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Trans, Queer & Underpaid: Emerging LGBTQI+ Pay Gap Data¹

Publicly available data collected by the federal government helps give us insight into the gender pay gap in the United States. However, we are still severely lacking in data when it comes to the wage gap for LGBTQI+ (lesbian, gay, bisexual, transgender, queer/questioning, intersex) people. (Intersex refers to people who are born with or develop naturally occurring variations in sex-linked traits or reproductive anatomy.²) Despite federal protections against workplace discrimination, recognized by the Supreme Court,³ LGBTQI+ people continue to experience bias and discrimination in employment and face higher poverty rates than straight and cisgender individuals.⁴ (Cisgender refers to people who identify with the gender assigned to them at birth.) Understanding the disparities in earnings across LGBTQI+ identities is a crucial tool in tackling these issues of discrimination head on.

About the data

This fact sheet cites data from a 2022 Human Rights Campaign (HRC) report, which must be interpreted with caution. The HRC report used data from two sources. The first source was HRC's 2021 LGBTQ+ Community Survey, which includes a nonprobability sample of 6,816 full-time private and public sector LGBTQ+ nonfarm workers who indicated usually working more than 35 hours per week at their main job. However, HRC's sample is not fully representative of the "entire LGBTQ+ community." Instead, their sample draws from LGBTQ+ community members who interact with LGBTQ+ media and organizations, and the report notes it may have under sampled bisexual people. Due to the lack of full representation of the LGBTQI+ community, the estimated wage gap might be underestimated. The second source was the Bureau of Labor Statistics' Current Population Survey, which includes information on over 60,000 households per month, including earnings data for people ages 16 and older working more than 35 hours per week at their main job. However, because earnings data are from two different sources, they are not directly comparable and must be interpreted with caution.

What we know

The federal government does not routinely ask questions related to people's sexual orientation and gender identity in surveys, which prevents a robust analysis of earnings data among LGBTQI+ populations. Without that data, we are unable to calculate the wage gap for LGBTQI+ people working full time, year round as compared to non-LGBTQI+ people working full time and, year round. Yet, in the past year other data has given insight into the wage gaps faced by the LGBTQ+ community⁵ in the U.S. A 2022 HRC study revealed that LGBTQ+ full-time workers typically make 90 cents for every dollar made by workers of all sexual orientations and gender identities in the U.S. who are working full time.⁶ Here, since LGBTQ+ people are included in both these groups (LGBTQ+ workers and all workers) and since the calculation is for full-time workers instead of full-time, year-round workers, this figure may minimize the pay inequity they experience. Nonetheless, these data points demonstrate a disturbing trend. Notably, LGBTQ+ people of color, transgender women and men, and non-binary individuals face additional inequities and are paid even less when compared to all workers. The HRC research provides valuable insight and highlights the pay discrepancies faced by LGBTQ+ people in the workplace.

- Women in the LGBTQ+ community working full time are typically paid 87 cents for every dollar that all workers are paid.
- Non-binary, genderqueer, genderfluid and Two Spirit people working full time are typically paid 70 cents for every dollar that all workers are paid.⁷
- Transgender men working full time are typically paid 70 cents for every dollar that all workers are paid.
- Transgender women working full time are typically paid 60 cents for every dollar all workers are paid.⁸

When we take into account race and ethnicity within the LGBTQ+ community, we can see even wider pay gaps.

- LGBTQ+ Latinas working full time are typically paid 72 cents for every dollar that all workers are paid.⁹
- LGBTQ+ Black women working full time are typically paid 85 cents for every dollar that all workers are paid.
- Native American LGBTQ+ people, regardless of gender, working full time are typically paid 70 cents for every dollar all workers are paid.

- Black LGBTQ+ people, regardless of gender, working full time are typically paid 80 cents for every dollar that all workers are paid.
- Latinx LGBTQ+ workers, regardless of gender, working full time are typically paid 90 cents for every dollar that all workers are paid.
- Asian/Asian Pacific Islanders LGBTQ+ people, regardless of gender, working full time are paid about \$1.00 for every dollar that all workers are paid¹⁰—in other words, they are the only demographic HRC did not find a wage gap for. However, in other contexts we know that there are large pay differentials within different Asian American, Native Hawaiian, and Pacific Islander (“AANHPI”) communities that overall AANHPI wage gap numbers can mask.¹¹

These findings, while incredibly valuable, only provide a partial snapshot of the discriminatory pay practices harming the LGBTQ+ community.

