

Recruiting Financial Auditors and Accountants in Canada, the United States, the United Kingdom and Ireland

Demand for Financial Auditors and Accountants in Calgary

Financial auditors and accountants (collectively, “accountants”) have been identified as a high-demand occupation in Calgary, based on the Calgary Labour Demand Forecast 2012.¹ In 2010, there were about 16,700 accountants in the Calgary labour force. Between 2010 and 2020, demand for these workers is expected to increase by about 2.1 per cent annually, resulting in a total labour demand for over 20,400 workers in 2020. Employers will likely face difficulties recruiting qualified workers for both newly-created jobs and existing positions that become vacant. During the global economic slowdown of 2007-2009, 35 per cent of Calgary accounting employers reported recruiting accountants; of those that recruited, 43 per cent reported that they experienced hiring difficulties.² The combination of growing demand and limited supply are likely to result in shortages of accountants in Calgary over the next decade.

In order to meet the growing demand for accounting workers, Calgary employers may need to access labour markets outside of Calgary, including international labour markets, to meet a portion of their hiring needs. To facilitate targeted recruiting efforts, Calgary Economic Development (CED) has created this guide to identify the best cities and regions for recruiting workers in Canada, the United States, the United Kingdom and Ireland. Top cities and regions for recruiting are recommended based on the size of the occupational labour force and the likelihood that workers will migrate out of the area.

Top Locations for Recruiting in Canada

The out-migration probability index scores³ for accountants are similar in most cities in Canada with only St. John’s, NL being slightly higher than average with a labour force of approximately 1,200 workers. The three largest markets, Toronto, Montréal, and Vancouver, each have an accountant labour force that exceeds 20,000 workers. Immigrants and inter-provincial migrants have a higher-than-average probability of relocating in the future, and Toronto and Vancouver have the highest percentage of workers who are immigrants or have made an inter-provincial move in the past.

¹ See Calgary Labour Demand Forecast 2012

² See Alberta Wage and Salary Survey 2009

³ An out-migration probability index of workers is estimated based on a set of factors that are indicators of future migration. Factors include historical migration patterns, demographics of the occupational labour force, local economic conditions, median income, and the presence of foreign workers in the labour force.

Average hourly wages in Calgary are higher than that of all of the top-10 recommended cities in Canada, at \$34.23 in 2011. Accountants in St. John's have the next-highest average hourly wage, at \$28.00 per hour (figure for 2009). Average hourly pay in Toronto was \$26.08 per hour in 2010 and the latest wage data for Montreal (2008) put average hourly pay for accountants at \$ 22.25 per hour.

Information describing the labour force for accountants in the top-recommended Canadian cities is presented in Table 1. See Table 2 for additional wage information in the top recommended cities.

Table 1 Recruiting Indicators for Accountants in Canada, by CMA

Rank	Census Metro Area	Employment (2010) ⁴	Average Wage Per Hour	Emigration Probability Index*	Percent of Occupational Labour Force			
					Under Age 35 (2010)	International or Inter-Provincial Migrants (5 Year Period) ⁵	Immigrants to Canada 2001-2006	Non-Permanent Residents (2006)
1	Toronto	46,687	26.08	102	27%	10%	9%	1%
2	Montréal	28,748	22.25	102	26%	5%	4%	1%
3	Vancouver	20,965	26.65	102	27%	10%	6%	1%
4	Ottawa	7,103	26.68	102	25%	8%	3%	0%
5	Québec	5,563	n.a.	102	24%	1%	1%	0%
6	Edmonton	5,950	27.80	102	31%	8%	3%	0%
7	Hamilton	4,389	25.99	102	22%	4%	4%	1%
8	Kitchener-Cambridge-Waterloo	4,305	26.86	102	27%	7%	5%	0%
9	Winnipeg	4,598	27.50	101	29%	6%	2%	1%
10	St. John's, NL	1,276	28.00	105	12%	10%	0%	0%
	Calgary	16,681	34.23	102	30%	14%	5%	1%

*See footnote 3 for additional information about the Emigration Probability Index. Note: Data is measured for Census Metropolitan Areas unless otherwise noted. Sources: Labour Force Survey, 2006 Census of Canada, RDA Global, Labour Market Information - HRSDC WorkingInCanada.gc.ca

⁴ Figures for employment in Calgary are for the Calgary Economic Region. Figures for other cities are for the census metropolitan area (CMA)

⁵ International and inter-provincial migration statistics are analyzed based on data collected in the 2001 and 2006 Census. The data required to analyze this migration pattern for the most recent 5 year period is not available at the time of this analysis.

