (down from 40 per cent in 2024). Close to three in 10 businesses (28 per cent) indicated that they will never completely move away from using cheques.¹³¹

The top three payment methods that would most likely replace cheques for businesses sending or receiving payments were electronic funds transfer (90 per cent), Interac e-Transfer (89 per cent) and corporate/business credit cards (85 per cent).¹³² For sending or receiving consumer payments, businesses would replace cheques with Interac e-Transfer (52 per cent), electronic funds transfer (42 per cent) and personal credit or debit card (38 per cent).¹³³ For sending or receiving business payments, businesses would replace cheques with electronic funds transfer (60 per cent), corporate/business credit card (58 per cent) and Interac e-Transfer (55 per cent).¹³⁴ For sending or receiving government payments, businesses would replace cheques with electronic funds transfer (51 per cent), Interac e-Transfer (32 per cent) and wire transfer (30 per cent).¹³⁵

TABLE 7: TOP FIVE DRIVERS OF CHEQUE USE (CONSUMERS)

Base: Frequently use cheque (n=524)	
Easier to control/keep track of expenses	20%
Easier/more convenient than other payment methods	20%
Able to use my own funds rather than borrow	19%
Widely accepted	18%
More secure than other payment methods/less risk of theft/misuse	16%

Frequently use = monthly or more often

TABLE 8: TOP FIVE DRIVERS OF CHEQUE USE (BUSINESSES)

Base: Frequently use cheque (n=292)	
Widely accepted	29%
Suppliers prefer to be paid this way	26%
Can be easily traced if lost	21%
Able to use business’ own funds (rather than borrow)	20%
Payment can be stopped in case of an error	18%

Frequently use = monthly or more often

126 Payments Canada/Leger. 2025 Business Payments Tracker Survey.
127 Payments Canada/Leger. 2025 Business Payments Tracker Survey. Note: Figures are based on businesses that use cheques monthly or more often.
128 Ibid.
129 Ibid.
130 Ibid.
131 Ibid.
132 Ibid.
133 Ibid.
134 Ibid.
135 Ibid. Note: Wire transfer is an electronic payment method made through a global network, allowing for fast, irreversible, foreign or domestic electronic money transfers (offers higher transaction limits for single payments and is often used when paying large sums of money).

2025 HIGHLIGHTS

Debit card¹³⁶ transaction volume and value both increased by one per cent year-over-year to

6.8 billion & \$305 billion

respectively.

Debit card transactions represented

25%

of total payment volume (down one percentage point from 2024) and

2%

of total payment value (down one percentage point from 2024).

The total number of debit cards in circulation increased by two per cent to

54.2 million

The average debit card transaction value was

\$45

—unchanged from 2024.

136 Debit cards include all debit card transactions; for example, contact and contactless (including card and mobile) payments and Interac Debit In-App payments.

Debit card

A total of 6.8 billion debit card transactions worth \$305 billion were made in 2025.¹³⁷ Debit cards ranked second overall behind credit cards as the most used payment method in Canada in 2025. They represented 25 per cent of total payment volume (compared to 43 per cent for credit cards).

The one-year compound annual growth rate (CAGR) for debit card volume and value was one per cent, while the five-year CAGR for volume and value was four per cent. This result indicates that near-term growth in debit card volume and value has softened compared to the long term.

There was a contraction in spending among debit card holders for the first time in June 2025 since January.¹³⁸ This spending decrease occurred in discretionary categories like entertainment and dining, as well as gasoline.¹³⁹ The causes for the decline included: the negative impact of escalating trade tensions with the US on consumer confidence; and a sharp decrease in gasoline prices of about 18 per cent with the elimination of the carbon tax by the federal government.¹⁴⁰ However, quarterly data shows that total cardholder spending and core retail sales saw positive growth led by spending on essential goods.¹⁴¹

Debit cards continued to trail credit cards for point-of-sale volume and value with the gap widening in 2025. For more, see **Figure A7: Point of sale payment methods volume and value (five-year trend line)** in the appendix. The average debit card transaction value was \$45, unchanged from 2024.

In Canada, both debit and credit card contactless tap limits have largely converged to a standard of \$250 per transaction. However, key differences exist regarding cumulative spending limits, which are generally stricter on debit cards to protect account balances. Interac Flash debit cards have a cumulative limit, usually around \$400 or \$500 before requiring PIN entry. Credit cards are less strictly capped by cumulative amounts compared to debit, often with no specific low cap until the credit limit is reached. For this reason, debit cards are generally used for lower value transactions.

Fifty-four per cent of Canadians made one or more debit card purchases in a given week (unchanged from 2024).¹⁴² The main drivers of debit card usage among Canadians included wide acceptance, being able to quickly make a payment and preferring to use their own funds. The reasons for use were unchanged from 2024. For more, see **Table 9: Top five drivers of debit card use (consumers)**.¹⁴³

More Canadians preferred to complete a debit card payment with tap-to-pay using their physical card than using their mobile wallet. Seventy-two per cent of Canadians made one or more purchases by tapping their physical debit card at a store location in a given week (fairly similar to 70 per cent in 2024).¹⁴⁴ Forty-four per cent of Canadians made one or more purchases with tap-to-pay via their mobile device (significantly higher than 38 per cent in 2024).¹⁴⁵ Overall, Interac Flash¹⁴⁶ (including card and mobile) transaction volume

137 Figures provided by Interac.
138 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
139 Ibid.
140 Ibid.
141 Ibid.
142 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
143 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
144 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
145 Ibid.
146 Interac Flash is the contactless payment functionality of Interac Debit that allows cardholders to make in-store purchases by holding their debit card (including card or mobile) up to an Interac Flash-enabled POS terminal – no PIN required.

increased by five per cent to 5.5 billion transactions from 2024.¹⁴⁷ Interac Flash transaction value increased by seven per cent to \$165 billion in 2025.¹⁴⁸ Besides having no need or reason to use debit more often, the primary reason why Canadians have not used their debit card more often in the last seven days was because they do not receive discounts/loyalty rewards for using this payment method (40 per cent).¹⁴⁹

Seven in 10 Canadians (71 per cent) who have a debit card own a co-badged card that include both the Interac and either Visa or Mastercard logos (significantly higher than 68 per cent in 2024).¹⁵⁰ These co-badged cards allow consumers to make regular debit card purchases at the point-of-sale as well as online where merchants accept Visa or Mastercard.

Debit card usage is expected to grow in the future, driven by several developments likely to boost debit cards in circulation and transactions. Wealthsimple has entered the everyday banking market by launching a new banking package called Wealthsimple Chequing. It includes a no-monthly-fee chequing account with a 2.7 per cent interest rate on deposits, as well as a no fee debit card. Other competitive

features include free automated teller access from any automated teller machine, no foreign transaction fees, earlier access to direct deposited funds and up to \$1 million Canadian Deposit Insurance Corporation coverage on deposits.¹⁵¹

This new banking package is highly competitive in terms of cost and service included compared to other traditional bank offers in Canada. It is expected that the five main financial institutions will launch a similar package in 2026 to be able retain client clients and compete for higher market share. This will have a twofold effect. It may lead to a decrease of the underserved and underbanked population. It may also lead to an overall increase in debit card usage.¹⁵²

As of December 2025, the Government of Canada renewed its agreement with financial institutions around low-cost and no-cost bank accounts to improve access. This included an increase in the number of no-charge debit transactions covered per month.¹⁵³

The e-commerce space is expected to continue to grow, which will drive future debit card usage. According to the Financial Cards and Payments in Canada (2025) report from Euromonitor International, “The

integration of debit cards with online payment gateways has further facilitated the growth of e-commerce, and this trend is expected to continue gaining momentum in the post-COVID-19 era, with the accelerated shift towards online shopping.”¹⁵⁴ The rise of virtual debit cards along with digital wallets featuring biometric identification also means that the volume of debit card transactions in which the physical card is not present is expected to increase.¹⁵⁵

The future launch of consumer-driven banking in Canada may also increase e-commerce activity, and digital wallet and debit card usage. Under the consumer-driven banking framework, Canadians can safely share their financial information with third party providers in exchange for access to a wider range of financial products and services. Challenges still exist such as: vulnerability to operational failures in the wallets; the need for improved mechanisms to transfer funds between bank accounts through digital wallets; security concerns and regulatory gaps. But, as payment providers address these issues, debit card usage may increase.¹⁵⁶

TABLE 9: TOP FIVE DRIVERS OF DEBIT CARD USE (CONSUMERS)

Base: Frequently use debit cards (n=1,949)	
Widely accepted	43%
Fast	42%
Able to use my own funds (rather than borrow)	36%
Easier/more convenient than other payment methods	33%
Easier to control/keep track of expenses	27%

Frequently use = monthly or more often



147 Data provided by Interac.
148 Ibid.
149 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
150 Ibid.
151 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
152 Ibid.
153 For more, see: [Commitment on Low-Cost and No-Cost Accounts – Canada.ca](#).
154 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
155 Ibid.
156 Ibid.

2025 HIGHLIGHTS

Credit cards¹⁵⁷ were the most used payment type among Canadians, increasing seven per cent to

11.6 billion
transactions from 2024.

Credit card transaction value increased by five per cent to

\$1 trillion

Credit cards accounted for

43%

of total payment volume and

8%

of total payment value.

Credit cards led all payment types for point-of-sale volume and value, increasing by

7% & 5%
respectively, year-over-year.¹⁵⁸

The average credit card transaction value decreased by one per cent to

\$88
from 2024.

¹⁵⁷ Credit cards include all credit card transactions; for example, card on file, contact and contactless (including card and mobile) payments.
¹⁵⁸ Point-of-sale payments refer to payments made directly to merchants or payees at their physical or 'virtual' provided devices or systems.

Credit card

Credit cards led all payment types in transaction volume, increasing seven per cent to 11.6 billion transactions from a year ago. Credit card transaction value increased by five per cent to \$1 trillion.¹⁵⁹

They also led all point-of-sale (POS) payment methods in transaction volume and value (10.4 billion transactions and \$922 billion, respectively). Credit cards represented 53 per cent of total POS volume (up from 51 per cent a year ago) and 71 per cent of total POS value (up from 70 per cent a year ago) in 2025.

When it comes to online purchases, credit cards remained the leading method of payment with 61 per cent of online shoppers using this payment method over the last 12 months (up from 55 per cent in 2024). The next most used payment method for online purchases was Mastercard or Visa Debit at 33 per cent.¹⁶⁰

Credit cards also led all other payment card types for the number of cards in circulation, increasing by seven per cent to 118 million. They outnumbered debit cards by more than a 2:1 ratio in 2025.¹⁶¹

Over four out of five Canadians (83 per cent) frequently used their

credit cards for payments (i.e., at least once a month) in 2025. Young Canadians (18 – 34) were significantly more likely than middle-aged (35 – 55) or older Canadians (55 or over) to use their credit cards every couple of weeks or more often (76 per cent versus 71 per cent and 65 per cent, respectively).¹⁶²

The large majority of credit card holders (87 per cent) reported their primary credit card as having some kind of reward. The most common types of rewards were: cashback (41 per cent); multiple rewards — earn and redeem points for travel, shopping, dining and more (22 per cent); travel rewards (12 per cent); and retail/store rewards (10 per cent).¹⁶³ Canadians were attracted to credit cards mainly for their rewards, with 57 per cent of frequent credit card users indicating it as their top reason for usage.¹⁶⁴ Other drivers of credit card usage were wide acceptance and speed. See **Table 10: Top five drivers of credit card use (consumers)** for the full list of drivers of credit card use.

Over half of all Canadians (55 per cent) used their credit cards to pay a bill or household expense in the past year (up slightly from 54 per cent in 2024).¹⁶⁵ The type of bills or expenses most commonly paid by a credit card were: streaming services such as Netflix, Apple TV+ and Spotify (43 per cent), media/software subscriptions such as The Globe and Mail, The New York Times and LinkedIn Premium (42 per cent) and memberships such as fitness, gym, social clubs and meal kit service (40 per cent).¹⁶⁶ Other types of bills and household expenses often paid by a credit card were cell phone (31 per cent), internet service (28 per cent), cable (26 per cent), home services such as daycare and contractors (24 per cent) and home insurance (23 per cent).¹⁶⁷

In 2025, close to one third of Canadians (32 per cent) carried a revolving balance after making payments against all their credit card balances in a given month (unchanged from a year ago). Among credit card revolvers, the average value still owing

¹⁵⁹ TSI, Canadian Payments Forecast 2026.
¹⁶⁰ Ibid.
¹⁶¹ Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
¹⁶² Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
¹⁶³ Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
¹⁶⁴ Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
¹⁶⁵ Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
¹⁶⁶ Ibid.
¹⁶⁷ Ibid. Note: Excludes "Not applicable" mentions.



across all their credit cards was \$4,300 (down from \$4,616 in 2024).¹⁶⁸

Looking back, credit card volume and value increased in 2025 partly due to two factors: an increase in credit card applications from new to credit Canadians (e.g., young Canadians, newcomers to the country); and easier access to credit for consumers with a relatively low credit score resulting from Canadian banks’ increased appetite for credit risk.¹⁶⁹ This was due to lower interest rates, a deceleration of delinquency rates and positive economic indicators. But, consumers were using their credit cards for smaller purchases as they were more discretionary with their spending.¹⁷⁰ Equifax reported that average monthly credit card spend per card holder fell by \$107 in 2025, decreasing to its lowest level since March 2022.¹⁷¹

Credit card volume and value also spiked in January and February 2025 with the GST/HST break introduced by the federal government.¹⁷² No GST/HST was charged on purchases of certain qualifying items including food, beverages, restaurants and other food or drink establishments, and children’s clothing and footwear.¹⁷³ This motivated consumers to concentrate

their large purchases during those two months.¹⁷⁴

Looking ahead, different market forces at play may influence future credit card volume and value, as well as user behaviour. According to Euromonitor International (2025), credit card transactions are expected to continue growing between 2025 and 2030 overall, tempered by the economic challenges facing some Canadians in the near term.

In spite of the rising popularity of buy now, pay later and similar payment installment plans offered by financial institutions, few to none offer as many perks as credit cards. The ability to collect reward points and cash back that can be applied towards a variety of uses, including travel, gift cards, purchases or even paying down a credit card balance is the driving force behind credit card usage, which makes credit cards the preferred payment method.¹⁷⁵ Two examples that demonstrate the evolving sophistication of the reward credit cards industry are the BMO VIPorter Mastercard and CIBC Adapta Mastercard both launched in 2025. The BMO VIPorter Mastercard is the first and only travel credit card program in

Canada that grants immediate frequent flyer benefits for cardholders in an airline’s loyalty program, while enabling accelerated travel rewards.¹⁷⁶ The CIBC Adapta Mastercard is the first credit card in Canada that automatically determines the cardholder’s top three spend categories each month based on where they spend the most, and rewards them with 50 per cent more points on those categories.¹⁷⁷ It is these types of innovations that help to attract new credit card users, while keeping existing credit card users loyal.

At the same time, some factors are expected to slow down the growth in credit card usage, such as reduced immigration. The Government of Canada introduced changes to the immigration system making the process of acquiring and extending work/study permits, as well as permanent residency, more difficult.¹⁷⁸ Specifically, the federal government announced that the number of permanent residents’ admissions would decline by 105,000 in 2026 and temporary residence admissions (work/study permits) would decline by about one million from 2025 – 2027.¹⁷⁹ Financial institutions typically offer new Canadians with permanent or temporary residence a low limit credit

168 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
 169 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
 170 Ibid.
 171 Ibid.
 172 Ibid.
 173 For more, see: [GST/HST break – Canada.ca](#).
 174 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
 175 Ibid.
 176 For more, see: [Porter Airlines, BMO and Mastercard Launch First Canadian Credit Card Program Granting Immediate Airline Loyalty Benefits](#).
 177 For more, see: [CIBC launches CIBC Adapta™ Mastercard®, a credit card that automatically adapts to spending behaviour, rewarding cardholders more for everyday purchases](#).
 178 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
 179 Ibid.

card, which was the main source of growth in new credit card circulation. According to the Financial Cards and Payments in Canada (2025) report from Euromonitor International, “Regulations force financial institutions to close credit cards for holders who are not permanent or temporary residents and they cannot issue credit cards to people who do not hold one of those two legal status, which is expected to lead to a reduction in the number of new cards issued, as well as the number of cards in circulation.”¹⁸⁰

In addition, the long-term impact of the US tariffs on Canadian exports may lead to further reduced economic

activity, potential layoffs, and increased consumer debt costs, which would likely lead to a pullback in consumer spending, slowing credit card volume growth.¹⁸¹ For instance, over half of Canadians (51 per cent) indicated that they cut back on non-essential purchases, while 45 per cent of Canadians purchased less expensive essential goods since the start of the Canada–US trade war. Canadians spent less overall on travel, groceries, dining and entertainment.¹⁸² Some consumers might switch to using debit cards to avoid overspending and accumulating debt, leading to decreased credit card volume and value.

Credit card debt could also be impacted by economic conditions. On the one hand, worsening economic conditions may trigger higher delinquency levels. On the other hand, with lower interest rates, it is possible that some credit card revolvers may focus on reducing their outstanding balances. Outstanding credit card balances could decrease at a faster rate than for other lending products if a substantial number of credit card revolvers transfer their credit card debt to other lending products such as lines of credit, or personal term loans, which charge a lower rate of interest than their credit cards.¹⁸³

TABLE 10: TOP FIVE DRIVERS OF CREDIT CARD USE (CONSUMERS)

Base: Frequently use credit cards (n=2,491)

Receive discounts/loyalty rewards	57%
Widely accepted	47%
Fast	40%
Easier/more convenient than other payment methods	33%
Easier to control/keep track of expenses	28%

Frequently use = monthly or more often

180 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).

181 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

182 Ibid.

183 Ibid.



A total of

394 million
prepaid card transactions worth
\$27.4 billion
were made in 2025.

Prepaid card volume and
value increased year-over-year by

6% & 7%
respectively.

The five-year growth rate of prepaid cards is
second only to credit cards within the cards
space. Since 2020, prepaid card volume and
value have grown by

30% & 53%
respectively.

184 An open-loop prepaid card is either a physical or virtual prepaid card that can be used anywhere that the prepaid card brand is accepted. A closed-loop prepaid card is either a physical or virtual prepaid card that can only be used to make purchases from a single company. Closed-loop prepaid cards are also known as merchant-issued gift cards.

The average prepaid card transaction
value increased by two per cent to

\$70
from 2024.

Open- and closed-loop prepaid cards
experienced year-over-year volume and value
growth.¹⁸⁴ Open-loop prepaid cards exhibited
greater annual compound growth than
closed-loop prepaid cards for both volume
and value from 2020 – 2025.

Prepaid card

Prepaid card transaction volume rose by six per cent to 394 million, while transaction value increased by seven per cent to \$27.4 billion in 2025.¹⁸⁵ Total prepaid cards in circulation increased to 112 million (up nine per cent from 2024). Since 2020, the number of prepaid cards in circulation has grown by 63 per cent.¹⁸⁶

This increase is being driven by continued growth in both prepaid card segments. Over the past five-year period, open-loop prepaid cards have increased their circulation number by 65 per cent. During the same period, close-loop prepaid cards have increased their circulation number by 60 per cent.¹⁸⁷

Overall, the rapid growth in the number of prepaid cards in circulation is due to several factors—the increasing adoption of open-loop prepaid cards, digital wallet integration and corporate use.¹⁸⁸ Open-loop prepaid cards, often branded as Visa or Mastercard, are generally designed to be used for everyday spending and accepted at most retailers where Visa or Mastercard are accepted. Unlike credit cards, they provide users the ability to avoid debt, manage their spending through pre-set limits, and gain better financial control.

More businesses are turning to prepaid cards for several reasons. Corporate

prepaid cards allow businesses to more effectively control employee spending by only loading a set amount onto a card for each type of purchase, which lowers overspending risk. Another feature of prepaid cards favoured by businesses is fast issuance. Usually, prepaid cards can be instantly issued as a virtual payment card loaded onto a digital wallet, which means it can be used within seconds. Lastly, many businesses are turning to prepaid cards as a payroll solution for employees who do not have a bank account.¹⁸⁹

Consumers are drawn to prepaid cards for a variety of reasons including: receiving discounts/loyalty rewards for their use; being able to use their own funds rather than borrowing; and wide acceptance. For more, see **Table 11: Top five drivers of prepaid card use (consumers)**.¹⁹⁰ Also, more online retailers are accepting prepaid cards as a payment method, while other retail channels other than drug and convenience stores now sell prepaid

cards to consumers. According to the Financial Cards and Payments in Canada (2025) report from Euromonitor International, “The growth in acceptance and accessibility, along with the functionality of prepaid cards is increasing their usage, as well as the number of transactions.”¹⁹¹

In 2025, a total of 89 million open-loop prepaid card transactions worth \$7.8 billion were made. Open-loop prepaid card transaction volume and value increased by seven per cent and six per cent, respectively, from 2024.¹⁹² It represented 22 per cent of total prepaid card volume (unchanged from the previous year) and 28 per cent of total prepaid card value (down from 29 per cent in 2024).¹⁹³ Over the past five-year period, open-loop prepaid cards have exhibited higher annual compound growth than closed-loop prepaid cards. The 2020 – 2025 compound annual growth rate of open-loop prepaid cards for volume and value was 6.1 per cent and nine per cent, respectively, compared

185 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
186 Ibid.
187 Ibid.
188 Ibid.
189 Ibid.
190 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
191 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
192 Ibid.
193 Ibid.

to 5.2 per cent and 8.8 per cent for closed-loop prepaid cards.¹⁹⁴

Total loads on all open-loop prepaid accounts grew by an estimated 10 per cent to \$13.7 billion in 2025. The average load per open-loop prepaid account grew by an estimated two per cent to \$189.¹⁹⁵

Open-loop prepaid cards accounted for 58 per cent of total prepaid cards in circulation in 2025, outnumbering closed-loop prepaid cards by a 1.4:1 ratio.¹⁹⁶ They appeal to Canadians for their flexibility because they are not tied to any specific retailer and are widely accepted. They also represent an opportunity for Canadians who are unbanked or underbanked, allowing them to participate in the digital economy and manage their finances.

A total of 305 million closed-loop prepaid card transactions worth \$19.6 billion were made in 2025. Closed-loop prepaid card transaction volume and value increased by five per cent and eight per cent, respectively, from 2024.¹⁹⁷ It accounted for 78 per cent of total prepaid card volume and 72 per cent of total prepaid card value (both unchanged from the previous year).¹⁹⁸

On average, Canadians loaded additional value into all their store gift cards or merchant-based cards a combined 2.3 times in a given month (compared to 1.7 times a year ago). The total average value of these monthly loads was \$44 (down significantly from \$68 a year ago).¹⁹⁹

Canadians increased their use of closed-loop prepaid cards in 2025. Thirty-four per cent of Canadians indicated using any type of closed-loop prepaid card in a given month (significantly higher than 32 per cent in 2024).²⁰⁰ The three most used types of closed-loop prepaid cards in a given month were: food services (e.g., Starbucks, Tim Hortons) (14 per cent); Amazon gift cards (13 per cent); and public transit (e.g., OPUS, PRESTO, GO, U-pass, Compass cards) (10 per cent).²⁰¹

Public transit users living in large cities with a high population density represent a much larger group than users of any store issuing closed-loop prepaid cards. For example, Metrolinx, a Crown agency of the Government of Ontario responsible for planning, building and operating regional transportation in the Greater Toronto and Hamilton Area, was the leading issuer of closed-loop prepaid cards

in 2024. Metrolinx is the sole issuer of closed-loop public transit cards in Canada, which ensures its high market presence.²⁰²

Looking forward, market forces are shaping the future of the prepaid card segment. There is a rising tide of fintechs entering the Canadian financial services industry, which deliver digital-first solutions in areas such as payments, lending, wealth management and identity verification. Traditional financial institutions such as banks and credit unions are collaborating with many of these fintechs through partnerships and investments. This will potentially create a more efficient and accessible digital payment ecosystem for consumers.²⁰³

Prepaid cards will benefit from this improvement, as their use will become more convenient and secure. Furthermore, “new features for pre-paid cards are expected to emerge from the integration of banks and fintech companies, such as real time transaction tracking and cross-border use, which will position pre-paid cards as one of the main financial tools in Canada’s payment ecosystem.”²⁰⁴

TABLE 11: TOP FIVE DRIVERS OF PREPAID CARD USE (CONSUMERS)

Base: Frequently use prepaid cards (n=304)	
Receive discounts/loyalty rewards	27%
Able to use my own funds (rather than borrow)	25%
Widely accepted	23%
Easier to control/keep track of expenses	22%
Fast	22%

Frequently use = monthly or more often



194 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
195 Datos Insights, Canadian Prepaid Account Market 2024: Results and Forecast. Note: Total loads refer to the number of times value is added to an open-loop prepaid card account.
196 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
197 Ibid.
198 Ibid.
199 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey. Note: Zero mentions included.
200 Ibid.
201 Ibid.
202 Euromonitor International, Passport Financial Cards and Payments in Canada (2025).
203 Ibid.
204 Ibid.

2025 HIGHLIGHTS

Contactless payment transaction volume increased by nine per cent to

14 billion

while transaction value increased by 12 per cent to

\$632 billion

from 2024.

Contactless payments represented

53% 5%

of total payment volume (up from 50 per cent a year ago) and

of total payment value (up from four per cent a year ago).

Credit contactless transactions accounted for the largest share of total contactless volume and value, making up

61% 74%

of total contactless volume and

of total contactless value.

The average credit contactless transaction value was

\$44

Contactless payments

Contactless payment transactions involve using a payment card or mobile device tap to initiate a payment through a point-of-sale (POS) reader at a physical merchant location.

In 2025, there were a total of 14 billion contactless payments worth \$632 billion. Contactless payment volume and value increased year-over-year by nine per cent and 12 per cent, respectively. Overall, contactless payments accounted for more than half of total payment volume (53 per cent) in 2025.

Both contactless payment volume and value have been steadily growing over the past five years. For more, see **Figure 7: Contactless payment growth 2020 – 2025, volume and value**. The average contactless transaction value was \$44, up from \$43 last year, due to modest increases

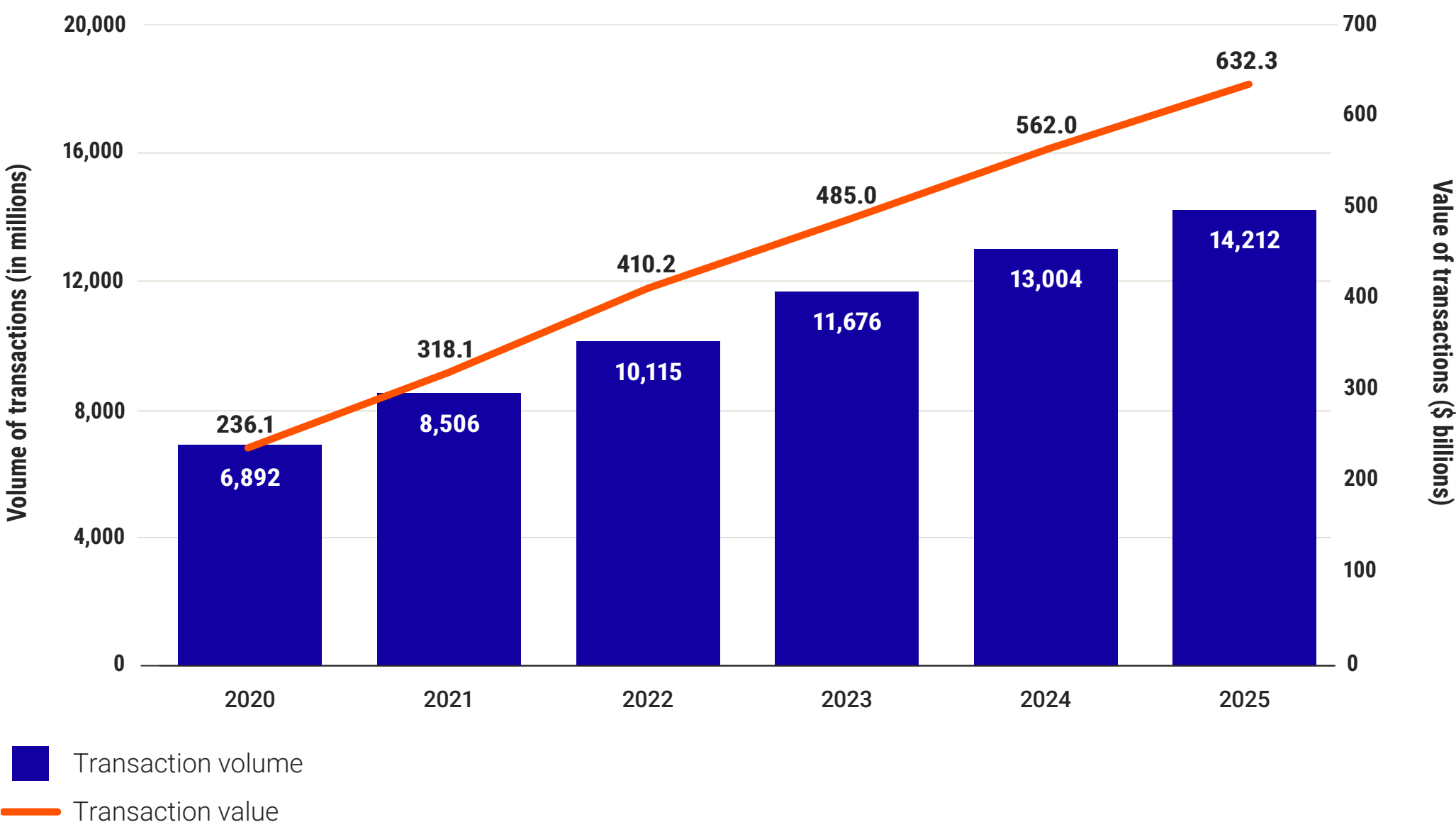
in both the average credit and debit card contactless transaction value (two per cent for each).²⁰⁵ Contactless payments continued to be a common way of making payments at the point-of-sale among consumers in 2025. The proportion of Canadians that tapped any card (i.e., credit, debit or prepaid) or smartphone equipped with a mobile wallet against a payment terminal at least once in a given month when making a store purchase remained steady in 2025 compared to a year ago (85 per cent versus 84 per cent, respectively).²⁰⁶

The majority of Canadians (74 per cent) who used a contactless payment

method at the POS did so because they have grown accustomed to paying this way. Three quarters of Canadians (75 per cent) also chose to use contactless payments when making a purchase at a store because they were able to complete their purchase more quickly. Overall, Canadians perceived the transaction limit per purchase on their payment card for contactless transactions to be adequate. Fewer than three in 10 Canadians (29 per cent) who used a contactless payment method at the POS in a given month wished the transaction limit per purchase was higher.²⁰⁷

205 Calculated figures from data provided by Interac and TSI (Canadian Payments Forecast 2026).
206 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
207 Ibid.

