

CARP Consumer Banking Poll Report November 1, 2013

Key Findings - Throne Speech

Members see the Speech from the Throne as an election platform, not a governing roadmap, and they assume it is directed at party loyalists and swing voters. The consumer-friendly items in the Speech are seen as bright, shiny distractions from urgent priorities including pension reform and CPP enhancement, which led the government to miss an important opportunity to do its job by planning for an aging society.

The promise to scrap paper bill fees is well-liked, as is the promise to strengthen drug recall protocols, but there is little faith in balanced budget legislation.

Online Banking

Most members of the CARP Poll™ online panel, naturally, are adept with computers, and most do their banking online or online and at an ATM. Few visit their branch. Online (and ATM) banking is seen to be superior from a convenience and savings standpoint, but members recognize that other seniors do not have computers or do not feel comfortable with technology, and that allowances must always be made for these people.

Direct Deposit of Benefits

The direct deposit concept is well-liked because it is convenient and saves time and money, as well as being more secure from financial abuse. Once again, however, members recognize some seniors will not be comfortable with direct deposit and must be offered an opt-out.

Credit Card Merchant Fees

Members agree they do not want to pay the card processing fees charged to merchants by card issuers, and they think these costs should either be eaten by the merchant or not charged at all by credit card companies they already see as too wealthy. It is assumed these fees amount to about 2.5% of purchase, and that they are lower here than in the US.

Electoral preference

The Liberals have shared or owned first place in our poll for 6 months and have been firmly in first since September.

Detailed Findings - Speech from the Throne

Three quarters of members do not think the Throne Speech met their needs or expectations (74%), mostly because it is seen as an election platform (33%) or because it didn't address key issues (26%). It is also seen as an empty gesture to seniors (13%).

The Speech from the Throne this week laid out the government's priorities for the coming session of parliament. Among the promises were an end to paper bill fees, increased safeguards for drug recalls and more workplace support for family caregivers. Did the throne speech address your priorities?

YES	22%
Important priorities for seniors	8%
Consumer protection items good	8%
Law and order measures good	3%
OTHER	3%
NO	74%
Just an election platform, not a road map	33%
Didn't address pensions, home care, pharmacare, etc	28%
Just empty gestures to seniors	13%
OTHER	2%
DON'T KNOW	3%

Most members think the Throne Speech was directed at Conservative Party loyalists (31%), followed by the middle class families which it took as its subject (24%). Others say it is directed at undecided voters or at all of us (15% each).

To whom do you think the government was appealing in the Throne Speech?

Conservative party loyalists	31%
Middle class families	24%
Undecided voters	15%
All Canadians	15%
Younger Canadians	4%
Seniors	2%
OTHER/DON'T KNOW	9%

Members object that the lack of pension reform in the speech represented a lost opportunity for the government (32%), or a case of the government not doing its job (26%). Some claim this means pension reform will be a 2015 election issue (12%).

The Speech from the Throne omitted any mention of pension reform or CPP enhancement. What is your reaction to this omission?

Govt missing chance to prepare for aging society	32%
Govt not doing it's job/planning for future	26%
Pension reform will be election issue in 2015	12%
Not a govt priority/maybe next year	9%
No need for CPP enhancement now	6%
Will lead to senior bankruptcy/poverty	5%
Consumer items more important than pension reform	4%
Ontario/provinces will lead pension reform	3%
OTHER/DON'T KNOW	2%

One half think the consumer-friendly item in the Throne Speech were a bad thing (52%), mostly seen as a distraction from real issues (33%) or just election goodies (14%). One fifth see these items as important for the middle class (18%).

While the Throne Speech said nothing about pension reform or enhancing CPP, there were several consumer-friendly promises dealing with everyday expenses. What is your reaction to this?

GOOD THING	33%
Consumer items important for middle class	18%
Immediate needs rather than long range issues	5%
Consumer items build support	5%
(OTHER)	5%
Neither a good thing nor a bad thing	13%
BAD THING	52%
Just distractions from real issues	33%
Just an election platform	14%
Need long-term financial security	4%
(OTHER)	1%
OTHER/DON'T KNOW	2%

Many members think the promise to scrap paper bill fees will help seniors without computers (40%), or those who don't want to bank online (28%). It is also seen to help those on limited incomes (11%).

In the Throne Speech the government promised to ban fees for paper bills from telecom companies. What is your reaction to this?

Will help people without computers	40%
Will help people who don't want finances online	28%
Will help people on limited incomes	11%
Saves the environment	6%
Saves money	5%
Is easier	2%
NO NEED FOR PAPER BILLS	4%
OTHER/DON'T KNOW	4%

Three quarters see the improved drug safeguards in the Throne Speech as important personally (77%).

Also promised were increased safeguards for drug safety, allowing for quicker drug recalls. How important a benefit is this to you personally?

IMPORTANT	77%
Extremely important	22%
Very important	26%
Important	29%
NOT IMPORTANT	22%
Not very important	17%
Not at all important	5%
OTHER/DON'T KNOW	2%

The majority disagree that balanced budget legislation will lead to balanced budgets (59%).