Where are the gaps?

LIMITED RESEARCH AND LACK OF DATA:

The LGBTQI+ community is not a monolith and includes people across the spectrum of gender and sexuality. Intersecting racial and ethnic identities must also be taken into account to gain a full picture of the LGBTQI+ population in the U.S. Yet, we lack crucial data on transgender people of color and intersex individuals.¹² As we discuss elsewhere in this factsheet, NWLC advocates for federal data collection that captures disparities based on sexual orientation, transgender or nonbinary status, and intersex status, and private research efforts are *not* a substitute for robust, publicly available federal data on earnings for LGBTQI+ people.

Although the recent HRC data revealed that transgender men working full time are paid 70 cents and transgender women working full time are paid 60 cents for every dollar that all full-time workers are paid, we have no insight into the wage gap for Black transgender women and men, Latina transgender women, Latino transgender men, or any other racial group. Additionally, the erasure of intersex individuals remains prevalent,¹³ and we lack any targeted data related to whether intersex workers experience a pay gap. Expanding research efforts to include every part of the LGBTQI+ community will help us to gain a better understanding of the realities of discrimination in the workplace and to create effective strategies to combat said discrimination.

UNDERGROUND ECONOMIES AND SEX WORKERS:

Another space where we lack data relates to underground economies and sex work. Due to ongoing discrimination in formal work spaces, LGBTQI+ workers are sometimes pushed into informal economies.¹⁴ According to a 2015 report, 69.3 percent of transgender and gender non-conforming sex workers reported being denied a job or promotion or being fired because of their gender identity or expression.¹⁵ This experience, along with high levels of poverty and homelessness faced by the transgender community (as discussed below), directly influences some transgender people to resort to informal jobs, including sex work. Failure to intentionally include these workers in research obscures the economic picture for LGBTQI+ workers, especially the experiences of transgender people of color.¹⁶ However, any research being undertaken within these spaces must be conducted carefully due to the criminalization of sex work and the serious threats to the civil rights and safety of trans folks in the U.S.

PART-TIME VERSUS FULL-TIME WORKERS:

Furthermore, the wage gap between LGBTQ+ people and non-LGBTQ+ people could potentially be even larger, as the data that we have only compares to all workers and only includes full-time workers. HRC notes that the gap would likely widen when part-time worker data is taken into account, and it's possible limiting analysis to full-time, year-round workers would have the same effect.¹⁷ These numbers are especially significant as part-time workers often lack access to critical benefits afforded more often to full-time workers, such as access to health insurance and retirement benefits,¹⁸ compounding the negative impacts of the pay gap for this group, which already includes some of the most economically insecure LGBTQI+ populations. A recent McKinsey & Co. survey for example found that forty-two percent more transgender respondents than cisgender respondents said they worked part time in 2020.¹⁹ Furthermore, a NWLC poll from February 2022 found that 34 percent of LGBTQ women and nonbinary people had no benefits through work compared to 21 percent of cisgender, straight men.²⁰ LGBTQ women and nonbinary workers (58 percent) were also over three times more likely than cisgender, straight men (17 percent) to work in low-paid jobs making \$15 or less in 2022.²¹ LGBTQI+ college graduates, across the board, are less likely to be in full-time employment positions one year after their graduation, though this dissipates during their careers.²²

Long-term effects of the wage gap

NWLC's research has revealed how race and gender wage gaps rob women of hundreds of thousands of dollars over a lifetime, with Black, Latina and Native women suffering the largest losses.²³ What do these numbers look like for the LGBTQI+ community? We don't know for sure. Yet a loss of 30 cents of every dollar for transgender men and 40 cents for transgender women adds up over a month, year, and lifetime. This is potentially lifechanging money that LGBTQI+ workers could use for housing, education, healthcare, childcare, retirement, and more, improving the quality of life for many workers and giving them the financial ability to form families as they choose.

Even those with a college degree experience pay inequities: A 2022 study found that, on average, ten years after graduation, college-educated workers who self-identify as LGBTQ+ experienced 22 percent lower earnings compared to their cisgender, heterosexual counterparts.²⁴ Additionally, in a survey conducted in February 2022, NWLC found that LGBTQ women and nonbinary people (13 percent) were two times more likely to be unemployed and looking for work, compared to cisgender, straight men (6 percent).²⁵ These findings demonstrate that LGBTQI+ people are suffering serious, structural exclusion from economic security.

