

## Sexual orientation and labor market outcomes

### Sexual orientation seems to affect job access and satisfaction, earning prospects, and interaction with colleagues

Keywords: sexual orientation, access to vacancies, earnings, job satisfaction, bullying

#### ELEVATOR PITCH

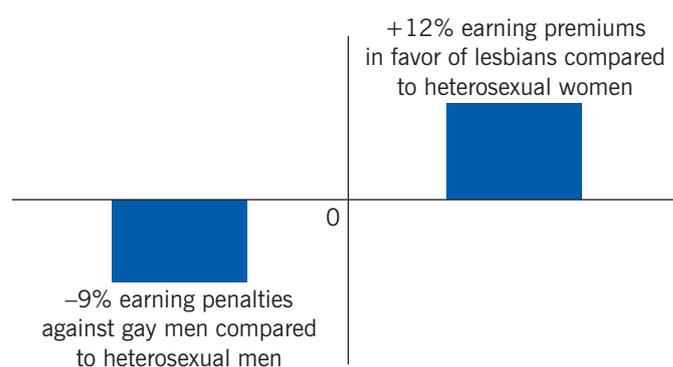
Studies from countries with laws against discrimination on the basis of sexual orientation suggest that gay and lesbian employees report more incidents of harassment and are more likely to report experiencing unfair treatment in the labor market than are heterosexual employees. Gay men are found to earn less than comparably skilled and experienced heterosexual men. For lesbians, the patterns are ambiguous: in some countries they have been found to earn less than their heterosexual counterparts, while in others they earn the same or more. Both gay men and lesbians tend to be less satisfied with their jobs than their heterosexual counterparts.

#### KEY FINDINGS

##### Pros

- + Gay men and lesbians who are open about their sexual orientation at their workplace are more likely to report higher job satisfaction than those who are not.
- + The number of years gay and lesbian workers have been open about their sexual orientation in their current workplace is positively associated with their job satisfaction.
- + Good relations between employers and employees increase openness on the part of gay male and lesbian employees and improve their attitudes about their jobs.
- + On average, lesbians earn more than comparable heterosexual women.

#### Average earnings differentials disfavor gay male workers but favor lesbian workers



Source: [1], [2], and [3].

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##### Cons

- Fewer than 20% of countries have adopted sexual orientation anti-discrimination laws in employment, and 2.7 billion people live in countries where being gay or lesbian is a crime.
- Gay men receive lower earnings than their male heterosexual counterparts.
- Gay and lesbian employees have lower job satisfaction than their heterosexual counterparts.
- All qualitative studies suggest that gay and lesbian employees are more likely to be harassed by work colleagues than are their heterosexual counterparts.

#### AUTHOR'S MAIN MESSAGE

Despite anti-discrimination laws in some countries, gay and lesbian employees encounter serious job-market barriers. They report more harassment and less job satisfaction than heterosexual employees, and gay men earn less than comparably skilled and experienced heterosexual men. Good employer–employee relations are shown to increase job satisfaction for gay and lesbian employees. Government can help through campaigns promoting respect and equality of treatment in the workplace and by publishing annual data on progress toward equality objectives. Firms should evaluate recruitment and promotion policies to ensure equality of opportunity and should address incidents of harassment.