

## Aging and Retirement Issues for LGBTQ+ People

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*Q: What role has discrimination played in the efforts of LGBTQ+ individuals to achieve a financially secure retirement? (This could include discrimination in getting hired, getting promoted, finding jobs that offer benefits including spousal benefits designed to promote security, finding the advisors, caregivers, care facilities, etc., who will provide appropriate assistance, etc.)*

### Workplace Discrimination and Earnings

Discrimination, social stigma, difficulties in obtaining healthcare, and laws and regulations have impacted LGBTQ+ individuals' ability to achieve a financially secure retirement. When thinking about a lifetime of earnings, in 2022 the Human Rights Campaign Foundation (an LGBTQ+ advocacy group) found that on average LGBTQ+ individuals earn about 90 cents for every dollar of a typical heterosexual worker.<sup>i</sup> However, depending on where individuals find themselves on the LGBTQ+ spectrum, and taking race and gender into account, their experiences vary widely.

In terms of race, white LGBTQ+ individuals earn about 97 cents for every dollar (of a typical white heterosexual worker), Hispanic/Latino LGBTQ+ individuals earn 90 cents for every dollar, Black/African American LGBTQ+ individuals earn 80 cents for every dollar, and Native American LGBTQ+ individuals earn 90 cents for every dollar.

LGBTQ+ individuals' earnings also have an impact depending on their gender identity. Cis men (assigned male at birth and self-identify as men) in the LGBTQ+ community earn 96 cents for every dollar. Cis women (assigned female at birth and self-identify as women) earn 87 cents for every dollar. Gender non-conforming individuals (non-binary, genderqueer, genderfluid, agender, and two-spirit) earn 70 cents for every dollar. Transmen earn 70 cents for every dollar. And transwomen earn 60 cents for every dollar.

"Previous research has repeatedly found that LGBTQ+ people are more likely to be unemployed or underemployed relative to their straight and cisgender (identify with the sex they were assigned at birth) peers, and these economic disparities have grown even greater during the pandemic. Prior to the COVID-19 pandemic, almost one in 10 LGBTQ+ people were unemployed, compared to one in 20 heterosexual people. In 2021, HRC and PSB research [found](#) that unemployment among LGBTQ+ people increased to 22% of LGBTQ+ adults and 24% of LGBTQ+ adults of color. LGBTQ+ workers overall, and LGBTQ+ people of color, were also more likely to have had their hours cut due to the pandemic."<sup>ii</sup>

Discrimination very likely plays a role. "One-third (36%) of LGBTQ+ workers [say they have experienced](#) discrimination in the workplace, with 29% of LGBTQ+ people, 37% of Black respondents, and 54% of transgender respondents saying this discrimination had significantly impacted their financial well-being."<sup>iii</sup>

In efforts to avoid discrimination, 35% of LGBTQ+ individuals looked for specific places to work and 58% of transgender individuals made decisions on where to work<sup>iv</sup>. Thinking about job satisfaction and safety in the workplace, 54% of LGBTQ+ individuals have hidden a personal relationship and 73% of LGBTQ+ individuals had

experienced discrimination in the last year. Thirty-five percent of LGBTQ+ individuals and 66% of transgender individuals changed the way they dressed or their mannerisms to avoid discrimination.

In efforts to avoid discrimination, it's estimated that 46% of LGBTQ+ individuals are not "out" to their workplace. However, non-disclosure can cause an increase in anxiety and stress, reduces potential work and social connections, results in lower job satisfaction, and curtails career progression. College graduates who were closeted in either work, immediate family and/or social settings one year after graduation experienced 18% lower earnings and were 14% more likely to have mental health issues<sup>v</sup>.

## Healthcare

Health and wellbeing are very important to satisfaction in the workplace and in the ability to secure potential income. In seeking healthcare, 25% of LGBTQ+ individuals who faced discrimination in the previous year postponed or avoided receiving medical care for fear of further discrimination.