FIGURE 7: CONTACTLESS PAYMENT GROWTH 2020 – 2025, VOLUME AND VALUE



Of note, 60 per cent of contactless payment users were concerned with fraudulent purchases made with their payment card in the event of it being lost or stolen since the transaction with a contactless card does not require PIN authorization. Furthermore, a primary reason for Canadians choosing not to use tap-to-pay when paying for a store purchase was not trusting tap-to-pay due to security concerns (28 per cent).²⁰⁸ Other reasons for not using tap-to-pay included: preferring to insert their card and entering the PIN (32 per cent); preferring to pay by cash or other payment methods (27 per cent); and not having this option on their smartphone (19 per cent).²⁰⁹

Grocery stores and supermarkets continued to lead all other purchase categories for contactless payments usage at the point-of-sale in 2025. Sixty-two per cent of contactless payment users made a tap-to-pay purchase for goods at grocery stores or supermarkets.²¹⁰ Gas stations (44 per cent), restaurants/bars (39 per cent), pharmacies/drug stores (38 per cent) and quick service restaurants/coffee shops (38 per cent) were also frequent

point-of-sale locations for tap-to-pay card payments.²¹¹ Fourteen per cent of contactless payment users used contactless payments to pay for transit, an emerging category for contactless payments as more Canadian transit authorities adopt open payments.²¹²

Over three in four credit and debit card transactions (77 per cent) in 2025 were contactless payments, up from 74 per cent in 2024.²¹³ Credit cards continued to lead debit cards for contactless volume and value in 2025. Contactless credit card volume reached 8.7 billion transactions in 2025, representing a 12 per cent increase year-over-year.²¹⁴ The total value of contactless credit card transactions grew by 15 per cent to \$467 billion in 2025 compared to last year.²¹⁵ Credit cards held a 61 per cent share of contactless volume (up from 59 per cent in 2024) and 74 per cent share of contactless value (up from 72 per cent in 2024).²¹⁶ The average transaction value for contactless credit cards increased by two per cent to \$54 from a year ago.²¹⁷

Over the past five-year period, total POS credit card volume has

experienced double digit growth, primarily driven by the growth in contactless credit card volume. In fact, contactless credit card volume has been growing at a faster rate than total POS credit card volume. The five-year compound annual growth rate for contactless credit card transactions was 19 per cent, compared to 12 per cent for total POS credit card volume from 2020 to 2025.²¹⁸ During this same period, the average weekly transaction volume of mobile tap-to-pay has gradually increased at a faster rate than that of tap-to-pay via a physical card. So, the growth in contactless credit card payments over the past five years has been spurred by an increase in mobile tap-to-pay.²¹⁹ For more, see **Figure 8: Credit card volume: contactless versus total** and **Figure 9: Average weekly transaction volume by contactless credit card payment method**.

The total number of contactless debit card transactions increased by five per cent to 5.5 billion, while the total value of contactless debit card transactions grew by seven per cent to \$165 billion from 2024.²²⁰ Debit card share of contactless volume decreased to 39 per cent from 41 per cent in

208 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
209 Ibid.
210 TSI, Canadian Payments Forecast 2026. Note to reader: A tap-to-pay transaction includes tapping a physical card or smartphone equipped with a mobile wallet against a payment terminal at a store.
211 Ibid.
212 Ibid.
213 Calculated figures from data provided by Interac and TSI (Canadian Payments Forecast 2026). Note: The share of total credit and debit card volume represented by contactless transactions is now based in part on the TSI 2026 Canadian Payments Forecast. As a result, the share of total credit and debit card volume represented by contactless transactions is different from the 2025 CPMT report.
214 Calculated figures from data provided by Interac and TSI (Canadian Payments Forecast 2026).
215 Ibid.
216 Ibid.
217 Ibid.
218 TSI, Canadian Payments Forecast 2026.
219 Ibid.
220 Figures provided by Interac.

2024. Debit card share of contactless value also decreased to 26 per cent from 28 per cent in the previous year. The average transaction value of contactless debit cards increased to \$30 from \$29 a year ago.²²¹

The majority of smartphone owners in Canada (70 per cent) made a payment using their smartphone over the past six months in 2025 (up from 68 per cent a year ago).²²² Remote payments dominated the mobile payments landscape and were driven by the top three categories of mobile payments. Bill payments using mobile banking (35 per cent) and online payments (35 per cent) were the leading types of mobile payments followed by P2P payments (34 per cent) and in-store mobile payments such as at a coffee shop (25 per cent) and at a store other than a coffee shop (19 per cent).²²³

Almost four in five smartphone owners (79 per cent) had at least one payment app installed on their smartphones. The top five payment apps installed on smartphones were: a mobile banking app (52 per cent), Tim Hortons (39 per cent), PayPal app (35 per cent), Apple Wallet (26 per cent) and Uber or Lyft app (23 per cent). Usage of food delivery payment apps such as Door

Dash, UberEats and SkipTheDishes have increased with 19 per cent of smartphone owners installing any of these types of payment apps on their smartphones in 2025.²²⁴

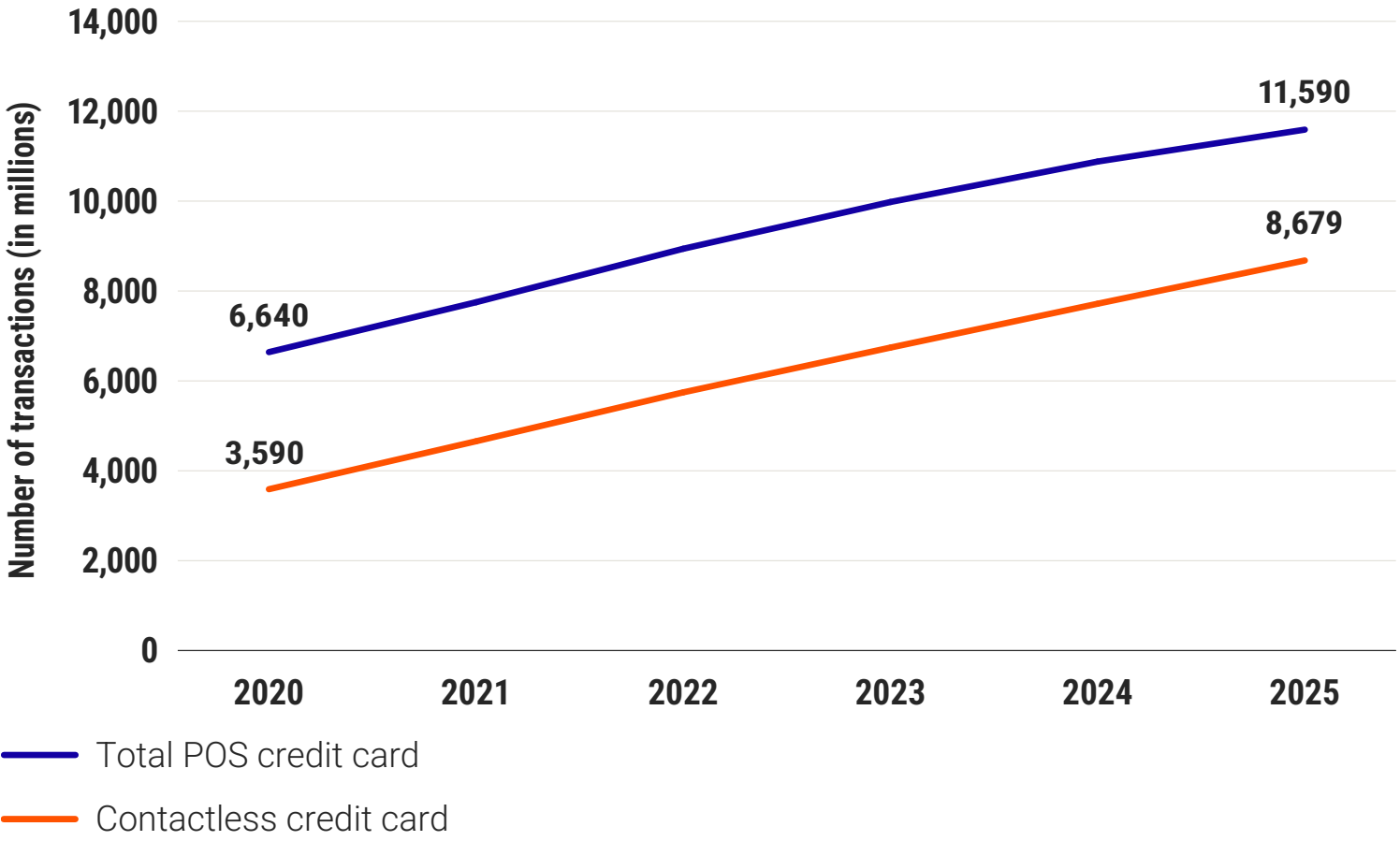
Overall, in-store mobile contactless payments exhibited strong year-over-year growth. The total volume of in-store mobile contactless payments increased by 18 per cent to 4 billion in 2025 and accounted for 28 per cent of total contactless transaction volume.²²⁵ The total value of in-store mobile contactless payments increased by 25 per cent to \$122 billion in 2025 and accounted for 19 per cent of total contactless transaction value.²²⁶ Its share of total contactless transaction volume and value rose by eight per cent and 11 per cent, respectively, in 2025 compared to a year ago. Increased adoption of smartphones equipped with Near Field Communication (NFC) technology in Canada and consumers' growing comfort with using their smartphones for contactless payments have contributed to the growth in contactless mobile payments.²²⁷

Wearables, such as fitness trackers and smart watches, were not widely used by Canadians to make payments. The number of wearable payments

reached 55 million, worth \$1.6 billion in 2025.²²⁸ Total wearable payments represented less than one per cent of total contactless transaction volume and value in 2025 (unchanged from a year ago).²²⁹ Nonetheless, wearables experienced significant year-over-year growth in transaction volume and value in 2025 (21 per cent and 23 per cent, respectively).²³⁰

Despite the low adoption rate of wearables by Canadians for making payments, it is expected to continue being a driver of growth for the contactless payments market in Canada in the coming years. This is due to the increasing acceptance of mobile contactless payments, in general, and of using mobile form factors for payments.²³¹

FIGURE 8: CREDIT CARD VOLUME – CONTACTLESS VERSUS TOTAL



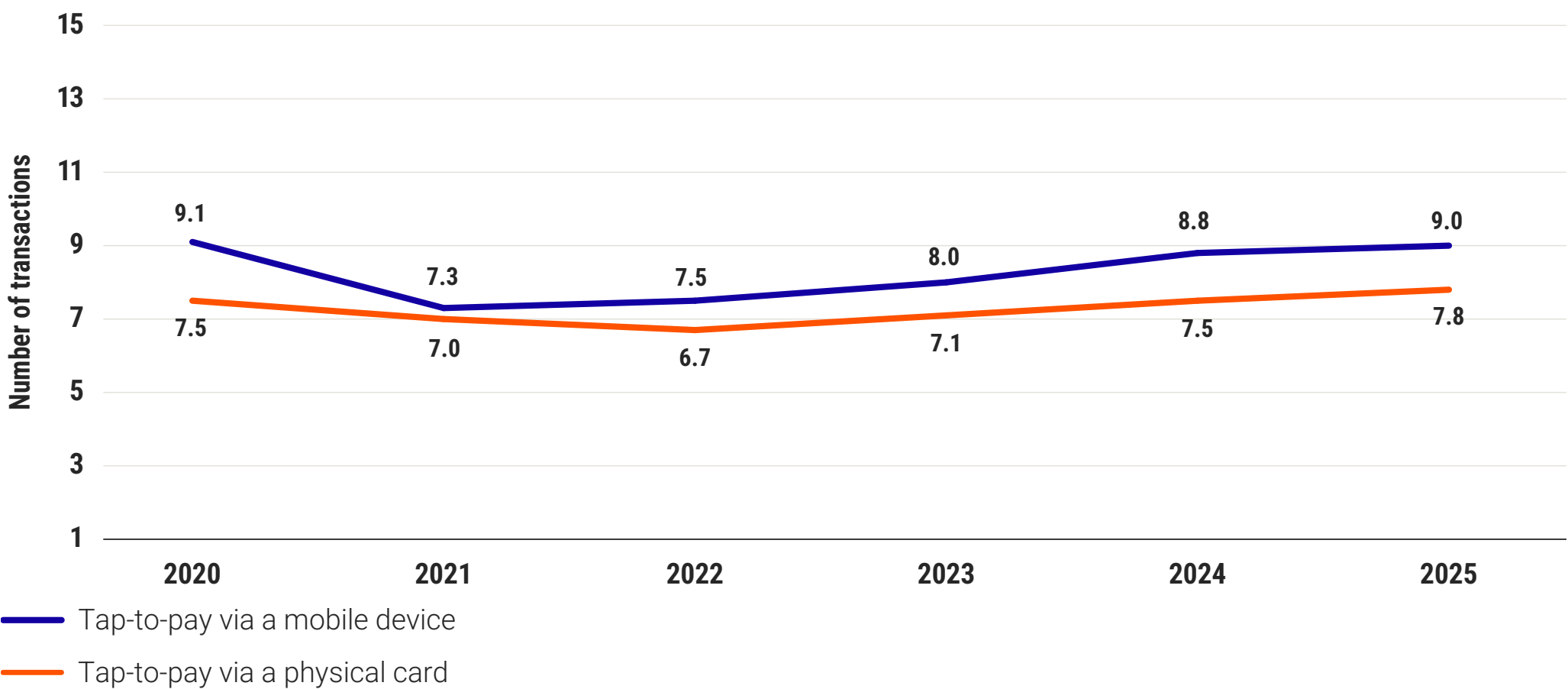
5-year compound annual growth
Total POS credit card

12%

Contactless credit card

19%

FIGURE 9: AVERAGE WEEKLY TRANSACTION VOLUME BY CONTACTLESS CREDIT CARD PAYMENT METHOD



221 Figures provided by Interac.
222 TSI, Canadian Payments Forecast 2026.
223 Ibid.
224 Ibid.
225 Ibid.
226 Ibid.
227 Ibid.
228 Ibid.
229 Ibid.
230 Ibid.
231 Ibid.

A total of

3.3 billion
EFT transactions worth
\$8.2 trillion

were made in 2025.

EFT volume and value increased year-over-year by

1% & 7%

respectively.

EFT accounted for

63%

share of total payment value (up from 62 per cent in 2024), leading all other payment types.

The average EFT transaction value increased by six per cent to

\$2,526

(compared to \$2,374 in 2024).

Electronic funds transfer (EFT)

Electronic funds transfer includes transactions carried out either through a personal deposit or business operating account held at a Canadian financial institution (e.g., direct deposits, electronic remittances, pre-authorized debits and other online bill payment transactions).

EFT transaction volume increased by one per cent to 3.3 billion transactions, while transaction value increased by seven per cent to \$8.2 trillion from 2024. EFT led all other payment types for remote transactions²³² representing 51 per cent of transaction volume and 71 per cent of transaction value.

EFT payments were predominantly conducted by businesses as opposed to consumers. Commercial EFT transactions accounted for 71 per cent of total EFT volume, increasing by one per cent to 2.3 billion transactions year-over-year. Also, commercial EFT transactions accounted for 92 per cent of total EFT value, increasing by seven per cent to \$7.5 trillion year-over-year.

The growth in EFT volume and value in 2025 was linked to increases in automatic funds transfer (AFT)²³³ payments and electronic data interchange (EDI)²³⁴ remittances. Total AFT volume (including debit and credit) increased by four per cent

to 2.5 billion transactions, while AFT value increased by nine per cent to \$7.7 trillion from 2024.²³⁵ AFT payments accounted for the greatest share of overall EFT transaction volume, representing 78 per cent of total volume (up from 76 per cent in 2024). Likewise, AFT payments accounted for the bulk of overall EFT transaction value, representing 93 per cent of total value (up from 92 per cent in 2024). EDI remittances increased by five per cent in value from 2024 with volume holding steady. They represented 19 per cent and six per cent of total EFT volume and value, respectively, in 2025.

EFT continued to be the most used method for paying business expenses by SMEs (43 per cent) and mid-market businesses (38 per cent) in 2025.²³⁶ SMEs mainly used EFT for the following payment situations: paying employees (56 per cent); operating expenses (51 per cent); government payments (48 per cent); direct expenses (46 per cent);

refunds or over-charge payments (40 per cent). Mid-market businesses mainly used EFT for the following payment situations: paying employees (78 per cent); refunds or over-charge payments (63 per cent); operating expenses (48 per cent); government payments (47 per cent); direct expenses (41 per cent).²³⁷ Businesses use EFT for sending and receiving payments because they are convenient, fast and easy to track.²³⁸ For more on the top drivers of EFT use, see **Table 12: Top five drivers of EFT use (businesses)**.

The main challenges facing businesses when using EFT payments were not receiving discounts/loyalty rewards for using this payment method (19 per cent), not fast enough (11 per cent), less convenient than other payment methods (11 per cent), not receiving a confirmation that the payment went through successfully (10 per cent) and not being able to use this payment method at wholesale or retail merchants where the business

²³² Remote transactions include all transactions that are not made at physical payee locations, virtual payee provided apps or store fronts.
²³³ An automated funds transfer (AFT) is a standing banking arrangement where transfers from a customer's bank account are made on a regular basis. An example of this can be online bill payment transactions.
²³⁴ An electronic data interchange (EDI) remittance uses a common standard and a special corporate identification system to route online bill payments to billers. This also provides sufficient information for the biller to reconcile payments. EDI remittances are mostly accomplished through online banking services.
²³⁵ AFT volume and value estimates include on-us transactions.
²³⁶ RFI Global, RFI Group Canada Payments Report (2025).
²³⁷ Payments Canada/Leger. 2025 Business Payments Tracker Survey.
²³⁸ Ibid.



shops (10 per cent).²³⁹ See the **business payments** section for more.

The most common payment situations that consumers used EFT for were: paying a credit card bill (66 per cent); mortgage payment (58 per cent); car payment (54 per cent); paying taxes (49 per cent); home insurance (45 per cent); and utility payments (43 per cent).²⁴⁰ See **Figure A10: Bill**

payments heat map in the appendix for more. Overall, consumers who regularly used EFT did so for several reasons. They are perceived to be more convenient than other payment methods, fast and easier for keeping track of expenses.²⁴¹ For more on the top drivers of EFT use, see **Table 13: Top five drivers of EFT use (consumers)**.

The main challenges facing consumers who frequently used EFT payments were fees or charges (25 per cent), security/safety (17 per cent) and remembering passwords/PIN (13 per cent). Just over two in five Canadians (41 per cent) who frequently used EFT payments did not experience any challenges or frustrations.²⁴²

TABLE 12: TOP FIVE DRIVERS OF EFT USE (BUSINESSES)

Base: Frequently use EFT (n=482)	
Fast	32%
Easier/more convenient than other payment methods	28%
Payment process is quick	24%
Easier to keep track of expenses	23%
More secure than other payment methods/less risk of theft/misuse	18%

Frequently use = monthly or more often

TABLE 13: TOP FIVE DRIVERS OF EFT USE (CONSUMERS)

Base: Frequently use EFT (n=1,976)	
Easier/more convenient than other payment methods	40%
Fast	36%
Easier to keep track of expenses	25%
Able to use my own funds (rather than borrow)	21%
Widely accepted	18%

Frequently use = monthly or more often

239 Payments Canada/Leger. 2025 Business Payments Tracker Survey.
240 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
241 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
242 Ibid.

2025 HIGHLIGHTS

A total of

1.7 billion
transactions valued at
\$669 billion

were conducted via online transfer
by Canadians in 2025.

Online transfer volume increased by

13%

while transaction value increased
by 18 per cent year-over-year.

Online transfer represented

6%

of total payment
volume and

5%

of total payment
value (unchanged
from 2024).

The average online transfer transaction
value increased by four per cent to

\$398

from 2024.

Over the past five-year period, online transfer
has consistently led all other payment types
for annual volume and value growth.

Online transfer

Online transfer includes electronic transactions initiated through online services and providers, which are either pre-funded or linked to a deposit account held at a Canadian financial institution. The two most familiar examples are Interac e-Transfer and PayPal.

Online transfer remained the fastest-growing payment type in 2025. Overall transaction volume increased by 13 per cent to 1.7 billion transactions, while value increased by 18 per cent to \$669 billion from 2024.

Interac e-Transfer transactions comprise the largest share of total online transfer volume and value. In 2025, Interac e-Transfer volume increased by 14 per cent to 1.6 billion transactions from a year ago. Interac e-Transfer value increased by 18 per cent to \$663 billion. The average transaction amount sent increased by three per cent to \$411 from 2024.²⁴³

A large majority of Canadians (66 per cent) frequently used Interac e-Transfer for payments in 2025 (i.e., monthly or more often), drawn by its speed, convenience and because they can use their own funds rather than borrow.²⁴⁴ For more, see **Table 14: Top five drivers of Interac e-Transfer use (consumers)**.

The most widely used channel for sending an Interac e-Transfer

payment by consumers was via their smartphone (73 per cent), followed by their computer/laptop (21 per cent).²⁴⁵ Overall, there has been a gradual shift towards using smartphones for sending Interac e-Transfer payments via a mobile banking app among Canadians. In the past five years, the proportion of consumers who sent an Interac e-Transfer payment using their smartphone increased by 30 per cent. During that same period, the proportion of consumers who sent an Interac e-Transfer payment using their computer/laptop decreased by 46 per cent.²⁴⁶ This is part of a larger trend that smartphones are becoming increasingly ingrained in consumers’ daily lives.²⁴⁷

Interac e-Transfer was the most widely used payment method for peer-to-peer (P2P) payments among consumers in 2025. Among Canadians who made a P2P payment in a given six month period, the leading P2P payment method of choice was Interac e-Transfer (68 per cent) followed by PayPal (22 per cent), bank transfer

(22 per cent) and cash (16 per cent).²⁴⁸ Close to three-quarters of Canadians (74 per cent) frequently used Interac e-Transfer for sending money to their friends or family members. Other P2P payment methods used were wire transfer (six per cent), cash (four per cent), PayPal transfer (three per cent), Remitly (three per cent), cheque (two per cent) and Mastercard Send or Visa Direct (two per cent).²⁴⁹

The main payment frustrations with using Interac e-Transfer for P2P payments among consumers were: having to create a security question and password for the recipient to access the money (21 per cent); limits on the amount that you can transfer daily, weekly, or monthly (16 per cent); fees or charges (15 per cent); setting up a contact/getting their banking information correct (14 per cent); friends or family members who do not have online banking/auto-deposit (10 per cent); remembering passwords (nine per cent); and receiving confirmation that the money

243 Figures provided by Interac.
244 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
245 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey. Note: Excluding “Not applicable/Don’t know” mentions.
246 Ibid. Note: Excluding “Not applicable/Don’t know” mentions.
247 For more, see: [It’s National Telephone Day! Canadians Can Expect to Spend Almost 15 Years of Their Life on Mobile Devices, Finds OntarioCasinos.com – The Globe and Mail](#).
248 TSI, Canadian Payments Forecast 2026.
249 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

went to the right person or account (eight per cent).²⁵⁰

Over two-thirds of Canadian businesses (70 per cent) frequently used Interac e-Transfer for paying bills, expenses and their employees in 2025.²⁵¹ The two most common payment situations were paying operating expenses such as insurance, lease, utilities, or office expenses (71 per cent) and paying the government (e.g., business taxes, licence fees) (70 per cent). Other payment situations included: paying direct expenses such as raw materials, machinery and equipment, or finished goods (65 per cent); paying employees (57 per cent); and refunds or over-charge payments (54 per cent).²⁵² Businesses use Interac e-Transfer for sending and receiving payments because they are convenient, fast and preferred by their suppliers.²⁵³ For more on the top drivers of Interac e-Transfer use, see **Table 15: Top five drivers of Interac e-Transfer use (businesses)**.

The biggest challenges faced by businesses when using Interac e-Transfer for payments were: limits on the amount that you can transfer daily or weekly (31 per cent); not receiving discounts/loyalty rewards for using this payment method (22 per cent); inability to cancel a payment if an error was made (e.g., wrong payee email address) once the funds have been deposited (21 per cent); keeping track of incoming and outgoing payments (13 per cent); and inability to use this payment method at stores or online retailers (12 per cent).²⁵⁴

In 2025, PayPal transaction volume decreased by five per cent to 60 million transactions from a year ago. Transaction value increased by nine per cent to \$6 billion from 2024.²⁵⁵ Overall, 54 per cent of Canadians had a PayPal account in 2025 (relatively unchanged from 55 per cent a year ago), with 41 per cent making at least one PayPal transaction in a given month (relatively unchanged from

42 per cent in 2024).²⁵⁶ The average monthly volume and value of PayPal transactions per user in 2025 were 1.7 and \$181, respectively.²⁵⁷

Besides offering consumers the ability to send and request money, PayPal provides a way for them to make online purchases. In 2025, PayPal placed fourth (19 per cent) behind debit cards (20 per cent), Interac e-Transfer (23 per cent) and credit cards (58 per cent) as the most used payment method for making purchases on merchant apps or websites and peer-to-peer online marketplaces within a given month.²⁵⁸

PayPal transfer was also the next leading payment method after EFT via mobile/online banking used by consumers for sending money internationally in 2025 (18 per cent versus 21 per cent, respectively).²⁵⁹

TABLE 14: TOP FIVE DRIVERS OF INTERAC E-TRANSFER USE (CONSUMERS)

Base: Frequently use Interac e-Transfer (n=1,982)	
Fast	45%
Easier/more convenient than other payment methods	37%
Able to use my own funds (rather than borrow)	27%
Widely accepted	21%
Easier to keep track of expenses	20%

Frequently use = monthly or more often

TABLE 15: TOP FIVE DRIVERS OF INTERAC E-TRANSFER USE (BUSINESSES)

Base: Frequently use Interac e-Transfer (n=500)	
Easier/more convenient than other payment methods	28%
Fast	25%
Suppliers prefer to be paid this way	24%
Easier to keep track of expenses	22%
Payment process is quick (i.e., few steps involved)	22%

Frequently use = monthly or more often

250 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
251 Payments Canada/Leger. 2025 Business Payments Tracker Survey. Note: Frequently used = monthly or more often.
252 Payments Canada/Leger. 2025 Business Payments Tracker Survey.
253 Ibid.
254 Ibid.
255 Figures provided by Statista. For more, see: [PayPal transaction volume, by quarter 2014-2025 | Statista](#) and [PayPal TPV, by quarter 2014-2025 | Statista](#).
256 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey. Note: zero mentions included.
257 Ibid. Note: zero mentions included.
258 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey. Note: zero mentions included.
259 Payments Canada/Leger. 2025 Consumer and Business Payments Tracker Surveys.

