Intergenerational Mobility by Sexuality*

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Abstract

Existing research documents substantial disparities in life outcomes between same-sex and different-sex attracted individuals, typically disadvantaging same-sex attracted individuals. We analyse how parental background relates to adult children's earnings, health, fertility, and family formation by sexuality. To do so, we develop a new strategy to identify same-sex and different-sex couples in population-wide administrative data using joint financial commitments from Denmark. Our approach mitigates limitations associated with non-representative surveys and cross-sectional data on sexuality. Drawing on identity economics and minority stress theory, we propose a conceptual framework in which deviation from the social prescription of different-sex attraction generates identity costs that may decline with parental resources through reduced exposure to discrimination and enhanced coping capacity. Empirically, we find that disparities generally persist across the parental income distribution, though severe mental health conditions are particularly elevated among same-sex attracted individuals from low-income families. We explore parent-child relationships as potential mechanisms, finding that same-sex attracted individuals live farther from parents across the income distribution. Results are robust to controlling for unobserved parental heterogeneity through sibling fixed effects, but vary across childhood regions and cohorts. Our findings suggest that intergenerational mobility depends not only on factors shared by siblings but also on innate individual characteristics, such as sexuality.

JEL classifications: D64, J10, J16
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"I will never forget what it was like coming out and having nobody to look up toward. I remember the lack of hope – and our friends can't fulfil it... And the young gay people who are coming out... The only thing they have to look forward to is hope... Hope for a better world, hope for a better tomorrow, hope for a better place to come to if the pressures at home are too great."

Harvey Milk, 25 June 1978, four months before his assassination.

1 Introduction

A large body of evidence demonstrates that children's outcomes in adulthood depend on their parents' resources. Much of this evidence attributes variation in intergenerational mobility to factors typically shared by siblings, such as race (Chetty et al., 2020a), neighbourhoods (Chetty & Hendren, 2018), and parental immigration status (Boustan et al., 2025). We show that sexuality – an individual characteristic that often varies between siblings – generates substantial and persistent gaps in intergenerational mobility across multiple domains. Since Badgett's canonical work was published in 1995, economic, sociological, and demographic research has continued to document substantial gaps in outcomes between same-sex and different-sex attracted individuals. These gaps extend to labour market outcomes, fertility, and health, almost always disadvantaging same-sex attracted individuals through lower earnings, lower fertility, and worse mental health outcomes. The primary exceptions are higher education levels among same-sex attracted individuals and higher earnings of same-sex attracted women (Badgett, 1995, 2020; Klawitter, 2015; Mize, 2016). We remain far from understanding the underlying mechanisms by which those who partner with someone of the same sex experience substantially different health and economic outcomes compared to the heterosexual majority. Understanding these mechanisms is vital not only for improving sexual minorities' life trajectories but also because such improvements generate positive aggregate economic effects (Badgett, 2020).

In this paper, we analyse the origins of the differences in outcomes between same-sex attracted and different-sex attracted individuals from the perspective of intergenerational mobility, identifying sexuality as a core dimension of mobility stratification, equal in importance to gender. We harness Danish population-wide administrative data and develop a novel measure of sexuality based on newly released data on shared financial commitments. Our approach captures not only married couples, registered partners, and co-parents, but also cohabiting couples who have neither formalised their union nor had children together – a group that constitutes a larger share of same-sex than different-sex couples. By using financial commitments to identify these otherwise unobserved couples, we can observe same-sex and different-sex attracted individuals before and after relationship spells, linking them to parental (and sibling) information to explore how parental earnings relate to labour market, health, fertility, and household outcomes by sexuality.[1] As such, we explore the underlying intergenerational patterns of the different life trajectories of same-sex and different-sex attracted individuals, focusing on where all life trajectories start: with the parents.

[1] We use the terms "same-sex attracted" and "different-sex attracted" to describe individuals observed exclusively in cohabiting relationship(s) with same-sex or different-sex partners, respectively, where the couple shares a financial or legal commitment at some point from 2003 to 2022. Cohabitation is used to determine sexual attraction only; we do not condition on relationship status when measuring outcomes. We discuss the distinction between sexual orientation, identity, attraction, and behaviour – and justify our terminological choice – in Section 3.2.3.

Whereas sexuality will often play an important role in the relationship between romantic partners, it may also affect the relationship between a person and their parents. Sexual minority individuals may experience different parent-child relationships, including less closeness (Hank & Salzburger, 2015), earlier and more distant moves from home (Fischer & Kalmijn, 2021), parental non-acceptance (Mills-Koonce et al., 2018), and increased risk of youth homelessness (Dempsey et al., 2020). This suggests reduced or different parental support compared to different-sex attracted individuals. Additional evidence suggests that higher educational attainment and income are associated with more supportive attitudes towards same-sex attracted individuals (Slenders et al., 2014; La Roi & Mandemakers, 2018). Whether this means that sexual minority individuals benefit more or less from parental characteristics, such as high earnings – known to improve later-life outcomes (see e.g. Chetty et al., 2014, 2020b) – remains unknown, making intergenerational mobility analysis crucial for understanding the potentially unique challenges faced by sexual minorities throughout the lifecycle.

To guide our empirical analyses and interpret our findings, we propose a conceptual framework that synthesises insights from the intergenerational mobility literature with identity economics (Akerlof & Kranton, 2000) and minority stress theory (Meyer, 1995, 2003). The central insight is that deviation from the social prescription of different-sex attraction generates identity costs that affect life outcomes. Critically, we hypothesise that these costs – comprising both direct costs from discrimination and indirect costs from internalised stigma and anticipated rejection – may decline with parental resources. Higher parental income may reduce identity costs related to same-sex attraction through at least two reinforcing channels: reduced exposure to discrimination (via sorting into tolerant environments) and enhanced coping capacity (via access to mental health services and supportive networks). This framework generates testable predictions about how gaps in outcomes between same-sex and different-sex attracted individuals vary with parental income, and how these patterns differ across outcome domains.

Observing sexuality in population-wide data is notoriously challenging, thus far, leaving it unclear how to best obtain valid information about sexuality at a large scale and in a longitudinal setting, which is necessary to examine heterogeneity in intergenerational dynamics. Sexuality may refer to sexual identity, sexual desires, and/or sexual practices, and such information is generally unavailable in register-based, population-wide data. Therefore, researchers tend to use surveys to assess sexuality, often asking about sexual identity (straight, gay, bi, other, etc.). However, surveys often include only small samples of sexual minorities (compromising precision) and tend to allow for only relatively static analyses because individuals cannot be observed over an extended period, let alone across generations. Survey responses may also be affected by social desirability bias (with non-straight individuals withholding information on their sexuality).[2] In addition, the usefulness of self-declared sexual orientation in survey responses has come into question, as an increasing number of individuals do not identify with traditional labels (e.g. gay, bi, and straight) or do not declare a sexual identity (Julian et al., 2024b).

The removal of legal barriers to the official recognition of same-sex relationships in several

[2]See e.g. an extensive discussion on limitations of current data sources in Badgett et al. (2024).

countries over the last three decades has made it possible to observe sexual minorities in registers of marriages and legal unions (e.g. Andersson et al., 2006; Ahmed & Hammarstedt, 2010; Kolk & Andersson, 2020; Carpenter et al., 2025; Dujeancourt et al., 2025). This approach has significantly expanded our knowledge of sexual minority demographics and economic outcomes; however, it also presents certain challenges. For example, while the uptake of marriage is still much lower for same-sex couples (Carpenter, 2020; Compton & Kaufman, 2024), those same-sex couples who do marry are likely to have a higher socio-economic status (Manning & Payne, 2021), and more same-sex couples than different-sex couples cohabit without marrying (Manning et al., 2022). Beyond marriage registers, a broader literature has utilised census and administrative data to document labour market outcomes for individuals in same-sex couples. Seminal work using US Census data established key patterns, including earnings penalties for gay men and premia for lesbian women (e.g. Allegretto & Arthur, 2001; Black et al., 2000, 2007; Jepsen, 2007). Subsequent studies have employed census data from other contexts, e.g. Canada (Waite & Denier, 2015), Latin America (Muñoz et al., 2025), and New Zealand (Carpenter et al., 2024). When census-based approaches identify cohabiting couples, they typically do so through self-reported partnership status, but provide only cross-sectional snapshots. Administrative approaches, on the other hand, which use marriage registers, entirely miss unmarried/non-unioned couples.

Statistical agencies and demographers therefore call for more inclusive practices when identifying sexual minorities, highlighting cohabitation history as a way of tackling some of these recurrent issues (Julian et al., 2024a). However, for cohabitation to be a useful proxy for sexuality, we must distinguish housemates from cohabiting partners. In surveys, this can be done by asking respondents if they cohabit with a partner, and if so, the sex of that partner. However, surveys are often not available at the population level, and if they are, they only allow for a snapshot of cohabitation status (as is the case in census data). On the other hand, administrative data agencies often systematically misclassify same-sex couples as housemates or automatically assume that cohabiting individuals of different sexes are partners (e.g. Statistics Denmark, 2024; Statistics Finland, 2024).

We largely overcome these limitations using newly released population-wide data on financial commitments (shared bank accounts, bank loans, mortgages, properties) from Statistics Denmark. We identify cohabiting couples by exploiting that almost all cohabiting couples in Denmark have at least one shared financial commitment; this is not the case for housemates. Using this strategy, we obtain uniquely comprehensive population-wide data on cohabiting couples, including same-sex couples. We observe individuals before, during, and after each spell of cohabitation, allowing for a cohabitation-based measure of sexuality across all these states. We observe people over time, in all cohabiting relationships they form, enabling a dynamic sexuality measure, which means that we do not have to assume that sexuality is static or binary. In this paper, we focus primarily on individuals who have cohabited only with same-sex or different-sex partners. We show that shared financial commitments increase the number of identified same-sex attracted women by more than 25%, and nearly double the number of identified same-sex attracted men, relative to marriage and co-parenthood alone (Figure 1). As we are the first to use these data on financial commitments to identify couples, we undertake a series of validation exercises to

ensure that we correctly identify couples. Combined with Danish registers from 1980 onward, this enables comprehensive intergenerational analysis beyond the scope of small, cross-sectional datasets or community-generated datasets on sexual minorities.

Our primary contribution is the analyses of intergenerational mobility by sexuality, but our new population-wide cohabitation measure also offers interesting information on differences in mean outcomes between same-sex attracted and different-sex attracted individuals in the labour market, education, fertility, health, and more – all within the same geographical setting and within the same population. Interestingly, we find that same-sex and different-sex attracted adult children are equally represented across the parental income distribution, i.e., we find no evidence of economically meaningful selection by parental background. Despite this lack of selection by parental background, we find substantial differences between same-sex and different-sex attracted adult children across almost all outcomes. These differences in means align with those of previous studies from diverse contexts, lending further credibility to our new measure of sexuality.

To study intergenerational relationships and mobility, we follow the approach by Chetty et al. (2014, 2020b), allowing us to compare child-parent intergenerational relationships for adult children who are or have been in relationship(s) with same-sex or different-sex partners. Chetty et al. (2014) popularised the use of rank-rank regressions to study intergenerational relationships between child and parent income. More recently, rank-rank regressions have also been used to compare levels of intergenerational mobility across demographic characteristics beyond sex, such as race (see e.g. Chetty et al., 2020b) and parental migration status (see e.g. Abramitzky et al., 2021; Boustan et al., 2025). Typically, these demographic characteristics are assumed to be fixed within a given family. We contribute to this literature by examining differences in intergenerational mobility based on sexuality, a characteristic that often varies within families.

Like Chetty et al. (2014, 2020b), we distinguish between gaps in absolute and relative mobility. In a rank-rank regression, absolute mobility gaps reflect differences in outcomes between same-sex attracted and different-sex attracted individuals at the intercept, i.e., for those with parents at the bottom of the income distribution.[3] Relative mobility gaps reflect differences in slopes, i.e., the extent to which the outcome of interest changes when parental income rank increases. In our setting, we can interpret differences in absolute mobility (the intercept) as the "same-sex attraction penalty/premium" at the lowest level of parental income. The difference in relative mobility (the slope) indicates whether and to what extent this premium/penalty depends on parental income.

Our first intergenerational analyses consider the rank-rank relationship between parental and adult children's labour market income. We find substantial differences in absolute mobility, with same-sex attracted men having lower income ranks compared to different-sex attracted men across the entire parental income distribution. Not even the same-sex attracted men from the most financially resourceful backgrounds overcome the "gay penalty". The premium for same-sex attracted women, on the other hand, decreases across the parental income distribution, with

[3]Note that the definition of "absolute mobility" varies across studies. In the terminology of Deutscher & Mazumder (2023), we refer to the conditional expected rank at the bottom of the parental income distribution (CER0) as absolute mobility.

the largest premium for those growing up with parents at the bottom of the income distribution. We also consider educational attainment and find no differences in relative mobility between different-sex attracted and same-sex attracted individuals, rather, same-sex attracted individuals have higher educational attainment across the parental income distribution compared to different-sex attracted individuals of the same sex. As such, this does not offer an explanation for different-sex attracted men outperforming same-sex attracted men in intergenerational mobility in terms of earnings. Our income residual analyses reveal that same-sex attracted individuals experience not only different mean income levels, but their income levels also vary to a larger extent.

When considering household income for same-sex attracted women, we see that a combination of fewer years in relationships and the overall lower earnings of women results in a striking gap in absolute mobility equivalent to more than -11 rank points at the intercept, which widens across the parental income distribution compared to different-sex attracted women. As such, what is gained individually is lost manifold at the couple-level. For same-sex attracted men, household income at the intercept is roughly equal to that of different-sex attracted men but falling increasingly behind as parental income rank increases. We show that the reason for this is a combination of lower earnings (relative to different-sex attracted men), longer time spent out of relationship, and less assortative matching.

Next, we consider fertility through an intergenerational lens. In recent years, there has been a rise in the number of families headed by two parents of the same sex in countries where the legal environment permits this (Evertsson et al., 2023). This has made quantitative research on the fertility behaviours of same-sex attracted individuals possible (Andresen & Nix, 2022; van der Vleuten et al., 2024), as well as studies on the outcomes for children growing up in these families (Mazrekaj et al., 2020; Manning et al., 2014). These studies show that same-sex attracted men are particularly unlikely to become parents (Badgett et al., 2021). As same-sex couples endure legal and practical barriers to parenthood that are likely easier to overcome for those with greater financial means, fertility rates may be higher among those whose parents are most financially resourceful. Indeed, we find this pattern for same-sex attracted women; however, even at the high end of the parental income distribution, they are still far less likely to have children compared to different-sex attracted women. The absence of children, and thus, absence of child penalties in earnings (see e.g. Kleven et al., 2019; Adams et al., 2024), may contribute to their higher individual income. Similarly to income, fertility differences between same-sex attracted and different-sex attracted women are particularly pronounced at the low end of the parental income distribution. Less than 5% of all same-sex attracted men have children by their 35th year of life, and we observe a marginal but significant decrease across the parental income distribution. This highlights that barriers to parenthood for same-sex attracted men are not easily mitigated by financial resources.

We progress to consider health outcomes, focusing on medical prescriptions and health visits to private practitioners and hospitals. For decades, mental health has been identified as a particular area of concern for sexual minorities. A recent meta-analysis of population-based studies found that the risk of depression and anxiety in same-sex attracted individuals is more than double that of different-sex attracted individuals (Wittgens et al., 2022). Many studies have ascribed

this increased risk of mental health issues to "minority stressors" in the environment, such as discrimination or prejudice events (Meyer, 1995). We find that both same-sex attracted men and women are more likely to have been prescribed mental health medications and visit psychiatric hospitals compared to different-sex attracted individuals of the same sex – this is true across the entire parental income distribution. When considering psychiatric hospital visits, reflecting more serious cases of mental health conditions, we find that the gap between same-sex attracted and different-sex attracted individuals is widest at the bottom of the parental income distribution and narrows as parental income rises. In other words, same-sex attracted individuals of the lowest earning parents are not simply facing a fixed same-sex penalty together with an increased risk associated with low parental income – here, the intersection of being same-sex attracted and having low parental income yields an additionally increased risk of serious mental health conditions. We find few differences in terms of physical health, and most of these are likely to be explained by the different fertility-related behaviours of different-sex attracted and same-sex attracted individuals.

These empirical patterns align with our conceptual framework. The persistent labour market penalty for men ($\beta_{sp} \approx 0$) is consistent with identity costs that do not systematically vary with parental income in this domain, while the narrowing gaps in women's earnings and fertility indicate domains where parental resources partially offset identity costs. The elevated mental health burden at the bottom of the parental income distribution confirms the "double burden" faced by those with both minority status and limited parental resources.

In our last set of outcomes, we consider the parent-child relationship and examine moving-out age and geographical proximity. Same-sex attracted individuals are less likely to live near their parents across all parental income levels, particularly same-sex attracted men from the lowest-income families. This may reflect a potential mechanism or driver of identity costs, as less time spent in near proximity to parents could limit available parental support (Hünteler & Mulder, 2020).

We use a simplified Oaxaca-Blinder decomposition to show that differences in absolute (rather than relative) mobility generally explain more of the intergenerational gaps between same-sex and different-sex attracted individuals. This informs our heterogeneity analyses, in which we explore differences in absolute mobility across cohorts and regions. These analyses show that the income premium for same-sex attracted women disappears in younger cohorts. This change coincides with a narrowing of their relative educational advantage and a higher likelihood of having children. In contrast, we see that disparities in mental health (which are generally smaller for same-sex attracted men growing up in the capital) increase in younger cohorts, further widening the mental health gap between same-sex and different sex attracted individuals.

Finally, we exploit sibling links in the Danish data and extend our analyses of absolute mobility by controlling for sibling fixed effects (FEs). This exercise is possible because sexuality tends to vary between siblings, unlike previous stratifiers in intergenerational mobility research, such as race and immigration status. The inclusion of sibling FEs controls non-parametrically for family characteristics beyond parental income, such as variation in genetics and family environment. Thus, our sibling FEs strategy yields estimates of differences by sexuality that approach the causal effect of sexuality on outcomes in early adulthood. All estimates of absolute mobility

gaps between same-sex attracted and different-sex attracted individuals are robust to including sibling FEs, suggesting that the causal effects of sexuality on various outcomes are close to the differences in absolute mobility. The fact that our results are robust across specifications with and without sibling FEs also offers support to previous and future findings on the outcomes of sexual minorities, including those that are based on less comprehensive data sources that do not allow for fixed-effects approaches.

Beyond gender, the existing literature on intergenerational mobility tends to highlight the mobility-altering role of factors shared by siblings, e.g. neighbourhoods and regions (Chetty & Hendren, 2018; Eriksen & Munk, 2020), race (Chetty et al., 2020b), and parental migrant status (Abramitzky et al., 2021; Boustan et al., 2025; Jensen & Manning, 2025). By identifying sexuality as a key dimension of absolute intergenerational mobility, our results show that intergenerational mobility depends not only on factors shared by siblings but also on innate individual characteristics, such as sexuality, in addition to child gender. As such, our results carry specific implications for policy by highlighting that interventions aimed at improving the outcomes of future generations must also address sexuality-specific barriers to intergenerational mobility. If not, we are likely to see a further widening of the mobility gap between same-sex attracted and different-sex attracted individuals, e.g., in the labour market and in mental health.

The rest of this paper is organised as follows. Section 2 outlines our empirical strategy and proposes a conceptual framework integrating identity economics and minority stress theory, thereby generating domain-specific predictions summarised in Table 1. Section 3 describes the institutional setting and data, including how we observe same-sex and different-sex couples. Section 4 provides descriptive statistics. Section 5 includes estimates of differences in intergenerational mobility between same-sex attracted and different-sex attracted individuals, and explores potential underlying dynamics. Section 6 decomposes the gaps in outcomes, formally demonstrating the extent to which these gaps are due to differences in absolute or relative mobility. Section 7 further explores selection by parental background by controlling for sibling FEs. Section 8 explores heterogeneity across regions and cohorts, and extends our rank-rank analyses by also considering variation in child income along the parental income distribution. Finally, Section 9 concludes.

2 Conceptual framework

In this section, we introduce the conceptual framework that organises our empirical analyses and guides the interpretation of our findings. The framework synthesises insights from the intergenerational mobility literature with identity economics and minority stress theory – drawing on key psychological and sociological concepts – to generate predictions about how sexuality shapes the transmission of parental economic resources into various child outcomes. The central conceptual insight is that the costs of deviating from social prescriptions may vary with parental resources, but to differing degrees across outcomes, generating testable predictions.

2.1 Intergenerational mobility and group differences

The model of intergenerational mobility, developed by Becker & Tomes (1979, 1986) and formalised by Solon (2004), characterises the relationship between parent and child economic status

through parental investment decisions. Parents allocate resources between own consumption and investments in their children's human capital, with the productivity of these investments depending on both parental resources and child endowments. In equilibrium, this generates a reduced-form relationship between parent and child income that has become the workhorse specification in the empirical literature:

$$y_{i,c} = \alpha + \beta \cdot y_{i,p} + \varepsilon_i \tag{1}$$

where $y_{i,c}$ denotes the economic outcome of child i (typically expressed in percentile ranks), $y_{i,p}$ denotes parental income rank, and ε_i captures idiosyncratic factors. The intercept α measures absolute mobility – the expected outcome for children from the lowest-income families – while the slope β measures relative mobility, or intergenerational persistence.

A central finding in recent work is that intergenerational mobility differs substantially across demographic groups, e.g. by race in Chetty et al. (2020b). In our context, this motivates a generalised specification that allows both parameters to vary by group:

$$y_{i,c} = \alpha + \beta_p \cdot y_{i,p} + \beta_s \cdot \text{same_sex}_i + \beta_{sp} \cdot (y_{i,p} \times \text{same_sex}_i) + \varepsilon_i \tag{2}$$

where same_sex_i indicates same-sex attraction. The coefficient β_s captures differences in absolute mobility – the gap at the bottom of the parental income distribution – while β_{sp} captures differences in relative mobility, indicating whether parental resources translate more or less effectively into child outcomes for same-sex attracted individuals. Both Equations 1 and 2 are typically estimated separately by sex.

Beyond sex, however, the existing literature has primarily examined heterogeneity by characteristics that are typically fixed within families, including race (Chetty et al., 2020b) and parental migration status (Abramitzky et al., 2021; Boustan et al., 2025). Sexuality differs from these characteristics in a crucial respect: it often varies between siblings raised in the same household. This within-family variation creates an opportunity to isolate the effect of sexuality itself from family-level confounders, a point we return to below.

A further extension recognises that parental resources affect child outcomes beyond income. A growing body of literature examines how parental economic resources and environments shape a multitude of children's outcomes, such as education, health, and family formation (e.g. Currie, 2009; Chetty & Hendren, 2018), moving beyond the traditional focus on strictly income-to-income transmission. We extend Equation 2 to accommodate multiple child outcome domains:

$$y_{i,c}^{(k)} = \alpha^{(k)} + \beta_p^{(k)} \cdot y_{i,p} + \beta_s^{(k)} \cdot \text{same_sex}_i + \beta_{sp}^{(k)} \cdot (y_{i,p} \times \text{same_sex}_i) + \varepsilon_i^{(k)} \tag{3}$$

where k indexes child outcome domains (earnings, education, mental health, fertility, geographic proximity, etc.). Equation 3 allows both the intercept ($\alpha^{(k)}$), the baseline effect of parental income ($\beta_p^{(k)}$), and the differences in both parameters across groups ($\beta_s^{(k)}$, $\beta_{sp}^{(k)}$) to vary by child outcome domain.[4] We use the term "intergenerational mobility" broadly to include both tradi-

[4]In principle, one could extend Equation 3 to include a richer set of parental characteristics that are correlated with parental income to varying degrees, allowing for the estimation of domain-specific transmissions such as health-to-health or education-to-education. However, measurement error and changes in medical treatment and educational systems complicate the interpretation of such intergenerational comparisons within domains. The sibling

tional income-to-income transmission and "cross-domain mobility" – the relationship between parental income and child outcomes in other domains such as education, mental health, and family formation.

Given this empirical approach, mean differences in outcomes can be decomposed into components attributable to differences in parental income ranks versus differences in absolute and relative mobility parameters using an Oaxaca–Blinder decomposition (Oaxaca, 1973; Blinder, 1973; Fortin et al., 2011), which we describe and implement in Section 6.

Next, our goal is to develop a simple conceptual framework that generates predictions about both $\beta_s^{(k)}$ (absolute mobility gaps, or baseline gaps in outcomes) and $\beta_{sp}^{(k)}$ (relative mobility gaps, or how gaps vary with parental income) across multiple child outcome domains.

2.2 Identity costs and child outcomes

To understand why intergenerational transmission may differ by sexuality, we draw on the identity economics framework of Akerlof & Kranton (2000). The central point of this framework aligns with canonical work in Gender and Queer Theory (Connell, 1987; Butler, 2006) and is that deviation from socially prescribed norms attached to certain identity categories (such as *man* and *woman*) generates costs that matter for (economic) outcomes.

We start from a parsimonious human-capital style reduced form model in which an adult-child outcome $y_c^{(k)}$ depends only on parental income rank y_p and a random component:

$$y_c^{(k)} = f_k(y_p) + \varepsilon^{(k)} \tag{4}$$

with $\partial f_k / \partial y_p > 0$ (for outcomes where a higher $y_c^{(k)}$ is "better"/yields more utility). For outcomes where higher values are adverse (e.g. mental health treatment), we interpret signs accordingly. Equation 4 captures the canonical dynamic that parental resources improve later-life outcomes through investments, environments, and other inputs during childhood. Next, we let $\lambda \in \{0, 1\}$ indicate same-sex attraction, so that $\lambda = 1$ represents a given deviation from the dominant prescription of different-sex attraction. Following Akerlof & Kranton (2000), this deviation generates identity-related costs. In a simple, additive framework, we can model outcomes as the sum of the standard parental-income channel and an identity cost that applies only to same-sex attracted individuals.[5] The outcome for an individual of type λ with parental income y_p is:

$$y_c^{(k)}(\lambda) = f_k(y_p) - \lambda \cdot I_k(y_p) + \varepsilon^{(k)} \tag{5}$$

The function $I_k(y_p)$ captures the *outcome-specific* identity costs, which can be positive or neg-

FEs specification introduced in Section 2.5 offers an alternative approach as we non-parametrically control for all time-invariant parental characteristics – observed and unobserved – while still permitting the estimation of outcome gaps by sexuality.

[5]The additive structure is a simplification. An alternative framework would allow identity costs to interact with the human capital production function; for instance, if minority stress early in life reduces the productivity of parental investments in education. We adopt the additive specification because it will map directly to the standard intergenerational mobility regression in Equation 3, facilitating comparison with the existing literature. The empirical findings in Section 3 generally provide support for this choice.

ative (i.e. representing penalties or premia relative to different-sex attracted individuals).[6,7] For example, mental health outcomes may be highly sensitive, while other outcomes may be less directly affected by deviation from the norm of different-sex attraction. We normalise identity costs to zero for different-sex attracted individuals, so $I_k(y_p)$ represents the excess identity cost faced by same-sex attracted individuals at parental income y_p.[8] These identity costs may arise through multiple channels, and we remain agnostic about their relative importance. First, they may operate through the child's own utility or behaviour – for example, if same-sex attracted children experience psychological distress from deviating from social prescriptions, or if they invest differently in human capital due to anticipated discrimination. Second, they may operate through parental utility or behaviour – for example, if parents invest less in same-sex attracted children due to reduced closeness, rejection, or differential expectations about returns to investment. Third, they may operate through societal factors external to the family – for example, labour market discrimination or exclusion from institutions. Equation 5 captures the reduced form of these diverse channels; we return to specific channels in Section 2.3. Equation 5 allows identity-related costs to be heterogeneous across outcomes, so that the same-sex attraction gap in outcome k at parental income y_p is:

$$\Delta_k(y_p) = E\left[y_c^{(k)} \mid \lambda = 1, y_p\right] - E\left[y_c^{(k)} \mid \lambda = 0, y_p\right] = -I_k(y_p) \tag{6}$$

Thus, as identity costs may vary with parental income, the gap in outcomes may too. A linear approximation to Equation 5, including to $I_k(y_p)$, over the parental income distribution yields exactly the intercept and interaction structure in Equation 3, with $f_k(0) = \alpha$, $\partial f_k/\partial y_p = \beta_p$, $-I_k(0) = \beta_s$, and $-\partial I_k/\partial y_p = \beta_{sp}$.[9]

In all models we consider women and men separately, thereby normalising identity costs relative to different-sex attracted individuals of the same sex. This allows the magnitude and nature of identity costs – societal stigma, discrimination, internalised stress – to differ between men and women, consistent with existing evidence (e.g. Herek, 2002).

[6]Some outcome differences may partly reflect heterogeneous preferences rather than identity costs – for example, different career investments due to anticipated lower fertility. Within the identity economics framework, this distinction is partly semantic: behavioural responses to the constraints of minority status are themselves consequences of the environment that generates identity costs. Empirically, the persistence of large gaps in domains where preference-based explanations are less plausible – particularly mental health – and the alignment of our results with minority stress theory predictions support a cost-based interpretation.

[7]Identity costs have been studied in specific contexts, such as education (Akerlof & Kranton, 2002). Further, Austen-Smith & Fryer Jr (2005) shows that identity-related peer costs can generate racial gaps in educational achievement. Carvalho et al. (2024) generalise this insight, showing theoretically that culturally marginalised groups may underinvest in education when schooling threatens group identity.

[8]The Akerlof & Kranton (2000) framework is more general as they allow identity-related utility to accrue to all individuals, and a person's deviation from prescriptions can impose costs on others. By normalising identity costs to zero for different-sex attracted individuals, $I_k(y_p)$ captures the *excess* identity cost borne by same-sex attracted individuals relative to their different-sex attracted counterparts, not an absolute cost level. This relative interpretation aligns with our empirical approach that estimates gaps in outcomes between groups.

[9]Note that our framework abstracts from concealment of sexuality as an endogenous choice. If individuals avoid observable same-sex partnerships due to high identity costs, conditioning on non-concealment yields lower bounds for $|\beta_s|$. Potential bias in β_{sp} from differential concealment by parental characteristics is addressed in Section 2.5.

2.3 Income-dependent identity costs

To further the intuition behind identity costs, we distinguish between two components:

1. *Direct* costs, $I_{k,d}(y_p)$, capturing costs directly imposed by others (e.g. discrimination, exclusion/inclusion).

2. *Indirect* costs, $I_{k,n}(y_p)$, capturing costs associated with being a sexual minority in a heteronormative environment working through indirect channels (e.g. internalised stigma, fear, expectations of exclusion/inclusion)

Though we cannot decompose these two elements empirically, we can then define total identity costs as: $I_k(y_p) = I_{k,n}(y_p) + I_{k,d}(y_p)$. Whilst total identity cost is our primary object of interest, this distinction between $I_{k,d}$ and $I_{k,n}$ aids intuition and maps directly onto the canonised minority stress framework, originally proposed by Meyer (1995, 2003) as a way to explain elevated rates of mental health issues among sexual minorities. Within this psychological/sociological framework, Meyer (2003) distinguishes between *distal stressors* – external events such as discrimination and violence – and *proximal stressors* – internal processes including expectations of rejection, concealment, and internalised stigma. Importantly, proximal stressors should not be misinterpreted as intrinsic; they too relate strongly to the psycho-social environment, arising from socialisation processes in which sexual minority individuals learn to reject themselves for not adhering to the dominant norm, develop expectations to be stigmatised, and/or hide their sexual identity as a way to shield themselves against distal minority stressors (Frost & Meyer, 2023). A central finding of the minority stress literature is that these stressors accumulate over time, producing chronic and increasing strain. In our framework, *direct costs* ($I_{k,d}$) relate to distal stressors (i.e., directly imposed by others), while i*ndirect costs* ($I_{k,n}$) relates to proximal stressors (i.e., costs related to the psycho-social environment but operating through internal pathways).

Critically, McGarrity (2014) suggests that both exposure to stressors and the capacity to cope with them vary with an individual's socioeconomic status. As captured by Equation 7, we refine this idea by considering the role of parental resources rather than one's own socioeconomic status (which is endogenously determined with outcomes like mental health). This distinction is central to our contribution: even among individuals who attain similar own socioeconomic status, the transmission of parental resources may differ by sexuality. If same-sex attracted children receive less parental support – whether through reduced investment, weaker relationship quality, or earlier independence – then intergenerational transmission may be weaker for same-sex attracted individuals, independent of any discrimination they face in the labour market or other institutions. We suggest that both components of identity costs faced by same-sex attracted individuals may depend on parental resources, namely parental income rank, y_p:

$$I_{k,d} = I_{k,d}(y_p) \quad \text{and} \quad I_{k,n} = I_{k,n}(y_p), \quad \text{with} \quad \frac{\partial I_{k,d}}{\partial y_p} \leq 0 \quad \text{and} \quad \frac{\partial I_{k,n}}{\partial y_p} \leq 0 \tag{7}$$

That is, we hypothesise that the effects of identity costs from both directs ($I_{k,d}$) and indirect ($I_{k,n}$) costs are larger for individuals from lower-income families. This provides the key link between

identity economics, the minority stress framework, and intergenerational mobility: if total identity costs $I_k = I_{k,d} + I_{k,n}$ decline with parental income, then same-sex attracted individuals from disadvantaged backgrounds face a double burden – both lower parental resources and higher identity costs – while those from advantaged backgrounds benefit from both financial resources and the mitigating effects of these resources on the costs of their minority status.

Equation 7 is consistent with evidence suggesting that lower-income environments exhibit higher levels of attitudinal stigma toward sexual minorities (Slenders et al., 2014; La Roi & Mandemakers, 2018). Research on structural stigma further demonstrates that the environmental context shapes mental health outcomes for sexual minorities (Hatzenbuehler et al., 2010; Lattanner et al., 2025). If identity costs depend on the social environment – as Akerlof & Kranton (2000) suggests when they allow identity category prescriptions to vary across contexts – then individuals raised in less tolerant environments may face both larger $I_{k,n}$ and $I_{k,d}$ for the same identity. For example, the probability of parental rejection due to same-sex attraction may vary with parental characteristics correlated with income, including education and exposure to diversity, affecting both $I_{k,d}$ (direct rejection) and $I_{k,n}$ (anticipated rejection and concealment stress).

The two components of identity costs are likely to depend on parental resources through both shared and distinct pathways. Direct costs, $I_{k,d}$, are likely to vary with parental resources through *exposure*. LGBTQ+ individuals cluster disproportionately in urban areas with more tolerant attitudes and stronger legal protections (Gates & Ost, 2004), and sort into occupations with lower levels of prejudice (Plug et al., 2014). Similarly, selective schools and universities may offer stronger anti-discrimination norms and more tolerant cultures. To the extent that parental resources facilitate sorting into these environments, children from higher-income families face reduced exposure to discrimination and prejudice, generating lower $I_{k,d}$. Indirect costs, $I_{k,n}$, are likely to also vary with parental resources through exposure (as internalised stigma, expectations of rejection, and identity concealment arise from the psycho-social environment), but also through *coping capacity*. That is, parental resources may enable access to mental health services, supportive peer networks, and LGBTQ+ community organisations that limits the translation of heteronormative psycho-social factors into indirect identity costs for sexual minorities.

By integrating identity economics and minority stress theory, we provide a foundation for the parameters in Equation 3. The baseline gap β_s reflects average identity costs faced by same-sex attracted individuals at the bottom of the parental income distribution, where both $I_{k,d}(y_p)$ and $I_{k,n}(y_p)$ are predicted to be the highest. The interaction term β_{sp} captures how total identity costs change with parental resources: since we suggest that both $\partial I_{k,d}/\partial y_p \leq 0$ and $\partial I_{k,n}/\partial y_p \leq 0$, gaps should narrow as parental income rises, implying β_{sp} has the opposite sign from β_s. The two potential pathways – reduced exposure and enhanced coping – reinforce each other, thereby strengthening our predictions regarding the total identity costs, I_k.

2.4 Domain-specific predictions

A key implication of the framework is that identity costs $I_k(y_p)$ may vary both across outcome domains and by parental resources. That is, labour market gaps, mental health disparities, fertility barriers, and geographic sorting may each respond differently to parental resources. This

dimension of heterogeneity remains unexplored in the existing literature on health, demographic, and economic outcomes by sexuality. While existing research documents baseline gaps in specific domains, these findings are dispersed across studies with different settings, samples, and methodologies. Moreover, the relationship between parental resources and these gaps (β_{sp}) has – to the best of our knowledge – never been tested in any domain. Our contribution is twofold: first, to synthesise insights from disparate literatures – intergenerational mobility, identity economics, minority stress theory, and domain-specific research – into a unified framework that generates testable predictions about both β_s and β_{sp}; second, to provide the first systematic empirical evidence on how outcome gaps by sexuality vary with parental income across multiple domains. Critically, the framework predicts different signs of β_{sp} across domains – for example, gaps narrowing with parental income for women's fertility but not for men's. Below, we draw on this framework to make domain-specific predictions, summarised in Table 1. Examining this full set of outcomes allows us to identify where parental resources provide the strongest – or weakest – mitigation against the costs of minority status.

The predictions in Table 1 reflect total costs, combining direct and spillover pathways. Identity costs in one domain may spill over into others: mental health difficulties may impair educational attainment, while labour market discrimination may produce stress affecting adult mental health, etc. Predicted and estimated gaps therefore reflect cumulative burdens across domains and over time, and can be interpreted as total costs within each domain.

Table 1: Predicted signs of mobility parameters by child outcome domain

	Men		Women	
Outcome	β_s	β_{sp}	β_s	β_{sp}
Individual earnings	$-$	$+$	$+$	$+$
Education	$+$	≈ 0 / $+$	$+$	≈ 0 / $+$
Mental health (adverse)	$+$	$-$	$+$	$-$
Fertility	$-$	$-\beta_p$	$-$	$+$
Household income	?	?	?	?
Geographic proximity	$-$	?	$-$	?

