

# AN ASSESSMENT OF SEX TRAFFICKING

Nicole A. Barrett, Director, Global Justice Associates

May 2013

commissioned by



TASK FORCE ON  
TRAFFICKING OF WOMEN AND GIRLS  
IN CANADA

# Table of Contents

1. INTRODUCTION	3
1.1 A note on prostitution	4
2. METHODOLOGY	5
3. CAN THE INCIDENCE OF SEX TRAFFICKING IN CANADA BE ESTIMATED	5
3.1 Seven impediments	6
i. Varying definitions of “sex trafficking”	6
ii. Varying definitions of “trafficked person”	7
iii. Trafficking prosecuted as related crime	7
iv. Fragmented data	7
v. Trafficked individuals treated as criminals	8
vi. Trafficked individuals rarely come forward	8
vii. Reactive police investigations	8
4. THE NUMBERS	9
4.1 Government information	9
i. Public Safety Canada / National Action Plan	9
ii. Royal Canadian Mounted Police	10
iii. Citizenship and Immigration Canada	10
iv. Statistics Canada	10
4.2 A national human trafficking data collector	11
4.3 Global Uncertainty	11
5. AN UNOFFICIAL PROFILE OF TRAFFICKED WOMEN AND GIRLS	12
5.1 Human trafficking snapshots from the provinces	13
i. Multi-province trends / characteristics	13
a) A move from the streets to indoors	13
b) Trafficker “boyfriends”	13
c) First trafficked when young	14
d) Histories of poverty and sexual abuse	14
e) Aboriginals over-represented but under-investigated	14
f) Increasing Asian exploitation, but difficult to gain victim cooperation	15
ii. Provincial snapshots	16
a) British Columbia	16
b) Alberta	17
c) Manitoba	17
d) Ontario	18
e) Quebec	19
f) Nova Scotia	19
5.2 Victim characteristics and traffickers’ tactics	19
i. Victim characteristics	20
ii. Traffickers’ tactics	23
6. THE DEMAND TO BUY SEX	24
6.1 Demand studies	26
6.2 Sex buyers’ online communities	28
6.3 Distributing supply to demand	28
6.4 Deterrence	29

7.	SEX TRAFFICKING AND THE INTERNET	30
7.1	Internet / technology as part of the problem	31
i.	Canadian data points	31
ii.	Recruitment and abduction of victims in North America	34
iii.	Control of victims by traffickers	34
iv.	Advertising and selling victims	35
v.	Financial transactions	36
vi.	Coordinating with other traffickers in the criminal network	37
7.2	Internet / technology as part of the solution	37
i.	Inevitable migration of sex ads?	37
ii.	Visibility assists law enforcement	38
iii.	Developing anti-trafficking innovations	39
iv.	Data mining	39
v.	New identification technologies	39
vi.	Global mapping	40
vii.	Public-private partnerships	40
viii.	Public awareness	40
7.3	Policing the internet	41
8.	ECONOMIC AND SOCIAL COSTS OF SEX TRAFFICKING IN CANADA	41
8.1	Existing literature and studies	42
i.	Costs of prostitution in Canada	44
ii.	Cost of domestic violence in Canada	46
8.2	Costs of sex trafficking	47
i.	Pain and suffering	48
ii.	Medical costs	49
iii.	Transportation fees and leaving fees	51
iv.	Legal costs	51
v.	Opportunity costs: lost income and taxes	52
vi.	Intergenerational costs	54
8.3	Sex trafficking cost categories	55

## Figures and Tables

<b>FIGURE ONE:</b>	SUMMARY CHART OF VULNERABILITY FACTORS FOR DOMESTIC AND INTERNATIONAL TRAFFICKING, BY AGE .....	22
<b>TABLE ONE:</b>	ONE DAY'S INCIDENCE OF PEOPLE ADVERTISED FOR SEX ON FIVE WEBSITES IN SIX CANADIAN CITIES .....	33
<b>TABLE TWO:</b>	2012 REVENUE FROM ONLINE ADVERTISEMENTS SELLING SEX.....	36
<b>TABLE THREE:</b>	SUMMARY OF CANADIAN STUDIES FINDINGS ON THE COST OF VIOLENCE AND THE COST OF YOUTH IN PROSTITUTION.....	44
<b>TABLE FOUR:</b>	TOTAL COSTS OF YOUTH INVOLVEMENT IN THE SEX INDUSTRY (DERIVIERE) ...	46
<b>TABLE FIVE:</b>	REQUIRED COST CATEGORIES TO BE INCLUDED IN FULL ASSESSMENT OF THE COST OF ONE SEX TRAFFICKING VICTIM.....	55

# 1. Introduction

This study was commissioned by the Canadian Women's Foundation to support the work of the Task Force on Trafficking of Women and Girls in Canada.<sup>1</sup> The Task Force is an ad hoc committee established by the Canadian Women's Foundation's Board of Directors. The Task Force is comprised of 23 experts on human trafficking and sexual exploitation and was convened to analyze the human trafficking situation in Canada. At the end of its eighteen-month mandate, the Task Force is expected to make recommendations to the Canadian Women's Foundation Board of Directors on a national anti-trafficking strategy for the Foundation. Like the Task Force itself, this report focuses exclusively on sex trafficking and sexual exploitation of girls and women in Canada, while recognizing that labour trafficking, organ trafficking, and trafficking for forced marriage are all important topics requiring greater investigation.<sup>2</sup>

The report answers diverse inquiries posed by the Canadian Women's Foundation following their preliminary consultations with human trafficking stakeholders from 2011 to 2012. The purpose of the report is to provide a baseline from which the Task Force can work. The report gathers information on the prevalence of human trafficking in Canada in 2013, examines the profile of victims and the techniques of traffickers, and explores newer areas in the human trafficking discussion - such as the demand to purchase sex in Canada, the role of the internet in sex trafficking, and the social and economic costs of sex trafficking. More detailed reports in other topic areas, such as relevant laws, law enforcement and service provision will follow this report over the course of the year.

The objectives of the study are to understand the current incidence of sex trafficking in Canada, provide information on who is being trafficked and how, and investigate specific areas of concern with respect to the crimes were previously identified in cross-Canada consultations conducted by the Canadian Women's Foundation. These specific areas include: the demand to purchase people for sex, the relevance and use of the internet in sex trafficking, and the economic and social costs of sex trafficking.

This report has ten parts, including this section. The second part describes the methodology of the report. The third part discusses seven impediments to accurately estimating the incidence of human trafficking. The fourth part provides an overview of information known about the incidence of human trafficking in Canada. The fifth part looks at the profile of Canada's sex trafficking victims and provides information on how sex trafficking is occurring in Canada. The sixth part looks at existing information on the demand for sex trafficking from two perspectives: the sex buyer and the trafficker. The seventh part asks how the internet is being used and can be used in trafficking situations. The eighth part reviews existing information relevant to the social and economic cost of sex trafficking in Canada and suggests a framework that can be used to develop an accurate estimate of these costs. Economist Donna Feir, Assistant Professor of Economics at the University of Victoria, coauthored this section. The ninth part notes existing research gaps and, finally, the tenth part of this report offers brief conclusions.

---

<sup>1</sup> While this report was prepared for the Task Force, any views expressed herein are solely those of the author and should not be understood to reflect the views of the Task Force, the Canadian Women's Foundation, Donna Feir or anyone who contributed information or conducted research for this report.

<sup>2</sup> Indeed, the largest human trafficking case in Canada thus far is a 2010 Hamilton, Ontario labour trafficking case, which involved 19 victims and at least eight traffickers.

## 1.1 A Note on Prostitution

This is a report about sex trafficking, not prostitution, and the report does not intend to conflate the two. There are clear distinctions between sex trafficking and prostitution in Canada, including that the former requires the exploitation of one person by another and is a crime under the Canadian Criminal Code. Conversely, adult prostitution in Canada is legal, although many of the activities that facilitate prostitution - including public communication for the purposes of prostitution, brothels, procuring and “living off the avails” of prostitution - are illegal.<sup>3</sup>

It is impossible, however, to discuss sex trafficking outside of the context of prostitution as all sex trafficking occurs within the commercial sex market and forced prostitution involving fear is, by definition, human trafficking in Canada. Traffickers embed girls and women in prostitution, advertise them in places where prostitution is advertised, and threaten victims with retaliation if they reveal their traffickers. These practices lead to significant challenges in distinguishing between those voluntarily, independently and legally in prostitution with those who are lured, groomed, coerced and forced into selling sex by others. Further, as the consumer demand to purchase sex fuels the market for both sex trafficking and prostitution, we discuss this joint demand in section six below.

Due to the unavoidable link between sex trafficking and prostitution, the language used to discuss sex trafficking is important and certain terms can be politically charged and polarizing. As a general matter, this report looks to the current laws on sex trafficking and prostitution in the Canadian criminal code for guidance on the legality and illegality of sex buying and selling. The report will refer to people who purchase sex acts as “johns” or “sex buyers,” people who are sold for/sell sex as “women and girls in prostitution,” and people who meet Canada’s human trafficking definition as “trafficked women and girls” or “trafficking victims.” It should be noted, however, that several prostitution laws are currently under review by the Canadian Supreme Court, following an Ontario Court of Appeal decision that the laws violate the Canadian Charter of Rights and Freedoms.<sup>4</sup> Canada’s legal landscape on prostitution may, thus, change considerably in the near future.

---

<sup>3</sup> Studies suggest, however, that a significant portion of Canadian prostitution may not reflect the legal “adult independent operator” version of events. See e.g., M. Farley ed. *Prostitution, Trafficking and Traumatic Stress* (Binghamton: Haworth Maltreatment and Trauma Press, 2003) at 40-51 (finding that of 100 Canadian prostitutes interviewed, 84% were victims of childhood sexual abuse, over half entered Canada’s sex trade under age 18 and 95% wanted to exit prostitution.) While Farley’s work has been criticized, these percentages have been corroborated by internal statistics of several North American service providers who work with women and girls in prostitution and/or trafficked individuals. See e.g., N. Barrett, *An Exploration of Promising Practices in Response to Human Trafficking in Canada*, International Centre for Criminal Law Reform (Vancouver: 2010) at note 129 (referencing two Canadian and three American organizations).

<sup>4</sup> On March 26, 2012 the Ontario Court of Appeal struck down Canada’s bawdy house provisions as unconstitutional and amended the Criminal Code provisions to state that pimping (“living off the avails of prostitution”) is only prohibited “in circumstances of exploitation.”

## 2. Methodology

The report is based on a review of publicly available reports, judicial opinions, scholarly articles, relevant policy papers and newspaper articles on sex trafficking in Canada. Given time constraints, the literature review focused on publications after 2009, although relevant material before this date was also reviewed. Nicole Barrett, J.D., M.I.A., directed the research team, which included Donna Feir, Ph.D., Geoffrey Hill, Ph.D, and Ariel Nesbitt, M.P.H. A short-list bibliography, which lists the most relevant published information on the overall incidence of human trafficking in Canada is attached as Appendix A, with a full bibliography of reviewed source material bibliography attached as Appendix B.

Semi-structured interviews with key informants were also conducted. The 38 informants included police, prosecutors, government officials, academics, victim service providers, social workers, and representatives from non-governmental organizations (NGOs), some of whom are members of the Canadian National Human Trafficking Task Force. The interviews were principally done over the telephone, were based on focus questions, and were tailored to fit the informant's knowledge base. Interviewees were asked to respond to questions based on their knowledge and experience of human trafficking in Canada. The list of interviewees and their affiliations is attached as Appendix C.

Because of limited government information, the Canadian Women's Foundation requested human trafficking information from Task Force members located in different provinces. These reports were supplemented with interviews from the key informants. Informants were asked to describe their definition of sex trafficking, the incidence of sex trafficking in their area of jurisdiction and the characteristics of the sex trafficking cases they knew of. This information was compiled to arrive at "snapshots" of the incidence and characteristics of human trafficking for the individual provinces of British Columbia, Alberta, Manitoba, Ontario, Quebec and Nova Scotia. In addition, human trafficking characteristics that were seen in three or more Canadian provinces were noted.

## 3. Can the Incidence of Sex Trafficking in Canada be Estimated?

Human trafficking is a complex, cruel and profitable crime, where traffickers repeatedly exploit women, children and men for forced labour or sex.<sup>5</sup> The crime is a consistent and extensive attack on the fundamental human rights of victims. Human trafficking is estimated to generate billions of dollars in profit annually and victimize millions of people worldwide.<sup>6</sup>

Awareness around human trafficking and sex trafficking has been increasing in Canada since the country made human trafficking a specific crime under Canadian law over ten years ago.<sup>7</sup> One might assume that with the growing knowledge of this crime, increased data collection on human trafficking would result. This has not, however, been the case.

---

<sup>5</sup> United Nations Office on Drugs and Crime (UNODC), *Global Report on Trafficking In Persons* (2012) at 1, online: [http://www.unodc.org/documents/data-and-analysis/glotip/Trafficking\\_in\\_Persons\\_2012\\_web.pdf](http://www.unodc.org/documents/data-and-analysis/glotip/Trafficking_in_Persons_2012_web.pdf)

<sup>6</sup> *Ibid.*

<sup>7</sup> Human trafficking is defined as: "the recruitment, transportation, harbouring and/or exercising control, direction or influence over the movements of a person in order to exploit that person, typically through sexual exploitation or forced labour" (Government of Canada, 2012, p. 4). The Immigration and Refugee Protection Act criminalized international human trafficking since 2002 and the Canadian Criminal Code criminalized all forms of trafficking, following international law, in 2005.

While certain groups and agencies have adopted ad hoc policies for collecting data on human trafficking, the Royal Canadian Mounted Police (federal and national police “RCMP” no longer estimate the scope of the crime as they did in 2004, when it was estimated that Canada had 800-1,200 trafficking victims a year. In 2010, the RCMP withdrew this approximation given the inherent difficulties of estimating. It now focuses not on counting victims but on collecting information pertaining to the trends and methods of the crimes and the profiles of those involved.<sup>8</sup> NGO estimates of human trafficking cases in the country vary widely, with some groups reporting the incidence to be as high as 15,000 victims a year, although the source for such estimates is unclear.<sup>9</sup> Most community-based research reports focusing on sex trafficking are qualitative and report information from trafficked women, stakeholders and health and social service providers, but do not provide comprehensive information.