The government pledged to bring in balanced budget legislation, mandating balanced budgets in normal years and defined targets for paying deficit in economically difficult years. Do you agree or disagree the government can balance the budget in any year, whether normal or difficult?

AGREE	35%
Agree strongly	10%
Agree	25%
DISAGREE	59%
Disagree	38%
Disagree strongly	18%
OTHER/DON'T KNOW	2%

Online Banking

Most members of the CARP Poll™ panel do most banking online (43%) or online and at an ATM (30%). Relatively few visit the branch (26% in total).

How would you describe your banking behaviour?

Do most banking online	43%
Do banking online and at ATM	30%
Visit branch, do some at ATM	19%
Visit branch, do it all in person	7%
Someone else does the banking	2%

Members of our online panel strongly prefer online banking (68%), mostly for convenience (43%) and also for saving time, paper and money (23%). ATMs are seen to be useful for deposits and withdrawals (12%).

What are the benefits of online banking vs ATM banking vs in person banking?

ONLINE	68%
More convenient	43%
Saves paper/time/money	23%
OTHER	2%
ATM	15%
Use it for withdrawal/deposit	12%
More convenient	3%
IN PERSON	16%
More accurate/trustworthy	9%
More personal	6%
OTHER	1%
DON'T KNOW	2%

Three quarters think the government's switch to direct deposit is a good thing (72%), mostly because of savings (31%) and convenience (24%). Those who think it's a bad idea (20%) do so because some seniors don't use ATMs (12%).

Direct Deposit of Benefits

In 2016, the federal government plans to phase out mailed cheques in favour of direct deposit in your bank account of all government funds, including social assistance, tax returns, pensions and veteran's benefits. What is your reaction to this plan?

GOOD THING	72%
Save paper and money	31%
More convenient	24%
More secure	14%
(OTHER)	3%
Neither a good thing nor a bad thing	8%
BAD THING	20%
Some people don't use ATMs	12%
Must have paper copy/confirmation	5%
Not as personal	2%
(OTHER)	1%

The wide majority agree a direct deposit is safer than a cheque (81%).

Which is safer and less prone to financial elder abuse, direct deposit of benefits or a cheque?

Direct deposit	81%
Paper cheque	5%
DON'T KNOW	14%

About one tenth know someone who might have difficulty with direct deposit (10%).

Would you, or someone you know have difficulty banking your pension or OAS/GIS benefits if they were made by direct deposit?

YES	12%
Me	2%
Someone I Know	10%
NO	88%⁹

There is an even split of opinion on whether it's a good idea to protect benefit cheques from garnishee (39%) or not (40%)

Government pension benefits are protected from garnishment for debt if they are cashed and banked separately from other funds. Direct deposit would circumvent this protection. Is this a good or a bad idea?

GOOD IDEA	40%
I won't be in debt/risk of garnishee	15%
Time/money saved outweighs risk	13%
Safer than cheques	10%
(OTHER)	2%
Neither a good idea nor a bad idea	10%
BAD IDEA	39%
Benefits must be protected	28%
Some have no choice but deal with debt	9%
Too much effort	1%
(OTHER)	1%
DON'T KNOW	10%

The only real obstacles seen to direct deposit are that some seniors don't have computers (37%) and that access to banks is difficult in rural areas (15%).

What is the biggest obstacle to direct deposit?

Some seniors don't have computers	37%
No easy rural bank access	15%
Seniors trust paper cheques	9%
Could expose benefits to garnishee	9%
Some seniors don't use banks	8%
No tangible evidence of deposit	4%
Seniors need paper records	4%
Can't choose time/date of deposit	1%
OTHER/DON'T KNOW	13%

There is wide agreement direct deposit should be voluntary, for those who request it (47%), who don't opt-out (14%) or for those who want to take part (13%).

Should there be an exception to the direct deposit plan for seniors who do not bank online or at ATMs?

For seniors who request it	47%
Direct deposit should be voluntary with opt-out	14%
For those who don't want to participate	13%
For all seniors	8%
For those who don't use banks	2%
For low income seniors	1%
For rural Canadians	1%
Shouldn't implement at all	1%
NO EXCEPTIONS NEEDED	10
OTHER/DON'T KNOW	2%

One half disagree that pre-loaded debit cards with benefits on them are a good solution to those who don't have easy bank access (50%).

It's been proposed that those who do not have bank accounts could be issued debit cards pre-loaded with their benefits which could be used for withdrawal at any ATM or to purchase goods by debit card. Do you agree or disagree this is a good solution to the problem of getting benefits to those who don't have bank accounts or can't get to the bank?

AGREE	34%
Agree strongly	4%
Agree	30%
DISAGREE	50%
Disagree	30%
Disagree strongly	20%
OTHER/DON'T KNOW	17%

Credit Card Merchant Fees

Most members believe merchants should offer a cash payment discount instead of charging card-processing fees on to consumers (45%), while others think the situation should remain as is, with merchants paying these fees (29%)

Merchants who accept credit cards are charged processing fees by the credit card companies and may charge higher fees for premium cards. Merchants want to be able to pass this fee on to consumers who use premium credit cards or refuse to accept the premium credit cards. Credit cards companies want merchants to offer discounts to those who pay cash instead. What do you think is the best solution to this?

