



Justice Centre

for Constitutional Freedoms

Central Bank Digital Currency?

What it is, and how it could impact your privacy, security, and autonomy

AHEA CONFERENCE
MAY 2025

BENJAMIN KLASSEN

About Me

- ▶ Research and Education Coordinator at the Justice Centre
- ▶ Studied Political Science at the University of Calgary
- ▶ Have held political internships, including on Parliament Hill in 2022
- ▶ Develop High school courses on *Charter Freedoms*
- ▶ Analyze policies and write reports



Justice Centre

for Constitutional Freedoms

NEW! Online High School Courses

Now available:

 Exploring Freedom of Expression

Coming soon:

 More courses on the *Charter* freedoms:
Religion, Assembly, Association

 Other courses on specific issues

Sign up now:

Learn about your rights and freedoms, why they matter, and how the Canadian *Charter* protects them.

www.jccf.ca/courses/



---- Justice Centre

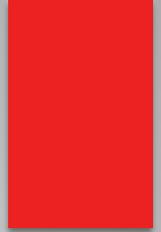
Reports and Analyses

- ▶ Recent report:
 - ▶ Central Bank Digital Currency?

- ▶ Other reports:
 - ▶ Privacy and Security
 - ▶ Lockdown Harms
 - ▶ Freedom of Expression
 - ▶ Other rights and freedoms

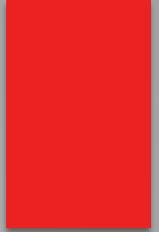


Why Talk About CBDC?



- ▶ Governments exploring CBDCs globally
- ▶ Risk to privacy, autonomy, security, and access
- ▶ Connected to broader surveillance trends: Digital ID, CBDC, facial recognition, biometrics
- ▶ Justice Centre analyzes these policies and produces reports on these important issues

First, the Value of Privacy



- ▶ “Does privacy matter if you have nothing to hide?”
- ▶ Key concerns: Privacy from government
- ▶ Privacy is not about secrecy—it's about control and freedom



Privacy Enables Security

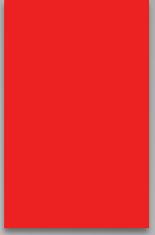
- ▶ Protects from cyber threats & identity theft
 - ▶ Mass data collection increases the risks of illicit hacking
 - ▶ 2019, Desjardins insurance employee stole private information on 9.7 million Canadians
 - ▶ 2019, LifeLabs hacked and health records stolen of 15 million Canadians
- ▶ Governments also misuse surveillance powers (e.g., freezing bank accounts, vaccine passports)

Privacy Enables Autonomy



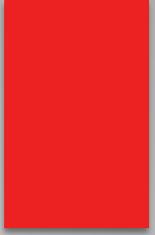
- ▶ Autonomy = living freely, without undue external influence
- ▶ Surveillance chills speech, causes self-censorship
- ▶ Real-world examples: Post-NSA revelations (2013), people – especially authors critical of the state – self-censored

Privacy Protects Dignity



- ▶ Collecting too much data on people treats them as **data points** and as objects to be studied and **controlled**, not **as agents worthy of respect**.
- ▶ no consideration to their **individual personhood**, their worth, and their dignity.

The Shift to Digital Money



- ▶ In 2009, 54 percent of transactions were in cash
- ▶ Now, Less than 20% of transactions are in cash
- ▶ Rise of cryptocurrencies → CBDC is the rise of government alternatives

What Is a CBDC?