### 3.1 Seven impediments

At this point, we do not know the incidence of sex trafficking in Canada. Seven primary structural impediments prevent complete and reliable estimates of the crime’s prevalence, as described below.<sup>10</sup> While these impediments are considered in the Canadian context, many of them equally apply to other countries as well. The impediments include:

#### i. Varying definitions of “sex trafficking”

Some stakeholders follow the United Nations Trafficking Protocol definition, found in the international treaty that Canada ratified in 2002.<sup>11</sup> Others follow the Canadian Criminal Code definition, which varies from the international definition in that it requires not only a showing of exploitation, but also fear.<sup>12</sup> Some who follow the Criminal Code definition also

---

<sup>8</sup> Interview of M-C. Arsenault.

<sup>9</sup> See e.g., West Cost Leaf, *Position paper on Human Trafficking for Sexual Exploitation* (Vancouver: October 2009) at 3.

<sup>10</sup> See e.g., L. Ogrodnik, *Towards the development of a national data collection framework to measure trafficking in persons*, *Canadian Centre for Justice Statistics* (2010); UNODC *Global Report on Trafficking In Persons*, *supra* note 5 at 80 (reporting “large knowledge gap” on trafficking in persons in “vast areas of the world”); Testimony of Ernie Allen, National Center for Missing & Exploited Children to the Institute of Medicine Committee on Commercial Sexual Exploitation and Sex Trafficking of Minors in the United States of The National Academies (knowing prevalence of child sex trafficking - roughly estimated at 100,000 per year - is empirically “impossible at this time” as reporting is “miniscule” and arrest data is “meaningless because there are so few arrests.”) 4 Jan 2012, online: <http://www.missingkids.com/Testimony/01-04-12>.

<sup>11</sup> The *UN Trafficking Protocol* defines trafficking in persons as:

the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs.

*Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, Supplementing the United Nations Convention Against Transnational Organized Crime*, G.A. res. 55/25annex II 55, UN GAOR, Supp. No. 49, UN Doc. A/45/49 (Vol. I) (2001) 1 [*Trafficking Protocol*] at 60. Canada ratified the Trafficking Protocol on 13 May 2002 and the Protocol entered into force on 25 December 2003.

<sup>12</sup> Section 279.01(1) of the *Canadian Criminal Code* states:

Every person who recruits, transports, transfers, receives, holds, conceals or harbours a person, or exercises control, direction or influence over the movements of a person, for the purposes of exploiting

acknowledge the Immigration and Refugee Protection Act (IRPA) definition of human trafficking. The IRPA provision only applies to international trafficking, however, as it requires an international border crossing.<sup>13</sup> There are also stakeholders who have their own definition of trafficking and consider, for example, that all prostitution is sex trafficking.

## ii. Varying definitions of “trafficked” person

While there is wide agreement among stakeholders that those identified by authorities and those receiving services counted as trafficked, there is less agreement on whether individuals who decline service, self-identify as trafficked, or are merely suspected of being trafficked should be included in the count of trafficked individuals. This difficulty in identifying who is trafficked not only confuses the overall tally of trafficking incidence, it also has direct implications in the types of services the individual can receive.<sup>14</sup>

## iii. Trafficking prosecuted as related crime

Often sex trafficking cases are investigated and prosecuted as other crimes, such as sexual exploitation or living off the avails of prostitution. They are, hence, not counted as a “trafficking” case, although the facts of the case suggest a trafficking situation.<sup>15</sup> The RCMP is well aware of this phenomenon and is currently reanalyzing many of these related cases to see if there is also evidence of trafficking.

## iv. Fragmented data

Trafficking data is fragmented in the sense that different groups collect different information, which is often not easy, or impossible, to compare. Confidentiality provisions further prevent some information sharing and there is currently no sustainable data collection

---

them or facilitating their exploitation, is guilty of an indictable offence and liable...

Section 279.04 defines exploitation as:

cause[ing] them to provide, or offer to provide, labour or a service by engaging in conduct that, in all the circumstances, could reasonably be expected to cause the other person to believe that their safety or the safety of a person known to them would be threatened if they failed to provide, or offer to provide, the labour or service.

### *Factors*

(2) In determining whether an accused exploits another person under subsection (1), the Court may consider, among other factors, whether the accused

- (a) used or threatened to use force or another form of coercion;
- (b) used deception; or
- (c) abused a position of trust, power or authority.

*Criminal Code*, R.S.C. 1985, c. 46 [*Criminal Code*].

<sup>13</sup> Section 118 of Canada’s Immigration and Refugee Protection Act states

- (1) No person shall knowingly organize the coming into Canada of one or more persons by means of abduction, fraud, deception or use or threat of force or coercion.

*Immigration and Refugee Protection Act*, S.C. 2001, c. 27 [IRPA].

<sup>14</sup> With suspected foreign trafficking victims, for example, Canadian officials may not agree with NGOs on victim status and, hence, deny a Temporary Residency Permits to the individual. Government of Canada, National Action Plan to Combat Human Trafficking (2012), online: [http://www.publicsafety.gc.ca/prg/le/\\_fl/cmbr-trffkng-eng.pdf](http://www.publicsafety.gc.ca/prg/le/_fl/cmbr-trffkng-eng.pdf).

<sup>15</sup> See, e.g., RCMP, *Operational Police Officer’s Handbook on Human Trafficking* (Ottawa: RCMP, 2010), at 21-22, suggesting at least 15 charges related to human trafficking.



point. Statistics Canada concluded that it could collect human trafficking data if resources were allocated to the task,<sup>16</sup> but as of April 2013 there have been only minor additions to its data collection based on the immigration prohibition on trafficking (section 118 of Immigration and Refugee Protection Act, or “IRPA”). There is yet to be a trafficking conviction under this IRPA provision.<sup>17</sup> Further, due to the nature of its collection process, information reported by Statistics Canada has delays of up to two years, as will be discussed below.<sup>18</sup>

**v. Trafficked individuals treated as criminals**

Individuals trafficked for sex are often treated as offenders rather than victims, resulting in an undercounting of the trafficking phenomenon by law enforcement. A typical scenario is where a girl or woman is arrested for violating Canada’s prostitution laws without further inquiry into the circumstances of her prostitution. This individual is, hence, counted as a prostitute, rather than a trafficked person.

**vi. Trafficked individuals rarely come forward**

Another reason that human trafficking is difficult to quantify is that trafficked individuals seldom come forward. There is a wide variety of reasons for this phenomenon, including that they:

- don’t necessarily consider themselves to be victims due to coercion, post-traumatic stress and/or mental health disorders, trauma bonds, etc.;
- fear reprisals by traffickers;
- fear arrest and/or deportation if they announce themselves to authorities;
- mistrust government authorities;
- do not understand that they have the right and protection under the law not to be trafficked (particularly when coming from different countries and/or cultures); and
- do not have knowledge of existing services that could assist them.
- 

**vii. Reactive police investigations**

The identification and undercounting problems mentioned are compounded by a general law enforcement policy of reactive police investigations, which requires a complaint before undertaking investigations.<sup>19</sup>

In short, given these seven impediments, the incidence of human trafficking in Canada is difficult to know with any degree of certainty. Stakeholders commonly acknowledge that there are many more trafficked people than are officially reported, but it is impossible to precisely say how many more.<sup>20</sup> Initiatives to address these impediments would help clarify this uncertainty. In light of this uncertain incidence, recent Canadian studies and efforts have been focused on preventing human trafficking.<sup>21</sup> Prevention efforts can be appealing not only

---

<sup>16</sup> L. Ogrodnik, *supra* note 10.

<sup>17</sup> Interview of H. Hutchins.

<sup>18</sup> *Ibid.*

<sup>19</sup> See Royal Canadian Mounted Police (RCMP), *Human Trafficking in Canada* (Canada: 2010) at 40. Certain police departments are exceptions to this rule, such as the PEEL Regional Police, who have, unsurprisingly, been the most successful at uncovering human trafficking cases. Interview of J. Zuccherro.

<sup>20</sup> Interviews with informants.

<sup>21</sup> See e.g., Public Safety Canada, NCPD Research Report 2013-1, *Local Safety Audit Guide: To Prevent Trafficking in Persons and Related Exploitation (forthcoming)*; Public Safety Canada supported a series of human trafficking expert group meetings in 2011 that focused on prevention; see also N. Barrett and

from a societal perspective, but also an economic perspective, which will be demonstrated below in the section on the economic and social costs of sex trafficking.

## 4. The Numbers

Although precise estimates cannot be made, piecemeal information on human trafficking does exist, housed in various Canadian agencies and organizations. Some of this information - from governmental and other sources - is amassed below. Unavoidably, information may overlap, particularly as agencies collect and report information from other agencies.

### 4.1 Government information

Various Canadian government departments have begun to collect and report human trafficking information - a dramatic change from several years ago, when official information was not publically available. Public Safety Canada, the RCMP, Citizenship and Immigration Canada and Statistics Canada have useful information that is relatively readily accessible on the incidence of trafficking.

#### i. Public Safety Canada/National Action Plan

In 2012, Canada published its first National Action Plan to Combat Human Trafficking, which summarizes certain statistics as of April 2012. At that point, there had been:

- 25 convictions (41 victims) under human trafficking specific offences in the *Criminal Code* enacted in 2005. This does not include the numerous other convictions for human trafficking related conduct under other criminal offences;
- Approximately 56 cases currently before the courts, involving at least 85 accused and 136 victims;
- At least 26 of these victims were under the age of 18 at the time of the alleged offence;
- Over 90% of these cases involve domestic human trafficking, where all of the criminal activity occurred within Canada; less than 10% involved people being brought into Canada from another country; and
- Three charges laid under section 118 of *IRPA*, which prohibits trafficking into Canada.

While no convictions under that section have been registered, accused persons have been convicted under related *IRPA* provisions.<sup>22</sup>

The rate of human trafficking prosecutions has significantly increased over 2012. As of January 2013, there are now approximately 75 ongoing human trafficking prosecutions, with 128 accused and 117 victims, 45 of which are under 18 years old.<sup>23</sup> There have been no cases

---

M. Shaw, *Towards Human Trafficking Prevention*, International Centre for Criminal Law Reform (Vancouver: 2011); N. Barrett, *supra* note 3. *An Exploration of Promising Practices* (suggesting several international human trafficking prevention programs as promising practices for Canada).

<sup>22</sup> Public Safety Canada, National Action Plan to Combat Human Trafficking (2012) at 8. Although published two months' prior to Canada's National Action Plan, the US State Department's Annual Trafficking in Persons Report lists slightly higher numbers for Canada: 57 ongoing prosecutions, with 94 accused traffickers and 158 victims. See United States Department of State, *Trafficking in Persons Report* (2012) at 110-112.

<sup>23</sup> Information provided by T. Goguen, Manager of Public Safety's Serious and Organized Crime Division.

of human trafficking for the purpose of sexual exploitation prosecuted under the human trafficking provision (section 118) of the Immigration and Refugee Protection Act since it became law 2002.<sup>24</sup> A 2010 RCMP human trafficking threat assessment found that Canada's human trafficking victims were "primarily" found in some avenue of the Canadian sex industry.<sup>25</sup>

## ii. Royal Canadian Mounted Police

The RCMP Human Trafficking National Coordination Centre (HTNCC) reports that as of February 2013, Canada has had 112 cases of domestic sex trafficking where specific human trafficking charges were laid, 71 of which are currently before the courts.<sup>26</sup> In addition, the RCMP has gone back through existing files and found approximately 100 domestic sexual exploitation cases that contain human trafficking "elements," although the cases were not charged as human trafficking at the time. Counting in this broader way, they conclude that there have been 30 completed cases with either human trafficking or "related" convictions (such as procuring, living of the avails, forcible confinement, keeping a common bawdy house, etc.), including 34 accused and 40 victims, nine of who were underage. A full report on these cases is forthcoming later in 2013.<sup>27</sup>

The RCMP's has also published a helpful 2010 human trafficking threat assessment that contained valuable information on human trafficking trends and tactics. It did not however, discuss the prevalence of the human trafficking cases.<sup>28</sup>

## iii. Citizenship and Immigration Canada

Citizenship and Immigration Canada (CIC) also collects information on identified international trafficking cases in the form of temporary resident permits (TRPs). These TRPs are renewable permits established to assist trafficked individuals by securing their immigration status in Canada for up to 180 days, which is granted at the discretion of immigration officials. To date, there have been 178 temporary resident permits granted by CIC from 2006 to 2011.<sup>29</sup> Key source countries for victims are Thailand (30), Moldova (10), the Philippines (9), and Mexico (6). Only 14 of these permits have been for sex trafficking cases, however, and one permit was for a combination of sex and labour trafficking. In 2011 alone, 53 TRPs were issued to 48 foreign trafficking victims: five first time permits and 48 renewals, although CIC did not specify how many, if any, of the new permits were for sex trafficking. Foreign sex trafficking victims may also have received other forms of immigration relief, such as refugee protection, but information in this regard is not presently available.

## iv. Statistics Canada

Statistics Canada currently collects human trafficking information based on data submitted both by police services across Canada as well as the Canadian courts system. The most recent data available in April 2013 included reports to the end of 2011.

---

<sup>24</sup> Information provided by C. Sheppard, Public Prosecution Service of Canada. Fourteen charges of the offence have been laid, but none specifically for sex trafficking.

<sup>25</sup> RCMP, *Human Trafficking in Canada supra* note 19 at 10. This finding may change in the near future given the increase in investigation of Canadian labour trafficking cases.

<sup>26</sup> Note that Public Safety collected information from the RCMP and CIC for its National Action Plan, so the information from these sources will overlap.

<sup>27</sup> The RCMP's Project Safekeeping Report is slated to be published in the summer of 2013.

<sup>28</sup> RCMP, *Human Trafficking in Canada supra* note 19.

<sup>29</sup> Public Safety Canada, National Action Plan, *supra* note 22 at 14. CIC cannot yet confirm its 2012 TRP count. Information provided by CIC.

