

2015

2015 CPA PROFESSION COMPENSATION STUDY: REPORT ON GENDER DIFFERENCES

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 **CPA** CHARTERED PROFESSIONAL ACCOUNTANTS CANADA COMPTABLES PROFESSIONNELS AGRÉÉS CANADA

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Summary of Key Findings

The findings of this report are based on a sample of 27,863 professional accountants (including 15,055 Males, 12,788 Females and 20 members who were unclassified) and may not, in all cases, represent the profession as a whole. Please refer to the Methodology section for more details.

At the total level, female members have a median total compensation of \$99K vs. \$120K among their male counterparts. As such, females are earning 83 per cent of the median total compensation earned by males. Outlined below are a few key findings that help better define the specific differences between each gender.

- **Title:** Males are almost twice as likely as females to hold a position with a median total compensation of \$150K or higher (29% vs. 15%, respectively). This includes positions such as Senior Vice President, President and/or CEO and Vice President. Conversely, females are approximately 50% more likely than males to hold a position where the median total compensation is less than \$100K.
- **Ownership:** Females are less than half as likely as males to have an ownership stake in their business (6% vs. 14%, respectively). This may explain part of the difference in median total compensation between males and females since median Owner compensation is significantly higher compared to what Non-owners earn (\$160K vs. \$105K, respectively).
- **Industry:** Overall, females are more likely than males to be employed in the Public Sector (20% vs. 14%) while males are slightly more represented in the Manufacturing and Professional Services Industries. The difference in median total compensation between males and females is less pronounced when examining positions in the public sector with females earning 95 per cent of the median total compensation earned by their male counterparts.
- **Age:** As mentioned above, females earn 83 per cent of the median total compensation earned by their male counterparts (\$99K vs. \$120K, respectively). That said, the percentage of male median total compensation earned by females decreases with each age cohort. More specifically, females under the age of 35 earn 94 per cent of what males in the same age cohort earn while females aged 65 and over earn just 73 per cent of the median total compensation earned by males.
- **Years of Experience:** The difference in median total compensation between what females earn in comparison to their male counterparts widens with additional experience. Specifically, at less than 5 years of experience, females earn 97 per cent of the median total compensation of what males earn. However, at fifteen years or more of experience, females earn 80 per cent of the median total compensation earned by their male counterparts.

Introduction

CPA Canada commissioned Harris Poll, a division of Nielsen, to conduct a compensation survey of 29,744 Chartered Professional Accountants between June 18, 2015 and July 16, 2015. Although the purpose of the survey is to obtain compensation figures from all CPA Members, this report focuses on gender differences between CPA Canada members at the global level. It should be noted that this report relies on self-reported compensation 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.

When reviewing the mean averages it is important to consider that a small portion of responses may skew the mean average quite higher than it would be otherwise. In most cases a better measure of a typical compensation level is the median. As such, the median is the only measure used in this report.

In addition to the Report on Gender Differences, CPA Canada has made available to its members both national and regional-specific reports for greater detail surrounding CPA Member Compensation.

Methodology

CPA Canada commissioned Harris Poll, a division of Nielsen to conduct quantitative research among its active and retired members. Survey invitations were sent to 184,430 via email, with 18,627 bounce backs for a total of 165,803 members receiving the email. There were 29,744 members who responded for a response rate of 18%. There were 1,719 who were excluded from the compensation data for a total of 28,025 members who are included in the compensation analysis. Respondents who provided no answers are excluded from analysis. In total, compensation data is reported for 27,863 members globally, including 15,055 Males, 12,788 Females and 20 who were unclassified).

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

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 2014.

Note on Reporting

To protect the privacy of respondents and to avoid misleading results, median compensation data is only presented when there are at least 10 respondents in a subcategory. For reference the 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.

Feedback on this Report

Questions or comments related to this report can be directed to Paul Long (plong@cpacanada.ca).