1 in 5

consumers (20 per cent) sent money internationally in the past year, significantly increasing from 17 per cent in 2024.²⁶⁰

The most common method for sending money internationally was by electronic transfer via a mobile banking app or online banking account, representing

21%

of consumers and

18%

of businesses.²⁶¹

The most preferred method among consumers for sending international payments was Interac e-Transfer²⁶² at

24%

1 in 3

businesses (33 per cent) sent money internationally in the past year, relatively unchanged from 34 per cent in 2024.²⁶³

The most preferred method among businesses for sending international payments was by electronic transfer via a mobile banking app or online banking account²⁶⁴ at

14%

260 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
261 Ibid.
262 Ibid.
263 Payments Canada/Leger. 2025 Business Payments Tracker Survey.
264 Ibid.

International payments

Overall, Canadian businesses were significantly more likely than consumers to have sent money internationally using a Canadian bank account in 2025 (33 per cent versus 20 per cent, respectively).²⁶⁵

Among consumers who made an international payment in the last 12 months, the majority of them (50 per cent) transferred money internationally to another individual with a bank account in a foreign country. Other reasons for sending money internationally included: paying an international merchant directly—for example, buying from US or international e-commerce websites (35 per cent); transferring funds internationally to a bank account in their name in a foreign country (29 per cent); and paying international utility bills or taxes directly (15 per cent).²⁶⁶ The proportion of consumers who frequently sent money internationally (i.e., monthly or more often) in 2025 significantly increased to 44 per cent from 34 per cent in 2024.²⁶⁷ The average monthly value of payments that Canadians sent to people in other countries was \$554, compared to \$459 sent to businesses internationally.²⁶⁸

In 2025, the US continued to be the leading international destination for

consumers sending money to people in other countries in a given month (45 per cent), significantly higher than 33 per cent a year ago. Other common destinations for international payments included: UK (17 per cent); India (15 per cent); Germany (10 per cent); China (10 per cent); Philippines (eight per cent); and Hong Kong (seven per cent).²⁶⁹

More Canadians were using digital channels for sending international payments. One-third of these consumers (33 per cent) relied on a financial technology company such as PayPal, Wise or Remitly. Thirty-per cent of consumers used their online or mobile banking account via their main bank or credit union, while only 12 per cent visited a physical branch location of their main bank or credit union. Most Canadians (42 per cent) continued to rely on their main financial institution (bank or credit union) for sending money internationally (up from 39 per cent in 2024).²⁷⁰

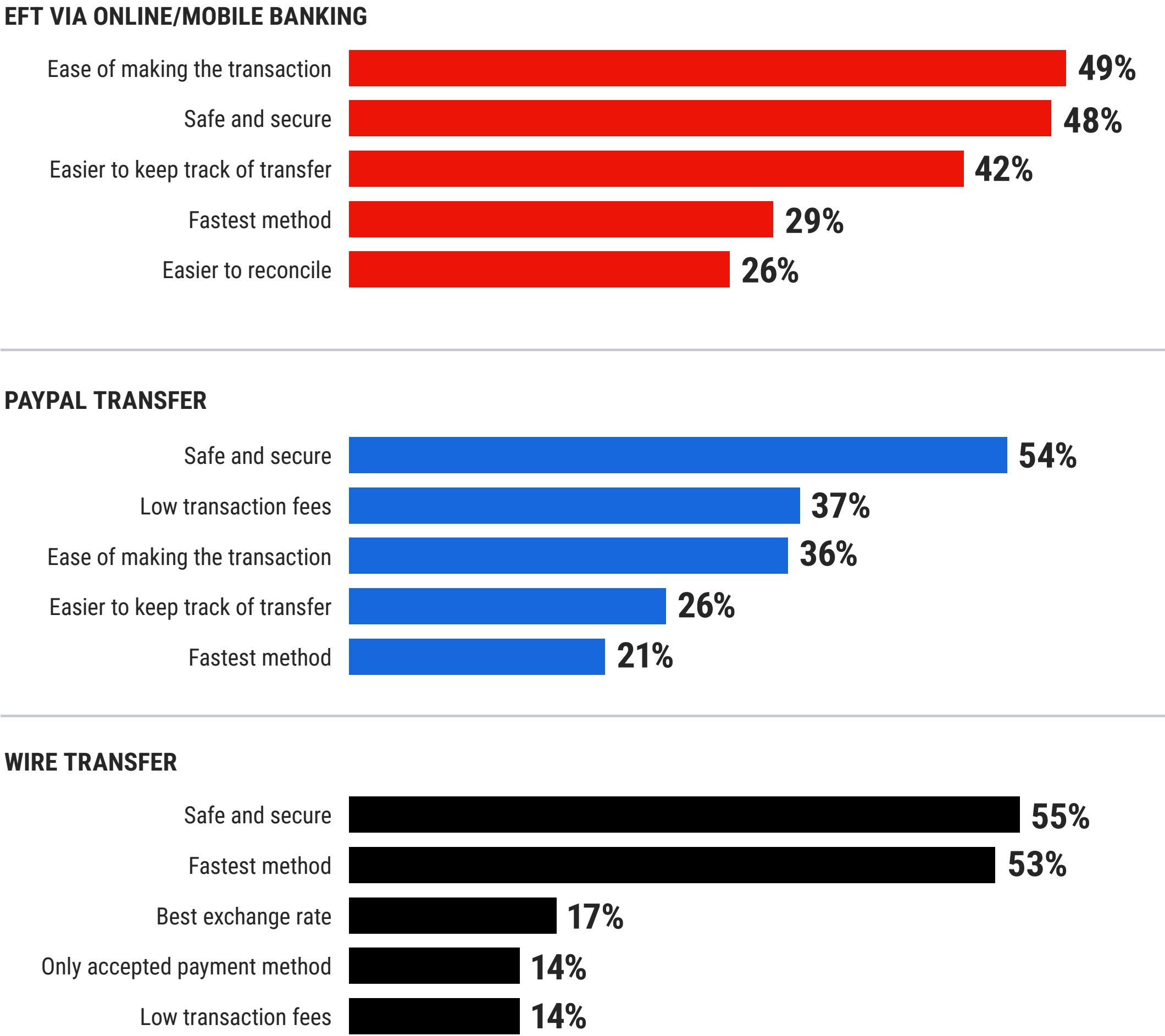
In 2025, the leading method mainly used by consumers for sending money

internationally in a given twelve-month period was electronic transfer via a mobile banking app or online banking account (e.g., RBC International Money Transfer, TD Global Transfer), regaining the top spot at 21 per cent. PayPal transfer was the next most widely used method for sending money internationally, falling to second place at 18 per cent (compared to 21 per cent in 2024). Rounding out the top three methods used for sending money internationally was wire transfer at 13 per cent (fairly similar to 12 per cent a year ago). Other common payment methods for sending money internationally included: Wise international money transfer (12 per cent); Remitly international money transfer (11 per cent); Visa Direct (seven per cent); Mastercard Send (six per cent); and Western Union money transfer (four per cent).²⁷¹

The primary reason Canadians mainly used electronic transfer via their mobile banking app or online banking account for sending international payments in 2025 was because of the ease of

265 Payments Canada/Leger. 2025 Consumer and Business Payments Tracker Surveys.
266 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
267 Ibid.
268 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
269 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
270 Ibid.
271 Ibid. Note: Visa Direct™ — allows an individual to make payouts to the recipient's Visa-branded credit, debit, and reloadable prepaid cards internationally. Mastercard Send™ — allows an individual to send money internationally to bank accounts, debit or prepaid Mastercard, a mobile wallet, or a cash-out location.

FIGURE 10: DRIVERS OF USE FOR TOP THREE METHODS OF SENDING INTERNATIONAL PAYMENTS (CONSUMERS)



Base: Have sent money internationally in the past twelve months (2025). Base size: n=281.

paying this way (49 per cent).²⁷² Fifty-four per cent of Canadians who mainly used PayPal transfer for sending international payments in 2025 did so because it was perceived to be safe and secure.²⁷³ Similarly, 55 per cent who used wire transfers for sending international payments gave the same reason.²⁷⁴ For more on the drivers of use for the top three methods of sending international payments, see **Figure 10: Drivers of use for top three methods of sending international payments (consumers)**.

Very few Canadians mainly used digital currencies such as Bitcoin, Ethereum, USDT or USDC for sending money internationally in 2025. The proportion of consumers who did so declined directionally to three per cent from six per cent a year ago.²⁷⁵ This result indicates that digital currencies have not been widely adopted by Canadians as a method for sending money internationally. Rather, those using digital currencies for cross-border payments are early adopters. They tend to be young (18 – 34), male and participate in the gig economy.²⁷⁶ Young Canadians were significantly more likely than middle-aged (35 – 54) or older Canadians (55 or over) to use stablecoin for sending money internationally in

the next 12 months (17 per cent versus seven per cent and two per cent, respectively).²⁷⁷ As early adopters, Gen Y and Z consumers may pave the way for digital currencies to become a more mainstream method for sending international payments in the future.

Given the option, almost one in four consumers (24 per cent) who sent money internationally in the past 12 months would prefer to use Interac e-Transfer (relatively unchanged from 22 per cent in 2024). The next preferred payment method was electronic transfer via their mobile banking app or online banking account (16 per cent), followed by PayPal transfer (12 per cent), digital wallet (eight per cent), wire transfer (seven per cent), Remitly international money transfer (six per cent), Mastercard Send (six per cent) and Wise international money transfer (six per cent).²⁷⁸

Young Canadians were more likely than other age groups to prefer a greater variety of payment methods for sending money internationally. These included: Interac e-Transfer (20 per cent); Mastercard Send (11 per cent); electronic transfer via their mobile banking app or online banking account (10 per cent); digital

currencies (nine per cent); PayPal transfer (eight per cent); and Visa Direct (eight per cent).²⁷⁹ Overall, their key drivers of choice for selecting a payment method for sending money internationally were low transaction fees, security, speed and having the best exchange rate.²⁸⁰

Older Canadians were more likely than young Canadians to have a smaller repertoire of payment methods they prefer for sending money internationally. These included: Interac e-Transfer (32 per cent); electronic transfer via their mobile banking app or online banking account (24 per cent); PayPal transfer (16 per cent); and wire transfer (10 per cent).²⁸¹ Overall, their key drivers of choice for selecting a payment method for sending money internationally were convenience, security, ease of tracking the payment and speed.²⁸²

The payment challenges facing Canadians when sending money internationally differed between electronic transfer users and those using PayPal transfers or wire transfers. Overall, the biggest pain points experienced by Canadians when using electronic transfer via their mobile banking app or online banking account to send money

272 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
273 Ibid.
274 Ibid.
275 Ibid.
276 Ibid.
277 Ibid.
278 Ibid.
279 Ibid.
280 Ibid.
281 Ibid.
282 Ibid.

internationally were: not knowing the currency exchange rate before the transaction was settled and cleared (24 per cent); limit on the amount of funds that can be sent (17 per cent); and compliance/regulatory requirements (15 per cent).²⁸³ For PayPal transfer users, the biggest challenges were: the high cost of each transaction (22 per cent); extra/hidden fees (18 per cent); and not receiving confirmation that the money went to the right account (13 per cent).²⁸⁴ Lastly, for wire transfer users, the biggest pain points were: extra/hidden fees (24 per cent); the high cost of each transaction (21 per cent); and not receiving confirmation that the money went to the right account (20 per cent).²⁸⁵

Overall, the proportion of businesses that sent money internationally in a given 12 month period remained relatively steady in 2025 compared to a year ago (33 per cent versus 34 per cent, respectively).²⁸⁶ Of those businesses that made an international payment, they were doing so more frequently in 2025 than a year ago. The proportion of businesses that frequently sent money internationally (i.e., monthly or more often) in 2025 increased directionally to 70 per cent from 66 per cent in 2024.²⁸⁷

The primary reason why Canadian businesses sent money internationally in a given twelve-month period was to pay foreign suppliers (42 per cent). Other key reasons included sending money to a client (27 per cent); paying salaries/wages to employees working abroad (24 per cent); making payments (e.g., taxes, bill payments) for a foreign property (24 per cent); and making export tax payments for their business (15 per cent).²⁸⁸

In 2025, the US continued to be the leading international destination for businesses sending money to people in other countries in a given month (49 per cent), down directionally from 57 per cent a year ago. Other popular destinations for international payments included: China (25 per cent); the UK (16 per cent); Germany (13 per cent); India (nine per cent); and Australia (seven per cent).²⁸⁹ Mid-market businesses were more likely than SMEs to have sent money internationally to Australia (14 per cent versus six per cent, respectively) and Hong Kong (13 per cent versus three per cent, respectively). SMEs were more likely than mid-market businesses to have sent money internationally to China (25 per cent versus 16 per cent, respectively).²⁹⁰

More businesses were using digital channels for sending international payments. Over one third of businesses (35 per cent) used their online or mobile banking account via their main bank or credit union. Fifteen per cent of businesses relied on a financial or payment technology company such as PayPal, Wise, Remitly or Paysend, while nine per cent relied on the Canada Post website (using Moneygram). Only 16 per cent of businesses visited a physical branch location of their main bank or credit union. The majority of businesses (51 per cent) continued to rely on their main financial institution (bank or credit union) for sending money internationally (fairly similar to 52 per cent in 2024).²⁹¹

In 2025, the leading method mainly used by businesses for sending money internationally in a given twelve-month period was electronic transfer via a mobile banking app or online banking account (e.g., RBC International Money Transfer, TD Global Transfer), at 18 per cent (relatively unchanged from 19 per cent a year ago). Wire transfer and PayPal transfer were tied for second as the next most widely used method for sending money internationally. Twelve per cent of businesses mainly used wire transfers



283 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
284 Ibid.
285 Ibid.
286 Payments Canada/Leger. 2025 Business Payments Tracker Survey.
287 Ibid.
288 Ibid.
289 Ibid.
290 Ibid.
291 Ibid.

for sending money internationally (down directionally from 17 per cent in 2024). The proportion of businesses that used PayPal transfer increased directionally to 12 per cent from eight per cent in 2024. Other common payment methods for sending money internationally included: International Transfer by Mastercard and Interac (11 per cent); Visa Direct (10 per cent); Mastercard Send (10 per cent); and digital currencies (seven per cent).²⁹²

The primary reason businesses mainly used electronic transfer via their mobile banking app or online banking account for sending international payments in 2025 was because of the ease of paying this way (43 per cent).²⁹³ Thirty-seven per cent of businesses that mainly used wire transfers for sending international payments in 2025 did so because it was perceived to be safe and secure.²⁹⁴ Over half of businesses (55 per cent) that mainly used PayPal transfers for sending international payments did so because of the ease of paying this way.²⁹⁵ Other key decision drivers for sending money internationally among the top three methods included low transaction fees, speed and ease of payment reconciliation.²⁹⁶ For more on the drivers of use for the top three methods of sending international

payments, see **Figure 11: Drivers of use for top three methods of sending international payments (businesses)**.

Fewer than one in 10 businesses (seven per cent) mainly used digital currencies such as Bitcoin, Ethereum, USDT or USDC for sending money internationally in 2025. This result indicates that digital currencies have not been widely adopted by Canadian businesses as a method for sending money internationally. This may soon change given that the Government of Canada passed its 2025 federal budget in parliament, which included a section that would govern the issuance of stablecoins, overseen by the Bank of Canada. The *Stablecoin Act* governs the issuance, creation and redemption of stablecoins.²⁹⁷ Greater consumer and business protection and regulatory oversight is a key factor that may influence the willingness of businesses to adopt stablecoin for cross-border payments.

Given the option, 14 per cent of all businesses would still prefer using electronic transfer via their mobile banking app or online banking account to send international payments, followed by Mastercard Send (13 per cent), digital currencies (nine per cent), Wise international

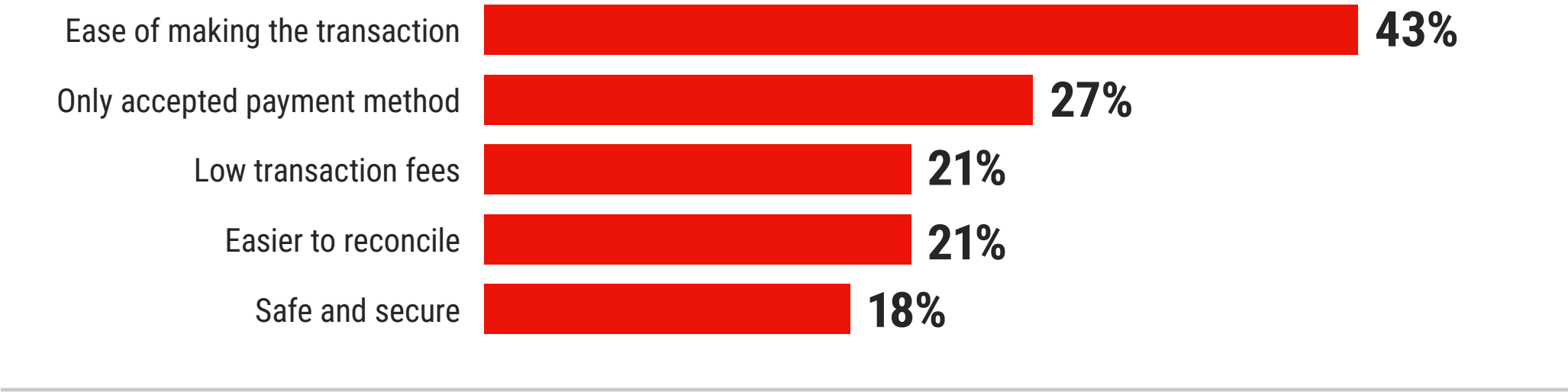
money transfer (nine per cent), wire transfer (seven per cent) and Visa Direct (six per cent).²⁹⁸ Mid-market businesses were significantly more likely than SMEs to prefer using a mobile wallet (e.g., Apple Wallet, Google Wallet) to send money internationally if this option was available to them (12 per cent versus two per cent, respectively).²⁹⁹

For sending international payments to their customers (B2C), the most widely used methods by Canadian businesses were PayPal transfer (35 per cent), Mastercard Send (34 per cent), wire transfer (33 per cent), Western Union money transfer (32 per cent) and electronic transfer via a mobile banking app or online banking account (30 per cent).³⁰⁰ For sending international payments to other businesses (B2B), the most common methods used by Canadian businesses were electronic transfer via a mobile banking app or online banking account (49 per cent), wire transfer (45 per cent), International Transfer by Mastercard and Interac (44 per cent), PayPal transfer (42 per cent) and Wise international money transfer (42 per cent).³⁰¹

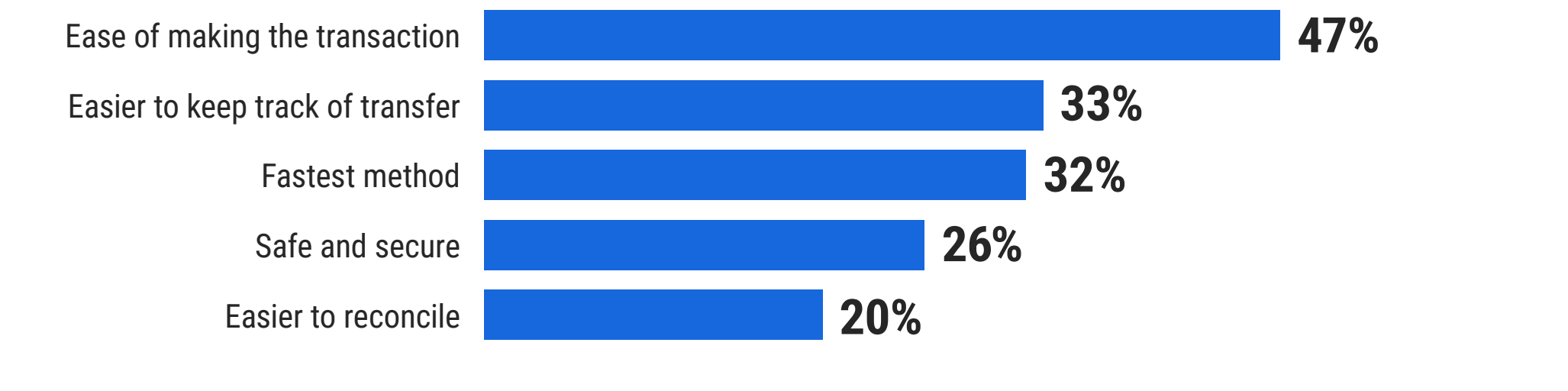
There were some similarities and differences in the payment challenges

FIGURE 11: DRIVERS OF USE FOR TOP THREE METHODS OF SENDING INTERNATIONAL PAYMENTS (BUSINESSES)

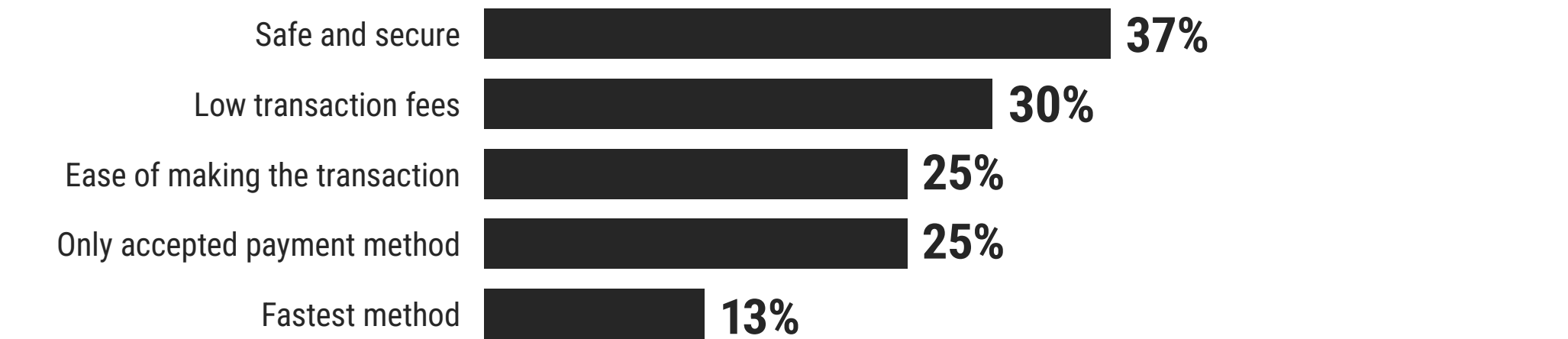
EFT VIA ONLINE/MOBILE BANKING



PAYPAL TRANSFER



WIRE TRANSFER



Base: Have sent money internationally in the past twelve months (2025). Base size: n=190.

²⁹² Payments Canada/Leger. 2025 Business Payments Tracker Survey.
²⁹³ Ibid.
²⁹⁴ Ibid.
²⁹⁵ Ibid.
²⁹⁶ Ibid.
²⁹⁷ For more, see: For more, see: [Canada's Stablecoin Act: overview and implications | Insights | Torys LLP](#).
²⁹⁸ Payments Canada/Leger. 2025 Business Payments Tracker Survey.
²⁹⁹ Ibid.
³⁰⁰ Ibid.
³⁰¹ Ibid.

facing businesses when sending money internationally among the top three methods used. Not knowing the currency exchange rate before the transaction was settled and cleared was a top pain point across all three methods—EFT via mobile/online banking (22 per cent), wire transfer (30 per cent) and PayPal transfer (25 per cent).

The time it took for the money to appear on the beneficiary account was too long was another top pain point among wire transfer and EFT via mobile/online banking users (32 per cent and 21 per cent, respectively). Similarly, the high cost of each transaction was among the top pain points for wire transfer and EFT via mobile/online banking account users (30 per cent and 17 per cent, respectively).

Except for not knowing the currency exchange rate before the transaction was settled and cleared, the remaining top three pain points facing PayPal users were different from businesses that either used wire transfer or EFT via mobile/online banking. Businesses that used PayPal transfer for sending money internationally also indicated the limit on the amount of funds that can be sent (19 per cent) and not receiving confirmation that the money went to the right account (15 per cent) as their biggest payment pain points.

Finally, the proportion of businesses that did not experience any payment pain point when using EFT via mobile/online banking for sending money internationally was significantly greater than those using either wire transfer or PayPal transfer (22 per cent versus 12 per cent and 13 per cent, respectively).³⁰²



302 Payments Canada/Leger. 2025 Business Payments Tracker Survey.

2025 HIGHLIGHTS

The total number of e-commerce payments increased by three per cent to

592 million

transactions from 2024.³⁰³

The total value of e-commerce transactions increased by three per cent to

\$79 billion

from 2024.³⁰⁴

On average, Canadians made

4.6 \$225

purchases (more or less unchanged from a year ago) and spent (down from \$239 a year ago) in a given month online.³⁰⁵

Credit cards remained the top payment choice for e-commerce transactions at

61%

Mastercard or Visa Debit usage experienced significant growth from 2024.

1 in 3

online purchasers (33 per cent) used Mastercard or Visa Debit to make an online purchase in a given twelve-month period. PayPal rounded out the top three payment methods for online purchases over a twelve-month period at 32 per cent.³⁰⁶

The leading categories for online purchases in 2025 were clothing, groceries, electronics, personal beauty products, food from restaurants/fast food outlets and books, magazines and newspapers. Clothing showed the greatest increase in online shopping compared to 2024 followed by electronics.³⁰⁷

The e-commerce environment

E-commerce refers to the use of web-based storefronts and applications via computers or mobile devices (e.g., smartphone, tablet) to obtain goods and services from merchants.

The total annual growth in e-commerce payment volume in 2025 was comparable to 2024 (three per cent versus four per cent, respectively). E-commerce remained a well-used channel for purchasing goods and services, reaching 592 million transactions worth \$79 billion in 2025 (see **Figure 12: E-commerce purchases growth 2020-2025, volume and value** for more).³⁰⁸ E-commerce sales accounted for 6.1 per cent of total retail sales in 2025, unchanged from 2024.³⁰⁹ Close to three in five Canadians (58 per cent) made an online purchase in a given month (down from 60 per cent in 2024).³¹⁰

Credit cards remained the leading choice among Canadians for making online purchases with 61 per cent having used a credit card in a given twelve-month period. Mastercard or Visa Debit took over second spot from PayPal in 2025 with 33 per cent of online purchasers using this payment method. PayPal dropped to third place at 32 per cent, followed by Interac e-Transfer at 29 per cent.

Of the payment methods used for online purchases in 2025, Interac e-Transfer exhibited the greatest year-over-year growth at 135 per cent. For more, see **Figure 13: E-Commerce payment mix**.³¹¹

In 2025, the average number of payment methods used by Canadians for their online shopping in a given twelve-month period was three. Just over one third of online shoppers (35 per cent) remained loyal to only one payment method. Of those who used only one payment method for their online shopping, 60 per cent chose credit cards, 13 per cent chose debit cards, while nine per cent chose PayPal.³¹²

The top categories for online purchases in 2025 all saw an increase in incidence of online purchases. These included: clothing (54 per cent); groceries (30 per cent); electronics (29 per cent); personal beauty products (27 per cent); and books, magazines and newspapers (25 per cent). Categories that saw a decrease in incidence of online purchases in 2025 were food from

restaurants/fast food outlets (25 per cent) and travel (24 per cent). The decrease in travel is likely tied to the reduced travel to the US.³¹³

The majority of Canadians (62 per cent) paid for their online purchases from e-commerce merchant webpages using either a computer/laptop or mobile device in a given month (down from 64 per cent in 2024).³¹⁴ Twenty-eight per cent of Canadians made an in-app purchase using their mobile device in a given month (up from 27 per cent in 2024).³¹⁵ In-app purchases require users to store their credit or debit cards in mobile device apps or app stores (e.g., Uber, Apple App Store or Google Play) to make funds available for in-app purchases.

Groceries and food from restaurants/quick service restaurants continued to be a category in which Canadians were just as likely to pay for their purchases via an online merchant webpage using a computer/laptop or mobile device (48 per cent) as they were to pay via

303 TSI Canadian Payments Forecast, 2026.
304 Ibid.
305 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
306 Ibid.
307 TSI Canadian Payments Forecast, 2026.
308 TSI Canadian Payments Forecast, 2026.
309 Statistics Canada. Retail trade, December 2025. For more, see: [Monthly retail trade sales by province and territory \(Statistics Canada\)](#). Note: figures are seasonally adjusted.
310 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
311 TSI Canadian Payments Forecast, 2026.
312 Ibid.
313 Ibid.
314 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
315 Ibid.

