

2013 CPA Profession Compensation Study Supplementary Report Gender Differences

March 2014



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Summary of Key Findings

The findings in this report are based on a self-selected sample of 21,147 professional accountants and may not, in all cases, represent the profession as a whole. Please read the Methodology section (found on page 3) for more details.

On average, female members have a median total compensation level of \$98,000, compared to male members' median average of \$117,000. There are a few key differences between male and female members that help account for the differences in compensation:

- **Title:** Roughly twice as many male members than female members (28% vs. 14%) work in positions that have a median average total compensation of \$150,000 or more. On the other side of the spectrum, 44% of female members hold a title that has a median average total compensation of under \$100,000, compared to 32% of male members.
- **Ownership:** Five per cent of female members are in positions of ownership, compared to 11% of male members. Owners have a median average total compensation of \$150,000, compared to \$102,000 among non-owners.
- **Age:** On average compensation levels in this study were higher among older members. Female members answering the survey were more likely to be under 45 years of age than male members (63% vs. 55%).
- **Place of work:** Members working in industry earned the highest median average total compensation (\$120,000), compared to approximately \$100,000 in each of education, not-for-profit, professional services and government. Female members were less likely than male members to be working in industry (44% vs. 52%).

Introduction

From June to September 2013, Chartered Professional Accountants of Canada (CPA Canada) and CPA provincial accounting bodies conducted a compensation survey of CPAs and members of provincial accounting bodies actively pursuing unification during the survey period. The following report relies on self-reported compensation data from professional accountants answering the survey. Although attempts were made to minimize respondents' data entry errors by removing inconsistent data, no attempts were made to independently verify the data they provided.

In all cases reported, compensation data is the median average to avoid allowing a small portion of responses to skew the overall average that can occur when using the mean average.

Methodology

CPA Canada commissioned iTracks to complete the survey over the Internet.

- 142,245 surveys were emailed by iTracks to 142,245 active and retired members.
- 13,825 e-mails were hard bounce backs.
- 128,420 recipients received the invitation.
- 23,785 members responded for a response rate of 19%.
- 1,097 respondents who worked less than two full time months in 2012 were not included in the analysis.
- 275 responses were excluded from the analysis due to suspected data entry errors identified while validating responses.
- 294 responses were also excluded for members who did not earn their designation until sometime in 2013.

In total, 21,147 members were included in the analysis of compensation. Additionally, there were 972 respondents working outside Canada, who were excluded from the main tables, but are reported separately.

All CPAs, Chartered Accountants (CAs) and Certified Management Accountants (CMAs) were invited to participate in this study. In addition, provincial Certified General Accountant (CGA) bodies that were actively pursuing unification during the survey period were invited to participate and several chose to have the survey sent to their members. Participation rates varied by province, and not all designations were fully represented in each province. For this reason, a mathematical model was applied to the overall national and provincial numbers to better reflect a fully unified CPA profession on a national basis. Given the different stages of unification during the survey period, the term professional accountant is used to refer to the members represented by this survey.

Unless otherwise specified, compensation figures shown in this report include annualized data for members who worked at least two months, either part-time or full-time during 2012.

It should be noted that findings in this report are representative of those sampled and may not precisely represent the CPA profession as a whole.

Note on Reporting of Results

To protect the privacy of respondents and to avoid misleading results, the mean and median for compensation data is only presented when there are at least five respondents in a subcategory and upper and lower quartile information is only shown when there are at least 20 respondents in a subcategory. Definitions of the four statistical measures used in this report are provided below for reference:

- **Mean:** (also called average) is the sum of all cases divided by the total number of cases
- **Median:** (or 50th percentile) is the value above and below which half the cases fall. If there is an even number of cases, then it is the average of the two middle cases. As compared to the mean, the median is not sensitive to outlying (a few very high or very low) values. In some cases this may make it a more reliable measure to compare individual compensation.
- **25th Percentile:** is the value above which 75% of the cases fall.
- **75th Percentile:** is the value below which 75% of the cases fall.

Numbers in all tables are rounded to the nearest thousand.

