



Left Behind

How LGBT Young People Are Excluded from Economic Prosperity

By Zenen Jaimes Pérez July 2014

Introduction and summary

The Millennial generation—the cohort of young people born in the early 1980s through the early 2000s—reflects the greatest level of generational diversity in U.S. history. More than at any other time, America’s young people are redefining the role of the workplace as a space in which workers from all types of diverse backgrounds come together. This is particularly true of this generation of lesbian, gay, bisexual, and transgender, or LGBT, people. While their experiences may vary based on where in the country they live, LGBT Millennials have an especially unique workplace experience relative to older generations of LGBT people, given that they are, on the whole, coming out earlier and expressing their gender identities and sexual orientations in all facets of their lives, including on the job.

However, for LGBT young people, the basic American bargain—that people who work hard and meet their responsibilities can get ahead—has not held true. For the past several decades, unemployment for young people under age 25 has been more than twice the national average.¹ Millions of young people are struggling to find work, and even those who have a job have no guarantee of economic security. Young people are stuck in low-quality jobs that lack adequate workplace protections. Moreover, these challenges are exacerbated for LGBT youth.

As Millennials enter the workforce in increasing numbers, employers can also expect to see greater numbers of LGBT workers. According to a 2012 Gallup survey, 6.4 percent of adults ages 18 to 29, approximately 3.4 million people, self-identify as LGBT—double the rate of adults ages 30 to 49.²

In June 2014, President Barack Obama announced that he would issue an executive order forbidding companies that contract with the federal government from discriminating against employees on the basis of sexual orientation or gender identity.³ The order extends former presidents’ previously issued executive orders that ban employment discrimination on the basis of race, color, religion, sex, or national origin among contractors and subcontractors who do more than \$10,000 in business with the government in any one year.⁴ However, the executive order

does not extend to the entire nation, and currently, no federal legislation provides explicit protections for LGBT workers. Furthermore, fewer than half of states—21 states, including the District of Columbia—have laws that protect young workers on the basis of sexual orientation and gender identity and expression.⁵ This means that an increasingly larger group of young workers—those who identify as LGBT—face even greater challenges to enter and succeed in the workplace.

What's more, LGBT young people face identity-related challenges linked to race- and gender-based discrimination. More than one-third of self-identified LGBT young people in the country are people of color, and almost twice as many women ages 18 to 29 self-identify as LGBT than men in the same age group.⁶ These two groups—women and people of color—face their own unique challenges in the workplace that add to discrimination based on sexual orientation, gender identity, and age.

The combination of identity-linked discrimination and the overall weakness of the job market for young workers has not only led to high barriers of entry into the workplace but has also created a system that lacks fairness and equality for LGBT young people. This report outlines some of the problems faced by young people in the current job market and the added challenges LGBT young people encounter as they attempt to enter the workforce.

This report also outlines policy recommendations to ensure that the basic bargain of upward economic mobility is attainable for LGBT young people. These policies will strengthen the middle class, lower poverty and homelessness for LGBT youth, and enhance job security for millions of young people. Specifically, lawmakers can improve the economic security of LGBT young people by taking the following actions:

- Pass federal legislation that bans employment discrimination based on sexual orientation and gender identity.
- Expand the Earned Income Tax Credit, or EITC, for childless workers and lower the eligibility age limit from 25 to 18.
- Increase data collection, including federal and state surveys to gather sexual orientation and gender identity data to assist researchers.
- Raise the minimum wage to \$10.10 per hour.

- Guarantee paid family and medical leave.
- Increase investments in job-training and employment programs.
- Eliminate educational barriers for LGBT youth by passing legislation to reduce discrimination and bullying in schools, and work with state and local governments to promote alternative disciplinary policies.

These policy actions will help ensure that LGBT young people are treated fairly no matter where they work or live. It's time to fully embrace this fundamental truth: Our economy is stronger when all workers are treated fairly and have the tools they need to succeed.

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