Labour market outcomes. Same-sex attracted men and women may face earnings penalties from discrimination (Becker, 1957; Tilcsik, 2011), predicting $\beta_s < 0$. For same-sex attracted women, reduced child penalties (Kleven et al., 2019) may generate a premium offsetting such discrimination, predicting $\beta_s > 0$. For both men and women, parental resources may facilitate access to labour markets where tolerance and high wages coincide (Plug et al., 2014), predicting $\beta_{sp} > 0$.

Human capital. High education may provide access to tolerant environments, offer a pathway to independence, and respond to lower anticipated fertility – all predicting higher attainment among same-sex attracted individuals ($\beta_s > 0$), consistent with existing evidence (e.g. Black et al., 2000). Countervailing mechanisms include adolescent distress and family rejection. If the benefits of high education for same-sex attracted individuals apply similarly across parental backgrounds, we expect $\beta_{sp} \approx 0$. However, if negative early-life experiences related to same-sex attracted are

more prevalent among and/or more disruptive to children from low-income families due to the lack of compensating factors in the psycho-social environment, we might observe $\beta_{sp} > 0$. We further address this through the inclusion of sibling FEs as discussed in Section 2.5.

Mental health. The minority stress framework predicts elevated rates of mental health difficulties among same-sex attracted individuals ($\beta_s > 0$ for adverse outcomes) (Meyer, 2003). Because parental resources may buffer through both reduced exposure and enhanced coping capacity, gaps should narrow with parental income ($\beta_{sp} < 0$).[10]

Fertility. Legal restrictions, biological constraints, and costs of assisted reproduction predict large baseline gaps ($\beta_s < 0$). For women, where biological parenthood is often possible, but at a cost, gaps may narrow with parental income ($\beta_{sp} > 0$); for men, the near-zero fertility rate constrains the same-sex gradient to be close to flat, so β_{sp} is approximately the negative of the different-sex fertility-income gradient.

Household income. We expect several dynamics to affect household income. Women in same-sex couples each face the female wage penalty, potentially generating household income below what a male-female couple would achieve. Men in same-sex couples each benefit from the male wage premium but also face discrimination that may offset this advantage. Fewer years partnered, less gender-based specialisation, and potentially differential assortative matching further complicate signed predictions for β_s or β_{sp}. We test each pathway empirically.

Geographic proximity to parents. Migration to tolerant environments and family rejection both predict that same-sex attracted individuals live farther from their parents ($\beta_s < 0$). The sign of β_{sp} depends on whether rejection is more common at low parental income ($\beta_{sp} > 0$), whether children of high-income parents are more geographically mobile, and whether high-income parents tend to live in more tolerant environments.

Regional and cohort variation. Identity costs may vary not only across outcome domains but also across geographic and time. If identity costs depend on local social environments, then regions with differing levels of tolerance should exhibit different identity costs. Similarly, societal trends toward greater acceptance of sexual minorities may have reduced identity costs over time. To examine this heterogeneity, we estimate Equation 3 separately by region and birth cohort. We provide more details on these analyses in Section 8.

2.5 Selection and sibling FEs

A fundamental challenge in estimating Equation 3 is that same-sex attraction is observed only for individuals who enter same-sex relationships, and selection into partnership may correlate with both parental background and outcomes. If same-sex attracted individuals from disadvantaged backgrounds are less likely to enter observable same-sex relationships, our estimates would be biased.

[10] A measurement concern is that observed mental health indicators may confound underlying health status with access to care. If higher parental income facilitates access to treatment, children from advantaged backgrounds may show higher rates of treated conditions even if underlying distress is similar or lower. This would attenuate the predicted negative interaction ($\beta_{sp} < 0$). We address this by examining indicators with varying cost and access profiles, including psychiatric hospital treatment (high-severity, less discretionary access), outpatient contacts, medication purchases (low-cost, low-threshold), and consultations with psychologists (higher-cost, low-threshold).

Two features of the analysis address this concern. First, descriptive evidence presented below shows that same-sex attracted and different-sex attracted individuals are similarly distributed across the parental income distribution (see Section 4). This suggests that the probability of entering an observable same-sex relationship does not vary strongly with parental income, at least conditional on ever partnering.

Second, because sexuality varies between siblings while parental income, neighborhood, and family environment do not, sibling FEs specifications can isolate the relationship between sexuality and outcomes from family-level confounders. Unlike most intergenerational mobility studies where group identifiers (e.g., race, parental migration status) are fixed within families, sexuality varies between siblings, enabling within-family comparisons. To retain all sibling sets – including those of different sexes – the specification includes sex interaction terms:

$$y_{if,c}^{(k)} = \mu_f^{(k)} + \beta_s^{(k)} \cdot \text{same_sex}_i + \beta_g^{(k)} \cdot \text{sex}_i + \beta_{sg}^{(k)} \cdot (\text{sex}_i \times \text{same_sex}_i) + \varepsilon_{if}^{(k)} \tag{8}$$

where $\mu_f^{(k)}$ captures all factors shared by siblings in family f, and sex_i indicates whether individual i's sex differs from the reference group.[11] This specification excludes parental income controls because parental income ranks are nearly constant across siblings ($R^2 = 0.97$ when regressing parental income rank on sibling FEs), leaving little within-family variation for identification. The coefficient $\beta_s^{(k)}$ thus represents the average difference in outcome k between same-sex and different-sex attracted individuals of the reference sex, controlling non-parametrically for time-invariant parental characteristics. This analysis requires each child to have at least one sibling in our sample (57% of our main sample).

When relative mobility differences are small ($\beta_{sp}^{(k)} \approx 0$) – as the empirical results will show for most outcomes – absolute mobility approximates the average gap across the parental income distribution. This enables direct comparison between sibling FEs estimates of $\beta_s^{(k)}$ from Equation 8 and absolute mobility estimates from Equation 3. If sibling FEs estimates closely align with baseline estimates, this suggests that unobserved parental characteristics correlated with disclosure play a minimal role. Sibling FEs control for both genetic (Ronda et al., 2022) and family environment variation; while genetics may relate to sexuality, current evidence indicates weak associations (Ganna et al., 2019). If estimates of $\beta_s^{(k)}$ are robust to the inclusion of sibling FEs, this suggests that observed gaps reflect the effect of same-sex attraction – operating through identity costs and the behavioural responses they induce – rather than selection or family-level confounding.

3 Institutional setting and data

For all our analyses, we rely on administrative data from Denmark which cover the entire Danish population. Before describing these data in detail, we first summarise the institutional

[11] Our empirical specification also includes controls for year-of-birth FEs and their interaction with sex, but these are not shown here for brevity. This specification assumes that the sibling fixed effect, β_f, is not sex specific. As such, we assume that a daughter and a son of the same mother will experience a similar effect of their parental background compared to peers of the same sex. An alternative would be to focus on sets of siblings of the same sex to estimate brother and sister FEs separately, but this would substantially limit our sample size and disproportionally include children with three or more siblings.

context in Denmark, considering both the legal rights and recognition of same-sex couples as well as more general policies like access to health care. Many of the relevant administrative datasets start in 1980 and are available until 2022. To observe cohabitation of same-sex and different-sex couples, we rely on data on financial commitments, which are available from 2003 onward. Importantly, individuals and their parents can be linked and tracked over time, so when we observe a 34-year-old in a cohabiting relationship in 2015, we can link them with their parental income in the 1980s.

In our data description, we start by outlining our data on child outcomes and how we construct our population-wide measure of cohabiting couples. We continue by validating our couples measure and relate it to alternative measures of couples and sexuality. Finally, we describe our data on parental characteristics.

3.1 Institutional setting

Throughout the paper, we consider fertility and health outcomes. Therefore, it is important to understand that Denmark is generally a country with a high level of government support for families with children, and that health care is almost exclusively provided at no or low cost at the point of use (see e.g. Danish Ministry of Health, 2017; Olejaz et al., 2012, for details on the health care system).

In Denmark, consultations with GPs and specialist practitioners as well as hospital care involve no costs for patients. Specialist practitioners care for patients in need of specialist care that cannot be handled by a GP, but not with symptoms sufficiently acute or severe to require hospital treatment. There are two main exceptions to the free health care provision as patients pay co-payments on: 1) prescriptions for medicine up to a certain threshold (DKK 4,110 $\approx$ USD 590 in 2019) and 2) treatment by psychologists, physiotherapists, and similar care not provided by medical doctors. However, if people are sufficiently income-constrained, municipalities tend to cover these costs.

Fertility is financially incentivised through multiple government policies in Denmark, including: 1) extensive parental leave with high salary replacement rates (see e.g. Jørgensen & Søgaard, 2024), 2) a high level of child benefits independent on income (see e.g. Jensen & Blundell, 2024), and 3) heavily subsidised childcare with local municipalities typically covering 75% or more of the cost of childcare until school age (see e.g. European Commission, 2022; Naumann et al., 2013). Schooling at all levels, including high school and university, is provided at no cost. As such, the direct costs of having children are relatively low in Denmark.

Today, subsidised fertility treatment is available for different-sex couples, single women, and women in same-sex relationships, but this has not always been the case. Like it is the case in other Western European countries, same-sex couples in Denmark only recently gained basic legal rights. Denmark was the first country in the world to legalise same-sex registered partnerships in 1989 (Søland, 1998). In 2012, same-sex couples obtained equal rights to civil marriage, as well as marriage within the Danish state church. Since 1999, it has been possible, under certain circumstances, for a same-sex partner to adopt the (potentially adopted) child of their partner, but not until 2010 could same-sex couples adopt jointly (Kjær, 2017). Although the right to adoption

has technically been the same for same-sex couples (and single individuals) as for different-sex couples since 2010, a number of practical barriers significantly limit access to adoption for same-sex couples. Hence, between 2011-2020, only 175 native children were put up for adoption in Denmark, and only one other country (South Africa) has ever allowed same-sex couples from Denmark to adopt (Adoptionsnævnt, 2024; Danish International Adoption, 2021). Surrogacy was technically unregulated in Denmark until 1997, but evidence suggests that only very few same-sex couples (of which only one person could be registered as a parent of the child at the time) have ever made use of this (Nordisk Ministerråd, 2006). Since 1997, surrogacy has effectively been prohibited in Denmark. Although individuals are legally allowed to act as surrogates, they are not allowed to undergo fertility treatment, neither within the public healthcare system nor at a private clinic (thus requiring the surrogate to be the biological parent of the child as well as insemination to happen without clinical assistance). Additionally, surrogates are not allowed to receive financial compensation (Indenrigs- og Sundhedsministeriet, 2019), and it is a criminal offence to advertise for a surrogate, whether this is done directly by the intended parents or through third parties (Social- og Boligministeriet, 2019). As such, a number of legal and practical barriers still limit access to parenthood for (especially male) same-sex couples in Denmark.

3.2 The children

For all the analyses that follow, we consider all children born in Denmark from 1974 to 1988.[12] Our latest data are from 2022 allowing us to observe our latest cohort in their 35th calendar year of life (i.e. the calendar year in which they turn 34). When considering labour market outcomes, such as income and unemployment, we need to observe children when they are sufficiently old to have finished education. We therefore observe labour income and public transfers/benefits from the children's 30th to 35th year of life, i.e. over six years (in the IND-register, we adjust all measures of income for inflation). Child income ranks are subsequently determined within each child cohort of the population, following Chetty et al. (2020b). For each adult child, we also calculate an average unemployment rate from their 30th to 35th year of life (employment status is from the AKM-register).

We also consider several demographic outcomes for the adult children: marriage, parental status, home region, and education level (in the BEF- and UDDA-registers). We observe all of these outcomes in the children's 35th year of life. When comparing the years spent in cohabiting relationships, we once more examine the six years from the children's 30th to 35th year of life.

Next, we consider a variety of health outcomes. Measures of all health outcomes are available from 1995 onwards. To consistently measure health outcomes over the same age range for each child cohort, we consider health outcomes from 22nd to 35th year of life (those born in 1974 are observed in their 22nd year of life in 1995). We observe all medical prescriptions for contraceptives, opioid painkillers, non-opioid painkillers, and prescriptions related to mental health conditions and substance abuse (in the LMDB-register). We also observe visits to hospitals, and whether each visit takes place at a hospital ward specialised in the treatment of psychiatric or somatic conditions (LPR_ADM, PSYK_ADM and LPR_F_FORLOEB). For each hospital visit, we

[12] We exclude children born abroad, as we need to be able to observe parental income in childhood.

use precise diagnostic codes to determine if the visit is related to substance abuse (LPR_DIAG, PSYK_DIAG, and LPR_F_DIAGNOSER). Finally, we observe patient visits to non-hospital practitioners, including GPs, psychologists, and psychiatrists (SYSI/SSSY). Non-hospital practising psychiatrists tend to care for patients with less acute and less complex conditions that do not require in-patient care.

3.2.1 Observing couples and sexuality

To obtain a population-wide indicator of sexuality, we want to identify cohabiting couples, and importantly, distinguish these couples from housemates. Based on the sex composition of an observed couple, we can infer an individual-level measure of sexuality. However, statistical agencies typically classify two cohabiting people of different sexes as a couple and same-sex cohabitants as housemates (Statistics Denmark, 2024; Statistics Finland, 2024). This induces misclassification because same-sex couples make up a non-negligible share of the population, and because housemates can be of different sexes. In the following, we describe how we overcome this limitation and observe couples (different-sex *and same-sex*) at the population-level.

To identify couples, we first need to identify two-adult households. To do so, we use the Danish population register (BEF) from 2003 to 2022 in which we observe the full Danish population and the address at which they reside. We concentrate on individuals residing at the same address (house/apartment) and exclude very large households.[13] Next, we remove children (retaining only the parent generation in multi-generational households) and exclude sibling pairs. We focus on all remaining two-adult households, which can either be cohabiting couples or housemates.[14]

To overcome misclassification and to identify same-sex cohabiting couples, we use recently released population-level data covering 2003-2022 on individuals' financial commitments. We use data on shared bank accounts (IRTEPERS/URTEPERS), joint bank loans and mortgages (PANTPERS), and jointly owned properties (EJER) from Statistics Denmark. We identify all financial commitments with two registered owners.

We can now separate our two-person households into cohabiting couples and housemates by exploiting that almost all cohabiting couples in Denmark have at least one shared financial commitment (data validation follows in Section 3.2.2). As such, we classify a two-adult household as a couple only if they share at least one financial commitment. We supplement the data on financial commitments by also classifying two-adult households as couples if they are married to each other or if they are legal parents of the same child.

We use the legal sex (which in Denmark is strictly binary, i.e., male or female) of each individual in a couple to derive a measure of sexuality at the individual level. Men who are observed in couples with women and, similarly, women observed in couples with men, we refer to as *different-sex attracted*. Men observed in couples with men, and women observed in relationships with women, we refer to as *same-sex attracted*. We also observe a small number of individuals

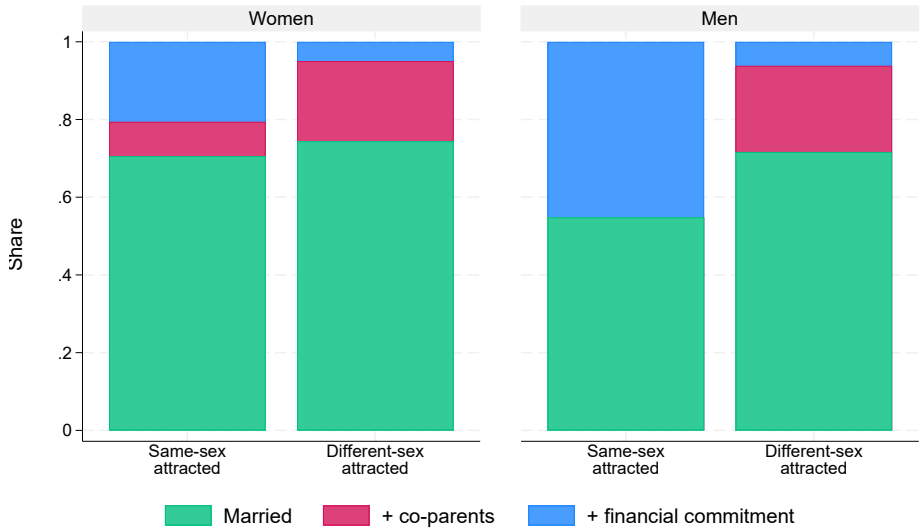
[13] With more than 10 people living at the same address; these are typically institutionally provided housing.

[14] To avoid households made up by an individual and, e.g., a step-parent who would not be legally registered as the individual's parent but with whom they share financial responsibilities, we do not consider a two-person household a couple if the age-difference is greater than 12 years (corresponding to the 95th percentile). In addition, we focus on people in cohabiting couples when they are older than 25 to exclude other cohabitation with potential caregivers.

who have lived in cohabiting couples with people of different sexes across two or more relationships. In our main analyses, we exclude this group as the small sample size rules out reliable statistical inference on intergenerational relationships in outcomes. We do, however, report various descriptive statistics for this group in Appendix B. We discuss the exclusion of this group in further detail in Section 3.2.3.

In our intergenerational analyses, we consider all children born in Denmark from 1974 to 1988. Our final sample of children includes those we observe in at least one cohabiting relationship at some point from 2003 to 2022. We identify a total of 823,219 adult children born in Denmark from 1974 to 1988, and we observe 83% of those in at least one cohabiting relationship with a financial or legal commitment. Of these, 1%, or 6,922 individuals, are observed exclusively in same-sex relationships, and 99%, or 671,412 individuals, exclusively in different-sex relationships. This distribution largely mirrors estimates from a significant cohort study focused on sexuality and sexual health in Denmark, in which 1.1% of respondents identified as gay or lesbian (Frisch et al., 2019).[15] We outline the characteristics of our sample in detail in Section 4.

Figure 1: Couple identification by measurement strategy



Notes: This figure shows the share of all identified couples that would be captured by increasingly inclusive identification strategies. The denominator is all couples identified through cohabitation combined with at least one financial or legal commitment (our main measure; see Section 3.2.1 for details). The first layer shows the share identified through marriage or registered partnership alone. The second layer adds couples identified through co-parenthood (but who are not married or in a registered partnership). The third layer adds the remaining couples identified only through shared financial commitments (joint bank accounts, loans, mortgages, or jointly owned property) while cohabiting. By construction, the three layers sum to one. We consider individuals observed in at least one cohabiting relationship with a financial or legal commitment between 2003 and 2022.

Figure 1 illustrates the value of using financial commitments to identify couples. For each group, the figure decomposes our identified couple population by the most conservative iden-

[15]Our estimate that approximately 1% of the population is observed in a same-sex couples is consistent with international census evidence. The 2020 US Census found that 1% of individuals in coupled households lived in same-sex couple households (US Census Bureau, 2024). Similarly, the 2021 Canadian Census recorded that 1.1% of couples were same-gender couples (Statistics Canada, 2022).

tification strategy that would have captured them: marriage or registered partnership; co-parenthood (for those not married); or cohabitation with a shared financial commitment (for those who are neither married nor co-parents). Among different-sex attracted individuals, marriage and co-parenthood together capture approximately 95% of couples, leaving only a small residual identified through financial commitments alone. The picture is strikingly different for same-sex attracted individuals. For same-sex attracted women, marriage captures 71% and adding co-parenthood brings this to 79%, meaning that shared financial commitments increase the number of identified same-sex attracted women by more than 25% relative to marriage and co-parenthood alone. For same-sex attracted men, the undercounting from traditional measures is even more severe: marriage captures 55%, co-parenthood adds almost nothing – reflecting the legal and biological barriers to parenthood discussed in Section 3.1 – meaning that shared financial commitments nearly double the number of identified same-sex attracted men relative to marriage alone. These patterns demonstrate that strategies relying on marriage and co-parenthood alone would miss a substantial share of same-sex couples, especially men.

3.2.2 Measurement validation

We undertake a number of validation exercises to test the validity of our new population-wide measure of sexuality. The details of these are available in Section A.1 in the Appendix. Here we provide a brief overview.

First, we show that shared financial commitments are highly prevalent among cohabiting couples who are married or parents of the same child, regardless of the sex composition of the couple (Table A.1). This shows that same-sex and different-sex couples observed through more conservative methods, i.e., marriage and co-parenthood, are equally likely to share financial responsibilities. Moreover, financial commitments are observed early in relationships for both groups – the majority of couples who eventually commit do so in year 0 of cohabitation (Figure A.1). Importantly, financial commitments substantially outperform legal commitments in identifying couples at early relationship stages: at year 0, the gap between financial and legal commitment rates is approximately 50% larger for same-sex couples (33–36 pp) than for different-sex couples (21–23 pp), demonstrating that reliance on legal commitments alone would disproportionately undercount same-sex couples.

Second, we compare the share and age distribution of observed cohabiting individuals with and without conditioning on shared financial commitments (Figures A.3 and A.2). This indicates that conditioning on financial commitment is instrumental in distinguishing between housemates and cohabiting partners.

Third, we consider relationship trajectories and show that the majority continues to partner with individuals of the same sex as their first observed partner, with many transitioning to marriage and co-parenting (Figures A.4 and A.5). This further supports the correct identification of cohabiting couples.

Fourth, we consider prescription contraceptive use among women in different types of cohabiting households and find further evidence that we correctly identify couples (Table A.3).[16] As

[16]We only use women's contraceptives as these are recorded in population-wide data on medical prescriptions.

expected, we find that women in same-sex relationships are generally less likely to use contraceptives, and we find no differences in contraceptive use between women in same-sex relationships based on the route of identification (marriage vs. joint child vs. cohabitation with joint financial commitment). For women with different-sex partners, contraceptive use varies substantially between various types of different-sex relationships, reflecting a decrease in contraceptive use when couples plan pregnancies.

Finally, in Section 4, we describe how the differences in mean outcomes between our samples of same-sex and different-sex attracted individuals align with those of previous studies from diverse contexts (including the paradoxical finding of higher education, but lower earnings for same-sex attracted men). These descriptives lend further credibility to our new measure of sexuality.

3.2.3 Measurement discussion

By observing joint financial responsibilities, we overcome some of the key data limitations to identify (especially same-sex) couples in population data appropriate for intergenerational analyses. As such, our measure of sexuality is not sensitive to the inconsistent terminology that may arise when using self-identification measures of sexual identity (Julian et al., 2024b), nor to differential sorting into marriage for people of different sexualities (Manning et al., 2022; Compton & Kaufman, 2024). We address potential concerns regarding selection into cohabitation and the uptake of financial commitments in Section 7.

Generally, sexuality tends to be observed in quantitative data in two ways: self-identification measures and behavioural measures. Behavioural measures can be based on sexual history or the sex of one's spouse; the latter has the advantage of being available through marriage registers in administrative datasets. Regardless of the choice of strategy, behavioural measures do not provide accurate measures of sexual *identity*. Firstly, because sexual and romantic behaviour does not necessarily correspond to a person's desires, as they may decide not to, or fail to, live these out. Second, and even more importantly, terms used for self-identification of sexuality mean different things to different people. As such, the same term may refer to a range of experiences. Examples of this include straight men who regularly have sex with other men (Silva, 2017). Therefore, behavioural measures and self-identifying measures of sexuality do not identify the same individuals as same-sex attracted and, as a consequence, nor the same sample characteristics within the same data set (Martell & Eschelbach Hansen, 2017; Mishel, 2019; Curley, 2018). The increasing diversity in gender and sexual identities, especially in younger cohorts, has led researchers specialising in the measurement of sexuality and gender to suggest the inclusion of questions related to couples' gender composition and cohabitation to construct behavioural measures of sexuality within surveys, even when self-identification questions are available (Julian et al., 2024a,b). Although cohabiting couples may be identified in survey data, identification remains difficult in datasets that cover an entire population. Census data may include information on both sexual identity and the gender of cohabiting partners, but in a census, cohabitation is only observed once. As same-sex relationships may be shorter (Lau, 2012), and there are breaks

Female contraceptions typically require prescriptions (e.g. pills and IUDs).

between relationships, same-sex couples will be observed less frequently in the cross-section. Therefore, repeated observations of couples allow for a more accurate identification of same-sex attracted individuals. We explore such household dynamics directly in our data in Section 5.3.

The same-sex attracted individuals we observe in our data all have a history of cohabiting relationships or marriage with someone of the same sex. This has the same advantages as previous behavioural strategies without suffering from the unequal access or differential sorting into marriage of same-sex attracted and different-sex attracted individuals. We believe this is an advancement from previous behavioural measures of same-sex attraction because it effectively identifies cohabiting same-sex couples. However, as all measures of sexuality, our measure has limitations.

Firstly, our measure does not capture the multitude of ways in which individuals may organise relationships (Compton & Kaufman, 2024). For example, we cannot observe the sexuality of individuals who never form romantic relationships that lead to cohabitation (we provide descriptive information on this group in Table B.4).

Second, we do not assess sexual identity, so we cannot distinguish between identity categories such as gay/lesbian, bisexual/pansexual, and heterosexual. For the same reason, we adopt the terminology "same-sex attracted" and "different-sex attracted". We focus our analyses on individuals who have only been in either same-sex or different-sex relationships, thus excluding individuals observed with both female and male partners across different relationships. This is primarily because of the limited sample size of the bi-attracted group, but also because the observation of this group relies on the observation of more than one cohabiting relationship, whereas we can observe same-sex and different-sex attraction as soon as an individual has entered *one* cohabiting relationship.[17] Thus, some of the individuals we observe as different-sex attracted or same-sex attracted will experience attraction towards people of various sexes, just as a minority of those who identify as gay or lesbian may enter different-sex relationships later in life (Mernitz et al., 2024).

Finally, as we observe sex based exclusively on legal sex (which is strictly binary in Denmark), our analyses cannot capture gender identity. This limitation means that the sexuality of individuals who do not identify within the gender binary, as well as of the non-negligible share of trans individuals who have not changed their legal sex (Thomsen et al., 2024), will also be inferred based on their and their partner's legal sex.

3.3 The parents

Our primary parental characteristic is labour market income in the first 21 years of children's lives (from the IND-register).[18] For all analyses, we consider the sum of parental labour income of both parents. After adjusting parental income for inflation and taking the sum over the relevant

[17] The asymmetric observation requirements introduce a potential comparability concern: same-sex and different-sex attraction are identified after a single relationship spell, whereas bi-attraction requires multiple spells, potentially selecting on partnership turnover or longer exposure within the 2003–2022 observation window.

[18] Danish income registers only start in 1980. For our earliest cohorts, born in 1974 to 1979, we therefore do not observe parental income in the very first years of life. For example, for those born in 1974, we observe parental income from 1980 to 1994, year 7 to year 21. Parental income ranks are determined within child cohorts to reflect this.

21 years, we rank parental income from 0 to 100 within child cohorts. This approach follows that of Chetty et al. (2014), but we take advantage of the fact that the Danish data on parental income are available further back in time, allowing us to consider parental income throughout children's upbringing.

In addition, we consider the age at which children cease to live at the same address as their parents, and whether children reside in the same region as at least one parent by their 35th year of life. We observe potential cohabitation with parents and parental home region in the BEF-register, spanning 1985 to 2022.[19]

4 Descriptive analyses

In Table 2, we present all outcomes included in the intergenerational analyses, alongside relevant parental characteristics by sex and sexuality. This provides an overview before we advance to the intergenerational analyses. Given our new strategy for identifying same-sex attracted individuals, these descriptives also offer new evidence on the characteristics of same-sex attracted individuals at the population level.

We generally divide child outcomes and parental characteristics into five broad categories: 1) labour market outcomes and education, 2) health outcomes, 3) family and household characteristics of the adult children, 4) parental characteristics, and 5) parent-child relationship dynamics. We consider differences in means across the five categories below.

Labour market and education: Table 2 reveals contrasting labour market outcomes by sex and sexuality. Same-sex attracted women earn more than different-sex attracted women (+3.11 percentile points, or 11,820 DKK annually) and achieve higher educational attainment, despite similar unemployment rates. Different-sex attracted women receive more public benefits, likely reflecting higher fertility rates and associated maternity leave and child benefits.

In contrast, same-sex attracted men earn substantially less than different-sex attracted men (-4.51 percentile points, or -22,735 DKK annually), despite higher educational attainment and lower fertility rates. They experience slightly higher unemployment rates, receive fewer unemployment benefits, but more public benefits overall – a pattern consistent with lower fertility (fewer parental leave benefits) and more years of education (more educational benefits).

These findings mirror previous research identifying a "lesbian pay premium" and "gay pay penalty" alongside higher educational attainment for both same-sex attracted groups (see Badgett et al., 2024, for review). We believe this provides further evidence of the validity of our method for identifying couples, based on the observation of shared financial commitments.

Health: General health visit patterns largely reflect fertility differences. Different-sex attracted women have more GP visits and non-psychiatric hospital admissions than same-sex attracted women, but these differences disappear when excluding fertility-related visits, indicating that fertility drives the differences. Conversely, same-sex attracted men visit GPs more frequently but have fewer non-psychiatric hospital admissions than different-sex attracted men.

[19] As BEF is only available from 1985, information on children's cohabitation with their parents is not observable prior to age 11 for our first child cohort, born in 1974. As such, when considering the age of the child when ending cohabitation with parents, we truncate the values below 11 and set them equal to 10 for all cohorts for consistency.

Table 2: Summary statistics

	Women			Men		
	Same-sex	Dif.-sex	Difference	Same-sex	Dif.-sex	Difference
Individual outcomes						
Labour market and human capital (30-35)						
Labour income rank	47.232	44.122	3.109***	57.980	62.485	-4.505***
Labour income (1000 DKK)	272.017	260.197	11.820***	337.590	360.325	-22.735***
Unemployed, share	0.150	0.150	0.000	0.101	0.085	0.017***
Public transfers/benefits (1000 DKK)	39.648	59.465	-19.817***	20.573	18.565	2.008***
Unemployment benefits (1000 DKK)	22.910	32.301	-9.391***	12.748	13.155	-0.406
Years of education	15.377	15.203	0.175***	15.047	14.808	0.239***
Health (22-35)						
Visits						
GP visits (no.)	85.607	112.608	-27.001***	53.012	43.705	9.307***
Somatic hospital (any)	0.965	0.990	-0.026***	0.904	0.932	-0.029***
Somatic hospital (no.)	11.388	13.972	-2.584***	6.610	7.298	-0.688***
Somatic hospital, ex. fertility (no.)	9.457	9.722	-0.265*	6.038	6.986	-0.948***
Psychologist (any)	0.208	0.185	0.023***	0.106	0.066	0.040***
Psychologist (no.)	2.196	1.745	0.450***	0.956	0.490	0.466***
Psychiatrist (any)	0.113	0.075	0.038***	0.084	0.046	0.038***
Psychiatrist (no.)	1.997	1.397	0.601***	1.423	0.689	0.734***
Psychiatric hospital (any)	0.187	0.118	0.069***	0.126	0.072	0.054***
Psychiatric hospital (no.)	0.980	0.421	0.559***	0.464	0.231	0.232***
Substance abuse hospital (any)	0.067	0.042	0.026***	0.062	0.054	0.007*
Substance abuse hospital (no.)	0.177	0.081	0.096***	0.135	0.108	0.027*
Prescriptions						
Opioid analgesics (any)	0.276	0.252	0.024***	0.209	0.203	0.006
Opioid analgesics (no.)	1.691	1.483	0.207	0.969	1.112	-0.143
Non-opioid analgesics (any)	0.766	0.736	0.030***	0.651	0.662	-0.011
Non-opioid analgesics (no.)	5.529	4.546	0.983***	3.157	2.890	0.267**
Contraceptive (any)	0.559	0.962	-0.403***			
Contraceptive (no.)	8.906	26.081	-17.176***			
Mental health (any)	0.371	0.317	0.053***	0.310	0.202	0.108***
Mental health (no.)	10.850	6.136	4.714***	6.074	3.492	2.582***
Substance abuse (any)	0.019	0.007	0.012***	0.016	0.024	-0.008***
Substance abuse (no.)	0.155	0.102	0.053	0.201	0.160	0.041
Alcohol abuse (any)	0.016	0.005	0.011***	0.014	0.022	-0.008***
Alcohol abuse (no.)	0.040	0.013	0.027***	0.054	0.054	-0.000
Family and household outcomes						
Fertility (35)						
Parent	0.490	0.852	-0.362***	0.048	0.769	-0.721***
No. of children if parent	1.522	1.962	-0.440***	1.193	1.807	-0.615***
Age at first birth	29.950	27.644	2.306***	29.319	28.823	0.495*
Household income and composition (30-35)						
Years in cohab. relationship	3.089	4.407	-1.318***	2.678	4.055	-1.377***
Married	0.470	0.572	-0.102***	0.301	0.512	-0.211***
Household income rank	43.527	57.697	-14.170***	50.620	55.133	-4.513***
Partner income rank	45.381	65.465	-20.084***	45.073	49.518	-4.445***
Partner income rank (in relationship only)	44.170	62.728	-18.558***	53.755	36.643	17.112***
Parental characteristics						
Parental income (1-21)						
Parental income rank	51.582	51.015	0.567	50.332	51.761	-1.429***
Father income rank	50.870	50.891	-0.021	51.038	51.531	-0.492
Mother income rank	52.210	50.793	1.417***	49.332	51.359	-2.027***
Mechanisms						
Parent-child relationship (35)						
Max. years living with parents	21.028	20.268	0.760***	21.112	21.817	-0.706***
Same municipality as parents	0.295	0.432	-0.136***	0.212	0.442	-0.230***
Same minor region as parents	0.470	0.641	-0.171***	0.343	0.638	-0.295***
Same major region as parents	0.623	0.762	-0.139***	0.522	0.761	-0.238***
N	4,122	339,594		2,800	331,818	

Notes: This table reports means of outcomes by sex and sexuality. Numbers in parentheses state the years in which an outcome is observed, i.e., 30-35 refers to the 30th-35th years of life. For parental outcomes, numbers in parentheses refer to child years of life. Income measures are inflation-adjusted to 2015-levels. *Max years living with parents* refers to the year last observed living in a household with parents until year 35. See Section 3 for further details on variables and data construction. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Mental health outcomes reveal consistent disparities. Same-sex attracted individuals of both sexes show substantially higher rates of mental health service use and prescriptions, aligning with established evidence of elevated mental health risks among sexual minorities (see Wittgens et al., 2022, for meta-analysis). Same-sex attracted women are more likely to receive treatment from psychologists and psychiatrists, to have psychiatric hospitalisations, and to receive mental health prescriptions compared to different-sex attracted women. They also show higher rates of substance abuse, alcohol abuse, and opioid-related treatments, and receive more opioid and non-opioid analgesics. Similar trends are observed at the intensive margin across all mental health outcomes, although these are not statistically significant for counts of opioid abuse and substance abuse prescriptions.

Same-sex attracted men exhibit similar patterns of elevated mental health service use, with one notable exception: they are less likely than different-sex attracted men to receive prescriptions for substance and alcohol abuse treatment.

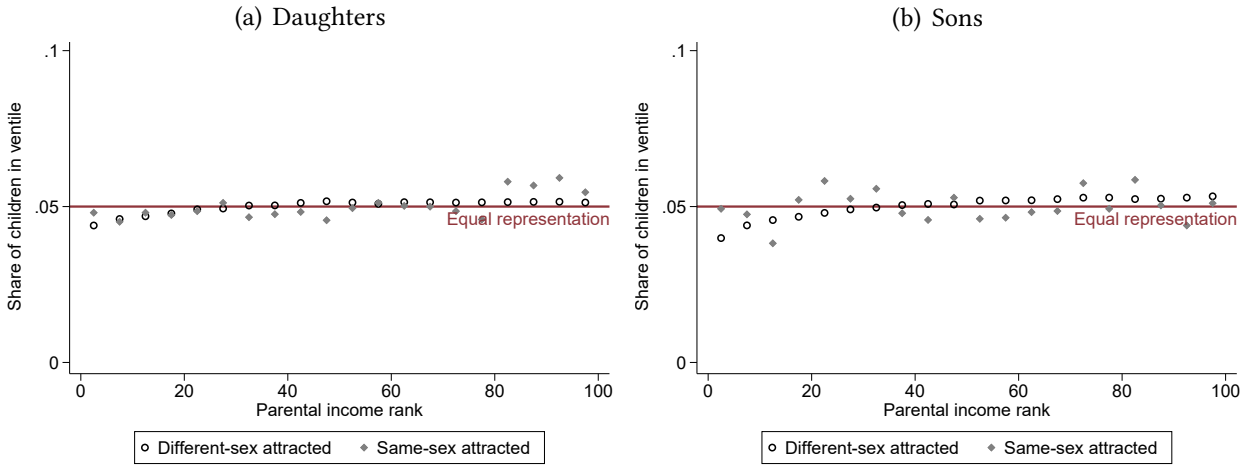
Family and household: Table 2 shows that same-sex attracted individuals are less likely to marry or have children than their different-sex attracted counterparts. These differences are particularly stark for men: different-sex attracted men are over 16 times more likely to have children than same-sex attracted men. Women show smaller but still substantial and significant differences. Beyond their demographic interest, these patterns highlight the advantages of identifying same-sex attracted individuals through cohabitation and joint financial commitments rather than marriage and parenthood alone.

Same-sex attracted individuals spend less time in cohabiting relationships – particularly men – compared to different-sex attracted individuals. This contributes to lower household incomes for same-sex attracted individuals, alongside substantially lower mean partner incomes. However, the mechanisms differ by sex. For same-sex attracted men, lower unconditional partner income stems primarily from longer periods outside relationships: when restricting to years in relationships, same-sex attracted men's partners earn significantly more than different-sex attracted men's partners (i.e., women). Conversely, same-sex attracted women's partners earn less than different-sex attracted women's partners (i.e., men) even when considering only relationship years. These patterns reflect broader sex income differences, where female partners typically earn less than male partners regardless of relationship type.