FIGURE 12: E-COMMERCE PURCHASES GROWTH 2020 – 2025, VOLUME AND VALUE

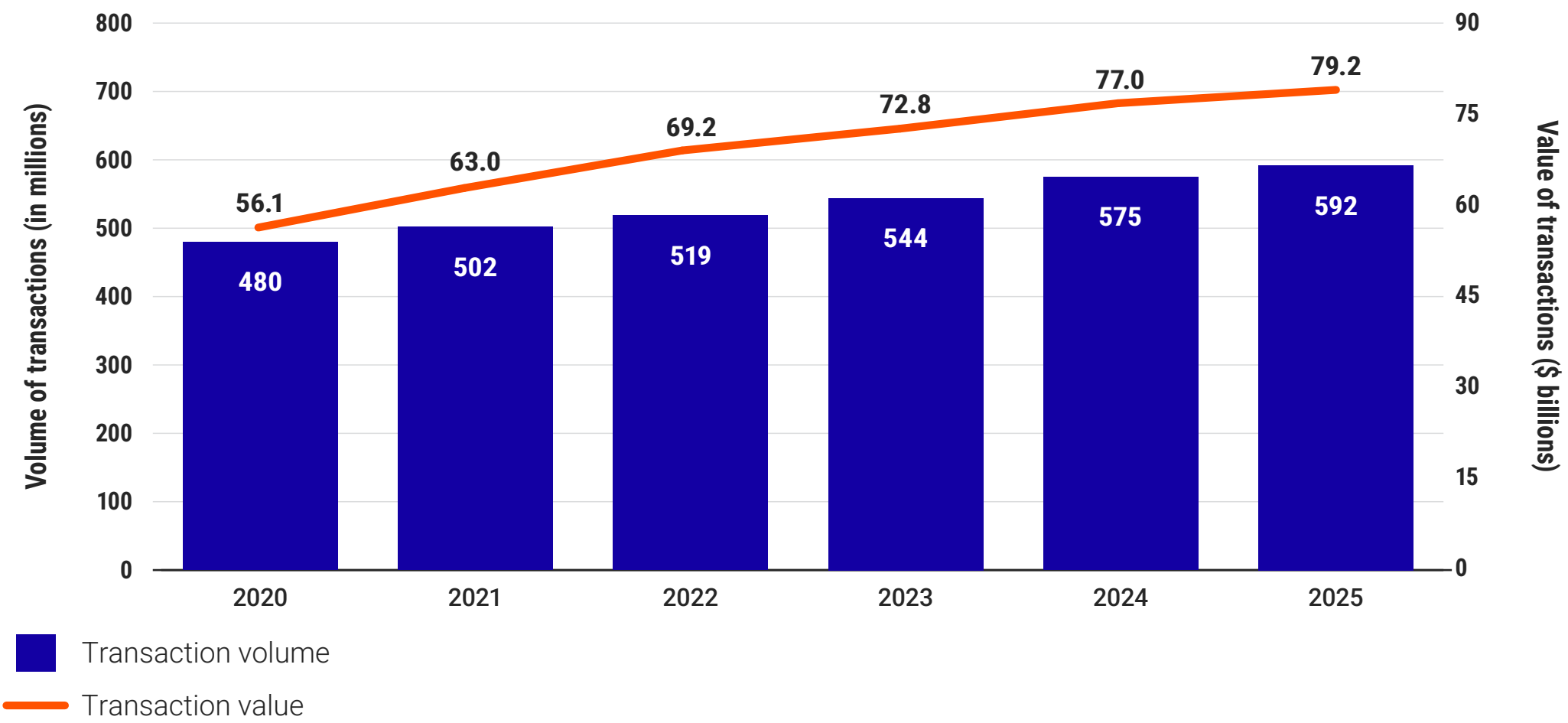
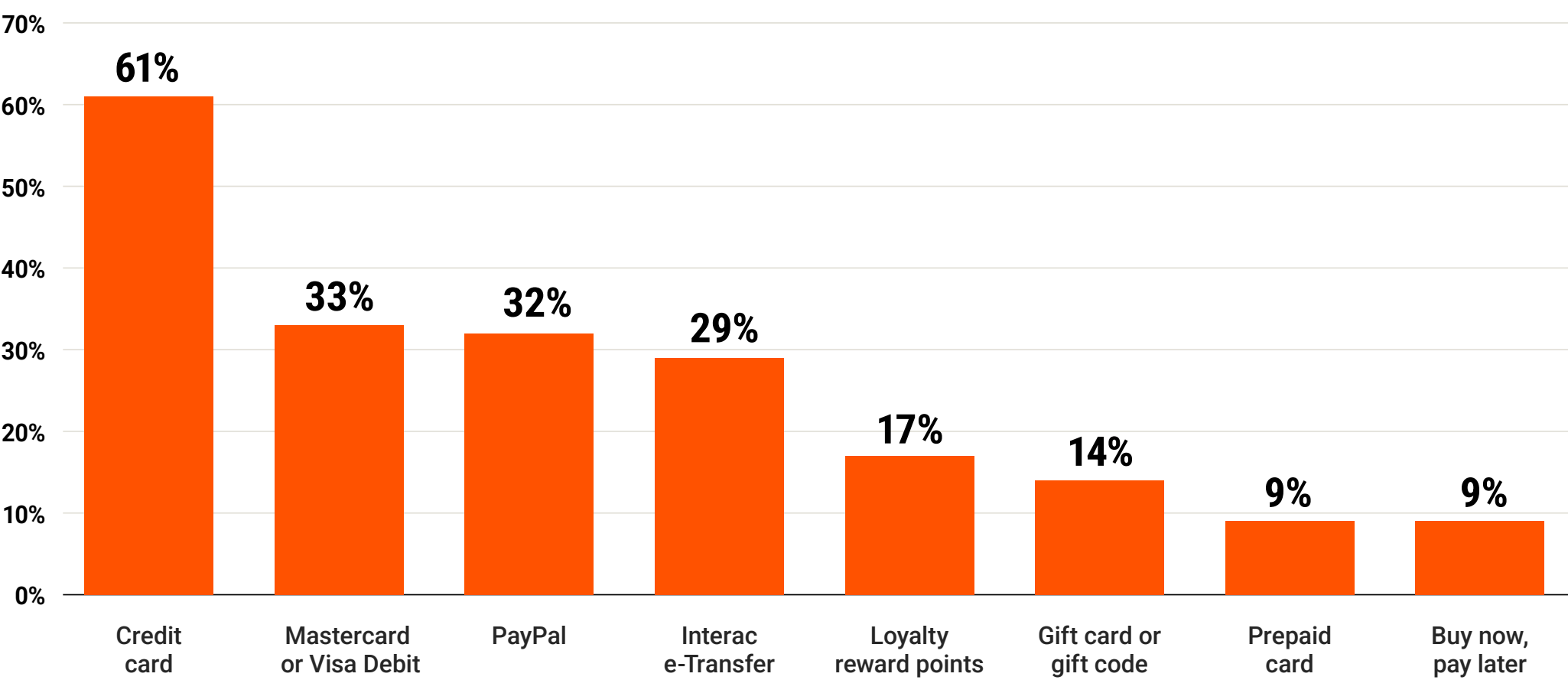


FIGURE 13: E-COMMERCE PAYMENT MIX*



* Payment methods used by Canadians for online purchases in the past 12 months (2025).
Notes: percentages do not sum to one hundred per cent because respondents may have used multiple payment methods for their online purchases. Base: Online purchasers P12M: 2025 (n=1,780). Note: Interac Online is excluded as this payment product is no longer offered by Interac.

in-app accessed through their mobile device (52 per cent).

In 2025, significantly more Canadians made in-app food and grocery purchases compared to 2024 (52 per cent versus 47 per cent).³¹⁶ The increase in in-app purchases for food and groceries is likely tied to the increased usage of online food and grocery delivery platforms in Canada—for example, SkipTheDishes, UberEats, Door Dash and Instacart. These platforms are highly popular, with a 2024 survey indicating that 55 per cent of Canadians used SkipTheDishes and 46 per cent used UberEats in the past year.³¹⁷ Food delivery apps like Uber Eats have expanded to include grocery, alcohol, and pharmacy deliveries. Young Canadians (18 – 34) are significantly more likely to have used food delivery apps than older Canadians (55 or over) (67 per cent versus 15 per cent, respectively).³¹⁸

The proportion of Canadians that used smart devices or social media for placing an online order or initiating a payment in a given month increased to 15 per cent in 2025 (significantly higher than 13 per cent a year ago). This included Instagram (five per cent), Amazon Alexa (four per cent), Google Home (four per cent), Facebook –

using Messenger or making in-app payments (four per cent) and Apple Siri (three per cent).³¹⁹

Overall, Canadians were satisfied with their payment experience when making online purchases.

Almost three in five consumers (58 per cent) were satisfied with the time it took to execute the payment when making a payment through a website or payment app (fairly similar to 56 per cent in 2024).³²⁰ Fifty-nine per cent of consumers were satisfied with the time it took the website or payment app to approve the purchase when purchasing online (significantly higher than 56 per cent in 2024).³²¹ One in 10 Canadians (10 per cent) experienced not being able to use their preferred payment method while shopping online (relatively unchanged from 11 per cent in 2024).³²²

One-click checkout services for online purchases have become an important way for businesses to reduce friction during the checkout process and enhance the payment experience for their customers. One-click checkout refers to the capability for customers to purchase items in their shopping cart with a single click. This simplifies the checkout process by removing the

need to manually input payment details such as the customer’s name, email, payment information and shipping address.³²³

The proportion of online shoppers who used one-click checkout services at the checkout was 50 per cent in 2025 (down from 55 per cent a year ago).³²⁴ The top five most used types of one-click checkout services for online purchases in 2025 were: PayPal (54 per cent); Apple Pay (22 per cent); Visa/Mastercard Click-to-Pay (21 per cent); Google Wallet (11 per cent); and Amazon Pay (seven per cent).³²⁵

In 2025, the rate of online checkout abandonment significantly declined to 62 per cent from 71 per cent a year ago. Online checkout abandonment is when a customer starts the checkout process, but leaves without completing the online purchase. The checkout abandonment rate continued to be significantly higher for women compared to men (66 per cent versus 58 per cent, respectively).³²⁶

The primary reasons Canadians abandoned their online purchase at the checkout remained the same from last year. The two most common reasons were high shipping cost (39 per cent)

316 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
317 For more, see: [Food Delivery Statistics in Canada | Made in CA](#).
318 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
319 Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.
320 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.
321 Ibid.
322 Ibid.
323 For more, see: [What one-click checkout is and how it works | Stripe](#).
324 TSI Canadian Payments Forecast, 2026.
325 Ibid.
326 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

LOOKING AHEAD, THE EMERGENCE OF AGENTIC ARTIFICIAL INTELLIGENCE (AI) PAYMENTS WILL RESHAPE HOW E-COMMERCE IS CONDUCTED BY CANADIANS.

and consumers changing their minds and deciding they did not want to purchase the item (27 per cent). Other reasons included: being asked to create a new online customer account with the merchant in order to proceed with the online purchase (five per cent); high import duty/tariff cost (five per cent); technical issue experienced with the e-commerce platform at the checkout (four per cent); the time it took to enter all of the required information at the checkout (four per cent); and the checkout process was confusing/not easy to follow (four per cent).³²⁷

Women were significantly more likely than men to have abandoned their online purchase at the checkout due to high shipping costs (45 per cent versus 33 per cent, respectively).³²⁸ Men were directionally more likely than women to have abandoned their online purchase at the checkout either because it took too much time to enter all of the required information at the checkout (six per cent versus two per cent, respectively), or their preferred payment method was not offered (four per cent versus two per cent, respectively).³²⁹

Overall, consumers perceived buying online from a Canadian merchant to be easier than from an international merchant. Ninety-one per cent of

consumers rated their experience with purchasing something from the website of a Canadian retail business as easy (fairly similar to 90 per cent in 2024). Seventy-two per cent of consumers rated their experience with purchasing something from an international website as easy (significantly higher than 66 per cent in 2024).³³⁰ Logistical concerns such as delivery costs, the exchange rate and customs charges may be the reasons why fewer Canadians perceive it to be easy buying online from an international merchant compared to a Canadian merchant.³³¹

In 2025, some notable developments occurred in the e-commerce space. PayPal rolled out its 'Pay in 4' buy now, pay later solution in Canada, offering consumers an interest-free payment option with no fees. The service allows Canadian consumers to split eligible purchases ranging from \$30 to \$1,500 into four equal payments over six weeks at participating online retailers (e.g., Knix, Samsonite, The Home Depot Canada and Ticketmaster).³³²

Interac announced that Staples Canada had become the first national merchant for its new Canadian e-commerce payment solution, KONEK. KONEK enables consumers to select their preferred payment

option from their eligible financial institution accounts when making purchases online, giving them more choice, convenience and control in how they pay. It is delivered by Interac in collaboration with BMO, National Bank of Canada, RBC, Scotiabank and TD Bank. Staples.ca customers can choose from a range of payment options at checkout, including chequing and savings accounts, credit and debit cards, or lines of credit through their participating financial institution. Direct payments from chequing, savings or line of credit accounts are powered by Interac Direct.³³³

Looking ahead, the emergence of agentic artificial intelligence (AI) payments will reshape how e-commerce is conducted by Canadians. In late 2025, Google announced the Agent Payments Protocol (AP2), an open protocol developed with leading payments and technology companies to securely initiate and transact agent-led payments across platforms. AP2 is an open-source, non-proprietary framework, which allows developers and organizations from around the world to build with it.

AP2 is designed to work with both Agent-to-Agent (A2A) and Model

³²⁷ Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

³²⁸ Ibid.

³²⁹ Ibid.

³³⁰ Ibid.

³³¹ For more, see: [Most Canadians prefer to buy from Canadian companies when shopping online.](#)

³³² For more, see: [PayPal Brings No-Fee Buy Now Pay Later Offering to Canada—Nov 10, 2025.](#)

³³³ For more, see: [Staples Canada Customers First to Benefit from KONEK: New e-Commerce Solution from Interac and Canadian Financial Institutions.](#) Note: Interac Direct is a Canadian digital payment solution that allows you to make card-free online purchases directly from your eligible bank accounts (such as chequing, savings, or lines of credit) using your standard online banking login. Interac Direct is accessible through the KONEK e-commerce payment gateway at participating Canadian online merchants.

Context Protocol (MCP) servers to enable agent-made payments within a set of predefined guardrails. A2A is a type of agent-to-agent protocol that is an open-source standard enabling autonomous AI agents from different frameworks, vendors, and platforms to discover, communicate and collaborate. MCP is a type of agent-to-tool protocol that provides a standardized set of rules enabling AI agents to discover, understand and use external tools (APIs, databases, software) to execute tasks.³³⁴

According to Google Cloud, the significance of this announcement can be summarized as follows:

“The protocol can be used as an extension of the Agent2Agent (A2A) protocol and Model Context Protocol (MCP). In concert with industry rules and standards, it establishes a payment-agnostic framework for users, merchants, and payments providers to transact with confidence across all types of payment methods.”³³⁵

The idea behind AP2 is to create a payment system that enables consumers to direct AI empowered agents to look for and make purchases on that consumer’s behalf, using “intent mandates and cart mandates that can provide a non-repudiable audit trail to establish authorization and authenticity, providing a clear foundation for accountability”

334 For more, see: [Deciphering the alphabet soup of agentic AI protocols • The Register](#).

335 For more, see: [Announcing Agent Payments Protocol \(AP2\)](#).

336 For more, see: [The Dawn of Agentic Artificial Intelligence Payments](#).

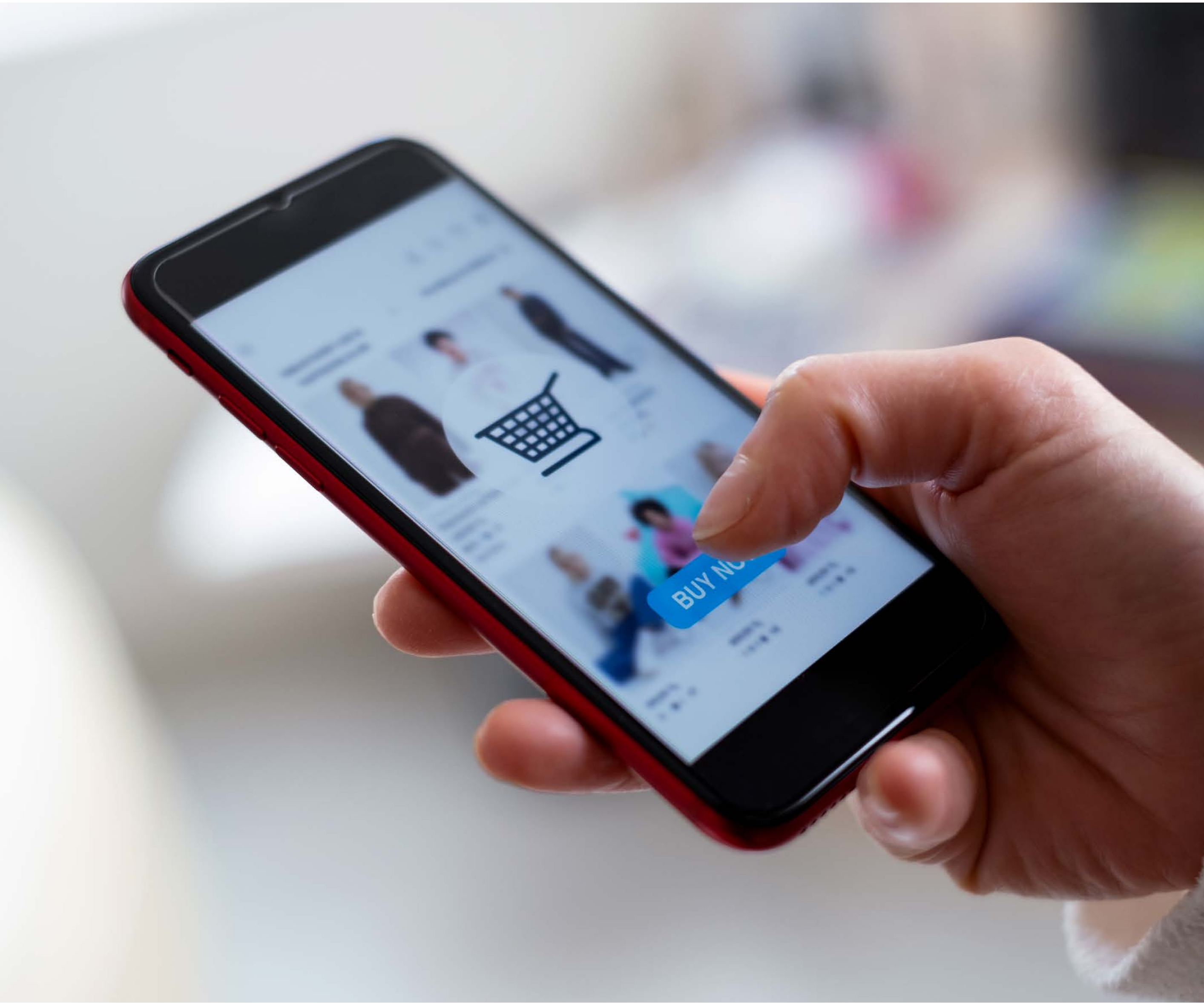
337 Ibid.

338 For more, see: [Artificial Intelligence and Data Act](#).

according to the National Law Review.³³⁶

AP2 and the payment systems that it will generate represent a transformative change in how e-commerce is conducted. A key aspect of AP2 is that it is payment agnostic, so it does not solely depend on the credit/debit card rails or some other payment rail. For instance, AP2 has integrated with a cryptocurrency protocol which would allow for agentic purchases from crypto wallets.³³⁷

AP2 has the potential to revolutionize how consumers shop and make payments. However, a necessary prerequisite is a way to accurately verify the true identity of the purchaser’s/seller’s agents. Also, when a purchase and sale transaction is completed, it triggers a range of provincial and territorial laws, including the right of the purchaser to dispute the transaction if fraud or unauthorized activity is suspected. At the moment, applicable agentic AI laws are virtually non-existent in Canada.³³⁸



Digital currencies

Digital currencies refer to cryptocurrencies (e.g., Bitcoin, Ethereum, etc.), stablecoins (e.g., USDC, USDT) and central bank digital currency (CBDC), which is a digital form of central bank money that is widely available to the general public and a liability of the central bank.

Bitcoin continued to lead all other types of cryptocurrency. The total market capitalization of Bitcoin increased by nine per cent from 2024 to \$2,485 billion and accounted for 57 per cent of the total cryptocurrency market.³³⁹ Even though cryptocurrency is not widely used by Canadians for payment purposes, the Bitcoin ATM ecosystem remained strong. Canada represented the second-largest network of crypto ATMs globally after the US, increasing in number by 27 per cent to 3,735 active Bitcoin ATMs from 2024.³⁴⁰ Overall, the Canadian market represented 10 per cent of the total number of active Bitcoin ATMs worldwide (up from eight per cent a year ago).³⁴¹

However, the Government of Canada announced in its 2026 Spring Economic Update that it plans to ban crypto ATMs, referring to crypto ATMs as a “primary method for scammers to defraud victims and for criminals

to place their cash proceeds of crime.”³⁴² Under this proposed ban, Canadians will still be able to purchase cryptocurrency from brick-and-mortar money services businesses (MSBs), while better protecting MSBs from illicit activity. At present, Bitcoin ATMs are classified as a MSB and are subject to the same regulatory controls as exchange dealers, regular ATMs and money-transfer services, like Western Union in Canada.³⁴³

Bitcoin continued to be the most used cryptocurrency in 2025, with 10 per cent of Canadians having bought, sold, paid with, or invested in Bitcoin in the past twelve-month period, up from nine per cent in 2024. This was followed by Ethereum at six per cent and Cardano (ADA) at four per cent. Bitcoin Cash lost its historical third place ranking.³⁴⁴

Cryptocurrency usage among Canadians remained largely unchanged from 2024. Over four in

five Canadians (81 per cent) were aware of cryptocurrency, but have never used it. Almost one in 10 Canadians (eight per cent) invested in cryptocurrency only. Both these figures remained steady from 2024. However, the proportion of Canadians who have ever used cryptocurrency for sending or receiving payments significantly increased to five per cent from three per cent a year ago. This change was driven by a significant year-over-year increase in the proportion of young Canadians (18 – 34) who have ever used cryptocurrency for sending or receiving payments. The figure more than doubled from four per cent in 2024 to 10 per cent in 2025.³⁴⁵

Canadians who used cryptocurrency for payments skewed male, younger (18 – 34) and were more likely to participate in the gig economy.³⁴⁶ They also possessed a higher level of crypto literacy – understanding of basic crypto concepts and proficient crypto asset



339 For more, see: [Stablecoin versus crypto market distribution 2026 | Statista](#). Note: Total market cap value in USD as of Jan. 28, 2026. USD figure converted to CAD. Assumption: 2025 annual USD-CAD exchange rate is equal to 1.3978 (Bank of Canada).
340 For more, see: [Bitcoin ATMs, by country 2025 | Statista](#).
341 Ibid.
342 For more, see: [Federal government plans to ban crypto ATMs to stop scammers from defrauding Canadians | CBC News](#).
343 Ibid. Note: A money services business (MSB) is a non-bank financial institution that provides services such as currency exchange, funds transfers, and virtual currency management. Because they operate outside traditional banks, these businesses are considered gatekeepers of the financial system and are closely regulated. For more, see: [Money Services Businesses – FINTRACs Requirements](#).
344 TSI, Canadian Payments Forecast 2024.
345 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey. Note: The five per cent total of Canadians who use cryptocurrency for sending or receiving payments is made up of three per cent who only use cryptocurrency for making payments and two per cent who invest in cryptocurrency and use it for making payments.
346 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.



knowledge.³⁴⁷ Their primary reasons for using cryptocurrency for payments were: greater privacy/anonymity (39 per cent); quicker transactions (26 per cent); lower transaction fees compared to traditional payment methods (22 per cent); cost-effective method for transferring funds globally (22 per cent); greater accessibility (21 per cent); and decentralized—not controlled by a central authority like a government or a bank so users have more control over their money (21 per cent).³⁴⁸

The single most important driver for using cryptocurrency for payments among young Canadians was greater privacy/anonymity at 47 per cent compared to other leading drivers such as greater accessibility (26 per cent), decentralized—not controlled by a central authority like a government or a bank so users have more control over their money (26 per cent), lower transaction fees (25 per cent) and increased security (25 per cent).³⁴⁹

The biggest challenges or frustrations faced by Canadians who used cryptocurrency for payments were: prevalence of fraud risks, such as phishing or “pump and dump” schemes³⁵⁰ (47 per cent); the value of cryptocurrency can change constantly and dramatically (37 per cent); users

do not have the same protections as a bank account when storing their cryptocurrency online—holdings in online wallets are not insured by the federal government like commercial bank deposits (31 per cent); every time you sell, buy or use cryptocurrency for payments, it is subject to a capital gains tax based on CRA rules (30 per cent); limited acceptance (26 per cent); and payments are irrevocable—once the payor pays with cryptocurrency, the payor can only get their money back if the payee manually pays them back (25 per cent).³⁵¹ For young Canadians, the top three concerns were: the value of cryptocurrency can change constantly and dramatically (50 per cent); fraud risks (40 per cent); and users do not have the same protections as a bank account when storing their cryptocurrency online (39 per cent).³⁵²

Among Canadians who have never used cryptocurrency for sending or receiving payments, the majority do not have any interest in using cryptocurrency for payments either now (73 per cent) or within the next 12 months (82 per cent). These results remained unchanged from a year ago.³⁵³ The barriers to adoption include: do not trust this payment method (17 per cent); value

of cryptocurrencies are too volatile (15 per cent); do not know enough about cryptocurrency (15 per cent); prefer current payment methods (11 per cent); do not think this payment method is secure (nine per cent); and believe that it is a scam/fraud scheme (nine per cent).³⁵⁴

Overall, the potential benefits of using cryptocurrency for payments most valued by non-users were: lower transaction fees (16 per cent); greater privacy (15 per cent); increased security (15 per cent); decentralized—not controlled by a central authority like a government or a bank so users have more control over their money (13 per cent); and greater accessibility (11 per cent).³⁵⁵

Stablecoins are a type of cryptocurrency designed to maintain a stable value by pegging their price to a specific real-world asset, such as a fiat currency (like the Canadian dollar), a commodity (like gold), or other financial instruments. While many cryptocurrencies display price volatility, stablecoins aim for price stability, acting as a bridge between traditional finance and digital currencies for everyday transactions and as a stable reserve asset for other digital currencies. As a result, they can potentially provide a more consistent

347 Familiarity with Crypto and Financial Concepts: Cryptoasset Owners, Non-Owners and Gender Differences. Bank of Canada (2024). Last updated: December 23, 2024.

348 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

349 Ibid.

350 Phishing is where fraudsters impersonate legitimate services. Pump and dump schemes are where fraudsters artificially inflate the price before selling off holdings.

351 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

352 Ibid.

353 Ibid.

354 Ibid.

355 Ibid.

medium of exchange capable of fulfilling daily transactional needs.³⁵⁶

In 2025, the total market capitalization of stablecoins increased by 33 per cent to \$422 billion from 2024 and accounted for 10 per cent of the total cryptocurrency market.³⁵⁷ Tether (USDT) and USD Coin (USDC) comprised the majority of the overall stablecoin market. As of April 2026, USDT led the stablecoin market, accounting for 62 per cent of the total market cap value of stablecoins, followed by USDC, accounting for 26 per cent.³⁵⁸

Stablecoin usage was lower than cryptocurrency usage in Canada in 2025. Three per cent of Canadians had ever used stablecoin for payments compared to five per cent for cryptocurrency. The majority of Canadians (76 per cent) were not aware of stablecoins, while 17 per cent were aware, but had never used stablecoins (either for payments or as an investment asset).³⁵⁹ Stablecoin users were similar in profile to that of cryptocurrency users, skewing male, younger (18-34) and more likely to participate in the gig economy.³⁶⁰

Of those who have never used stablecoins for payments, about one in five Canadians (18 per cent)

expressed interest in using stablecoins for payments because they were perceived to be innovative (12 per cent), less volatile than cryptocurrency (11 per cent), and safe/secure (six per cent). The majority of Canadians (67 per cent) who have never used stablecoins for payments were not interested in using them for payments because they did not know enough about them (24 per cent), preferred their current payment methods (16 per cent) and did not trust stablecoins (12 per cent).³⁶¹

Expected future usage of stablecoin for payments was slightly higher than current usage among Canadians. Six per cent of Canadians expected to use stablecoin for payments in the next 12 months compared with three per cent of Canadians who have ever used stablecoin for payments.³⁶²

The potential benefits of using stablecoin for payments most valued by Canadians were: less price volatility (15 per cent); more regulatory protection such as obligations around transparency and consumer protection compared to cryptocurrencies like Bitcoin (13 per cent); lower transaction fees compared to traditional payment methods (13 per cent); cost-effective method for global funds transfer

(11 per cent); and transaction transparency (11 per cent).³⁶³

An important factor that may influence Canadians' willingness to adopt stablecoin for payments is greater consumer protection and regulatory oversight. Based on research from the Financial Consumer Agency of Canada, 44 per cent of Canadians viewed the lack of consumer protection regulation for stablecoins as the primary reason they did not own any stablecoins.³⁶⁴ In November 2025, the Government of Canada passed its federal budget in parliament, which included a section that would govern the issuance of stablecoins, overseen by the Bank of Canada.

