

**SEXUAL ORIENTATION WAGE GAPS ACROSS
LOCAL LABOR MARKET CONTEXTS:
EVIDENCE FROM CANADA**

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SEXUAL ORIENTATION AND LABOUR MARKETS

- Shift away from exclusively studying the effects of HIV/AIDS on gay men's lives
 - Other health and social factors effecting sexual minorities
- One area of research has been the labour market experiences of non-heterosexuals.
 - Initially, exclusive focus on whether sexual minorities experience discrimination
 - Now, growing interest in choices, constraints and unique preferences of sexual minorities
- However, there are some challenges that arise for those interested in this area of research...

RESEARCH CHALLENGES

- **How to measure sexual orientation?**
- **Small n**
- **Few population-based datasets**
- **Employment variables**

DATASETS

- **Canadian Data**
 - **Canadian Community Health Survey (CCHS)**
 - Self-report sexual orientation; relatively large sample; health and other unique measures
 - Poor quality employment and earnings variables
 - **General Social Survey (GSS)**
 - Same-sex and opposite-sex couples; annual survey; different focuses
 - Very small samples of same-sex couples; no singles
 - **Census / National Household Survey**
 - Same-sex and opposite-sex couples; very large N; high quality employment and earnings variables
 - No singles

GAY PAY IN CANADA

- Canadian Community Health Survey

- Carpenter (2008) - 2003-2005 CCHS: gay men have income 12% less and lesbians 15% more
- Lafrance et al. (2009) - 2003-2008 CCHS, limit sample to full-time workers: coupled gay men have income 20% less and coupled lesbians 11% more

- General Social Survey

- Mueller (2013) - 2006-2010 GSS: no income difference for gay men, 16% advantage for lesbians

- 2006 Census

- Waite and Denier (2014) - 2006 Census: gay men earn 5% less and lesbians 9% less than straight men, lesbians 9% “advantage” over straight women
- **Nested hierarchy:** straight men, gay men, lesbian women, straight women

LOCAL LABOUR MARKETS & WAGE GAPS

- National estimates may obscure variation
 - Regional variation in macroeconomic conditions
 - Higher wage rates in urban areas (Beckstead and Brown 2001)
 - Occupational and industrial niches in local labour markets
 - Similar labour market chances
- Uneven geographic distribution of subpopulations
 - Immigrants: wage gaps *larger* in urban areas (Warman and Worswick 2004)
 - Sexual minorities: no wage gap in California (Carpenter 2005); local anti-discrimination policies reduce wage gaps (Klawitter 2011)
- Attitudes toward “homosexuals” vary across Canada (Cutler and Jenkins 2001)
 - Is there discrimination?

RESEARCH QUESTIONS

1. Are wage gaps computed at the national level consistent across Canada?
2. Are the mechanisms associated with pay differences similar across all areas?
 - Occupations
 - Public Sector
 - Higher rates of unionization
 - More rigid pay structures
 - Performance pay less prevalent
 - Stronger institutionalization of anti-discrimination legislation

DATA & APPROACH

2006 Census of Canada, 20%

- **Sample:** Employees ages 25-64, in same- and opposite-sex common-law and marital relationships