"Exploring the issue in more depth, 12% of respondents overall say they have had to teach their doctors or other providers about their community in order to get adequate treatment. Up to 14% of LGBTQ+ people have had other negative experiences, including a doctor or provider being visibly uncomfortable due to their actual or perceived sexual orientation (14%); harsh or abusive language (8%); doctors or providers intentionally refusing to recognize their family members (8%); or unwanted physical contact (7%)."<sup>vi</sup>

The cost of obtaining healthcare also varies depending on generation. For example, Gen Z LGBTQ+ adults are three times more likely than Baby Boomers to have postponed necessary medical care in the past year due to costs (37% versus 14%).

While cost is a primary challenge, 68% of LGBTQ+ respondents said that it is very important to them that health care providers they see have nondiscrimination policies and specific training in working with LGBTQ+ people.

## Education and Job Opportunities

LGBTQ+ students in the US are less likely in general to finish school and attend university. They experience poorer educational outcomes, including fewer credits obtained in high school, lower grade averages, and are less likely to apply for and then attend college. They're also less likely to be in full-time employment a year after graduation. These gaps are shown regardless of demographic characteristics, family background, US state, and school profile.<sup>vii</sup>

29% of LGBTQ+ individuals aged 13-23 avoid a career in STEM because of fears that they would be discriminated against. There is a high concentration of LGBTQ+ workers in psychology, law, social work, and university teaching. These occupations share a need for a high level of social perceptiveness (the accurate anticipation and reading of others' reactions.) With LGBTQ+ individuals potentially experiencing discrimination from a young age, knowing how to read social cues can be an important acquired skill for these individuals. Occupational segregation can also be linked to an LGBTQ+ employee's desire for task independence, which makes concealing their sexual orientation easier in order to avoid discrimination. It's estimated that today's STEM industries have lost up to 120,000 viable candidates due to the cumulative effects of anti-LGBTQ+ bias.<sup>viii</sup>

LGBTQ+ graduates are more likely to work in an occupation where there are also a higher percentage of cis women in hopes of finding a more comfortable work environment. These on average, tend to be occupations where salaries are lower. These choices have a cumulative impact on pay.<sup>ix</sup>

## What Can Be Done

- Support policy and legislation that will strengthen existing protections and further combat discriminatory practices.
- Include a zero-tolerance employment nondiscrimination policy that includes both “sexual orientation” and “gender identity” across all operations.
- Institute transparency policies on pay to further identify pay inequalities.
- Prevent benefit offering inequalities by ensuring benefits packages are inclusive of legal spouses and domestic partners.
- Complete annual assessments of collected pay data by sexual orientation, gender, and gender identity to ensure that companies use data to drive decision-making (e.g., formulation of leadership development programs and other policy development to combat the wage gap).
- Create workplace guidelines centered around gender transition which can help trans people feel more accepted, valued, and trusted and create a standard of accountability for co-workers.
- Work towards workers not needing to hide their sexual orientation or feel the need to give an explanation.<sup>x xi</sup>

Big picture legal changes are one approach with a significant impact. “Research has shown that when laws change in favour of LGBTQ+ rights, social norms tend to follow,” according to Pawel Adrjan, Director of EMEA Economic Research at Indeed. “In the US, for example, in states that legalised same sex marriage, there was a positive impact on labour force participation of LGBTQ+ people – and the likely mechanism for that was less discrimination and less prejudice.”<sup>xii</sup>

In action, creating anti-discrimination-based laws and policies can decrease the LGBTQ+ pay gap in the workplace. Research from the US in 2020 found that anti-discrimination laws cut hourly earnings penalties by 11% for gay men, compared to heterosexual men.<sup>xiii</sup>

## Final Thoughts

The pay gap due to one’s sexuality and gender is forged while individuals are still young, and has a lifetime effect on wellness, job earnings and satisfaction, and ultimately the ability to have a comfortable retirement. Reducing and eliminating discrimination calls for an all-hands-on approach to making the labor force a better place for everyone.

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