Feedback on this Report

Questions or comments related to this report can be directed to:

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Structure of the Summary Report

This report is organized into two sections. “Section 1: Demographic Differences by Gender and Relation to Compensation” includes demographic differences broken out by gender for title, place of work, age and ownership status, as well as overall compensation averages for each of these elements. “Section 2: Compensation by Gender and Other Elements” shows how compensation differs by gender depending on title, place of work, age and ownership status.

SECTION 1

Demographic Differences by Gender and Relation to Compensation

- A higher proportion of female than male members (63% vs. 55%) are under 45 years of age. Those under 45 years of age have a lower median average total compensation than those 45 years of age and higher (\$95,000 vs. \$129,000).
- Female members are less likely (44% vs. 52%) to be in industry, which has a median average total compensation of \$120,000, compared to approximately \$100,000 for other areas (Education: \$101,000; Not-for-profit: \$101,000; Professional services: \$100,000 and Government: \$97,000).
- Female members are considerably less likely than male members (5% vs. 11%) to be in positions of ownership. The median average overall compensation for owners is \$150,000, compared to \$102,000 for non-owners.

	Male	Female	Total
	%	%	Median (\$ in 000's)
AGE			
TOTAL UNDER 45 YEARS OF AGE	55%	63%	\$95
Under 35	27%	32%	\$83
35-44	28%	31%	\$111
TOTAL 45 YEARS OF AGE AND OVER	45%	37%	\$129
45-54	27%	28%	\$125
55-64	16%	9%	\$134
65 and over	3%	<1%	\$140
TYPE OF WORKPLACE			
Industry	52%	44%	\$120
Education	3%	5%	\$101
Not for profit	3%	5%	\$101
Professional Services firm	25%	21%	\$100
Government	15%	22%	\$97
Other	3%	3%	\$110
OWNERSHIP STATUS			
OWNERS	11%	5%	\$150
Equity Partner	4%	2%	\$170
Other Business Owner	3%	1%	\$164
Sole Practitioner	4%	2%	\$100
NON-OWNERS	89%	95%	\$102

- Female members are roughly half (14% vs. 28%) as likely as male members to hold titles that have an average median overall compensation of \$150,000 or over. Conversely, female members are roughly 50% more likely than male members (44% vs. 32%) to hold titles that have a median average overall compensation of less than \$100,000.