OLS

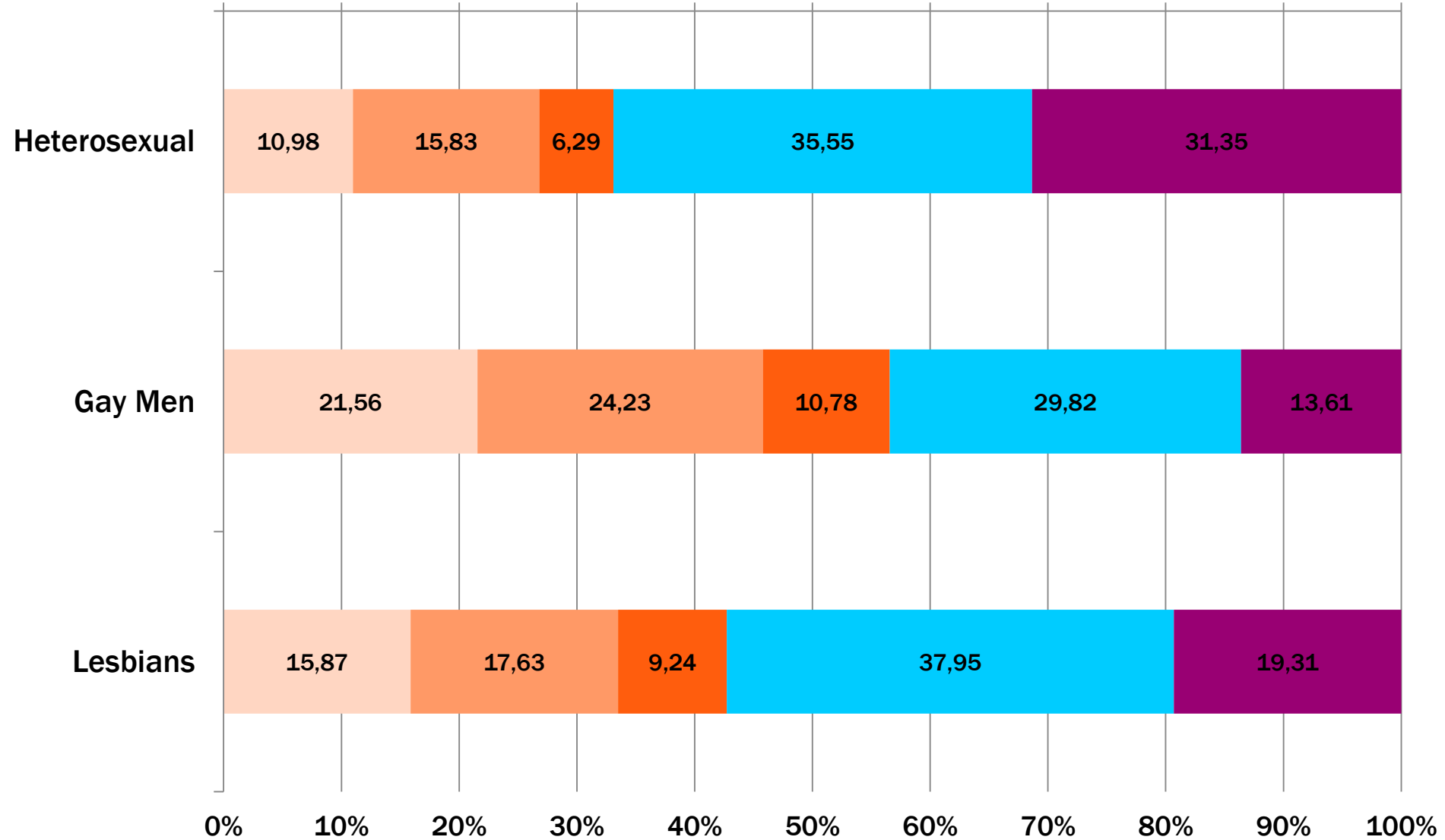
- **Dependent Variable:** annual earnings from wages and salary
- **Controls:** weeks worked, full- or part-time status, education, potential experience, broad occupation, public sector employment, age group, marital status, presence of children in hh, immigrant generation status (1st, 1.5, 2nd), visible minority, aboriginal