Stats Canada reports that from 2009 to 2011 there were:

- 93 “incidents” of human trafficking: 34 in 2009, 21 in 2010 and 38 in 2011.<sup>30</sup>
- 84 people were accused of trafficking in persons: 36 in 2009, 18 in 2010 and 30 in 2011.<sup>31</sup>
- 121 people have been victim of the crime.<sup>32</sup>
- 27 cases where trafficking in persons was the most serious offence have gone through Canadian courts. Of these 27 cases, eight resulted in a guilty plea or verdict on the specific human trafficking charge.<sup>33</sup>

## 4.2 A national human trafficking data collector?

As can be seen from the various numbers and time frames above, there are many different agencies within the Canadian government that collect human trafficking information. Public Safety Canada has compiled selected information for the Canadian National Action Plan, but only in a limited number of areas.

In 2010 Statistics Canada prepared a feasibility report on collecting human trafficking information and some have discussed using Statistics Canada as a national collection point for human trafficking information.<sup>34</sup> While a national data collection point for human trafficking is greatly in need, there are some disadvantages to relying on Statistics Canada for the collection of human trafficking information. These disadvantages include the lack of information on victims who do not proceed with prosecutions; the fact the cases under the IRPA provision are not included in the count; the fact that cases may be undercounted as only the four most serious offenses per incident are counted in the relevant surveys; and the significant lag time for official trafficking incidents to actually appear in the statistics.

---

<sup>30</sup> Statistics Canada, *Canadian Centre for Justice Statistics, Incident-based Uniform Crime Reporting Survey (UCR)*. An incident is “a reported crime that has been substantiated by police”; it does not necessarily mean that charges were laid. Statistics Canada, *UCR Research Data Centre User Manual* (Feb. 2013) at 2. It is important to note that the UCR survey may undercount incidents as the survey currently counts only the four most serious offenses per incident.

<sup>31</sup> *Ibid.* Note that Statistics Canada considers an accused person to be a person against whom there is evidence to link them to an incident of human trafficking and, thus, a charge of trafficking in persons may be laid against them. Accused persons are not, however, necessarily charged with the offense. In addition, sex trafficking and labour trafficking are not counted separately, so this data also includes labour trafficking cases.

<sup>32</sup> *Ibid.* Statistics Canada only reports human trafficking information on victims of the Canadian Criminal Code violation and not the Immigration & Refugee Protection Act. At this point there have been few prosecutions under the IRPA, but this number is rising.

<sup>33</sup> *Ibid.* *Integrated Criminal Court Survey (ICCS)*. Note that data for the ICCS is recorded by fiscal year, thus begins April 1, 2008 and ends March 31, 2011. A trafficking in person offence is defined as an offence falling under the Revised Statutes of Canada 1985 (RSC1985) Criminal Code sections 279.01, 279.02, 279.03, and 279.04 and 279.011, and the Immigration and Refugee Protection Act section 118. Also note that not receiving a guilty plea does not necessarily mean the accused was not trafficking in persons: cases could have numerous related charges for which the accused was found guilty. Interview of H. Hutchins.

<sup>34</sup> See L. Ogrodnik, *supra* note 10.

### 4.3 Global uncertainty

Canada is not alone in its inability to quantify the number of people trafficked for sex within its borders. International organizations working on human trafficking and forced labour have widely differing estimates of the relative amount of sex trafficking occurring globally. In the 2012 United Nations Office on Drugs and Crime's Global Report on Trafficking in Persons, sexual exploitation is identified as the most common form of human trafficking, comprising 79% of cases worldwide, followed by forced labour, comprising 18% of cases.<sup>35</sup> The International Labour Organization, however, reports that only 22% of forced labour victims are victims of forced sexual exploitation, while 68% are victims of exploitation in economic activities such as agriculture, construction, domestic work and manufacturing.<sup>36</sup> The US State Department's 2013 Trafficking in Persons Report focuses on the importance of victim identification because, according to their estimates, only 40,000 victims of human trafficking were identified worldwide in 2012 despite social scientists' estimates that as many as 27 million individuals are trafficked at any time.<sup>37</sup> Finally, most international reports on human trafficking either begin or end with a discussion on the need to collect more information. In short, Canada's challenge in quantifying the incidence of sex trafficking within its borders is in no way unique.

To conclude, as of June 2013, the governmental count of human trafficking cases in Canada is relatively low, with 158 victims, 75 prosecutions of 128 accused traffickers, and 25 to 30 convictions. These numbers, however, only reflect cases that have gone through the criminal justice system, which is thought by both police and non-governmental organizations to be a mere fraction of existing cases.<sup>38</sup> In addition, it is unsurprising that prosecution counts are relatively low for several reasons. First, trafficked individuals often do not self-identify as trafficked and even when they do, they are frequently reluctant to contact the police or other government officials due to threats, shame, and immigration status.<sup>39</sup> In addition, police view trafficking investigations as resource intensive and frequently investigate and prosecute sex trafficking as other crimes more familiar to law enforcement, such as "living off the avails of prostitution" and "operating a common bawdy house."<sup>40</sup>

These difficulties do not, however, discharge the obligation to use best efforts to identify and assist victims and cease traffickers' criminal behavior. As will become apparent from the regional snapshots below, the incidence of sex trafficking in Canada is significantly greater than current government numbers imply, and according to many frontline service providers, is

---

<sup>35</sup> UNODC admits there may be statistical bias in this estimate as the exploitation of women tends to be more visible and, hence, more frequently reported than other forms of exploitation, such as forced or bonded labour, forced marriage or organ removal. United Nations Office on Drugs and Crime, Global Report on Trafficking In Person, *supra* note 5.

<sup>36</sup> The remaining 10% of forced labour is compelled by states. While the ILO data is based on "forced labour" rather than "human trafficking," the conduct considered functionally overlaps. See International Labour Organization Global Estimate of Forced Labour (2012), online: [http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---declaration/documents/publication/wcms\\_182004.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_182004.pdf).

<sup>37</sup> United States Department of State, Trafficking in Persons Report (2013) at 4.

<sup>38</sup> Interviews with numerous informants.

<sup>39</sup> The notorious difficulty in identifying victims of trafficking has been noted not just in Canada, but worldwide. See, e.g., N. Barrett, *supra* note 3 at 10-11.

<sup>40</sup> Interviews of M-C. Arsenault; J. Zuccherro; J. Fisher.

increasing in prevalence. This unofficial profile implies that the obligation to combat sex trafficking is more pressing than government statistics suggest.

## 5. An Unofficial Profile of Trafficked Women and Girls

The profile of women and girls trafficked in Canada for sexual exploitation varies by province, although certain characteristics cross several provinces, as described below.

### 5.1 Human trafficking snapshots from the provinces

Given the limited number of official cases, the Task Force on Trafficking of Women and Girls in Canada requested information from sex trafficking service providers and organizations across Canada. The research team then collected additional information through interviews with key stakeholders in different provinces. From this information, we compiled regional human trafficking “snapshots” and identified recurring trends and characteristics that begin to sketch a more accurate portrait of human trafficking in Canada in early and mid-2013. This information is far from comprehensive as not all trafficking victims live in areas where assistance programmes are available, NGOs may only target a select group of potential victims to assist, and not all victims want to accept assistance.<sup>41</sup> These snapshots should, thus, be understood as a bare minimum number of cases in each province and a partial, but somewhat incomplete picture of the larger reality. It is helpful, however, to add this unofficial information to the government information, to get a better sense of the prevalence of sex trafficking in Canada today.

#### i. Multi-province trends/characteristics

Based on information from British Columbia, Alberta, Manitoba, Ontario, Quebec, and Halifax, six sex trafficking trends/characteristics can be identified in at least three of these provinces. Information in this section primarily reflects the “supply” side of the trafficking equation - the exploited individuals. The “demand” driving the sex trafficking market is discussed in section six below.

##### a) *A move from the street to indoors*

The first trend is that solicitation of sex for purchase has moved from the street to behind closed doors, facilitated by internet advertising and sales. Many stakeholders stated that the vast majority of sexual exploitation is now arranged through the internet rather than in offline venues.<sup>42</sup> This move to the internet is concerning for many reasons, including that it facilitates the sale of younger victims who can no longer be obviously spotted by law enforcement or others on the street.

##### b) *Trafficker “boyfriends”*

The second trend is that identified sex trafficking cases involve Canadian girls recruited for domestic trafficking by “boyfriends,” who treat them well at the beginning, but gradually coerce them, through a combination of violence and romance, into selling sex for others’

---

<sup>41</sup> A recent study of victims of trafficking who decline assistance indicate that victims will first turn to family and friends before accepting other assistance. A. Brunovskis, Leaving the past behind? When victims of trafficking decline assistance (visited 20 Feb. 2013), online: <http://www.fafn.no/pub/rapp/20040/20040.pdf>.

<sup>42</sup> Interviews of L. Many Grey Horses; K. Quinn; R. Currie; T. Nagy; K. Sapoznik, W. Scheirich.

profit.<sup>43</sup> As of January 2011, the majority of Canadian sex trafficking cases either before courts or already completed involved trafficker-boyfriends.<sup>44</sup> This “Romeo” recruitment technique is also widely reported throughout Europe and the United States.<sup>45</sup> This is a significant shift in understanding as certain Canadian courts have previously looked for an adversarial relationship between the trafficker and the woman or girl in prostitution to prove that the latter was a victim and not merely an independent prostitute.<sup>46</sup>

**c) *First trafficked when young***

The third trend is that Canada’s domestically trafficked victims are often first trafficked when they are young - averaging around 13 to 14 years old.<sup>47</sup> Service providers repeatedly report that the average age of victims, either in their care or which they are aware of, is younger than in years past. Many of these reports are anecdotal, but the little data that is collected confirms these reports. At least four cases brought before Canadian courts as of 2011 involved under-aged victims and a current B.C. prosecution involved ten under-aged victims, with seven victims trafficked for the first time.<sup>48</sup> It is thought that traffickers seek younger victims both to service a demand for sex with those who look young and because younger victims are easier to manipulate and control.

**d) *Histories of poverty and sexual abuse***

The fourth characteristic is that trafficked women and girls are typically poor, often with histories of both physical and sexual abuse and frequently come from homes that lack a positive masculine influence, the latter of which has not been widely discussed in the trafficking literature. Further discussion on these and other trafficking vulnerabilities can be found in section 5.2 below.

**e) *Aboriginals over-represented but under-investigated***

The fifth characteristic is the overrepresentation of Aboriginal women and girls selling sex on Canada’s streets. It is currently not known what percentage of these girls and women are in sex trafficking situations versus “survival sex” situations, where they are compelled to sell or exchange sex for shelter, food or drugs, but not by a third party.<sup>49</sup> Several studies on human trafficking in Canada have concluded that the majority of people trafficked for sex within

---

<sup>43</sup> A study of prostituted and trafficked women in Minnesota found that 42% of the time the pimp/boyfriend who received the money from selling sex was gang-affiliated. One trafficked woman explained, “I wouldn’t say there are pimps anymore. Now they’re all boyfriends.” M. Farley, N. Matthews, S. Deer, G. Lopez, C. Stark, E. Hudon, *Garden of Truth: The Prostitution and Trafficking of Native Women in Minnesota* (2011).

<sup>44</sup> See the cases of Leonard-St. Vil (2008), Lennox (2008), Nakpangi (2008), Urizar (2010), Tynes and Lafferty (2010), Vilutis (2009) and Ng (2008).

<sup>45</sup> Sharon Marcus-Kurn, an assistant US attorney for the District of Columbia explains, “I’ve never met a juvenile involved in prostitution who didn’t have a pimp. I have also never met a juvenile in prostitution who hasn’t said during the initial interview, ‘I don’t have a pimp - that guy is my boyfriend,’” cited in B. Perrin, *Invisible Chains*, (Viking Canada: 2010) at 115.

<sup>46</sup> See B. Perrin, *supra* note 45 at 133 (discussing 2007 BC trial of Wai Chi (Michael) Eng).

<sup>47</sup> Information provided by R. Currie, L. Many Grey Horses, J. Runner, W. Scheirich, J. Richardson.

<sup>48</sup> See cases of Emerson (2009), Lennox (2008), Nakpangi (2008), Tynes and Lafferty (2010) and Moazami (2013) (the latter involving ten underaged victims).

<sup>49</sup> See W. Oppal, *Foresaken: The Report of the Missing Women Commission of Inquiry*, vol. 1 (British Columbia: 2012) at 110 (noting that “survival sex work, if seen on a continuum of choice to engage in sex work, is one step removed from sexual slavery/trafficking in which a woman is forced into prostitution and far removed from the highly-paid sex trade.”)

Canada are Aboriginal.<sup>50</sup> Frontline service providers report that Aboriginal women and girls are dramatically overrepresented in street prostitution in British Columbia, Alberta and Manitoba. Nova Scotia also reports recruitment of Aboriginal girls and women who are subsequently moved to Quebec and Ontario to be sold for sex. In Winnipeg, 70-80% of exploited children are reported to be Aboriginal, while only 10% of Winnipeg residents are Aboriginal. In Vancouver's downtown Eastside, 40-60% of prostituted girls and women are reported to be Aboriginal, despite Aboriginals being only around 2% of Vancouver's population. Similarly, in Edmonton, 60% of those in street prostitution are Aboriginal, compared to 5% of Edmonton's total population.<sup>51</sup>

Many stakeholders state that this gross overrepresentation of Aboriginal victims is unsurprising given the difficult legacy of colonization and residential schools, which has detrimentally affected Aboriginal societies in myriad ways.<sup>52</sup> Painfully aware of this sobering reality, the Native Women's Association of Canada is following up work on missing and murdered Aboriginal women and girls in Canada with a report on the extent to which sex trafficking impacts Aboriginal women and girls in Canada.<sup>53</sup>

Canadian law enforcement has thus far not prosecuted many of the cases described above as sex trafficking. The RCMP reports that the majority of identified domestic sex trafficking victims in Canada are Caucasian, Canadian females between 14 and 22 years old who are recruited to work in the sex industry.<sup>54</sup> This result is surprising given that shelters and service providers for women report that Aboriginal women and girls involved in the sex industry are overrepresented users of their services.<sup>55</sup> These reports from the frontlines also comport with previous research findings suggesting that Aboriginal women and girls make up a disproportionate share of those at risk for trafficking in Canada.<sup>56</sup>

---

<sup>50</sup> See J. Oxman-Martinez, M. Lacroix and J. Hanley., *Victims of trafficking in Persons: Perspectives from the Canadian Community Sector*, (Ottawa: Department of Justice, Research and Statistics Division, August 2005) at 33. See also A. Sethi, "Domestic Sex Trafficking of Aboriginal Girls in Canada: Issues and Implications," (2007) 3:3 *First Peoples Child and Family Rev.* 57; A. Sikka, *Trafficking of Aboriginal Women and Girls in Canada*, (Ottawa: Institute on Governance, Aboriginal Policy Research Series, May 2009).

