



# LGBTI Inclusiveness

## The OECD project on the socio-economic conditions of sexual and gender identity minorities

### The OECD call for action

On February 12, 2014, twelve member countries issued a “Call to Action” asking the OECD to study the economic case for inclusive policies for Lesbian, Gay, Bisexual, and Transgender (LGBT) individuals.

Supported by the Netherlands, the United States, Austria and Denmark in the first phase, the OECD’s LGBT work is centred around a scoping review of the evidence on socio-economic participation of LGBTI and the identification of disparities across countries. The project also identifies discrimination in various areas of life central to people’s wellbeing, such as labour, housing, education, health and public policies. This project combines OECD’s specialists in the design of statistical surveys with our experts in social and employment policies.

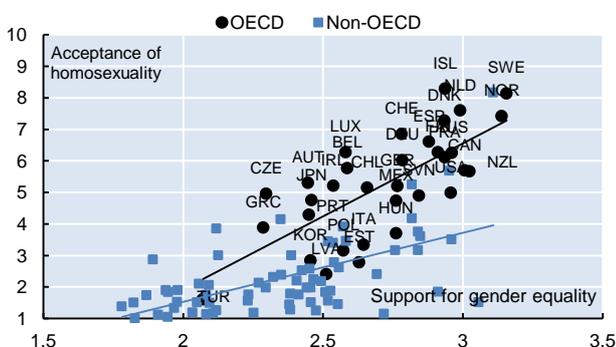
### Findings from the review

#### A sizeable minority

The OECD review reveals that only a few population-based surveys in OECD countries include direct questions on sexual orientation, and even fewer ask respondents about their gender identity. For intersex people, the only estimates stem from research articles published in medical journals. This leads to a knowledge gap about the size of these groups and their situation.

Tentative but conservative measures suggest that LGBTI represent a sizeable minority, however. For instance, they represent approximately 4.5% of the total population in the US, a proportion that can be broken down as follows among LGBTI subgroups (bearing in mind that these subgroups partly overlap): 3.5% for lesbians, gay men and bisexuals based on sexual self-identification (which yield lower estimates than sexual behaviour or attraction), 0.6% for transgender people, and 1.1% for intersex people.

**Countries which accept homosexuality more also support gender equality more 2001-2014**



Source: OECD background report (Valfort, 2017)

#### Acceptance is improving but prejudice remains widespread

Despite a shift toward greater acceptance in most OECD countries, homophobia remains widespread. Opinion surveys reveal that when asked on a scale from 1 to 10 if homosexuality is justifiable (where 1 means that it is never justifiable) the average

is only 5. These attitudes are very similar to those held toward women. Similarly, although improving over time, attitudes toward transgender people remain negative.

Overall, there is still a long way to go before LGBTI are fully accepted in social and legal terms. A large majority report discrimination based on their sexual orientation, gender identity or intersex status, damaging their life chance and their well-being.

#### The lack of legal recognition of LGBTI families can affect their children

Family life is an important factor of well-being. Barriers to the legal recognition of same-sex couples negatively affect the stability of their relationships and, in turn, children’s well-being and performance at school. In the US, children living with same-sex unmarried couples show a rate of grade repetition that is about one third higher than that of children living with heterosexual married couples. The grade repetition rate is the same, however, for children living with heterosexual *unmarried* couples. Evidence also shows that attitudes toward LGBTI improve in countries where civil unions or marriage have become legal. Discrimination against transgender and intersex people can also affect their chances of having a fulfilling family life.

#### Bullying at school has dramatic consequences

Many surveys show that stigmatization of sexual and gender minorities at school is pervasive and constitutes a serious barrier to educational attainment. In Europe, roughly half of LGB students report experiencing threats or intimidation at school. Experiencing same-sex attraction or sexuality in adolescence is also associated with lower educational achievement. Similarly, the probability for transgender people having a college degree or higher is only half that of their non-transgender counterparts in the US. Many intersex students drop out during years associated with pubertal development where their intersex status might become more visible.

#### Discrimination in the labour market substantially reduces opportunities

Survey-based data most often provide biased evidence on the performance of gay men and lesbians in the labour market: they reveal that gay men are penalized while lesbians are favoured compared to their heterosexual counterparts. These findings reflect a still prevalent “household specialization bias” among heterosexual households that hardly exists among homosexual households. As a result, the average partnered heterosexual man appears more involved in the labour market than the average partnered gay man, while the average partnered heterosexual woman is less involved than the average partnered lesbian. To avoid this bias, one should rather rely on the few available surveys that include *direct* information on sexual minority status in order to compare the labour market outcomes of *single* homosexuals and heterosexuals.

This strategy points to a penalty in employment and labour earnings for *both* gay men and lesbians. These results are confirmed by field experiments. On average, homosexual job applicants are only half as likely to be called back by a recruiter as heterosexual jobseekers, and they are offered wages that are up

to 10% lower. Transgender and intersex people also suffer from a substantial employment and earnings penalty. Consequently, LGBTI display significantly higher poverty rates than non-LGBTI. This situation may also partly result from discrimination of sexual and gender minorities in the housing market.