Geographic Area

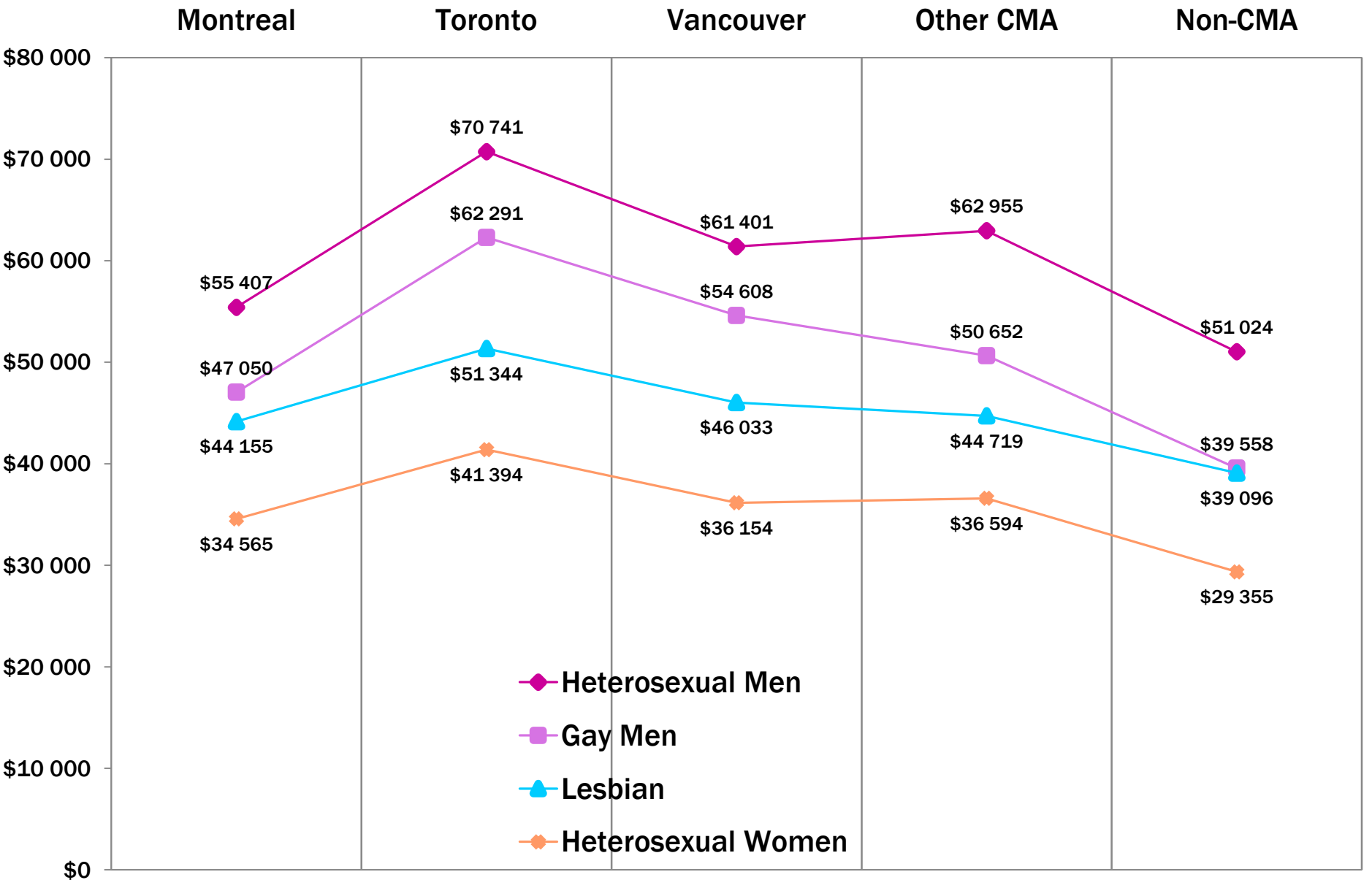
- Toronto, Montréal, Vancouver
- Rest of CMA Canada
- Non-CMA Canada