Structure of the Summary Report

This report is organized into two sections. “Section 1: Demographic Differences by Gender and Relation to Compensation” includes gender proportions based on various demographic and firmographic categories. “Section 2: Compensation by Gender and Other Elements” includes key differences between males and females when it comes to their median total compensation in 2014.

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Section 1: Demographic Differences by Gender and Relation to Compensation

Overall Compensation

Median Total Compensation by Demographic Segments

Table 1 below shows the percentage of male and female respondents who fall into each of the age, industry and ownership brackets. Figures below include accountants who worked at least two full months in the previous year. Compensation of those who worked less than full-time for 12 months was annualized based on a 35-hour work week.

Overall, females are more likely than males to be younger (under 45 years of age), employed in the Public Sector (20% vs. 14%) and be a non-owner within their firm (93% vs. 86%). The age discrepancy is exacerbated when looking at members aged 55 and above. Specifically, twenty-two per cent of males are aged 55 and above compared to only thirteen per cent of females.

Table 1: Median Total Compensation—By demographic segments

	Male (%)	Female (%)	Median (\$ in 000's)
AGE			
TOTAL UNDER 45 YEARS OF AGE	52%	57%	\$95
Under 35	26%	26%	\$83
35-44	26%	32%	\$109
TOTAL 45 YEARS OF AGE AND OVER	47%	41%	\$128
45-54	26%	29%	\$124
55-64	18%	12%	\$135
65 and over	4%	1%	\$135
INDUSTRY			
Professional Services	25%	22%	\$98
Public Sector	14%	20%	\$100
Financial Services/Financial services (private sector)	11%	10%	\$122
Manufacturing	10%	7%	\$109
Retail, Wholesale/CPG	5%	5%	\$106
Oil & Gas	5%	5%	\$155

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	Male (%)	Female (%)	Median (\$ in 000's)
Educational Institution (e.g., university, college, primary or secondary school, etc.)	3%	4%	\$106
Not for profit (e.g., trade association, charity, religious group, etc.)	3%	4%	\$95
Construction	3%	3%	\$113
Real Estate/Building Management	3%	2%	\$119
Other	18%	17%	\$117
OWNERSHIP STATUS			
OWNERS	14%	6%	\$160
A partner of an accounting practice	5%	2%	\$232
An owner (partner/sole proprietor) of another type of business	4%	1%	\$160
A sole practitioner (sole owner of an accounting practice)	5%	3%	\$108
NON-OWNERS	86%	93%	\$105

Median Total Compensation by Title

Table 2 below shows the percentage of males and females who hold various titles within their firm, along with the median total compensation for that title.

Overall, males are almost twice as likely as females to hold a position with a median total compensation of \$150K or higher (29% vs. 15%, respectively). This includes positions such as Senior Vice President, President and/or CEO and Vice President. Conversely, females are approximately 50% more likely than males to hold a position with a median total compensation of less than \$100K.

Table 2: Median Total Compensation—By Title

	Male (%)	Female (%)	Median (\$ in 000's)
% IN POSITIONS WITH MEDIAN OF \$150K OR HIGHER	29%	15%	-
Senior Vice President	1%	<1%	\$300
President and/or CEO	2%	<1%	\$238
A partner of an accounting practice	5%	2%	\$232
Non-Equity Partner	<1%	0%	\$218

