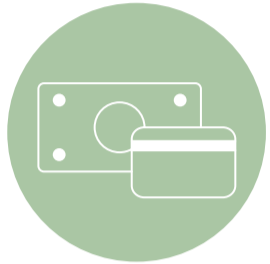




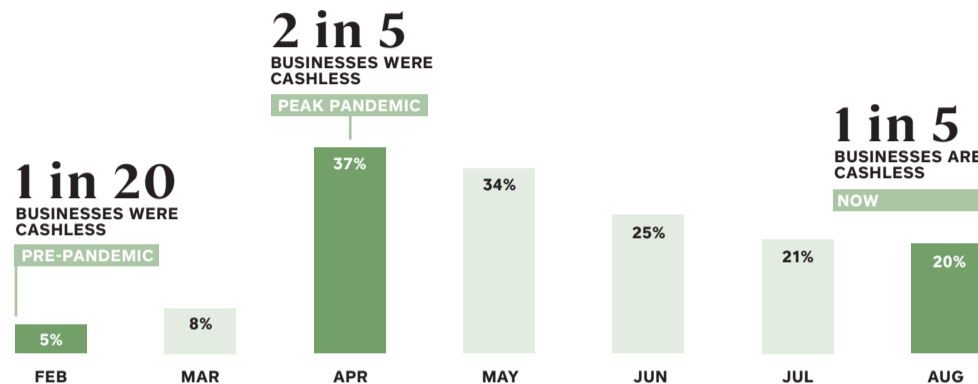
A cashless future in Canada isn't a linear path

New data from payments company Square reveals how the onset of COVID-19 has made the path to a cashless society far from straight forward. We map the stops, starts and changes happening with cash among local businesses and consumers throughout 2020.

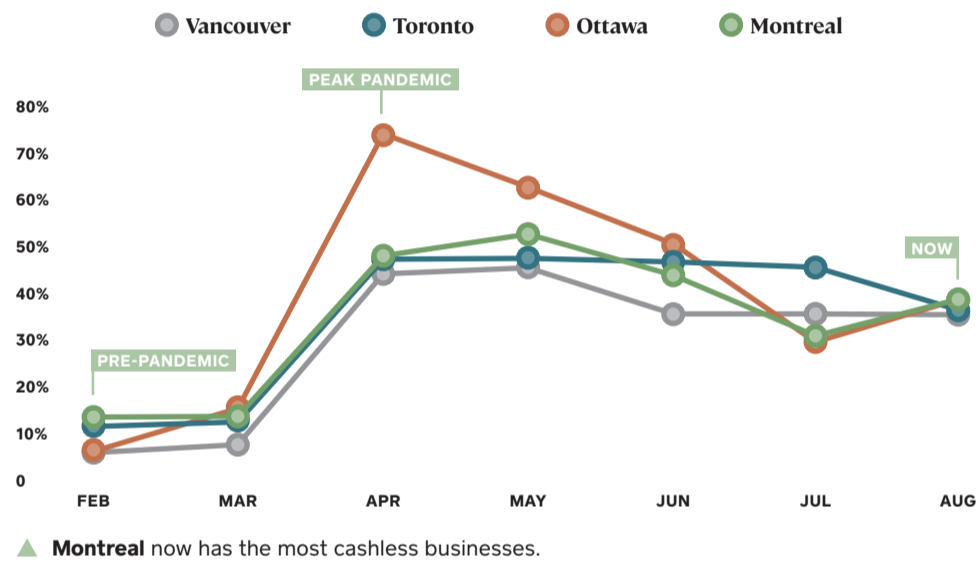


1 in 5
BUSINESSES NOW CASHLESS

SHARE OF CASHLESS BUSINESSES



SHARE OF CASHLESS BUSINESSES, BY CITY



We've decided to start taking cash again, but we're not promoting it. We just want to make it simple for everyone."

—Karl Magnone
TITE FRETTE IN MONTREAL

Reverting Back From Cashless*

The number of cashless businesses decreased in recent months as many have reverted back to accepting cash. Among Canada's major cities, Montreal has double the national average of cashless businesses.

ECONOMIST NOTE

"As businesses seek to resume more normal operations and consumers increase their spending, many businesses are reverting back to accepting cash to accommodate all the ways their customers prefer to pay. Many sellers are choosing to take cash rather than turn away any business at this time."