The *Stablecoin Act* governs the issuance, creation and redemption of stablecoins. It includes a strict ban on issuers paying interest or yield on stablecoins. The Act mandates stablecoin issuers use qualified custodians to hold and maintain one-to-one reserves composed exclusively of the reference currency or other high-quality liquid assets, separate from the issuer's own funds and protected from bankruptcy. Custodians are typically regulated financial institutions that safeguard reserve assets reporting to the central bank



356 For more, see: [Canada's Stablecoin Framework](#).

357 For more, see: [Stablecoin versus crypto market distribution 2026](#) Statista. Note: Total market cap value in USD as of Jan. 28, 2026. USD figure converted to CAD. Assumption: 2025 annual USD-CAD exchange rate is equal to 1.3978 (Bank of Canada).

358 For more, see: [Stablecoins, by market share 2025](#) Statista.

359 Payments Canada/Leger. 2025 Consumer Payments Tracker Survey.

360 Ibid.

361 Ibid.

362 Ibid.

363 Ibid.

364 For more, see: [Consumers' Awareness, Use and Understanding of Stablecoins – Canada.ca](#).



or regulator. Stablecoin issuers must also allow immediate redemptions and meet a suite of requirements on risk management, cybersecurity, disclosures and management in times of failure.³⁶⁵

Another policy aim of the *Stablecoin Act* is to deal with the issue of national security. Specifically, the Government of Canada aims to promote a domestic, Canadian dollar-backed stablecoin ecosystem to counter the import of foreign digital currencies. The primary concern according to the Bank of Canada is “the potential impact of these foreign digital currencies on Canadian monetary sovereignty and financial stability, particularly as financial markets see an increase in US backed digital currencies” buoyed by the *GENIUS Act*, a law created to enforce the use and support of the US dollar as a stablecoin.³⁶⁶

Under the *Stablecoin Act*, federal, provincial securities laws still apply, meaning that stablecoins continue to be supervised by provincial or territorial securities regulators, which classify them as value-referenced crypto assets (VRCAs) acting as securities or derivatives. So, while the *Stablecoin Act* designates the Bank of Canada to have oversight for fiat-backed stablecoin issuers (i.e., stablecoin issuance and stability), provincial or territorial securities regulators

continue to govern how these assets are traded on platforms and maintains interim compliance requirements (i.e., stablecoin trading and distribution).³⁶⁷

However, Bill C-15 amends the *Retail Payments Activities Act* (RPAA) to bring stablecoin-related payment functions under Bank of Canada supervision. This means that transfers of fiat-backed stablecoins will be considered regulated payment functions under the RPAA if the bill is passed.³⁶⁸ It addresses the issue of the role and use of stablecoins among Canadians. Stablecoin issuers and other industry stakeholders view that a primary use for stablecoins is payments (as a store of value or a medium of exchange). Unlike holders of securities, they argue that users do not expect to profit from holding stablecoins, which are designed to maintain a value that remains stable at the fiat currency upon which it is backed.³⁶⁹

Following its decision to scale down its work on a retail CBDC and shifting its focus to broader payments system research and policy development, the Bank of Canada published new research findings in 2025 exploring the technical feasibility of a digital Canadian dollar. It proposed a specific system designed for a retail CBDC focused on simple, everyday payments that prioritizes privacy, speed and decentralization by allowing users to

hold digital funds directly, much like digital cash.³⁷⁰ Overall, the Bank of Canada’s position on introducing a retail CBDC remains unchanged. It will ensure Canadians always have a safe and secure supply of public money, whether or not that future state includes a digital Canadian dollar.

Canadians’ interest in digital currencies as either an investment asset or form of payment has gradually increased over time. But the journey towards financial integration among the majority of Canadians remains a distant prospect. This is largely attributed to moderate interest in crypto investments and the continued preference for traditional payment methods over digital currencies.

³⁶⁵ For more, see: [Canada’s Stablecoin Framework](#).

³⁶⁶ For more, see: [Why does Ottawa want to regulate Canadian stablecoins?](#)

³⁶⁷ For more, see: [Canada’s Stablecoin Act: overview and implications | Insights | Torys LLP](#).

³⁶⁸ Ibid.

³⁶⁹ For more, see: [Fintechs Canada perspective on approach to stablecoin regulation](#).

³⁷⁰ For more, see: [A Retail CBDC Design for Basic Payments: Feasibility Study](#)

YOUR DATA, YOUR MOVE—THE CONVERGENCE OF CONSUMER-DRIVEN BANKING AND THE REAL-TIME RAIL

BY VIKTORIA HALIM AND CHARL ACKERMAN

Introduction: The mechanics and merits of open data

By enabling consumers and businesses to selectively share their financial data with trusted entities and initiate account-based payments, consumer-driven banking (CDB) will help provide Canadians with greater choice, more value and greater control over their payments. Combining the openness of CDB with the speed of Canada's forthcoming RTR will enable further opportunities for productivity and prosperity. This integrated framework expands competition and fosters innovation, enabling ecosystem participants to deliver modern financial products that drive net economic benefits across Canada. The RTR, launching in Q4 of 2026, is Canada's new real-time exchange and clearing and settlement payment system that supports instant, data-rich payments.

CDB refers to a regulated framework that enables Canadian individuals and businesses to share their financial data with authorized service providers.³⁷¹ CDB is known as open banking (OB) globally. Canada purposely opted for the title "consumer-driven banking" to emphasize the empowerment of consumers to control their financial data and dictate its sharing, encompassing the principles of both OB and open finance.³⁷² Canada's *Consumer-Driven Banking Act* received Royal Assent on March 26, 2026.³⁷³ In addition to this, the proposed Consumer-Driven Banking Regulations that were published in draft on June 26, 2026, are expected to be finalized this year.³⁷⁴

³⁷¹ For more, see: [Budget 2025: Canada's Consumer-Driven Banking Framework](#).

A formal accreditation process and a set of criteria that includes a national security screen will ensure Canadians can confidently engage in financial data sharing with trusted entities. Tailored processes and criteria will be used for different classes of entities. The Bank of Canada will evaluate applications and publish the list of accredited participating entities in a central public registry. Once accredited, a participating entity will be able to make a data sharing request at the instruction of a consumer.

³⁷² "Open banking" specifically involves the secure sharing of financial data between banks and third-party providers through APIs, enabling customers to access a broader range of financial services and products. "Open finance" extends this concept beyond banking to include a wider array of financial services such as investments, insurance, and pensions, allowing for a more holistic financial management experience. "Consumer-driven banking," meanwhile, emphasizes the empowerment of consumers to control their financial data and dictate its sharing with various entities, encompassing the principles of both open banking and open finance while focusing on the consumer's role in managing their financial information. For more, see: [Bill C-69 & Consumer – Banking | Canadian Lenders Association](#).

³⁷³ For more, see: [Consumer-Driven Banking in Canada: Key Updates and Issues – McMillan LLP](#).

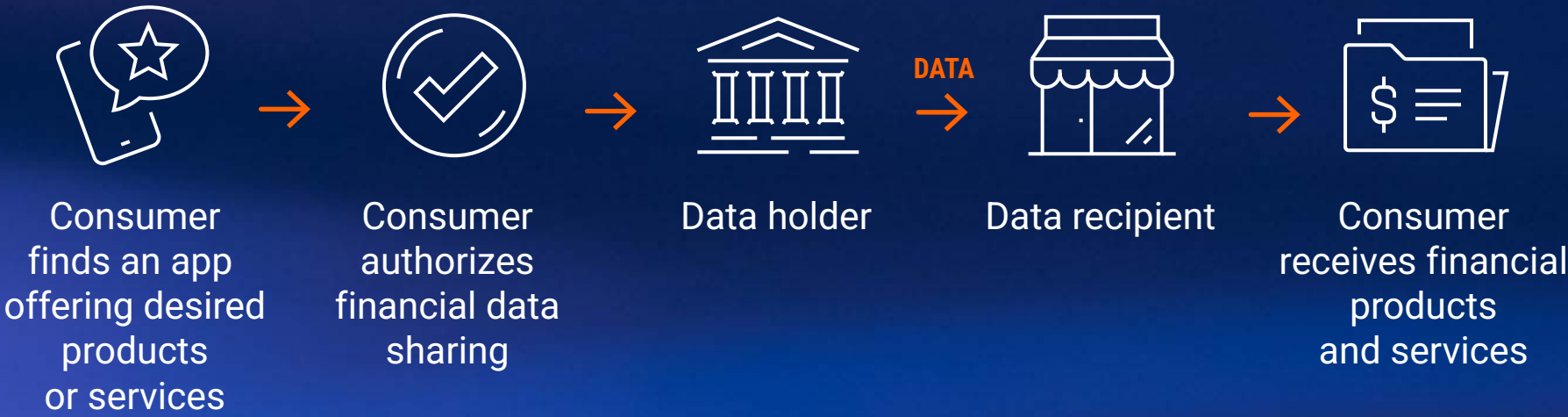
³⁷⁴ For more, see [Government pre-publishes regulations to prevent fraud and facilitate the next phase of consumer-driven banking](#)

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Within the CDB framework, consumers can safely instruct their banks to share their financial data with authorized third-party applications (for example, fintechs that have apps for budgeting tools). CDB will allow consumers to have a bird’s-eye view of their well-being and a more seamless payment experience from start to finish. For more, see

Figure 14: How consumer-driven banking works. According to Payments Canada research, Canadians would likely use CDB services, in general, to help them save and manage their money more effectively, to facilitate the sharing of information and to initiate payments.³⁷⁵

FIGURE 14: HOW CONSUMER-DRIVEN BANKING WORKS³⁷⁶



³⁷⁵ Payments Canada/Leger. 2023 Canadian Consumer Payments and Transactions Survey.
³⁷⁶ For more, see: [Budget 2025: Canada’s Consumer-Driven Banking Framework](#).

Background and global context: Banking unbound

With 95 jurisdictions already adopting OB initiatives worldwide, the global user base is projected to more than triple from 183 million in 2025 to a staggering 645 million by 2029.³⁷⁷ OB typically follows either a regulatory-led model, as seen in the UK and Europe, or a market-driven approach, which is the standard in the US.³⁷⁸

The European Union (EU) has a robust regulatory framework through its Second Payment Services Directive (PSD2), which mandates banks must provide third-party providers with access to customer account information and payment initiation services.³⁷⁹ PSD3 is expected to place great emphasis on ensuring APIs are secure and that all participating firms are appropriately authorized or licensed, as well as tightening fraud controls.³⁸⁰

The UK was an early global leader and over the past eight years, the OB industry has helped create a thriving ecosystem with more than 17 million user connections.³⁸¹ The importance of third-party initiated transactions has been growing in the UK as open banking payments now represent almost 4.5 per cent of total Faster Payments volumes.³⁸² The next phase of work includes the design of the Future Entity, expected to become the primary standard setting body for UK OB.³⁸³ The Open Banking Implementation Entity, currently known as Open Banking Limited, has established standardized API specifications that include both read/write functionalities, allowing third-party providers to access customer account information and initiate payments on their behalf.³⁸⁴ Lessons learned from the UK show that while a strong regulatory framework and

industry collaboration successfully drove technical implementation, early consumer education required more initial support. Adoption rates have been rising dramatically, with recent polls indicating that up to 72 per cent of people in the UK now access open banking services, often without realizing they fall under the open banking umbrella.³⁸⁵

Brazil is a true pioneer in the industry, moving beyond traditional OB early on to include insurance, pensions, investments and Foreign Exchange services, with further expansion into broader financial ecosystems.³⁸⁶ Payments can be initiated via Pix, Brazil’s instant payments platform, integrated with OB application programming interfaces (APIs).³⁸⁷ In Brazil’s framework, the API design is multilateral with strong regulatory

³⁷⁷ For more, see: [Where Open Banking Goes Next | J.P. Morgan](#).
³⁷⁸ Ibid. A market-led open banking model includes “Guided Implementation” and “Voluntary” approaches. Guided Implementation refers to jurisdictions where authorities may issue API standards and/or best practices without enforcing strict adherence. They may also facilitate discussions, knowledge-sharing events, and create incentives to encourage data-sharing among financial institutions. While compliance is not mandatory, regulators may observe market developments and behaviours from a distance, influencing participation through incentives. A Voluntary approach refers to jurisdictions where governments have largely let the market decide for itself, without any material government initiatives to support the development of Open Banking and Open Finance products and services. For more, see: [The Global State of Open Banking and Open Finance Report](#).
³⁷⁹ For more, see: [The Global State of Open Banking and Open Finance Report](#).
³⁸⁰ For more, see: [EU Tightens Fraud Rules and Fintech Licensing in Open Banking Overhaul – Payments Journal](#). The EU is replacing PSD2 with a two-part package: the PSR (a directly-applicable Regulation carrying the open-banking, SCA, fraud and Verification-of-Payee rules) and PSD3 (a Directive on licensing and supervision that merges the payment-institution and e-money regimes). It awaits the final vote and Official Journal publication (expected H2 2026). Most rules are expected to apply ~21 months later (~2028); Verification of Payee provisions at ~27 months. For more, see: [PSD3 & PSR for Developers \(2026\): Readiness, Timeline & What Changes](#).
³⁸¹ Ibid.
³⁸² For more, see: [The Open Banking Impact Report](#).
³⁸³ Ibid.
³⁸⁴ In November 2024, the UK introduced the Data (Use and Access) Bill in Parliament, aiming to enable Smart Data schemes across different sectors. For more, see: [The Global State of Open Banking and Open Finance Report](#).
³⁸⁵ For more, see: [Consumer-Driven Banking Primer](#). For more see: [The Stakes and Promise of Open Banking in Canada](#)
³⁸⁶ For more, see: [An Open Banking \(and Open Finance\) Transformation in Brazil](#).
³⁸⁷ CDB minimizes consumer risks by using application programming interfaces (APIs), which are essentially secure digital handshakes, allowing apps, websites and services to securely share consumers’ financial information.

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oversight by the Banco Central do Brasil (BCB), which requires institutions to implement dedicated APIs for data and service sharing.³⁸⁸

The US follows a market-led model that is shaped by industry practices and voluntary agreements.³⁸⁹ The framework lacks the formal regulatory framework that is observed in the UK or the European Union (EU).³⁹⁰ The legal basis of OB in the US is the Consumer Financial Protection Bureau (CFPB)’s rule under the *Dodd-Frank Act* (finalized in 2024 but subject to ongoing legal challenges).³⁹¹ The rule mandates that consumers have access to their financial data and can securely share their data with third parties.³⁹² The “Personal Financial

Data Rights” rule will activate a dormant provision in the *Dodd-Frank Act* that would require companies to share data at the person’s discretion with other companies, impose strict API standards and prohibit screen-scraping.³⁹³ Fintechs generally favoured the rule, while banks generally opposed the version finalized by the CFPB.³⁹⁴ While some praised the rule for boosting data privacy, consumer choice, competition and innovation, critics argued it amounted to central planning with security gaps and unclear liability.³⁹⁵ The market-driven approach successfully drove consumer adoption, with a Visa survey showing that 87 per cent of Americans have linked their financial accounts via open banking. However, to cure the

security and privacy gaps inherent in this unregulated growth, the US is now shifting toward a formalized regulatory framework.³⁹⁶

Canada has had the benefit of being able to leverage the lessons from other jurisdictions in its journey to consumer-driven banking. By looking to the proven elements of other jurisdictions, like for example, the UK and EU frameworks, Canada can glean best practices regarding stability and performance while maintaining the flexibility to build a solution for the specific needs of the Canadian marketplace.³⁹⁷



Consumer-driven banking in Canada

Prior to the CDB Act (CDBA), many data-sharing arrangements relied on screen-scraping, something that nine million Canadians participated in, often without being aware of the underlying technology.³⁹⁸ These consumers faced increased risks as this practice involved consumers providing their online banking credentials to service providers to enable them to access their financial data and log in as if they were the consumer.³⁹⁹ Once a consumer shared their username and password in this way, they no longer had control over it and were exposed to increased security, liability and privacy risks.⁴⁰⁰ Through screen-scraping, consumers were also at risk of losing the protection their bank

offers against unauthorized transactions.⁴⁰¹ Eliminating screen-scraping is a primary policy objective of the Department of Finance in driving the development of Canada’s CDB framework.

Through the CDBA, oversight of the CDB framework rests with the Bank of Canada.⁴⁰² Additionally, the CDBA establishes uniform standards for security, liability and consent, while driving competition for businesses of all sizes.⁴⁰³ While the CDBA contains a prohibition on screen scraping, it isn’t necessary for launching the wider framework and will not be brought into force until broader consultation and policy development have taken place.⁴⁰⁴

388 For more, see: The Global State of Open Banking and Open Finance Report. In July 2025 alone, Open Finance processed around 1.16 billion Brazilian reais in payments and transfers. The number of active permissions to share data passed 100 million, and loans made possible by Open Finance data sharing totalled roughly 31 billion reais between 2021 and 2025. By most measures, it is the largest open-finance system in the world. For more, see: Brazil’s Open Finance: Giving Customers the Right to Share Their Own Financial Data

389 For more, see: [US open banking explained | Stripe](#).

390 Ibid.

391 For more, see: [Open Banking in the USA](#). Plaintiffs argued that the 1033 Rule, among other things, unlawfully (i) delegates compliance standard-setting to private organizations known as Standard-Setting Bodies (SSBs); (ii) forces banks to oversee, and be responsible for, the security practices of third parties in receipt of covered data; and (iii) prohibits banks from collecting any fees from third parties in exchange for the newly mandated service. For more, see: [A Hard Reset on 1033?: A Look at What’s Next for Open Banking – Lexology](#).

392 For more, see: [Dodd-Frank Act Section 1033 – Consumer Access to Financial Records](#).

393 For more, see: [The Global State of Open Banking and Open Finance Report](#). One of the most common methods they use to access financial data is screen scraping. Fintech apps that use screen scraping may provide access to products and services like those available with open banking. For example, budgeting applications. However, there may be security, liability, and privacy risks when you use these fintech apps. For more, see: [Open banking – Canada.ca](#).

394 For more, see: [Access to Consumer Financial Data: Open Banking and the CFPB’s Section 1033 Rule | Congress.gov](#).

395 Ibid. The same day that the rule was finalized, Forcht Bank, the Bank Policy Institute, and the Kentucky Bankers Association brought a lawsuit against the CFPB arguing that the final rule overstepped its statutory authority.

396 For more, see: [Open banking in the US: What you need to know](#).

397 For more, see: [Canada Can’t Afford to Wait for Open Banking](#).

398 For more, see: [Open banking – Canada.ca](#) and [Budget 2025: Canada’s Consumer-Driven Banking Framework](#).

399 For more, see [Open banking – Canada.ca](#).

400 For more, see: [Open banking – Canada.ca](#) and [Budget 2025: Canada’s Consumer-Driven Banking Framework](#).

401 For more, see: [Open banking – Canada.ca](#).

402 Budget 2025 shifted the responsibility from Financial Consumer Agency of Canada (FCAC) to the Bank of Canada, which already supervises registered payment service providers under the Retail Payment Activities Act (RPAA). Ecosystem participants will be able to go through a single national review process to access both the CDB and real-time payment environments. For more, see: [Open Banking and Real-Time Payments: The Canadian Revolution 2026](#).

403 The development of Canada’s CDB Framework was guided by three public policy objectives, including 1) Competition, Innovation and Economic Growth; 2) Consumer Financial Well-Being and Protection and 3) Safety and Soundness. For more, see: [Budget 2025: Canada’s Consumer-Driven Banking Framework](#). For small- and medium-sized businesses, increased access to data-driven tools can help streamline payroll and other administrative functions and provide better access to the capital they need to grow their businesses, while in turn increasing competition by allowing them access to the CDB framework.

404 For more, see: [Canada Gazette, Part I, Volume 160, Number 26: Consumer-Driven Banking Regulations](#)

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The CDBA also amended the *Personal Information Protection and Electronic Documents Act* (PIPEDA) to establish a key requirement of universal right to data mobility.⁴⁰⁵ In August 2025, the Office of the Privacy Commissioner of Canada released new guidance clarifying how businesses under the PIPEDA must handle biometric information, classifying biometrics as highly sensitive.⁴⁰⁶ Companies must now obtain explicit consent for using biometrics, limit use to the specific authorized purpose, minimize retention and document audits.⁴⁰⁷

On the one hand, robust accreditation processes and oversight, under the Bank of Canada’s leadership, will ensure participating entities meet the highest standards for both security and reliability.⁴⁰⁸ The framework also includes safeguards to protect national security, as well as the integrity and security of the CDB framework and

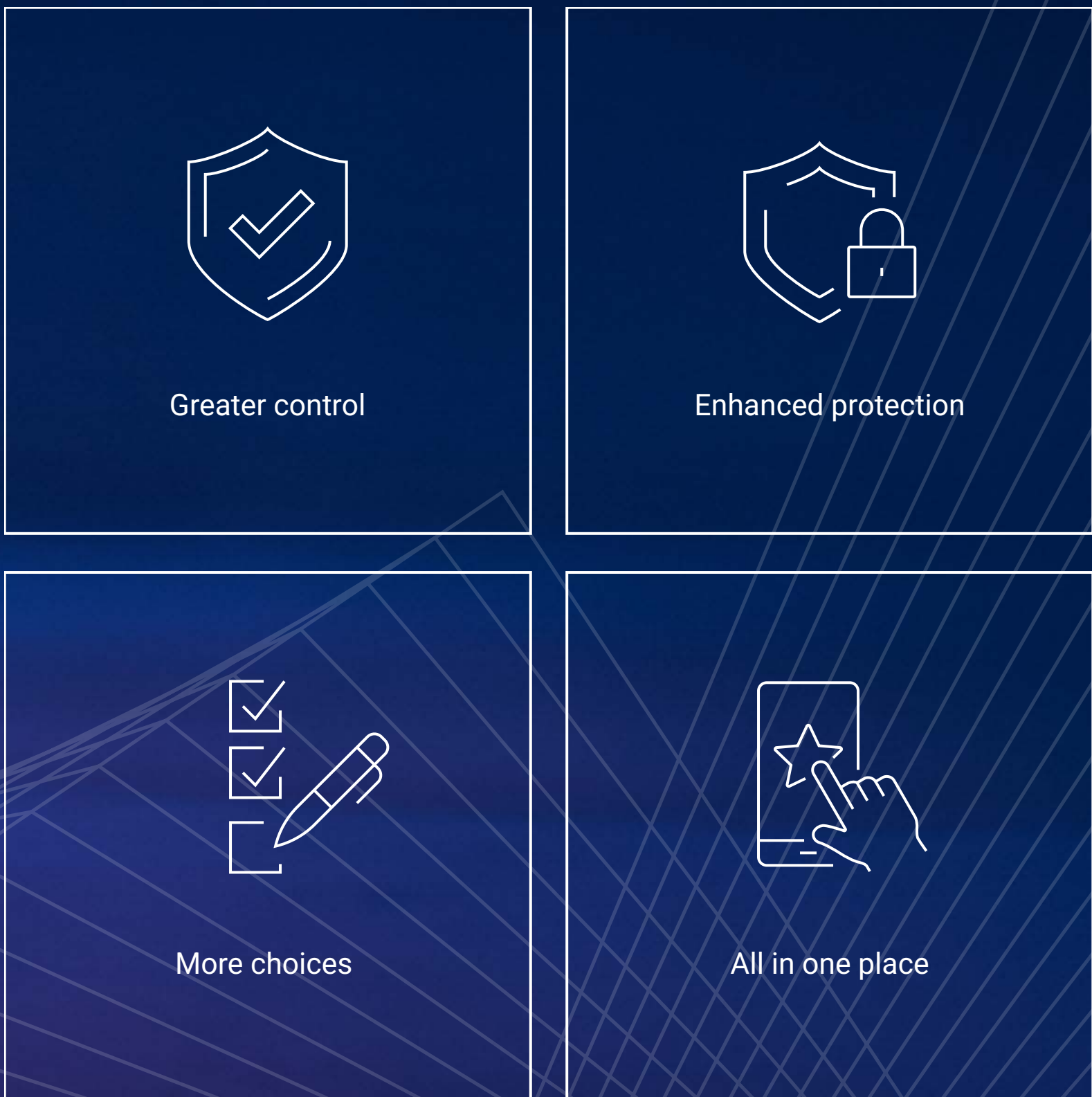
financial sector.⁴⁰⁹ On the other hand, the amendments to the PIPEDA will ensure that consumers’ personal information will be subject to protections in the framework.⁴¹⁰

According to Payments Canada research, Canadians are most interested in CDB services to receive bill payment notifications, or recommendations for more suitable, lower cost products or providers.⁴¹¹ Younger Canadians indicated that they would likely use CDB services to help improve their personal financial management skills including money management, receiving personalized financial advice and expense tracking. For more, see **Figure 15: Benefits of consumer-driven banking**.

As the CDBA is now law, the focus is on implementation, regulatory detail and operational readiness.⁴¹² The government has published for consultation the draft regulations to

support “read access” and is driving to finalize regulations by year-end. “Read access” enables consumers to securely share their financial data such as transaction history and account balances. The consumer can control what data is shared, with whom and for how long while being able to revoke access at any time.⁴¹³ The Department of Finance is also concurrently undertaking consultation and policy work to advance the second phase of CDB with a mid-2027 target that considers broader functionality and participant scope. This work will consider “write access”, the ability to initiate a payment action from an account. Functionality would expand to actions such as: initiating payments, opening accounts, managing subscriptions or setting up direct debits through accredited third parties.⁴¹⁴

FIGURE 15: BENEFITS OF CONSUMER-DRIVEN BANKING⁴¹⁵



405 For more, see: [Canada Gazette, Part I, Volume 160, Number 26: Consumer-Driven Banking Regulations](#).

406 For more, see: [Biometric data in Canada: Navigating new federal Privacy Commissioner guidance for businesses in the private sector | Miller Thomson](#).

407 For more, see: [Open Banking and Real-Time Payments: The Canadian Revolution 2026](#).

408 For more, see: [Budget 2025: Canada's Consumer-Driven Banking Framework](#).

409 Ibid.

410 Subject to the regulations, on the request of an individual, an organization must as soon as feasible disclose the personal information that it has collected from the individual to an organization designated by the individual, if both organizations are subject to a data mobility framework provided under the regulations. For more, see: [Government Bill \(House of Commons\) C-11 \(43-2\) – First Reading – Digital Charter Implementation Act, 2020 – Parliament of Canada](#).