% OF POPULATION BY GEOGRAPHIC AREA

Montreal Toronto Vancouver CMA Non-CMA

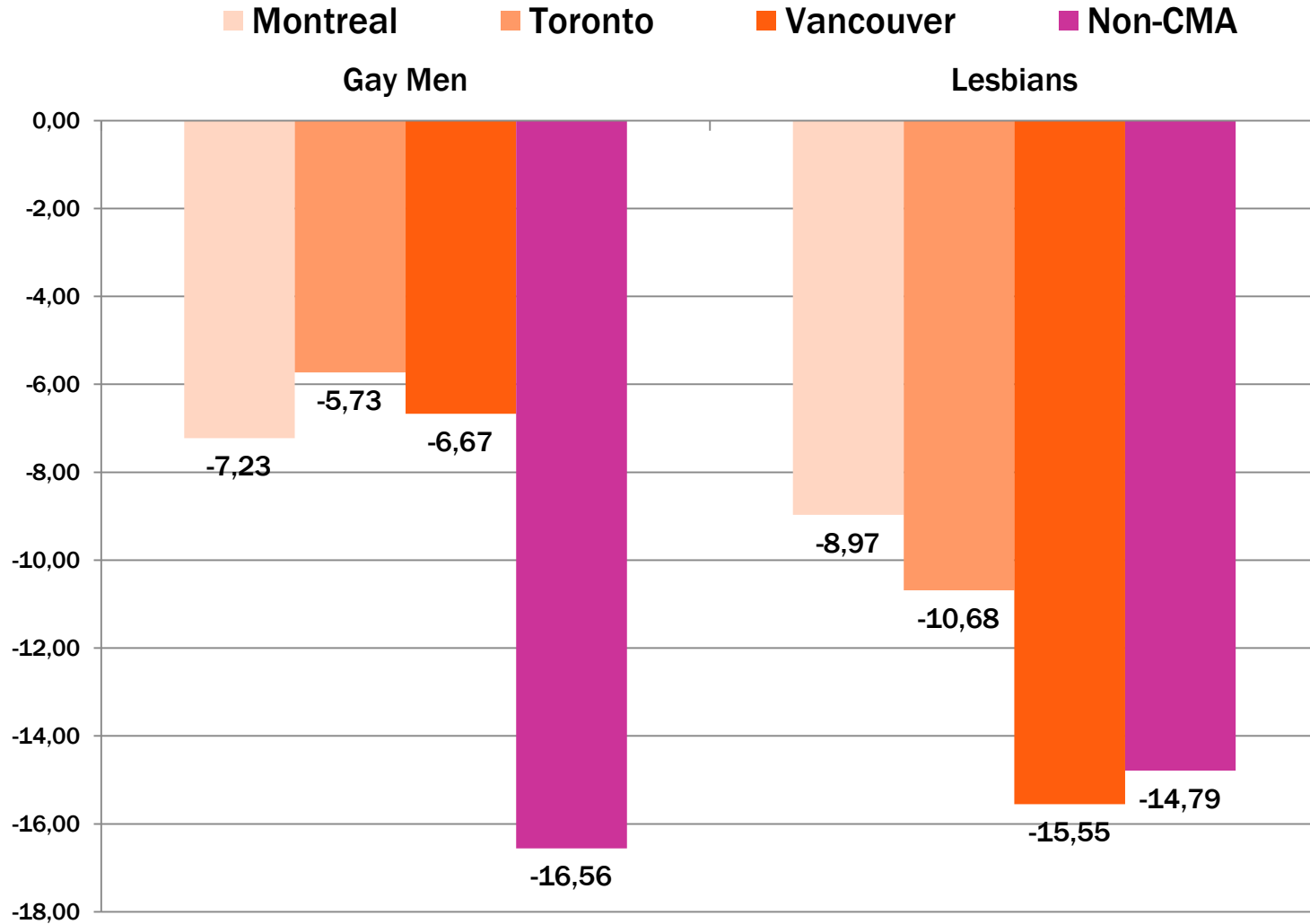


