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January 16, 2025

The Hon. Dominic LeBlanc, P.C., M.P.
Minister of Finance and Intergovernmental Affairs
Department of Finance
90 Elgin Street
Ottawa, ON K1A 0G5

Dear Minister LeBlanc:

On behalf of the Financial Data and Technology Association (“FDATA”) of North America, a trade association representing more than three dozen financial technology companies in both Canada and the United States, congratulations on your recent appointment as Minister of Finance.

As you consider how best to deliver a more affordable, competitive financial services marketplace in Canada, we strongly encourage you to prioritize the implementation of open finance, or consumer-driven finance, in Canada. As you know, Canada’s financial services sector has long been dominated by a small number of large financial institutions. This uncompetitive marketplace has enabled an environment in which consumers and small businesses regularly contend with high fees, difficulty accessing affordable credit, and slow transaction settlement times, among other obstacles. A consumer-driven finance framework would meaningfully improve this landscape.

The Government first committed to delivering consumer-driven finance, a framework under which consumers and small businesses have full control over their financial data and may easily choose to work with financial institutions or accredited third-party providers, in Budget 2018. Unfortunately, as a result of a series of delays and, in some cases, a lack of political will, the Government failed to advance any legislation enabling open finance until last year. Despite last year’s Budget Implementation Act including key elements of Canada’s consumer-driven finance framework, additional legislative authority is still required to make open finance a reality in Canada. While a growing number of other countries, including the United States, have advanced their own open finance frameworks to enable affordability, competition, and improved consumer access to financial services, Canadians still lack these benefits seven years after the Government first announced its intention to implement a consumer-driven finance ecosystem.



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Consumer-driven finance is not just a system upgrade; it is an important advancement opportunity for consumer protection and marketplace competition. Today, Canadians seeking to move their accounts or financial data to a different financial services provider that can better meet their needs may experience delays of weeks or even months. As a result, Canadians often end up frustrated and simply elect to continue holding their funds and account information at a large financial institution, stymying competition in Canada's highly concentrated financial sector. A modern open finance regime, which affords Canadians financial data access rights, will support expanded access and lower fees and will address the anti-competitive and anti-consumer practices in the current environment.

Canadians cannot afford further delays and Canada cannot afford to continue to be left behind as its major trading partners harness the potential of technology in financial services and lure innovative financial technology companies away. You are the third Minister of Finance with the opportunity to deliver an inclusive, consumer-centric ecosystem that has the potential to meaningfully improve the financial wellbeing of millions of Canadian consumers and small businesses. We encourage you in the strongest possible terms to do so, and stand ready to provide any information, perspective, or data that may be valuable towards this important work.

Once again, congratulations on your appointment as Minister of Finance. We look forward to working with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Boms", written over a thin horizontal line.

Steve Boms
Executive Director