Parental characteristics: Table 2 reports very similar parental income ranks for same-sex and different-sex attracted children (albeit slightly lower for same-sex attracted men). In Figure 2, we further explore potential differences in selection by parental income by plotting the distribution of same-sex attracted and different-sex attracted individuals across the parental income distribution. Parental income distributions are based on parental earnings from the child's 1-21 years of life and are ranked within child cohorts. Figure 2 shows a near identical distribution of children by sexuality (same-sex vs. different-sex). The equal representation of same-sex and different-sex attracted individuals across the parental income distribution is consistent with our conceptual framework's implicit assumption that the probability of entering a (same-sex) cohabiting relationship does not vary strongly with parental income. However, Table 2 indicates that,

on average, mothers of same-sex attracted women have slightly higher labour market income compared to mothers of different-sex attracted women. For men, we find the reverse, with Table 2 showing a higher average maternal income rank among different-sex attracted men compared to same-sex attracted men; however, the differences are small.

Figure 2: Distribution of same-sex and different-sex attracted individuals across parental income ventiles



Notes: This figure plots the share of different-sex and same-sex attracted children in each the parental income ventile. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables.

Parent-child dynamics: We examine parent-child relationship dynamics through two measures: age at leaving the parental home and geographical proximity to parents in adulthood. Regarding age at leaving the parental home, we find contrasting patterns by sex. Same-sex attracted women leave home later than different-sex attracted women (by 0.76 years), whilst same-sex attracted men leave earlier than different-sex attracted men (by 0.71 years). For geographical proximity in the 35th year of life, same-sex attracted individuals – particularly men – are consistently less likely to live near their parents than different-sex attracted individuals across all three geographical levels examined.

5 Estimates of intergenerational mobility by sexuality

After documenting substantial differences in mean outcomes between same-sex and different-sex attracted individuals, we want to explore to what extent these differences depend on parental background, and particularly, on parental income. We do so by estimating Equation 3.

We consider a wide range of outcomes, $y_{i,c}^{k}$, ranging from income ranks to the use of mental health prescriptions. When considering income, we calculate income ranks for both children and parents within child cohorts, capturing any beyond-inflation trends in income and changes in the shape of the income distribution across cohorts. However, other outcomes, such as the extensive margin use of mental health prescriptions, cannot be naturally ranked within cohorts, and results

may be affected by trends across cohorts. Thus, we report results including cohort FEs as controls throughout Appendices C to D. We further control for sibling FEs in Section 7.

5.1 Individual outcomes

5.1.1 Labour market outcomes and education

Our conceptual framework predicts that same-sex attracted men face earnings penalties from discrimination ($\beta_s < 0$), while same-sex attracted women may experience a premium from reduced child penalties ($\beta_s > 0$). For both groups, we predict that parental resources may facilitate access to more tolerant labour markets, implying $\beta_{sp} > 0$ (see Table 1). We now test these predictions.

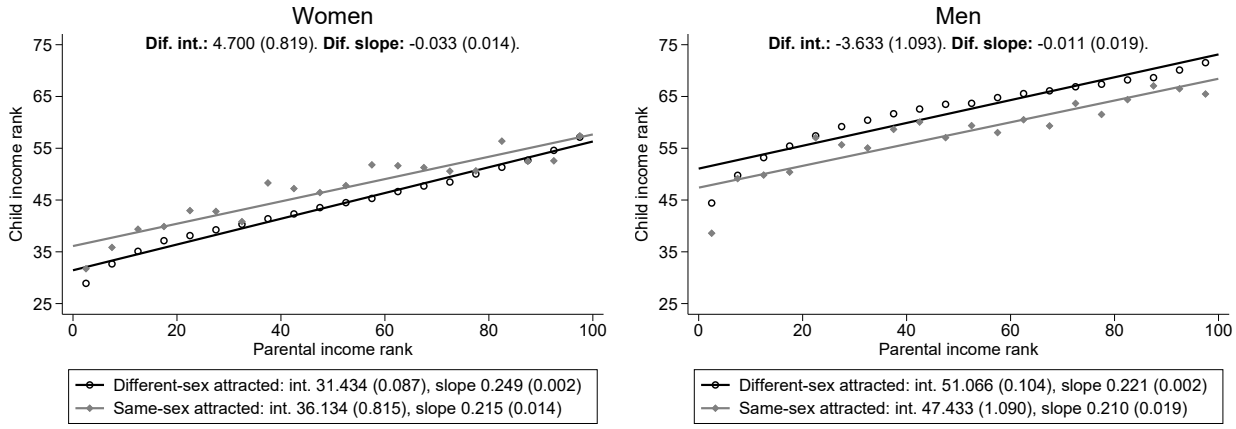
Figure 3 illustrates intergenerational mobility in terms of labour market outcomes and educational attainment for men and women based on their sexuality. Panel (a) shows the income rank of different-sex attracted and same-sex attracted individuals across the parental income distribution. For women we see that those who are same-sex attracted show higher absolute mobility compared to different-sex attracted women, with a 4.70 higher rank at the intercept compared to different-sex attracted women. Same-sex attracted women also have slightly higher relative mobility (a flatter rank-rank slope) and therefore, the earnings gap narrows as parental income increases. Together, this shows that the "lesbian premium" found in previous studies of the labour market outcomes of sexual minorities exists across the entire parental income distribution but to a decreasing degree as parental income increases. Hence, the premium for same-sex attracted women is particularly pronounced for those with parents at the lowest end of the income distribution (see e.g. Klawitter, 2015, for an overview of estimates of earnings gaps by sexuality). We find no difference in relative mobility between same-sex attracted and different-sex attracted men, but we see a difference in absolute mobility, with a higher level for different-sex attracted men corresponding to a percentile rank difference of 3.56. Hence, we find lower earnings for same-sex attracted men across the entire parental income distribution, showing that even the same-sex attracted men who grow up with the most financially resourceful parents do not overcome the "gay penalty" in mean earnings (Klawitter, 2015). Despite the relatively lower earnings of same-sex attracted men and the relatively higher earnings of same-sex attracted women (compared to different-sex attracted individuals of the same sex and same parental income), the overall "gender pay gap" persists, with men earning more than women across the entire parental income distribution regardless of their sexuality (see e.g. the review by Blau & Kahn, 2017). As such, different-sex attracted women represent the lower extreme, and different-sex attracted men represent the higher extreme when considering the absolute mobility in terms of income.

Panel (b) considers unemployment as the differences in Panel (a) could be driven by the extensive margin. Panel (b) shows no differences between same-sex attracted individuals and different-sex attracted individuals in absolute mobility, offering no explanation for the differences in absolute mobility in terms of income. We find minimally higher relative mobility in terms of unemployment for same-sex attracted women compared to different-sex attracted women and same-sex attracted men compared to different-sex attracted men.[20]

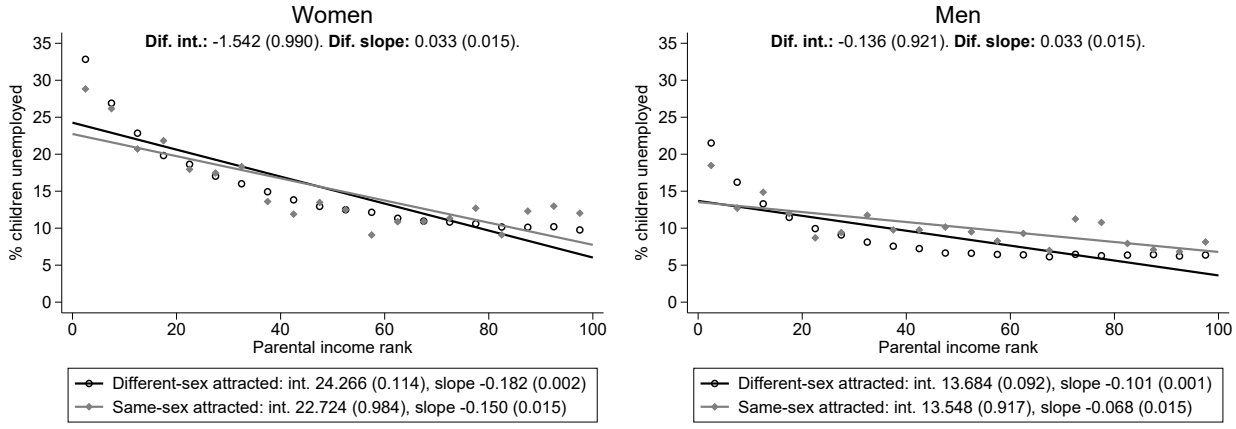
[20]Note from the plotted ventile means that the relationship between parental income and child unemployment is

Figure 3: Intergenerational mobility, income and human capital

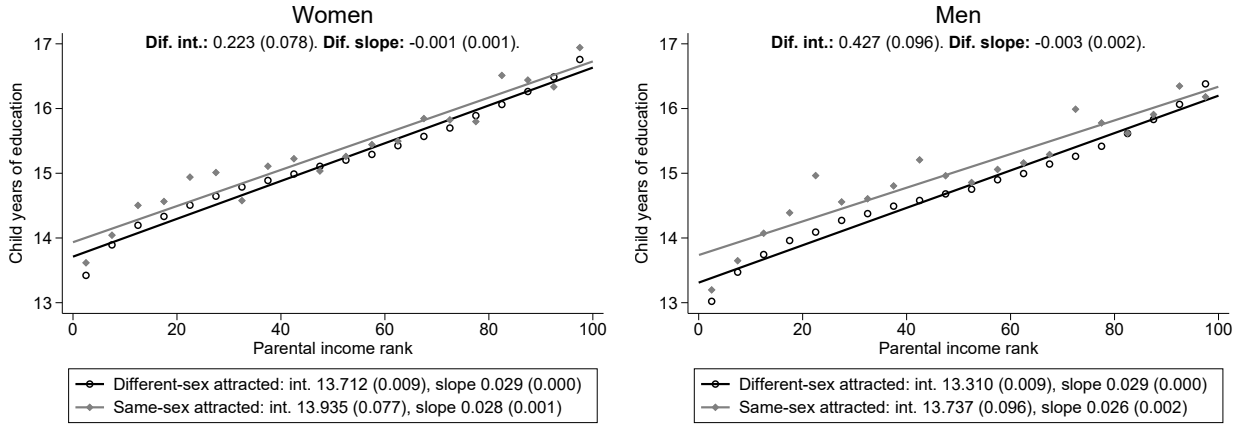
(a) Labour income rank



(b) Unemployment



(c) Years of education



Notes: In this figure, we plot estimates of Specification 3. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child income is measured over 6 years (30th-35th year of life), child education level in the 35th year of life, and parental income over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors in parentheses; see Tables C.6 to C.12 for point estimates from all specifications.

Another potential driver of the differences in absolute mobility in terms of earnings is educational attainment, given the positive financial returns to education (Blundell et al., 2005; Björklund & Salvanes, 2011). In Panel (c) we therefore consider child years of education across the parental income distribution. We observe that women generally have higher educational attainment than men, and that same-sex attracted women have higher educational attainment across the parental income distribution compared to different-sex attracted women. Similarly, same-sex attracted men have higher educational attainment than different-sex attracted men across the parental income distribution. We find no significant differences in relative mobility when considering education. This confirms the finding from previous studies that same-sex attracted individuals have higher educational attainment (Badgett et al., 2024), but we add to this by demonstrating that the higher mean educational attainment of same-sex attracted individuals is not solely driven by those who grow up with the most financially resourceful parents; even same-sex attracted children from the bottom of the parental income distribution outperform their different-sex attracted peers with respect to education. The higher educational attainment among same-sex attracted women may contribute to their relatively higher earnings. However, as same-sex attracted men also outperform different-sex attracted men in terms of education across the parental income distribution while facing an equally consistent income penalty, differences in intergenerational mobility in terms of earnings do not merely reflect differences in education.

5.1.2 Health

Our conceptual framework predicts elevated rates of (mental) health difficulties among same-sex attracted individuals ($\beta_s > 0$ for adverse outcomes). Parental resources may mitigate these differences through both reduced exposure and enhanced coping capacity, so we predict gaps should narrow with parental income ($\beta_{sp} < 0$). We examine multiple (mental) health indicators with varying access profiles to address potential confounding between underlying health status and access to care.

Health has been identified as an area of particular concern for sexual minorities (Zeeman et al., 2019), but, as is the case for income and educational attainment, health disparities have been observed at the mean and have yet to be explored from an intergenerational perspective relative to parental income. At the same time, health and earnings are linked through a bidirectional relationship, as poor health may negatively affect labour market outcomes (Halla & Zweimüller, 2013) and vice versa (Thomson et al., 2022). Thus, examining the health of sexual minorities within an intergenerational framework may provide insights into both the mechanisms contributing to the increased risk of health conditions among sexual minorities and the differences in intergenerational mobility of earnings.

In Figure 4, Panel (a), we consider the total number of GP visits from the 22nd to 35th year of life, and we see a substantial difference in the absolute mobility of women, with different-sex attracted women having substantially more GP visits at the intercept (β_s = -29.94) across the entire parental income distribution. This should be viewed in light of the significantly higher fertility rates among different-sex attracted women, as pregnancy increases the demand for GP visits.

particularly non-linear for all groups. We reach similar conclusions when considering the non-linear relationships.

Furthermore, as shown in Section 3.2.2, different-sex attracted women demonstrate a notably higher demand for prescription contraceptives, necessitating monitoring GP visits. For men, we find the reverse, with equal levels of relative mobility, but with lower absolute mobility of same-sex attracted men (β_s = 10.48) resulting in a consistently higher number of GP visits across the entire parental income distribution for same-sex attracted men. We do not observe diagnoses for GP visits, and as such, we consider other health outcomes to further understand these dynamics.

Figure 4, Panel (b), shows the number of somatic hospital visits, excluding fertility-related visits. For women, we see no differences between same-sex and different-sex attracted individuals, indicating that the higher number of GP visits among different-sex attracted women (for which we do not know the cause) is likely explained by differential fertility behaviours. We see that same-sex attracted men have fewer somatic hospital visits, again, across the entire parental income distribution compared to different-sex attracted men (β_s= -1.31), and also that they do not receive more prescription painkillers. As such, their higher number of GP visits across the parental income distribution is not likely to be related to an increased risk of somatic symptoms. In contrast, same-sex attracted women receive more painkiller prescriptions across the full parental income distribution despite their lower fertility rates (β_s= 1.10).

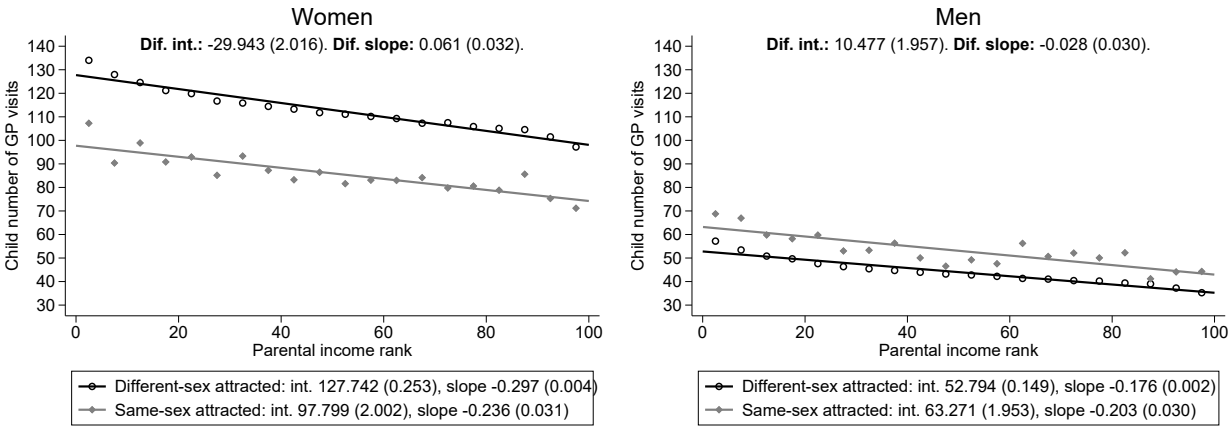
After considering the treatment of somatic health conditions, we turn to mental health. In Figure 5, Panel (a), we first show intergenerational mobility in terms of the uptake of mental health prescriptions. Prescriptions may be issued by an individual's GP (e.g., in cases of depression and anxiety) or a specialised medical doctor at a hospital or in private practice. We see substantially higher levels of mental health treatment among same-sex attracted individuals across the entire parental income distribution, but no differences in relative mobility. These results indicate a same-sex attraction mental health penalty that is not overcome irrespective of parental financial resources.

In Figure 5, Panel (b), we consider psychiatric hospital treatments which, compared to mental health prescriptions, indicate more serious or persistent cases of mental health conditions. For same-sex attracted individuals we again find substantially lower levels of absolute mobility (i.e., higher uptake of psychiatric hospital treatment) compared to different-sex attracted individuals of the same sex, but now we also see a small but significant difference in relative mobility. This shows that the relatively higher demand for psychiatric treatment among same-sex attracted individuals increases as parental income decreases. For women, we see a similar pattern when considering hospital treatment related to substance abuse in Panel (c), with higher uptake of treatment among same-sex attracted women across the entire parental income distribution, but with the relatively higher risk further amplifying at the lower end of the income distribution. Thus, we find a persistent "mental health penalty" among same-sex attracted individuals regardless of parental income levels. However, the higher risk of *severe* mental health conditions at the lower end of the parental income distribution intersect with sexuality, resulting in same-sex attracted children from low-income families being particularly likely to experience severe mental health conditions.

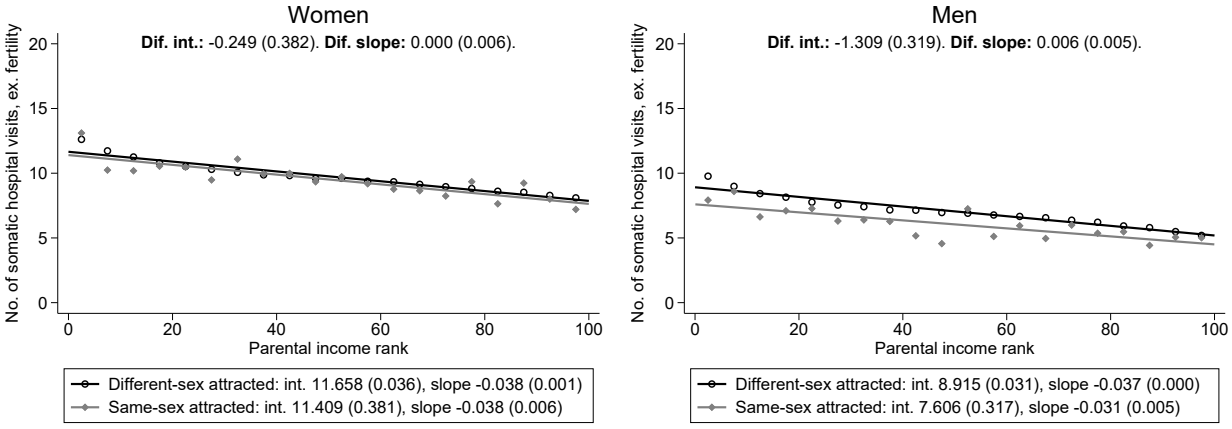
We present intergenerational analyses of other health-related outcomes in Tables C.7, C.8, and C.9 in Appendix C. We see similar trends in most outcomes, i.e., higher numbers of visits

Figure 4: Intergenerational mobility, general health outcomes

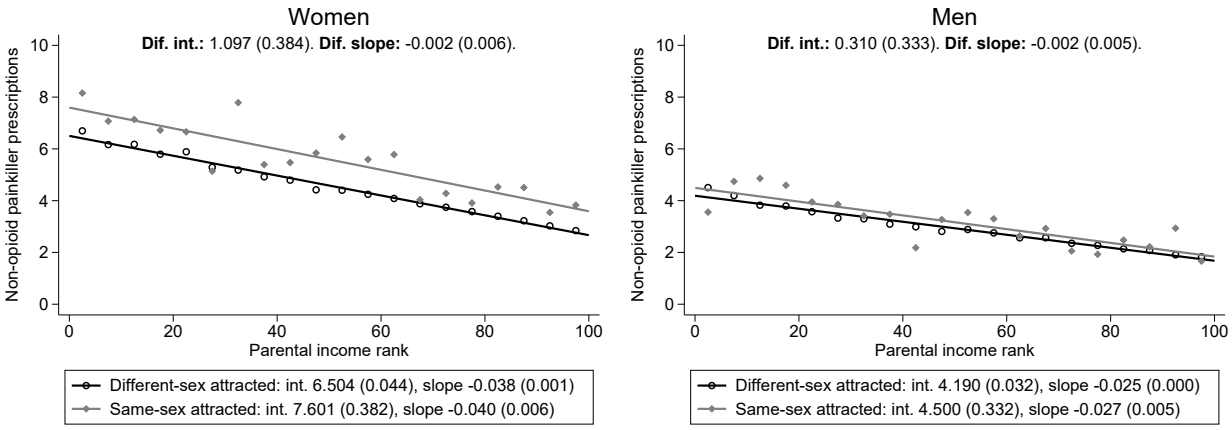
(a) GP visits



(b) Somatic hospital visits, excl. fertility



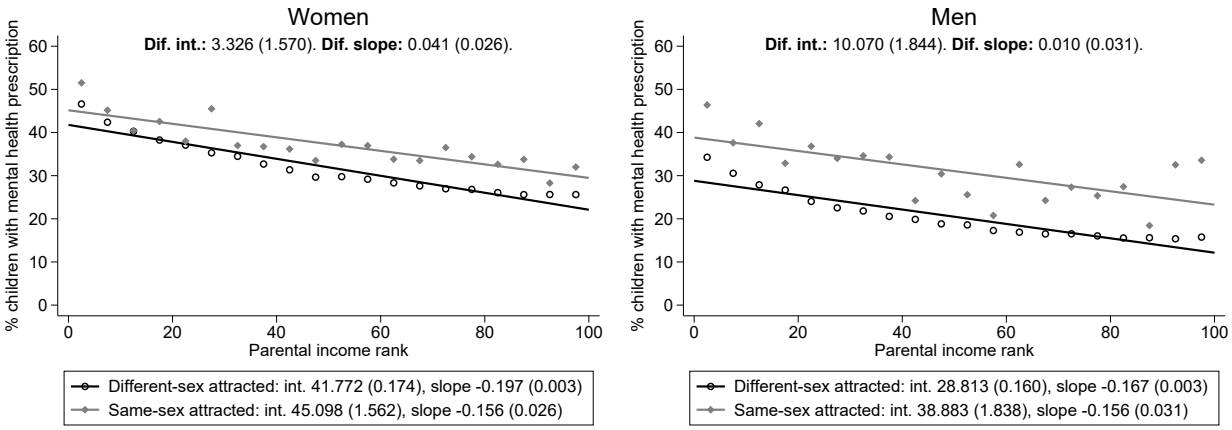
(c) Analgesic prescriptions



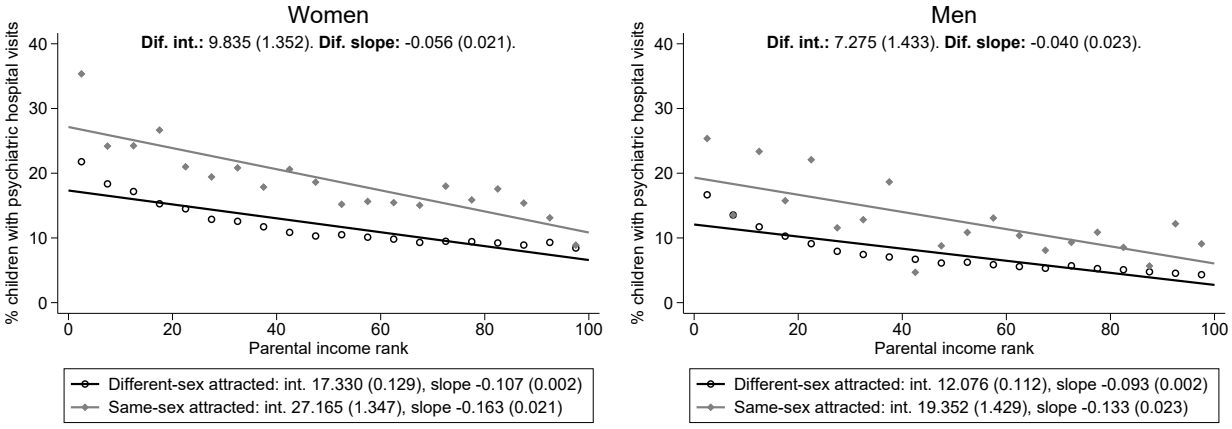
Notes: In this figure, we plot estimates of Specification 3. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child health outcomes are measured from the 22nd to 35th year of life, and parental income over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors in parentheses; see Tables C.6 to C.12 for point estimates from all specifications.

Figure 5: Intergenerational mobility, mental health outcomes

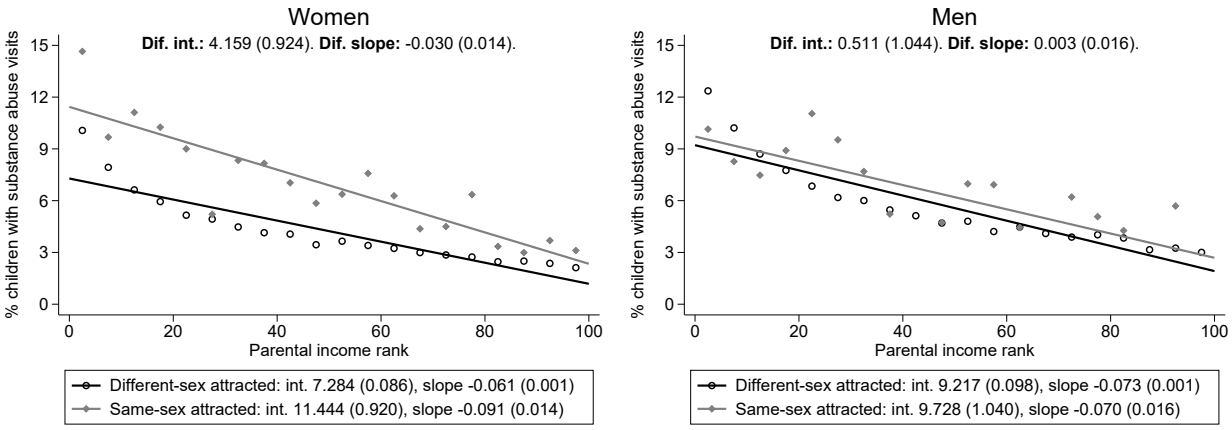
(a) Mental health prescriptions



(b) Psychiatric hospital visits



(c) Substance abuse



Notes: In this figure, we plot estimates of Specification 3. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child health outcomes are measured from the 22nd to 35th year of life, and parental income over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors in parentheses; see Tables C.6 to C.12 for point estimates from all specifications.

and prescriptions related to mental health across the entire parental income distribution when comparing same-sex attracted individuals to different-sex attracted individuals.

5.2 Household outcomes

5.2.1 Fertility

Our framework predicts large baseline fertility gaps ($\beta_s < 0$) due to legal restrictions, biological constraints, and costs of assisted reproduction. Critically, we predict heterogeneous income gradients: for women, where biological parenthood is possible but costly, gaps may narrow with parental income ($\beta_{sp} > 0$); for men, where barriers are substantial regardless of resources, we predict $\beta_{sp} \approx 0$.

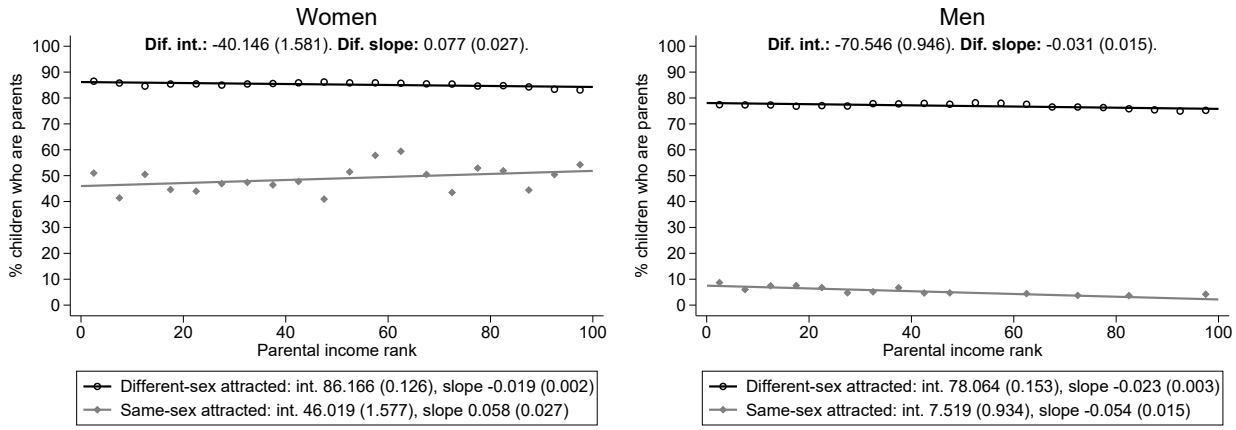
Having a child is a life-changing event with immediate and long-lasting effects on a person's daily life and on, especially mothers', earnings; this effect is often referred to as the "child penalty" (Adams et al., 2024; Kleven et al., 2019; Lalive & Zweimüller, 2009). The fertility outcomes of same-sex couples have captured the interest of researchers across disciplines, but this is yet to be studied through an intergenerational lens. Considering the fertility outcomes of same-sex and different-sex attracted individuals in relation to their parents' financial resources may not only help us understand the drivers behind the fertility behaviours of both groups (i.e., who becomes a parent and when?), but may also uncover mechanisms contributing to the intergenerational mobility gaps in income observed between these groups. In Figure 6, Panel (a), we consider the share of parents (i.e., among those we refer to as children in our intergenerational analyses). For different-sex attracted men and women, parental rates are consistently high, although slightly decreasing across the parental income distribution. The share of same-sex attracted women who are parents is substantially lower than that of different-sex attracted women; however, contrary to the latter, we observe an increasing probability of having a child across the parental income rank for same-sex attracted women, which may be partially explained by costly infertility treatments (see Groes et al., 2024). In Panel (b), we consider the number of children an individual has, conditional on being a parent. For women, we observe a pronounced absolute mobility gap at the intensive fertility margin, and the gap persists across the parental income distribution. Finally, in Panel (c), we see that across the entire parental income distribution, same-sex attracted women are more than two years older than different-sex attracted women when having their first child. Again, the difference is slightly larger at the lower end of the income distribution. As child penalties on women's lifetime earnings are particularly high for those who have their first child at a young age (Leung et al., 2016), the relatively older age of same-sex attracted women at first childbirth is likely to contribute to their comparatively higher earnings.

The higher age at first child, along with lower fertility at both the extensive and intensive margins among same-sex attracted women at the lower end of the parental income distribution, may contribute to the particularly higher absolute income mobility in these women. As these mobility gaps narrow across the parental income distribution, so does the gap in labour market income between same-sex attracted and different-sex attracted women.

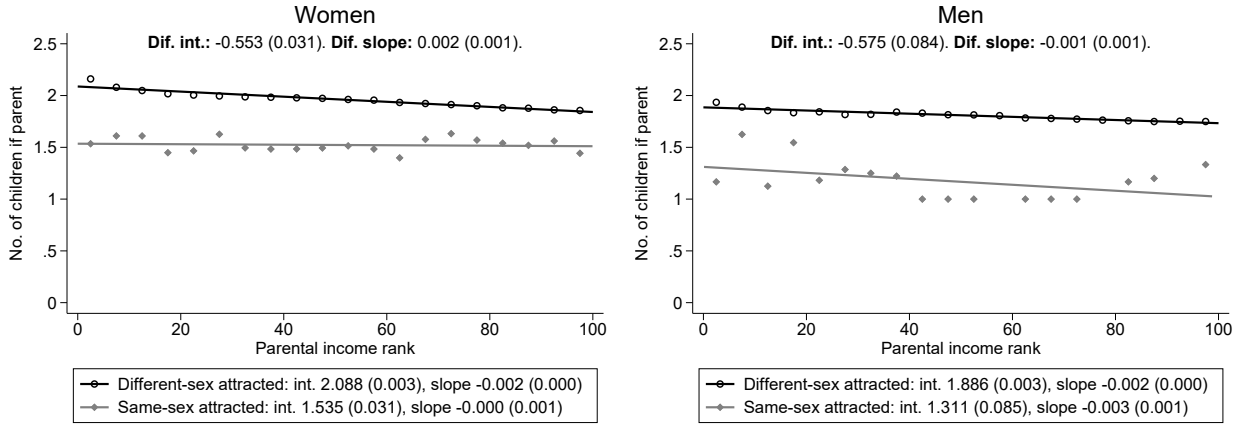
At the extensive margin, the fertility of same-sex attracted men significantly differs from that of different-sex attracted men across the entire parental income distribution, with a 70.5 percentage point (pp) difference at the intercept. We do not observe higher relative mobility among

Figure 6: Intergenerational mobility, fertility

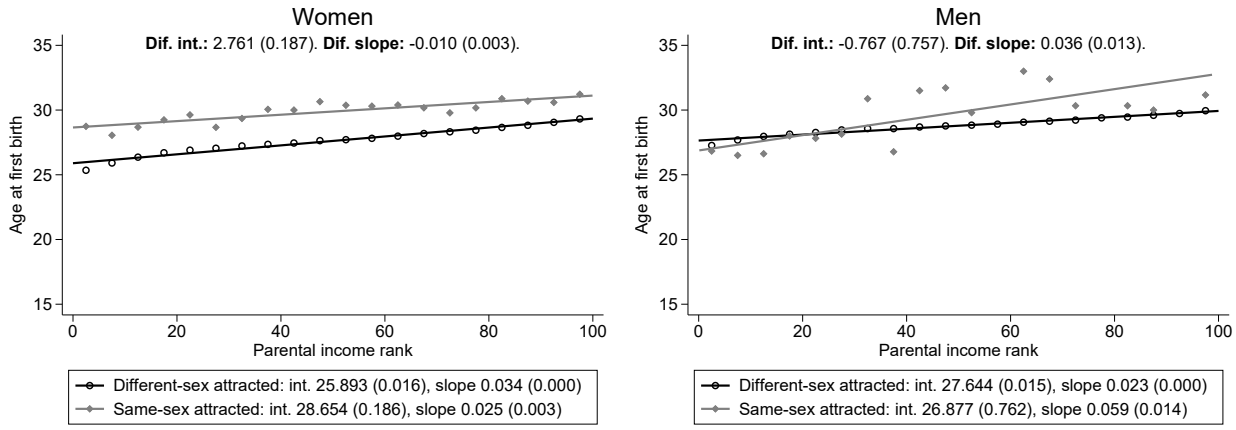
(a) Parent



(b) Number of children if parent



(c) Age at first child



Notes: In this figure, we plot estimates of Specification 3. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child fertility outcomes are measured in the 35th year of life, and parental income over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors in parentheses; see Tables C.6 to C.12 for point estimates from all specifications.

same-sex attracted men compared to their different-sex attracted counterparts regarding fertility. This is despite the potential need for financial resources to overcome barriers to parenthood for same-sex attracted men. Rather, we find a marginal decrease in the share of same-sex attracted men who parent across the parental income distribution. The small number of same-sex attracted men who do become parents also have fewer children across the entire parental income distribution compared to different-sex attracted men. Compared to different-sex attracted men, the few same-sex attracted fathers are relatively older at the birth of their first child as their parental income increases.

The overall lower fertility among same-sex attracted individuals is not surprising given the legal and practical barriers to having children with a same-sex partner. Such barriers may be more easily overcome by those with fewer financial constraints, potentially explaining the fertility increase of same-sex attracted women across the parental income distribution. These findings align with the higher mean household income but lower fertility among same-sex attracted men compared to same-sex attracted women (as shown in Table 2 above). Our findings suggest that barriers to parenthood for same-sex attracted men are, however, not easily mitigated by financial resources. This is likely because surrogacy is de facto not permitted in Denmark (Tanderup et al., 2024; Indenrigs- og Sundhedsministeriet, 2019), while all women and different-sex couples are eligible for reproductive assistance through both public and private healthcare systems.

5.2.2 Household income

Household income involves multiple channels that complicate predictions of the signs of β_s and β_{sp}. Rather than signing predictions, our framework highlights the empirical importance of decomposing household income gaps into these constituent mechanisms; we proceed with each of these below.

A couple of two women will, on average, experience a lower household income than a couple comprising a man and a woman due to "the gender pay gap". The positive gap in absolute income mobility for same-sex attracted women may, however, mitigate these expected differences in household income. In contrast, couples of two men are expected to have higher household incomes than a couple consisting of a man and a woman, even if same-sex attracted men have lower labour market income than different-sex attracted men; on average, same-sex attracted men still earn more than women in the labour market. However, these conclusions depend on the relative matching of same-sex attracted individuals and the number of years spent in cohabiting relationships.

Figure 7, Panel (a), confirms that partner earnings are substantially lower across the parental income distribution for same-sex attracted women compared to their different-sex attracted counterparts; the reverse is true for men. For both same-sex attracted men and women, we observe slightly higher relative mobility (a flatter slope), indicating less assortative matching (defined here as the relationship between parental earnings and partner earnings) compared to different-sex attracted individuals. Nevertheless, the most notable difference lies in absolute mobility, mirroring the trends seen in individual income.

To understand household income dynamics, it is essential to consider relationship dynam-

ics. Figure 7, Panel (b), shows that same-sex attracted men spend less than half of the six years in which potential partner earnings are observed (years 30-35 of life) with a cohabiting partner. Consequently, across the entire parental income distribution, same-sex attracted men spend 1.26 fewer years in relationships than their different-sex attracted counterparts during these six years. Similarly, same-sex attracted women spend 1.32 fewer years in relationships compared to different-sex attracted women, a pattern that is also consistent across the parental income distribution.