The LGBTQI+ wage gap reflects discrimination in the workplace and contributes to economic security

LGBTQI+ workers continue to face harassment and discrimination in their workspaces.²⁶ A 2021 study found that 46 percent of LGBTQI+ workers report that they have experienced workplace discrimination during their employment because of who they are.²⁷ About 1 in 11 (9 percent) report that unfair treatment by employers hindered their advancement in the workplace in the past year.²⁸ Such discrimination can take the form of workplace harassment, or being passed over for a job, or denied a promotion or a raise. This sort of discrimination helps drive the wage gap, denying workers opportunities for advancement, forcing them to change jobs, tolerate abuse, or even be forced out of work completely.²⁹

All these factors are directly linked to the high poverty rates, food insecurity, and unstable housing faced by the LGBTQI+ community in the United States. In September 2022, NWLC found that LGBT adults (15.0 percent) were more likely than non-LGBT adults (10.5 percent) to experience food insufficiency in the prior week, and transgender adults were nearly twice more likely than non-transgender adults to experience food insufficiency in the prior week.³⁰ Additionally, NWLC found that in November 2022 LGBT adults (15.3 percent) were more likely than non-LGBT adults (10.3 percent) to be in households that recently lost employment income; and LGBT adults of color (21.3 percent) were nearly three times more likely than non-LGBT white, non-Hispanic adults (7.4 percent) to have been in households that lost employment income.³¹

What can be done?

In January 2023, the Biden administration took a step in the right direction by kickstarting the Federal Evidence Agenda on LGBTQ+ Equity.³² This Agenda provides guidelines for federal agencies to help them expand federal data collection to improve the lives of LGBTQI+ people. We urge federal agencies to move forward to implement these data collection policies as well as policies that protect all LGBTQ+ people in the workplace. For this reason, NWLC endorses the recently re-introduced LGBTQI+ Data Inclusion Act, which would require federal agencies to collect self-reported information on sexual orientation, gender identity, and variations in sex characteristics.³³ In addition to federal and local policy changes, individual companies must also audit the experiences of their LGBTQ+ employees and analyze their own hiring and salary practices.

Ultimately, data is power. It is critical that the federal government collect earnings data by sexual orientation and gender identity to demonstrate the need for policy solutions that support the LGBTQI+ community. While federal surveys have begun to address the inclusion of sexual orientation and gender identity data, there is still much work to be done on creating fully inclusive and reliable questions. Demystifying the wage gap faced by all members of the LGBTQI+ community will provide essential insight into the economic realities of one of our most vulnerable populations that can be used to help ensure equal opportunity for all.

To learn more, visit our website at www.nwlc.org.

If you've experienced sex harassment or sex discrimination at work and would like to be connected with legal help, you may wish to contact the Legal Network for Gender Equity: <https://nwlc.org/help-for-workers-facing-sex-discrimination-and-harassment/>