<sup>51</sup> See Statistics Canada, *2006 Census: Aboriginal Peoples in Canada in 2006: Inuit, Métis and First Nations* (2006). This overrepresentation of Aboriginal women and girls in sex trafficking situations is also seen in the United States in the state of Minnesota, where evidence-based reports tell a similarly disturbing story. See, e.g., M. Farley *supra* note 40.

<sup>52</sup> L. Many Grey Horses. See also F. Faraday and J. Benedet, *Factum of the Intervener Women's Coalition*, filed in the case of *Bedford vs. Attorney General of Canada*, 3 May 2011 at para. 18.

<sup>53</sup> See Native Women's Association of Canada, *What Their Stories Tell Us* (2010); Research commissioned for the Task Force on Trafficking of Women and Girls in Canada from NWAC (forthcoming 2013).

<sup>54</sup> Information provided by RCMP National Human Trafficking Coordination Center, February 2012. See also RCMP, *Project Safekeeping report* (forthcoming 2013).

<sup>55</sup> The service provider Walk With Me is an exception, assisting mostly white Canadian women and girls. Information provided by T. Nagy.

<sup>56</sup> See B. Perrin, *supra* note 45 at 95-96. N. Barrett, *supra* note 3 at 41-44; A. Sikka, *Trafficking of Aboriginal Women and Girls in Canada* (Ottawa: Institute on Governance, Aboriginal Policy Research Series, May 2009); A. Sethi, "Domestic Sex Trafficking of Aboriginal Girls in Canada: Issues and Implications" (2007) 3:3 *First Peoples Child and Family Rev.* 57; J. Oxman-Martinez, M. Lacroix and J. Hanley, *Victims of trafficking in Persons: Perspectives from the Canadian Community Sector* (Ottawa: Department of Justice, Research and Statistics Division, August 2005) at 33.



**f) Increasing Asian exploitation, but difficult to gain victim cooperation**

The sixth characteristic is the increasing exploitation of Asian women in large urban centers across Canada, especially those with sizable Asian populations. The large Asian population does not necessarily indicate that sex buyers are Asian, but that Asian organized crime exists in the cities to support trafficking operations.<sup>57</sup> The RCMP's 2010 threat assessment cited Montreal, Calgary, Edmonton, Ottawa, Toronto and Vancouver as cities of concern,<sup>58</sup> with some women being transported between these cities and possibly the US to engage in prostitution.<sup>59</sup> It remains unclear to what extent this travel and subsequent sex selling is voluntary, coerced or forced and hence, whether sex trafficking is indicated. Some of the Asian women suspected to be trafficked were foreign nationals from Korea, China, Hong Kong, Taiwan and Malaysia, although others were also Canadian citizens or permanent residents of Asian descent.<sup>60</sup> The age range of potential victims is reported to be older than in the Aboriginal cases, with the RCMP estimating that suspected Asian victims range between 20 and 46 years old.

Both the RCMP and certain informants also note that it is difficult to obtain cooperation from suspected Asian trafficking victims. The explanation for this reluctance is complex, but involves a combination of cultural values that emphasize honor and duty to provide for the family and an acceptance of the trafficking situation due, in part, to increased intergenerational trafficking.<sup>61</sup> In numerous instances, this reluctance to cooperate with authorities resulted in the RCMP laying prostitution-related charges as victim cooperation was seen as crucial to proceed with human trafficking charges.<sup>62</sup>

**ii. Provincial snapshots**

While the above themes reoccur in several provinces, regional characteristics also vary in important ways. An overview of information from non-governmental service providers across the Canadian provinces, from west to east, is highlighted below.<sup>63</sup>

**a) British Columbia<sup>64</sup>**

Both international and domestic trafficking for sexual exploitation occurs in British Columbia. Domestic sex trafficking victims include Aboriginal Canadian girls trafficked in northern British Columbia, Squamish and Vancouver's downtown Eastside. Gangs, gang-girls and family members are reported to be notable recruiters of Aboriginal women and girls. Non-Aboriginal Canadian girls trafficked in B.C. have come from BC's Lower Mainland and Interior, as well as Fort St. John, Calgary, Ontario, Quebec and Halifax.

Women have been internationally trafficked into B.C. for sexual exploitation from South Korea, Philippines, Afghanistan, US, Taiwan, Guinea, China, Hong Kong, Honduras, Russia and India.<sup>65</sup> One informant estimates that over 50% of the women trafficked internationally are Asian, with another noting disproportionate numbers of southeast Asian women among

---

<sup>57</sup> RCMP, *Human Trafficking in Canada*, *supra* note 19 at 15.

<sup>58</sup> *Ibid.*

<sup>59</sup> *Ibid.* at 18.

<sup>60</sup> *Ibid.* at 17.

<sup>61</sup> Interviews of A. Lee and M-C Arsenault.

<sup>62</sup> Interview of M-C Arsenault.

<sup>63</sup> BC is exceptional in that it has a provincial Office to Combat Trafficking in Persons.

<sup>64</sup> Information provided by R. Currie; L. Many Grey Horses; A. Lee; M. Pichette.

<sup>65</sup> Includes labour trafficking victims, as specifics on the type of trafficking were not provided by the CIC.

Vancouver's known trafficked women.<sup>66</sup> This may reflect linkages to organized crime, as highlighted above.

Other notable trends specific to British Columbia in 2013 include:

- increasing intergenerational trafficking of Asian and Aboriginal women and girls;
- increasing organized crime-related sex trafficking;
- proliferation of massage parlours, bawdy houses and escort agencies, whom some groups suspect to be largely controlled by Chinese gangs; and
- older and younger victims (into the 40s on the street, minors via the internet).

Identified trafficking circuits include Vancouver to Calgary and Edmonton and back, Vancouver to Kelowna, Calgary and northern BC and from northern B.C. reserves to Prince George and Vancouver.<sup>67</sup> One shelter reports that young women in their care have been moved from the B.C. Lower Mainland to Dubai, United Arab Emirates and back.

There is currently one case of sex trafficking before the B.C. courts against Reza Moazami and one other trafficker, who is accused of 2 counts of trafficking (among 36 other counts), for prostituting 11 girls, including 10 minors, 7 procured for the first time.<sup>68</sup>

In terms of numbers, the provincial Office to Combat Trafficking in Persons (OCTIP) has assisted in 50-60 sex trafficking cases since July 2007 and its trafficking help line received 31 trafficking related calls from January 2012 to March 2013. One shelter, Servant's Anonymous Surrey, housed 42 trafficked young women and girls from July 2011 to June 30, 2012. Another shelter for trafficked women, Deborah's Gate, has had six to eight victims using the shelter each year from 2010 to 2012.

#### ***b) Alberta<sup>69</sup>***

In Edmonton, 60% of under-aged girls exploited on the street are Aboriginal. The remainder are Caucasian, with the occasional girl or woman of African, Asian or mixed-race ancestry. Those trafficked over the age of 18 are approximately 54% Aboriginal, 40% Caucasian, and 7% of other ethnicities. Both older and younger victims have been noted, the younger typically advertised via the internet.<sup>70</sup>

Alberta identified domestic sex trafficking of non-Canadian women, predominantly from Asia, and, as of April 2013, Citizenship and Immigration Canada had issued eleven temporary resident permits to the victims. Certain trafficking victims were, themselves, found to be involved in criminal activity, such as robbery or procuring. Suburban trafficking in residences and micro brothels was noted, as was the increased incidence of massage parlours and bawdy houses as trafficking fronts. In Edmonton alone there were 455 licenses issued by the City in 2012 for massage and body-rub parlours: frequent fronts for selling sex and/or trafficking.

In terms of numbers, one service provider that worked with females over 18 years old supported 424 trafficked or prostituted women in 2011-2012.<sup>71</sup> From July to December 2012,

---

<sup>66</sup> Interview of A. Lee.

<sup>67</sup> Interviews of J. Fisher, R. Currie, M. Pichette.

<sup>68</sup> Interviews of D. Darby and J. Fisher.

<sup>69</sup> Information provided by K. Quinn, and A. Burkhardt.

<sup>70</sup> Ibid.

<sup>71</sup> Information provided by K. Quinn on Centre to End All Sexual Exploitation (CEASE) in Alberta.

an anonymous human trafficking counseling line based in Edmonton received 262 calls from 12 cities.<sup>72</sup> The Alberta Coalition against Trafficking had 22 referrals in 2012 that they considered to be human trafficking victims.

**c) Manitoba<sup>73</sup>**

In Manitoba potential human trafficking cases are most commonly identified and referred to as sexual exploitation and/or prostitution-related crimes, so the precise number of human trafficking cases is difficult to identify. In Winnipeg approximately 400 children and youth are sexually exploited on the streets each year, 70-80% of which are Aboriginal.<sup>74</sup> This number includes only visible sex industry exploitation that could be documented by provincial employees, so the number of those exploited is likely higher. A specialized team in Winnipeg called “StreetReach,” composed of law enforcement, child welfare social workers and community outreach workers had contact with 213 youth in 2012 who were either currently being exploited (118) or were at extreme risk of becoming exploited (95).<sup>75</sup>

To give background information on victims in Winnipeg, one transition program that assists youth in exiting from prostitution or sex trafficking situations found that, of their 135 clients (as of June 2011):<sup>76</sup>

- Age 13 was the average age at first exploitation
- 74% had been in care of Child and Family Services
- 88% has run away on average, 16.19 times, with the initial runaway at 11.19 (mean)
- 81% had family in residential schools
- 48.9% had been homeless
- 62.7% had been physically and sexually abused
- Grade 7 was the average grade level completed
- 19.3% had been in a gang, 65.1% had family members involved in a gang and 56% were associated in some way with a gang
- 83% received drugs or alcohol from their exploiter as a method of control

**d) Ontario<sup>77</sup>**

In Ontario, informants have encountered trafficked women and girls from ages 14 to 34. Most of the known victims have been racially and ethnically diverse Canadians who have been trafficked domestically, although there are small number of cases of international students and individuals who were internationally trafficked.

Most victims are reported to be poor, with histories of abuse. Many are reported to come from group homes or homes with little or no positive masculine influence. Three different Ontario stakeholders report knowledge of 28, 39, and over 200 cases, respectively, although the dates on collection periods vary. One victim service provider reported that currently

---

<sup>72</sup> Information provided by J. Linder on the Chrysalis Network. There were 50 repeat callers in this count of 262 calls over six months. Five of the cities where calls originated were in the United States.

<sup>73</sup> Information provided by W. Scheirich; L. Mackenzie; J. Richardson; J. Runner.

<sup>74</sup> Information provided by W. Scheirich and L. Mackenzie.

<sup>75</sup> Information provided by J. Richardson.

<sup>76</sup> 2011 statistical information from Transition, Education and Resources for Females in Winnipeg, Manitoba, provided by J. Runner.

<sup>77</sup> Information provided by K. Cameron; T. Nagy; J. Zucchero.

trafficked women and girls they are in contact with estimate there are many more cases of trafficked women and girls in Ontario than is currently recognized by any level of government

In terms of cases of international sex trafficking, the RCMP has conducted numerous investigations of East European women aged 21 to 38 exploited in the sex industry in Toronto, coming from Romania, Ukraine and Moldova.<sup>78</sup> Organized criminal groups have been involved in the organized entry, typically with fraudulent documents, of East European women for employment in escort agencies and massage parlours.<sup>79</sup> Victims who have come forward report that their traffickers deceived them in terms of employment, excessively controlled them and kept some or all of the earnings. The victims also reported that they feared leaving their trafficker because of threats to harm to themselves or relatives. As of 2010, however, no human trafficking charges have been laid against individuals exploiting East European women in Canada.

**e) Quebec<sup>80</sup>**

In Quebec, as in Ontario, most of the known sex trafficking cases are domestic trafficking cases, although one victim's assistance center reports knowledge of approximately one international trafficking case each year. This center, the Crime Victims Assistance Centre (CAVAC), serves about 35 trafficked women a year, although few are minors, as the youth protection system handles under-aged victims. Most of the victims are women from Quebec with diverse origins, with Asian women appearing prominently in massage parlours throughout the province.

A 2013 provincial report on procuring and human trafficking, *Portrait Provincial du Proxénétisme et de la Traite de Personnes*, finds that sexual exploitation in the province is growing and is currently significantly underestimated by the authorities. The report further finds that since 2002, 1348 suspected pimps are implicated in procuring or trafficking, 85% of which are men and 15% are women, the latter of which were all previously exploited in the sex industry. Fifty-three percent of these suspected pimps have ties with street gangs, although pimping is usually committed by a suspect working alone or with occasional accomplices. Thirty nine percent of identified victims are minors and 91% of all victims are women and girls.

The RCMP has also conducted numerous investigations of East European women involved in the sex industry in Montreal.<sup>81</sup> The profile of these women is similar to Toronto, described above, although in Montreal there was a predominance of investigations into massage parlour operations.<sup>82</sup> The countries of origin and techniques of traffickers, however, are similar.<sup>83</sup>

**f) Nova Scotia<sup>84</sup>**

Nova Scotia has a limited amount of information on trafficking victims, but does report that the province is most frequently a recruiting ground, with victims quickly moved to larger urban centers across Canada. While there are no numbers offered, police think that victims

---

<sup>78</sup> RCMP, *Human Trafficking in Canada supra* note 19 at 12-14.

<sup>79</sup> *Ibid.*

<sup>80</sup> Information provided by I. Bigué.