Table 2 Wages for Accountants in Canada, by CMA

Census Metro Area	Recent Wage Range (CAD)				Provincial Annual Wages or Salary, 2005 ⁶	
	Low Wage	Average Wage	High Wage	Reference Year	Median	Average
Toronto	15.97	26.08	41.82	2010*	57,775	70,022
Montréal	13.50	22.25	38.00	2008	47,426	54,953
Vancouver	14.80	26.65	45.00	2011*	52,232	63,352
Ottawa	17.61	26.68	40.76	2010	57,775	70,022
Québec	n.a.	n.a.	n.a.		47,426	54,953
Edmonton	18.74	27.80	45.34	2011	59,039	76,926
Hamilton	15.83	25.99	45.80	2010	57,775	70,022
Kitchener-Cambridge-Waterloo	15.35	26.86	41.96	2010	57,775	70,022
Winnipeg	17.00	27.50	46.00	2007-2010*	46,327	54,994
St. John's, NL	16.40	28.00	45.60	2009	50,100	60,266
Calgary	19.87	34.23	54.16	2011	69,248	73,502

Note: Data is measured for Census Metropolitan Areas unless otherwise noted. *Wage data reflects provincial average.

Sources: 2006 Census, Labour Market Information - HRSDC WorkingInCanada.gc.ca

Top Locations for Recruiting in the United States

In the United States, the occupation most closely aligned with NOC 1111 Financial Auditors and Accountants is: **SOC 13-2011: Accountants and Auditors.**

The top-recommended cities for recruiting accountants in the US include Los Angeles (L.A.), Washington DC, and Chicago, all of which have over 30,000 accountants and auditors in their labour force. Accountants in L.A. and Washington have above average scores on an out-migration probability index.⁷ L.A. has the highest unemployment rate among top-recommended cities, at 10.7 per cent, a factor which may push some families and workers to seek work outside of the L.A. area. Other cities with high out-migration probability index scores include Phoenix, Denver, Houston and Atlanta. Among these four recommended cities, Atlanta has the highest unemployment rate at 9.2 per cent.

The average annual income for accountants in the US was about USD \$69,000 in 2010, which is slightly lower than the mean income in Calgary in 2009 at CAD \$73,500. Workers in most of the top-10 recommended US cities have average salaries that are similar to that of workers in Calgary. Workers in Phoenix, where average annual salaries are approximately USD \$59,000,⁸ could potentially experience the greatest increase by relocating to Calgary. All of the top 10

⁶ Calgary median annual salary is calculated based on average hours worked per week and median hourly wage rate reported in the 2009 Alberta Wage and Salary Survey. The average annual salary is the actual figure from the survey. Annual figures for other cities in Table 2 are from HRSDC.

⁷ The out-migration probability index in the US is based on analysis of data from the American Community Survey (ACS) which is the largest survey of workers in the United States and measures characteristics of workers as well as their migration history.

⁸ See Bureau of Labor Statistics Occupational Employment Database and Alberta Wage and Salary Survey 2009.

cities listed in Table 3 are recommended for recruiting, provided that Alberta employers are able to meet workers' salary expectations. See Table 4 for additional wage information in the top recommended cities.

Table 3 Out-Migration Indicators of Accountants in Top 10 US Cities, 2010

Rank	Metro Area	Number of Workers	Pct. of Workers who are Non-US Citizens	Mean Age	Pct. Of Workers Under Age 35	Out-Migration Probability Index*	Unemployment Rate
1	Los Angeles-Long Beach, CA	47,390	12%	44	27%	113	10.7
2	Washington, DC/MD/VA	35,800	10%	43	28%	113	5.4
3	Dallas-Fort Worth, TX	26,560	6%	44	27%	114	7.4
4	Chicago, IL	30,650	5%	44	30%	111	9.6
5	Boston, MA-NH	28,400	7%	43	32%	112	5.7
6	Houston-Brazoria, TX	22,540	9%	44	28%	114	7.6
7	Atlanta, GA	21,680	5%	43	28%	114	9.2
8	Denver-Boulder, CO	19,140	3%	44	26%	115	7.9
9	San Francisco-Oakland-Vallejo, CA	21,480	11%	45	25%	112	8.7
10	Phoenix, AZ	16,540	4%	45	26%	116	7.7
United States		1,072,490	5%	45	26%	112	8.2

*The Out-Migration Probability Index gives an indication of the number of workers in the target occupation in each metropolitan area that have made an interregional move in the past 5 years. The index also reflects factors that may affect worker migration, such as historical migration patterns, demographics of the occupational labour force, local economic conditions, median income, and the presence of foreign workers in the labour force. US Average Out-Migration Probability = 100 (for all US workers in all occupations).