### Worse health outcomes across the board

Surveys also reveal that sexual and gender minorities groups feature higher rates of physical and mental health problems. This is notably due to a “minority stress” effect whereby LGBTI’s perception of being socially rejected works as a stressor. LGBTI are more likely to have considered or attempted suicide than non-LGBTI. In the US, 40% of transgender people have attempted suicide in their lifetime, nearly nine times the general US rate (4.6%). The problem is particularly acute among young people. Gay men and lesbians have a higher prevalence than heterosexual men and women of any lifetime mood disorder (42.3% vs 19.8% for men and 44.4% vs 30.5% for women). This penalty is even higher for bisexual men and women. Overall, the health gap is much smaller in countries where same-sex marriage is legal. Employer-sponsored health insurance is less often open to same-sex partners, thereby leading gay men and lesbians to be at significantly greater risk of being uninsured than their heterosexual counterparts.

All in all, the evidence collected in the first phase of the project confirms that LGBTI discrimination is detrimental for these groups’ family life, education, economic outcomes and health. In this setting, it comes as no surprise that LGBTI also report lower levels of happiness and life satisfaction. As an illustration, just 18% of LGBT adults in the US describe themselves as “very happy”, compared with 30% of adults in the general public.

## Next steps

### A comprehensive statistical module

Based on extensive research and a questionnaire sent to OECD members’ national statistical offices in May 2017, the OECD will soon publish a report on statistical sources to improve the coverage of LGBTI groups. The report will:

- Build a comprehensive compendium of data sources and identify the data gaps in various areas (labour market, health, living conditions, etc.).
- Outline comparative methodological issues, notably differences in definitions used in existing surveys, but also methods of data collection, question design and the survey-sample.

Subject to the availability of further resources, the report would also set out a module integrating LGBTI inclusivity in OECD work on a regular basis, including options for harmonised questions and indicators of LGBTI inclusivity, and a proposal for a new ad hoc survey specifically for LGBTI groups. A workshop with national statistical offices and policy makers would be organised to discuss the options set out in the report.

### A detailed policy review to reveal progress and gaps

Depending on the availability of additional funding, the OECD would prepare a separate policy report contributing to and addressing the issues identified above. This report would:

- Identify good practices to address LGBTI discrimination, such as anti-discrimination legislation regarding gender and sexual orientation, hate-crime laws or legislation providing opportunities to marry and/or register same-sex partnerships.

- Systematically review the evidence on the effectiveness of interventions to prevent discrimination (see the Box below).

For the first time, the report would also reveal implicit effects of policies and regulations, i.e. addressing issues such as the extent to which same-sex partners have access to pension/survivor benefits, inheritance rights, mortgages and mortgage relief. This analysis would be based on a questionnaire sent to Social and Welfare ministries in June 2017.

### A groundbreaking testing tool to identify discrimination

There is incomplete but serious evidence of discrimination against LGBTI. However, to date the incidence of discrimination has not been measured in a comparable manner across countries. Available studies are country-specific and differ in their methodology and scope.

To better measure discrimination, the OECD plans to undertake testing, notably in the labour market. The method would consist of answering actual job openings and then comparing call-back rates between LGBTI and other groups (see the Box below). Results from these experiments would then be analysed to better understand the origins of discrimination and the role of policies and institutions.

The experiments would be conducted in partnership with national research centers in countries that would be willing to participate, depending on the availability of funding.

### Three field experiments to collect groundbreaking evidence in OECD countries

#### Assessing the impact of in-school interventions to reduce homo-, trans- and intersexphobia

Do these interventions improve students’ attitudes and behaviors toward LGBTI? If yes, how persistent is this impact?

- ✓ Compare the attitudes of students who benefited from the intervention to the attitudes of those who did not.

#### Measuring anti-LGBTI discrimination in the housing market

Are same-sex couples less likely to be invited for showings by the landlords than opposite-sex couples?

- ✓ Compare the landlord response rates for applications by same-sex and opposite-sex couples.

#### Measuring anti-LGBTI discrimination in the labour market

Are homosexual applicants less likely to be invited to a job interview by the recruiters than heterosexual applicants? Are they offered lower wages? What about transgender applicants?

- ✓ Compare the callback rates from employers to applications by gay, lesbian or transgender candidates.

### Further reading

Marie-Anne Valfort (2017), “LGBTI in OECD countries: A review”, OECD SEM Working Papers, forthcoming.

### Contacts

For further information, please contact either Stephane Carcillo ([Stephane.Carcillo@oecd.org](mailto:Stephane.Carcillo@oecd.org)), Employment Analysis and Policy Division, or Monika Queisser ([Monika.Queisser@oecd.org](mailto:Monika.Queisser@oecd.org)), Social Policy Division, in the Directorate for Employment, Labour and Social Affairs.