<sup>81</sup> RCMP, *Human Trafficking in Canada, supra* note 19 at 12-14.

<sup>82</sup> *Ibid.*

<sup>83</sup> Fraudulent or altered travel documents were consistently reported in the entry of these women - aged 21 to 38 - into Canada.

<sup>84</sup> Information provided by S. Jackson-Smith

are largely young African Canadian girls, who often were in group homes without other support mechanisms. There is also some indication that Aboriginal women and girls are being trafficked from the Atlantic Region to larger urban cities in Quebec and Ontario. Law enforcement has been informed that young girls at times “audition” for pimps as they are looking for a “way out” of Nova Scotia. The scenarios turn from escape to human trafficking once they are moved to Ontario, and the traffickers begin violent victimization of the girls. Some young girls were being moved from Halifax to Moncton, New Brunswick, although this movement has decreased after authorities shut down two of three strip clubs in Moncton.

In sum, after surveying stakeholders in the various provinces, the prevalence of sex trafficking appears to be significantly higher than official numbers report and can vary in character by province, although certain characteristics are national in scope.

## 5.2 Victim characteristics and traffickers’ tactics<sup>85</sup>

This section first considers the numerous factors that impact the vulnerability to being trafficked for sexual purposes in Canada. It then turns to the common tactics used by traffickers to recruit and control their victims.

### i. Victim characteristics

Women and girls in Canada and elsewhere are vulnerable to sex trafficking due to numerous individual and structural factors. Many of these factors are interrelated, with the presence of one increasing the likelihood of another. While vulnerability to human trafficking can cross age, socio-economic status, education-level and gender, the most common characteristics of sex trafficking victims, listed by approximate prevalence in the human trafficking literature include:

- female<sup>86</sup>
- poor
- history of violence and/or neglect
- history of child sexual abuse
- low level of education
- lack of local employment opportunities
- desire a better life, but face limited economic opportunities
- migrant or new immigrant and/or having low levels of social support
- absent parental figure<sup>87</sup>

---

<sup>85</sup> Information in this section derived from review of numerous articles and books discussing the topic, including: A. Acharya, A. Sikka, A. Sethi, T. Williams et al., L. Jones et al., B. Perrin, S. Kara, S. Karandikar and M. Prospero, L. Muftic and M. Finn, Capitulo, D.E. Roe-Sepowitz, J.A. Reid, Pierce, L. Lederer, K. Kotrla, U. Vindhya and S. Dev, K. Mitchell et al., K. Hom and S. Woods, N. Siva, M. Wells et al., and M. Clark (see bibliography). Information also collected from UN.GIFT, Polaris Project, Walk with Me, ACT Alberta, BC Office to Combat Trafficking in Persons, Public Safety Canada, National Action Plan to Combat Human Trafficking (2012) and numerous informants.

<sup>86</sup> The ILO estimates that, globally, 98% of sex trafficking victims are women and girls and 2% are men and boys (International Labour Office, 2012). Data released by CIC showed that from 2006 to 2008, women made up 74% of all suspected foreign trafficking travel into Canada. See B. Perrin, *supra* note 45 at 44-45.

- Aboriginal<sup>88</sup>
- homeless
- living in provincial care, group homes, or foster care
- history of running away (frequently correlated to histories of violence or neglect)
- substance abuse
- mental health issues
- history of arrests/detections/involvement with the criminal justice system
- gang association

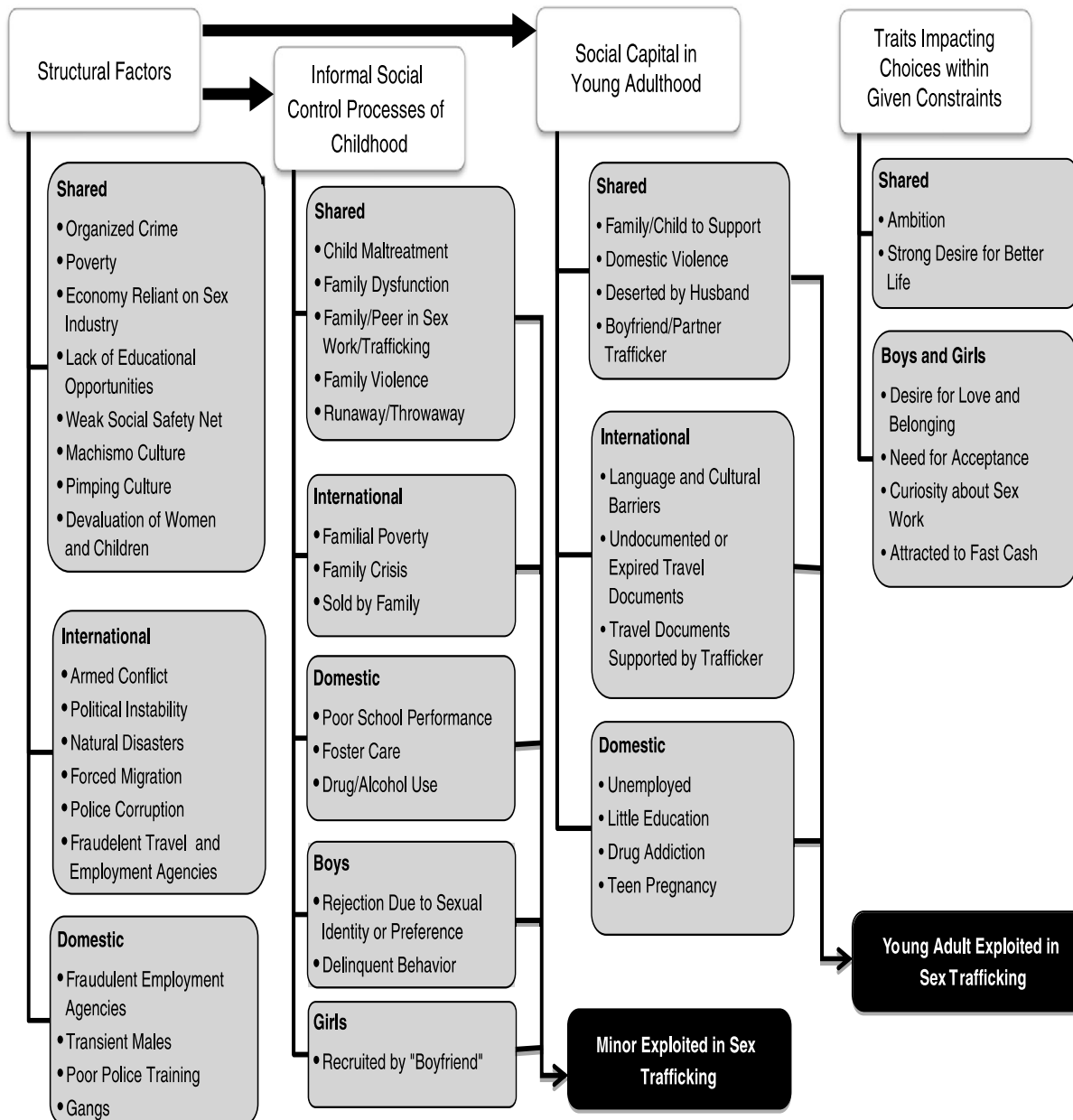
Various combinations of the above factors can increase a person’s willingness to accept a trafficker’s false employment offer, even where dubious. These factors can be further divided by time, context and type of trafficking, with many factors overlapping between domestic and international trafficking situations, as seen in Figure 1 below. Given the high prevalence of child sexual abuse in trafficked individuals’ backgrounds, it may be beneficial to add “sexual abuse” as a separate shared characteristic for children in Figure 1, although sexual abuse has likely been included under the broader heading of “child maltreatment.” The Figure 1 categories can be useful in designing targeted policy interventions, as they highlight similarities and differences in vulnerabilities by victim type.

---

<sup>87</sup> This factor is not widely discussed in the literature and could be included in the general category of “childhood neglect,” but was specifically mentioned by several key informants, including J. Zucchero and T. Nagy, and is helpful from a policy perspective.

<sup>88</sup> See e.g., S. Ricci, L. Kurtzman, M-A Roy, *La traite des femmes a des fins d’exploitation sexuelle: entre le deni et l’invisibilite* (UQAM, Institut de recherches et d’etudes feminists: 2012) at 5; B. Perrin, *supra* note 45 at 99; N. Barrett, *supra* note 3 at 42-25; J. Oxman-Martinez, M. Lacroix and J. Hanley, *Victims of trafficking in Persons: Perspectives from the Canadian Community Sector* (Ottawa: Department of Justice, Research and Statistics Division, August 2005) at 33; A. Sethi, “Domestic Sex Trafficking of Aboriginal Girls in Canada: Issues and Implications,” (2007) 3:3 *First Peoples Child and Family Rev.* 57; A. Sikka, *Trafficking of Aboriginal Women and Girls in Canada*, (Ottawa: Institute on Governance, Aboriginal Policy Research Series, May 2009). Numerous informants confirm this conclusion.

**FIGURE 1: SUMMARY CHART OF VULNERABILITY FACTORS FOR DOMESTIC AND INTERNATIONAL TRAFFICKING, BY AGE<sup>89</sup>**



<sup>89</sup> Table reproduced from J. Reid, "Exploratory review of route-specific, gendered, and age-graded dynamics of exploitation: Applying life course theory to victimization in sex trafficking in North America." *Aggression and Violent Behavior*. 2012 Jun; 17(3): 257-71.

## ii. Traffickers' tactics

Traffickers lure and recruit women and girls into trafficking by promising a fictitious better life. A common method of recruitment is to offer employment, frequently in another location. Poor women and girls and those with limited employment opportunities are particularly vulnerable to these offers. In many cases, traffickers promise to look after victims financially.

Traffickers also frequently lure potential victims by cultivating romantic relationships with vulnerable women and girls, as discussed above. Traffickers often give gifts to demonstrate their affection, and thereby increase their ability to emotionally manipulate victims. Once a relationship has developed, traffickers often exploit victims' existing vulnerabilities, such as their need for approval, attachment, and love. The women are then psychologically manipulated to disempower them, increase their dependence on the trafficker, and increase their compliance with the trafficker's instructions.

Victims who have previously experienced abuse or neglect are particularly vulnerable to the "boyfriend" tactic if their emotional needs are not being met elsewhere. Women and girls with histories of abuse and/or neglect may be more willing to accept traffickers' offers of a better life and subsequent manipulation and abuse either because their current circumstances are so violent or they have low self-esteem and perceive themselves to be worthless. Similarly, homeless women and girls or frequent runaways are more likely to accept traffickers' offers to provide housing and food because their current situation is so dire.

Traffickers also control women and girls by isolating and disempowering them. Isolation can be accomplished by moving women and girls to unfamiliar locations, or places where they have limited social and community support. Controlling victims' movements in the new location serves to further isolate them. Sometimes traffickers limit victims' movement by threatening physical or sexual violence or committing physical and/or sexual violence. Traffickers may commit especially high levels of violence during the initiation stage to increase their victims' future compliant behavior.

Traffickers also use non-violent methods to disempower and control victims. In addition to psychological manipulation, traffickers frequently deny victims' access to basic necessities, such as food, money, or clothing. Some survivors reported being locked up by traffickers to control their movements although victims can also be controlled purely by threats and psychological coercion. Traffickers also often seek to addict vulnerable women and girls to drugs and/or alcohol. After drug dependency is established, traffickers control access to drugs and alcohol, typically by keeping a victim's earnings, as a means of increasing their relative control. One informant reports that a local Narcotics Anonymous group is a known recruiting venue for traffickers.

International traffickers may retain control of women's official documents (e.g., passports, birth certificates) to increase the victims' dependence on them. When traffickers supply victims with fake documentation and identities, they can then control victims by threatening to reveal their criminal entry into new country to authorities. Similarly, traffickers have induced victims to commit other crimes, such as transporting drugs, as they can then effectively threaten to turn victims in to authorities unless victims comply with the traffickers' demands.



## 6. The Demand to Buy Sex

*We must attack the demand. Why is there such massive consumer demand for sex with kids? It has never been more blatant or more normalized than it is today in this era of the Internet. We need to hold the customers accountable for their actions, and we need to awaken the public to the need for real social change. It worked with tobacco, breast cancer, seat belts and car seats. It is time to address the sexual exploitation and victimization of children.*

*Ernie Allen, President and CEO, National Center for Missing & Exploited Children<sup>90</sup>*

Sex trafficking, like prostitution, is widely thought to be driven by the demand to purchase sex from individuals.<sup>91</sup> Overwhelmingly, though not exclusively, this demand is comprised of men seeking to purchase women, girls and occasionally boys and young men for sexual acts.<sup>92</sup> Without this demand to buy sex, there would be no sex trafficking.<sup>93</sup> Human traffickers directly respond to this demand by offering the supply, women and children that they control, to consumers for sexual gratification. Sex traffickers are considered either a secondary demand - a third-party who recruits, organizes and profits from selling a trafficked person<sup>94</sup> - or, alternatively, “distributors” who move the supply of prostituted women and girls to sex buyers.<sup>95</sup>

Some claim that there are further levels of demand to consider, including governments who contribute to the demand to buy sex by regulating prostitution and earning tax revenue from it, and cultures that legitimize prostitution and pimping.<sup>96</sup> Others suggest broadening the concept of “demand” to include “...women’s demands for safe migration options, or sex workers’ demands for better working conditions” and warn that placing the onus to stop trafficking on individual consumers may inadvertently reduce the expectation that

---

<sup>90</sup> US Congressional Briefing on Domestic Minor Sex Trafficking, 16 March 2011, online: <http://www.missingkids.com/Testimony/03-16-11>.

<sup>91</sup> See e.g., B. Anderson, J. O’Connell, *Is Trafficking in Human Beings Demand Driven? A Multi-Country Pilot Study* (International Organization for Migration, 2003) at 11; S. Kara, *Sex Trafficking: Inside the Business of Modern Slavery* (2009) at 33; United States Department of State, *Trafficking in Persons Report*, *supra* note 37 at 27. But see J. Ham, *Moving Beyond ‘Supply and Demand’ Catchphrases, Global Alliance Against Traffic in Women* (Bangkok: 2011) at 17 (suggesting that supply can also shape demand).