In periods outside relationships, partner income is, by definition, zero, which substantially lowers average household income. The influence of time without a partner is evident from Panel (c), where we consider household income relative to parental income, including periods outside relationships. Despite the absolute mobility premium experienced by same-sex attracted women regarding their individual income, the combination of fewer years in relationships and the generally lower earnings of their female partner(s) results in a significant gap in absolute mobility concerning household income, equivalent to -11.46 rank points at the intercept. The gap in household income between same-sex attracted and different-sex attracted women widens as parental income increases due to lower levels of assortative matching. For same-sex attracted men, the combination of lower earnings, longer time spent outside relationships, and less assortative matching means that their household income at the intercept is roughly equal to that of different-sex attracted men, but with a widening gap as parental income rank increases, even though the partners of different-sex attracted men (i.e. women) have considerably lower labour market income.

5.3 Potential mechanisms

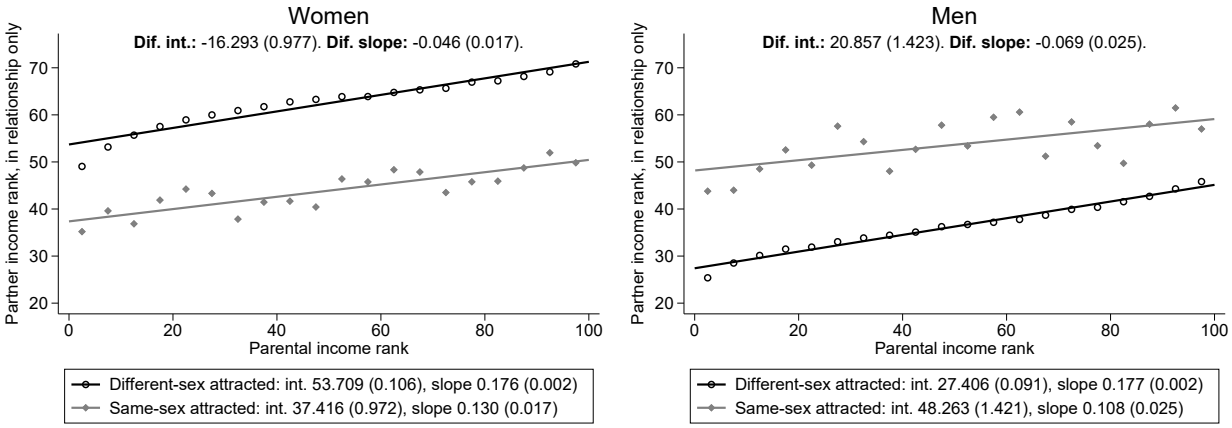
Across individual and household outcomes, we have found that parental income plays a differential role in the lives of their adult children, depending on sexuality. This may be due to the quality or closeness of the parent-child relationship. Our framework predicts that same-sex attracted individuals live farther from their parents ($\beta_s < 0$) due to both migration to tolerant environments and family rejection. Geographic distance may itself serve as both an outcome reflecting identity costs and a mechanism limiting ongoing parental support, potentially affecting other outcomes we examine. To explore this potential mechanism, we approach the parent-child relationship by considering the timing of moving out and proximity to parents after moving out.

In Figure 8, Panel (a), we plot the age at which individuals last lived with their parents. We see that same-sex attracted women are older when last living with their parents compared to different-sex attracted women. This holds true across the entire parental income distribution, with a marginally significant difference in relative mobility. For men, we find the opposite trend, as different-sex attracted men generally live longer with their parents and exhibit almost perfect relative mobility (a flat slope), whereas same-sex attracted men tend to live with their parents for shorter periods and demonstrate lower relative mobility. Consequently, the earlier age at which same-sex attracted men move out is particularly pronounced at the lower end of the parental income distribution.

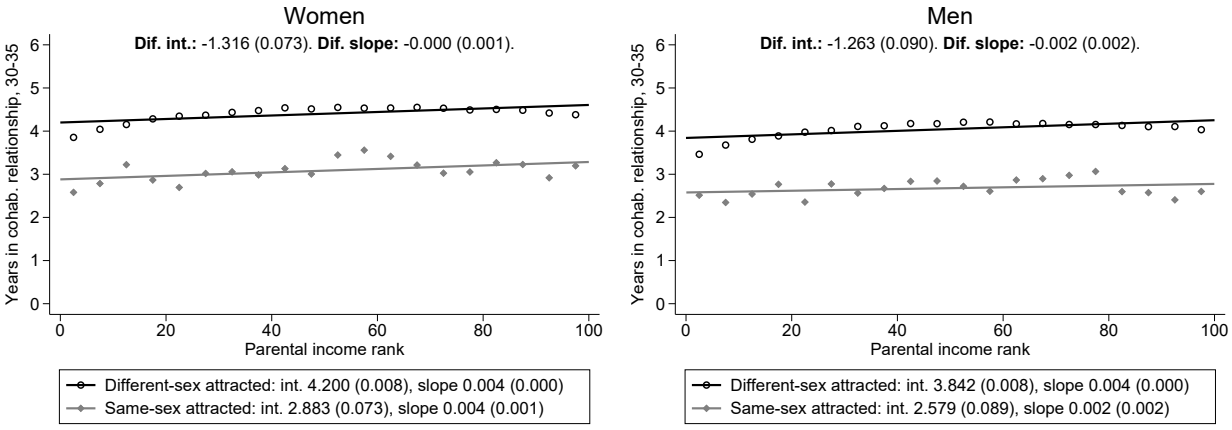
In Figure 8, Panel (b), we consider distance to parents in the children's 35th of life. We find

Figure 7: Intergenerational mobility, household income

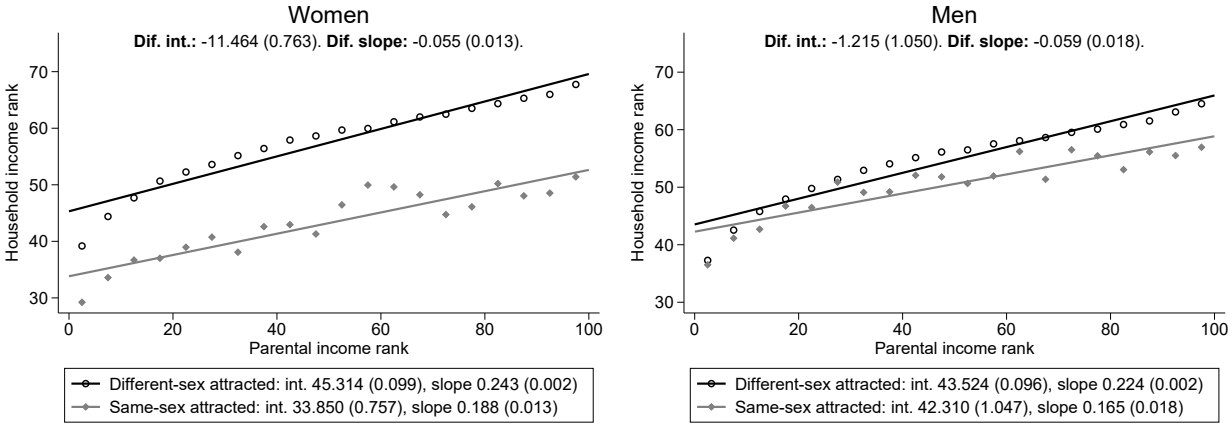
(a) Partner income when in relationship



(b) Years in relationship



(c) Household income



Notes: In this figure, we plot estimates of Specification 3. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child, child's partner, and child's household income is measured over 6 years (30th-35th year of life), and parental income over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors in parentheses; see Tables C.6 to C.12 for point estimates from all specifications.

that for women, irrespective of sexuality, a higher parental income rank correlates with a lower likelihood of residing in the same geographical region as their parents. With a substantial difference in absolute mobility, same-sex attracted women are significantly less likely to live near their parents, although they tend to be older when they move out. Different-sex attracted men exhibit a pattern nearly identical to that of different-sex attracted women, whereas same-sex attracted men are the least likely to reside in the same geographical region as their parents. This trend is most pronounced at the lower end of the parental income distribution. For same-sex attracted men specifically, we observe a decrease in the probability of living in the same geographical region as their parents as parental income rank decreases. Overall, this indicates that same-sex attracted men growing up with low-income parents are the most likely to move out early and relocate further from their parents. These dynamics may be attributed to same-sex attracted men preferring greater distance from their parents, as well as low-income parents being less likely to reside near preferred locations.

These results imply a potential mechanism – physical distance from parents – for the sustained gaps in other outcomes, as this may be related to reduced parental support (Hünteler & Mulder, 2020). That same-sex attracted individuals are consistently more likely to locate in other regions than parents also highlight the importance of considering geographical heterogeneity in the estimated mobility parameters; consequently, we further explore geographical and cohort differences in Section 8.

6 Decompositions

To understand the drivers behind the – often stark – differences in mean outcomes between different-sex attracted and same-sex attracted individuals, we have so far considered three factors: 1) differences in parental income, 2) differences in absolute mobility, and 3) differences in relative mobility. In terms of our conceptual framework, absolute mobility differences (β_s) capture baseline identity costs at low parental income, while relative mobility differences (β_{sp}) capture the parental income-dependence of these costs. As a next step, we want to assess the relative importance of these three factors. We do so using the Oaxaca-Blinder decomposition framework, which allows us to quantify the contributions of each factor to observed mean differences in outcomes.[21] Table 2 and Figure 2 shows that there is little difference in parental income ranks

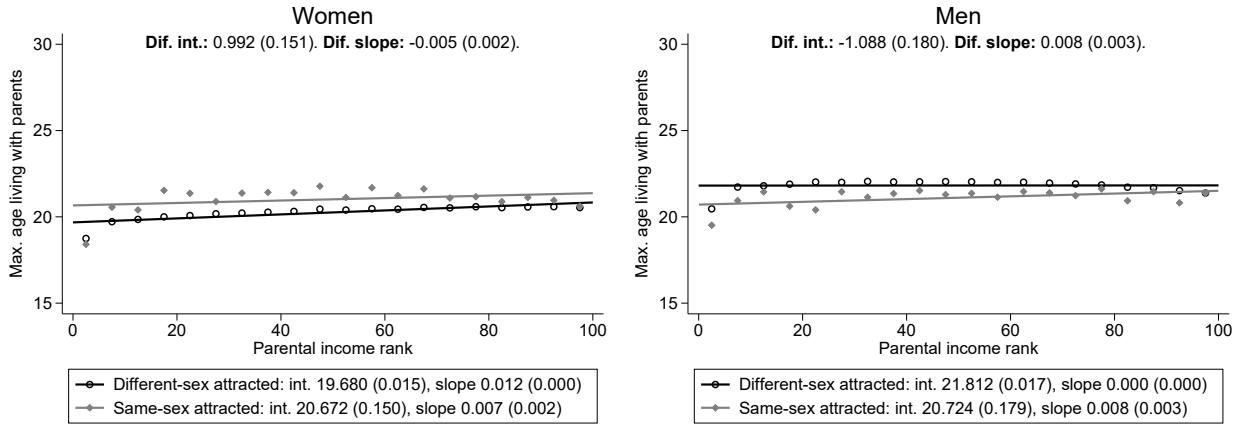
[21]This method was developed in Oaxaca (1973) and Blinder (1973), and is described in Fortin et al. (2011). We follow the terminology of Fortin et al. (2011). A detailed Oaxaca-Blinder decomposition yields the following:

$$\underbrace{\bar{y}_{sc} - \bar{y}_c}_{\text{A: Total gap}} = \underbrace{\hat{\beta}_s}_{\text{B: Unexplained from absolute mob.}} + \underbrace{\hat{\beta}_{sp}\bar{y}_{sp}}_{\text{C: Unexplained gap from relative mob.}} + \underbrace{(\bar{y}_{sp} - \bar{y}_p)\hat{\beta}_p}_{\text{D: Explained gap}} \tag{9}$$

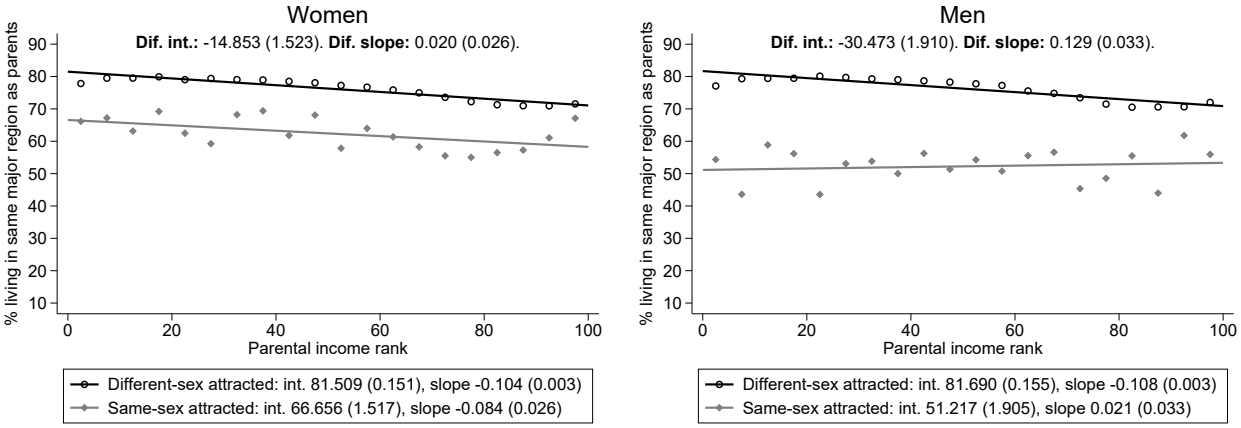
where $\bar{y}_{sc}$ and $\bar{y}_c$ denotes the mean income ranks same-sex attracted and different-sex attracted individuals, respectively. Similarly, $\bar{y}_{sp}$ and $\bar{y}_p$ are the mean income ranks of the parents of each group. $\hat{\beta}_s$, $\hat{\beta}_{sp}$, and $\hat{\beta}_p$ are the coefficients estimated from Specification 3, where $\hat{\beta}_s$ is the difference in intercept/absolute mobility between same-sex and different-sex attracted individuals, and $\hat{\beta}_{sp}$ the difference in slope on parental income/relative mobility, and $\hat{\beta}_p$ the slope/relative mobility for different-sex attracted individuals. Following Fortin et al. (2011), we refer to the sum of B and C as the "unexplained" part of the differences in means (that is, unexplained by differences in parental income ranks between the two groups). The term D yields the "explained" gap (that is, explained by differences in parental income ranks between the two groups).

Figure 8: Intergenerational mobility, parent-child relationship

(a) Age when last living with parents



(b) Living in same region as parents



Notes: In this figure, we plot estimates of Specification 3. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child and parent region of residence is measured in the 35th year of life of each child, and parental income over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors in parentheses; see Tables C.6 to C.12 for point estimates from all specifications.

between same-sex and different-sex attracted individuals, i.e. $\bar{y}_{sp} \approx \bar{y}_p \approx y_{p,50}$, where $y_{p,50}$ is the median parental income rank. As such, $\bar{y}_{sp} - \bar{y}_p \approx 0$, and we can simplify the standard Oaxaca-Blinder decomposition to:

$$\underbrace{\bar{y}_{sc} - \bar{y}_c}_{\text{A: Total gap}} \approx \underbrace{\hat{\beta}_s}_{\text{B: Unexplained from absolute mob.}} + \underbrace{\hat{\beta}_{sp}\bar{y}_{sp}}_{\text{C: Unexplained gap from relative mob.}} \tag{10}$$

We illustrate this simplified decomposition in Figure 9 by plotting the following two terms:

$$\text{Dif}_{mean} = \frac{B+C}{\bar{y}_c} \times 100 \approx \frac{\bar{y}_{sc} - \bar{y}_c}{\bar{y}_c} \times 100, \qquad \text{Dif}_{\text{abs.}} = \frac{B}{\bar{y}_c} \times 100 = \frac{\hat{\beta}_s}{\bar{y}_c} \times 100 \tag{11}$$

Dif_{mean} gives the percentage difference in means, including both differences due to absolute and relative mobility (indicated by blue circles in Figure 9). $\text{Dif}_{\text{abs.}}$ gives the percentage difference

in means due to absolute mobility differences (indicated by pink circles in Figure 9). As such, any distance between the pink and blue circles in Figure 9 is approximately due to differences in relative mobility.

Figure 9 summarises the findings from Sections 4 and 5, but with differences between same-sex and different-sex attracted individuals now expressed in percent relative to the relevant mean for different-sex attracted individuals. In Figure 9, Panel (a) we include the results for women, and in Panel (b), the results for men. As before, we see that same-sex attracted women have higher earnings relative to different-sex attracted women, and that the opposite is true for men. However, Figure 9 also reveals that earnings differences are small relative to differences in health outcomes, partnership dynamics, and location choices. However, the main takeaway from Figure 9 is that for the vast majority of outcomes, differences between same-sex and different-sex attracted individuals are driven by differences in absolute mobility (i.e. the distances between the pink and blue circles tend to be small). This conclusion is important as it highlights that (dis)advantage in outcomes experienced by same-sex attracted individuals is largely similar independently of parental income. In other words, higher parental income tend not to alleviate the (dis)advantage experienced by same-sex attracted individuals. The main exception to this general conclusion is in psychiatric and substance abuse treatment, especially for women, where higher relative mobility for same-sex attracted individuals (a flatter slope in health-rank relationship) reduce the difference in outcomes between same-sex and different-sex attracted individuals at the median parental income rank.

As we identify differences in absolute mobility as the primary driver of differences in means, this will be the focus in the sections that follow, including in specifications controlling for selection through sibling FEs, as well as in heterogeneity analyses by regions and cohorts.

7 Selection and sibling comparisons

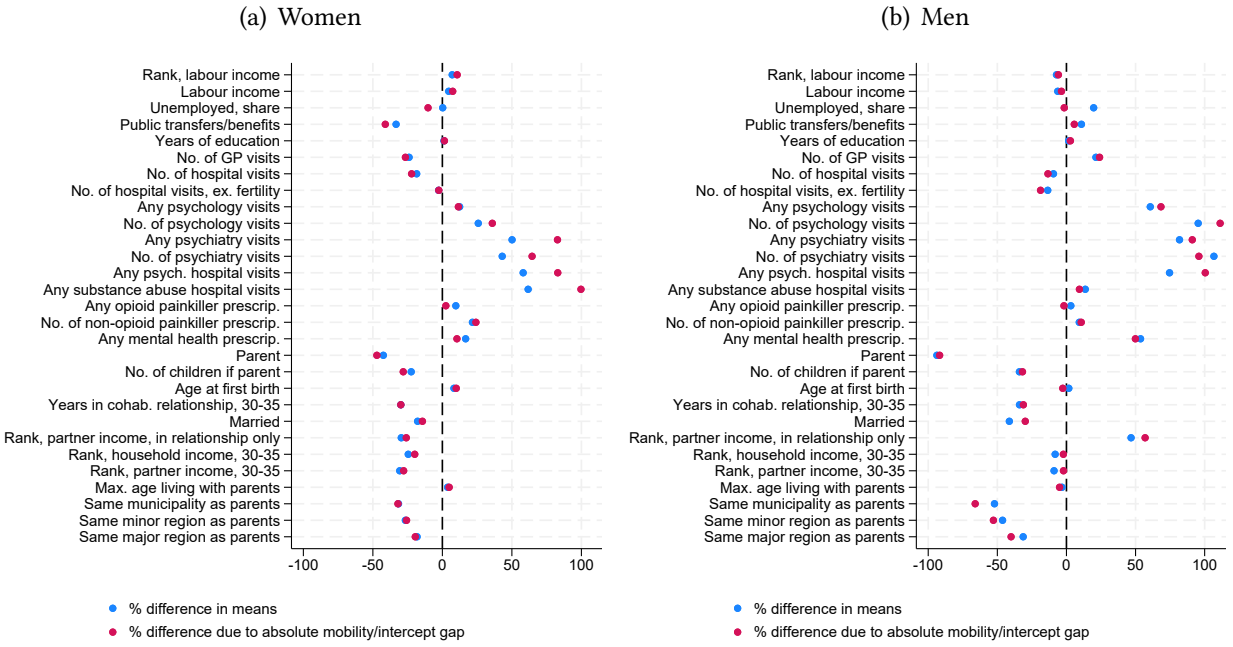
Selection poses a key concern when studying sexual minorities, as researchers only observe those who disclose their sexuality.[22] Whilst our sample shows similar parental income backgrounds between same-sex and different-sex attracted individuals (see Figure 2 and Table 2), same-sex attracted individuals who live in same-sex relationships may differ in unobservable parental characteristics from those who do not. This could confound the causal effect of sexuality with selection into disclosure. As outlined in Section 2.5, we address this concern by introducing sibling FEs to our model.[23]

Tables C.6 to C.12 in Appendix C present estimates from: 1) our main specification, as shown in Figures 3 to 8; 2) specifications with cohort FEs; 3) Estimates from our main specification on the 57% sibling subsample; 4) Specification 3 with added sibling FEs estimated on the sibling sample; and 5) Specification 8 estimated on the sibling sample. We summarise these results in Figure 10,

[22] Individuals can disclose sexuality directly in surveys, through marriage/co-parenting with same-sex partners in administrative studies, or – as in this paper – through same-sex relationships with joint financial commitments.

[23] A further selection concern could relate to sibling order and family size; evidence suggests that younger siblings, especially male, are more likely to be same-sex attracted (see e.g. Kabátek & Blanchard, 2025). To address this, we further add controls for the interactions between sex, sibling order, and family size in Figure D.6 and observe that our results do not change.

Figure 9: Decomposition of differences in means

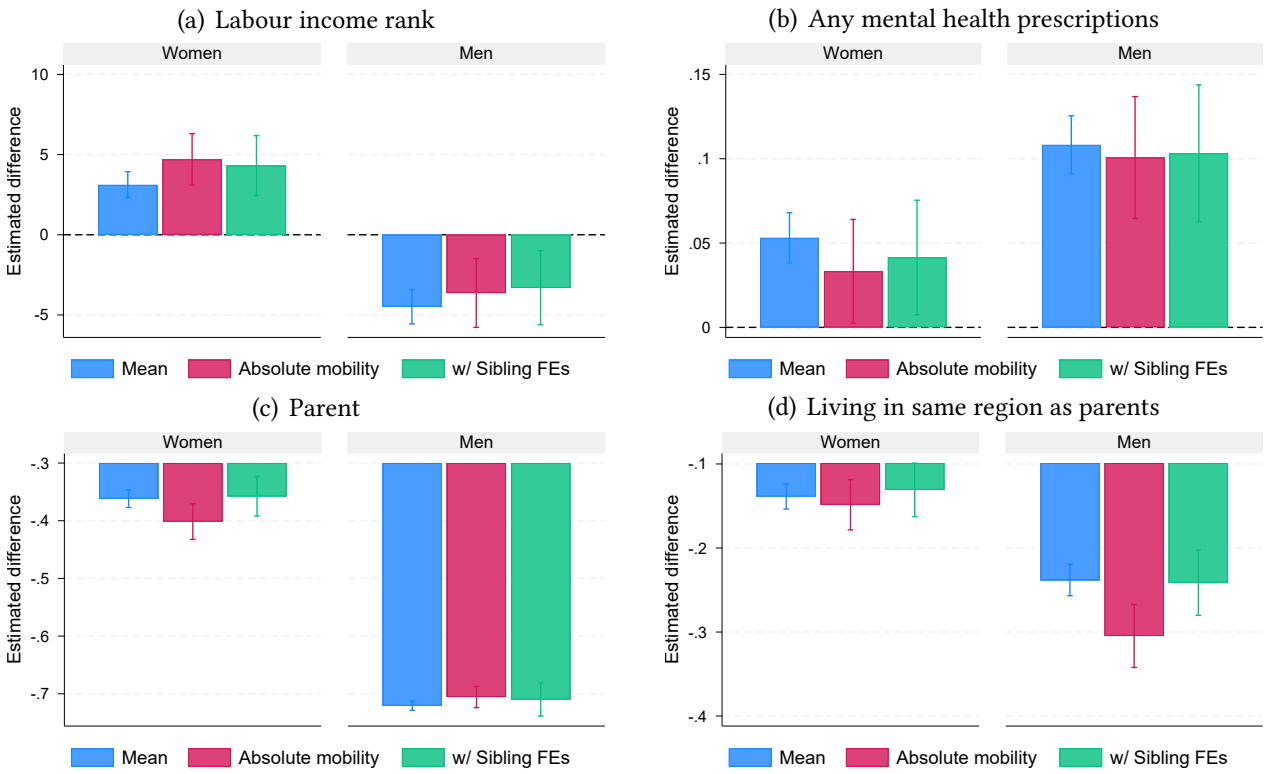


Notes: In this figure, we plot estimates of Equation 11 which are differences in outcomes between same-sex and different-sex attracted individuals. Blue circles give the percentage difference in means, including both differences due to absolute and relative mobility. Pink circles give the percentage difference in means due to absolute mobility differences. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child, child's partner, and child's household income is measured over 6 years (30th-35th year of life). Child education, fertility outcomes, as well as child and parent region of residence are measured in the 35th year of life of each child. Child health outcomes are measured from the 22nd to 35th year of life. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables.

comparing simple differences in means to absolute mobility differences (β_s) from Specification 3 and sibling FEs estimates from Specification 8 for four key outcomes. Panel (a) shows that in terms of income rank, same-sex attracted women experience higher income at the mean, as well as higher absolute mobility and positive causal effects (≈4.5 rank points). Same-sex attracted men show comparable negative effects in means and in both specifications with and without sibling FEs. Panel (b) shows similar gaps in mental health prescription use, both in mean differences, absolute mobility differences, and sibling FEs estimates. Results are also very similar across specifications for men. Panel (c) demonstrates that lower fertility rates amongst same-sex attracted individuals are not driven by unobserved parental heterogeneity. Panel (d) shows similar estimates for proximity to parents, with slightly smaller difference in means and sibling FEs estimates for same-sex attracted men compared to the estimated difference in absolute mobility. This difference reflects the role of relative mobility for this outcome for same-sex attracted men (see discussion in Section 5.3).

Our estimates, which control solely for parental income, closely match those that account non-parametrically for family background through sibling FEs. The sibling FE specification yields estimates approaching causal effects of sexuality on early adulthood outcomes, suggesting that our results are not sensitive to selection into disclosure beyond what parental income explains.

Figure 10: Comparing results from main specification to those with sibling FEs



Notes: In this figure, we plot estimates of simple differences in means between same-sex and different-sex attracted (blue bars), β_s from Specification 3 (pink bars) and Specification 8 (green bars) respectively. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. See Section 3 for details on data construction and variables. Child income is measured over 6 years (30th-35th year of life). Child health outcomes are measured from the 22nd to 35th year of life. Child fertility outcomes, as well as child and parent region of residence are measured in the 35th year of life of each child. Parental income is measured over 21 years (1st-21st year of each child's life). See Tables C.6 to C.12 for point estimates from all specifications. 95%-level confidence intervals indicated, based on standard errors clustered at the sibling level.

This robustness across specifications with and without sibling FEs is pertinent in many other contexts, as alternative data sources on the outcomes of sexual minorities typically lack data on siblings and their outcomes, rendering a fixed-effects approach infeasible.

8 Heterogeneity and extensions

In Section 5, we report comparisons between all our observed same-sex attracted and different-sex attracted individuals. However, to better understand the underlying dynamics behind our results and for policy purposes, the potential heterogeneity *within* the group of same-sex attracted individuals is also crucial to understand. In the following, we explore heterogeneity across two key dimensions: childhood regions and cohorts.

Same-sex attracted individuals (men, in particular) remain more concentrated in metropolitan areas than different-sex attracted individuals (Wimark & Fortes De Lena, 2022). Therefore, we may expect that same-sex attracted individuals growing up in metropolitan areas are less likely to face certain minority stressors (Meyer, 1995), which may affect their outcomes in terms of earnings, health, and relationships. In addition, our data consist of 15 cohorts (born 1974-1988),

allowing us to consider if differences in mobility parameters between same-sex attracted and different-sex attracted individuals change over time as Denmark (at the same time as many other OECD countries) have changed policies to become more inclusive of same-sex attracted individuals (see e.g. Evertsson et al., 2020). Informed by the discussion in Section 6, we focus primarily on differences in intercepts, i.e. absolute mobility, in the following sections. In addition, we focus on three representative outcomes: labour income rank, any mental health prescriptions, and finally, whether individuals are parents. Results for the remaining outcomes are included in Appendix D.

Finally, in Section 8.3, we extend our analysis of income differences between same-sex attracted and different-sex attracted individuals by also considering variation in child income ranks conditional on parental income rank. This approach complements our previous analyses since differences in conditional mean child income ranks between same-sex attracted and different-sex attracted individuals do not provide insight into the dispersion of child income.

8.1 Regional differences

An extensive literature documents the importance of childhood home region for economic outcomes (for results from the US, see e.g. Chetty et al. 2014; for results from Denmark, see e.g. Eriksen & Munk 2020). Beyond economic factors, regions may also differ in their social norms and attitudes – metropolitan areas, for example, may exhibit values that correlate with greater acceptance and less discrimination toward sexual minorities. Our conceptual framework suggests that identity costs depend on precisely this social environment: if so, regions with differing levels of tolerance should exhibit different baseline gaps (β_s) and potentially different returns to parental resources (β_{sp}). We test this by estimating Equation 3 separately by childhood region.

Our analyses lend some support to the "protective" nature of metropolitan areas, especially for same-sex attracted men. For example, same-sex attracted men who grew up in the capital do not experience significantly different absolute mobility in mental health outcomes compared to different-sex attracted men. However, this pattern does not generalise across all outcomes: the earnings penalty for same-sex attracted men is, if anything, slightly larger for those raised in Copenhagen. We fully present and discuss our region-specific analyses in Appendix D.2.

8.2 Cohort differences

To consider differences in mobility parameters over time – that is, across cohorts – we divide our sample of children into three groups based on their birth year, considering separately those born in 1974-1978, 1979-1983, and 1984-1988. Thus, each cohort group contains children born across five years, allowing us to consider changes in mobility parameters over 15 birth years. Societal trends toward greater acceptance of sexual minorities may have reduced identity costs over time. Our framework suggests that if tolerance has increased, we should observe smaller $|\beta_s|$ in younger cohorts for outcomes driven by direct discrimination. However, if indirect costs (internalised stigma, expectations of rejection) respond more slowly to environmental change, or if increased visibility exposes sexual minorities to new forms of stress, mental health gaps may persist or even widen. We estimate Specification 3 separately for each of these three cohort groups to test these predictions. We show a selection of cohort-level results in Figure 11 which plots,

β_s, i.e. the difference in intercept/absolute mobility between same-sex attracted and different-sex attracted individuals, for each cohort group in grey circles, and simple differences in mean outcomes as black circles. For ease of comparison, we also include the results from the aggregate sample. Cohort-level analyses for the remaining outcomes are visualised in Figure D.8

Panel (a) of Figure 11 shows little development in absolute mobility gaps in earnings between same-sex attracted and different-sex attracted men over time, suggesting a persistent "gay penalty" for men across cohorts. For women, however, the absolute mobility gap in earnings (favouring same-sex attracted women) appears to be narrowing in younger cohorts, suggesting that the "lesbian premium" is shrinking. In contrast, Panel (b) indicates that the gap in mental health prescriptions is increasing over time. As such, the heightened risk of mental health issues in same-sex attracted individuals relative to their different-sex attracted peers appears to be increasing over time. This highlights the need for additional mental health-promoting policies targeted at sexual minority individuals.

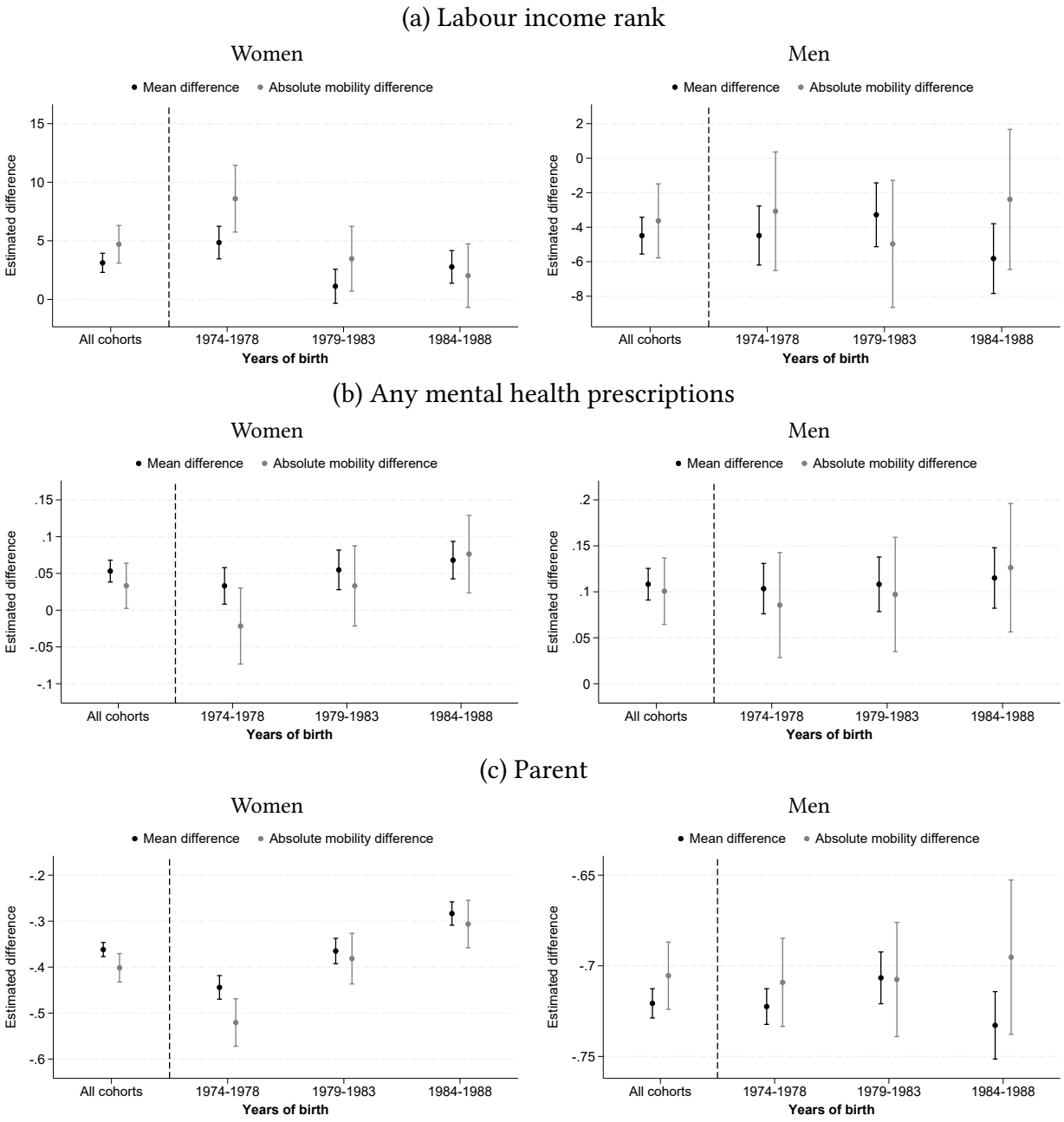
Panels (c) shows the fertility gap between same-sex attracted and different-sex attracted women shrinking in younger cohorts, whereas the male gap largely persists. This aligns with the gradual removal of legal barriers to parenthood for women in same-sex couples in Denmark (Evertsson et al., 2020). The increase in same-sex attracted women's fertility is likely to be part of the explanation for the convergence of same-sex attracted and different-sex attracted women's income, as same-sex attracted women increasingly will be affected by the "child penalty" (Andresen & Nix, 2022; Kleven et al., 2019). This is likely to occur in conjunction with the similar convergence of educational attainment between same-sex attracted and different-sex attracted women in younger cohorts (as shown in Figure D.8).

8.3 Income variation

As in many existing analyses of intergenerational rank-rank relationships between child and parent income, we consider the sum of income in a given age range for both parents and children in Section 5.1.1. In Appendix D.4, we instead explore how variation in child income rank evolves across the parental income distribution differentially for same-sex and different-sex attracted individuals. We find that, conditional on parental income, same-sex attracted individuals do not only experience different mean levels in income (higher for women, lower for men), but their income distribution also have a larger variance. Furthermore, we show that, unconditional on parental income, population-level income distributions of both same-attracted women and men are more dispersed, with underrepresentation at the middle of the sex-specific income distributions.

These analyses provide suggestive evidence for why we observe relatively modest mean income rank gaps between same-sex attracted and different-sex attracted individuals, despite larger differences in other areas, such as mental health outcomes. That is, the high income of some individuals conceals the low income of others when only considering differences in means and rank-rank regressions. These findings also indicate that future research on same-sex attracted individuals should examine both means and variance in income, leaving the causal identification of factors driving within-group inequalities as an interesting avenue for further research.

Figure 11: Absolute mobility, cohort differences



Notes: In this figure, we plot simple differences in mean outcomes (black circles) and estimates of β_s from Specification 3 (grey circles), but dividing our sample of children into three groups based on their year of birth. We consider children born in 1974-1978, 1979-1983, and 1984-1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child income is measured over 6 years (30th-35th year of life). Child health outcomes are measured from the 22nd to 35th year of life. Child fertility outcomes are measured in the 35th year of life of each child. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. 95%-level confidence intervals indicated, based on standard errors clustered at the sibling level.

9 Conclusions

Research on sexual minorities has long been held back by the limited available data on sexuality in combination with comprehensive information on relevant outcomes. We develop a new way to identify both same-sex and different-sex attracted individuals in population-wide administrative data from Denmark using joint financial commitments in couples. As such, we alleviate concerns about selection/reporting bias in surveys on sexual minorities, and we avoid relying only on measuring sexuality through relatively rare outcomes amongst same-sex couples, such as marriage and co-parenthood. Another primary advantage of our data and our measure of sexuality is that we can link observed sexuality to both the outcomes of adult children and to their parents' income during the childhood of the children in question. Thus, the richness, the long time span, and the large sample of same-sex attracted couples of the Danish administrative data allow us to analyse differences in the relationship between parents' and adult children's income, i.e. intergenerational mobility, by the adult children's sexuality.