- ▶ A Central Bank Digital Currency is a digital form of an already existing government-issued currency - CAD
- ▶ Unlike cash or even e-transfers, it could be:
 - ▶ Programmable
 - ▶ Traceable
 - ▶ Centrally controlled



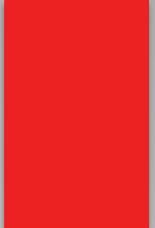
Difference between CBDC and your Debit Card

Feature	CBDC	Current Digital Banking (Bank Deposits)
Issuer	Central Bank (e.g., Bank of Canada)	Commercial Banks (e.g., RBC, TD, CIBC)
Legal Tender Status	Yes - must be accepted for payment of debts	No - private claim, not legal tender
Nature of Money	Direct claim on central bank; is money itself	Claim on your bank; a promise to pay you back
Risk of Bank Failure	No risk - backed by central bank	Some risk - protected up to insured limits
How Payments Work	Direct transfer, like digital cash	Transfers between banks, may involve delays/fees
Access	Potentially available to all citizens	Only via bank accounts

Three Models

- ▶ Direct
 - ▶ BoC has access to all your data – including onboarding data and every financial transaction
- ▶ Hybrid
 - ▶ BoC has access to your account holdings
- ▶ Intermediated
 - ▶ Boc of Canada, in theory, does not have access to your data

Global Status of CBDCs



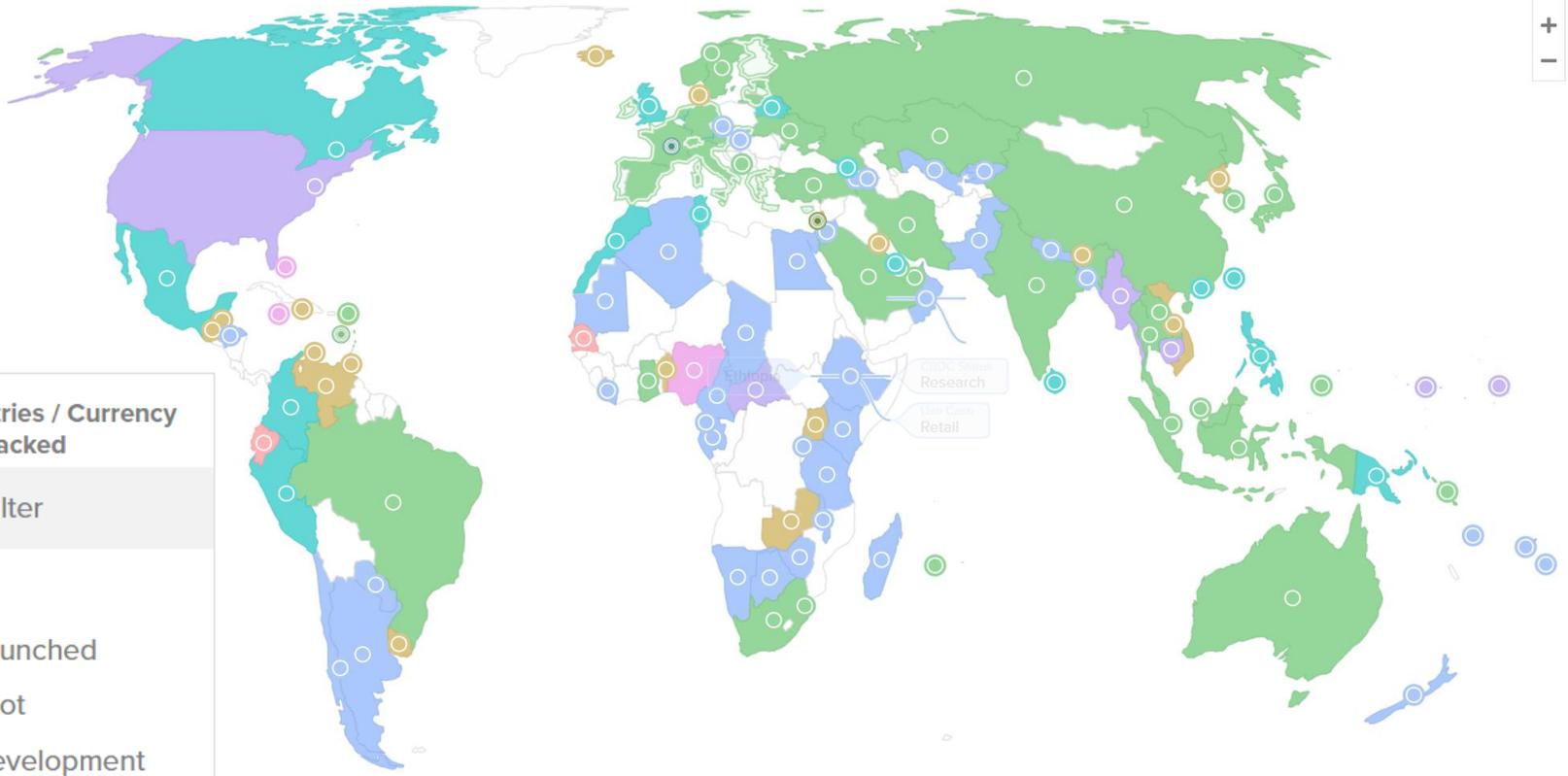
- ▶ 134 countries exploring; 66 in advanced stages
- ▶ Fully launched
 - ▶ The Bahamas (Sand Dollar): First globally, 2020
 - ▶ Nigeria (eNaira): Launched in 2021.
 - ▶ Jamaica (Jam-Dex): Legal tender since 2022
- ▶ Pilot or near-launch
 - ▶ China, Brazil, India – millions of users
- ▶ EU launching digital Euro Oct 2025