Table 4 Wages of Accountants in Top Ranked Cities for Recruiting in the United States, 2010

Metropolitan Statistical Area	Workers	Mean Hourly Wage** (USD)	Mean Annual Salary** (USD)	Median Salary by Quartile (USD)				
				Lower 10%	Lower 25%	Median	Upper 25%	Upper 10%
Los Angeles-Long Beach, CA	47,390	34.82	72,430	43,460	52,800	66,610	84,500	108,710
Washington, DC/MD/VA	35,800	39.46	82,070	46,800	57,740	74,870	100,350	126,120
Dallas-Fort Worth, TX	26,560	34.53	71,820	40,930	49,930	64,110	84,320	112,280
Chicago, IL	30,650	35.57	73,990	41,640	51,970	66,470	86,510	114,990
Boston, MA-NH	28,400	36.66	76,250	44,770	55,850	70,930	90,350	114,910
Houston-Brazoria, TX	22,540	34.58	71,930	39,790	48,980	63,180	84,730	114,500
Atlanta, GA	21,680	34.81	72,410	41,100	50,000	63,690	84,670	114,510
Denver-Boulder, CO	19,140	34.86	72,510	41,410	50,130	64,260	86,200	112,830
San Francisco-Oakland-Vallejo, CA	21,480	39.86	82,910	49,140	60,420	75,170	96,750	122,210
Phoenix, AZ	16,540	28.55	59,380	35,090	42,210	54,750	71,430	89,410
United States	1,072,490	33.15	68,960	38,940	47,990	61,690	81,290	106,880
Calgary (in \$ CAD)	16,681	\$34.23	\$73,502	n.a.				

**Source for Calgary wage and salary figures is the 2009 Alberta Wage and Salary Survey. Results are updated every 2 years. At the time of this analysis 2011 figures were not yet published. US Data Sources: Bureau of Labour Statistics Occupational Employment Database, American Community Survey, US Census 2010. Analysis by RDA Global.

Top Locations for Recruiting in the United Kingdom and Ireland

In the United Kingdom and Ireland, the occupations most closely related to accountants are:

UK/IE SOCs 2421 Chartered and Certified Accountants, and 2422 Management Accountants.

In 2010, there were approximately 232,000 accountants in the UK labour force and average annual income for accountants in the UK was about £40,000 in 2010 (approximately CAD \$64,000). According to the Leinster Society of Chartered Accountants - Salary Survey 2009, salaries for accounting workers started to decline sharply in 2009. Accountants in Ireland reported earnings in the survey ranging from about €52,000 to €83,000 (approximately \$70,000 to \$114,000 CAD) in 2009, a decline of between 10-20 per cent from the prior year.⁹

Within the UK, the top regions for recruiting are London, the surrounding South East Region (which includes a portion of Greater London, Brighton, Oxford, Portsmouth, and Southampton) and the region of Yorkshire & Humberside (which includes Leeds, Sheffield, Bradford, Wakefield, and Hull). The highest levels of historical out-migration are from the London Region and London also has the greatest number of non-British citizens in the labour force (23 per cent), followed by Scotland (19 per cent). Foreign workers represent a growing share of people migrating out of the UK; as of 2010, non-British citizens represented 65 per cent of long-term migrants leaving the UK, up from 43 per cent in 2005.¹⁰ Younger workers are also more likely to relocate and approximately 42 per cent of the labour force of accountants in London are under age 35, higher than any other region.

There are approximately 42,000 accountants in the Irish labour force and accountants in Ireland have a higher probability of out-migration than do workers in other occupations. The Irish economy has been strongly affected by the global economic recession that began in 2008 and a lack of employment opportunities in Ireland is pushing some workers to seek work abroad. As of November, 2011, Ireland had one of the highest levels of unemployment in the European Union at 14.6 per cent. Employment in Ireland's professional, technical and scientific services sector has declined from a peak of 116,600 workers in 2008 to 101,800 workers in 2011, a loss of nearly 15,000 jobs. Overall out-migration from Ireland is estimated to have reached 76,400 in the year between April 2010 and April 2011, an increase of 11,100 (or 16.9 per cent) above the 65,300 recorded in the year to April 2010.¹¹

⁹ Respondents to the survey only included members of the Society.

¹⁰ Source: United Kingdom International Passenger Survey (IPS); Estimates of long-term international migration, rolling annual data to Q4 2010.

¹¹ See CSO Population and Migration Estimates, April 2011.