Merchants should offer cash discount	45%
Merchants should continue to pay, no change	29%
Should be allowed to refuse premium cards	9%
Should be allowed to charge fee for premium cards	8%
Should be allowed to charge all fees to consumers	3%
OTHER/DON'T KNOW	7%

On average, members believe merchants pay issuers about 2.5% in processing fees, but that these are less here than in the US.

About what percent of the purchase price do you think merchants pay in credit card processing fees in Canada compared to the US?

LESS THAN US	41%
Less than 1%	1%
1% to 2%	10%
2% to 3%	21%
More than 3%	9%
MORE THAN US	32%
Less than 1%	*
1% to 2%	5%
2% to 3%	18%
More than 3%	9%
OTHER/DON'T KNOW	26%

Members think merchants should either absorb the cost of these fees as the cost of doing business (25%) or that credit card issuers shouldn't charge them as they make too much money now (21%). Some think fees should be regulated (14%) or published (12%).

What do you think is the fairest way to deal with these processing fees?

Merchants should absorb as cost of business	25%
Card companies shouldn't charge/make enough now	21%
Govt to limit card fees from issuers to merchants	14%
Merchants and issuers should publish fees	12%
Govt to regulate max fees/who pays	9%
Don't care as long as I don't pay	7%
Merchants to pass fees on to consumer	5%
Govt to limit card fees from merchants to consumers	4%
OTHER/DON'T KNOW	3%

There is an even split in opinion on whether merchants should be able to choose whether to accept premium cards (45%) or not (50%). Many think the merchant shouldn't be forced to lose money (29%) while others think all cards should be treated equally.

Some credit cards carry higher processing fees to merchants than others, because of reward programs, airline points and other perqs. Do you agree or disagree merchants should be able to accept some types of credit cards, but not others of the same brand?

AGREE	45%
Up to merchant to decide	29%
Merchant should not have to lose money	14%
OTHER	2%
DISAGREE	50%
All cards should be treated equally	34%
Customers may only have one card	14%
OTHER	2%
OTHER/DON'T KNOW	5%

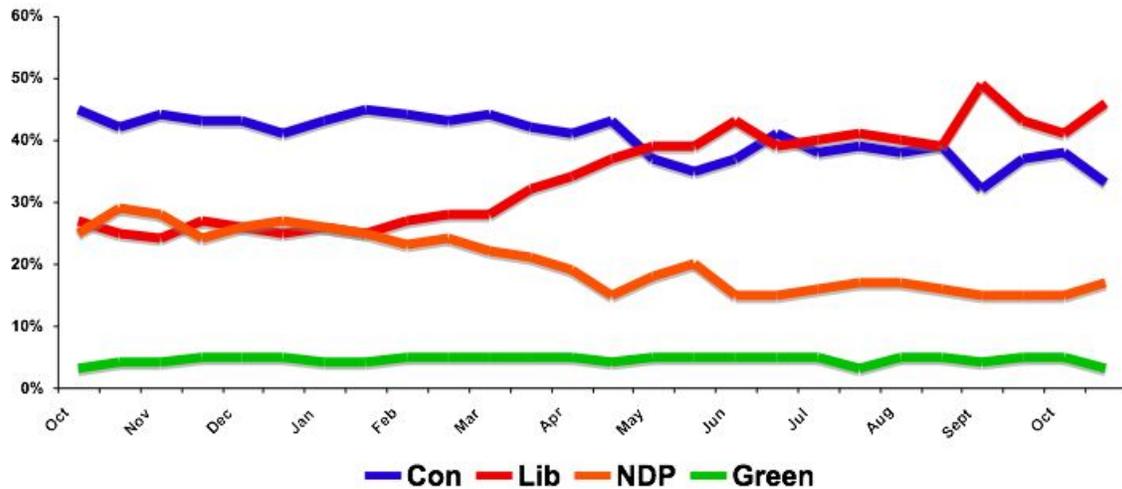
Most members consider the points when choosing a credit card to use (36%) while others have only one card (25%). Some choose the lowest interest rate (16%).

What factor is most important to you when choosing which credit card to use?

The points earned	36%
Only have one main card	25%
Lowest interest rate	16%
Brand I always use	7%
Reputation of issuer	7%
Concierge service/tickets/perqs/etc	3%
Lowest balance	1%
OTHER/DON'T KNOW	5%

Electoral Preference

Since the surge in Liberal popularity noted one month ago, where they peaked at 49%, the Conservatives and the Liberals converged again, but are now far apart (Liberals 46%, Conservatives 33%), with the Liberals still in the lead. The NDP, on the other hand, have relinquished first place, then second place, and are now the third party at 17%.



Almost 1900 CARP Poll™ panel members responded to this poll between October 18 and 21, 2013. The margin of error for a probability sample this size is about plus or minus 2%, 19 times out of 20