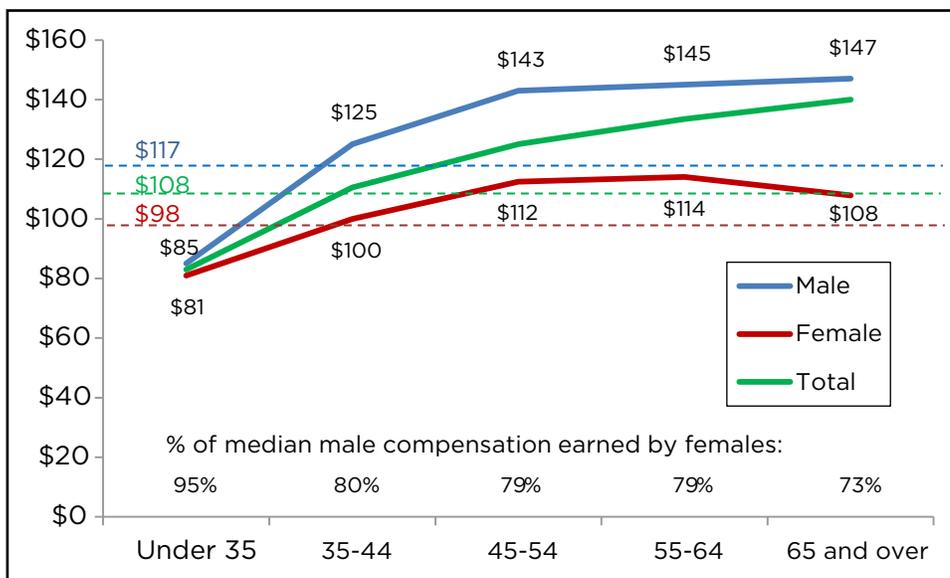
TITLE	Male	Female	Total
	%	%	Median (\$ in 000's)
% IN POSITIONS WITH MEDIAN OF \$150,000 OR HIGHER	28%	14%	
Senior Vice- President	1%	<1%	\$257
CA Firm Equity Partner	5%	2%	\$219
President and/or CEO	2%	1%	\$204
Vice- President	4%	2%	\$198
CA Firm Non-Equity Partner	<1%	<1%	\$190
Other Executive Management (COO, CIO, EVP, etc.)	1%	1%	\$180
Owner/ Partner of Business	3%	1%	\$180
Assistant Vice-President	<1%	<1%	\$170
Chief Financial Officer (CFO)	10%	6%	\$151
% IN POSITIONS WITH MEDIAN FROM \$100,000 TO < \$150,000	36%	35%	
Senior Director	2%	2%	\$146
Director	7%	7%	\$131
Principal	1%	1%	\$123
Senior Manager	5%	5%	\$120
General Manager	1%	1%	\$120
Consultant	2%	2%	\$112
Sole Practitioner	4%	2%	\$110
Associate/Assistant Director	1%	1%	\$108
Controller and/or Comptroller	12%	13%	\$103
Treasurer	<1%	1%	\$101
Professor/Lecturer/Teacher	1%	1%	\$100
% IN POSITIONS WITH MEDIAN < \$100,000	32%	44%	
Manager	10%	12%	\$99
Tax Specialist	2%	2%	\$94
Supervisor	1%	2%	\$93
Internal Auditor	1%	2%	\$90
Associate/Assistant Manager	1%	1%	\$82
Analyst	7%	11%	\$80
Senior Auditor/Accountant	6%	8%	\$73
Auditor/Accountant	3%	6%	\$68
Junior Auditor/Accountant	<1%	<1%	\$54
Other	5%	7%	\$92

SECTION 2

Compensation by Gender and Other Elements

Compensation by Age and Gender

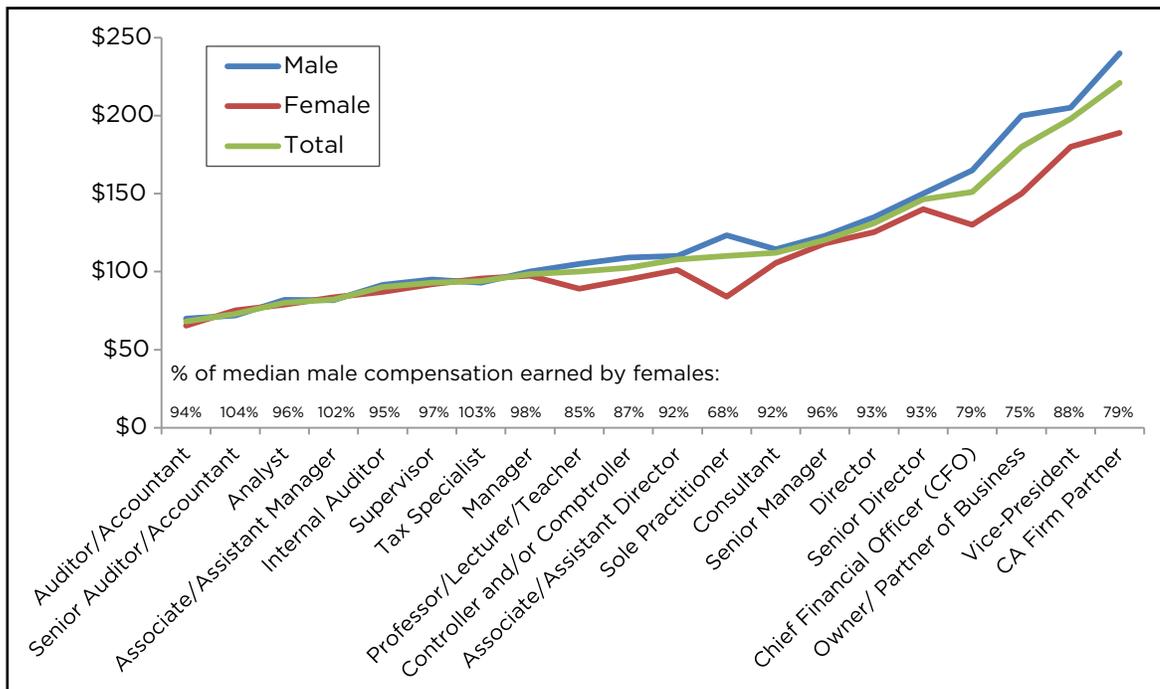
- Female members earn, on average, 84% of a male members' median compensation.
- Female members under 35 years of age have a median average total compensation that is 95% of what is earned by male members under 35 (\$85,000 vs. \$81,000).
- Female members between 35 and 64 are compensated at approximately 80% of male members' compensation.



