Executive summary

There is still a long way to go before lesbians, gay men, bisexuals and transgender (LGBT) individuals meet full-fledged acceptance in OECD countries. Overall, LGBT people still suffer from various forms of discrimination. Yet, discrimination is not only ethically unacceptable, it also entails substantial economic and social costs. The inclusion of sexual and gender minorities should therefore become a top policy priority for OECD governments.

The first chapter of this report provides a comprehensive overview of data and evidence on the size of sexual and gender minorities and the socio-economic situation of LGBT people in OECD countries. It confirms that anti-LGBT discrimination hampers the economic prospects and mental health of millions, and highlights best practices to create more inclusive environments for sexual and gender minorities.

LGBT people stand for a sizeable minority

No census has ever included questions on sexual orientation and/or gender identity to identify LGBT people, and only a few nationally representative surveys contain such questions. In the 14 OECD countries where estimates are available, LGB people account for 2.7% of the adult population. In other words, in these 14 OECD countries, at least 17 million adults self-identify as LGBT – 17 million adults is a lower bound since transgender people are not counted due to data gaps –, which is as large as the total population of Chile or the Netherlands.

The share of individuals who self-identify as LGBT is increasing

Disclosure of LGBT status in nationally representative surveys is consistently on the rise from one survey round to the next. This trend is likely to continue in the future since disclosure is more frequent among younger cohorts. In the United States, for instance, only 1.4% of people born before 1945 consider themselves as LGBT, against 8.2% among millennials (born between 1980 and 1999).

Despite a shift toward greater acceptance of sexual and gender minorities, discomfort with homosexual and transgender people is pervasive

Attitudes toward LGBT people are improving worldwide and have consistently been more positive in OECD countries than elsewhere. However, there remains substantial room for progress. OECD countries are only halfway to full social acceptance of homosexuality, scoring five on a 1-to-10 acceptance scale. Moreover, only a minority of respondents in OECD countries would accept that a child dresses and expresses herself/himself as a child of the other gender. Discomfort with transgender people is slightly higher than discomfort with LGB people.
**LGBT people report widespread discrimination**

On average, more than one-out-of-three LGBT respondents in OECD countries report having personally felt discriminated against because of their sexual orientation and/or gender identity. Consistent with attitudes toward LGB people being more positive than attitudes toward transgender people, the perception of discrimination is higher among transgender than among homosexual and bisexual individuals.

**Survey data reveal a significant LGBT penalty in the labour market**

Nearly 50 research papers have compared the labour market outcomes of LGBT and non-LGBT adults across OECD countries, based on representative survey data. These studies reveal that LGBT people are penalised with respect to employment status and labour earnings: they are 7% less likely to be employed than non-LGBT people and their labour earnings are 4% lower. These estimates presumably constitute a lower bound of the actual penalty faced by sexual and gender minorities since LGBT people who accept to disclose their sexual orientation and gender identity in surveys tend to be economically advantaged.

**Experimental data confirm that LGBT people are discriminated against**

Labour market discrimination against LGBT applicants is measured by comparing the rate at which two fictitious candidates are invited to a job interview: one that employers perceive as LGBT and one that employers perceive as non-LGBT. The results reveal that homosexual applicants are 1.5 times less likely to be invited to a job interview than their heterosexual counterparts when their sexual orientation is conveyed through their volunteer engagement or work experience in a gay and lesbian organisation. Experimental data also reveal significant discrimination against transgender job applicants, as well as against LGBT individuals outside the labour market.

**LGBT people are at greater risk of mental health disorders**

Representative survey data point to widespread psychological distress among LGBT individuals. Lower mental health among sexual and gender minorities at least partly flows from stigma. By living in a social environment that largely views heterosexuality and congruence between sex at birth and gender identity as the only way of being normal, LGBT people experience stress not undergone by heterosexual and cisgender individuals.

**Making LGBT individuals and the penalties they face visible in national statistics is a prerequisite to their inclusion**

Collecting information on sexual orientation and gender identity in censuses as well as national labour force, health and victimisation surveys is critical to improve awareness on the penalty that LGBT individuals face. Although they are a minority, OECD countries that include questions on sexual orientation and gender identity in their nationally representative surveys constitute helpful precedents in order to disseminate good practices on how to best collect such sensitive information.

**Legally prohibiting anti-LGBT discrimination and ensuring equal rights to LGBT individuals is essential to improve their situation**

Enforcement of anti-discrimination and equality laws improves LGBT inclusion not only by discouraging potential offenders, but also by shaping the social norm. Individuals
perceive legal changes as reflecting evolutions in what is socially acceptable and are willing to conform to these shifts. For instance, acceptance of homosexuality has increased much faster in countries after they adopted same-sex relationship recognition policies, suggesting that legal changes do cause changes in attitudes.

Educating people in countering their unconscious biases is a key component of any policy package aiming to improve LGBT inclusion

Unconscious bias training consists in making individuals aware of their unconscious prejudices and stereotypes and teaching them how to overcome them. Evidence on the impact of de-biasing interventions is scarce but shows that these interventions can be highly effective, even when they are short. In the United States, a brief door-to-door intervention has made citizens much more open and benevolent to transgender people, with effects still visible three months after the intervention.