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	Male (%)	Female (%)	Median (\$ in 000's)
Vice President	4%	2%	\$218
An owner (partner/sole proprietor) of another type of business	4%	1%	\$160
Other Executive Management (COO, CIO, EVP, etc.)	2%	1%	\$180
Assistant Vice President	<1%	1%	\$169
Chief Financial Officer (CFO)/Chief Accounting Officer	9%	5%	\$165
Senior Director	2%	2%	\$158
% IN POSITIONS WITH MEDIAN FROM \$100K TO < \$150K	47%	49%	-
Principal	1%	<1%	\$140
Director	7%	6%	\$138
Project Manager	<1%	<1%	\$129
General Manager	1%	1%	\$123
Senior Manager	5%	6%	\$123
Consultant	2%	2%	\$118
Professor/Lecturer/Teacher	1%	1%	\$117
Associate/Assistant Director	1%	1%	\$113
Treasurer	1%	<1%	\$111
A sole practitioner (sole owner of an accounting practice)	5%	3%	\$108
Controller and/or Comptroller/Assistant Controller	12%	13%	\$107
Specialist	<1%	<1%	\$104
Advisor/Investment Advisor	<1%	1%	\$103
Manager/Accounting Manager/Account Manager/Finance Manager	12%	15%	\$101
% IN POSITIONS WITH MEDIAN < \$100K	25%	37%	-
Supervisor	2%	3%	\$96
Tax Specialist/Senior Tax Advisor/Analyst/Associate	2%	2%	\$96
Team Leader	<1%	<1%	\$96

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	Male (%)	Female (%)	Median (\$ in 000's)
Internal Auditor	1%	1%	\$95
Analyst/Business, Financial, Senior and Senior Financial Analyst	8%	12%	\$83
Associate/Assistant Manager	1%	1%	\$82
Senior Auditor/Accountant	7%	10%	\$77
Auditor/Accountant/Cost Accountant	4%	7%	\$68
Junior Auditor/Accountant	0%	1%	\$51

Section 2: Compensation by Gender and Other Elements

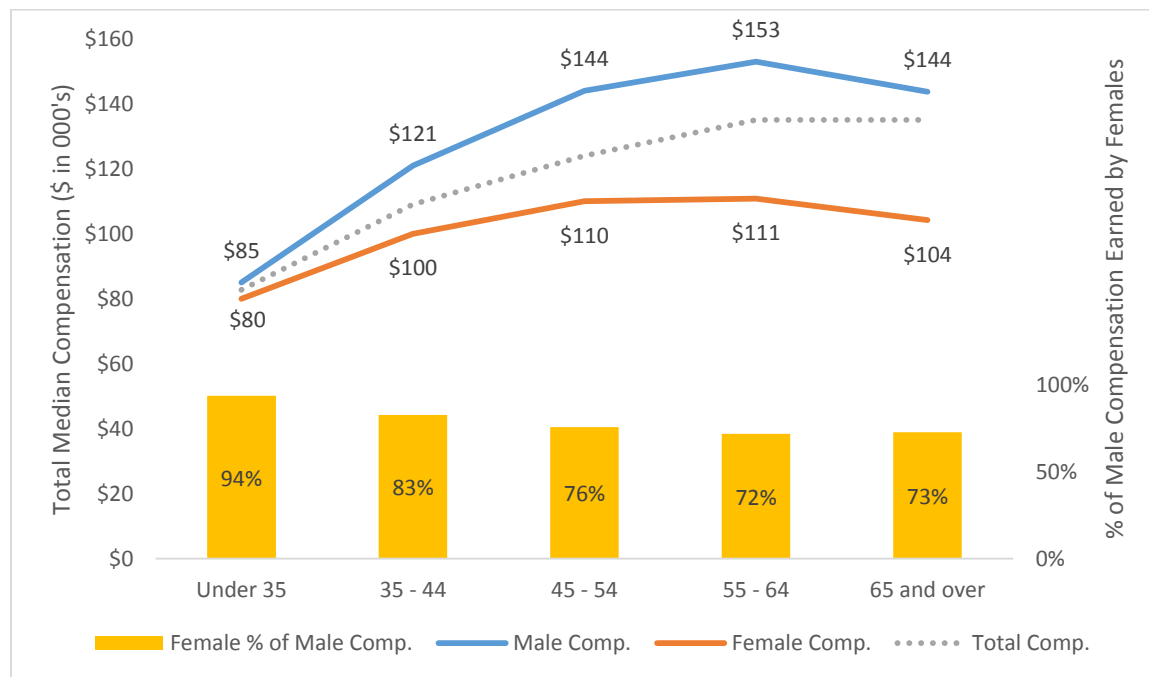
Median Total Compensation by Age and Gender

Graph 1 below shows the median total compensation for males and females across age cohorts, including the per cent of median male total compensation earned by females in 2014.