We start by documenting that same-sex and different-sex attracted individuals are equally represented along the parental income distribution. That is, same-sex attraction is not meaningfully related to parental income. This result is not trivial: as higher educational attainment and income are associated with more supportive attitudes towards same-sex attracted individuals (Slenders et al., 2014; La Roi & Mandemakers, 2018), one could imagine that openness about sexuality, and thus, the probability of being observed in a same-sex couple, would be related to parental income.

We continue to show that across the entire parental income distribution, same-sex attracted men experience inferior labour market outcomes when compared to different-sex attracted men, indicating that parental financial resources do not mitigate the labour market penalties endured by same-sex attracted men. To a large extent, this picture is reversed for women, where same-sex attracted women have higher earnings and lower levels of public transfers/benefits across the entire parental income distribution. While the premium persists throughout the distribution, it is largest at the bottom and narrows as parental income increases. We believe that these findings are new to the literature where differences in income by sexuality have not been considered in the context of parental income, most likely due to the lack of appropriate data.

We also consider differences in education, fertility, health, household composition, and location choices by sexuality and by parental income. In doing so, we document large and persistent gaps across the parental income distribution for many of the outcomes, but not always in the direction the relevant income gaps would suggest. For example, we find consistently higher levels of education, lower fertility rates, and more regional mobility across the parental income distribution for both same-sex attracted women and men. Same-sex attracted men also have fewer somatic hospital visits even after excluding fertility-related admissions. These patterns should predict higher earnings and are likely to contribute to the "lesbian premium", but they do not help us to understand the drivers of the "gay penalty", which both persist throughout the parental income distribution. In contrast, we find substantially higher levels of mental health conditions and lower levels of cohabitation among same-sex attracted individuals. The higher prevalence of mental health treatments among same-sex attracted individuals is evident across the entire

parental income distribution, but severe mental health conditions (observed as treatment in psychiatric hospitals) are particularly prevalent at the bottom of the parental income distribution for same-sex attracted individuals. Together, these findings suggest that higher parental income does not mitigate the mental health challenges faced by sexual minorities, with the exception of the most severe types of illness. We find that same-sex attracted individuals are more likely to reside in regions away from their parents across the parental income distribution, implying a potential mechanism – physical distance from parents – for the sustained gaps in outcomes.

We consider that our results may be affected by heterogeneity in parental characteristics beyond parental income. Beyond gender, other research that estimates differences in intergenerational mobility by demographic groups typically considers demographic characteristics that are fixed within families, for example, race (Chetty et al., 2020b) and immigration status (Abramitzky et al., 2021; Boustan et al., 2025; Jensen & Manning, 2025). In our setting, we can exploit the fact that sexuality often varies among siblings, allowing us to control non-parametrically for additional parental heterogeneity (both observed and unobserved) by including sibling fixed effects in our model. We find that our results are robust to controlling for additional parental heterogeneity when including sibling FEs. Controlling for sibling FEs brings us closer to causal estimates of the effect of sexuality on outcomes in early adulthood.

Our conceptual framework – integrating identity economics with minority stress theory – provides a unified lens for interpreting these findings. The framework proposes that same-sex attracted individuals face identity costs comprising both direct costs, e.g. from discrimination, and indirect costs, e.g. from internalised stigma and anticipated rejection. The empirical patterns we document are largely consistent with this framework: the persistent labour market penalty for men ($\beta_{sp} \approx 0$) suggests identity costs that are not substantially mitigated by parental resources, while the elevated severe mental health burden at the bottom of the parental income distribution suggests a "double burden" faced by those with both minority status and limited parental resources. The narrowing fertility gap for women ($\beta_{sp} > 0$) indicates a domain where parental resources can partially offset identity costs, whereas for men, legal barriers represent costs that parental resources cannot overcome.

Finally, we find little regional and cohort variation in intergenerational relationships, but with three notable exceptions: First, same-sex attracted women from more recent cohorts have higher fertility rates. This indicates that women in more recent cohorts benefit from improved access to fertility services for single and same-sex partnered women. Second, in line with increased fertility, the higher income amongst same-sex attracted women converge towards zero for more recent cohorts, potentially because they are increasingly affected by the "child penalty." Finally, we find a substantially higher risk of mental health issues in same-sex attracted individuals – a risk that, to a large extent, persists across the entire parental income distribution. This difference in risk between same-sex attracted and different-sex attracted individuals *increases* in younger cohorts.

Together, our results demonstrate that the identity costs faced by same-sex attracted individuals are only partially mediated by parental resources. The limited mitigation of outcome gaps between same-sex and different-sex attracted individuals by parental resources – particularly in

domains such as men's earnings and mental health prescriptions – suggests that non-pecuniary factors significantly contribute to differences in lived experiences. The higher prevalence of mental health conditions among same-sex attracted individuals across the parental income distribution further indicates that cultural factors, such as discrimination, may not be alleviated by parental resources. Our results also imply that intergenerational mobility depends not only on factors shared by siblings but also on innate individual characteristics, such as sexuality, in addition to gender. Factors shared by siblings as well as these innate individual characteristics may be targets for policymakers aiming to improve social mobility, and our results carry significant policy implications.

The increasing difference in the risk of mental health issues in younger cohorts illustrates that the unique challenges faced by same-sex attracted individuals remain far from adequately addressed by policy-makers, and that further initiatives are necessary if the population-level mental health crisis currently endured by same-sex attracted individuals is not to worsen. Our results on fertility patterns – documenting that almost no same-sex attracted men, even those from the most financially resourceful backgrounds, have children – are illustrative of the legal barriers that same-sex attracted men face to parenthood. This highlights the need for policies that facilitate, rather than hinder, family formation for same-sex attracted men who want children. Finally, the fact that the pay penalty for same-sex attracted men exists and persists across the entire income distribution, despite their consistently higher educational levels, illustrates that sexuality-specific barriers in the labour market – whether strictly discriminatory or normative – are not isolated to subsamples of individuals growing up under certain financial conditions, highlighting the need for wide-spread change.

By integrating identity economics and minority stress theory into the framework of intergenerational mobility, we provide a conceptual foundation for understanding how innate individual characteristics interact with family resources to shape life outcomes. Our findings demonstrate that intergenerational mobility is stratified not only by factors shared by siblings – such as neighbourhoods, schools, and parenting practices – but also by innate individual characteristics that generate identity costs varying both in level and parental income-dependence across domains. Future research may extend this framework to other identity dimensions, such as gender identity, disability status, and intersections of multiple minority statuses.

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ONLINE APPENDIX:

Intergenerational Mobility by Sexuality

A Data details

A.1 Validation of couple's measure

We undertake a series of analyses to validate our new couples measure. First, we show that financial commitment works as a couples measure among married couples and couples with children. Using full population data on everyone aged 35 from 2003 to 2022, in Table A.1, we observe that financial commitments are highly prevalent among cohabiting couples who are either married or parents of the same child, regardless of the sex composition of the couple. This indicates that same-sex and different-sex couples, as observed through more conservative methods — specifically, marriage and co-parenthood — are equally likely to share financial responsibilities. Since we observe that joint financial commitments are widespread among both same-sex and different-sex couples, joint financial commitments are likely to effectively capture both same-sex and different-sex couples, even in the absence of children and marriage. We use this insight as we proceed to use joint financial commitments to also capture cohabiting couples, including those who are not married or co-parents. The specific types of commitments are detailed in Table A.2. We find that while the rates of financial commitments are comparable between same-sex attracted and different-sex attracted individuals, the rates of marriage and joint parenthood are significantly lower among same-sex attracted individuals. This further emphasises the advantage of using financial data to identify cohabiting couples across varying sexualities.

Table A.1: Married or co-parenting cohabiting couples who share financial responsibilities

	(1) Different-sex, married	(2) Different-sex, with joint child	(3) Same-sex, married	(4) Same-sex, with joint child
Financial match	0.933	0.915	0.882	0.928
	(0.000339)	(0.000344)	(0.00546)	(0.00626)
N	542,948	659,257	3,486	1,706

Notes: This table reports the share of individuals in married and co-parenting cohabiting couples who share at least one financial responsibility when observed at age 35, from 2003 to 2022. Financial responsibilities include joint owned properties, joint credit accounts, joint debit accounts, and joint mortgages; see Section 3.2.1 for further details. Standard errors in parentheses.

Table A.2: Shared responsibilities of identified couples

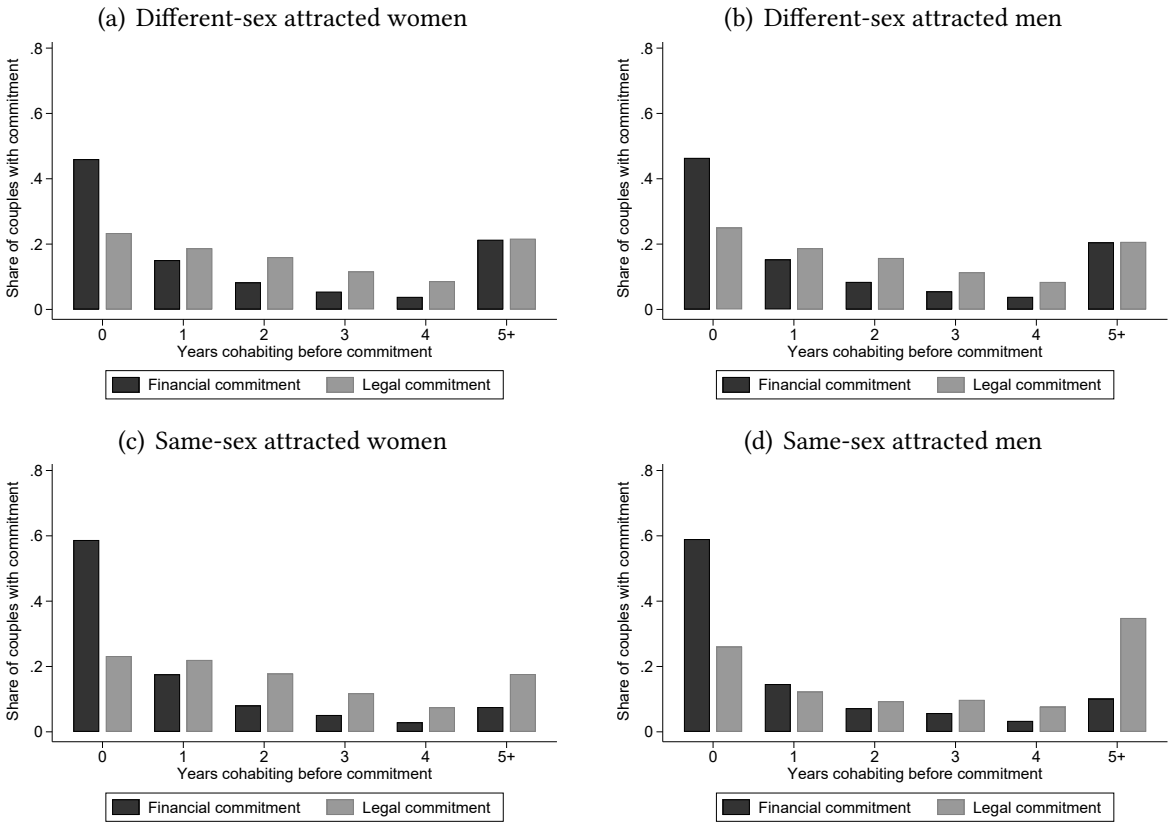
	Different sex	Same-sex	Both sexes
Property ownership w. SS		0.508	0.286
		(0.00311)	(0.00716)
Credit account w. SS		0.764	0.671
		(0.00264)	(0.00744)
Debit account w. SS		0.820	0.777
		(0.00239)	(0.00659)
Mortgage w. SS		0.485	0.288
		(0.00311)	(0.00718)
Child w. SS		0.190	0.0835
		(0.00244)	(0.00438)
Married to SS		0.605	0.286
		(0.00304)	(0.00716)
Property ownership w. DS	0.518		0.517
	(0.000260)		(0.00792)
Credit account w. DS	0.768		0.798
	(0.000220)		(0.00637)
Debit account w. DS	0.783		0.812
	(0.000215)		(0.00619)
Mortgage w. DS	0.539		0.532
	(0.000260)		(0.00790)
Child w. DS	0.793		0.691
	(0.000211)		(0.00732)
Married to DS	0.838		0.609
	(0.000192)		(0.00773)
N	3,688,402	25,866	3,986

Notes: This table reports the share of individuals with a given financial commitment, by the sex composition of their observed partnerships. "Different-sex" refers to individuals observed only in different-sex relationships; "Same-sex" only in same-sex relationships; "Both sexes" in relationships with partners of both sexes. Different sex / same sex/ both sexes attraction is determined by observing cohabiting relationships with at least one of the listed commitments between 2003 to 2022 with partner(s) of the relevant sex; see Section 3.2.1 for details. Standard errors in parentheses.

We further examine the timing of financial and legal commitments to assess the value of financial commitments for couple identification. Figure A.1 shows the distribution of years spent cohabiting before couples obtain their first financial or legal commitment, respectively, among couples who eventually obtain such a commitment. Financial commitments are observed early in relationships for both same-sex and different-sex couples: the majority of couples who eventually commit financially do so in year 0 of cohabitation. Importantly, financial commitments substantially outperform legal commitments for identifying couples at early relationship stages. At year 0 of cohabitation, the gap between financial and legal commitment rates is approximately 50% larger for same-sex couples (33–36 pp) as for different-sex couples (21–23 pp). This pattern demonstrates that reliance on joint parenthood, marriage, or registered partnership alone would disproportionately undercount same-sex couples, particularly at earlier relationship stages. Financial commitments therefore provide a valuable complement to legal commitments, enabling identification of couples who have not yet – or may never – formalise their relationship legally.

Next, we show that the observation of joint financial commitments allows us to distinguish same-sex and different-sex couples from two-person households made up by housemates. In

Figure A.1: Years of cohabitation before financial or legal commitment



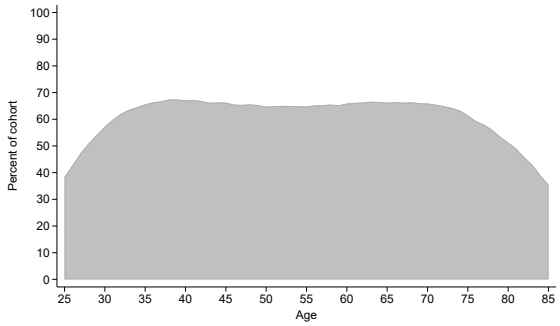
Notes: This figure shows the distribution of years spent cohabiting before the first observed financial or legal commitment, respectively, among couples who eventually obtain such a commitment. Financial commitments include shared bank accounts, joint loans, joint mortgages, and jointly owned property. Legal commitments include marriage, registered partnership, and joint children. We consider the first relevant commitment spells of people cohabiting aged 26 or above from 2012 to 2022.

Figure A.2, we show the percentage of age cohorts that cohabit, by sex composition, and with and without shared financial responsibilities. Panel (a) visualises the percentages of each cohort that cohabit with someone of a different sex; Panel (b) visualises the percentages of each cohort that cohabit with someone of the same sex; Panel (c) visualises the percentages of each cohort that cohabit with someone of a different sex, conditional on shared financial responsibilities; and Panel (d) visualises the percentages of each cohort that cohabit with someone of the same sex, conditional on shared financial responsibilities. In Panel (b), we see that unconditional on shared financial responsibilities, more than 6% of individuals at age 25 cohabit with someone of the same sex. This share decreases steeply across the age distribution until age 35, after which the curve flattens. This indicates that using cohabitation alone to identify couples would include a large number of non-partnering housemates; a phenomena that decreases with age. In Panel (d), we condition on cohabitation *and* a joint financial commitment, resulting in a significant drop in the number of identified individuals in same-sex cohabitation (from around 2% to 0.5% at age 35). We also see the age distribution peaking around age 35-45, as we would expect if correctly identifying couples, rather than housemates. Comparing Panels (c) and (d), we see similar age

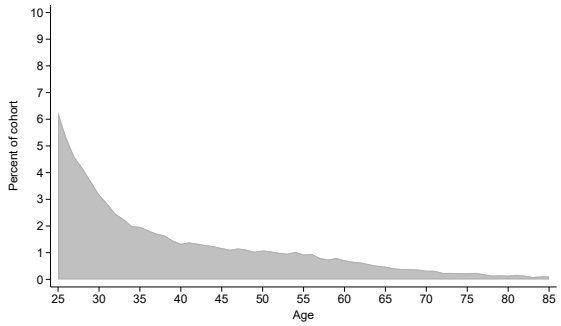
patterns for different-sex couples and same-sex couples until age 50, after which the proportion of individuals in same-sex relationships decreases steadily. This mirrors the consistent finding that younger cohorts are more likely to identify as non-heterosexual (e.g., ONS, 2023; Gallup, 2025) and the historically lower life-expectancy for same-sex attracted individuals (Frisch & Simonsen, 2013; Hogg et al., 1997). Comparing Panels (a) and (c), we see a relatively smaller drop in the observed percentages in different-sex cohabitation when conditioning on shared financial responsibilities (from just more than 60% to around 50% at age 35), reflecting that proportionately fewer different-sex cohabitations occur without shared financial responsibilities compared to same-sex cohabitations. Hence, more often than not, same-sex cohabitation is likely to reflect housemates, whereas different-sex cohabitation more often than not reflects different-sex couples, highlighting the importance of distinguishing these groups. Figure A.3 provides complementary evidence by examining a 2019 cross-section of all two-person households (excluding siblings and parent/child pairs), regardless of whether they have any observed financial or legal commitment. Among same-sex pairs, financial commitment rates are low for short-duration cohabitants (3–8% in year 0) but rise steeply with relationship duration (60–81% at 5+ years). In contrast, different-sex cohabitants show high commitment rates even at short durations (42% in year 0). This pattern reflects the higher prevalence of housemate arrangements among same-sex pairs sharing an address, validating the necessity of requiring financial commitments to distinguish same-sex couples from housemates.

Figure A.2: Cohabitation and financial match

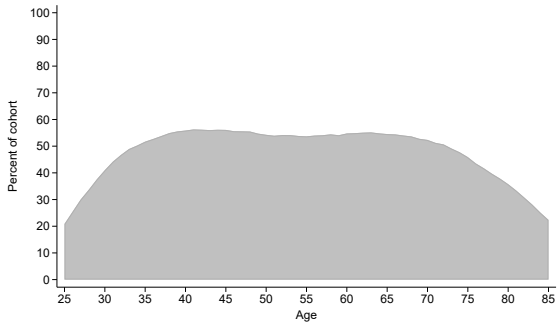
(a) Different-sex cohabiting, *unconditional* on match



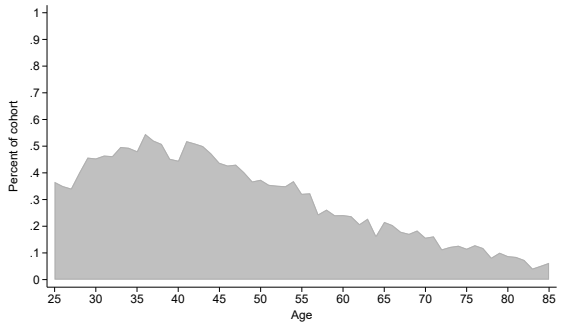
(b) Same-sex cohabiting, *unconditional* on match



(c) Different-sex cohabiting, *conditional* on match

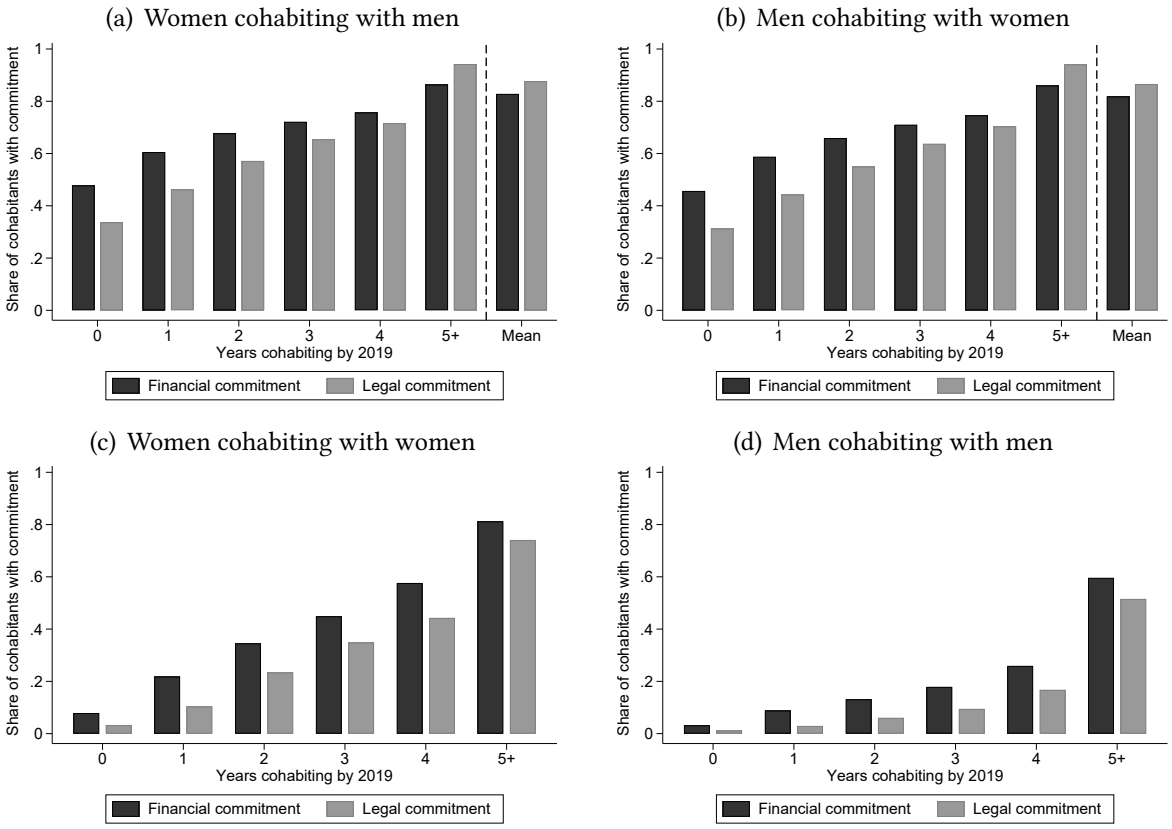


(d) Same-sex cohabiting, *conditional* on match



Notes: This figure plots the share of individuals in cohabiting two-person households across age. Panels (a) and (b) show the share unconditional on financial commitments. Panels (c) and (d) condition on at least one shared financial responsibility. Panels to left consider different-sex cohabitants, panels to the right same-sex cohabitants. We consider the full Danish population aged 25-85 in 2019.

Figure A.3: Commitment rates by cohabitation duration

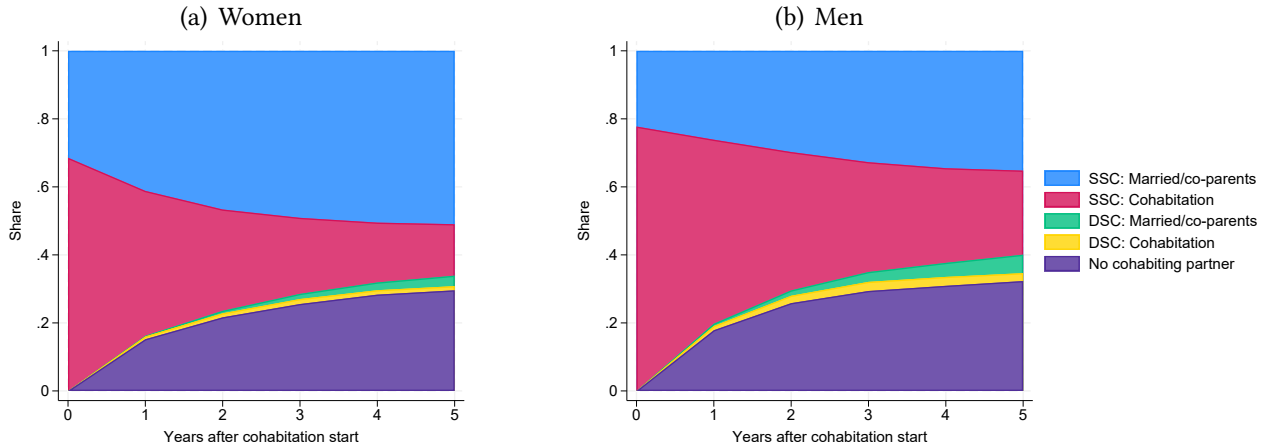


Notes: This figure shows the share of all two-person households (excluding siblings and parent/child pairs) with a financial or legal commitment, by the number of years cohabiting as of 2019 for people aged 26 or above. The sample includes pairs of individuals sharing an address in 2019, regardless of whether they have any observed commitment – thus including both couples and housemates. The low commitment rates among short-duration same-sex cohabitants (3–7% at year 0) compared to different-sex cohabitants (42%) reflect the higher prevalence of housemate arrangements among same-sex pairs, validating the need for financial commitments to distinguish couples from housemates. Financial commitments include shared bank accounts, joint loans, joint mortgages, and jointly owned property. Legal commitments include marriage, registered partnership, and joint children.

To further verify that we are indeed observing partnering couples when conditioning on cohabitation *and* a joint financial commitment, we consider relationship trajectories. If the same-sex couples observed with joint financial commitments are in fact housemates, we would expect a large number of them to sort into different-sex relationships over time, whereas only a small fraction would sort into other types of same-sex relationships (i.e., same-sex marriage and/or parenting with a person of the same sex). If we reliably capture cohabiting same-sex couples, we would expect to see that the majority remain in same-sex relationships over time. We show trajectories for same-sex attracted men and women separately in Figure A.4.

Five years after a same-sex cohabiting relationship is first observed, more than 70% of women and 60% of men are still in a same-sex relationship. For both men and women, the majority of these relationships have transferred into same-sex marriage or parenting with a same-sex partner. More men than women are not in observable relationship five years after observed same-sex cohabitation, indicating shorter relationship durations among same-sex attracted men compared

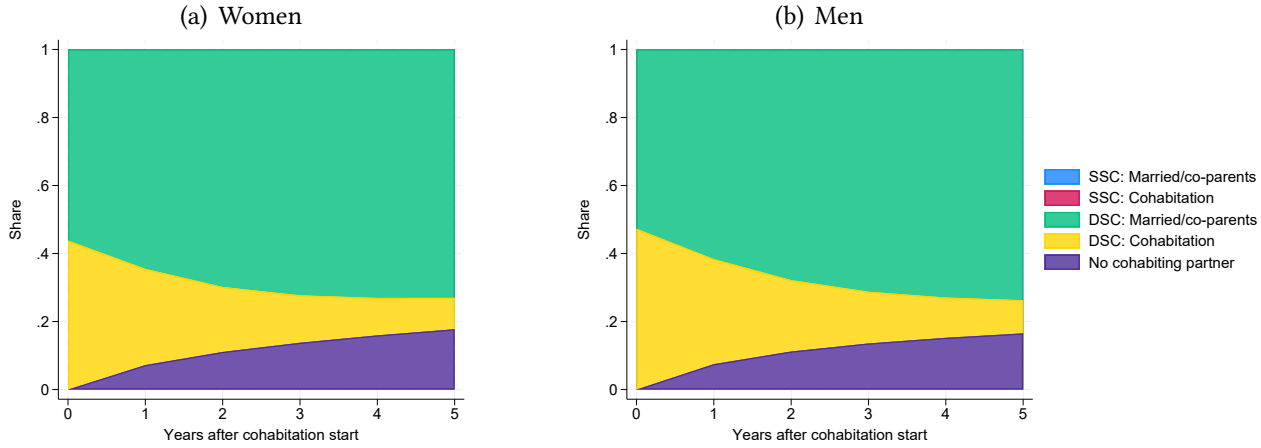
Figure A.4: Trajectories of same-sex cohabiting couples



Notes: This figure plots the couple trajectories of individuals who cohabit and share financial responsibilities with a person of the same sex in year 0. SSC = same-sex couple, DSC = different-sex couple. We consider all cohabitation spells with shared financial responsibilities starting from 2004 to 2017. We use data from 2003 to determine if a spell starts in 2004. We use data until 2022 to determine the outcomes of those in spells in 2017 or earlier. For equivalent trajectories for those starting different-sex couples, see Figure A.5.

to same-sex attracted women (this finding is in line with previous findings by, e.g., Lau, 2012). A small proportion have sorted into a different-sex marriage or parenting with a different-sex partner, and even fewer are in cohabiting relationship (i.e. cohabiting and shared financial commitments) with a different-sex partner. This small fraction of individuals moving from same-sex to different-sex partnerships reflects that part of the population has partners of different sexes throughout the life cycle. The small fraction of transfers from same-sex relationships to different-sex relationships rules out any widespread misclassification when we condition on cohabitation *and* joint financial commitments. We find similar results for different-sex couples; see Figure A.5 for visualisations.

Figure A.5: Trajectories of different-sex cohabiting couples



Notes: This figure plots the couple trajectories of individuals who cohabit and share financial responsibilities with a person of the different sex in year 0. SSC = same-sex couple, DSC = different-sex couple. We consider all cohabitation spells with shared financial responsibilities starting from 2004 to 2017. We use data from 2003 to determine if a spell starts in 2004. We use data until 2022 to determine the outcomes of those in spells in 2017 or earlier. For equivalent trajectories for those starting same-sex couples, see Figure A.4.

As a final validation of our couples measure, we consider contraceptive use among women in different types of cohabiting households. We expect to find that women in same-sex couples are less likely to use contraceptives than women in different-sex relationships, as they are less likely to engage in sexual activity that can lead to pregnancy. If our strategy, relying on joint financial commitments, effectively captures couples and not housemates, we should expect women in same-sex relationships identified through joint financial commitments to be equally likely to use contraceptives as women in same-sex marriages or same-sex shared parenthood.[24] We make this comparison using an OLS regression, including age FEs as controls. As shown in Table A.3, we find that women in same-sex relationships are 19.5-23.1pp less likely to use contraceptives (this is in line with previous findings, e.g. Ela & Budnick, 2017). We find no statistically significant differences in contraceptive use between women in same-sex relationships based on the route of identification (marriage vs. joint child vs. cohabitation with joint financial commitment). Again, these findings support that we effectively capture couples and not housemates when conditioning on both cohabiting *and* a financial commitment. Finally, notice that the rate of contraceptive use varies substantially between women in the various types of different-sex relationships. This reflects that contraceptive use decreases when couples plan pregnancies.

[24]We only use women's contraceptives, as these are recorded in population-wide data on medical prescriptions. Female contraceptives require prescriptions (e.g. pills and IUD's).

Table A.3: Take-up of contraceptives by measure of sexuality

	(1) Contraceptive use
Single, with roomie	0.0327***
	(0.00242)
In different-sex relationship	
Co-parents	-0.0544***
	(0.00141)
Married	-0.0887***
	(0.00301)
Financial commitment	0.0805***
	(0.00254)
In same-sex relationship	
Co-parents	-0.231***
	(0.0115)
Married	-0.230***
	(0.0167)
Financial commitment	-0.195***
	(0.0137)
Constant	0.313***
	(0.00104)
N	528,490
Adjusted R-squared	0.0428
Prob > F, SSC equality	0.103

Notes: This table reports take-up of any medical contraceptive in 2019 by women aged 26-40, based on observed sexuality and type of couple information. "Single, with roomie" refers to those in two-person households with no shared financial responsibility. The reference group / omitted category is women with no housemate/cohabiting partner. The couple categories are mutually exclusive. If a couple are both married and co-parents, they are categorised as co-parents. A couple is only categorised as identified through a "Financial commitment" if they are neither married nor co-parents. Age FEs are included as controls. Standard errors in parentheses, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

B Descriptives

Table B.4: Summary statistics, different-sex attracted vs. no observable attraction

	Women			Men		
	Different-sex attracted	No attraction	Diff.	Different-sex attracted	No attraction	Diff.
Individual outcomes						
Labour market and human capital (30-35)						
Labour income rank	44.122	33.296	10.826***	62.485	35.962	26.523***
Labour income (1000 DKK)	260.197	192.556	67.641***	360.325	207.556	152.768***
Unemployed, share	0.150	0.284	-0.134***	0.085	0.274	-0.189***
Public transfers/benefits (1000 DKK)	59.465	78.591	-19.126***	18.565	60.894	-42.329***
Unemployment benefits (1000 DKK)	32.301	38.233	-5.933***	13.155	32.479	-19.324***
Years of education	15.203	14.226	0.977***	14.808	13.417	1.391***
Health (22-35)						
Visits						
GP visits (no.)	112.608	109.628	2.980***	43.705	49.484	-5.779***
Somatic hospital (any)	0.990	0.940	0.050***	0.932	0.901	0.031***
Somatic hospital (no.)	13.972	12.281	1.691***	7.298	8.039	-0.740***
Somatic hospital, ex. fertility (no.)	9.722	10.048	-0.326***	6.986	7.767	-0.781***
Psychologist (any)	0.185	0.209	-0.024***	0.066	0.079	-0.013***
Psychologist (no.)	1.745	2.195	-0.450***	0.490	0.658	-0.169***
Psychiatrist (any)	0.075	0.160	-0.084***	0.046	0.125	-0.079***
Psychiatrist (no.)	1.397	3.669	-2.273***	0.689	2.271	-1.582***
Psychiatric hospital (any)	0.118	0.266	-0.147***	0.072	0.236	-0.164***
Psychiatric hospital (no.)	0.421	1.717	-1.296***	0.231	1.420	-1.188***
Substance abuse hospital (any)	0.042	0.102	-0.060***	0.054	0.151	-0.097***
Substance abuse hospital (no.)	0.081	0.337	-0.257***	0.108	0.632	-0.524***
Prescriptions						
Opioid analgesics (any)	0.252	0.290	-0.039***	0.203	0.211	-0.008***
Opioid analgesics (no.)	1.483	3.123	-1.639***	1.112	1.860	-0.748***
Non-opioid analgesics (any)	0.736	0.740	-0.004**	0.662	0.611	0.052***
Non-opioid analgesics (no.)	4.546	6.935	-2.388***	2.890	3.740	-0.850***
Contraceptive (any)	0.962	0.842	0.119***			
Contraceptive (no.)	26.081	22.788	3.293***			
Mental health (any)	0.317	0.472	-0.155***	0.202	0.383	-0.181***
Mental health (no.)	6.136	20.895	-14.759***	3.492	17.796	-14.304***
Substance abuse (any)	0.007	0.028	-0.021***	0.024	0.067	-0.043***
Substance abuse (no.)	0.102	0.547	-0.445***	0.160	1.313	-1.153***
Alcohol abuse (any)	0.005	0.019	-0.014***	0.022	0.054	-0.032***
Alcohol abuse (no.)	0.013	0.072	-0.059***	0.054	0.189	-0.135***
Family and household outcomes						
Fertility (35)						
Parent	0.852	0.319	0.533***	0.769	0.119	0.650***
No. of children if parent	1.962	1.656	0.307***	1.807	1.418	0.389***
Age at first birth	27.644	25.393	2.251***	28.823	25.991	2.832***
Household income and composition (30-35)						
Years in cohab. relationship	4.407			4.055		
Married	0.572	0.078	0.494***	0.512	0.020	0.491***
Household income rank	57.697	18.958	38.739***	55.133	20.624	34.509***
Partner income rank	65.465			49.518		
Partner income rank (in relationship only)	62.728			36.643		
Parental characteristics						
Parental income (1-21)						
Parental income rank	51.015	44.226	6.789***	51.761	42.847	8.914***
Father income rank	50.891	44.921	5.970***	51.531	43.807	7.724***
Mother income rank	50.793	45.485	5.308***	51.359	44.446	6.912***
Mechanisms						
Parent-child relationship (35)						
Max. years living with parents	20.485	21.922	-1.437***	21.766	23.881	-2.115***
Same municipality as parents	0.365	0.488	-0.123***	0.286	0.556	-0.270***
Same minor region as parents	0.550	0.644	-0.093***	0.460	0.702	-0.242***
Same major region as parents	0.688	0.767	-0.079***	0.644	0.810	-0.166***
N	339,594	59,349		331,818	83,462	

Notes: This table reports means of outcomes by sex and sexuality. Numbers in parentheses state the years in which an outcome is observed, i.e., 30-35 refers to the 30th-35th years of life. For parental outcomes, numbers in parentheses refer to child years of life. *Max years living with parents* refers to the year last observed living in a household with parents until year 35. See Section 3 for further details on variables and data construction. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Table B.5: Summary statistics, different-sex attracted vs. both-sex attracted