UNADJUSTED ANNUAL EARNINGS

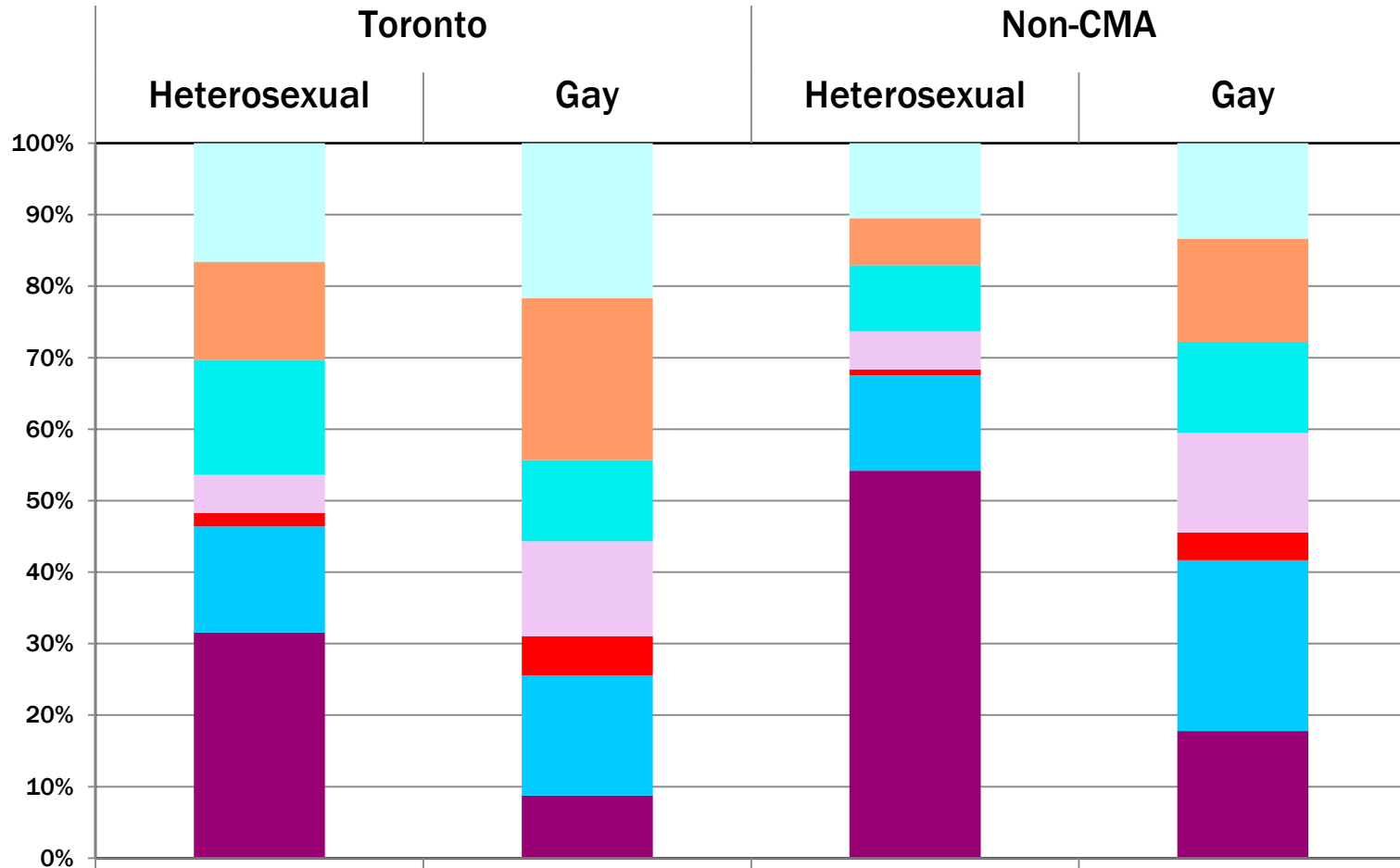


ADJUSTED % DIFFERENCE IN ANNUAL EARNINGS

(REF: STRAIGHT MEN)