<sup>92</sup> B. Anderson, J. Davidson, *Trafficking - a demand led problem?* (Save the Children, 2002) at 29.

<sup>93</sup> See S. Kara, *Sex Trafficking* (describing sex trafficking as “the profit-maximizing version of prostitution,” *supra* note 104 at 23-33; United States Department of State, *Trafficking in Persons Report*, *supra* note 37 at 27.

<sup>94</sup> See J. Ham, *supra* note 91 at 13.

<sup>95</sup> B. Anderson, *supra* note 92 at 10-11; M. Shivley, K. Kliorys, K. Wheeler, D. Hunt, *A National Overview of Prostitution and Sex Trafficking Demand Reduction Efforts*, National Institute of Justice (2012) at iv. See e.g., D. Hughes, “Combatting Sex Trafficking: A Perpetrator-Focused Approach,” *University of St. Thomas Law Journal* 6, no. 1 (2009) at 28-53.

<sup>96</sup> See e.g., D. Hughes, *The Demand for Victims of Sex Trafficking* (2005) online: [http://www.uri.edu/artsci/wms/hughes/demand\\_for\\_victims.pdf](http://www.uri.edu/artsci/wms/hughes/demand_for_victims.pdf) at 7-8.

governments' meet human rights obligations to stop human trafficking.<sup>97</sup> This report will focus on the "primary" consumer demand to purchase sex from other people unless otherwise specified, leaving the question of how governmental policies may impact the demand for exploitative commercial sex for another day.

An alternative view is that an excess supply of women and girls in prostitution in a given market can increase the demand to purchase sex.<sup>98</sup> However, given the high employment rates and generally high gender equality in the labour force in conjunction with the current legal framework for prostitution in Canada, the national sex industry is more likely to be driven by demand than supply. Further, focusing on the supply side of sex trafficking - the trafficked individuals - inappropriately shifts the responsibility for exploitation to vulnerable individuals. Responsibility for the crime of sex trafficking, as with other crimes, should rest with the perpetrators, or traffickers.

A demand focus comports with international approaches to the problem. International organizations and instruments urge governments to focus on reducing demand in order to effectively reduce human trafficking.<sup>99</sup> The Trafficking Protocol itself explicitly requires states to discourage the demand to exploit in Article 9.<sup>100</sup> The United Nations' High Commissioner for Human Rights Principles on human rights and human trafficking recommend targeting demand as a root cause of trafficking. The guidelines direct states to consider "analyzing the factors that generate demand for exploitative commercial sexual services and exploitative labour and taking strong legislative, policy and other measures to address these issues."<sup>101</sup> The European Union and the African Unions also both call on their member states to reduce the demand that fosters human trafficking.<sup>102</sup>

Despite being the driving force of sex trafficking, the demand to buy sex from people is less frequently the focus of studies, legislation and enforcement action than the supply side of the sex market. In many North American cities, arrest records show that in prostitution-related arrests, women and girls in prostitution are arrested far more frequently than sex buyers,

---

<sup>97</sup> See J. Ham, *supra* note 91 at 13. This article discusses both the demand for sex and labour trafficking.

<sup>98</sup> *Ibid.* at 68.

<sup>99</sup> See United Nations Economic and Social Council [ECOSOC], *Recommended Principles and Guidelines on Human Rights and Human Trafficking* ["UN Trafficking Guidelines"], *Addendum to the Report of the United Nations High Commissioner for Human Rights*, U.N. Doc E/2002/68/Add.1, Substantive Sess. 2002, Agenda Item 14 (g) at 3, UNESCOR (May 20, 2002), guidelines 5 and 7 (2002); UN Convention Against Transnational Organized Crime, UN General Assembly Resolution 55/252000, ratified by Canada May 2002; Annex II, *Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children*. ["Palermo Protocol"] art. 9 para. 5 (ratified by Canada in 2002). See also Council of Europe, *Convention on Action Against Trafficking in Human Beings* (2005), Articles 6 and 19.

<sup>100</sup> "States parties shall adopt or strengthen legislative or other measures...to discourage the demand that fosters all forms of exploitation of persons, especially women and children, that leads to trafficking." *Ibid.*

<sup>101</sup> See UN Trafficking Guidelines, *supra* note 99, guidelines 5 and 7.

<sup>102</sup> See European Parliament and the Council of the European Union, Directive 2011/36/EU of the European Parliament and of the Council of 5 April 2011 on preventing and combatting trafficking in human beings and protecting its victims, and replacing Council Framework Decision 2002/629/JHA (2011); African Union, Ouagadougou Action Plan to Combat Trafficking in Human Beings, Especially Women and Children (2006).

despite gender-neutral laws.<sup>103</sup> Reasons for this include society's normalization of the demand to purchase sex as well as sex buyers' penchant for anonymity, which is reported by them to be of "utmost importance."<sup>104</sup> Over the past decade, however, more focus is being placed on the demand for sex as academics, activists and policymakers increasingly become aware of and respond to human trafficking.

## 6.1 Demand studies

There are no existing studies demonstrating a demand to specifically purchase sex from trafficked women and girls.<sup>105</sup> There are, however, studies finding that sex buyers demand to purchase sex from a) cheap and/or vulnerable people in prostitution b) racially or nationally "Other" people in prostitution; and c) adolescents.<sup>106</sup> All of these groups are at heightened risk of being trafficked.<sup>107</sup> While some studies have found that most sex buyers do not wish to buy sex from people they perceive to be vulnerable,<sup>108</sup> others find that sex buyers either do not know whether the women or girls they buy sex from are independent or trafficked,<sup>109</sup> or are indifferent to their status.<sup>110</sup>

Studies of male sex buyers typically find that the buyers are similar to the general population in most regards, with occasional dangerous criminals and sociopaths represented in samples.<sup>111</sup> Surveys in the US, Europe and Australia have found that between 10-20% of men

---

<sup>103</sup> See e.g., L. Lederer, "Addressing Demand: Why and How Policymakers Should Utilize Law and Law Enforcement to Target Customers of Commercial Sexual Exploitation," *Regent University Law Review* 23 (2010) 297 at 300.

<sup>104</sup> See C. Atchison, Report of the Preliminary Findings for Johns' Voice: A Study of Adult Canadian Sex Buyers, 2010 (unpublished), reporting on information collected from 861 Canadian sex buyers (on anonymity point); See also V. Malarek, *The Johns: Sex For Sale and the Men Who Buy It* (Key Porter: 2009) at 8.

<sup>105</sup> Many argue that inquiry into demand for a "trafficked" person's service are "analytically and temporally inseparable" from more general questions about the demand to purchase sex. See e.g., B. Anderson, *supra* note 92 at 9; I. Yen, Of Vice and Men: A New Approach to Eradicating Sex Trafficking by Reducing Male Demand through Educational Programs and Abolitionist Legislation, *Northwestern Univ. School of Law Journal of Criminal Law and Criminology* 98 (2008), at 653 (finding it virtually impossible to distinguish commercial sexual services provided by a trafficked person from those provided by a person voluntarily). See also J. Ham, *supra* note 91 at 48, 67 (stating it is more productive to analyze the broader demand for exploitative labour than the demand for *trafficked* labour).

<sup>106</sup> One study shows that youth was a quality that most clients in all countries looked for when purchasing sex: 75% of all sex buyers preferred women and girls age 25 or under, 22% preferred age 18 or under, and only 6% expressed interest in women over age 30. B. Anderson, Trafficking - a demand led problem?, *supra* note 92 at 31-37.

<sup>107</sup> See B. Anderson, *supra* note 92 at 19, 30-35.

<sup>108</sup> Interview of C. Atchison; M. Shivley, *supra* note 95, citing Siden 2002.

<sup>109</sup> B. Anderson *supra* note 92 at 31; I. Yen, *supra* note 105.

<sup>110</sup> See M. Farley, E. Schuckman, J. M. Golding, K. Houser, L. Jarrett, P. Qualliotine, M. Decker, *Comparing Sex Buyers with Men Who Don't Buy Sex: "You can have a good time with the servitude" vs. "You're supporting a system of degradation"* (2011) at 40 (Survey respondents were matched by ethnicity, age, and educational level); B. Perrin, *supra* note 45 at 159-161. See also, The Schapiro Group, *Men Who Buy Sex with Adolescent Girls: A Scientific Research Study* (2010) (finding indifference to legal status in 65% of male buyers responding to online ads to purchase sex with young females).

<sup>111</sup> M. Shivley, *supra* note 95 at 6-7; J. Raphael and B. Myers-Powell, *From Victims to Victimiziers: Interview of 25 Ex-Pimps in Chicago* (2010) at 6; B. Perrin, *supra* note 45 at 165-167 (summarizing several North American studies).

admit to purchasing sex.<sup>112</sup> In Canada, a 1988 poll found that approximately 7% of Canadian men have paid for sex.<sup>113</sup> Some researchers conclude from this significant percentage range that sex purchase is neither the result of rare deviance or pathology, but nor can it be considered “normal” behavior.<sup>114</sup> Officials at a Toronto “John School” at Streetlight Support Services have reported that the attendees in its school represent all ages and backgrounds, while the majority was both married and employed.<sup>115</sup> Another researcher of Canadian sex buyers finds from a 861-person sample group that Canadian sex buyers are “reflective of the political majority in Canada”, as respondents were mostly Caucasian, one-third were college graduates earning over \$60,000 per year, and almost half were married or in a common-law relationship.<sup>116</sup> Similarly, several US demand studies have found that sex buyers were “similar to the general population in most regards, and quite unlike most populations of criminal offenders.”<sup>117</sup> Sex buyers were more likely to have attended college than men generally, were employed, were only 15% less likely to be married, and few had extensive criminal histories.<sup>118</sup>

Others studies have found, however, that while sex buyers may look like any man, they share attitudes and behavioral tendencies that distinguish them from non-sex buyers.<sup>119</sup> A 2011 study in Boston, Massachusetts found that sex buyers were found to have a preference for non-relational sex, a high number of sex partners throughout their life, and more extensive pornography use than non-sex buyers.<sup>120</sup> The study also found that 66% of both groups of men surveyed thought that a majority of girls and women selling sex were lured, tricked, or trafficked into selling sex, but only 38% of sex buyers saw prostitution as sexual exploitation, while 65% of non-sex buyers did.<sup>121</sup> Finally, 41% of sex buyers reported buying sex from women they knew were controlled by pimps at the time, and, in general, sex buyers displayed “significantly less empathy for prostituted women than did non-sex buyers.”<sup>122</sup> Sex buyers typically justified this decreased empathy because they considered prostituted women and girls to be intrinsically different - either having an ethical or moral deficiency or a heightened sex drive - than mainstream women and girls.<sup>123</sup>

---

<sup>112</sup> See T. Sanders, *Paying for Pleasure: Men Who Buy Sex* (Willan: 2008); R. Weitzer, *Prostitution as a Form of Work 1* (Sociology Compass, 2007), at 143-155. M. Shivley, *supra*, note 95.

<sup>113</sup> See B. Perrin, *supra* note 45 at 165 (citing 1988 Canadian Gallup poll).

<sup>114</sup> See e.g., M. Shivley, *supra* note 95 at 7.

<sup>115</sup> John schools are interventions in the justice system - typically a diversionary procedure - to educate sex buyers, informally known in North America as “johns,” about the realities and consequences of prostitution. See B. Perrin, *supra* note 45 at 166.

<sup>116</sup> C. Atchison, *supra* notes 104, 108. Results remain unpublished. The methodology for the study is described at “Recruitment of Sex Buyers: A Comparison of the Efficacy of Conventional and Computer Network-Based Approaches,” *Social Science Computer Review*, published online 10 Aug 2012, available at [ssc.sagepub.com/content/early/2012/08/08/0894439312453001](http://ssc.sagepub.com/content/early/2012/08/08/0894439312453001). Note that this study reported low levels of violence in sex buyers.

<sup>117</sup> See M. Shivley, *supra* note 95 at 7 (citing three studies).

<sup>118</sup> *Ibid.* (citing numerous studies).

<sup>119</sup> M. Farley *supra* note 110.

<sup>120</sup> *Ibid.* at 4-5. Similar studies, although without the non-purchaser control group, have been conducted in London (Eaves and Prostitution Research and Education Inc.: 2009), Glasgow (Women’s Support Project), Chicago (Chicago Alliance Against Sexual Exploitation: 2008), and Cambodia (Cambodian Women’s Crisis Center and Prostitution Research and Education: 2012).

<sup>121</sup> *Ibid.* at

<sup>122</sup> *Ibid.* at 40.

<sup>123</sup> *Ibid.* at 24-25.

Men's motivations for buying sex have been considered in several studies. The primary motivations for sex purchase can be categorized in the following ways: 1) those seeking intimacy (or approximating intimate relationships that they are unwilling or unable to actually develop); 2) those seeking sex without intimacy; 3) those seeking variety (fulfilling a desire to be with a certain "type" of person); 4) those seeking excitement and 5) those with a pathology, who intend to control and harm.<sup>124</sup>

Other studies identify differences in habitual sex buyers versus occasional buyers. One study found that while sex buyers may appear to be the average man - the majority of sex buyer respondents were married (over 50%) Caucasian (over 50%) males with high school diplomas (88%) - men who stated they used violence to get sex were more likely to be habitual sex purchasers.<sup>125</sup> Other studies have found that sex buyers hold more patriarchal views of women than non-sex buyers, and perceive an entitlement for power and control.<sup>126</sup>

## 6.2 Sex buyers' online communities

There are numerous online communities for men who buy sex to exchange information with other sex purchasers.<sup>127</sup> These online communities, also called "Johns' boards," provide encouragement and support for sex buyers and reinforce men's justifications for purchasing sex. One 2013 study that evaluates posts by men who buy sex in Illinois on USA Sex Guide over a three-month period describes an ethos of entitlement to sex and a common shared fantasy of the perfect "GFE," or "girlfriend experience," where women and girls in prostitution provide the illusion of intimacy and authenticity.<sup>128</sup> The same study finds that some buyers admit to being violent toward women and girls in prostitution and some acknowledge the harm that the sex industry causes women, communities, relationships and themselves.<sup>129</sup> Other accounts of these communities find that sex buyers express a wide range of reactions to the possibility that a woman or girl in prostitution may be trafficked: from basic denial ("I didn't see any chains"), to blame shifting (claiming "normal guys" are lured by traffickers and women and girls in prostitution) to affirmation seeking from other sex buyers that they should not feel guilty about their activities.<sup>130</sup> Occasionally, there is also discussion on these boards that openly discusses possible trafficking cases.<sup>131</sup>

---

<sup>124</sup> M. Shivley *supra* note 95 at 7-8 (citing several studies).