	Women			Men		
	Different-sex attracted	Both-sex attracted	Diff.	Different-sex attracted	Both-sex attracted	Diff.
Individual outcomes						
Labour market and human capital (30-35)						
Labour income rank	44.122	45.875	-1.753**	62.485	61.379	1.106
Labour income (1000 DKK)	260.197	268.682	-8.485**	360.325	361.748	-1.423
Unemployed, share	0.150	0.143	0.007	0.085	0.092	-0.007
Public transfers/benefits (1000 DKK)	59.465	50.847	8.618***	18.565	18.269	0.295
Unemployment benefits (1000 DKK)	32.301	26.650	5.650***	13.155	12.474	0.681
Years of education	15.203	15.445	-0.243***	14.808	15.346	-0.539***
Health (22-35)						
Visits						
GP visits (no.)	112.608	111.682	0.926	43.705	46.307	-2.602**
Somatic hospital (any)	0.990	0.985	0.006*	0.932	0.933	-0.000
Somatic hospital (no.)	13.972	13.688	0.285	7.298	7.034	0.265
Somatic hospital, ex. fertility (no.)	9.722	10.169	-0.447*	6.986	6.633	0.353
Psychologist (any)	0.185	0.213	-0.029**	0.066	0.063	0.003
Psychologist (no.)	1.745	2.105	-0.360**	0.490	0.430	0.060
Psychiatrist (any)	0.075	0.092	-0.017**	0.046	0.035	0.012*
Psychiatrist (no.)	1.397	1.639	-0.243	0.689	0.505	0.184
Psychiatric hospital (any)	0.118	0.153	-0.035***	0.072	0.064	0.009
Psychiatric hospital (no.)	0.421	0.876	-0.455***	0.231	0.247	-0.016
Substance abuse hospital (any)	0.042	0.061	-0.019***	0.054	0.049	0.005
Substance abuse hospital (no.)	0.081	0.163	-0.083***	0.108	0.082	0.026
Prescriptions						
Opioid analgesics (any)	0.252	0.274	-0.023*	0.203	0.189	0.014
Opioid analgesics (no.)	1.483	2.307	-0.823**	1.112	1.273	-0.161
Non-opioid analgesics (any)	0.736	0.744	-0.008	0.662	0.608	0.054***
Non-opioid analgesics (no.)	4.546	5.890	-1.344***	2.890	2.862	0.028
Contraceptive (any)	0.962	0.941	0.021***			
Contraceptive (no.)	26.081	24.039	2.042***			
Mental health (any)	0.317	0.344	-0.026*	0.202	0.179	0.023*
Mental health (no.)	6.136	9.913	-3.777***	3.492	4.067	-0.576
Substance abuse (any)	0.007	0.014	-0.006**	0.024	0.025	-0.000
Substance abuse (no.)	0.102	0.199	-0.097	0.160	0.114	0.045
Alcohol abuse (any)	0.005	0.012	-0.007***	0.022	0.024	-0.002
Alcohol abuse (no.)	0.013	0.043	-0.030***	0.054	0.071	-0.016
Family and household outcomes						
Fertility (35)						
Parent	0.852	0.683	0.169***	0.769	0.573	0.196***
No. of children if parent	1.962	1.710	0.252***	1.807	1.541	0.266***
Age at first birth	27.644	28.260	-0.616***	28.823	30.633	-1.810***
Household income and composition (30-35)						
Years in cohab. relationship	4.407	3.601	0.806***	4.055	3.470	0.585***
Married	0.572	0.412	0.160***	0.512	0.339	0.173***
Household income rank	57.697	49.751	7.946***	55.133	52.680	2.453***
Partner income rank	65.465	55.469	9.996***	49.518	47.460	2.058***
Partner income rank (in relationship only)	62.728	54.081	8.647***	36.643	39.452	-2.809***
Parental characteristics						
Parental income (1-21)						
Parental income rank	51.015	49.720	1.295	51.761	53.863	-2.102**
Father income rank	50.891	49.413	1.477*	51.531	52.490	-0.959
Mother income rank	50.793	50.804	-0.012	51.359	53.678	-2.320**
Mechanisms						
Parent-child relationship (35)						
Max. years living with parents	20.268	20.485	-0.217**	21.817	21.766	0.051
Same municipality as parents	0.432	0.365	0.067***	0.442	0.286	0.156***
Same minor region as parents	0.641	0.550	0.091***	0.638	0.460	0.177***
Same major region as parents	0.762	0.688	0.073***	0.761	0.644	0.117***
N	339,594	1,181		331,818	893	

Notes: This table reports means of outcomes by sex and sexuality. Numbers in parentheses state the years in which an outcome is observed, i.e., 30-35 refers to the 30th-35th years of life. For parental outcomes, numbers in parentheses refer to child years of life. *Max years living with parents* refers to the year last observed living in a household with parents until year 35. See Section 3 for further details on variables and data construction. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

C Main regressions

Table C.6: Regressions, labour market outcomes and human capital

		Women					Men				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Rank, labour income	Same-sex attracted (SSA)	4.700***	4.524***	6.126***	6.711**	4.311***	-3.633***	-3.632***	-4.296**	-2.732	-3.309**
		(0.819)	(0.822)	(1.146)	(2.053)	(0.954)	(1.093)	(1.093)	(1.527)	(2.448)	(1.177)
	Parents' income rank (PIR)	0.249***	0.248***	0.259***	0.103***		0.221***	0.221***	0.225***	0.0732***	
		(0.00154)	(0.00154)	(0.00210)	(0.0115)		(0.00175)	(0.00175)	(0.00239)	(0.0117)	
	SSA # PIR	-0.0335*	-0.0329*	-0.0482*	-0.0448		-0.0108	-0.0101	0.00433	-0.0122	
		(0.0142)	(0.0142)	(0.0195)	(0.0345)		(0.0189)	(0.0189)	(0.0258)	(0.0417)	
	Constant	31.43***	29.04***	28.56***	37.30***	42.44***	51.07***	52.23***	52.38***	61.04***	64.62***
		(0.0866)	(0.160)	(0.238)	(0.686)	(0.376)	(0.104)	(0.184)	(0.272)	(0.706)	(0.403)
	Adjusted R^2	0.0799	0.0831	0.0892	0.300	0.299	0.0525	0.0536	0.0549	0.300	0.299
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Labour income (1000 DKK)	Same-sex attracted (SSA)	19.32***	18.73***	29.77***	35.97**	20.02***	-12.94*	-13.16*	-22.54*	-16.22	-18.24**
		(4.526)	(4.529)	(6.329)	(12.37)	(5.557)	(6.601)	(6.601)	(8.931)	(14.38)	(7.031)
	Parents' income rank (PIR)	1.332***	1.331***	1.384***	0.519***		1.432***	1.429***	1.445***	0.621***	
		(0.0101)	(0.0101)	(0.0147)	(0.0760)		(0.0134)	(0.0133)	(0.0185)	(0.0763)	
	SSA # PIR	-0.160*	-0.163*	-0.292**	-0.294		-0.153	-0.145	0.00261	-0.0397	
		(0.0796)	(0.0794)	(0.107)	(0.205)		(0.120)	(0.120)	(0.165)	(0.267)	
	Constant	192.2***	179.3***	177.6***	224.5***	250.2***	286.2***	284.7***	284.8***	332.8***	363.7***
		(0.524)	(0.869)	(1.335)	(4.437)	(2.235)	(0.694)	(1.214)	(1.812)	(4.661)	(2.715)
	Adjusted R^2	0.0712	0.0741	0.0746	0.256	0.256	0.0439	0.0479	0.0465	0.256	0.256
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Public transfers/benefits (1000 DKK)	Same-sex attracted (SSA)	-24.42***	-24.64***	-28.44***	-32.82***	-24.11***	1.054	1.073	3.104	1.861	2.193
		(1.840)	(1.837)	(2.598)	(4.469)	(1.708)	(1.797)	(1.796)	(2.611)	(4.902)	(1.854)
	Parents' income rank (PIR)	-0.436***	-0.437***	-0.457***	-0.233***		-0.248***	-0.249***	-0.255***	-0.0372	
		(0.00325)	(0.00325)	(0.00449)	(0.0210)		(0.00241)	(0.00241)	(0.00332)	(0.0207)	
	SSA # PIR	0.0943***	0.0946***	0.121**	0.164*		0.0121	0.0104	-0.0184	0.0111	
		(0.0280)	(0.0279)	(0.0384)	(0.0648)		(0.0269)	(0.0269)	(0.0382)	(0.0722)	
	Constant	81.72***	80.21***	82.26***	70.86***	59.09***	31.43***	28.36***	28.14***	17.20***	15.63***
		(0.214)	(0.345)	(0.509)	(1.256)	(0.709)	(0.163)	(0.234)	(0.337)	(1.173)	(0.562)
	Adjusted R^2	0.0612	0.0628	0.0683	0.332	0.328	0.0406	0.0440	0.0455	0.332	0.328
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Unemployed, share	Same-sex attracted (SSA)	-0.0154	-0.0170	-0.0382**	-0.0665**	-0.0236*	-0.00136	-0.00124	0.00921	0.0107	0.0162
		(0.00990)	(0.00988)	(0.0138)	(0.0242)	(0.00944)	(0.00921)	(0.00919)	(0.0139)	(0.0247)	(0.0102)
	Parents' income rank (PIR)	-0.00182***	-0.00183***	-0.00190***	-0.00122***		-0.00101***	-0.00101***	-0.00102***	-0.000375**	
		(0.0000175)	(0.0000175)	(0.0000240)	(0.000115)		(0.0000142)	(0.0000141)	(0.0000192)	(0.000114)	
	SSA # PIR	0.000327*	0.000328*	0.000575**	0.000806*		0.000330*	0.000324*	0.000166	0.000128	
		(0.000154)	(0.000154)	(0.000213)	(0.000365)		(0.000148)	(0.000148)	(0.000219)	(0.000381)	
	Constant	0.243***	0.242***	0.244***	0.208***	0.146***	0.137***	0.128***	0.125***	0.0919***	0.0745***
		(0.00114)	(0.00180)	(0.00265)	(0.00682)	(0.00377)	(0.000923)	(0.00135)	(0.00195)	(0.00650)	(0.00313)
	Adjusted R^2	0.0372	0.0394	0.0429	0.161	0.158	0.0198	0.0212	0.0219	0.161	0.158
	N	343696	343696	194966	385965	385965	334599	334599	190999	385965	385965
Years of education	Same-sex attracted (SSA)	0.223**	0.191*	0.0760	0.107	0.0850	0.427***	0.427***	0.301*	0.223	0.303**
		(0.0777)	(0.0777)	(0.109)	(0.176)	(0.0745)	(0.0961)	(0.0960)	(0.136)	(0.214)	(0.0999)
	Parents' income rank (PIR)	0.0292***	0.0291***	0.0310***	0.00724***		0.0289***	0.0288***	0.0305***	0.00721***	
		(0.000143)	(0.000143)	(0.000198)	(0.000957)		(0.000151)	(0.000151)	(0.000208)	(0.000963)	
	SSA # PIR	-0.00128	-0.00129	0.00102	-0.000381		-0.00289	-0.00289	-0.00135	0.00151	
		(0.00125)	(0.00124)	(0.00168)	(0.00272)		(0.00165)	(0.00164)	(0.00229)	(0.00350)	
	Constant	13.71***	13.35***	13.32***	14.65***	15.01***	13.31***	13.12***	13.08***	14.42***	14.78***
		(0.00880)	(0.0149)	(0.0223)	(0.0565)	(0.0301)	(0.00910)	(0.0155)	(0.0230)	(0.0571)	(0.0309)
	Adjusted R^2	0.127	0.137	0.148	0.410	0.410	0.117	0.122	0.132	0.410	0.410
	N	343397	343397	194844	385466	385466	333795	333795	190622	385466	385466
Cohort-year FEs		No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Sibling sample		No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Sibling FEs		No	No	No	Yes	Yes	No	No	No	Yes	Yes

Notes: In this table, we report estimates of Specification 3 in Columns 1 and 6 for women and men, respectively. Columns 2 and 7 add cohort FEs. Columns 3 and 8 consider only those with siblings in the sample. Columns 4 and 9 add sibling FEs, and Columns 5 and 10 include estimates of Specification 8. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child income is measured over 6 years (30th-35th year of life), child education in the 35th year of life of each child. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors clustered at the sibling level, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table C.7: Regressions, hospital visits

		Women					Men				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
No. of hospital visits	Same-sex attracted (SSA)	-3.093***	-3.246***	-3.176***	-3.679***	-2.993***	-0.977**	-0.974**	-1.243*	-0.558	-0.739*
		(0.422)	(0.419)	(0.581)	(0.964)	(0.405)	(0.341)	(0.340)	(0.499)	(0.873)	(0.358)
	Parents' income rank (PIR)	-0.0510***	-0.0513***	-0.0558***	-0.0271***		-0.0377***	-0.0379***	-0.0401***	-0.0105*	
		(0.000677)	(0.000673)	(0.000938)	(0.00430)		(0.000501)	(0.000500)	(0.000693)	(0.00421)	
	SSA # PIR	0.0105	0.0107	0.0101	0.0129		0.00473	0.00463	0.00774	-0.00306	
		(0.00659)	(0.00655)	(0.00861)	(0.0142)		(0.00518)	(0.00517)	(0.00736)	(0.0133)	
	Constant	16.58***	14.58***	14.96***	13.38***	12.02***	9.252***	8.595***	8.627***	6.931***	6.433***
		(0.0437)	(0.0654)	(0.0991)	(0.254)	(0.139)	(0.0324)	(0.0502)	(0.0741)	(0.242)	(0.124)
	Adjusted R^2	0.0195	0.0309	0.0321	0.271	0.270	0.0190	0.0216	0.0232	0.271	0.270
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
No. of hospital visits, ex. fertility	Same-sex attracted (SSA)	-0.249	-0.370	-0.249	-0.571	-0.537	-1.309***	-1.305***	-1.560***	-1.135	-1.071***
		(0.382)	(0.381)	(0.528)	(0.873)	(0.372)	(0.319)	(0.318)	(0.460)	(0.802)	(0.324)
	Parents' income rank (PIR)	-0.0380***	-0.0382***	-0.0414***	-0.0176***		-0.0373***	-0.0374***	-0.0395***	-0.0150***	
		(0.000561)	(0.000558)	(0.000777)	(0.00373)		(0.000484)	(0.000484)	(0.000671)	(0.00368)	
	SSA # PIR	0.000149	0.000353	-0.000158	0.000611		0.00616	0.00606	0.00836	0.00138	
		(0.00597)	(0.00595)	(0.00781)	(0.0128)		(0.00486)	(0.00485)	(0.00676)	(0.0122)	
	Constant	11.66***	10.11***	10.32***	8.936***	8.060***	8.915***	8.368***	8.396***	6.953***	6.212***
		(0.0363)	(0.0541)	(0.0827)	(0.218)	(0.119)	(0.0314)	(0.0489)	(0.0720)	(0.214)	(0.114)
	Adjusted R^2	0.0152	0.0255	0.0268	0.192	0.192	0.0199	0.0215	0.0232	0.192	0.192
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Any psych. hospital visits	Same-sex attracted (SSA)	0.0984***	0.0951***	0.110***	0.0805*	0.0609***	0.0728***	0.0729***	0.0769***	0.0786*	0.0543***
		(0.0135)	(0.0135)	(0.0194)	(0.0322)	(0.0135)	(0.0143)	(0.0143)	(0.0202)	(0.0351)	(0.0150)
	Parents' income rank (PIR)	-0.00107***	-0.00108***	-0.00110***	-0.000775***		-0.000934***	-0.000940***	-0.000960***	-0.000630***	
		(0.0000206)	(0.0000205)	(0.0000277)	(0.000148)		(0.0000172)	(0.0000172)	(0.0000232)	(0.000146)	
	SSA # PIR	-0.000560**	-0.000558**	-0.000685*	-0.000366		-0.000398	-0.000401	-0.000388	-0.000464	
		(0.000213)	(0.000212)	(0.000298)	(0.000486)		(0.000228)	(0.000227)	(0.000320)	(0.000559)	
	Constant	0.173***	0.137***	0.137***	0.115***	0.0759***	0.121***	0.0961***	0.0968***	0.0793***	0.0483***
		(0.00129)	(0.00198)	(0.00291)	(0.00859)	(0.00447)	(0.00112)	(0.00160)	(0.00233)	(0.00829)	(0.00397)
	Adjusted R^2	0.00964	0.0149	0.0146	0.0931	0.0928	0.0109	0.0145	0.0146	0.0931	0.0928
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
No. of psych. hospital visits	Same-sex attracted (SSA)	0.905***	0.890***	1.005***	1.038**	0.485**	0.386***	0.386***	0.417***	0.376	0.243**
		(0.178)	(0.177)	(0.237)	(0.397)	(0.158)	(0.0903)	(0.0902)	(0.117)	(0.238)	(0.0897)
	Parents' income rank (PIR)	-0.00480***	-0.00484***	-0.00488***	-0.00319**		-0.00373***	-0.00375***	-0.00384***	-0.00230*	
		(0.000151)	(0.000151)	(0.000194)	(0.000990)		(0.000113)	(0.000113)	(0.000142)	(0.000976)	
	SSA # PIR	-0.00664**	-0.00664**	-0.00789*	-0.0103		-0.00315*	-0.00316*	-0.00297	-0.00255	
		(0.00252)	(0.00252)	(0.00314)	(0.00609)		(0.00129)	(0.00129)	(0.00169)	(0.00339)	
	Constant	0.666***	0.501***	0.513***	0.414***	0.255***	0.425***	0.333***	0.325***	0.229***	0.116***
		(0.00984)	(0.0125)	(0.0187)	(0.0547)	(0.0288)	(0.00775)	(0.0103)	(0.0116)	(0.0532)	(0.0239)
	Adjusted R^2	0.00460	0.00666	0.00674	0.0481	0.0478	0.00463	0.00572	0.00626	0.0481	0.0478
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Any substance abuse hospital visits	Same-sex attracted (SSA)	0.0416***	0.0405***	0.0461***	0.0425	0.0267**	0.00511	0.00515	0.0128	0.0117	0.00158
		(0.00924)	(0.00923)	(0.0132)	(0.0234)	(0.00934)	(0.0104)	(0.0104)	(0.0147)	(0.0256)	(0.0108)
	Parents' income rank (PIR)	-0.000610***	-0.000613***	-0.000632***	-0.000351**		-0.000730***	-0.000731***	-0.000743***	-0.000473***	
		(0.0000130)	(0.0000130)	(0.0000177)	(0.000112)		(0.0000149)	(0.0000149)	(0.0000202)	(0.000113)	
	SSA # PIR	-0.000300*	-0.000299*	-0.000358	-0.000296		0.0000253	0.0000223	-0.000120	-0.000197	
		(0.000138)	(0.000138)	(0.000192)	(0.000342)		(0.000161)	(0.000161)	(0.000220)	(0.000382)	
	Constant	0.0728***	0.0594***	0.0600***	0.0451***	0.0277***	0.0922***	0.0790***	0.0767***	0.0628***	0.0392***
		(0.000857)	(0.00124)	(0.00182)	(0.00632)	(0.00304)	(0.000978)	(0.00148)	(0.00210)	(0.00651)	(0.00327)
	Adjusted R^2	0.00784	0.00966	0.00987	0.0528	0.0526	0.00835	0.00908	0.00915	0.0528	0.0526
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
No. of substance abuse hospital visits	Same-sex attracted (SSA)	0.176***	0.174**	0.227*	0.117	0.0866	0.00704	0.00710	0.0134	0.0461	0.0338
		(0.0534)	(0.0534)	(0.0911)	(0.156)	(0.0497)	(0.0380)	(0.0380)	(0.0404)	(0.0630)	(0.0335)
	Parents' income rank (PIR)	-0.00150***	-0.00151***	-0.00152***	-0.000777*		-0.00200***	-0.00201***	-0.00207***	-0.00136***	
		(0.0000553)	(0.0000553)	(0.0000612)	(0.000335)		(0.0000649)	(0.0000649)	(0.0000863)	(0.000342)	
	SSA # PIR	-0.00153*	-0.00152*	-0.00211	-0.000567		0.000347	0.000338	0.000239	-0.000245	
		(0.000751)	(0.000750)	(0.00129)	(0.00220)		(0.000589)	(0.000589)	(0.000715)	(0.00103)	
	Constant	0.157***	0.132***	0.142***	0.108***	0.0696***	0.211***	0.178***	0.175***	0.131***	0.0625***
		(0.00372)	(0.00497)	(0.00873)	(0.0200)	(0.0121)	(0.00447)	(0.00554)	(0.00677)	(0.0197)	(0.0104)
	Adjusted R^2	0.00351	0.00402	0.00503	0.0503	0.0501	0.00428	0.00457	0.00507	0.0503	0.0501
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Cohort-year FEs		No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Sibling sample		No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Sibling FEs		No	No	No	Yes	Yes	No	No	No	Yes	Yes

Notes: In this table, we report estimates of Specification 3 in Columns 1 and 6 for women and men, respectively. Columns 2 and 7 add cohort FEs. Columns 3 and 8 consider only those with siblings in the sample. Columns 4 and 9 add sibling FEs, and Columns 5 and 10 include estimates of Specification 8. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child health outcomes are measured from the 22nd to 35th year of life. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors clustered at the sibling level, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table C.8: Regressions, health practitioners

		Women					Men				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
No. of GP visits	Same-sex attracted (SSA)	-29.94***	-30.52***	-33.27***	-34.15***	-28.02***	10.48***	10.48***	9.045***	10.28*	7.999***
		(2.016)	(2.002)	(2.805)	(4.640)	(1.905)	(1.957)	(1.953)	(2.521)	(4.417)	(1.944)
	Parents' income rank (PIR)	-0.297***	-0.298***	-0.316***	-0.161***		-0.176***	-0.176***	-0.182***	-0.0160	
		(0.00398)	(0.00397)	(0.00554)	(0.0228)		(0.00230)	(0.00230)	(0.00316)	(0.0222)	
	SSA # PIR	0.0607	0.0604	0.109*	0.116		-0.0279	-0.0280	-0.00649	-0.0409	
		(0.0317)	(0.0314)	(0.0435)	(0.0697)		(0.0303)	(0.0302)	(0.0387)	(0.0700)	
	Constant	127.7***	120.9***	121.5***	112.2***	104.0***	52.79***	50.55***	50.24***	40.14***	39.55***
		(0.253)	(0.426)	(0.638)	(1.406)	(0.822)	(0.149)	(0.245)	(0.357)	(1.278)	(0.643)
	Adjusted R^2	0.0209	0.0257	0.0277	0.474	0.473	0.0209	0.0227	0.0244	0.474	0.473
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Any psychologist visits	Same-sex attracted (SSA)	0.0213	0.0197	0.00647	-0.00197	-0.000946	0.0450***	0.0452***	0.0493**	0.0388	0.0385**
		(0.0132)	(0.0132)	(0.0185)	(0.0303)	(0.0140)	(0.0123)	(0.0123)	(0.0171)	(0.0317)	(0.0147)
	Parents' income rank (PIR)	-0.000458***	-0.000461***	-0.000456***	-0.000151		-0.000245***	-0.000246***	-0.000223***	0.0000685	
		(0.0000238)	(0.0000238)	(0.0000322)	(0.000158)		(0.0000155)	(0.0000155)	(0.0000206)	(0.000155)	
	SSA # PIR	0.0000376	0.0000449	0.000217	0.0000214		-0.000108	-0.000114	-0.000150	-0.000000726	
		(0.000218)	(0.000218)	(0.000302)	(0.000493)		(0.000206)	(0.000206)	(0.000281)	(0.000518)	
	Constant	0.208***	0.153***	0.146***	0.119***	0.111***	0.0785***	0.0550***	0.0500***	0.0317***	0.0354***
		(0.00142)	(0.00235)	(0.00343)	(0.00942)	(0.00527)	(0.000947)	(0.00147)	(0.00207)	(0.00873)	(0.00426)
	Adjusted R^2	0.00116	0.00411	0.00340	0.120	0.120	0.000997	0.00228	0.00185	0.120	0.120
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
No. of psychologist visits	Same-sex attracted (SSA)	0.627**	0.617**	0.182	0.0818	0.152	0.545***	0.546***	0.454*	0.397	0.344*
		(0.205)	(0.204)	(0.247)	(0.380)	(0.198)	(0.140)	(0.140)	(0.180)	(0.318)	(0.161)
	Parents' income rank (PIR)	-0.00272***	-0.00273***	-0.00264***	0.000399		-0.00132***	-0.00132***	-0.00119***	0.00195	
		(0.000311)	(0.000311)	(0.000408)	(0.00195)		(0.000155)	(0.000155)	(0.000204)	(0.00189)	
	SSA # PIR	-0.00339	-0.00329	0.00354	0.00134		-0.00158	-0.00164	-0.00102	-0.00101	
		(0.00334)	(0.00334)	(0.00430)	(0.00676)		(0.00231)	(0.00231)	(0.00301)	(0.00539)	
	Constant	1.884***	1.256***	1.191***	0.914***	0.932***	0.558***	0.364***	0.338***	0.172	0.271***
		(0.0183)	(0.0280)	(0.0399)	(0.114)	(0.0615)	(0.00936)	(0.0141)	(0.0205)	(0.105)	(0.0482)
	Adjusted R^2	0.000336	0.00279	0.00210	0.115	0.115	0.000531	0.00150	0.00107	0.115	0.115
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Any psychiatrist visits	Same-sex attracted (SSA)	0.0624***	0.0624***	0.0603***	0.0370	0.0349**	0.0422***	0.0422***	0.0544**	0.0548*	0.0399***
		(0.0114)	(0.0114)	(0.0162)	(0.0256)	(0.0108)	(0.0117)	(0.0117)	(0.0168)	(0.0273)	(0.0118)
	Parents' income rank (PIR)	-0.000534***	-0.000534***	-0.000529***	-0.000270*		-0.000437***	-0.000439***	-0.000423***	-0.000193	
		(0.0000168)	(0.0000168)	(0.0000223)	(0.000121)		(0.0000139)	(0.0000139)	(0.0000184)	(0.000119)	
	SSA # PIR	-0.000471**	-0.000470**	-0.000330	-0.0000392		-0.0000974	-0.0000983	-0.000346	-0.000285	
		(0.000180)	(0.000180)	(0.000251)	(0.000399)		(0.000191)	(0.000191)	(0.000267)	(0.000446)	
	Constant	0.103***	0.0995***	0.0964***	0.0766***	0.0631***	0.0690***	0.0620***	0.0599***	0.0495***	0.0401***
		(0.00104)	(0.00179)	(0.00262)	(0.00721)	(0.00405)	(0.000882)	(0.00139)	(0.00201)	(0.00680)	(0.00339)
	Adjusted R^2	0.00366	0.00370	0.00370	0.0679	0.0679	0.00375	0.00430	0.00406	0.0679	0.0679
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
No. of psychiatrist visits	Same-sex attracted (SSA)	0.901**	0.895**	0.757	0.196	0.561	0.660*	0.660*	0.837*	1.160	1.079***
		(0.347)	(0.347)	(0.432)	(0.680)	(0.312)	(0.294)	(0.294)	(0.417)	(0.679)	(0.305)
	Parents' income rank (PIR)	-0.00672***	-0.00673***	-0.00637***	-0.00208		-0.00517***	-0.00521***	-0.00472***	-0.00139	
		(0.000529)	(0.000529)	(0.000708)	(0.00328)		(0.000352)	(0.000352)	(0.000480)	(0.00326)	
	SSA # PIR	-0.00574	-0.00571	-0.00173	0.00680		0.00134	0.00132	-0.000918	-0.00154	
		(0.00609)	(0.00609)	(0.00750)	(0.0116)		(0.00513)	(0.00513)	(0.00679)	(0.0111)	
	Constant	1.739***	1.502***	1.406***	1.178***	1.074***	0.956***	0.770***	0.711***	0.599**	0.531***
		(0.0317)	(0.0506)	(0.0704)	(0.194)	(0.106)	(0.0217)	(0.0318)	(0.0438)	(0.185)	(0.0900)
	Adjusted R^2	0.000586	0.000723	0.000629	0.0544	0.0544	0.000902	0.00133	0.00110	0.0544	0.0544
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Cohort-year FEs		No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Sibling sample		No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Sibling FEs		No	No	No	Yes	Yes	No	No	No	Yes	Yes

Notes: In this table, we report estimates of Specification 3 in Columns 1 and 6 for women and men, respectively. Columns 2 and 7 add cohort FEs. Columns 3 and 8 consider only those with siblings in the sample. Columns 4 and 9 add sibling FEs, and Columns 5 and 10 include estimates of Specification 8. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child health outcomes are measured from the 22nd to 35th year of life. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors clustered at the sibling level, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table C.9: Regressions, prescriptions

		Women					Men				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Any mental health prescription	Same-sex attracted (SSA)	0.0333*	0.0315*	0.0247	0.0333	0.0415*	0.101***	0.101***	0.106***	0.131**	0.103***
		(0.0157)	(0.0157)	(0.0224)	(0.0365)	(0.0173)	(0.0184)	(0.0184)	(0.0259)	(0.0444)	(0.0207)
	Parents' income rank (PIR)	-0.00197***	-0.00197***	-0.00203***	-0.000915***		-0.00167***	-0.00167***	-0.00170***	-0.000665**	
		(0.0000287)	(0.0000287)	(0.0000392)	(0.000203)		(0.0000255)	(0.0000255)	(0.0000347)	(0.000202)	
	SSA # PIR	0.000408	0.000415	0.000645	0.000153		0.000103	0.0000976	0.000140	-0.000529	
		(0.000260)	(0.000260)	(0.000363)	(0.000598)		(0.000311)	(0.000310)	(0.000431)	(0.000741)	
	Constant	0.418***	0.382***	0.381***	0.312***	0.266***	0.288***	0.258***	0.253***	0.200***	0.168***
		(0.00174)	(0.00308)	(0.00457)	(0.0123)	(0.00694)	(0.00160)	(0.00266)	(0.00387)	(0.0119)	(0.00638)
	Adjusted R^2	0.0146	0.0159	0.0164	0.140	0.140	0.0145	0.0154	0.0159	0.140	0.140
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
No. of non-opioid painkiller prescr.	Same-sex attracted (SSA)	1.097**	0.997**	0.877	1.035	0.658*	0.310	0.317	0.514	0.621	0.263
		(0.384)	(0.383)	(0.556)	(0.894)	(0.332)	(0.333)	(0.333)	(0.508)	(0.845)	(0.337)
	Parents' income rank (PIR)	-0.0384***	-0.0386***	-0.0419***	-0.0246***		-0.0251***	-0.0253***	-0.0271***	-0.0107*	
		(0.000645)	(0.000645)	(0.000904)	(0.00459)		(0.000460)	(0.000460)	(0.000634)	(0.00449)	
	SSA # PIR	-0.00176	-0.00180	-0.00293	-0.00695		-0.00153	-0.00156	-0.00491	-0.00657	
		(0.00555)	(0.00553)	(0.00792)	(0.0127)		(0.00517)	(0.00516)	(0.00791)	(0.0125)	
	Constant	6.504***	5.596***	5.774***	4.724***	3.490***	4.190***	3.773***	3.833***	2.692***	2.183***
		(0.0436)	(0.0589)	(0.0886)	(0.262)	(0.128)	(0.0316)	(0.0425)	(0.0657)	(0.251)	(0.124)
	Adjusted R^2	0.0114	0.0161	0.0181	0.115	0.115	0.0101	0.0133	0.0155	0.115	0.115
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Any opioid painkiller prescription	Same-sex attracted (SSA)	0.00632	0.00502	0.000330	0.00398	0.0192	-0.00364	-0.00339	-0.00743	-0.00831	-0.00662
		(0.0146)	(0.0146)	(0.0208)	(0.0370)	(0.0167)	(0.0165)	(0.0165)	(0.0234)	(0.0422)	(0.0191)
	Parents' income rank (PIR)	-0.00163***	-0.00164***	-0.00173***	-0.000559**		-0.00155***	-0.00155***	-0.00165***	-0.000461*	
		(0.0000266)	(0.0000265)	(0.0000363)	(0.000197)		(0.0000251)	(0.0000250)	(0.0000342)	(0.000197)	
	SSA # PIR	0.000368	0.000377	0.000363	0.000284		0.000157	0.000149	0.000241	0.0000374	
		(0.000238)	(0.000238)	(0.000330)	(0.000586)		(0.000271)	(0.000271)	(0.000380)	(0.000683)	
	Constant	0.335***	0.301***	0.303***	0.234***	0.206***	0.283***	0.249***	0.249***	0.174***	0.152***
		(0.00163)	(0.00284)	(0.00422)	(0.0118)	(0.00658)	(0.00157)	(0.00264)	(0.00386)	(0.0117)	(0.00638)
	Adjusted R^2	0.0115	0.0126	0.0138	0.0999	0.0998	0.0120	0.0133	0.0145	0.0999	0.0998
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Any substance abuse prescription	Same-sex attracted (SSA)	0.0236***	0.0236***	0.0186*	0.00215	0.00535	-0.0199***	-0.0199***	-0.0240**	-0.0198	-0.00676
		(0.00564)	(0.00564)	(0.00733)	(0.0145)	(0.00507)	(0.00589)	(0.00589)	(0.00802)	(0.0142)	(0.00577)
	Parents' income rank (PIR)	-0.000130***	-0.000130***	-0.000130***	0.0000751		-0.000481***	-0.000480***	-0.000491***	-0.000281***	
		(0.00000580)	(0.00000580)	(0.00000786)	(0.0000621)		(0.0000105)	(0.0000104)	(0.0000143)	(0.0000643)	
	SSA # PIR	-0.000229**	-0.000229**	-0.000180	0.0000556		0.000225*	0.000225*	0.000302*	0.000246	
		(0.0000841)	(0.0000841)	(0.000106)	(0.000206)		(0.0000885)	(0.0000885)	(0.000124)	(0.000215)	
	Constant	0.0138***	0.0134***	0.0136***	0.00493	0.00896***	0.0492***	0.0502***	0.0503***	0.0388***	0.0244***
		(0.000385)	(0.000609)	(0.000911)	(0.00353)	(0.00164)	(0.000716)	(0.00116)	(0.00169)	(0.00401)	(0.00235)
	Adjusted R^2	0.00225	0.00228	0.00224	0.0543	0.0526	0.00785	0.00805	0.00820	0.0543	0.0526
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Cohort-year FEs		No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Sibling sample		No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Sibling FEs		No	No	No	Yes	Yes	No	No	No	Yes	Yes

Notes: In this table, we report estimates of Specification 3 in Columns 1 and 6 for women and men, respectively. Columns 2 and 7 add cohort FEs. Columns 3 and 8 consider only those with siblings in the sample. Columns 4 and 9 add sibling FEs, and Columns 5 and 10 include estimates of Specification 8. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child health outcomes are measured from the 22nd to 35th year of life. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors clustered at the sibling level, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table C.10: Regressions, demographics

		Women					Men				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Living in Copenhagen	Same-sex attracted (SSA)	0.114***	0.114***	0.103***	0.0566*	0.0984***	0.263***	0.263***	0.262***	0.239***	0.254***
		(0.0155)	(0.0155)	(0.0218)	(0.0282)	(0.0145)	(0.0189)	(0.0189)	(0.0267)	(0.0397)	(0.0186)
	Parents' income rank (PIR)	0.00275***	0.00275***	0.00276***	0.000315*		0.00281***	0.00281***	0.00284***	0.000368*	
		(0.0000312)	(0.0000312)	(0.0000443)	(0.000156)		(0.0000317)	(0.0000317)	(0.0000447)	(0.000157)	
	SSA # PIR	0.000132	0.000140	0.000460	0.000782		0.000332	0.000328	0.000405	0.000298	
		(0.000263)	(0.000263)	(0.000363)	(0.000488)		(0.000311)	(0.000311)	(0.000435)	(0.000666)	
	Constant	0.175***	0.169***	0.143***	0.260***	0.275***	0.176***	0.173***	0.144***	0.261***	0.280***
		(0.00175)	(0.00311)	(0.00464)	(0.00935)	(0.00524)	(0.00179)	(0.00316)	(0.00466)	(0.00942)	(0.00525)
	Adjusted R^2	0.0293	0.0295	0.0305	0.552	0.552	0.0321	0.0322	0.0334	0.552	0.552
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Married	Same-sex attracted (SSA)	-0.0820***	-0.0774***	-0.0773***	-0.0212	-0.0691***	-0.152***	-0.153***	-0.172***	-0.173***	-0.237***
		(0.0158)	(0.0158)	(0.0227)	(0.0405)	(0.0192)	(0.0176)	(0.0176)	(0.0246)	(0.0441)	(0.0213)
	Parents' income rank (PIR)	0.00113***	0.00114***	0.00111***	0.000250		0.00112***	0.00113***	0.00106***	0.000287	
		(0.0000303)	(0.0000302)	(0.0000412)	(0.000226)		(0.0000310)	(0.0000309)	(0.0000421)	(0.000227)	
	SSA # PIR	-0.000399	-0.000416	-0.000288	-0.000891		-0.00114***	-0.00112***	-0.00106*	-0.00124	
		(0.000268)	(0.000267)	(0.000372)	(0.000668)		(0.000303)	(0.000303)	(0.000416)	(0.000754)	
	Constant	0.514***	0.574***	0.586***	0.644***	0.656***	0.454***	0.500***	0.519***	0.566***	0.580***
		(0.00179)	(0.00326)	(0.00485)	(0.0137)	(0.00781)	(0.00183)	(0.00338)	(0.00500)	(0.0137)	(0.00783)
	Adjusted R^2	0.00470	0.00988	0.00945	0.102	0.102	0.00551	0.00844	0.00771	0.102	0.102
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Parent	Same-sex attracted (SSA)	-0.401***	-0.403***	-0.396***	-0.420***	-0.358***	-0.705***	-0.706***	-0.704***	-0.689***	-0.710***
		(0.0158)	(0.0157)	(0.0225)	(0.0372)	(0.0175)	(0.00946)	(0.00942)	(0.0140)	(0.0312)	(0.0146)
	Parents' income rank (PIR)	-0.000190***	-0.000194***	-0.000255***	-0.000193		-0.000226***	-0.000236***	-0.000281***	-0.000139	
		(0.0000218)	(0.0000218)	(0.0000286)	(0.000176)		(0.0000262)	(0.0000261)	(0.0000347)	(0.000178)	
	SSA # PIR	0.000771**	0.000760**	0.000730*	0.00117		-0.000309*	-0.000300*	-0.000505*	-0.000398	
		(0.000267)	(0.000266)	(0.000371)	(0.000617)		(0.000148)	(0.000148)	(0.000211)	(0.000515)	
	Constant	0.862***	0.849***	0.869***	0.880***	0.870***	0.781***	0.762***	0.777***	0.789***	0.782***
		(0.00126)	(0.00244)	(0.00350)	(0.0106)	(0.00603)	(0.00153)	(0.00291)	(0.00424)	(0.0111)	(0.00669)
	Adjusted R^2	0.0122	0.0143	0.0131	0.0847	0.0846	0.0240	0.0285	0.0277	0.0847	0.0846
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
No. of children if parent	Same-sex attracted (SSA)	-0.553***	-0.546***	-0.550***	-0.491***	-0.411***	-0.575***	-0.575***	-0.588***	-0.670*	-0.630***
		(0.0312)	(0.0313)	(0.0452)	(0.104)	(0.0452)	(0.0844)	(0.0843)	(0.119)	(0.319)	(0.175)
	Rank, parental income, 1-21	-0.00246***	-0.00246***	-0.00264***	-0.000136		-0.00153***	-0.00153***	-0.00175***	0.000759	
		(0.0000518)	(0.0000518)	(0.0000709)	(0.000456)		(0.0000534)	(0.0000534)	(0.0000728)	(0.000459)	
	SSA # PIR	0.00222***	0.00219***	0.00219**	0.00149		-0.00135	-0.00128	-0.00104	0.00123	
		(0.000512)	(0.000512)	(0.000714)	(0.00161)		(0.00148)	(0.00148)	(0.00232)	(0.00595)	
	Constant	2.088***	2.109***	2.172***	2.099***	2.092***	1.886***	1.897***	1.938***	1.838***	1.876***
		(0.00320)	(0.00572)	(0.00869)	(0.0277)	(0.0160)	(0.00329)	(0.00597)	(0.00898)	(0.0281)	(0.0167)
	Adjusted R^2	0.0110	0.0118	0.0139	0.0895	0.0892	0.00390	0.00405	0.00512	0.0895	0.0892
	N	291328	291328	167328	315130	315130	255273	255273	147802	315130	315130
Age at first birth	Same-sex attracted (SSA)	2.761***	2.728***	3.042***	2.798***	2.275***	-0.767	-0.782	-0.877	-0.283	0.277
		(0.187)	(0.187)	(0.263)	(0.517)	(0.220)	(0.757)	(0.756)	(0.989)	(1.362)	(0.827)
	Rank, parental income, 1-21	0.0345***	0.0344***	0.0366***	0.0119***		0.0229***	0.0229***	0.0245***	-0.00126	
		(0.000249)	(0.000249)	(0.000339)	(0.00212)		(0.000245)	(0.000245)	(0.000331)	(0.00213)	
	SSA # PIR	-0.00981***	-0.00975***	-0.0137***	-0.00998		0.0364**	0.0362**	0.0348	0.0115	
		(0.00279)	(0.00280)	(0.00394)	(0.00783)		(0.0134)	(0.0134)	(0.0188)	(0.0258)	
	Constant	25.89***	25.74***	25.42***	26.45***	27.04***	27.64***	27.59***	27.44***	28.63***	28.56***
		(0.0158)	(0.0279)	(0.0411)	(0.126)	(0.0703)	(0.0154)	(0.0278)	(0.0406)	(0.129)	(0.0742)
	Adjusted R^2	0.0716	0.0723	0.0819	0.239	0.237	0.0359	0.0362	0.0409	0.239	0.237
	N	291328	291328	167328	315130	315130	255273	255273	147802	315130	315130
Cohort-year FEs		No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Sibling sample		No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Sibling FEs		No	No	No	Yes	Yes	No	No	No	Yes	Yes