On average, females earn 83 per cent of the median total compensation earned by their male counterparts (\$99K vs. \$120K, respectively). As depicted in the chart below, the percentage of male median total compensation earned by females decreases with each age cohort, until age 45, when it remains fairly stable. Specifically, females under the age of 35 earn 94 per cent of what males in the same age cohort earn while females aged 45 and over earn between 72% and 76% of their male counterparts (45-54, 76%; 55-64, 72%; 65 and over 73%).

Median total compensation also appears to plateau earlier for females compared to males. Between the 45 – 54 and 55 – 64 age cohorts, median total compensation increases by 6 per cent for males compared to only 1 per cent for females. Median total compensation drops off for both males and females between the 55 – 64 and 65 and over age cohorts, potentially due to members decreasing their workload as they prepare for retirement.

Graph 1: Median Total Compensation—By Age and Gender (\$ in 000's)



Median Total Compensation by Title and Gender

Table 3 below shows median total compensation for males and females along with the per cent of median male total compensation earned by females for each position held by members in 2014.

Table 3: Median Total Compensation—By Title and Gender (\$ in 000's)

Median Compensation	Male Compensation	Female Compensation	Total Compensation	Female % of Male Comp.
Senior Vice President	\$327	\$254	\$300	78%
President and/or CEO	\$250	\$157	\$238	63%
A partner of an accounting practice	\$250	\$190	\$232	76%
Non-Equity Partner	\$228	\$184	\$218	81%
Vice President	\$225	\$204	\$218	91%
Other Executive Management (COO, CIO, EVP, etc.)	\$221	\$154	\$180	70%
Assistant Vice President	\$167	\$180	\$169	108%
Chief Financial Officer (CFO)/Chief Accounting Officer	\$180	\$140	\$165	78%
An owner (partner/sole proprietor) of another type of business	\$180	\$108	\$160	60%
Senior Director	\$160	\$150	\$158	94%
Principal	\$150	\$132	\$140	88%
Director	\$146	\$128	\$138	88%
Project Manager	\$165	\$127	\$129	77%
General Manager	\$135	\$103	\$123	76%
Senior Manager	\$127	\$120	\$123	94%
Consultant	\$125	\$103	\$118	82%
Professor/Lecturer/Teacher	\$133	\$109	\$117	82%
Associate/Assistant Director	\$117	\$107	\$113	91%
Treasurer	\$125	\$98	\$111	79%
A sole practitioner (sole owner of an accounting practice)	\$120	\$81	\$108	67%
Controller and/or Comptroller/Assistant Controller	\$112	\$102	\$107	91%
Specialist	\$110	\$87	\$104	79%

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Median Compensation	Male Compensation	Female Compensation	Total Compensation	Female % of Male Comp.
Advisor/Investment Advisor	\$109	\$100	\$103	92%
Manager/Accounting Manager/Account Manager/Finance Manager	\$103	\$100	\$101	97%
Supervisor	\$99	\$93	\$96	94%
Tax Specialist/Senior Tax Advisor/Analyst/Associate	\$95	\$96	\$96	101%
Team Leader	\$105	\$92	\$96	87%
Internal Auditor	\$94	\$95	\$95	101%
Analyst/Business, Financial, Senior and Senior Financial Analyst	\$84	\$82	\$83	98%
Associate/Assistant Manager	\$84	\$80	\$82	95%
Senior Auditor/Accountant	\$76	\$77	\$77	101%
Auditor/Accountant/Cost Accountant	\$69	\$67	\$68	98%
Junior Auditor/Accountant	\$51	\$51	\$51	101%

Note, median total compensation is only shown for titles that have at least 10 Male and 10 Female respondents.

