Credit Bureau and Financial Transactions Data: Opportunities and Challenges for the Canadian Statistical Program

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The use of credit bureau and financial transactions data has enormous potential to transform the statistical system, by improving granularity, relevance, timeliness and data quality while at the same time minimizing costs and reducing the respondent burden imposed by traditional sample household surveys. As a virtual census of real time data on household debt, credit bureau data can enable the creation of high quality foundational micro databases which, when linked with other sources can shed new light on the sustainability of consumer debt and vulnerabilities in the housing market. If available to national statistics organizations, financial transactions (debit and credit card) data from the banking system can be used, among other things, to generate high quality information on consumer spending and fill data gaps on income earned from the Gig economy and non-traditional sources.

The paper will provide an overview of pioneering projects at Statistics Canada to exploit these new sources, to develop, for example, high quality statistics on consumer debt, household expenditures and potential vulnerabilities in housing markets, providing unprecedented insights to respond to key policy needs at a detailed level of geography. It will also highlight the concrete and sustained measures that must be put in place by National Statistics Organizations to ensure highly sensitive data is protected and secure, privacy impacts are minimized in relation to statistical objectives, and the public trust and licence for their ongoing receipt and exploitation is granted.