Notes: In this table, we report estimates of Specification 3 in Columns 1 and 6 for women and men, respectively. Columns 2 and 7 add cohort FEs. Columns 3 and 8 consider only those with siblings in the sample. Columns 4 and 9 add sibling FEs, and Columns 5 and 10 include estimates of Specification 8. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child region, marital status, and fertility outcomes are measured in the 35th year of life of each child. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors clustered at the sibling level, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table C.11: Regressions, partner characteristics

		Women					Men				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Years in cohab. relationship, 30-35	Same-sex attracted (SSA)	-1.316***	-1.321***	-1.277***	-1.062***	-1.203***	-1.263***	-1.266***	-1.445***	-1.379***	-1.367***
		(0.0729)	(0.0727)	(0.105)	(0.186)	(0.0875)	(0.0897)	(0.0888)	(0.125)	(0.219)	(0.105)
	Parents' income rank (PIR)	0.00406***	0.00405***	0.00421***	0.00180		0.00411***	0.00406***	0.00388***	0.00208*	
		(0.000130)	(0.000130)	(0.000176)	(0.000990)		(0.000137)	(0.000137)	(0.000185)	(0.000992)	
	SSA # PIR	-0.0000608	-0.000144	-0.00104	-0.00262		-0.00214	-0.00206	-0.000707	0.000235	
		(0.00123)	(0.00122)	(0.00170)	(0.00302)		(0.00154)	(0.00153)	(0.00211)	(0.00370)	
	Constant	4.200***	4.244***	4.301***	4.467***	4.557***	3.842***	3.796***	3.862***	3.994***	4.098***
		(0.00774)	(0.0140)	(0.0206)	(0.0595)	(0.0336)	(0.00818)	(0.0151)	(0.0222)	(0.0605)	(0.0350)
	Adjusted R^2	0.00773	0.0102	0.00959	0.0923	0.0923	0.00609	0.0118	0.0106	0.0923	0.0923
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Rank, household income	Same-sex attracted (SSA)	-11.46***	-11.63***	-10.11***	-8.394***	-12.51***	-1.215	-1.219	-2.530	-1.655	-3.055**
		(0.763)	(0.762)	(1.095)	(2.012)	(0.958)	(1.050)	(1.046)	(1.422)	(2.376)	(1.161)
	Parents' income rank (PIR)	0.243***	0.242***	0.253***	0.0949***		0.224***	0.224***	0.228***	0.0752***	
		(0.00168)	(0.00168)	(0.00229)	(0.0120)		(0.00165)	(0.00164)	(0.00224)	(0.0120)	
	SSA # PIR	-0.0550***	-0.0552***	-0.0744***	-0.0767*		-0.0590**	-0.0586**	-0.0383	-0.0279	
		(0.0134)	(0.0133)	(0.0185)	(0.0337)		(0.0184)	(0.0183)	(0.0245)	(0.0406)	
	Constant	45.31***	44.36***	44.40***	53.02***	57.76***	43.52***	42.65***	42.75***	51.47***	55.17***
		(0.0994)	(0.183)	(0.270)	(0.723)	(0.410)	(0.0955)	(0.176)	(0.261)	(0.718)	(0.401)
	Adjusted R^2	0.0662	0.0682	0.0724	0.210	0.209	0.0592	0.0629	0.0642	0.210	0.209
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Rank, partner income	Same-sex attracted (SSA)	-18.24***	-18.40***	-17.94***	-15.99***	-19.18***	-1.053	-1.059	-2.436	-2.272	-3.573**
		(0.749)	(0.744)	(1.086)	(1.998)	(0.956)	(1.045)	(1.033)	(1.436)	(2.492)	(1.211)
	Parents' income rank (PIR)	0.130***	0.129***	0.135***	0.0457***		0.123***	0.123***	0.126***	0.0424***	
		(0.00164)	(0.00164)	(0.00221)	(0.0113)		(0.00139)	(0.00138)	(0.00186)	(0.0112)	
	SSA # PIR	-0.0371**	-0.0377**	-0.0467*	-0.0593		-0.0638***	-0.0638***	-0.0498*	-0.0255	
		(0.0130)	(0.0129)	(0.0182)	(0.0334)		(0.0182)	(0.0181)	(0.0247)	(0.0433)	
	Constant	58.85***	58.93***	59.34***	64.10***	66.38***	43.13***	40.69***	40.76***	45.61***	47.71***
		(0.0958)	(0.179)	(0.265)	(0.695)	(0.410)	(0.0795)	(0.148)	(0.218)	(0.668)	(0.371)
	Adjusted R^2	0.0259	0.0294	0.0299	0.193	0.193	0.0249	0.0351	0.0347	0.193	0.193
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Rank, partner income, in relationship only	Same-sex attracted (SSA)	-16.29***	-16.21***	-15.37***	-15.57***	-17.78***	20.86***	20.82***	20.28***	21.10***	19.16***
		(0.977)	(0.977)	(1.392)	(2.789)	(1.292)	(1.423)	(1.422)	(2.013)	(3.777)	(1.728)
	Parents' income rank (PIR)	0.176***	0.176***	0.182***	0.0524***		0.177***	0.177***	0.185***	0.0573***	
		(0.00178)	(0.00178)	(0.00241)	(0.0138)		(0.00162)	(0.00162)	(0.00217)	(0.0137)	
	SSA # PIR	-0.0457**	-0.0461**	-0.0553*	-0.0404		-0.0692**	-0.0694**	-0.0459	-0.0374	
		(0.0168)	(0.0168)	(0.0235)	(0.0462)		(0.0246)	(0.0246)	(0.0342)	(0.0633)	
	Constant	53.71***	54.98***	54.72***	61.22***	63.84***	27.41***	26.08***	25.39***	32.05***	34.92***
		(0.106)	(0.187)	(0.276)	(0.832)	(0.472)	(0.0912)	(0.169)	(0.248)	(0.821)	(0.454)
	Adjusted R^2	0.0384	0.0389	0.0406	0.302	0.302	0.0454	0.0460	0.0494	0.302	0.302
	N	310955	310955	177101	345923	345923	294051	294051	168822	345923	345923
Cohort-year FEs		No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Sibling sample		No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Sibling FEs		No	No	No	Yes	Yes	No	No	No	Yes	Yes

Notes: In this table, we report estimates of Specification 3 in Columns 1 and 6 for women and men, respectively. Columns 2 and 7 add cohort FEs. Columns 3 and 8 consider only those with siblings in the sample. Columns 4 and 9 add sibling FEs, and Columns 5 and 10 include estimates of Specification 8. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child, child's partner, and child's household income is measured over 6 years (30th-35th year of life). Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors clustered at the sibling level, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table C.12: Regressions, parent-child dynamics

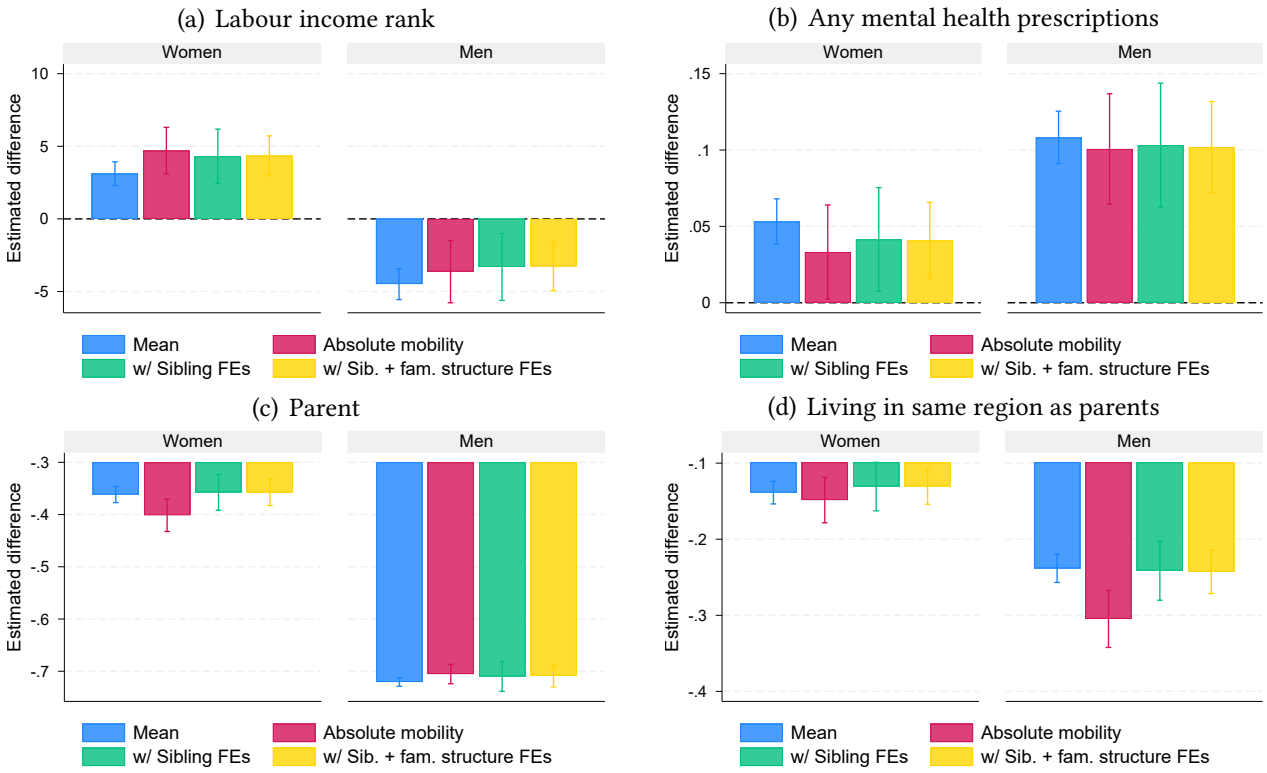
		Women					Men				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Max. age living with parents	Same-sex attracted (SSA)	0.992***	0.986***	1.008***	1.173***	0.799***	-1.088***	-1.089***	-1.388***	-0.932*	-0.682***
		(0.151)	(0.151)	(0.206)	(0.322)	(0.142)	(0.180)	(0.180)	(0.249)	(0.389)	(0.170)
	Parents' income rank (PIR)	0.0115***	0.0115***	0.0107***	0.0136***		0.000102	0.000117	-0.00162***	0.00136	
		(0.000236)	(0.000236)	(0.000318)	(0.00178)		(0.000273)	(0.000273)	(0.000371)	(0.00180)	
	SSA # PIR	-0.00457*	-0.00460*	-0.00607	-0.00708		0.00767**	0.00767**	0.0107**	0.00456	
		(0.00232)	(0.00232)	(0.00310)	(0.00500)		(0.00295)	(0.00295)	(0.00400)	(0.00638)	
	Constant	19.68***	19.58***	19.55***	19.41***	20.10***	21.81***	21.81***	21.88***	21.68***	21.73***
		(0.0147)	(0.0247)	(0.0364)	(0.105)	(0.0558)	(0.0174)	(0.0286)	(0.0421)	(0.107)	(0.0590)
	Adjusted R^2	0.00867	0.00888	0.00788	0.200	0.198	0.000269	0.000336	0.000668	0.200	0.198
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Min. age living without parents	Same-sex attracted (SSA)	0.151	0.157	0.156	0.542**	0.358***	-0.699***	-0.700***	-0.742***	-0.360	-0.397***
		(0.0920)	(0.0919)	(0.124)	(0.184)	(0.0771)	(0.127)	(0.127)	(0.171)	(0.254)	(0.104)
	Parents' income rank (PIR)	0.0164***	0.0164***	0.0166***	0.0120***		0.0123***	0.0123***	0.0119***	0.00807***	
		(0.000150)	(0.000150)	(0.000205)	(0.00104)		(0.000192)	(0.000192)	(0.000263)	(0.00106)	
	SSA # PIR	0.00130	0.00131	0.000210	-0.00344		0.00259	0.00255	0.00296	-0.000859	
		(0.00142)	(0.00141)	(0.00186)	(0.00279)		(0.00194)	(0.00194)	(0.00260)	(0.00393)	
	Constant	19.04***	18.98***	18.88***	19.05***	19.65***	20.33***	20.33***	20.24***	20.34***	20.73***
		(0.00960)	(0.0163)	(0.0235)	(0.0612)	(0.0331)	(0.0125)	(0.0212)	(0.0308)	(0.0650)	(0.0384)
	Adjusted R^2	0.0459	0.0467	0.0504	0.346	0.345	0.0167	0.0191	0.0182	0.346	0.345
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Same municipality as parents	Same-sex attracted (SSA)	-0.138***	-0.137***	-0.150***	-0.116**	-0.129***	-0.292***	-0.292***	-0.318***	-0.278***	-0.210***
		(0.0150)	(0.0151)	(0.0214)	(0.0367)	(0.0166)	(0.0161)	(0.0161)	(0.0219)	(0.0428)	(0.0198)
	Parents' income rank (PIR)	-0.00172***	-0.00172***	-0.00185***	0.000167		-0.00187***	-0.00187***	-0.00199***	0.0000371	
		(0.0000306)	(0.0000306)	(0.0000424)	(0.000211)		(0.0000312)	(0.0000312)	(0.0000432)	(0.000212)	
	SSA # PIR	0.0000536	0.0000504	0.000111	-0.000230		0.00117***	0.00117***	0.00141***	0.00132	
		(0.000244)	(0.000244)	(0.000338)	(0.000576)		(0.000270)	(0.000270)	(0.000362)	(0.000703)	
	Constant	0.520***	0.529***	0.538***	0.443***	0.451***	0.539***	0.541***	0.548***	0.446***	0.448***
		(0.00182)	(0.00334)	(0.00502)	(0.0128)	(0.00726)	(0.00187)	(0.00339)	(0.00505)	(0.0128)	(0.00724)
	Adjusted R^2	0.0107	0.0109	0.0123	0.244	0.244	0.0132	0.0133	0.0146	0.244	0.244
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Same minor region as parents	Same-sex attracted (SSA)	-0.165***	-0.165***	-0.174***	-0.0987**	-0.144***	-0.337***	-0.337***	-0.372***	-0.328***	-0.274***
		(0.0159)	(0.0159)	(0.0229)	(0.0371)	(0.0171)	(0.0185)	(0.0184)	(0.0256)	(0.0448)	(0.0207)
	Parents' income rank (PIR)	-0.00208***	-0.00208***	-0.00228***	0.000275		-0.00220***	-0.00220***	-0.00242***	0.000190	
		(0.0000302)	(0.0000302)	(0.0000417)	(0.000206)		(0.0000308)	(0.0000308)	(0.0000423)	(0.000207)	
	SSA # PIR	-0.0000829	-0.0000879	-0.0000262	-0.000847		0.000777*	0.000778*	0.00114**	0.00104	
		(0.000266)	(0.000266)	(0.000373)	(0.000604)		(0.000310)	(0.000310)	(0.000425)	(0.000736)	
	Constant	0.747***	0.752***	0.770***	0.652***	0.666***	0.752***	0.752***	0.771***	0.643***	0.652***
		(0.00172)	(0.00319)	(0.00478)	(0.0124)	(0.00693)	(0.00176)	(0.00325)	(0.00480)	(0.0125)	(0.00698)
	Adjusted R^2	0.0168	0.0170	0.0197	0.262	0.262	0.0199	0.0199	0.0231	0.262	0.262
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Same major region as parents	Same-sex attracted (SSA)	-0.149***	-0.149***	-0.158***	-0.0948**	-0.131***	-0.305***	-0.305***	-0.324***	-0.305***	-0.241***
		(0.0152)	(0.0152)	(0.0219)	(0.0343)	(0.0163)	(0.0191)	(0.0191)	(0.0267)	(0.0422)	(0.0198)
	Parents' income rank (PIR)	-0.00104***	-0.00104***	-0.00126***	0.000193		-0.00108***	-0.00108***	-0.00130***	0.000191	
		(0.0000271)	(0.0000271)	(0.0000375)	(0.000183)		(0.0000275)	(0.0000275)	(0.0000380)	(0.000184)	
	SSA # PIR	0.000202	0.000199	0.000113	-0.000669		0.00129***	0.00129***	0.00140**	0.00123	
		(0.000260)	(0.000260)	(0.000364)	(0.000561)		(0.000329)	(0.000329)	(0.000454)	(0.000692)	
	Constant	0.815***	0.814***	0.825***	0.757***	0.767***	0.817***	0.816***	0.829***	0.754***	0.763***
		(0.00151)	(0.00286)	(0.00430)	(0.0111)	(0.00634)	(0.00155)	(0.00290)	(0.00431)	(0.0112)	(0.00633)
	Adjusted R^2	0.00609	0.00631	0.00837	0.250	0.250	0.00769	0.00776	0.00986	0.250	0.250
	N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Cohort-year FEs		No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Sibling sample		No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Sibling FEs		No	No	No	Yes	Yes	No	No	No	Yes	Yes

Notes: In this table, we report estimates of Specification 3 in Columns 1 and 6 for women and men, respectively. Columns 2 and 7 add cohort FEs. Columns 3 and 8 consider only those with siblings in the sample. Columns 4 and 9 add sibling FEs, and Columns 5 and 10 include estimates of Specification 8. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child and parent region of residence are measured in the 35th year of life of each child. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors clustered at the sibling level, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

D Heterogeneity and extensions

D.1 Family structure

Figure D.6: Comparing results from main specification to those with sibling and family structure FEs



Notes: In this figure, we plot estimates of simple differences in means between same-sex and different-sex attracted (blue bars), β_s from Specification 3 (pink bars), Specification 8 (green bars), and Specification 8 with added FEs controls for interactions of sibling order and family size. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. See Section 3 for details on data construction and variables. Child income is measured over 6 years (30th-35th year of life). Child health outcomes are measured from the 22nd to 35th year of life. Child fertility outcomes, as well as child and parent region of residence are measured in the 35th year of life of each child. Parental income is measured over 21 years (1st-21st year of each child's life). See Tables C.6 to C.12 for point estimates from all specifications. 95%-level confidence intervals indicated, based on standard errors clustered at the sibling level.

D.2 Regional variation

Denmark consists of five major regions (NUTS-2 level): North Jutland, Central Jutland, Southern Denmark, Zealand, and Copenhagen. Copenhagen is the capital of Denmark and represents the only region with a major metropolis.[25] We start our regional analysis by dividing our sample of children into five groups based on the region in which they lived at age 13, that is, before the children themselves would be able to choose where to live. Next, we estimate simple differences

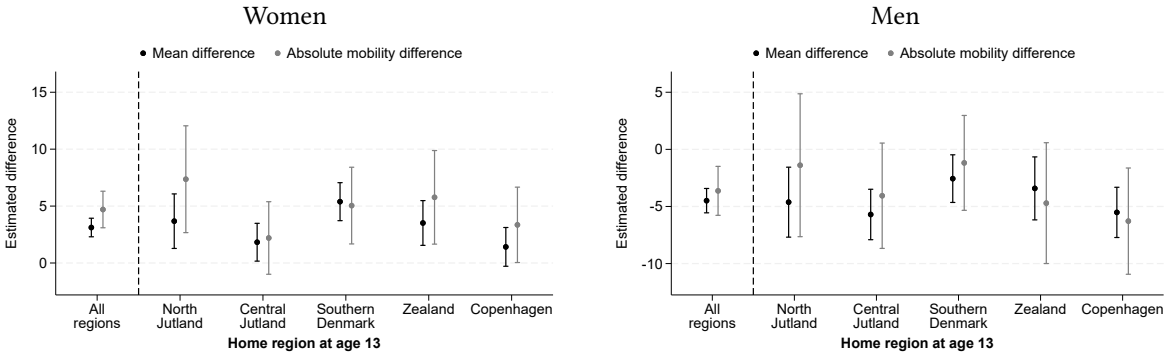
[25] In 2020, more than 2 million people lived in the city of Copenhagen, more than four times the number of people in Aarhus, the second biggest city in Denmark. OECD city-specific population counts: https://regions-cities-atlas.oecd.org/metroregional/EFUA/DNK/229/T_T/2020/1.

in means by sexual attraction and Specification 3 separately for each of these five groups. Figure D.7 plots, β_s, i.e. the difference in intercept/absolute mobility between same-sex attracted and different-sex attracted individuals, for each region in grey circles. Differences in means are indicated by black circles. To ease comparison with our main results, we plot the results for the aggregate sample from all five regions on the left-hand side of each panel.

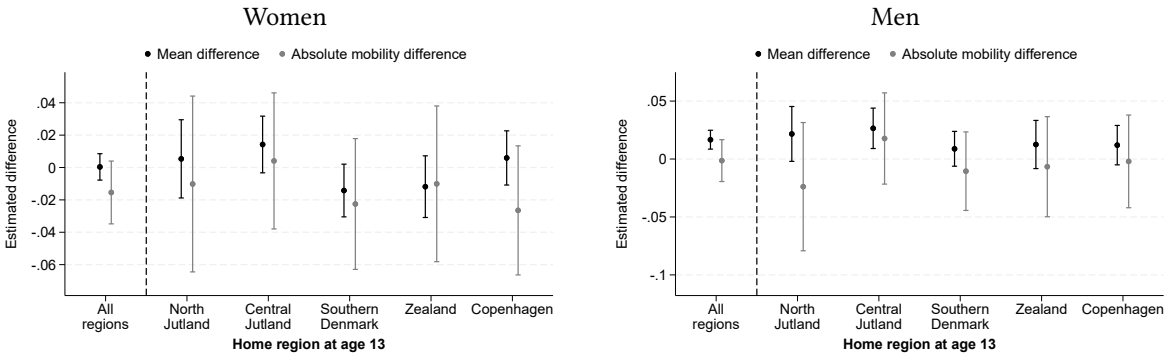
Generally, our region-level estimates hover close around the estimates from the aggregate sample. However, a few interesting patterns are worth highlighting. In Panel (a), we consider labour income ranks. For same-sex attracted women, we consistently see positive and generally statistically significant gaps in absolute mobility and mean ranks across regions. For men, we see that the negative gap in absolute mobility is slightly larger for those who grew up in Copenhagen. When considering mental health outcomes in Panel (i), we see that, for men, the absolute mobility gaps in mental health appear to be largely driven by specific areas of the country. For example, same-sex attracted men who grew up in Copenhagen tend not to experience significantly different absolute mobility in mental health outcomes compared to different-sex attracted men. Lastly, when considering the probability of living in the same region as parents in Panel (q), we see smaller gaps in absolute mobility between same-sex attracted and different-sex attracted for those who grew up in Copenhagen. This is in line with same-sex attracted individuals being more likely to live in Copenhagen.

