

# Quarterly financial statistics for enterprises, fourth quarter 2023

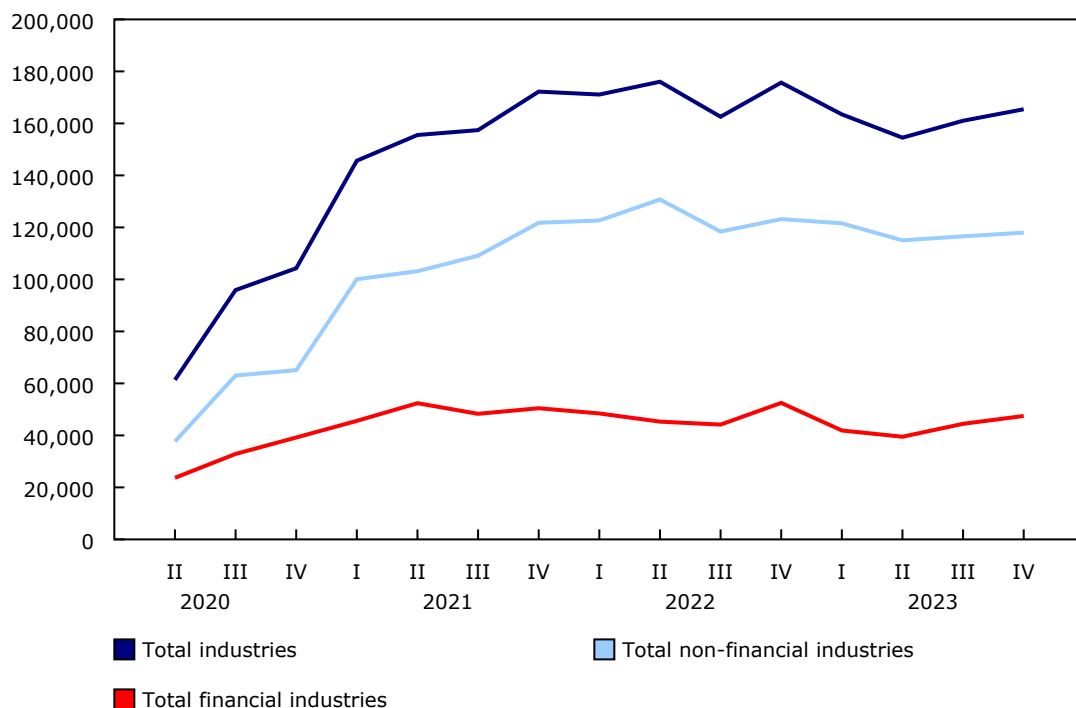
Released at 8:30 a.m. Eastern time in *The Daily*, Friday, February 23, 2024

Canadian corporations reported a 2.7% (+\$4.4 billion) increase in net income before taxes (NIBT) in the fourth quarter, reaching \$165.4 billion. This gain was driven by the financial sector (+6.8%), which outperformed the non-financial sector (+1.2%).

Consult the [Quarterly Survey of Financial Statistics: Visualization Tool](#) for a comprehensive overview of the quarterly changes in the financial performance of enterprises.

**Chart 1**  
**Corporate net income before taxes (seasonally adjusted)**

millions of dollars



Source(s): Table 33-10-0226-01.

## Services drive the gains in net income before taxes for non-financial industries

Non-financial industries' NIBT increased \$1.4 billion (+1.2%) from the third quarter of 2023 to \$118.0 billion in the fourth quarter. Overall, NIBT was up in 29 of the 39 non-financial industries.

The other wholesalers' industry recorded the largest gains in NIBT among the non-financial industries, up \$645 million to \$7.3 billion in the fourth quarter. This increase was attributable to a rise in operating revenues, up \$2.4 billion to \$156.0 billion in the quarter.



The telecommunications industry reported the second-largest gain in NIBT, up \$390 million to \$2.0 billion in the fourth quarter. Operating revenue was up \$586 million to \$21.9 billion, largely attributable to an increase in wireless and cable services.

NIBT for wood and paper manufacturing was up \$261 million (+16.2%), on higher [sales and shipment of wood products](#) during the fourth quarter. This was its first increase in NIBT, following six quarterly declines, during which price and shipments dropped simultaneously.

In the fourth quarter, the increase of NIBT in the non-financial industry was largely offset by a decline in profits for the motor vehicle and trailer manufacturing industry, which decreased \$1.0 billion, recording a loss of \$281 million. Production slowdowns for retooling in some auto assembly plants and a strike in the United States had ripple effects in Canada and were mainly responsible for this decline.

NIBT for petroleum and coal products manufacturing fell \$207 million (-4.1%) in the fourth quarter. Decreases in the [price of energy and petroleum products](#) and temporary shutdowns at some oil refineries due to maintenance activities contributed to the decline in NIBT for this industry during the quarter. NIBT for the oil and gas extraction industry also declined modestly, down \$21 million (-0.2%) in the fourth quarter.

### **Financial sector reports increase in net income before taxes**

NIBT for the financial sector increased by \$3.0 billion (+6.8%) to \$47.5 billion in the fourth quarter. Increases were recorded in 7 of the 13 financial industries.

NIBT for the securities and commodity exchanges and portfolio management and miscellaneous financial investment activity industry grew \$1.5 billion in the fourth quarter on higher revenues associated with asset revaluations.

NIBT for local credit unions increased \$1.4 billion in the fourth quarter, attributable to an increase in net interest income and higher revenues associated with asset revaluations.

Partly offsetting these gains, the banking and other depository credit intermediation industry recorded a \$619 million decrease (-5.7%) in NIBT in the fourth quarter. This was mainly attributable to rising expenses in provision for credit losses during the fourth quarter.

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## Note to readers

### Changes to the Quarterly Survey of Financial Statements

The Quarterly Survey of Financial Statements (QSFS) has been the subject of many changes since the first quarter of 2020. For a summary of those changes, see the note to readers in the [QSFS release for the second quarter of 2023](#).

### Revisions and backcasting

This release includes backcasted estimates for the reference periods starting from the first quarter of 2010, up to the last quarter of 2019.

The backcasted estimates are derived from a process of reconciliation to ensure that the annual series are consistent with the levels of a set of information from surveyed and administrative sources, and by applying the year-to-year movement of historical QSFS estimates.

Changes in the data from previously released estimates may be because of a number of reasons, including survey population updates, industry reclassifications and revisions to the data.

While considerable effort is made to ensure high standards throughout the reconciliation process, the resulting estimates are inevitably subject to a certain degree of error. Users are therefore encouraged to use caution when making historical comparisons.

### Next release

Financial statistics for enterprises for the first quarter of 2024 will be released on May 24.

**Available tables:** [33-10-0224-01](#) to [33-10-0227-01](#) .

**Definitions, data sources and methods:** survey number [2501](#).

Aggregate balance sheet and income statement data for Canadian corporations are now available.

Data from the Quarterly Survey of Financial Statements are also available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).