<sup>125</sup> N.B. Busch, H. Bell, N. Hotaling, and M.A. Monto, "Male Customers of Prostituted Women: Exploiting Perceptions of Entitlement to Power and Control and Implications for Violent Behavior Toward Women," *Violence Against Women* 8, no. 9 (2002) (based on questionnaires from 1,342 men in first offender programs arrested for buying sex on the street) at 1093-112; see also B. Perrin, *supra* note 45 at 166 (noting distinction between casual and habitual sex buyers).

<sup>126</sup> M. Farley, *supra* note 110.

<sup>127</sup> See e.g., sp411.ca ("Service Provider 411"), perb.ca (Pacific Escort Recommendation Board), cerb.ca (Canada Escort Recommendation Board), ERSList.com. See also Chicago Alliance Against Sexual Exploitation, *Our Great Hobby* (2013); V. Malarek, *supra* note 104.

<sup>128</sup> Chicago Alliance Against Sexual Exploitation, *Our Great Hobby*, *ibid.* (examining 2,466 entries on johns' boards).

<sup>129</sup> *Ibid.*

<sup>130</sup> V. Malarek, *supra* note 104 at 101-110.

<sup>131</sup> See e.g., 1 April 2013 message posted from "ThickAsian" to "Pussyhunter," who had complained that escort "Sabrina" was unenthusiastic, stating "[Sabrina] was reviewed here before as Jessica, aka Rachel, Tina and Crystal. Same pictures. Before Christmas she posted about being controlled by a pimp, and wanted out," available at [www.sp411.com/reviews/showthread.php?t=52691](http://www.sp411.com/reviews/showthread.php?t=52691). Numerous online ads also suggest third party involvement. See, e.g., Advertisement on craigslist.ca selling "Candy and Kristy," stating "Guy will Answer when occupied," available at <http://vancouver.en.craigslist.ca/rch/th/3672860342.html>, visited 8 April 2013.

### 6.3 Distributing supply to demand

There are very few studies on the traffickers/distributors, who move the supply of women and girls in prostitution to the sex buyers. There is, however, a modest 2010 study that interviewed 25 pimps and madams in Chicago, Illinois. The recruiting techniques, coercion and control described by the pimps interviewed suggest that some were sex traffickers. Some of the study's notable findings include that:

- 88% of pimps/madams suffered physical and sexual assault in childhood and watched their mothers be assaulted by fathers, stepfathers and boyfriends. In 76% of these cases, the average age of onset of abuse was 9.5 years.
- all madams interviewed (6) were previously prostituted, with the average age of onset at 14.
- 56% of pimps were previously prostituted.
- 52% of respondents kept all of the money made by some of “their” girls and women; otherwise they required an average range of 30-60% of the women and girls’ earnings.
- they started pimping at an average age of 22.
- 60% paid off law enforcement.
- pimps and madams shared profits with lawyers, bellmen, hotel clerks, bartenders and cab drivers.
- customers were claimed to be “falling off the trees.”

More research on traffickers and their various accomplices, mentioned above, would be helpful to identify traffickers’ motivations and tailor anti-trafficking policies.

### 6.4 Deterrence

Aside from international encouragement and treaty obligations to focus on reducing the demand for exploitative commercial sex in order to reduce sex trafficking, another compelling reason to do so is that evidence-based studies suggest that sex buyers can actually be deterred.<sup>132</sup> Some police departments where prostitution is illegal have found that switching to arresting sex buyers rather than arresting those in prostitution was found to be an effective deterrent to street prostitution.<sup>133</sup> Other studies that interviewed sex buyers found that from 79% to 83% said that jail time would deter them from buying sex while 82% to 87% said some kind of public exposure would deter them.<sup>134</sup> Certain Canadian john schools report that upon completion of the program, over 90% of attendees say they will not seek to purchase sex again,<sup>135</sup> although other Canadian evaluations have concluded that john schools are not a significant deterrent and found serious operational concerns in the Toronto program.<sup>136</sup>

---

<sup>132</sup> The same cannot be said of those being trafficked for sex, who, because of their exploitation, effectively have no choice to exit “the life.”

<sup>133</sup> Buffalo Prostitution Task Force, *Workable Solutions to the Problem of Street Prostitution in Buffalo* (Buffalo, N.Y.: 1999).

<sup>134</sup> Farley et al., *supra* note 110 at 37 (see Table 17, summarizing results from studies conducted in Boston, Chicago, England and Scotland).

<sup>135</sup> Information provided by K. Quinn. Results may be skewed given that they are collected at the completion of the school, which are typically prison diversion programs, and thus participants may not feel free to answer honestly.

<sup>136</sup> S. Wortley, B. Fischer, & C. Webster, “Vice lessons: A survey of prostitution offenders

Tactics targeting sex buyers grew in popularity in the 1970s when various groups began calling for equal enforcement of prostitution laws. Numerous demand reduction initiatives are currently being used in North America - both in Canada and in over 900 cities and counties in the United States. Twelve major demand reduction techniques are currently being used, including:<sup>137</sup>

- auto seizures, where police seize cars used for sex solicitation and require fees and fines up to \$2000 for retrieval
- cameras, used to discourage sex buyers or to provide evidence against them
- community service or up to 50 hours, served as part of a diversionary procedure or sentence
- john schools, described above
- “Dear John” letters, sent by police to homes of sex buyers
- license suspension, where sex was solicited from a vehicle
- neighborhood action, including routinely forwarding tips to police, conducting citizen patrols, operating citizen-led blogs, and launching billboard campaigns
- public education about prostitution and sex trafficking, to encouraging people not to contribute to sexual exploitation by purchasing sex, or by tolerating or supporting this behavior in others
- reverse stings, where female police officers pose as women engaged in prostitution<sup>138</sup>
- web stings: a web-based reverse sting where police either post online decoy ads to attract johns or female police decoys respond to online ads placed by johns
- shaming, including publicizing the identities of arrested johns through news outlets, police websites and/or billboards
- “SOAP” orders (“Stay Out of Areas with Prostitution”), which prohibit or restrict arrested sex buyers from being in areas known for prostitution<sup>139</sup>

A focused demand reduction approach has been adopted, in various forms, by the governments of Sweden, Norway, Finland, Iceland and South Korea. In 2010, Sweden conducted an official ten-year review of its demand-focused prostitution law and found that the law halved street prostitution and pushed sex traffickers to other countries, which prompted discussion of whether states should be concerned with “displacement” effects.<sup>140</sup> It may be relevant to note that all of these countries except for South Korea have the smallest equality gaps between men and women in the world, having closed their gender gaps by over 80%, which may make demand-reduction policies easier to implement than elsewhere.<sup>141</sup>

---

enrolled in the Toronto John School Diversion Program,” *Canadian Journal of Criminology* (2002) at 369-402; see also E. Van Brunschot, “Community policing and john schools.” *Canadian Review of Sociology and Anthropology* (2003) at 215-232.

<sup>137</sup> See DemandForum.net, which reports information on demand reduction activities in the United States.

<sup>138</sup> This tactic is frequently used in Canada and was found to be the most frequently used tactic in the US, employed by 890 US cities and counties. M. Shivley *supra* note 95; Demandforum.net, listing 256 demand reduction programs and NGOs in 112 US cities and counties, available at <http://www.demandforum.net/wp-content/uploads/2012/01/Organization-List-Demand-03-22-13.pdf>.

<sup>139</sup> *Ibid.*

<sup>140</sup> A. Skarhead, *Prohibition of the purchase of sexual services. An evaluation, 1999-2008* (Sweden: 2010).

<sup>141</sup> See World Economic Forum, *The Global Gender Gap Report 2012* (Geneva, Switzerland, 2012). Iceland, Finland, Norway and Sweden hold positions one to four in the study.

## 7. Sex Trafficking and the Internet

*“Has the Internet increased the incidence of prostitution and trafficking? It wouldn’t surprise me.”<sup>142</sup>*

- Liz McDougall, attorney for backpage.com; previously attorney for craigslist.com

Although there is little existing empirical evidence and research on the role of the internet and other technologies in sex trafficking, there is little doubt that networked technology is playing a greater role in the sex trafficking process in Canada and elsewhere.<sup>143</sup> While commentators acknowledge that the internet facilitates sex trafficking, they diverge in their views on how to address this reality. A major area of contention is how to address the extensive number of internet ads selling sex. Some view these ads as a window through which law enforcement can detect, investigate and prosecute human trafficking.<sup>144</sup> Others think that such sites should be shut down wherever possible as they provide traffickers with easy opportunities to perpetrate crimes, generate profits and, additionally, desensitize the public to sexually explicit images and normalize the idea that sex should be available for sale.<sup>145</sup> This section, considers each of these views in turn.

### 7.1 Internet/technology as part of the problem

Sex traffickers in North America reportedly use the internet and/or mobile technology in various stages of trafficking process, with many recent cases revealing that traffickers have incorporated technology into their system of exploitation to make it more profitable and efficient. A 2007 international comparative study on the demand for sex tourism and trafficking found that technology was the engine driving the sex industry’s growth and is now the “single greatest facilitator” of the sex industry in the four countries studied.<sup>146</sup>

#### i. Canadian data points

Most Canadian informants confirm that the bulk of sexual services today, including those coerced by traffickers, are advertised and arranged over the internet.<sup>147</sup> Use of the internet,

---

<sup>142</sup> L. McDougall, “Liz McDougall on Defending Classified Ads for Erotic Services,” *Businessweek* (17 May 2012) online: <http://www.businessweek.com/articles/2012-05-17/liz-mcdougall-on-defending-classified-ads-for-erotic-services>.

<sup>143</sup> M. Latonero, *The Rise of Mobile and the Diffusion of Technology-Facilitated Trafficking* (2012), p. 22; d. boyd (lower case intentional), *Combating Sexual Exploitation Online: Focus on the Networks of People, not the Technology*, Statement to Massachusetts Attorney General Martha Coakley (19 October 2010) at 4.

<sup>144</sup> See e.g., d. boyd, *ibid.* at 5.

<sup>145</sup> See e.g., Department of Justice, *The National Strategy for Child Exploitation Prevention and Interdiction* at 29 (2010); Letter from the National Association of Attorneys General to Mr. Samuel Fifer, counsel for backpage.com, LLC Re: Backpage.com’s ongoing failure to effectively limit prostitution and sexual trafficking activity on its website (31 August 2011), online: <http://www.law.alaska.gov/pdf/press/083111-NAAGletter.pdf>.

<sup>146</sup> Shared Hope, *Demand: A Comparative Examination of Sex Tourism and Trafficking in Jamaica, Japan, the Netherlands and the United States* (2007) at 5.

<sup>147</sup> While the move to the internet is frequently cited by informants, some studies find that sex buyers purchase sex not only online, but also in bars, strip clubs, escort agencies and massage parlours, as well as on the street. See e.g., M. Farley, *supra* note 110 at 15 (finding that 63% of US buyers met women on the street, 88% met women indoors and 39% located prostituted women on the internet);



mobile phones and networked technology allows traffickers to reach a larger and more diverse client market than was previously possible.<sup>148</sup> The RCMP's 2010 human trafficking threat assessment found that "technological advances allowed individuals or criminal networks involved in sex trafficking to recruit and advertise victims, particularly underage girls, remotely and discreetly via the internet."<sup>149</sup> Indeed, the first Canadian human trafficking conviction (*Nakapangi*) involved two teenage girls posted on craigslist and the third conviction (*Vilutis*) similarly involved a craigslist posting.<sup>150</sup>

In particular, the RCMP reports that police investigations of domestic sex trafficking found that social networking sites were being used to recruit women or girls into the sex industry, while online classified websites were used by traffickers to solicit sex buyers of both domestic and internationally trafficked victims.<sup>151</sup> In particular, East European women are known to have been recruited for sex work in Toronto on internet websites in Eastern European countries and Israel although no human trafficking charges have thus far been laid against traffickers in these cases.<sup>152</sup> More recently, the RCMP reports several ongoing domestic trafficking investigations that involve threats to trafficking victims via social media.<sup>153</sup>

As sex trafficking is situated within the prostitution industry, anti-trafficking efforts require that the prostitution industry be monitored.<sup>154</sup> This is no small task in certain cities where the prostitution industry is already large and thought to be growing.<sup>155</sup> One way to get a sense of the scope of the host industry is to look at the prevalence of internet ads selling sex in individual cities. A simple internet search of five online bulletin boards and websites that advertise people for sex in Canada is instructive. On one day - Tuesday, April 9, 2013 - there were 5,436 people offered for sex on five online sex-selling sites - craigslist.ca, backpage.com, sp411.com, erslist.com, and perb.ca - in six of Canada's major cities.

---

C. Atchison, *supra* note 104 (finding that the most recent encounter of Canadian sex buyers was carried out via in-call ad (29.6%) (it is unclear whether these are print or online ads or both), escort agency (18.7%), and online (10.3%)) at 20.

<sup>148</sup> Interviews with informants. The exception to this finding comes from those offering frontline service to individuals selling sex on the street. Interview of L. Many Grey Horses. See also K J. Mitchell et. al., 'Internet-facilitated Commercial Sexual Exploitation of Children: Findings from a Nationally Representative Sample of Law Enforcement Agencies in the United States,' *Sexual Abuse: A Journal of Research and Treatment*, 23, 43-71 (focusing also on child pornography).

<sup>149</sup> RCMP, *Human Trafficking in Canada supra* note 19 at 3 (based on review of 275 files).