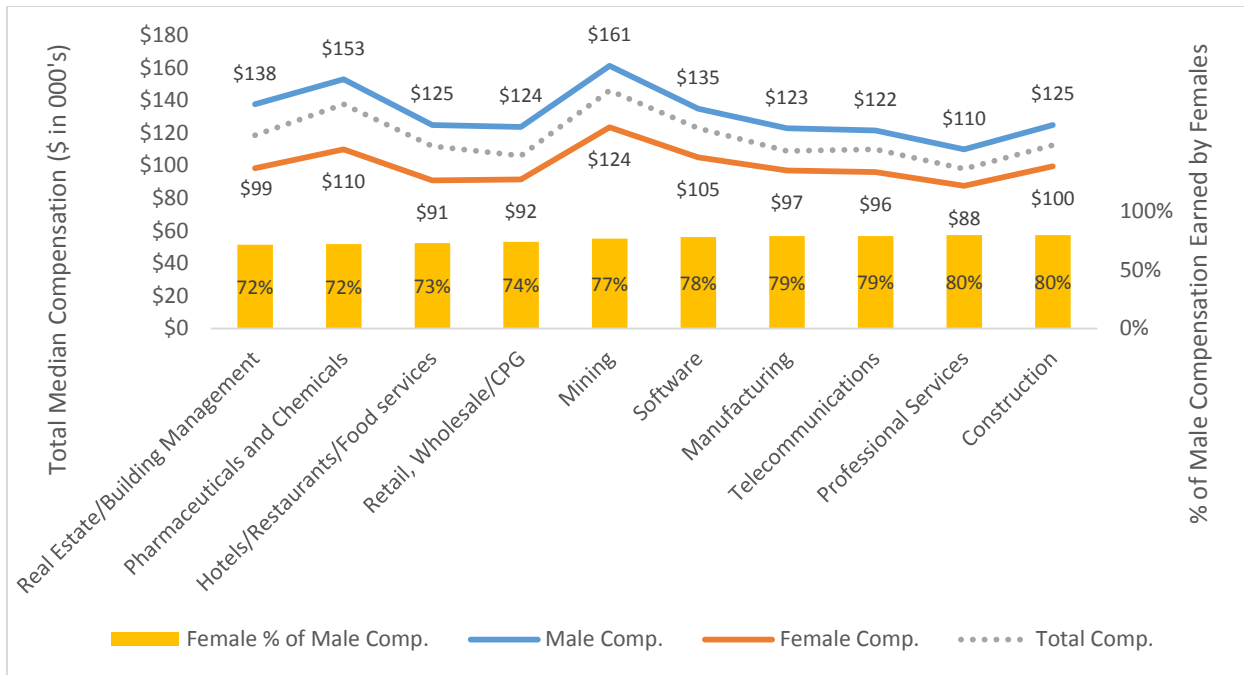
Median Total Compensation by Industry Segments and Gender

Graph 2a and 2b below shows the median total compensation for males and females across the largest industries, including the per cent of median male compensation earned by females. Note, Graph 2b is a continuation of Graph 2a with Female % of Male Compensation shown in ascending order for the 20 largest industries.