Figure D.7: Absolute mobility, regional variation

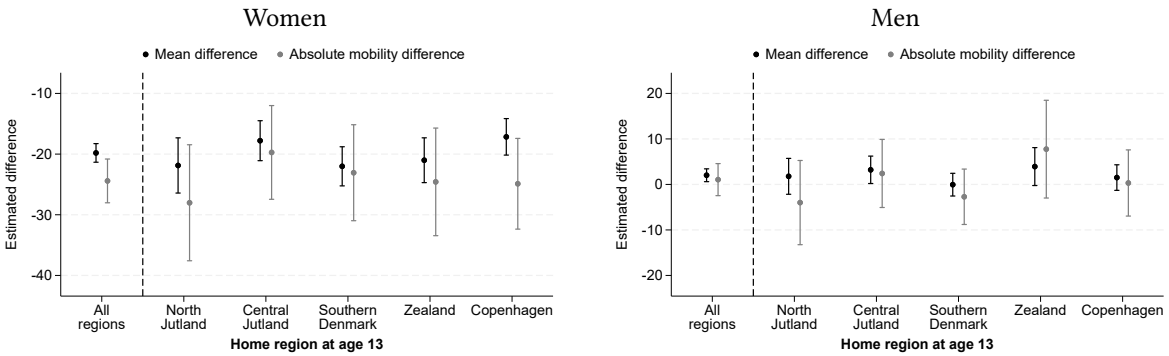
(a) Labour income rank



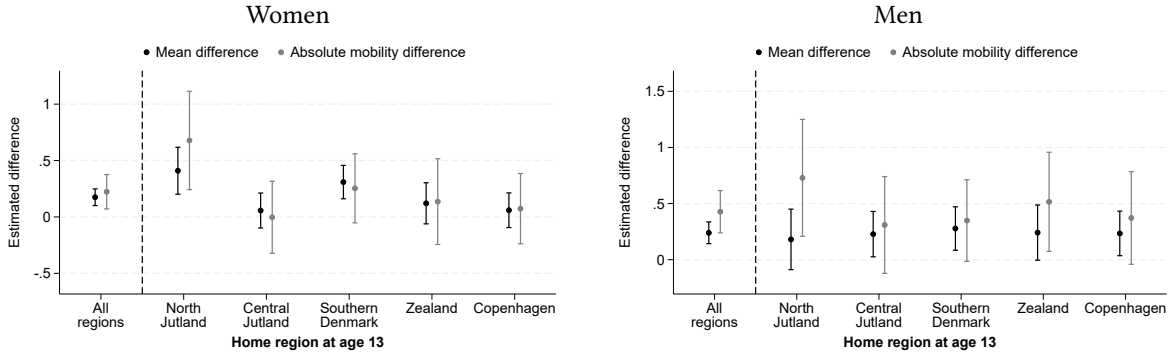
(b) Unemployment



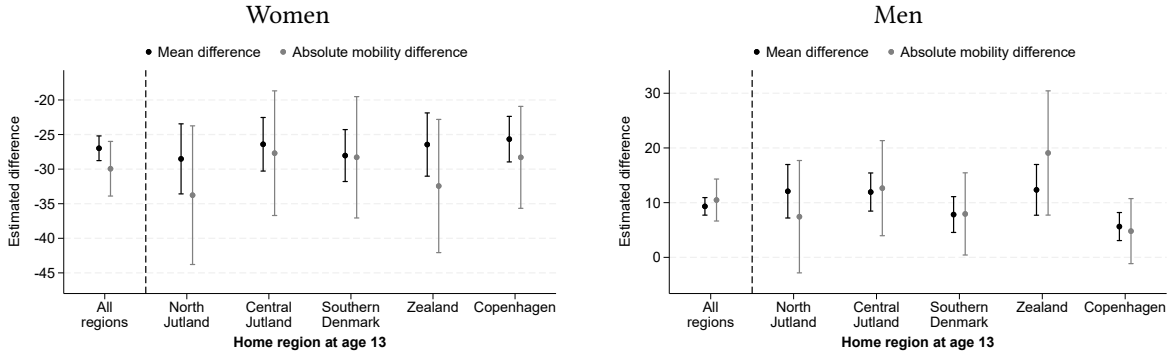
(c) Public transfers/benefits



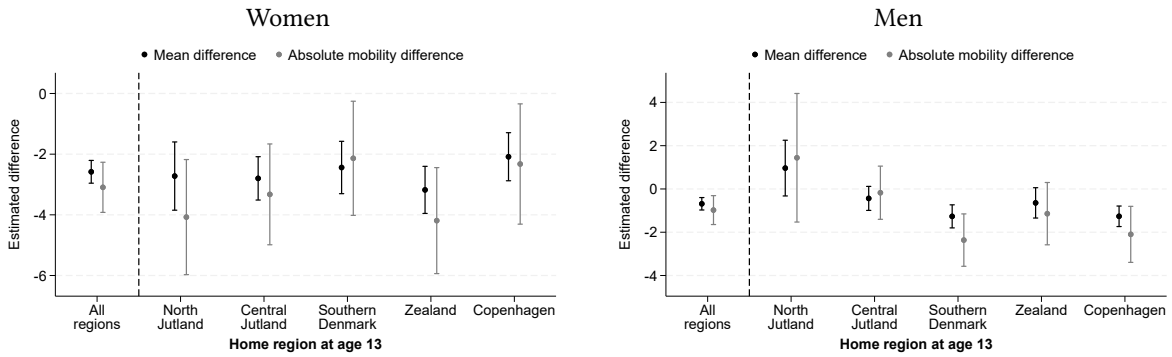
(d) Years of education



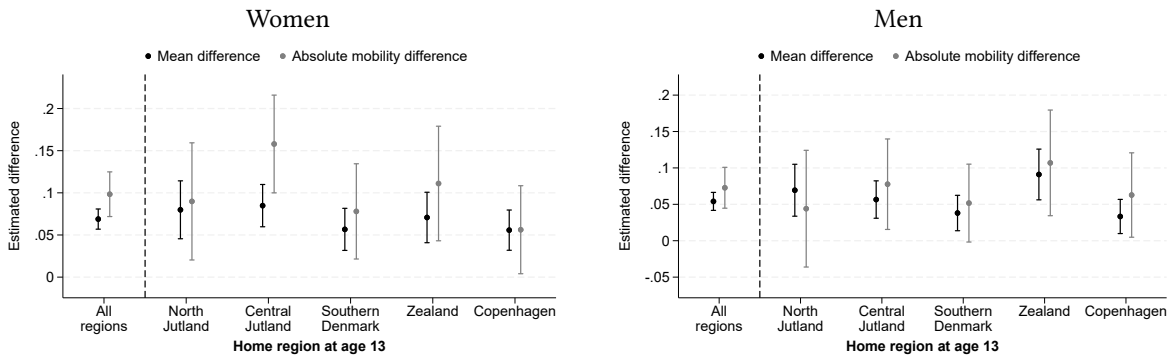
(e) Number of GP visits



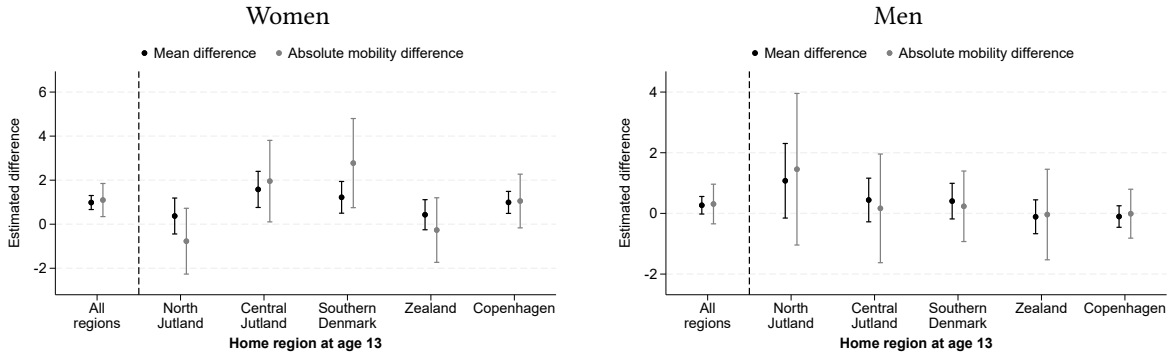
(f) Somatic hospital visits



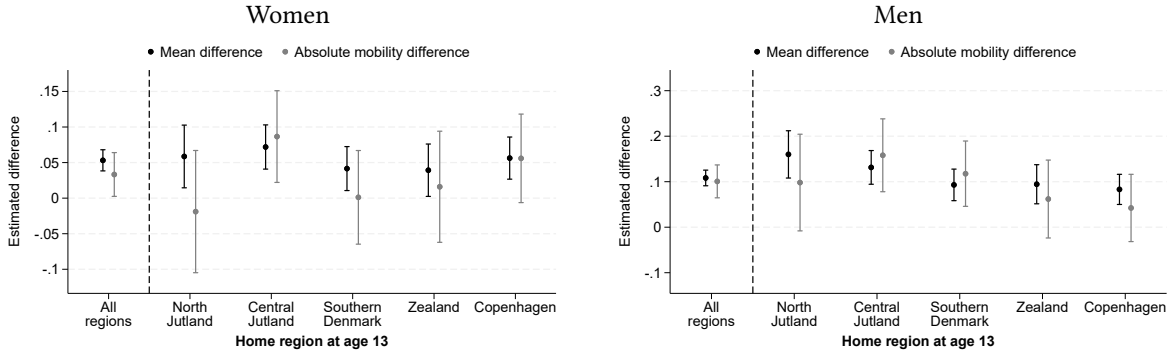
(g) Psychiatric hospital visits



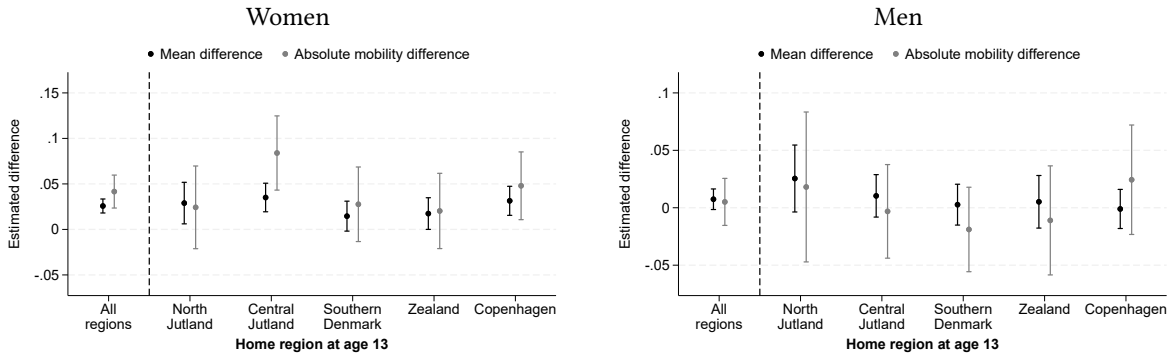
(h) Analgesic prescriptions



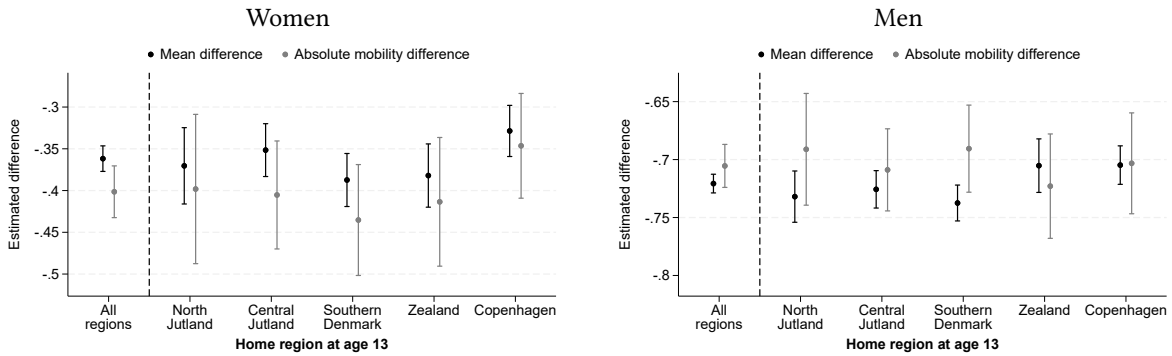
(i) Any mental health prescriptions



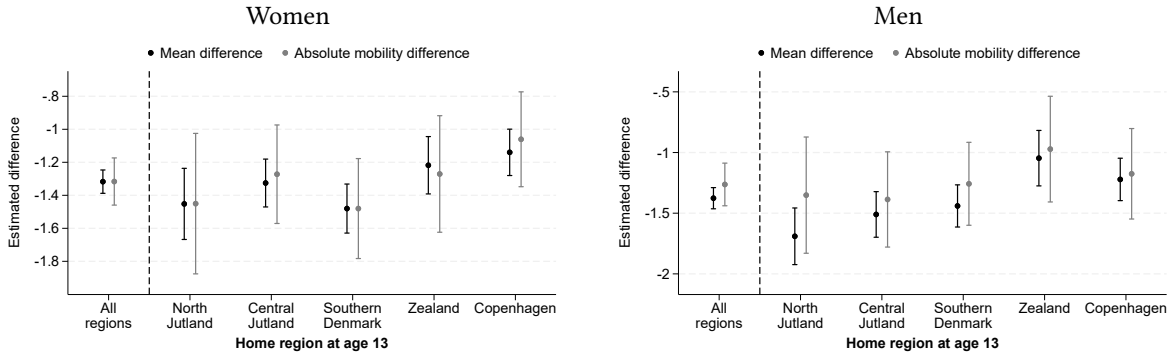
(j) Substance abuse



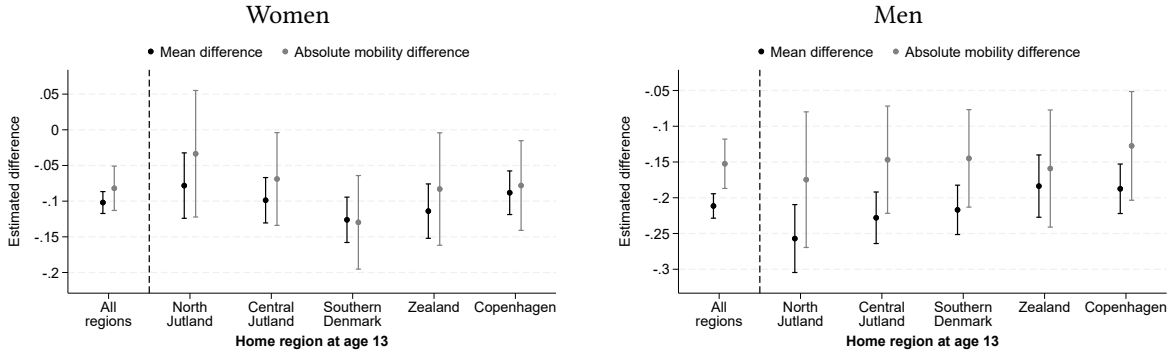
(k) Parent



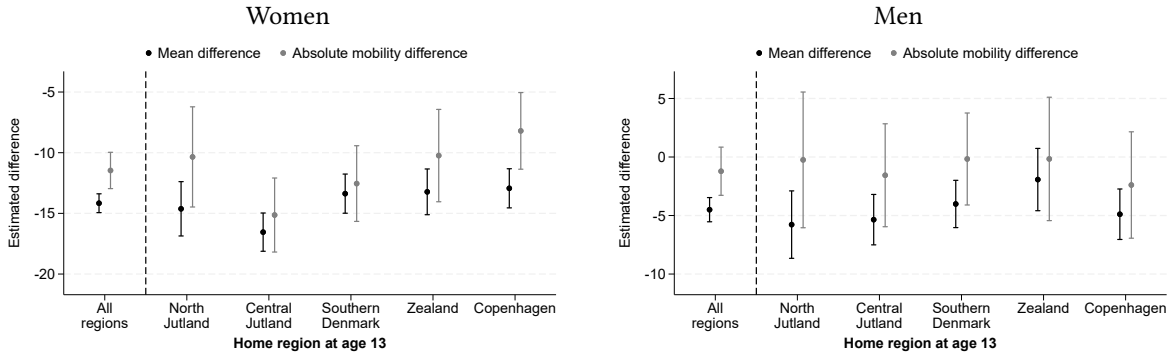
(l) Years in relationship



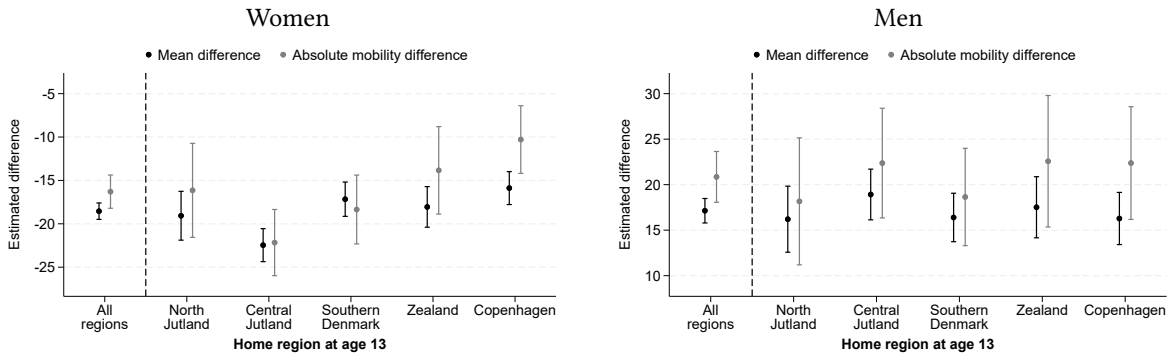
(m) Marriage



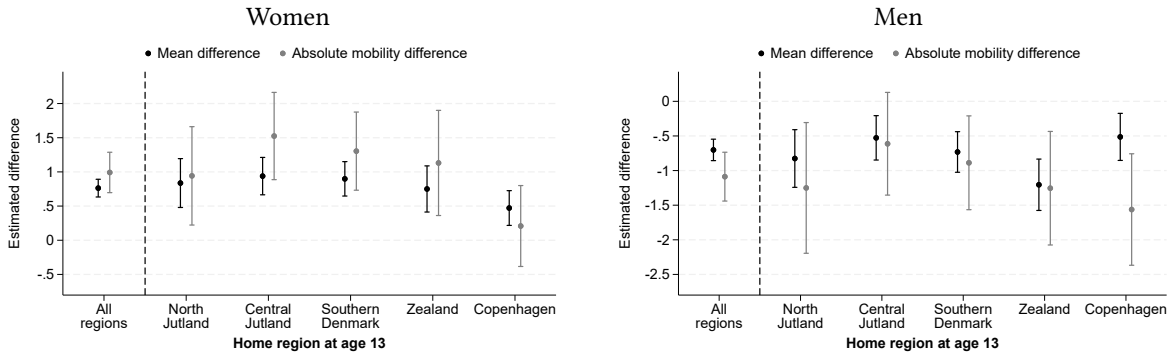
(n) Household income



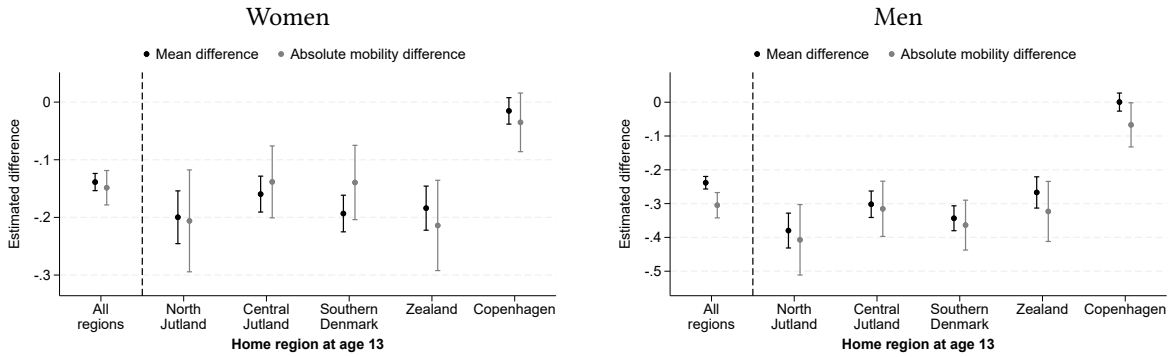
(o) Partner income unconditional on relationship status



(p) Age when last living with parents



(q) Living in same region as parents

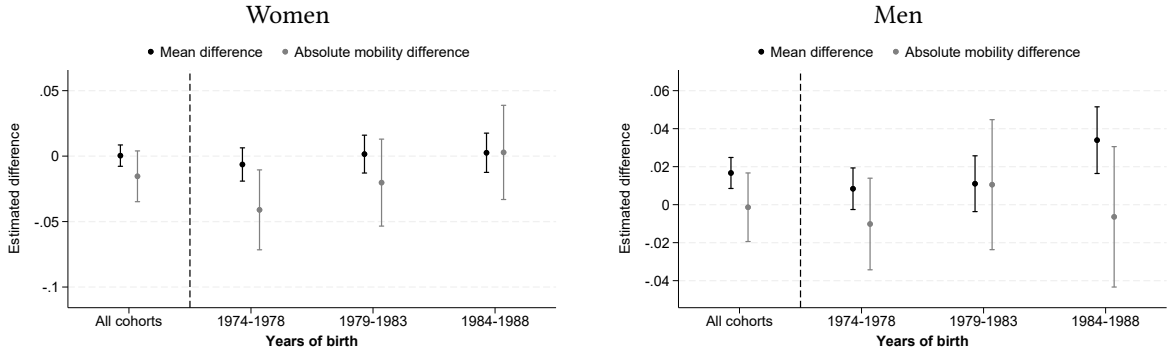


Notes: In this figure, we plot simple differences in mean outcomes (black circles) and estimates of β_s from Specification 3 (grey circles), but dividing our sample of children into five groups based on the region in which they lived at age 13. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child, child's partner, and child's household income is measured over 6 years (30th-35th year of life). Child education, fertility outcomes, as well as child and parent region of residence are measured in the 35th year of life of each child. Child health outcomes are measured from the 22nd to 35th year of life. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. 95%-level confidence intervals indicated, based on standard errors clustered at the sibling level.

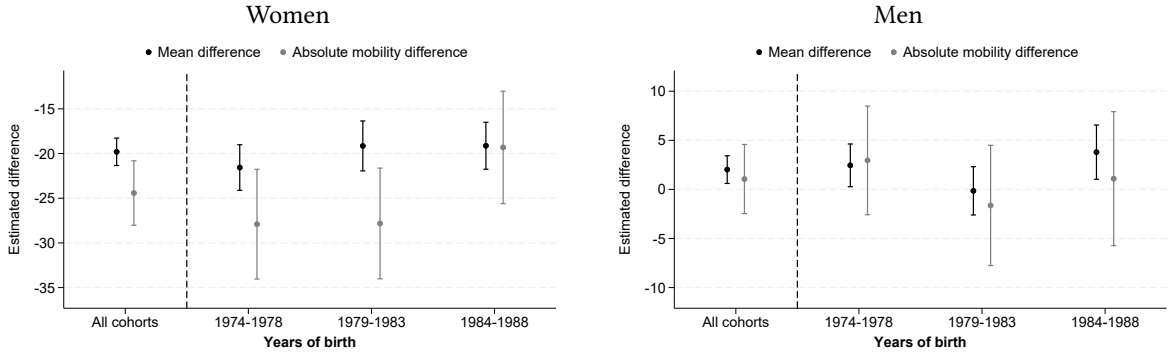
D.3 Cohort variation

Figure D.8: Absolute mobility, cohort variation

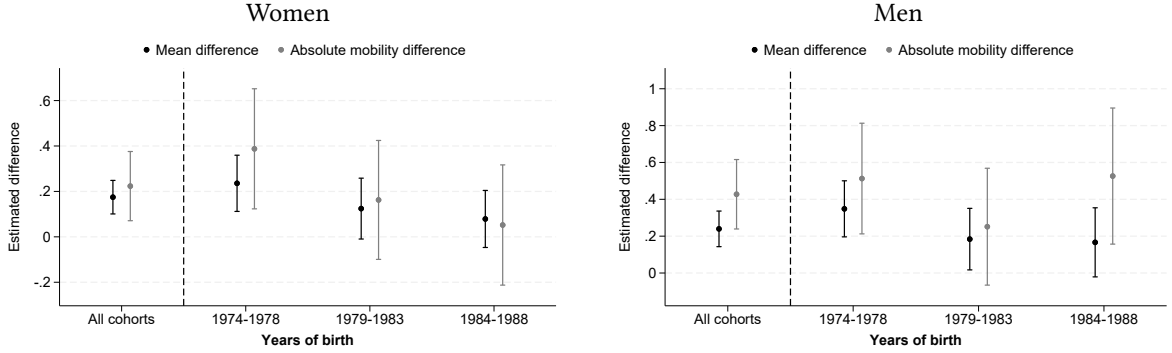
(a) Unemployment



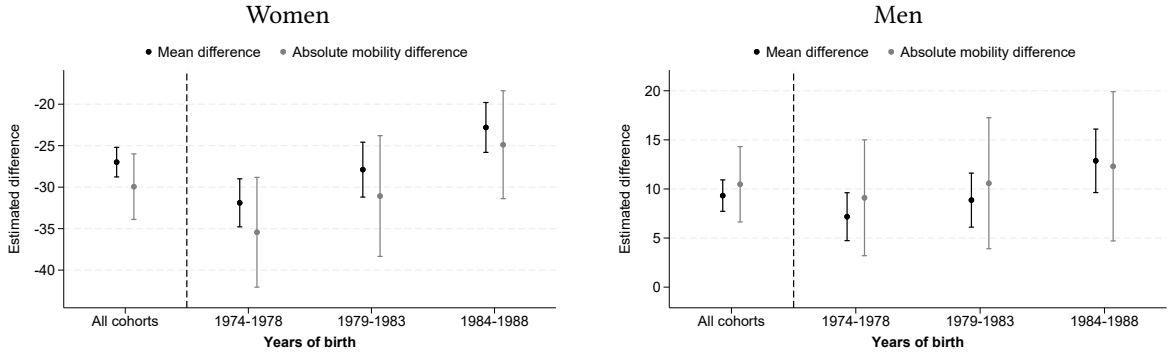
(b) Public transfers/benefits



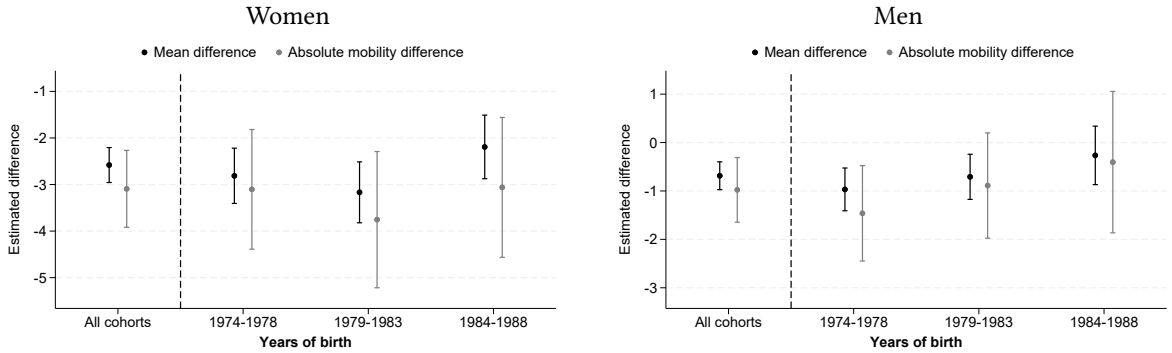
(c) Years of education



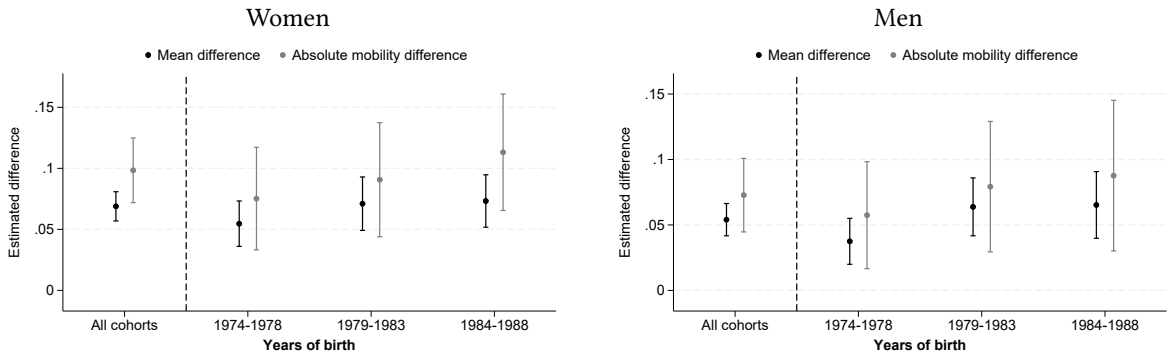
(d) Number of GP visits



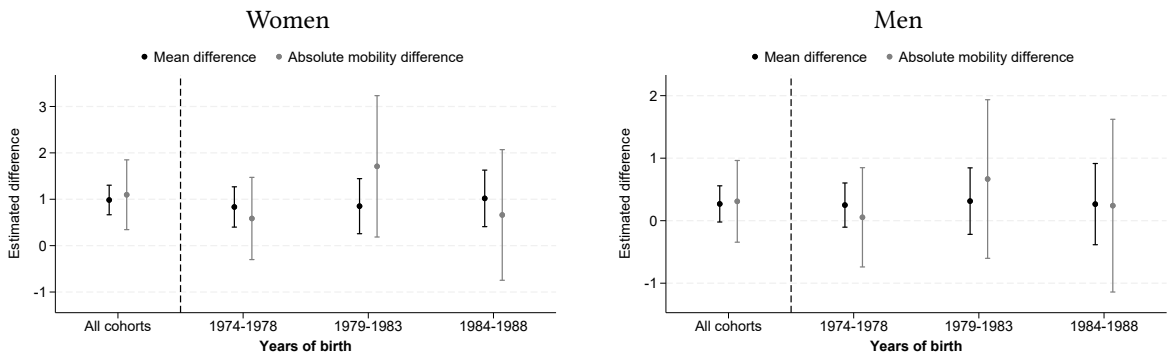
(e) Somatic hospital visits



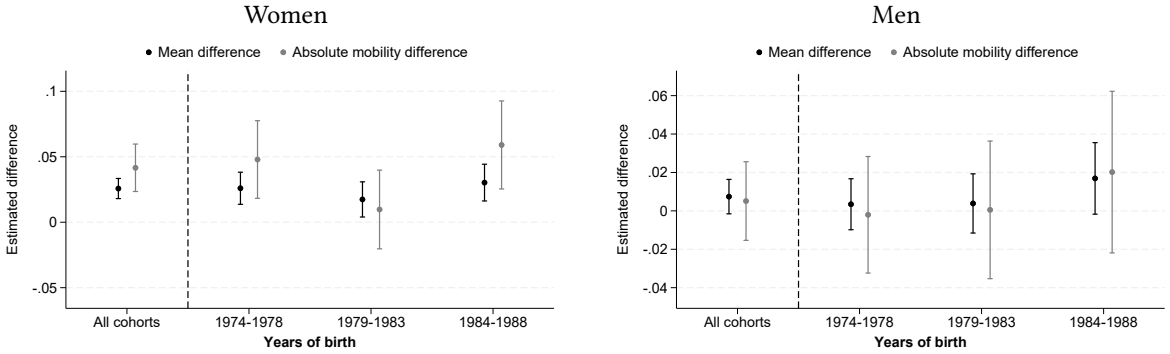
(f) Psychiatric hospital visits



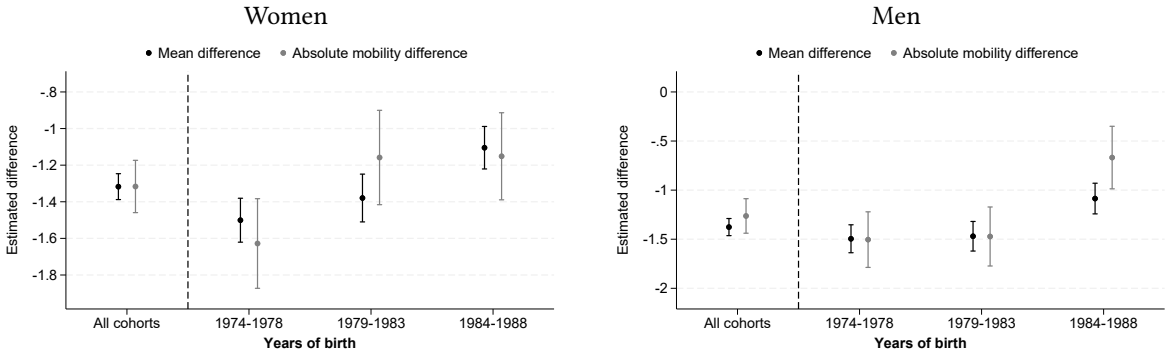
(g) Analgesic prescriptions



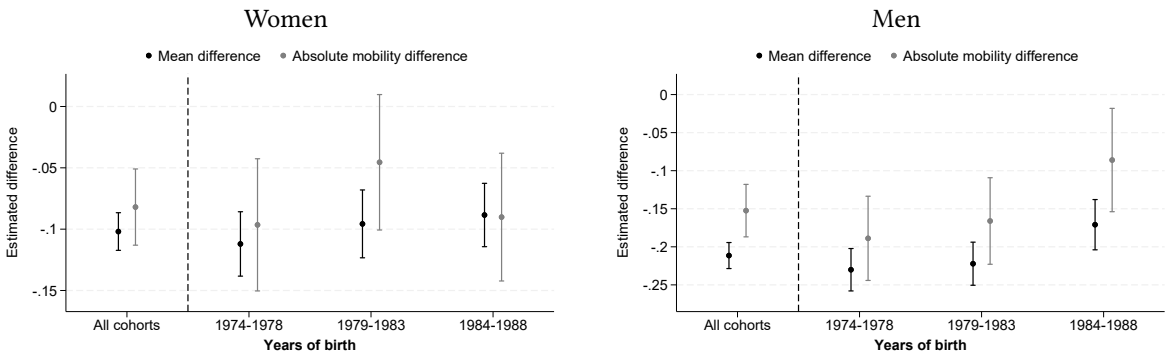
(h) Substance abuse



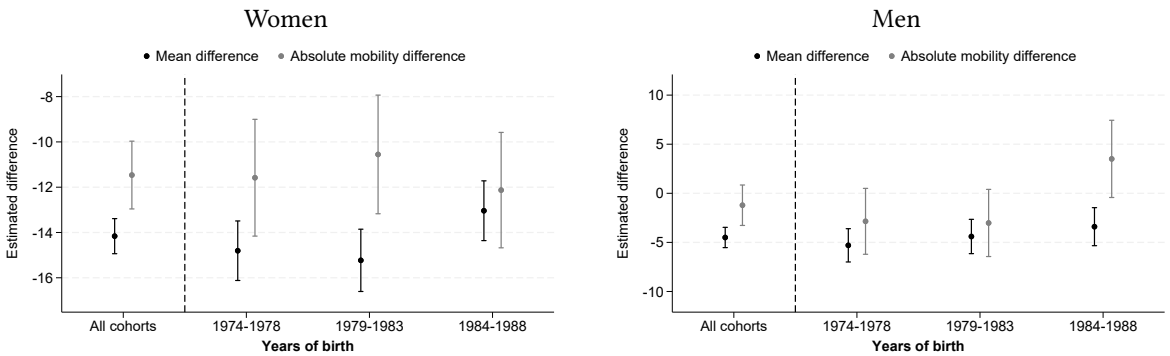
(i) Years in relationship



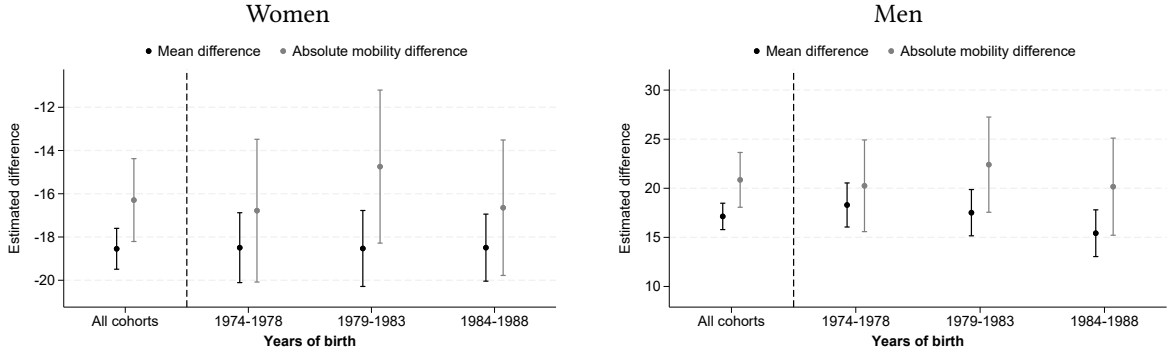
(j) Marriage



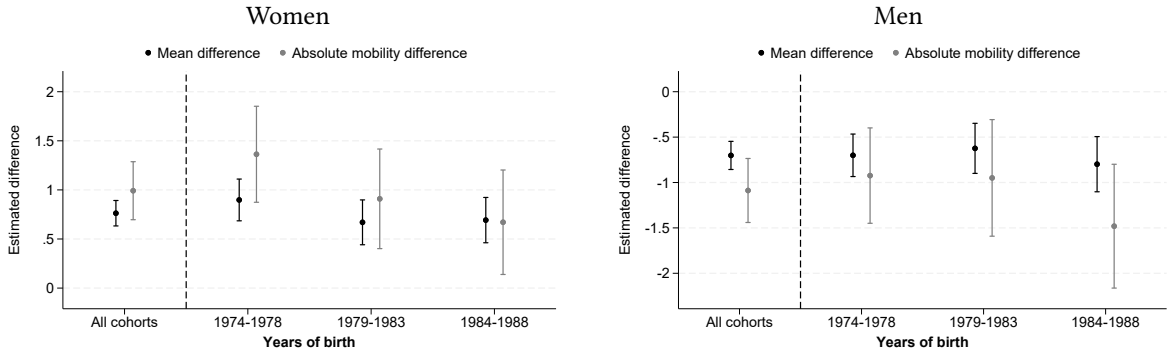
(k) Household income



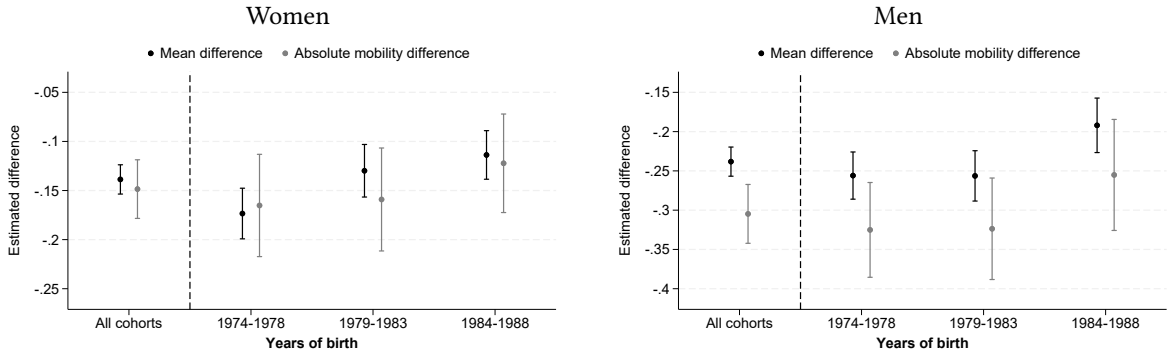
(l) Partner income unconditional on relationship status



(m) Age when last living with parents



(n) Living in same region as parents



Notes: In this figure, we plot simple differences in mean outcomes (black circles) and estimates of β_s from Specification 3 (grey circles), but dividing our sample of children into three groups based on their year of birth. We consider children born in 1974-1978, 1979-1983, and 1984-1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child, child's partner, and child's household income is measured over 6 years (30th-35th year of life). Child education, fertility outcomes, as well as child and parent region of residence are measured in the 35th year of life of each child. Child health outcomes are measured from the 22nd to 35th year of life. Parental income is measured over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. 95%-level confidence intervals indicated, based on standard errors clustered at the sibling level.

D.4 Income variation

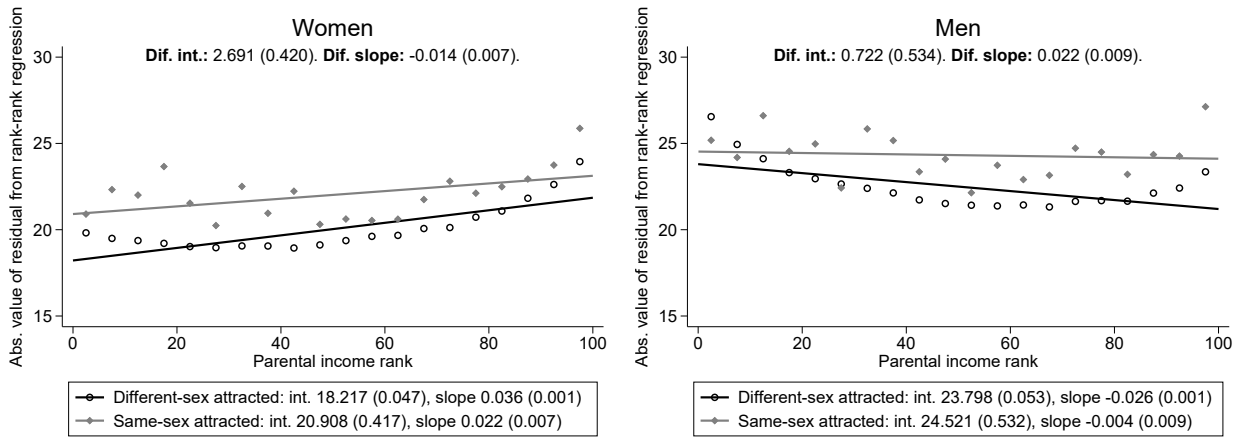
As in many existing analyses of intergenerational rank-rank relationships between child and parent income, we consider the sum of income in a given age range for both parents and children in Section 5.1.1. Graphically, in Figure 3, we consider the average child income rank within each parental income ventile in a scatter plot combined with linear regressions of the rank-rank relationship. One key dimension of income dynamics that this analysis ignores is variation in income – e.g. within each parental income ventile across children. We show mean income ranks for same-sex attracted and different-sex attracted adult children, but even if the means within parental income ventiles are identical between the two groups, the underlying distributions of child incomes could look very different. To further understand variation in child income ranks across the parental income distribution, we calculate the individual-level residuals from our rank-rank regression given by Specification 3:

$$r_{i,c} = y_{i,c} - \hat{y}_{i,c} = y_{i,c} - (\hat{\alpha} + \hat{\beta}_p y_{i,p} + \hat{\beta}_s \text{same_sex}_i + \hat{\beta}_{sp} y_{i,p} \cdot \text{same_sex}_i) \tag{12}$$

where $\hat{\alpha}$, $\hat{\beta}_s$, $\hat{\beta}_{sp}$, and $\hat{\beta}_p$ are coefficients estimated from Specification 3. Next, we take the absolute value of the residuals, $r_{i,c}$, and use these as the dependent variable in Specification 3, still with parental income as the independent variable. This exercise allows us to see how variation in child income rank evolves across the parental income distribution differentially for same-sex and different-sex attracted individuals; results are plotted in Figure D.9. First, Figure D.9 reveals unequal residual variance, i.e. heteroscedasticity, as the absolute value of residuals are larger at bottom and top of the parental income distribution (this is a typical finding from rank-rank regressions, see e.g. Björklund and Jäntti 2009). In our case, concerns about biased standard errors due to heteroscedasticity are addressed by relying on cluster-robust standard errors only, clustering at the sibling-level. Second, and more interesting, we see that residuals are larger for same-sex compared to different-sex attracted individuals across the entire parental income distribution, and for both women and men. This suggests that, conditional on parental income, same-sex attracted individuals do not only experience different mean levels in income (higher for women, lower for men), but their income distributions also have larger variance. These findings suggest relatively higher levels of inequality *within* the group of same-sex attracted individuals conditional on parental income.

To show how inequality conditional on parental income translates into population-level differences in income distributions between same-sex attracted and different-sex attracted individuals, we calculate within-sex income ranks and plot the relative shares of same-sex attracted and different-sex attracted individuals in each ventile in Appendix Figure D.10. Figure D.10 confirms that also unconditional on parental income, the population-level income distributions of both same-attracted women and men are more dispersed, with underrepresentation at the middle of

Figure D.9: Intergenerational mobility, income variation: Absolute value of residuals from rank-rank regression



Notes: In this figure, we plot estimates of Specification 3 where the dependent variable is the absolute value of the individual-level residuals from our rank-rank regression of child income on parental income. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child income is measured over 6 years (30th-35th year of life), and parental income over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. See Table D.13 for point estimates with standard errors from all specifications.

the sex-specific income distributions.

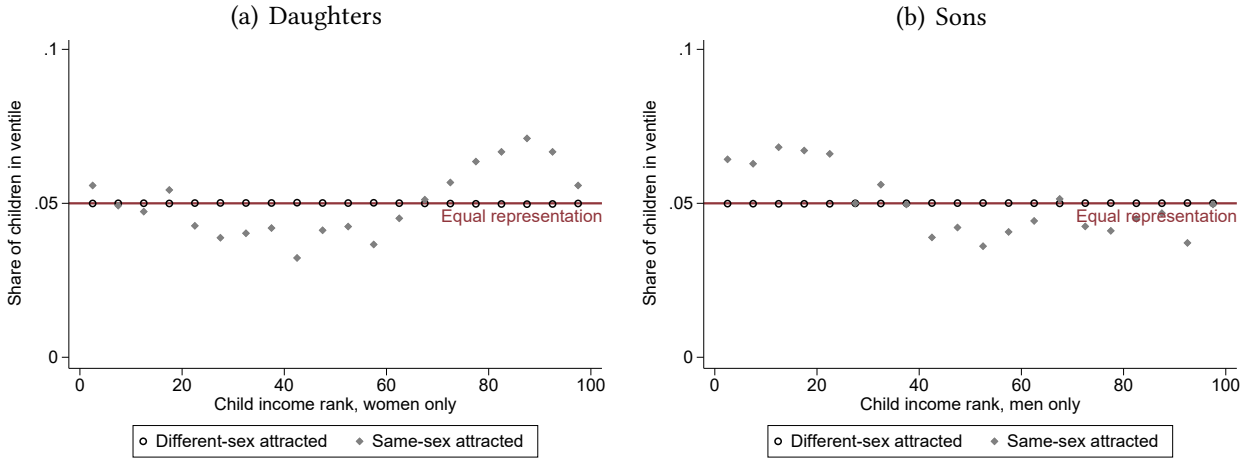
These results provide suggestive evidence of why we observe relatively modest mean income rank gaps between same-sex attracted and different-sex attracted individuals, despite relatively large differences in others, e.g., in mental health outcomes. The high income of some individuals masks the low income of others when considering only differences in means and rank-rank regressions. These results also suggest that future research on same-sex attracted individuals should consider both means and variance in income, leaving causal identification of factors driving within-group inequalities as an interesting topic for further research.

Table D.13: Regressions, absolute value of residuals, income rank-rank

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Same-sex attracted	2.691***	2.685***	1.793**	0.831	1.271*	0.722	0.719	0.895	1.999	2.115***
	(0.420)	(0.420)	(0.600)	(1.105)	(0.519)	(0.534)	(0.535)	(0.746)	(1.350)	(0.642)
Parents' rank	0.0364***	0.0364***	0.0371***	0.0295***		-0.0260***	-0.0259***	-0.0256***	-0.0333***	
	(0.000814)	(0.000814)	(0.00110)	(0.00651)		(0.000924)	(0.000924)	(0.00125)	(0.00658)	
Same-sex attracted # rank	-0.0142*	-0.0141	-0.000838	0.00752		0.0220*	0.0218*	0.0166	0.000981	
	(0.00720)	(0.00720)	(0.00991)	(0.0184)		(0.00921)	(0.00921)	(0.0126)	(0.0232)	
Constant	18.22***	18.07***	17.88***	18.37***	19.89***	23.80***	23.69***	23.58***	24.22***	22.48***
	(0.0472)	(0.0878)	(0.130)	(0.390)	(0.218)	(0.0531)	(0.0986)	(0.146)	(0.399)	(0.231)
Adjusted R^2	0.00632	0.00637	0.00652	0.0841	0.0799	0.00274	0.00349	0.00366	0.0841	0.0799
N	343698	343698	194968	385971	385971	334604	334604	191003	385971	385971
Cohort-year FEs	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Sibling sample	No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes
Sibling FEs	No	No	No	Yes	Yes	No	No	No	Yes	Yes

Notes: In this table, we report estimates of Specification 3 in Columns 1 and 6 for women and men, respectively. The dependent variable is the absolute value of the individual-level residuals from our rank-rank regression of child income on parental income. Columns 2 and 7 add cohort FEs. Columns 3 and 8 consider only those with siblings in the sample. Columns 4 and 9 add sibling FEs, and Columns 5 and 10 include estimates of Specification 8. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child income is measured over 6 years (30th-35th year of life), and parental income over 21 years (1st-21st year of each child's life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables. Standard errors clustered at the sibling level, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Figure D.10: Distribution of same-sex and different-sex attracted individuals across gender-specific child income ranks



Notes: This figure plots the share of different-sex and same-sex attracted children across the gender-specific child income distributions. We consider children born from 1974 to 1988. Same-sex/different-sex attraction is determined by observing cohabiting relationships with at least one financial commitment; see Section 3.2.1 for details. Child income is measured over 6 years (30th-35th year of life). All income measures are inflation-adjusted, and income ranks, 0-100, are determined within child cohorts. See Section 3 for details on data construction and variables.