134 Countries / Currency Unions Tracked

Click to filter

Status

- 3 Launched
- 44 Pilot
- 19 Development
- 39 Research
- 21 Inactive
- 2 Canceled
- 6 Other



CBDC status in Canada



- ▶ March 2020 – BoC announced their research
- ▶ September 2024 – BoC announced to put their efforts on “pause”
- ▶ “Paused” – What does that mean?

Why explore CBDC?



Claimed benefits

- ▶ financial inclusion
- ▶ efficiency
- ▶ Security
- ▶ Resilience

What's at Stake?

- ▶ Privacy – freedom from surveillance
- ▶ Autonomy – financial freedom
- ▶ Security – protection from cyberattacks and misuse
- ▶ Accountability – transparency in government

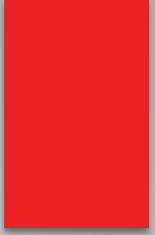
Privacy & Surveillance Concerns

- ▶ - CBDC could let government track every transaction
- ▶ - Could be used to restrict what you buy or where you spend
- ▶ - No more anonymity like with cash

Autonomy & Government Control

- ▶ - Example: Freedom Convoy account freezes (2022)
- ▶ - What if digital dollars could be frozen instantly?
- ▶ - Programmable money could:
 - ▶ • Prevent purchases
 - ▶ • Expire
 - ▶ • Vary by behavior

Security Risks



- ▶ - CBDCs = attractive cyberattack targets
- ▶ - Past breaches: CRA, Global Affairs, RCMP
- ▶ - Centralized systems = higher risk

Going Cashless - Who Gets Left Out?

- ▶ CBDCs could exclude:
 - ▶ • Seniors
 - ▶ • Homeless
 - ▶ • People without tech
- ▶ - Cash remains essential for dignity and participation

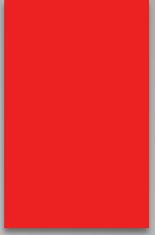
What Can We Do?



Make your voice heard – cost of silence

- ▶ First, inform yourself
- ▶ Tell your friends – share our reports/ upcoming brochures
- ▶ Share on Social Media
- ▶ Tell your elected officials
- ▶ Run for office
- ▶ Donations to the Justice Centre – Privacy Access Council of Canada (PACC)

Questions & Contact



- ▶ Thanks for listening!
- ▶ Benjamin Klassen
- ▶ Research and Education Coordinator
- ▶ Justice Centre for Constitutional Freedoms
- ▶ bklassen@jccf.ca
- ▶ Access report at: <https://www.jccf.ca/reports/>