\$ in 000's
Dashed lines are overall numbers for all age groups

Compensation by Title and Gender

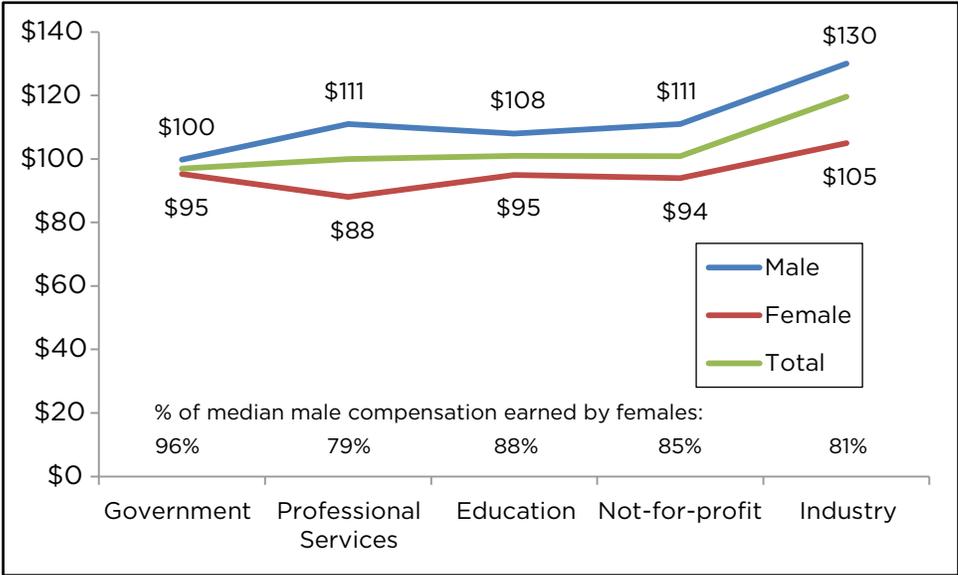
- For most titles female members earn, on average, between 79% and 104% of the median male compensation for the title.
- On average, female members’ median compensation is within five per cent of male members’ median compensation for the following positions: Senior Auditor/Accountant (104%), Tax Specialist (103%) and Assistant Manager (102%), Manager (98%), Supervisor (97%), Analyst (96%), Senior Manager (96%) and Internal Auditor (95%).
- Female members have median average compensation of between 85% and 94% of male members for: Auditor/Accountant (94%), Director, Senior Director (both 93%), Associate/Assistant Director, Consultant (both 92%), Vice-President (88%), Controller/Comptroller (87%), Professor/Lecturer/Teacher (85%).
- Female members with median average levels less than 80% of male members are: CFOs, CA firm partner (both 79% of male median compensation), business owners (75%) and sole practitioners (68%).



\$ in 000's

Compensation by Place of Work and Gender

- Female members working in government have a median compensation, on average, of 96% of that of male members working in government. Figures in other places of work are: education 88%, not-for-profit 85%, industry 81% and professional services 79%.



\$ in 000's

About the Women's Leadership Council

CPA Canada's Women's Leadership Council is a voice of women CPAs. We act as a catalyst for change, promoting a work environment within the accounting profession that provides for the retention, promotion and advancement of women to positions of leadership without bias, unintended or otherwise, based on gender.



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