- 1 Authored by Christina Iruela Lane and Auden Perino
- 2 See “What is Intersex?”, InterACT, Jan. 26, 2021, available at <https://interactadvocates.org/faq/>.
- 3 *Bostock v. Clayton Cty.*, 140 S. Ct. 1731 (2020). *Bostock v. Clayton City* is a landmark case which affirmed that the federal law prohibiting sex discrimination in the workplace (Title VII) includes the protection of LGBTQ+ people from sex stereotyping and related retaliation. See also, “NWLC Leads Women’s Rights Groups in Amicus Brief Before the Supreme Court to Protect LGBTQ Workers,” National Women’s Law Center, June 15, 2020, available at <https://nwlc.org/resource/nwlc-amicus-brief-lgbtq-workers/>.
- 4 “Pathways Into Poverty,” UCLA School of Law Williams Institute, September 2020, available at <https://williamsinstitute.law.ucla.edu/publications/pathways-into-poverty/>.
- 5 When advocating alongside the LGBTQ+ community, NWLC works to center the inclusion of intersex people in these discussions, and include “I” in the LGBTQ+ acronym. However, existing data studied “LGBTQ+” people and does not illuminate any wage gap for intersex people. We use “LGBTQ+” for accuracy when referring to that specific research, and expand on this lack of data in the section below.
- 6 “The Wage Gap Among LGBTQ+ Workers in the United States,” Human Rights Campaign, 2022, available at <https://www.hrc.org/resources/the-wage-gap-among-lgbtq-workers-in-the-united-states>.
- 7 Two Spirit refers to a range of genders recognized in over 100 Indigenous nations—while it is inappropriate for non-Indigenous people to refer to themselves as Two Spirit, not every Native culture has a tradition of recognizing genders other than men and women. See Ana Flores, “Two Spirit and LGBTQ+ Identities,” Human Rights Campaign, November 23, 2020, available at <https://www.hrc.org/news/two-spirit-and-lgbtq-idenities-today-and-centuries-ago>.
- 8 Readers should be cautious when interpreting these numbers due to lower data reliability.
- 9 Readers should be cautious when interpreting these numbers due to lower data reliability.
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- 11 Jasmine Tucker and Sarah Javid, “Some Asian American, Native Hawaiian, and Pacific Islander Women Lose Over \$1 Million Over a Lifetime to the Racist and Sexist Wage Gap,” National Women’s Law Center, March 2023, available at <https://nwlc.org/wp-content/uploads/2023/03/AANHPI-Wage-Gap-3.28.23.pdf>.
- 12 Orion Rummier, “‘Those dollars and cents add up’: Full-time trans workers face a wage gap, poll finds,” *The 19th News*, January 28, 2022, available at <https://19thnews.org/2022/01/transgender-workers-wage-gap-lowest-paid-lgbtq/>.
- 13 Hans Lindahl, “We Need to End Intersex Erasure in Queer Communities,” June 2, 2018, available at <https://www.them.us/story/intersex-allyship-101>.
- 14 Orion Rummier, “‘Those dollars and cents add up’: Full-time trans workers face a wage gap, poll finds,” *The 19th News*, January 28, 2022, available at <https://19thnews.org/2022/01/transgender-workers-wage-gap-lowest-paid-lgbtq/>.
- 15 Erin Fitzgerald, Sarah Elspeth Patterson, and Darby Hickey, “Meaningful Work: Transgender Experiences in the Sex Trade,” December 2015, available at https://transequality.org/sites/default/files/Meaningful%20Work-Full%20Report_FINAL_3.pdf.
- 16 Kaniya Walker, “To Protect Black Trans Lives, Decriminalize Sex Work,” American Civil Liberties Union, November 20, 2020, available at <https://www.aclu.org/news/lgbtq-rights/to-protect-black-trans-lives-decriminalize-sex-work>.
- 17 “The Wage Gap Among LGBTQ+ Workers in the United States,” Human Rights Campaign, 2022, available at <https://www.hrc.org/resources/the-wage-gap-among-lgbtq-workers-in-the-united-states>. Proposed Rules, 87 Fed. Reg. at 41569 (proposed 34 C.F.R. §§ 106.2(i)-(v)).
- 18 Brooke LePage, “Part-Time Workers Are Facing Heightened Uncertainty During COVID—and Most Are Women,” National Women’s Law Center, February 2022, available at <https://nwlc.org/resource/part-time-workers-factsheet/>.
- 19 David Baboolall, Sarah Greenberg, Maurice Obeid, and Jill Zucker, “Being Transgender at Work,” McKinsey & Company, November 10, 2021, available at <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/being-transgender-at-work>.
- 20 Sarah Javid, “Resilient But Not Recovered: LGBTQ Women and Nonbinary People in the COVID-19 Crisis,” National Women’s Law Center, March 2022, available at https://nwlc.org/wp-content/uploads/2022/08/nwlc_LGBTQ_RESILIENT_FS-1.pdf.
- 21 *Id.*
- 22 Marc Folch, “The LGBTQ+ Gap: Recent Estimates for Young Adults in the United States,” SSRN, April 1, 2022, available at <https://ssrn.com/abstract=4072893>.
- 23 Jasmine Tucker, “The Wage Gap Robs Women Working Full Time, Year Round of Hundreds of Thousands of Dollars Over a Lifetime,” National Women’s Law Center, March 2023, available at <https://nwlc.org/resource/the-wage-gap-robs-women-working-full-time-year-round-of-hundreds-of-thousands-of-dollars-over-a-lifetime/>.
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- 25 Sarah Javid, “Resilient But Not Recovered: LGBTQ Women and Nonbinary People in the COVID-19 Crisis,” National Women’s Law Center, March 2022, available at https://nwlc.org/wp-content/uploads/2022/08/nwlc_LGBTQ_RESILIENT_FS-1.pdf.
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