411 Payments Canada/Leger. 2023 Canadian Consumer Payments and Transactions Survey.

412 For more, see: [Open Banking in Canada Moves from Blueprint to Law](#).

413 For more, see: [Open Banking and Real-Time Payments: The Canadian Revolution 2026](#).

414 Ibid.

415 For more, see: [Open banking – Canada.ca](#).

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The nexus of efficiency: How the Real-Time Rail empowers consumer-driven banking

Launching in Q4, 2026, Canada's Real-Time Rail (RTR) is Canada's national critical payment infrastructure that will be a transformational payments infrastructure delivering instant, data-rich payments across Canada 24/7/365 for individuals, businesses and governments. The RTR will enable competition, innovation, economic growth, financial inclusion and fraud mitigation through centralized fraud services.⁴¹⁶ For more information about the RTR, see **Featured Analysis A: Where the rubber hits the road—real world use cases of real-time payments.**

The Federal Government acknowledged the explicit link between CDB and Canada's Real-Time Rail in the 2025 Federal Budget, highlighting together they will support the broader objective of strengthening competition and consumer choice to lower costs and drive **innovation**. Indeed, the full potential of CDB cannot be realized without the RTR. CDB provides the analytical intelligence to generate personalized advice, the RTR will allow consumers to act on those insights and execute payments instantly

(e.g. bill payments, switching accounts, real-time loan funding, etc.). The integration of payments with CDB is central to the RTR's overall impact on financial services.⁴¹⁷ As highlighted by Payments Canada, combining the transparency, safety and accessibility of CDB with fast, data-rich payments enable new opportunities for more players to build innovative financial products.⁴¹⁸ The RTR's enriched data messaging, driven by the ISO 20022 financial messaging standard, will also provide deeper transaction visibility and enable far more precise monitoring.⁴¹⁹ Leveraging faster payments in the context of CDB can enhance the benefits of each by improving the user experience and minimizing the operational complexities associated with data sharing between institutions.⁴²⁰ Under a mature CDB framework, Canadian consumers will unlock an array of high-value use cases, most notably smart sweeping, which is the automatic transfer of money between a customer's own accounts (me-to-me payments).⁴²¹ CDB-enabled apps can proactively notify consumers of optimization opportunities, such

as instantly routing surplus funds to higher-yielding savings accounts or automatically liquidating expensive loan balances and overdrafts.⁴²² This can also include accounts at different banks, as under CDB, account switching friction drops significantly. Furthermore, the introduction of payment initiation will fundamentally shift retail revenue dynamics, as RTR-enabled account-to-account faster payments could allow accredited providers to initiate real-time fund transfers from a bank account.⁴²³

All of the entities in the payment ecosystem stand to benefit from the introduction of the CDB framework. Amendments to the *Canadian Payments Act* in 2025 opened membership to also include payment service providers as defined in the *Retail Payment Activities Act*, credit union locals that are members of a central, and clearing houses of systems designated under the *Payments Clearing and Settlement Act*.⁴²⁴ This expansion of membership promotes competition and innovation in the payment ecosystem, a crucial step in the move towards CDB in Canada. This shift is catalyzed by the

INDEED, THE FULL
POTENTIAL OF CDB
CANNOT BE REALIZED
WITHOUT THE RTR. CDB
PROVIDES THE ANALYTICAL
INTELLIGENCE TO
GENERATE PERSONALIZED
ADVICE, THE RTR WILL
ALLOW CONSUMERS TO
ACT ON THOSE INSIGHTS
AND EXECUTE PAYMENTS
INSTANTLY.

⁴¹⁶ For more, see: [Real-Time Rail payment system](#).

⁴¹⁷ For more, see: [The Need for Speed: The Benefits of Faster Payments and How to Achieve Them—C.D. Howe Institute](#).

⁴¹⁸ For more, see: [Canada's future in real-time | Payments](#).

⁴¹⁹ For more, see: [Open Banking and Real-Time Payments: The Canadian Revolution 2026](#).

⁴²⁰ For more, see: [OPEN BANKING IN THE CONTEXT OF FAST PAYMENTS](#).

⁴²¹ For more, see: [Variable Recurring Payments](#).

⁴²² Ibid.

⁴²³ For more, see: [Canada's real-time rail and open banking: the compliance and technology priorities for 2026](#).

⁴²⁴ For more, see: [Membership | Payments](#).



FEATURED ANALYSIS B

RTR, which provides the technical foundation and broader participation framework for new entrants to execute immediate transactions, while the CDB framework integrates this infrastructure with secure data mobility. Increased access for fintechs and credit unions will broaden the competitive landscape, providing consumers with a more diverse range of tailored financial services.

With more than a third of young Canadians feeling underserved and over half viewing banks as not being on the leading edge of innovation, there is a massive market opportunity to bridge this gap through disruption.⁴²⁵ For consumers with multiple banking relationships, CDB

provides institutions with a holistic view of their finances, enabling more tailored product offerings and competitive rates. According to a recent Environics study, almost four in 10 borrowers secure mortgages through lenders other than their primary financial institution; CDB bridges this gap by allowing financial institutions to leverage full financial visibility to offer competitive rates and enhance customer retention.⁴²⁶ Financial institutions are uniquely positioned to leverage their existing regulatory maturity to launch their own “fintech-style” apps faster or by seamlessly partnering with others and integrating their apps into their own portal.

425 Payments Canada/Leger. 2023 Consumer Payments Tracker Survey.
426 For more, see: [How Are Canadians Choosing Their Mortgage Lenders?](#)

Bridging the gap: Preparing the ecosystem for interoperable write access

The first “write access” payment use case identified by the government includes payment initiation with a targeted 2027 roll-out. Payment initiation has the potential to streamline transactions, reduce reliance on cards and create new commercial models across the payment ecosystem.⁴²⁷ For this phase, it will be critical to establish a clear framework for recourse and transactional liability to address situations where initiated payments have been subject to fraud or error, to maintain ecosystem trust. The RTR will include centralized fraud services from day one, including fraud mitigation capabilities. Also, the RTR rules address recourse.⁴²⁸ The launch and adoption of the RTR is an important dependency for the write access phase of CDB.⁴²⁹ Under the “write access” phase, merchants would be able to reduce processing costs by reducing card intermediaries, and even the friction of bank switching would be eliminated, resulting in genuine competition in the marketplace.⁴³⁰

To ensure seamless ecosystem integration, a designated technical standards body will be responsible for establishing the technical standards that are to be used for the sharing of data by participating entities in accordance with the CDB framework.⁴³¹ The technical standards body will be supervised by the Bank of Canada.

Other details that have to be defined include specifying the banks that are required to participate, accreditation and security standards, data sharing protocols and requirements for consent and authorization.⁴³² The CDB Act underwent minor revisions, which explicitly clarify that a data provider must obtain consent from consumers before disclosing data to a data recipient, operating alongside privacy-law consent requirements.⁴³³

While younger Canadians will likely be early adopters of the CDB, targeted education and outreach are key to ensuring all age groups and other demographic segments benefit

equally. As in the UK, extensive consumer education on the benefits of CDB should be prioritized. Younger Canadians are significantly more likely to be comfortable using fintech and big tech companies for holding deposit products.⁴³⁴ CDB truly offers options for everyone: some Canadians can explore new payment providers, while others, if they prefer, can access fintech-level features through their trusted financial institutions. To deliver on these consumer expectations, the entire financial ecosystem must evolve. Ecosystem participants must shift their focus from **if** payment changes are coming to **how** they will adapt to the new world of CDB.⁴³⁵ Early investment in connectivity, consent and identity infrastructure ensures compliance long before it becomes mandatory.⁴³⁶ By updating internal processes ahead of the curve, companies will gain a significant competitive advantage. Ultimately, the entire ecosystem benefits.

427 For more, see: [From access to action: Unlocking payment initiation in Canada | Open Banking Expo](#).
428 For more, see: [Fraud services | Payments](#).
429 For more, see: [Open Banking and Real-Time Payments: The Canadian Revolution 2026](#).
430 Ibid.
431 A common technical standard is critical to data sharing, as it sets out the specifications to which APIs are built, and supports functionality and interoperability. Participating entities will be required to implement a single, specific technical standard to provide certainty to regulators and other participating entities. The Consumer-Driven Banking Act authorizes the Minister of Finance to designate a technical standards body and sets out criteria and considerations for evaluating candidates. The Bank of Canada will supervise the technical standards body to ensure it complies with the framework and develops the standard with Canadian public policy objectives in mind, including security, competition, innovation, and global interoperability. For more, see: Consumer-Driven Banking Act (SC 2024, c. 17, s. 198) and Budget 2025: Canada's Consumer-Driven Banking Framework.
432 For more, see: [Open Banking in Canada Moves from Blueprint to Law](#).
433 Ibid.
434 Payments Canada/Leger. 2023 Consumer Payments Tracker Survey.
435 For more, see: [Open Banking and Real-Time Payments: The Canadian Revolution 2026](#).
436 Ibid.

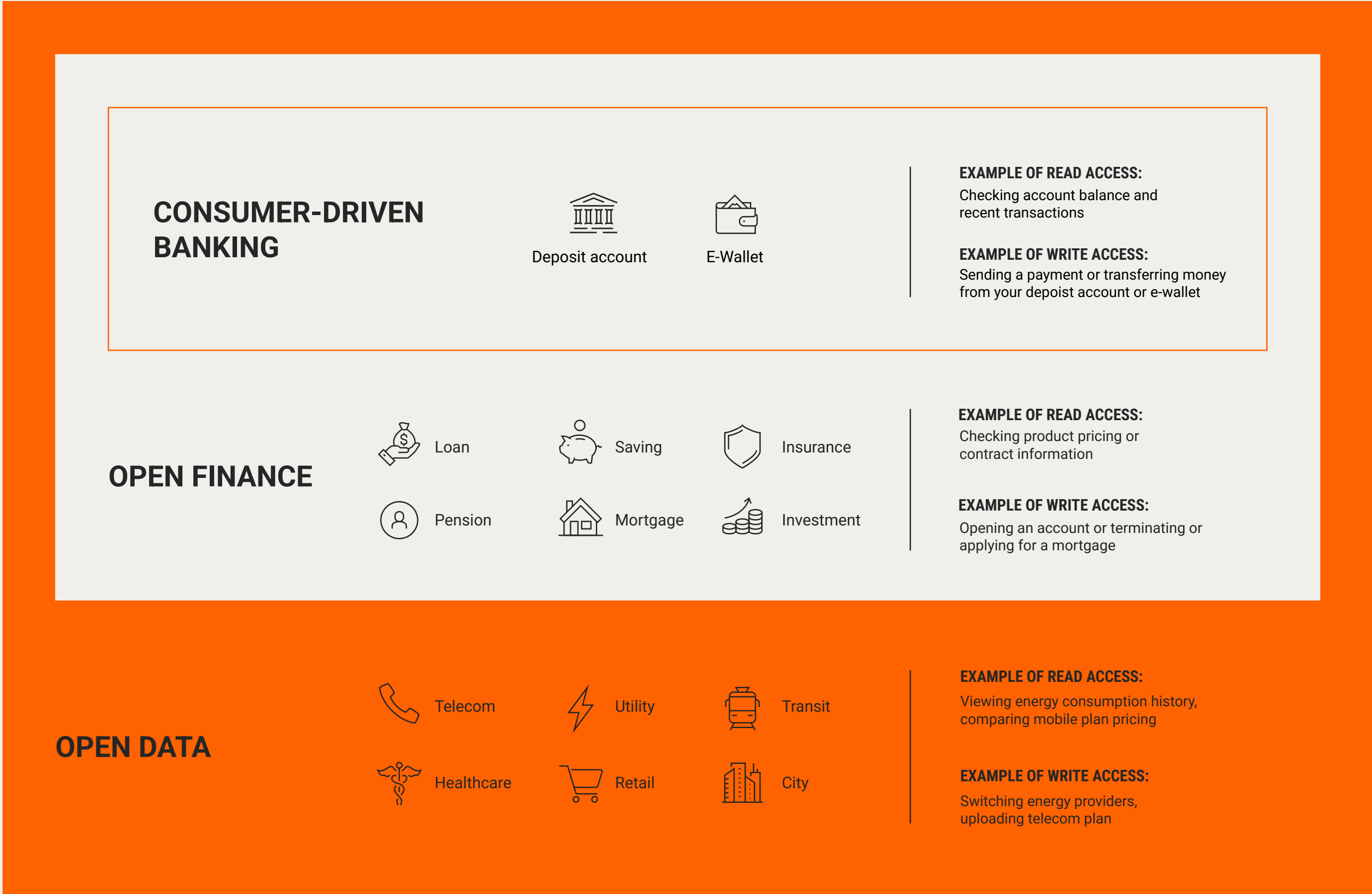
Next steps: The next generation of financial services

Looking ahead, countries all around the world have started laying the groundwork for “open finance” and “open data” with the goal of advancing digital public infrastructures.⁴³⁷ Recent estimates point to a £10 billion boost to the UK’s economy over 10 years through the UK’s Data (Use and Access) Bill.⁴³⁸ Open Finance transcends the data-sharing and action initiation principles of CDB to include a wide range of financial products and product providers.⁴³⁹ A customer could, for example, instruct a provider to view data relating to their loans, savings, investments and pensions to facilitate product comparisons and initiate switching.⁴⁴⁰ For more, see **Figure 16: Open banking vs. open finance vs. open data.** Entities can transform your finances by moving your money or even buying stocks on your behalf if the stock reaches a desirable price. It would build an entire digital persona of yourself that you have full control over. All powered by consumer-led consent, of course.

All of this will be supported and enabled by the RTR, which is vital to realizing the full potential of CDB. Specific functionalities are being built into the RTR to directly unlock these capabilities. By providing instantaneous digital transfers and adopting the global ISO 20022 messaging standard, the RTR will enable affordability and efficiency dividends for Canadians and Canadian businesses. As affirmed in Budget 2025 and the Spring Economic Update, the RTR will serve as the cornerstone of a modernized, competitive financial ecosystem, expanding consumer choice, enhancing national prosperity and catalyzing economic growth.⁴⁴¹

This is a pivotal moment for the Canadian financial landscape. With the RTR set to launch later this year and CDB progressing, we are building the foundation for a truly open finance ecosystem, one that empowers Canadians with unprecedented control over their financial data and their future.

FIGURE 16: OPEN BANKING VERSUS OPEN FINANCE VERSUS OPEN DATA⁴⁴²



437 For more, see: [Budget 2025: Canada’s Consumer-Driven Banking Framework](#).
438 For more, see: [Data \(Use and Access\) Bill factsheet: growing the economy – GOV.UK](#).
439 For more, see: [The Global State of Open Banking and Open Finance Report](#).
440 Ibid.
441 For more, see: [2026 Pre-Budget Submission to the House of Commons Standing Committee on Finance](#)

442 The Open Data Institute defines “open data” as data that anyone can access, use and share. So, for example, apps such as CityMapper can access and use data on bus and train locations to guide travellers using open data provided by transport authorities. For more, see: [The Global State of Open Banking and Open Finance Report](#).

BUSINESS PAYMENTS

The Canadian business landscape is largely made up of small and medium-sized enterprises (SMEs) consisting of fewer than one hundred employees (98 per cent).⁴⁴³ Understanding their payment behaviour is key to determining what drives the volumes of business payments.

However, SMEs only account for 32 per cent of total business expenditure.⁴⁴⁴ On the other hand, mid-market represents about two per cent of Canadian businesses, but makes up 38 per cent of total business expenditure.⁴⁴⁵ Large-market accounts for less than one per cent of Canadian businesses, but make up 30 per cent of total business expenditure (see **Figure 17: Business classifications in Canada**).⁴⁴⁶

The ongoing trade tensions between Canada and the US had a negative impact on overall business activity and investment in 2025. The 25 per cent tariff levied on all imports from Canada by the US led to a reduction in US demand for Canadian goods, impacting

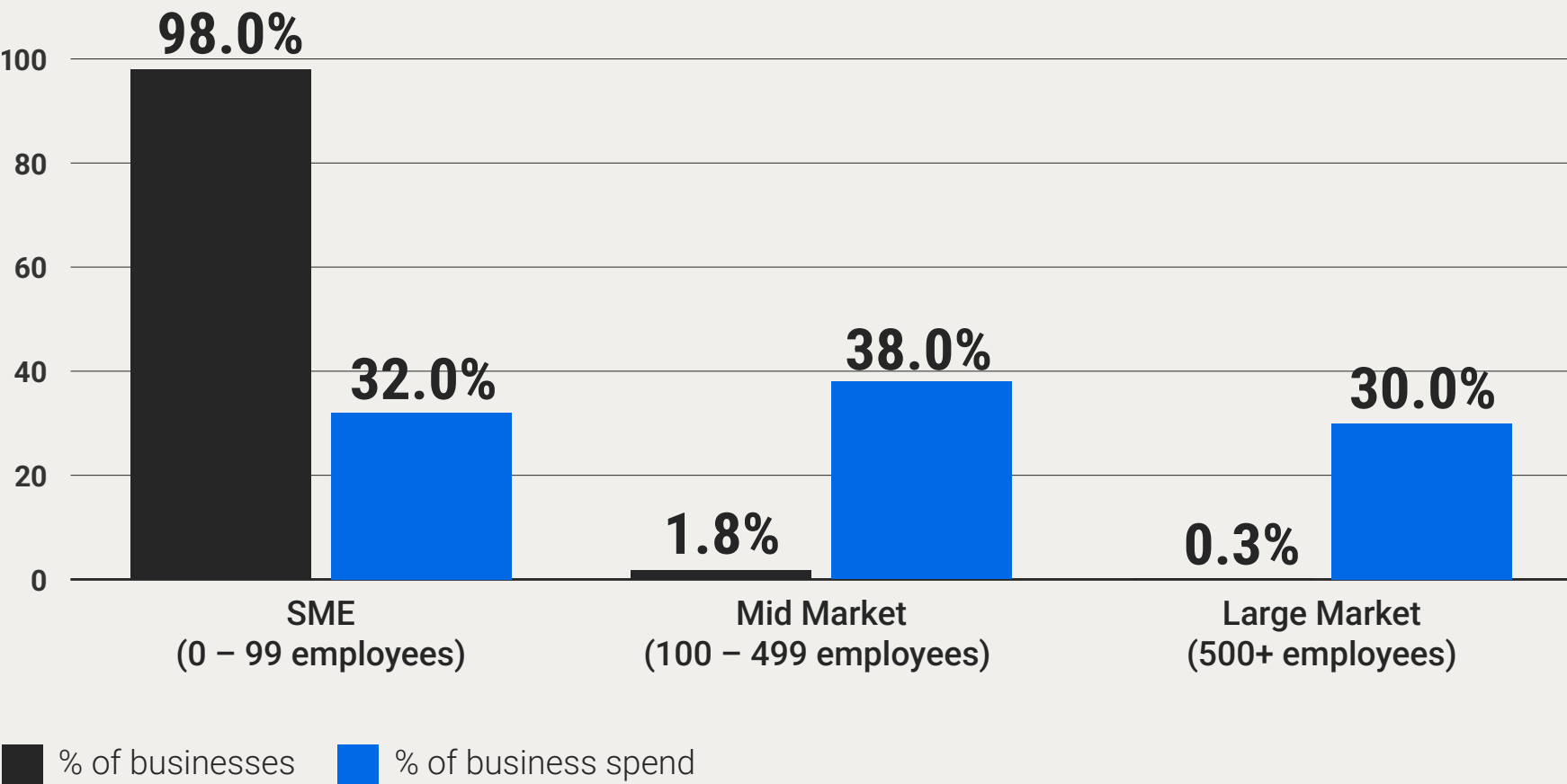
jobs, productivity and living standards in Canada. It forced Canadian businesses to seek new trade partners and adjust their supply chains. It also led workers and capital to shift from industries most affected by tariffs toward other sectors and new opportunities. This transition has created challenges for affected workers and businesses.

This was reflected in the outlook that businesses had towards their operations and the economy. The proportion of businesses that had a positive future outlook for their business significantly declined year-over-year. In 2025, 26 per cent of businesses believed that they would be better off financially over the next 12 months

compared to 35 per cent in 2024.⁴⁴⁷ The proportion of businesses that had a positive outlook on the Canadian economy over the next 12 months remained relatively unchanged year-over-year. In 2025, 21 per cent of businesses believed that the economy would be in better shape over the next 12 months compared to 19 per cent in 2024. However, over one third of all SMEs and mid-market businesses in Canada believed that the state of the economy will worsen over the next 12 months (36 per cent and 38 per cent, respectively).⁴⁴⁸



FIGURE 17: BUSINESS CLASSIFICATIONS IN CANADA⁴⁴⁹

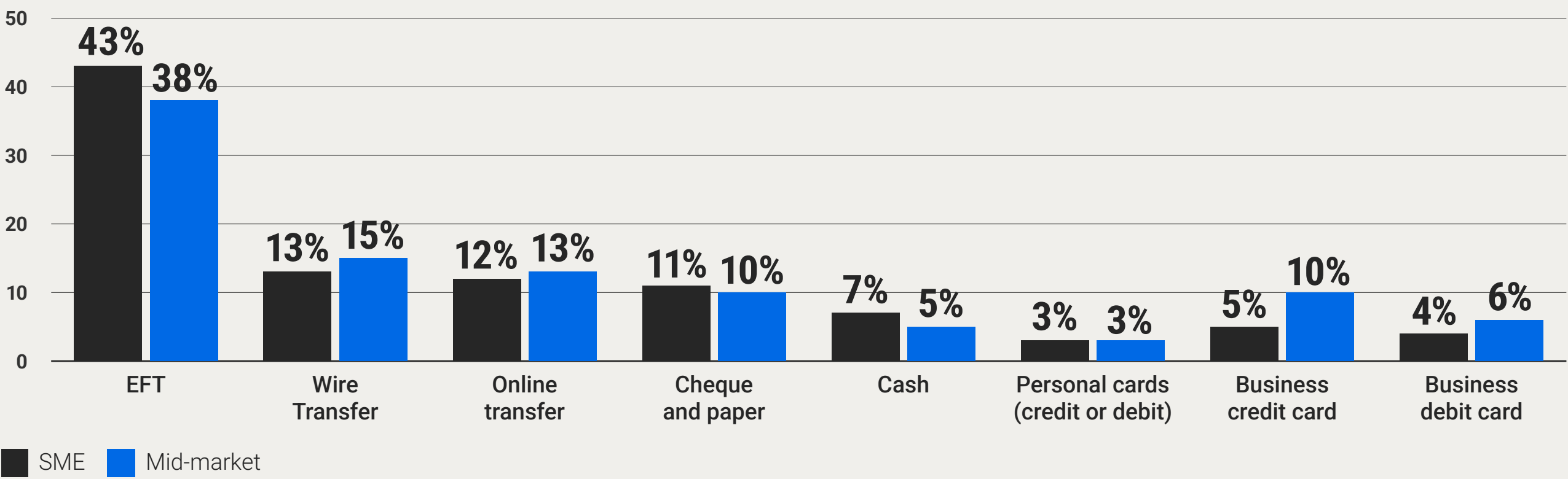


⁴⁴³ Statistics Canada. Canadian Business Counts, with employees, December 2025. For more, see: [Canadian Business Counts, with employees, December 2025](#).
⁴⁴⁴ RFI Canadian Business Payments Report, 2025.
⁴⁴⁵ Ibid. Mid-market are businesses with 100-499 employees.
⁴⁴⁶ Ibid. Large-market are businesses with 500 or more employees.
⁴⁴⁷ Payments Canada/Leger 2025 Business Payments Tracker Survey.
⁴⁴⁸ Ibid.

⁴⁴⁹ Statistics Canada. Canadian Business Counts, with employees, December 2025. For more, see: [Canadian Business Counts, with employees, December 2025](#).



FIGURE 18: BUSINESS PAYMENT MIX⁴⁵⁰



450 RFI Canadian Business Payments Report, 2025. Note: In 2024, RFI Global conducted an extensive review of its business payments market sizing methodology. Following this review, additional secondary data sources have been incorporated to develop a more robust model of the Canadian business payments landscape; these findings were then validated through conversations with industry partners, comparisons with independent data sources, and comparisons with similar international markets, and have resulted in a more accurate reflection of the payments mix used by Canadian businesses. The 2025 figures have been recalibrated based on this new model.

Overall, Canadian businesses were focused on improving efficiency (38 per cent); decreasing their expenses (27 per cent); increasing savings (22 per cent); and reducing debt (21 per cent) over the next 12 months. The proportion of businesses focused on investing more in their business significantly decreased to 20 per cent from 27 per cent year-over-year. Similarly, the proportion of businesses planning to increase their number of employees significantly decreased to 17 per cent from 23 per cent year-over-year.⁴⁵¹ Mid-market businesses were more bullish than SMEs, as they were significantly more likely than SMEs to invest more within their business (34 per cent versus 19 per cent, respectively) and expand to new geographic markets either within Canada or internationally (28 per cent versus 11 per cent, respectively).⁴⁵²

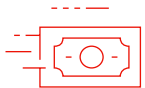
Looking ahead, businesses expect their sales growth to improve slightly in 2026. A small but growing share of businesses reported higher sales to non-US markets in response to trade tensions with the US.⁴⁵³

Most businesses did not anticipate higher selling prices as their inflation expectations remained stable between 2.5 per cent and three per cent.⁴⁵⁴

Electronic funds transfer (EFT) continued to represent the largest proportion of spend for businesses overall (41 per cent) in 2025. This was followed by wire transfers (14 per cent), online transfers (12 per cent) and cheques (11 per cent). Online transfers moved ahead of cheques for the first time in 2025.⁴⁵⁵ Business credit cards accounted for a significantly greater proportion of spend by mid-market businesses compared to SMEs (10 per cent versus five per cent, respectively). Wire transfers and business debit cards also accounted for a larger proportion of spend by the mid-market segment compared to SMEs. EFT payments accounted for a significantly greater proportion of spend by SMEs compared to the mid-market segment (43 per cent versus 38 per cent, respectively). For more, see **Figure 18: Business payment mix**.⁴⁵⁶

451 Ibid.
452 Ibid.
453 For more, see: [Business Outlook Survey—Fourth Quarter of 2025—Bank of Canada](#).
454 Ibid.
455 RFI Canadian Business Payments Report, 2025.
456 Ibid.