A national recruiting strategy in Ireland can be effective, due to the small geographic size of the country and recruiting may be conducted from either Dublin or Cork, Ireland’s two largest cities.¹²

Foreign Credential Recognition

When recruiting accountants in the UK and Ireland, Alberta employers are advised to consult The Institute of Chartered Accountants of Alberta (ICAA) to determine which workers are most likely to meet the requirements to practice in Alberta.

Alberta’s Department of Human Services may also be of assistance in helping employers navigate the potential difficulties associated with recruiting workers from abroad. For more information, please visit their website at:

<http://www.albertacanada.com/immigration/working/occupations.aspx>.

Table 5 Salaries of Auditors and Accountants in Ireland, 2006-2009

	2006		2007		2008		2009	
	Euro	CAD	Euro	CAD	Euro	CAD	Euro	CAD
Big 4 Firms								
Audit Seniors/Assistant Mgrs	€52,800	\$72,080	€58,800	\$80,271	€59,900	\$81,772	€52,600	\$71,807
Tax Seniors/Assistant Mgrs	n.a.	n.a.	50,500	68,940	57,500	78,496	51,500	70,305
Audit Managers & Directors	89,600	122,317	93,500	127,641	105,100	143,477	80,900	110,440
Tax Managers & Directors	78,700	107,437	93,900	128,187	102,800	140,337	83,300	113,717
Other Managers	n.a.	n.a.	102,000	139,245	124,400	169,824	79,000	107,847
Non Big 4 Firms								
Seniors/Assistant Mgrs	44,000	60,066	49,100	67,029	51,000	69,623	46,800	63,889
Managers	77,200	105,389	73,400	100,202	78,600	107,301	75,300	102,796
Calgary (2009)								\$73,502

Source: The Leinster Society of Chartered Accountants – Salary Survey 2009: <http://www.thepanel.com/images/Leinster-Society-Salary-Survey-2009.pdf>; 2009 Alberta Wage and Salary Survey.

¹² Regional labour force data and data on wages are not available in Ireland.

Table 6 Recruiting Indicators for Accountants - UK and Ireland, 2010

Rank	Region/ Country	Major Cities	Number of Workers	Percentage of Workers who are Non- National Citizens	Percentage of Workers who are Non-EU Citizens	Median Age*	Pct. Of Workers Under Age 35	Out- Migration Probability Index**	Median Annual Income 2010 (GBP)	Median Annual Income 2010 (CAD)	Mean Annual Income 2010 (GBP)	Mean Annual Income 2010 (CAD)
1	London	Greater London	64,000	23%	14%	37	42%	108	£47,547	\$75,641	£48,082	\$76,492
2	South East	Brighton, Oxford, Portsmouth, Southampton	34,700	7%	3%	42	28%	104	n.a.	n.a.	45,735	72,758
3	Yorkshire & Humberside	Leeds, Sheffield, Bradford, Wakefield, Hull	21,300	7%	4%	40	37%	104	27,123	43,149	39,729	63,204
4	North West	Manchester, Liverpool, Preston, Blackpool	18,700	3%	2%	40.5	33%	104	33,780	53,740	36,446	57,980
5	South West	Bristol, Bournemouth, Plymouth	16,000	1%	0%	46	28%	104	31,357	49,885	38,824	61,763
6	Eastern	Greater London, Cambridge, Norwich, Peterborough, Ipswich	15,900	7%	2%	41	26%	103	n.a.	n.a.	38,812	61,745
7	West Midlands	Birmingham, Coventry	15,800	6%	2%	41	29%	103	37,610	59,832	39,677	63,120
8	Scotland	Glasgow, Edinburgh, Aberdeen	18,700	19%	5%	41	27%	102	38,188	60,752	43,516	69,228
9	East Midlands	Nottingham-Derby, Leicester, Northampton	13,300	3%	0%	43	24%	103	32,162	51,165	36,268	57,698
10	Wales	Cardiff, Swansea	5,900	2%	0%	41	19%	102	35,462	56,416	32,146	51,140
Total UK			232,300	11%	6%	40	33%	105	£35,162	\$55,938	£39,948	\$63,552
Total Ireland			42,100	8%	1%	43	23%	115	See Table 5			
Calgary			16,681	n.a.			30%	n.a.				\$73,502

*British data source reports median age figures, while Irish and US data sources report mean age figures. ** Out-Migration index scores for the UK are not directly comparable with those of cities in the US or Ireland. Sources: Quarterly British Labour Force Survey, Annual Survey of Hours and Earnings (UK, 2010), Central Statistics Office Ireland (2010), Analysis by RDA Global.