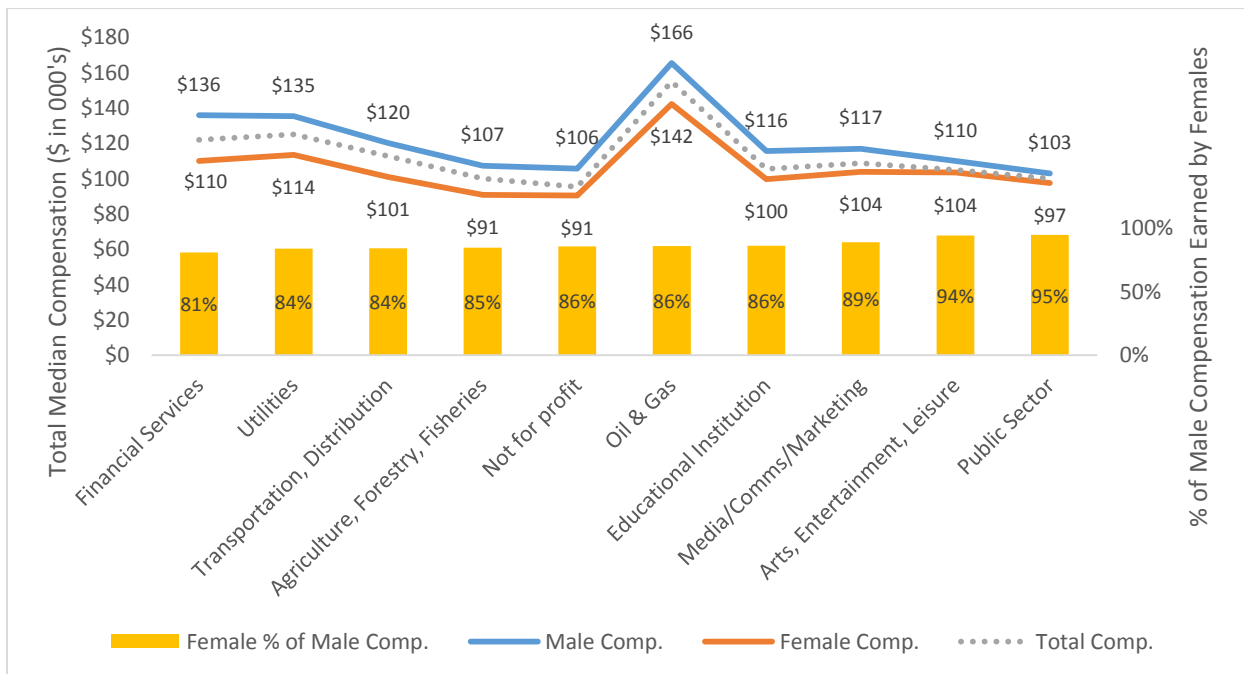
Differences between male and female compensation are less pronounced among those working in the public sector, with females earning 95 per cent of the median total compensation earned by their male counterparts. In other industries, female median total compensation represents the following as a percentage of what their male counterparts earn: Oil & Gas at 86 per cent; Financial Services at 81 per cent; Professional Services at 80 per cent; Manufacturing at 79 per cent; and, Retail, Wholesale/CPG at 74 per cent.

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Graph 2a: Median Total Compensation—By Industry Segments and Gender (\$ in 000's)



Graph 2b: Median Total Compensation—By Industry Segments and Gender (\$ in 000's)



Median Total Compensation by Years of Experience and Gender

Table 4 below shows median total compensation for male and female non-owners along with the per cent of median male total compensation earned by females based on years of experience.

Based on findings outlined earlier in the report (refer to Graph 1: Total Compensation—By Age and Gender), the table below shows much of the same story since age is highly correlated with years of experience. Specifically, the percentage of male median total compensation earned by females is more divergent for members who have more experience as opposed to less.

Table 4: Median Total Compensation among Non-Owners — By Years of Experience and Gender (\$ in 000's)

Median Compensation	Male Compensation	Female Compensation	Total Compensation	Female % of Male Comp.
Less than 5 years	\$62	\$61	\$62	97%
5 to 9 years	\$85	\$80	\$82	94%
10 to 14 years	\$108	\$95	\$101	88%
15 to 19 years	\$123	\$101	\$110	82%
20 to 24 years	\$130	\$105	\$115	81%
25 years or longer	\$149	\$114	\$129	77%

About the CPA Canada's 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.