TABLE 16: MOST COMMON USE CASES FOR BUSINESS PAYMENT METHODS⁴⁵⁷

Payment method	Small and medium enterprises	Mid-market businesses
 EFT	▶ Government payments/taxes (28%) ▶ Payroll (26%) ▶ Utilities/telecommunications (24%) ▶ Rent (23%) ▶ Insurance (20%) ▶ Professional services (18%) ▶ Stock/raw materials (16%)	▶ Payroll (33%) ▶ Government payments/taxes (28%) ▶ Insurance (28%) ▶ Courier/logistics (24%) ▶ Rent (23%) ▶ Utilities/telecommunications (22%) ▶ Stock/raw materials (19%) ▶ Professional services (18%)
 Wire transfer	▶ Payroll (9%) ▶ Advertising/media (8%) ▶ Government payments/taxes (7%) ▶ Insurance (7%) ▶ Courier/logistics (7%)	▶ Payroll (18%) ▶ Entertainment (17%) ▶ Utilities/telecommunications (16%) ▶ Courier/logistics (15%) ▶ Insurance (14%) ▶ Professional services (13%)
 Online transfer	▶ Rent (25%) ▶ Payroll (23%) ▶ Professional services (21%) ▶ Government payments/taxes (20%) ▶ Insurance (19%) ▶ Advertising/media (19%)	▶ Payroll (14%) ▶ Government payments/taxes (13%) ▶ Office supplies (10%) ▶ Advertising/media (9%) ▶ Professional services (9%) ▶ Travel-related expenses (8%)
 Cheque	▶ Payroll (14%) ▶ Professional services (13%) ▶ Rent (12%) ▶ Government payments/taxes (11%) ▶ Insurance (10%) ▶ Stock/raw materials (10%) ▶ Advertising/media (10%)	▶ Stock/raw materials (15%) ▶ Government payments/taxes (14%) ▶ Professional services (13%) ▶ Rent (13%) ▶ Utilities/telecommunications (12%) ▶ Insurance (12%) ▶ Courier/logistics (12%)

SMEs and mid-market businesses relied on the same payment methods for a number of common use cases, which have not changed from last year. For more information on the use cases for top payment methods by business segment, see **Table 16: Most common use cases for business payment methods**.⁴⁵⁸

Overall, the top pain points that businesses faced when making a payment in 2025 largely remained unchanged from a year ago. These were extra fees/charges — i.e., hidden or unexpected fees (16 per cent), cash flow management (11 per cent), processing delays (nine per cent) and security concerns (nine per cent). A new pain point appearing on the list of top five payment pain points in 2025 was ensuring that bills are paid on time (13 per cent). Dropping out of the top five list was payment reconciliation (nine per cent).⁴⁵⁹

Extra fees represented the biggest payment frustration faced by SMEs (16 per cent) overall, followed by ensuring bills are paid on time (13 per cent), managing the business’ cash flow (11 per cent), processing delays (nine per cent) and security concerns (nine per cent). Processing delays was a payment challenge that large SMEs wrestled with more so than small SMEs (14 per cent versus six per cent).⁴⁶⁰

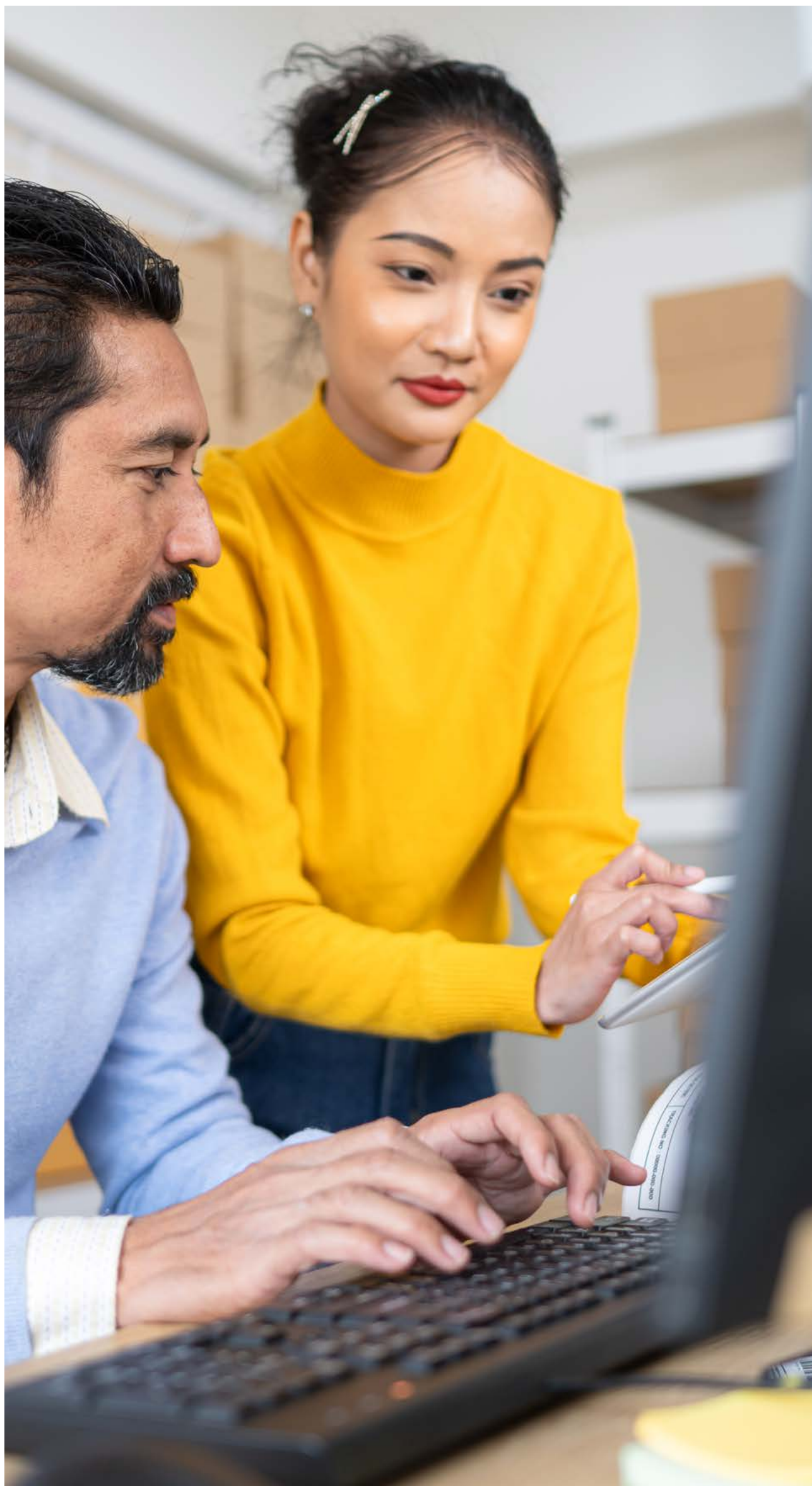
Concerns over extra fees (26 per cent), not being able to automate the business’ payment processes (20 per cent), payment reconciliation (19 per cent), payment security and safety (18 per cent) and not all methods of payment being accepted (17 per cent) were the biggest payment challenges for mid-market businesses.⁴⁶¹

Over the past five-year period, the proportion of businesses that experienced any of these types of payment pain points has come down. In fact, about two in five businesses (39 per cent) did not face any payment challenges in 2025, which represents a significant improvement compared to five years ago (28 per cent). Also, two areas that have shown the greatest improvement over the past five-year period were “extra fees” and “managing the business’ cash flow.” It suggests that businesses have noticed considerable improvement in these two areas as it relates to their overall payment experiences.

In 2025, business EFT volume increased by one per cent to 2.32 billion transactions, while business EFT value increased by seven per cent to \$7.5 trillion. The most common use cases for EFT remained unchanged from 2024. EFT was primarily used by businesses for payroll disbursements, government payments and recurring expenses

⁴⁵⁷ These results are based on SME and mid-market companies’ responses to which method they mainly used to pay various expenses (excluding “not applicable/business does not incur this type of expense” mentions). Numbers do not add up to 100 per cent because not all payment methods were included in this analysis.

⁴⁵⁸ Payments Canada/Leger. 2025 Business Payments Tracker Survey.
⁴⁵⁹ Ibid.
⁴⁶⁰ Ibid.
⁴⁶¹ Ibid.



(e.g., rent, utilities, insurance).⁴⁶² EFT was used more heavily by mid-market businesses than SMEs to cover payroll and insurance expenses, as well as pay for stock/raw materials.⁴⁶³

The top reasons that motivated businesses to use EFT for paying their expenses included perceived convenience, ease of payment tracking and perceived speed of the payment process itself (unchanged from 2024).⁴⁶⁴ The main payment pain points faced by businesses when using EFT for payments were: not receiving discounts/loyalty rewards (21 per cent); not getting a confirmation that the payment went through successfully (12 per cent); not able to use this payment method at wholesale or retail merchants where their business shops (11 per cent); and cannot defer payments/borrow (10 per cent).⁴⁶⁵

In 2025, mid-market businesses were significantly more likely than SMEs to have used wire transfers for either sending or receiving payments over the past 12 months (33 per cent versus 18 per cent, respectively). A greater proportion of mid-market businesses than SMEs were also sending wire transfer payments more frequently

(67 per cent versus 46 per cent, respectively).⁴⁶⁶ The reason for this is because mid-market (and large-market) businesses are generally more likely than SMEs to operate internationally and conduct high-value payments more frequently.⁴⁶⁷ Wire transfers were mainly used by businesses for payroll disbursements, government payments and to pay for professional services and indirect costs (e.g., courier/logistics, utilities/telecommunications, insurance).⁴⁶⁸ The primary drivers of wire transfer use by businesses were the perceived convenience, ease of payment tracking and greater security than other payment methods (unchanged from 2024).⁴⁶⁹

Business online transfer volume increased by 13 per cent to 303 million, while business online transfer value increased by 18 per cent to \$120 billion in 2025. Online transfers, which largely consist of Interac e-Transfer transactions, continued to represent the fastest growing payment type used by businesses over the long term. The five-year growth rates for business online transfer volume and value were 122 per cent and 184 per cent, respectively.

Interac e-Transfer bulk payments is a business service that allows organizations to send or request multiple payments in a single file upload. It streamlines mass transactions like payroll, vendor payouts, or insurance claim payouts. Bulk e-Transfer may also be used by companies who use Interac e-Transfer Request Money for billing (receivables).⁴⁷⁰ In 2025, there were a total of 32 million Interac e-Transfer bulk payment transactions worth \$18 billion.⁴⁷¹

Overall, a greater proportion of SMEs than mid-market businesses used online transfers for a variety of payment situations including rent, payroll, professional services, government payments and insurance. Online transfers were more widely used by SMEs than mid-market businesses for paying their expenses because the payment values tended to be smaller, which meant they were not constrained by amount limits tied to an e-transfer payment.⁴⁷²

Convenience, speed and supplier preference were the key reasons for businesses that used Interac e-Transfer payments (unchanged from 2024).⁴⁷³

The main payment pain points faced by businesses when using Interac e-Transfer for payments were: the amount limit per transaction/daily or weekly amount limit (26 per cent); not being able to cancel a payment if an error was made once the funds have been deposited (21 per cent); and not receiving discounts or loyalty rewards for using this payment method (20 per cent).⁴⁷⁴

Business cheque volume and value decreased by four per cent and five per cent, respectively, year-over-year. Cheque volume slipped to 200 million transactions, worth \$2.5 trillion in 2025. SMEs and mid-market businesses used cheques for both recurring and one-time expenses such as government payments, professional services, rent and insurance. SMEs were more likely than mid-market businesses to use cheques for paying their employees.⁴⁷⁵

462 Payments Canada/Leger. 2025 Business Payments Tracker Survey.
463 Ibid.
464 Ibid.
465 Ibid.
466 Ibid. Note: Frequently used = business used payment method daily, 2-3 times a week, once a week, or every couple of weeks.
467 Ibid.
468 Ibid.
469 Ibid.
470 For more, see: [Send & receive money with Interac e-Transfer for Business](#).
471 Figures provided by Interac.
472 Payments Canada/Leger. 2025 Business Payments Tracker Survey.
473 Ibid.
474 Ibid.
475 Ibid.



CONCLUSION

The total payment market in Canada experienced modest year-over-year growth in both volume and value in 2025 (three per cent and five per cent, respectively). Overall, a total of 26.7 billion transactions valued at \$12.9 trillion were conducted in 2025.

The modest growth was attributed to the financial challenges and uncertainty facing many Canadians. Consumer sentiment towards the state of the economy and their household finances over the next 12 months followed a fluctuating trend linked to specific and lingering events occurring throughout 2025. These included: a 25 per cent tariff imposed by the US on all imports from Canada; the “Liberation Day” declaration of sweeping reciprocal tariffs on all foreign imports to the US, which led to a global stock market crash followed by a quick recovery; rising unemployment; continued high food prices; and successive policy interest rate cuts by the Bank of Canada in the back half of 2025. As a result, Canada’s economic growth slowed compared to 2024 due to decreased consumer spending and business activity and investment. Canada’s gross domestic product rose by 1.7 per cent (down from two per cent in 2024).

Overall, long-term payment trends remained unchanged in 2025 compared to the previous year. Card

payments continued to represent the most common way in which Canadians make payments. Credit and debit cards accounted for the majority of transactions combined at 68 per cent, with credit card volume growing at a significantly faster rate than debit card volume over the past five years. EFT volume ranked third overall and posted double-digit five-year volume growth. In spite of the fact that cash usage has gradually declined over the past decade, cash volume grew by five per cent over the past five years, retaining fourth place. The positive five-year growth rate was mainly due to the post-pandemic reset in cash usage. Cheques accounted for a small fraction of total payment volume and continued their gradual decline. Online transfers also accounted for a small fraction of total payment volume but, unlike cheques, continued to show strong growth.

EFT and cheques continued to lead all other payment types in transaction value, representing a combined 83 per cent of total value. EFT value grew, while cheque value continued

its decline over the past five-year period. Online transfer payment value represented the fastest growing payment type over the past five years at 169 per cent.

The total number of contactless payments made by Canadians continued to grow. Contactless payments accounted for more than half of total payment volume (53 per cent) in 2025. Over three in four credit and debit card transactions (77 per cent) in 2025 were contactless payments, up from 74 per cent in 2024. The total volume of in-store mobile contactless payments increased by 18 per cent to 4 billion in 2025 and accounted for 28 per cent of total contactless transaction volume. By 2029, the number of contactless mobile payments is expected to reach 6.1 billion, representing a 49 per cent increase.⁴⁷⁶ The growth in contactless mobile payments is being driven by the increase in penetration of NFC-enabled smartphones in Canada and consumers’ growing comfort with using their smartphones for contactless payments.⁴⁷⁷

⁴⁷⁶ TSI, Canadian Payments Forecast 2026.
⁴⁷⁷ Ibid.

ENABLING BROADER SYSTEM PARTICIPATION WILL ULTIMATELY LEAD TO MORE INCLUSIVE, ACCESSIBLE AND AFFORDABLE PAYMENT OPTIONS FOR CONSUMERS AND BUSINESSES.

Overall, mobile payments usage remained strong. The majority of smartphone owners in Canada (70 per cent) made a payment using their smartphone over the past six months in 2025 (up from 68 per cent a year ago).⁴⁷⁸ Remote payments dominated the mobile payments landscape and were represented by the top three categories of mobile payments—bill payments using mobile banking, online payments and P2P payments—followed by in-store mobile payments.⁴⁷⁹

E-commerce continued to be an appealing option for consumers. E-commerce sales accounted for 6.1 cent of total retail sales in 2025, unchanged from 2024.⁴⁸⁰ Close to three in five Canadians (58 per cent) made an online purchase in a given month (down from 60 per cent in 2024).⁴⁸¹

As we look towards the future, advancements in payments and technologies are helping to meet the evolving expectations for digital, instant and “always-on” payment options, reducing reliance on paper-based methods and enhancing Canada’s competitiveness in the global economy.

Advancements include the upcoming launch of Canada’s Real-Time Rail (RTR), which will allow Canadians to send and receive payments in

seconds around the clock, the adoption of ISO 20022 for the RTR, an international standard for business-to-business communication that can be leveraged for transformation of finance processes, and the transition to Lynx MX payment messages, which allows electronic payments to carry significantly more information,

The Government of Canada’s commitment to advance consumer-driven banking, combined with Payments Canada’s recently expanded membership eligibility are also helping to achieve the goals of payments modernization in Canada. The convergence of consumer-driven banking and the RTR may potentially enable faster, informed and data-driven financial services and payments. Expanded access to Canada’s payment systems provides an opportunity to level the playing field for smaller and non-traditional entities to access core payment infrastructure, thereby reducing barriers and fostering competition, innovation and the choice that we know Canadians want. Enabling broader system participation will ultimately lead to more inclusive, accessible and affordable payment options for consumers and businesses.

⁴⁷⁸ TSI Canadian Payments Forecast 2026.

⁴⁷⁹ Ibid.

⁴⁸⁰ Statistics Canada. Retail trade, December 2025. For more, see: [Monthly retail trade sales by province and territory \(Statistics Canada\)](#).

Note: figures are seasonally adjusted.

⁴⁸¹ Payments Canada/Leger. 2025 Canadian Consumer Payments and Transactions Survey.

APPENDIX I: DETAILED PAYMENT CHARTS

FIGURE A1: TOTAL ANNUAL PAYMENT TRANSACTIONS (VOLUME AND VALUE)

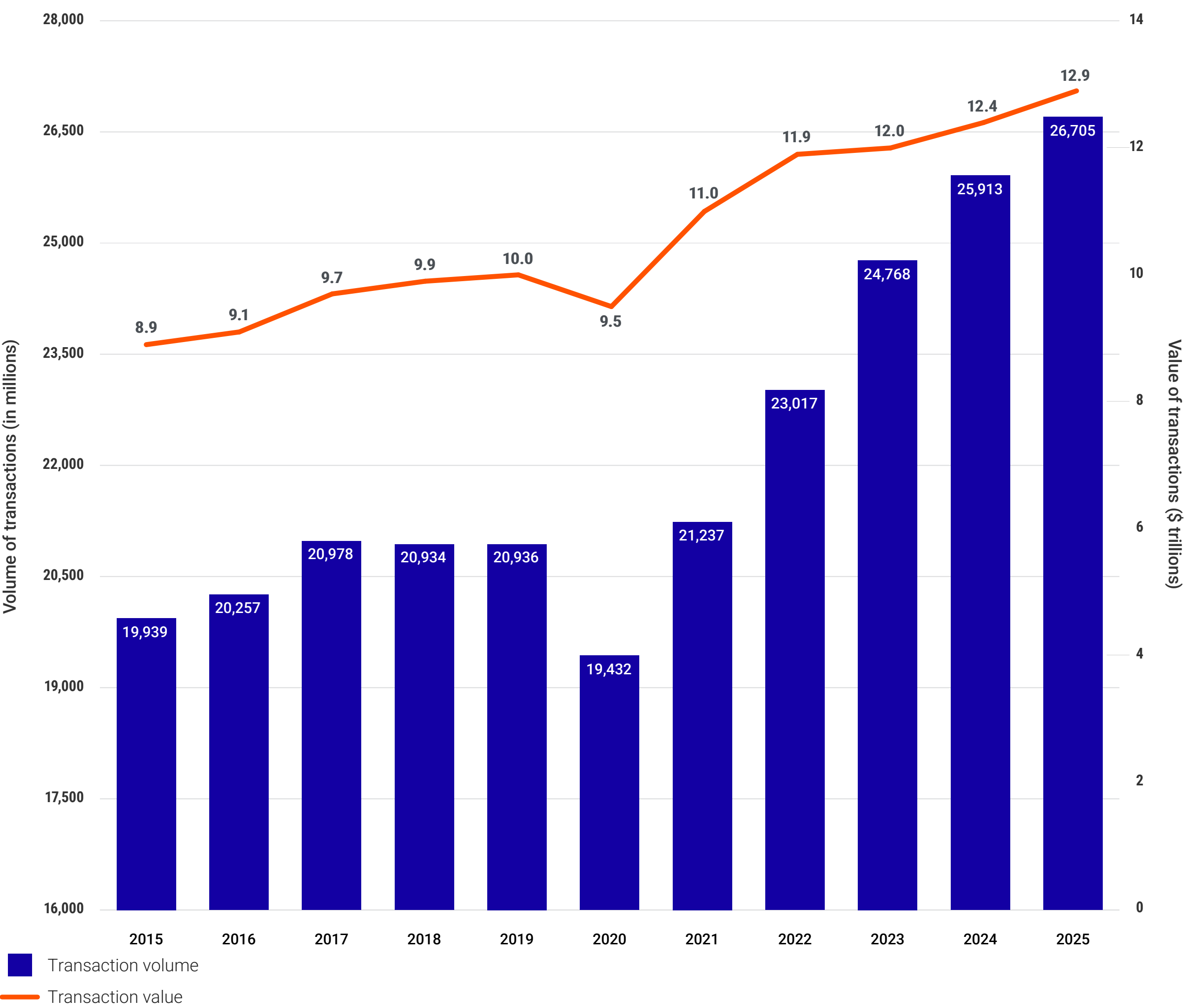


FIGURE A2: ALL PAYMENT METHODS ANNUAL TOTALS

Volume (in millions of transactions)

Payment method	2015	2020	2024	2025
Cheque and paper	876	432	340	320
Debit Card	5,178	5,699	6,731	6,793
ABM	595	408	337	318
Prepaid Card	225	303	372	394
EFT	2,592	2,908	3,222	3,250
Credit Card	4,580	6,640	10,880	11,590
Online Transfer	120	801	1,486	1,683
Cash	5,773	2,242	2,544	2,359
TOTALS	19,939	19,432	25,912	26,707

Value (in millions of dollars)

Payment method	2015	2020	2024	2025
Cheque and paper	3,989,943	3,056,371	2,715,700	2,579,535
Debit Card	220,483	251,731	302,214	304,763
ABM	72,667	77,371	62,089	70,358
Prepaid Card	13,500	17,884	25,467	27,359
EFT	3,972,263	5,147,089	7,647,900	8,209,393
Credit Card	469,500	618,300	974,500	1,024,400
Online Transfer	45,700	249,123	568,576	669,150
Cash	108,745	51,231	62,667	56,233
TOTALS	8,892,801	9,469,100	12,359,113	12,941,191

FIGURE A3: AVERAGE TRANSACTION SIZE

Payment method	2020	2024	2025	% Change (YOY)
Cheque and Paper	\$7,075	\$7,987	\$8,056	1%
Debit Card	\$44	\$45	\$45	0%
ABM	\$190	\$184	\$222	20%
Prepaid Card	\$59	\$68	\$70	2%
EFT	\$1,770	\$2,374	\$2,526	6%
Credit Card	\$93	\$90	\$88	-2%
Online Transfer	\$311	\$383	\$398	4%
Cash	\$23	\$25	\$24	-4%
Average Payment Size	\$487	\$477	\$485	2%

FIGURE A4: ALL PAYMENT METHODS AVERAGE ANNUAL GROWTH VOLUME (ONE-, FIVE- AND 10-YEAR CAGR, BASE YEAR = 2025)

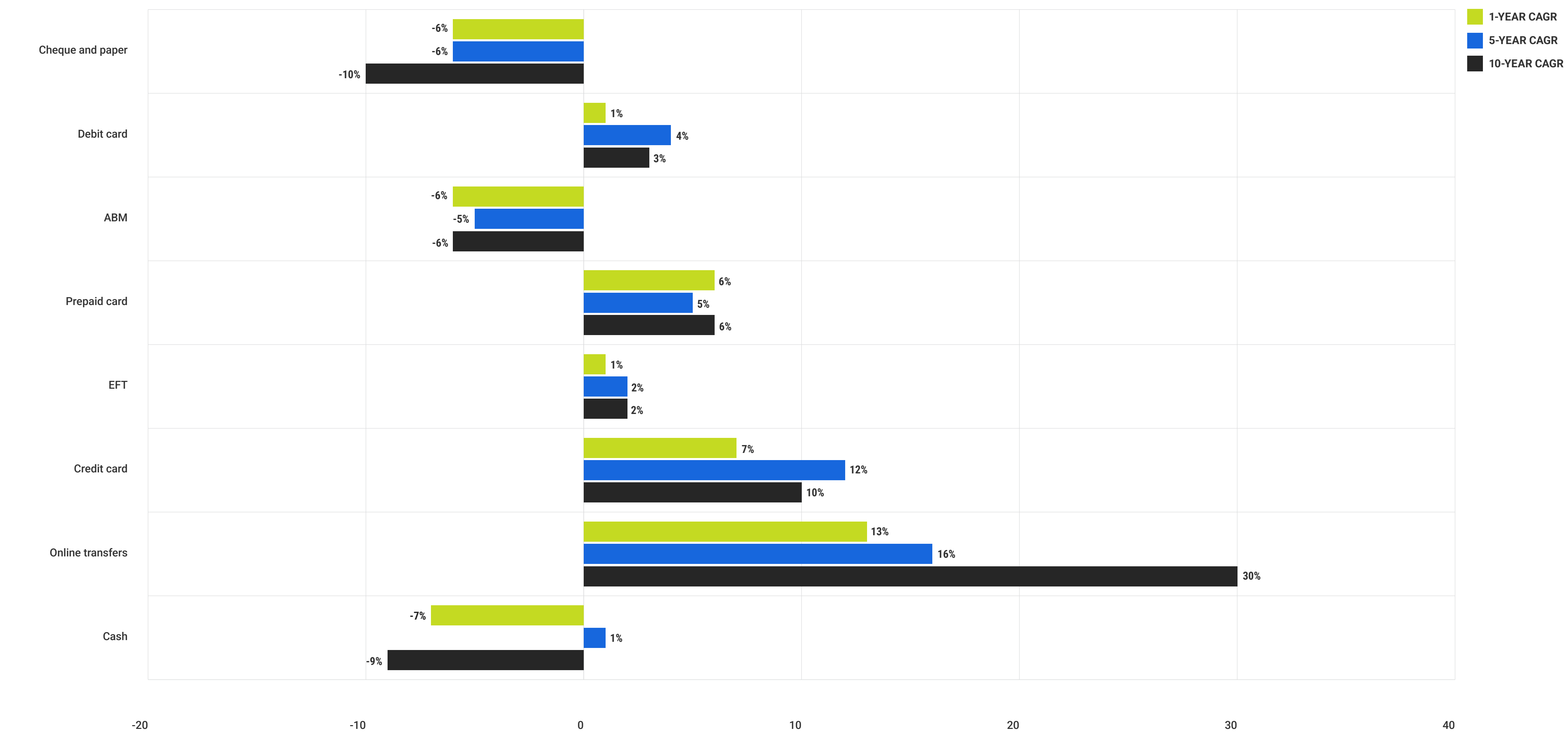


FIGURE A5: ALL PAYMENT METHODS AVERAGE ANNUAL GROWTH VALUE (ONE-, FIVE- AND 10-YEAR CAGR, BASE YEAR = 2025)