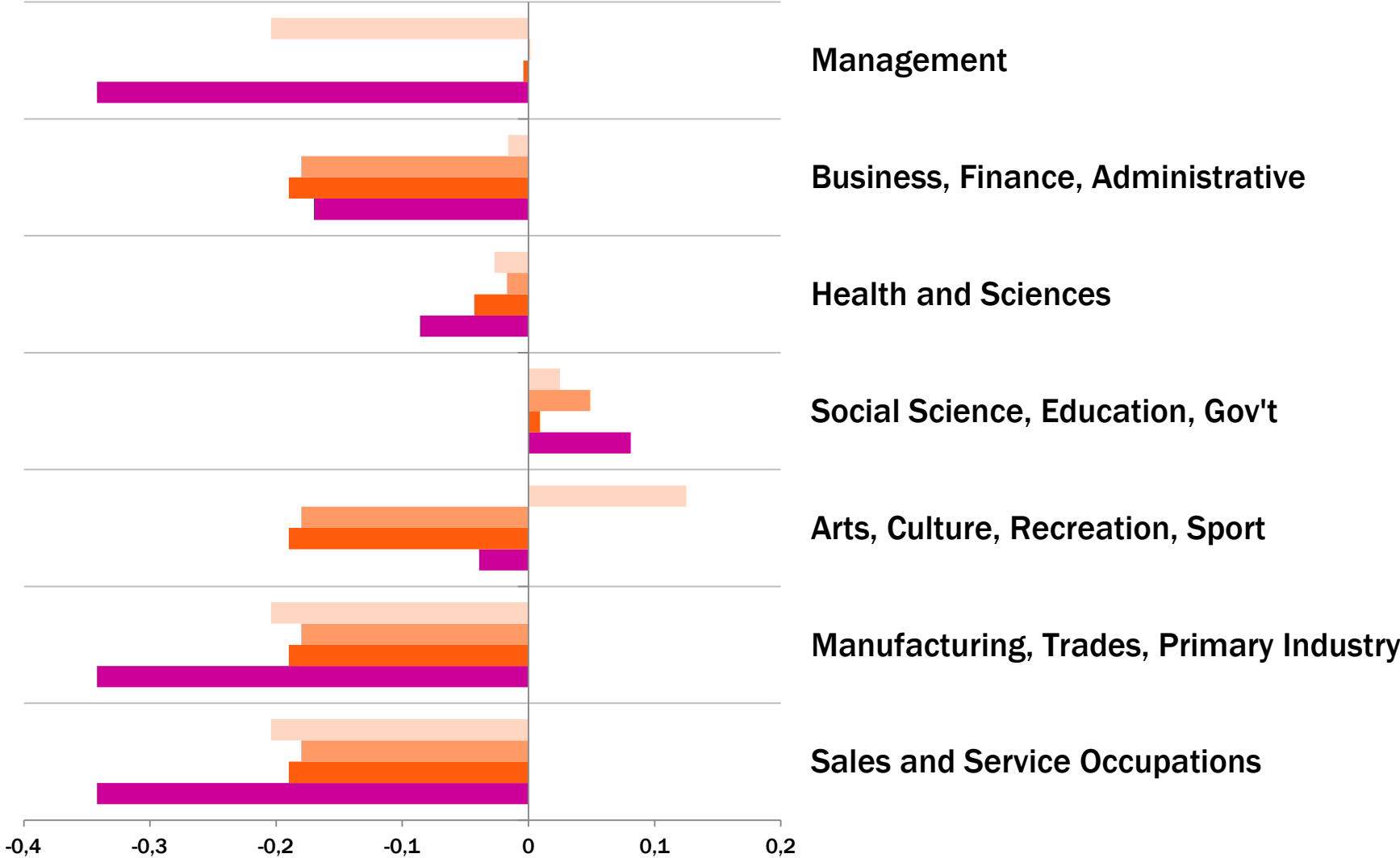
OCCUPATIONAL DISTRIBUTION, MEN (NOC-S 2006)



- Management
- Health and science
- Art, culture, recreation and sport
- Manufacturing, trades, and primary industry
- Business, finance and administrative
- Social science, education, gov't service, religion
- Sales and service