—Felipe Chacon, Economist at Square

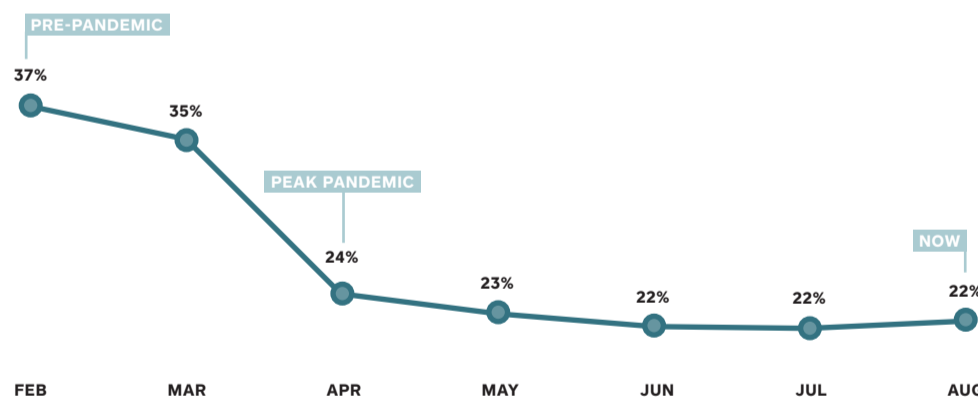


4 of 5
PAY WITHOUT CASH IN PERSON

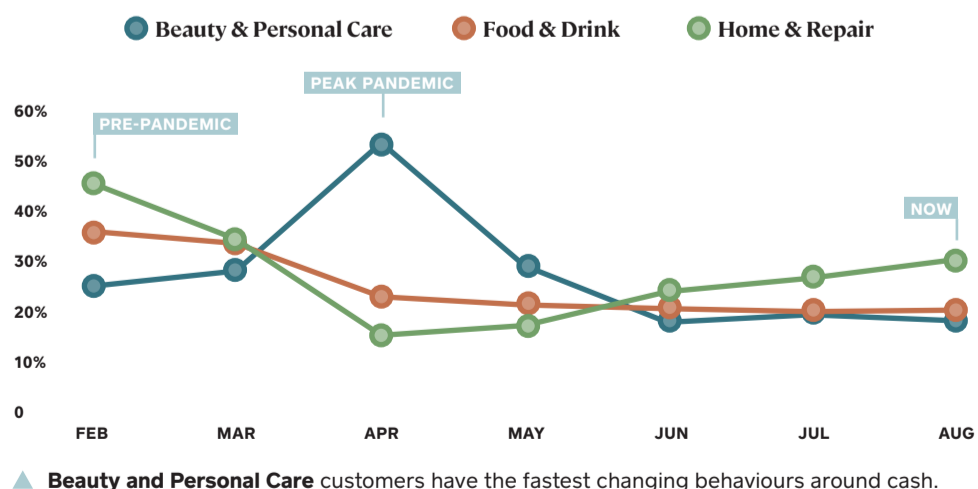
Consumers Cut Down on Cash

Consumers are now using cash for around one-fifth of all in-person payments. However, consumer behaviours around cash vary between industries. The Home and Repair sector remains the most committed to cash, despite a large decrease from pre-pandemic levels.

CASH AS A SHARE OF IN-PERSON PAYMENTS



CASH AS A SHARE OF IN-PERSON PAYMENTS, BY INDUSTRY



Our takeout customers can't wait to eat their döners, and paying by card is the fastest and safest way for them to get in and out."

—Joelle Parenteau
WOLF DOWN IN OTTAWA

ECONOMIST NOTE

"These new findings show a significant and stabilizing decrease in cash usage rates compared to pre-pandemic, with business owners increasingly reliant upon card payments and consumers utilizing those alternatives. We estimate the shift away from cash over the last six months in Canada would have taken more than six years without the pandemic."

—Felipe Chacon, Economist at Square

Methodology

The data for this analysis includes millions of transactions from January 1, 2020, through August 31, 2020, from Square sellers of all sizes across Canada that have been able to stay mostly active for the duration of the pandemic.

*For the purposes of this report, Square qualifies any business accepting more than 95% of their sales via cashless means (in-person credit or debit card payments, online payments, contactless payments) as a cashless business.