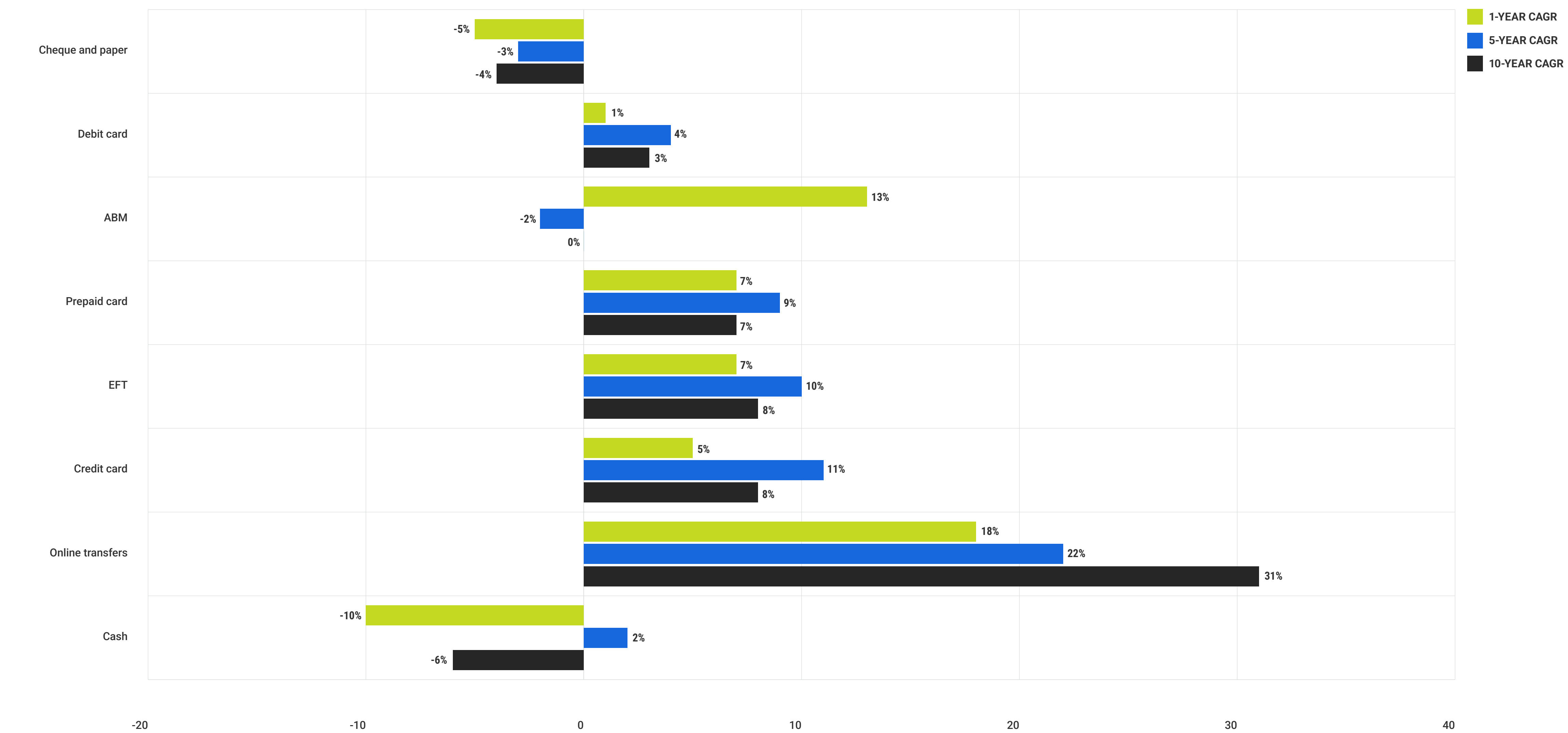
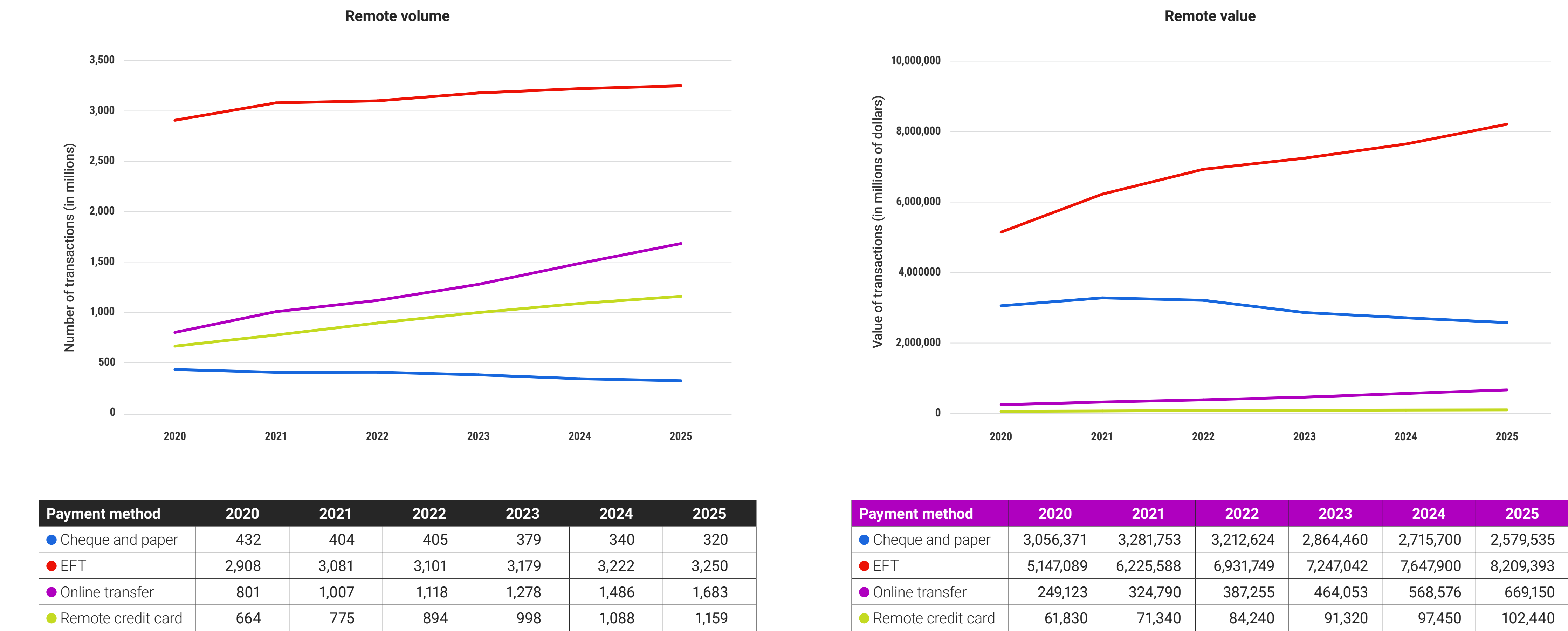
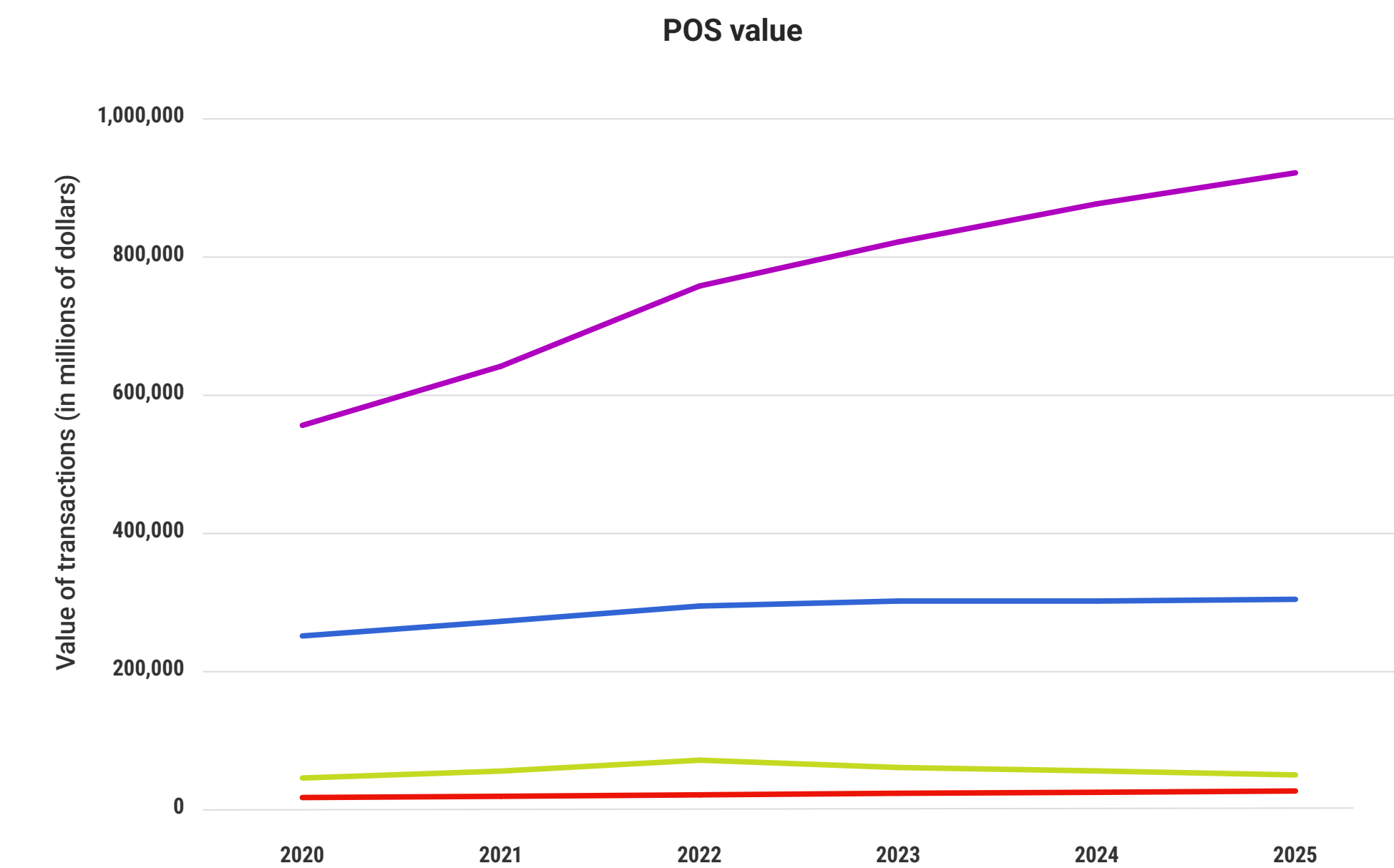
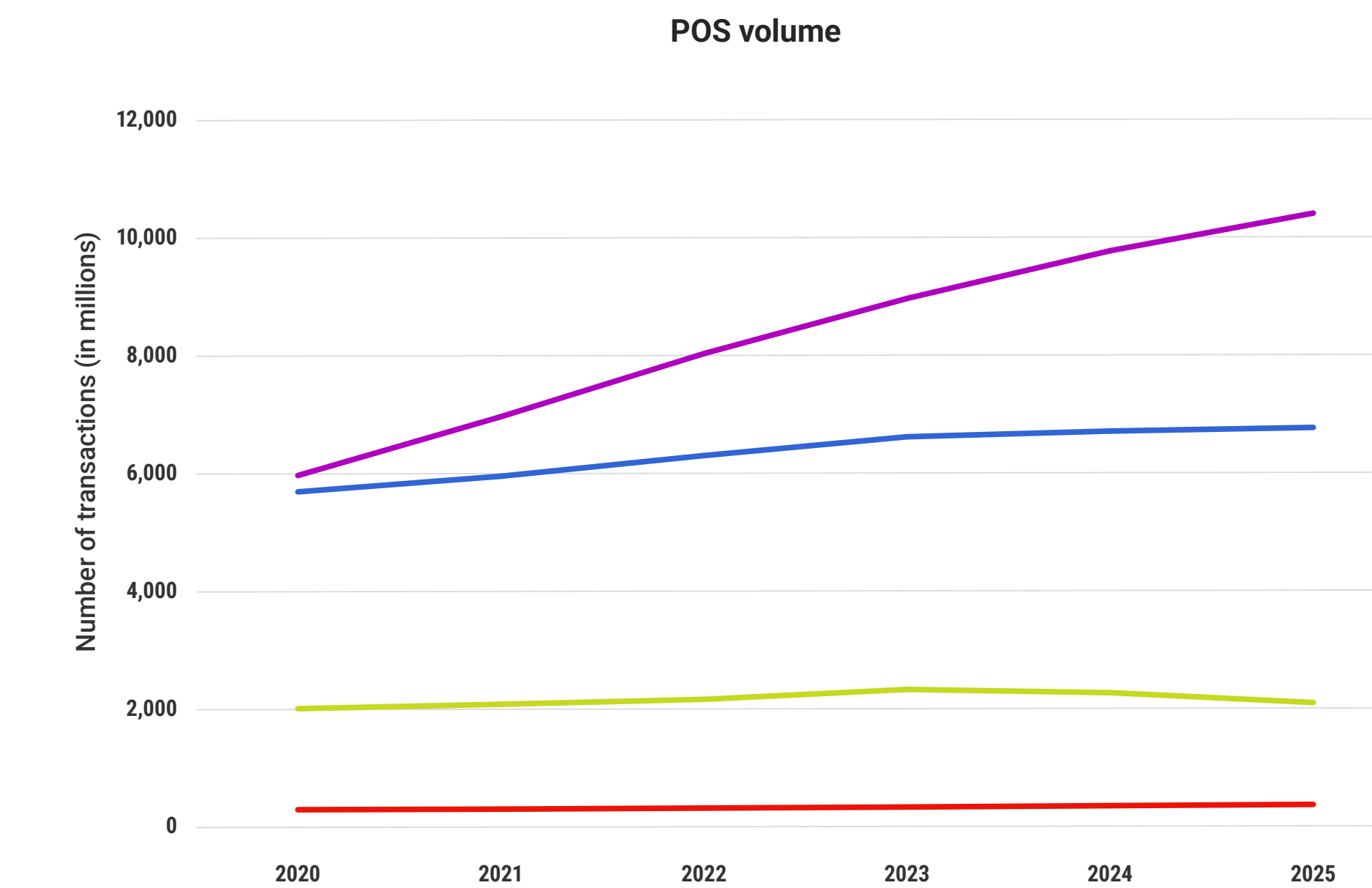


FIGURE A6: REMOTE PAYMENT METHODS VOLUME AND VALUE (FIVE-YEAR TRENDLINE)⁴⁸²



482 Remote transactions include all transactions that are not made at physical payee locations, virtual payee provided apps or store fronts. Note: Remote credit card transactions involve the use of financial institutions or payment service providers as intermediaries that move funds to intended payees through their services (i.e., for bill payments).

FIGURE A7: POINT-OF-SALE PAYMENT METHODS VOLUME AND VALUE (FIVE-YEAR TRENDLINE)⁴⁸³



Payment method	2020	2021	2022	2023	2024	2025
Debit card	5,699	5,964	6,315	6,634	6,731	6,793
Prepaid card	303	313	331	349	372	394
POS credit card	5,976	6,975	8,046	8,982	9,792	10,431
Cash	2,018	2,093	2,177	2,345	2,290	2,123

Payment method	2020	2021	2022	2023	2024	2025
Debit card	251,731	272,819	295,013	302,224	302,214	304,763
Prepaid card	17,884	19,670	21,776	24,040	25,467	27,359
POS credit card	556,470	642,060	758,160	821,880	877,050	921,960
Cash	46,108	56,178	71,937	61,364	56,400	50,610

483 Point-of-sale or point-of-service transactions include both physical and virtual merchant locations, including online and in-app purchases. With remote estimates for credit card and cash removed.

FIGURE A8: REMOTE PAYMENT METHODS VOLUME AND VALUE (YEAR-OVER-YEAR)

Volume (in millions)

Payment method	2024	2025	% Change (YOY)
Cheque and paper	340	320	-6%
EFT	3,222	3,250	1%
Online transfer	1,486	1,683	13%
Remote credit card	1,088	1,159	7%
TOTAL	6,136	6,412	4%

Value (in millions of dollars)

Payment method	2024	2025	% Change (YOY)
Cheque and paper	2,715,700	2,579,535	-5%
EFT	7,647,900	8,209,393	7%
Online transfer	568,576	669,150	18%
Remote credit card	97,450	102,440	5%
TOTAL	11,029,626	11,560,518	5%

FIGURE A9: POINT-OF-SALE PAYMENT METHODS VOLUME AND VALUE (YEAR-OVER-YEAR)

Volume (in millions)

Payment method	2024	2025	% Change (YOY)
Debit card	6,731	6,793	1%
Prepaid card	372	394	6%
Credit card	9,792	10,431	7%
Cash	2,290	2,123	-7%
TOTAL	19,185	19,741	3%

Value (in millions of dollars)

Payment method	2024	2025	% Change (YOY)
Debit card	302,214	304,763	1%
Prepaid card	25,467	27,359	7%
Credit card	877,050	921,960	5%
Cash	56,400	50,610	-10%
TOTAL	1,261,131	1,304,692	3%

FIGURE A10: BILL PAYMENTS HEAT MAP⁴⁸⁴

	Electric/ Hydro	Water/ Sewer	Gas/Heating	Credit card bill	Cable	Internet service	Mortgage	Rent	Car payment	Home insurance	Home services	Cell phone	Streaming services	Memberships	Media/software subscriptions	Tax payment
Online banking payment	45%	42%	41%	66%	35%	32%	19%	17%	16%	20%	18%	29%	16%	14%	16%	49%
Pre-authorized debit (PAD)	29%	27%	28%	12%	23%	26%	58%	23%	54%	45%	11%	25%	26%	21%	19%	21%
Credit card (in any form)	11%	13%	15%	4%	26%	28%	5%	5%	10%	23%	24%	31%	43%	40%	42%	7%
Interac e-Transfer	5%	6%	5%	7%	4%	4%	5%	32%	4%	3%	25%	4%	2%	5%	4%	6%
Cheque	2%	3%	2%	2%	1%	1%	2%	7%	3%	2%	4%	1%	1%	2%	2%	6%
Debit card (in any form)	4%	3%	4%	5%	5%	4%	4%	5%	6%	4%	7%	5%	5%	9%	7%	5%
Cash	1%	1%	2%	1%	1%	1%	1%	6%	2%	1%	6%	1%	1%	3%	2%	1%
Prepaid card (Visa/Mastercard)	1%	1%	1%	1%	1%	2%	1%	1%	2%	1%	1%	2%	3%	3%	3%	1%

484 Totals for this figure do not add to 100% due to rounding. Note: Blue = low incidence rate of Canadians using the indicated payment method for paying a given expense or bill (the darker the shade of blue, the lower the incidence rate). Red = high incidence rate of Canadians using the indicated payment method for paying a given expense or bill (the darker the shade of red, the higher the incidence rate).

APPENDIX II: METHODOLOGY, DEFINITIONS AND DESCRIPTIONS

A. Methodology

The data presented is a combination of Payments Canada systems data, payment service providers and scheme operator data, and estimates based on market research and in consultation with industry experts.

Payment service providers contributed by sharing their internal research and data or by providing expertise that enhanced the data set’s accuracy. As was assured during the data collection, Payments Canada has made every effort to keep participant data non-discernible, where asked to do so.

This paper leverages the full data set gathered from past efforts and contains appropriate updates in methodology, data and findings. As such, this paper represents a full update of the previously published data points (including those provided in past papers) and should be viewed as essentially replacing the previous data sets.

Survey market research details and methodology

1. The Bank of Canada Methods-of-Payment surveys

The Bank of Canada surveys Canadians to get a better understanding of how they pay for goods and services. The Bank of Canada has conducted eight Methods-of-Payment surveys (MOPS) – in 2009, 2013, 2017 and 2021 – 2025. These surveys include a questionnaire and a diary where survey participants record their payment and cash withdrawals

over the course of three days. The average volume and value of cash transactions per person per day is a key metric from these surveys used to calculate the total cash transaction volume and value estimates.

Beginning in 2025, Payments Canada adopted the Bank of Canada’s new approach for calculating the average cash expenditure per day per consumer (value) and average number of cash transactions per day per consumer (volume). The reason for the change was that the Bank of Canada updated the weighting for the three-day diary from its annual Methods of Payment survey, so that the average is reflecting on the respondent level rather than the transaction level. This change was made to increase the accuracy of the annual total cash volume and value estimates. There were no changes for 2013 and 2017 (i.e., the other years in which the MOPS study was conducted), since they did not include the partial diary (people only completing Day 1, or Days 1 and 2) into the estimate. So, the changes only apply to 2021 – 2025. As a result, the cash transaction volume and value estimates have been historically recast from 2021 – 2025 in this year’s Canadian Payment Methods and Trends (CPMT) report.

The CPMT report uses an extrapolation of the cash purchase data for the month of November 2025 to obtain an estimate of total cash transaction volume and volume for all of 2025.

2. RFi Global business surveys

RFi Global conducts separate surveys on commercial enterprises and small and medium-sized enterprises (SMEs). The commercial survey was in field in May and November 2025 with a total of 350 businesses interviewed online. Basic quotas were applied to the sample to ensure that the data was representative of the Canadian commercial population. All respondents had decision-making powers within commercial businesses operating in Canada with global annual revenue of \$10 million to \$500 million. RFi Global’s SME survey was in field in May and November 2025 with a total of 500 businesses interviewed online. Basic quotas were applied to the sample to ensure that the data was representative of the Canadian SME market. All respondents had decision-making powers within SMEs operating in Canada with global annual revenue of less than \$10 million.

3. TSI Consumer Survey

Technology Strategies International Inc. (TSI) provides in-depth assessments of consumer payments in Canada, drawing upon a wide range of information resources, including desk research, executive interviews and discussions, and consumer research and analysis – compiled into an annual report. In 2025, the TSI Canadian Consumer Payments Survey (CCPS) data was also analyzed for additional insights. The 2025 CCPS included a sample size of more than 2,000 Canadians.

4. Payments Canada/Leger Consumer and Business Surveys

Leger is a full-service market research consultancy experienced at providing both quantitative and qualitative research. Leger is a pioneer and leader in web-based research. They have their own proprietary online panel of over 475,000 Canadians. In 2018, Leger acquired an additional panel, which includes an additional one million millennials. As of 2019, Leger provides Payments Canada with a customized

consumer payment survey focused on Canadians’ usage of different payment methods in both the point-of-sale and remote transaction environments. Leger also provides Payments Canada with a customized consumer and business payment survey focused on Canadian usage of different payment methods and their sentiment towards payment methods.

In this report, we included a sample size of 4,500 Canadians and 1,500 businesses across the surveys. The consumer and business samples were weighted to be nationally representative of the adult Canadian population by age, gender, location, household income and other demographics based on Statistics Canada’s 2021 national census data. The surveys were in field during March/April, July/August, and September/October in 2025. Statistical testing for the difference of means and proportions was performed on all survey data obtained from the Payments Canada/ Leger consumer and business surveys. Statistical testing was conducted at

the one per cent and five per cent level of risk for the consumer and business survey data, respectively. Statistically significant differences for the proportions or average values observed between two groups are noted accordingly throughout the report.

5. Euromonitor Financial Cards and Payments in Canada

Euromonitor offers an in-depth analysis of financial card usage in Canada, drawing on figures from a multitude of sources, including the Canadian Department of Finance, Statistics Canada, Financial Consumer Agency of Canada, Competition Bureau, National Bank of Canada, trade associations and the trade press in order to provide a comprehensive look at card market growth. Euromonitor’s analysis provides a qualitative and quantitative look at growth within card providers, the impact of supply and demand trends and forecasts for future card growth in Canada.

B. Definitions and descriptions

ABM payments

Automated Banking Machine (ABM) payment instruments are Point of Service Payment

Items resulting from the disbursement of currency on shared networks. These networks are also referred to as Automated Teller Machines (ATM). ABM data is derived from data found in published proprietary reports and validated with published payment networks.

Account-to-Account (A2A) payments

A2A payments are a push or pull payment that moves funds directly between accounts as an alternative to debit or credit cards.

Agentic artificial intelligence (AI)

Agentic AI describes AI systems that are designed to autonomously make decisions and act, with the ability to pursue complex goals with limited supervision. This type of AI acts autonomously to achieve a goal by using technologies like natural language processing, machine learning, reinforcement learning and knowledge representation. Agentic AI is focused on decisions as opposed to creating the actual new content, and does not solely rely on human prompts nor require human oversight. Early-stage agentic AI examples include things like autonomous vehicles, virtual assistants and copilots with task-oriented goals.

Agentic commerce

Agentic commerce is an approach to buying and selling in which AI agents act on behalf of consumers or businesses to research, negotiate and complete purchases, often without direct human intervention.⁴⁸⁵

Automated Clearing Settlement System (ACSS)

The **ACSS** is Canada’s retail batch payment system, a designated Prominent Payment System that clears the vast majority of payments in Canada.

Automated Funds Transfer (AFT)

AFT consists of AFT credit and debit payment instruments. AFT credit instruments allow payors to instruct their financial institution to deposit funds into a payee’s deposit account at another financial institution. They are used by consumers and businesses typically for payroll purposes and other disbursements. AFT debit transactions are commonly known as pre-authorized debits (or “PADs”). PADs are based on contractual agreements between payors and payees, allowing payees to instruct their financial institution to retrieve funds from a payor’s deposit account at another financial institution, though the two institutions are not aware of the agreement between the parties.

485 For more, see: [What Is Agentic Commerce? | IBM](#).

Average annual growth rate

Average annual per cent change is calculated by first subtracting the earlier index value from the later one, then dividing that difference by the earlier index value, and finally multiplying the result by 100.

Buy now, pay later (BNPL)

BNPL is a form of short-term loan in which consumers take immediate possession of their purchases and pay for them at a later date through a series of payment installments. These payments are structured in such a way that the payment amounts are equal and the payment due dates follow a pre-set schedule, with the first payment usually due at checkout.

Compound annual growth rate (CAGR)

CAGR calculates the annual average growth over multiple years, while considering the effects of average compounding growth experienced in each year.

Cash

Total cash was estimated based upon data from Bank of Canada survey research.⁴⁸⁶ Estimates from the data established the mean number of cash transactions per Canadian per day was 0.21 and the mean cash expenditure per transaction was \$5.53 in 2024. We used these numbers to extrapolate to the larger Canadian population to formulate cash payment estimates.

Central bank digital currency (CBDC)

A CBDC is a form of digital currency issued by a country’s central bank. It is similar to cryptocurrencies, except that its value is fixed by the central bank and is equivalent to the country’s fiat currency.

Clearing

The process of reconciling and, in some cases, confirming payment orders before settlement. This process can include offsetting payments and establishing final balances for settlement.

Commercial EFT

Commercial EFT (electronic funds transfer) refers to business/ government use of AFT credits/ debits, electronic remittances and EDI transactions (i.e., businesses’ payroll to employees through EFT).

Commercial payments

Commercial payments include transactions that originate from Canadian organizations, businesses, and governments.

Consumer-driven banking

Also referred to as open banking, consumer-driven banking refers to policy and technology frameworks that allow consumers to use, move and share their financial transaction data held at financial institutions with trusted third-party service providers (TPPs) to receive a wider range of useful financial services.

Consumer payments

Consumer payments are transactions that originate from Canadian households and individuals for paying bills, managing accounts at financial institutions and payments for goods and services.

Consumer price index (CPI)

The CPI represents changes in prices as experienced by Canadian consumers. It measures price change by comparing, through time, the cost of a fixed basket of goods and services.

Credit card

Credit card data is a combination of consumer and business credit and charge card payments found in proprietary published reports.⁴⁸⁷ Charge cards differ from credit cards primarily in their application of interest. Credit cards charge interest at an annual percentage rate. Charge cards apply full interest charges after a defined period (typically 21 days) so users are more inclined to pay off balances each month.

Cryptocurrency

Cryptocurrency is a blockchain-based, digital asset that can be used to buy and sell goods or services. Bitcoins are an example of a cryptocurrency. However, there are thousands of other types. Cryptocurrencies are not controlled by central banks or any country, and they can be traded in a relatively anonymous way. Many cryptocurrencies can be: bought with traditional currency (known as fiat currency/legal tender) and sold for fiat currency/legal tender; transferred from one person to another; and exchanged for other cryptocurrencies or used to pay for goods or services directly.

Debit payments

Debit payments include Payments Canada point-of-sale debit and online debit transaction data, *Interac* Debit card data and data provided by participants.

Digital currency

Digital currency refers to a wide range of electronic money. This can include currencies like Bitcoin (and other cryptocurrencies), stablecoins or Central Bank Digital Currencies (CBDCs). Most digital currencies operate via Blockchain, meaning there is not a single entity controlling the network but rather, a decentralized peer-to-peer (P2P) network where the “peers” are those making digital currency transactions within the network. CBDCs may or may not operate on a public blockchain as some central banks may use a centralized ledger or a distributed ledger that is not a public blockchain.

Electronic funds transfer (EFT)

EFT was calculated using a combination of AFT (debits and credits), electronic remittances and electronic data interchange (EDI) transactions.

Exchange

The process of transmitting and issuing instructions for payments between participants.

Gross domestic product (GDP)

Gross domestic product is the monetary value of all finished goods and services made within a country during a specific period. It includes consumer and government spending, net exports, and total investments.

ISO 20022

ISO 20022 is an international financial messaging standard designed to simplify global business communication. The standard enables efficient payment clearing and settlement among financial institutions globally through the use of a common set of messages and language. It is an open standard developed by ISO (International Organization for Standardization).

Inflation

Inflation is the rate of increase in prices over a given period of time. Inflation is typically a broad measure, such as the overall increase in prices or the increase in the cost of living in a country.

Lynx

Lynx is Canada’s high-value payment system, an electronic wire system used by participating financial institutions (FIs) to safely send wire payments on behalf of their customers in Canadian dollars. Based on the real-time gross settlement (RTGS) model, wire payments cleared and settled using Lynx are fast, irrevocable and made with real-time settlement finality. Lynx also supports the ISO 20022 financial messaging standard, allowing rich remittance data such as invoice details or purchase information to travel with each payment.

486 2025 Methods of Payment Survey Results, Bank of Canada, December 2025.
487 Euromonitor International, Passport (2026): Financial Cards and Payments in Canada 2026 Edition, and TSI, 2026 Canadian Payments Forecast.

Money services business (MSB)

A money services business is a non-bank financial institution that provides services such as currency exchange, funds transfers and virtual currency management. Because they operate outside traditional banks, these businesses are considered gatekeepers of the financial system and are closely regulated.

Online transfer

Online transfers include online e-wallet and electronic peer-to-peer (P2P) transactions initiated through online services and providers that are prepaid or linked to deposit accounts at financial institutions (e.g., PayPal). This includes data and estimates for online and mobile environments used to make remote electronic person-to-person payments and payments to merchants, excluding transactions based on credit and debit cards, which are counted in the credit card and debit card categories.

On-us

On-us refers to transactions drawing upon direct deposit accounts (e.g., bank chequing accounts or business accounts) where both the payor and payee reside at the same financial institution. A variety of payment types, normally associated with Payments Canada cleared payments, are impacted by on-us items, including cheques, debit and EFT. On-us payments do not result in a

Payments Canada clearing entry (and do not appear in Payments Canada system data). On-us payment data must be determined from sources other than Payments Canada. On-us amounts were derived from participant data and estimates. The analysis determined on-us payments to amount to approximately 20 per cent more transactions than can be found in Payments Canada data. On-us amounts differ by payment type, such as cheques (~25 per cent), debit (~13.7 per cent) and EFT (~19 per cent).

Open banking

See consumer-driven banking for a definition.

Paper/cheques

Paper/cheque data is based on Payments Canada ACSS data for cheque and paper items, including paper remittances.

Peer-to-peer (P2P)

P2P payments are transactions between two parties with separate bank accounts through an intermediary.

Personal EFT

Personal EFT (electronic funds transfer) refers to consumer use of AFT credits/debits and electronic remittances (i.e., consumers paying bills through pre-authorized debits).

Phishing

Phishing is a type of cyberattack that uses fraudulent emails, text messages, phone calls or websites to trick people into sharing sensitive data, downloading malware or otherwise exposing themselves to cybercrime. Spear phishing is a type of phishing attack that targets a specific individual, group or organization. These personalized scams trick victims into divulging sensitive data, downloading malware or sending money to an attacker.

Prepaid card

Credit card company and store-branded prepaid product data (both open- and closed-loop) is based on proprietary publication data. We also include virtual prepaid products that may be purchased through mobile device application stores, such as Apple and Android.

The Real-Time Rail (RTR)

The **RTR** is a new national real-time payment system (in development) which consists of technology for the exchange and the clearing and settlement of payments in real-time and the associated legal framework of by-laws, rules and standards. This new system, which is a fundamental component of Canada's broader payment modernization journey, will enable Canadians to initiate payments and receive funds in seconds, anytime of day or night, 365 days per year.

Settlement

The release of payment obligations between two or more parties. Transactions are considered complete once settlement takes place, confirming funds are eventually transferred from one bank account to another.

Stablecoins

Stablecoins are cryptocurrencies whose value is pegged, or tied, to that of another currency, commodity, or financial instrument. Stablecoins aim to provide an alternative to the high volatility of the most popular cryptocurrencies, including Bitcoin (BTC), which has made crypto investments less suitable for common transactions.

Unbanked

Unbanked refers to those who do not have any financial products (i.e., chequing or savings accounts, debit cards or credit cards) associated with a traditional financial institution.

Underbanked

Underbanked refers to those with limited engagement with established financial institutions (i.e., having a chequing or savings account only, or having a chequing or savings account along with either a credit card or debit card, but not both).



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