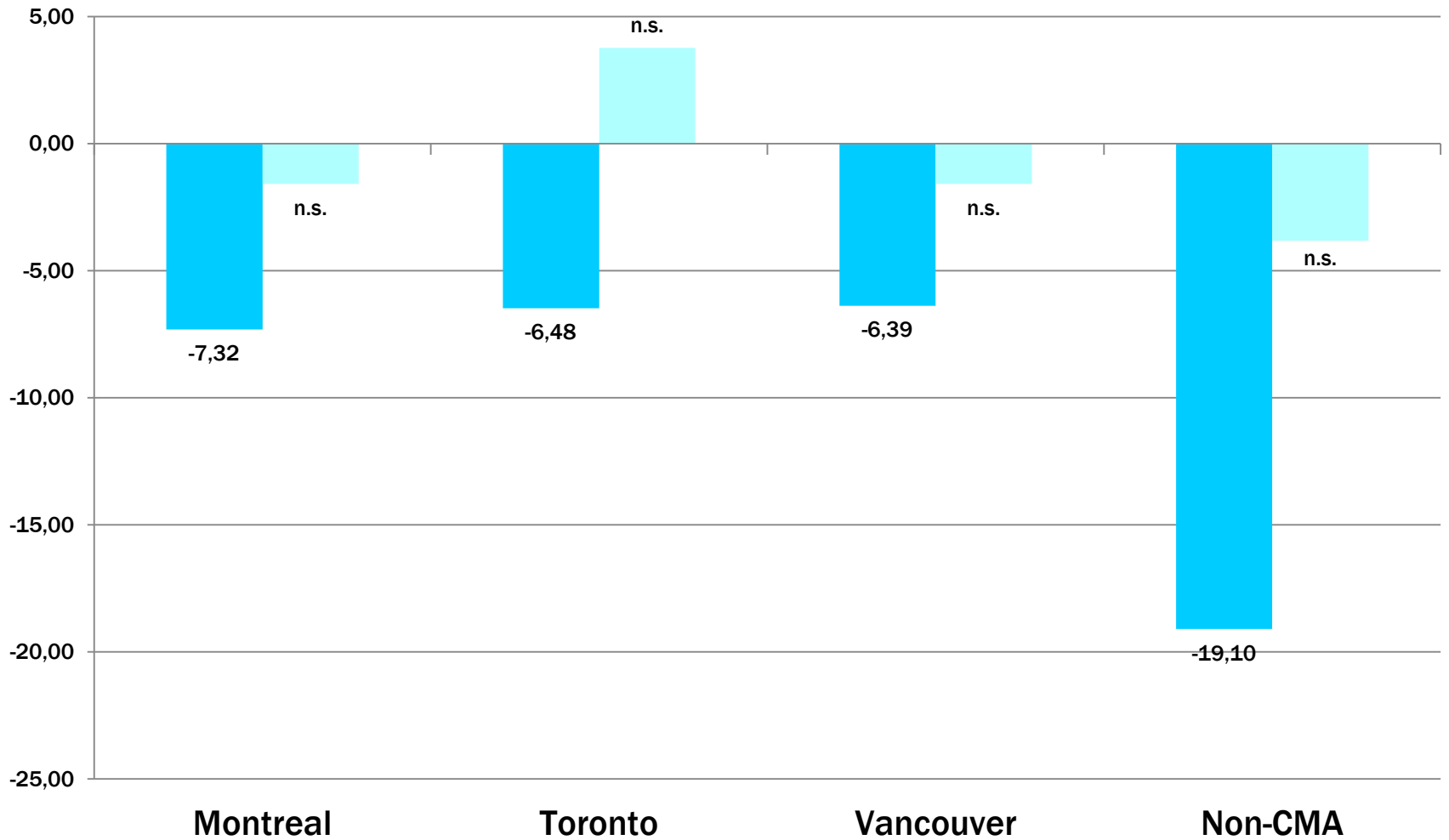
SEXUAL ORIENTATION LOG WAGE GAPS BY OCCUPATION, GAY MEN

■ Montreal
 ■ Toronto
 ■ Vancouver
 ■ Non-CMA



ADJUSTED % DIFFERENCE IN ANNUAL EARNINGS BY SECTOR, GAY MEN

■ Private ■ Public



CONCLUSIONS

1. Wage gaps computed at the national level are fairly consistent across Montréal, Toronto, and Vancouver
 - Obscures much higher wage gaps within Non-CMA areas
2. Gay men do not appear *blocked* from higher paying occupations
 - Underrepresented in manufacturing, primary industry, construction
3. Public sector employment uniformly reduces pay gaps across places