<sup>150</sup> Because craigslist is global in reach, commonly known in North America for a wide range of advertising, and has low prices for posting sex ads, it has strong appeal for human traffickers. See "Craigslist Removes Erotic Services Ads," Toronto Sun (Saturday December 18, 2010), available online@ <http://www.torontosun.com/news/torontoandgta/2010/12/18/16603501.html>, accessed April 5, 2013.

<sup>151</sup> *Ibid.* at 16, 22.

<sup>152</sup> *Ibid.* at 13.

<sup>153</sup> Interview of M-C. Arsenault.

<sup>154</sup> As discussed in the demand section, there is no available information that finds that individuals specifically desire to purchase sex from a victim of sex trafficking.

<sup>155</sup> Interview of T. Nagy.

These figures can be broken down by city as follows:

TABLE ONE: ONE DAY'S INCIDENCE OF PEOPLE ADVERTISED FOR SEX ON FIVE WEBSITES IN SIX CANADIAN CITIES

April 9, 2013	
Toronto	2208
Vancouver	1747
Montreal	941
Edmonton	269
Ottawa	170
Winnipeg	101
<b>TOTAL</b>	<b>5,436</b>

This is a conservative number of women and girls in prostitution for several reasons: i. there are many more sites advertising sex for sale that were not visited; ii. the search was conducted on a weekday rather than the weekend; and iii. many of the listings include numerous people for sale (ranging from two to ten people) in one posting, but the post was only counted as a single person. Obvious duplicate posts were not double-counted, although ads could be posted multiple times under different titles, so it is difficult to generate accurate estimates. It is, of course, also difficult to know from these ads whether the person offered for sex is acting independently or is trafficked. Experts in trafficking and technology generally agree, however, that the visible online advertisements selling sex represent “only the tip of the iceberg.”<sup>156</sup>

As the prostitution industry flourishes, crimes related to sex trafficking have also increased in recent years. Canadian police reports of sexual violations against children have risen each year since 2007.<sup>157</sup> The rate of luring a child via a computer has also risen steadily each year from 2007 to 2011, at rates of 10% to 46%.<sup>158</sup> In addition, police reported more than 3,132 incidents of child pornography in 2011 - 900 more than in 2010, or a 40% rise, the largest increase of any criminal offence in 2011.<sup>159</sup> While at first blush these increases are concerning, it is difficult to know how to interpret these increases.<sup>160</sup> One US study found that the increasing arrest rates in the US for online predation from 2000 to 2006 probably reflected a combination of a growth of law enforcement activity against online crimes as well as increasing rates of youth internet use and migration of crime from offline to online venues.<sup>161</sup>

In short, the internet is a key facilitator of sex trafficking in Canada, although the scope of this facilitation is not precisely known. The methods and manner by which the internet is

<sup>156</sup> d. boyd, *Combating Sexual Exploitation Online*, *supra* note 131 at 5.

<sup>157</sup> See Statistics Canada, *Incident-based crime statistics, by detailed violations*, CANSIM Table 252-0051, online: <http://www5.statcan.gc.ca/cansim/pick-choisir?lang=eng&p2=33&id=2520051>.

<sup>158</sup> *Ibid.*

<sup>159</sup> *Ibid.*

<sup>160</sup> See e.g., J. Loughlin and A. Taylor-Butts, *Child Luring Through the Internet* (Statistics Canada, 2009), at 6-7.

<sup>161</sup> J. Wolak, D. Finkelhor, K. Mitchell, *Trends in Arrests of “Online Predators”* (Univ. of New Hampshire, Crimes Against Children Research Center: undated), at 1-2 (drawing conclusions based on large two-wave longitudinal study).

used to facilitate sex trafficking in North America, however, are increasingly clear. The principal characteristics of these methods are divided by the various stages in the trafficking process below.

## ii. Recruitment and abduction of victims in North America

Traffickers have been found to use social media to identify potential victims and use communications platform for grooming, coercion, or luring victims with promises of jobs.<sup>162</sup> Traffickers make initial contact via social media website such as Myspace, Facebook and MocoSpace.<sup>163</sup> Other cases illustrate the use of low-tech mobile features such as text messaging and photo messaging to advertise minors to repeat customers, to coordinate meeting points, terms of transactions, and to maintain constant communication with victims. Other websites are reportedly used for trafficking, advertising minors for sex, recording sexual videos and even transferring payment for commercial sex with a minor via gaming systems with social networking capabilities, such as Xbox Live.<sup>164</sup> Traffickers establish online relationships with potential victims and then target victims that exhibit desired behaviors and psychology, such as low self-esteem, a desire to run away from home or drug and alcohol addictions.<sup>165</sup> Traffickers then “groom” victims online and later in person, waiting for an opportune moment to begin their exploitation.

Traffickers also use advertisements and chat rooms to recruit victims. They often pose as legitimate business or business people and lure victims with promises of jobs and opportunities, such as the misleading ads of future work in Toronto for East European women. Sites used for recruitment include marriage agencies, escort services, dating clubs, home assistance, modeling agencies and entertainment agencies, all of which can appear legitimate.<sup>166</sup> Many cases where minors are trafficked show that perpetrators lured them by posing as modeling and talent agents.<sup>167</sup>

## iii. Control of victims by traffickers

Technological blackmail and communication restriction are used to control and retain victims. Occasionally, children provide compromising information or photos during the grooming period. Predators then use this information to threaten and coerce victims into commercial sex, often by threatening to disclose the information of photos to their families or the public.<sup>168</sup> Trafficking victims can be forbidden from using the internet or mobile phones to

---

<sup>162</sup> Microsoft, *Human Trafficking and Technology: A framework for understanding the role of technology in the commercial sexual exploitation of children in the U.S* (2011), online <http://research.microsoft.com/en-us/collaboration/focus/education/htframework-2011.pdf>

<sup>163</sup> M. Latonero, *Human Trafficking Online: The Role of Social Networking Sites and Online Classifieds*, USC Annenberg School for Communications & Journalism, September 2011.

<sup>164</sup> *Ibid.* at 8.

<sup>165</sup> Department of Justice, *The National Strategy for Child Exploitation Prevention and Interdiction* *supra* note 133 at 30.

<sup>166</sup> United Nations Global Initiative to Fight Human Trafficking [“ UN GIFT”], *017 Workshop: Technology and Human Trafficking* (2008) at 7, <http://www.ungift.org/docs/ungift/pdf/vf/aidmemoirs/technology%20and%20human%20trafficking.pdf>; See also Maxine M. Major, *Technology and Human Trafficking*, University of Idaho, 2012, at 4.

<sup>167</sup> M. Latonero, *Human Trafficking Online*, *supra* note 151 at 20.

<sup>168</sup> Department of Justice, *National Strategy for Child Exploitation Prevention and Interdiction* *supra* note 133 at 30.

disconnect them from the outside world<sup>169</sup> or, alternatively, given a mobile phone with global positioning satellite (GPS) so that their location can be known by traffickers at all times.<sup>170</sup>

#### iv. Advertising and selling victims

As mentioned above, because traffickers embed victims in the prostitution industry and advertise to the same client base, sex trafficking victims are frequently advertised and sold in the same places that non-coerced women and girls in prostitution advertise and sell their services.<sup>171</sup> Advertisements are posted on online advertisement boards, such as craigslist and backpage, social media websites, such as facebook and myspace, and internet chat rooms.<sup>172</sup> Internet advertisement and sales are, for example, encoded to evade law enforcement and anti-trafficking organization monitoring.<sup>173</sup> Escort agencies sometimes advertise commercial sex with minors using coded language such as “18,” “new,” or “young,”<sup>174</sup> although independent women and girls in prostitution sometimes market themselves using similar language to increase their business.<sup>175</sup> From the demand perspective, some argue that the greater accessibility of sex for sale online results in increasing the demand to buy sex and normalizes the idea that girls and women can and should be available for purchase.<sup>176</sup> Many others note that online sales provide sex buyers with anonymity and invisibility from law enforcement, allowing them to browse and purchase sex undetected in ways not previously possible.<sup>177</sup>

To give an idea of the popularity of the current market leader in sex advertising, backpage.com received 3,994,261 unique visitors in March 2013.<sup>178</sup> Its profits were similarly impressive, earning over three million dollars from sex advertisements each month from August 2011 to June 2012. At the same time, the National Center for Missing and Exploited Children in the US reported that backpage.com reported 2,695 suspicious ads on its online advertisement boards in 2011 alone.<sup>179</sup> In a 2011 testimony to the Washington State Attorney General, backpage’s president said that the company identifies more than 400 posts every month that may involve minors.<sup>180</sup> Twenty-two US states report evidence of under-age girls being sold for sex via backpage.com and attorneys general from 48 states have written a joint

---

<sup>169</sup> Microsoft, *supra* note 162 at 5

<sup>170</sup> See Perrin *supra* note 41 at 76.

<sup>171</sup> H. Wang, Data integration from open internet sources to combat sex trafficking of minors, Proceedings of the 13<sup>th</sup> Annual Conference on Digital Government Research (2012); K. Kotrla, ‘Domestic Minor Sex Trafficking in the United States’, *Social Work*, 55 (2010), 181-187; K. J. Mitchell, *supra*, note 136.

<sup>172</sup> See e.g., M. Latonero, *Human Trafficking Online*, *supra* note 151; K. Kotrla, *supra* note 159.

<sup>173</sup> H. Wang *supra* note 159; Kotrla, *supra* note 159; K. J. Mitchell, *supra* note 136.

<sup>174</sup> Polaris Project, Child Sex Trafficking in the United States, online: <https://na4.salesforce.com/sfc/play/index.jsp?oid=00D300000006E4S&v=0686000000JJXb&viewId=05H6000000gKxH&d=6FuMhnn2HQpD2dARadZU1Ow7p6l%3D>

<sup>175</sup> See e.g., CBC News, “Site at centre of US prostitution bust active in Canada” (30 July 2013), online: [www.cbc.ca/news/canada/manitoba/story/2013/07/30/mb-backpage-arrests-prostitution-winnipeg.html](http://www.cbc.ca/news/canada/manitoba/story/2013/07/30/mb-backpage-arrests-prostitution-winnipeg.html); Information provided by several sex worker rights organizations.

<sup>176</sup> See e.g., D. M. Hughes, “The Internet and Sex Industries: Partners in Global Sexual Exploitation,” *Technology and Society Magazine* (2000).

<sup>177</sup> See e.g., V. Malarek, The Johns, *supra* note 91.

<sup>178</sup> aimgroup.com, “Monthly revenue from online prostitution ads crosses \$5 million” (22 April 2013), online: <http://aimgroup.com/2013/04/22/monthly-revenue-from-online-prostitution-ads-crosses-5-million/>

<sup>179</sup> Ernie Allen, Testimony to the Committee on Commercial Sexual Exploitation and Sex Trafficking of Minors in the United States, 4 January 2004, online: <http://www.missingkids.com/Testimony/01-04-12>.

<sup>180</sup> N. Kristof, “Where Pimps Peddle Their Goods,” *New York Times* (17 March 2012).

letter to parent company Village Voice Media asking it to shut down its adult services sections and substantiate its claims that it is helping detect human trafficking.<sup>181</sup> The attorney’s general state that “the company’s figures along with real world experience demonstrate the extreme difficulty of excising a particular egregious crime - the sexual exploitation of minors - on a site seemingly dedicated to the promotion of prostitution.”<sup>182</sup>

The reason for the reluctance to close online advertising selling sex is clear: the profits from this business are substantial. The chart below lists the monthly revenue in 2012-2013 for the six top sites selling sex in the US, several of which also operate in Canada. Backpage’s March 2013 revenue from ads selling sex was up 43.8% from December 2012, with a record profit of \$4.41 million for the month.<sup>183</sup>

**TABLE TWO: 2012 REVENUE FROM ONLINE ADVERTISEMENTS SELLING SEX<sup>184</sup>**

Estimated monthly prostitution advertising revenue (in 1000s)												
Site	Apr. 2012	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. 2013
Backpage.com	\$2,631	\$2,529	\$2,452	\$2,310	\$2,324	\$2,341	\$2,143	\$2,662	\$2,477	\$2,725	\$4,229	\$4,411
Eros.com	\$503	\$471	\$477	\$459	\$453	\$501	\$461	\$485	\$407	\$430	\$461	\$447
CityVibe.com	\$95	\$101	\$91	\$85	\$103	\$91	\$100	\$112	\$99	\$112	\$165	\$216
MyRedbook.com	\$18	\$20	\$20	\$16	\$15	\$16	\$16	\$15	\$17	\$19	\$14	\$14
Escorts.com	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AdultSearch.com	\$47	\$39	\$41	\$40	\$56	\$62	\$61	\$61	\$57	\$61	\$66	\$56
Total	\$3,294	\$3,160	\$3,080	\$2,910	\$2,951	\$3,011	\$2,783	\$3,336	\$3,057	\$3,348	\$4,934	\$5,143

In the US, there is very little chance of stopping internet providers from hosting advertisements selling sex. Numerous lawsuits have been brought against craigslist and backpage, but none have overcome a federal law protecting providers and users of interactive computer services from being treated as the publisher or speaker of information posted by a third-party.<sup>185</sup> In Canada, however, statutory provisions do not provide such categorical protection to third parties except in copyright cases. Thus, an internet service provider or website host could be held responsible for pornographic materials posted by third-parties if the courts decide that human trafficking is a serious enough social problem to warrant intervention.<sup>186</sup>

<sup>181</sup> *Ibid.*

<sup>182</sup> Letter from the National Association of Attorneys General to Mr. Samuel Fifer, counsel for backpage.com, LLC Re: Backpage.com’s ongoing failure to effectively limit prostitution and sexual trafficking activity on its website (31 August 2011), online: <http://www.law.alaska.gov/pdf/press/083111-NAAGletter.pdf>.

<sup>183</sup> aimgroup.com, “Backpage rebound leads to record month for prostitution ad revenue” (28 February 2013), online: <http://aimgroup.com/2013/02/28/backpage-rebound-leads-to-record-month-for-prostitution-ad-revenue/>. The increased profits were primarily due to an increase in advertising rates now that backpage is the platform of choice for sex ads.

<sup>184</sup> *Ibid.*

<sup>185</sup> Communications Decency Act, 47 U.S.C. § 230; see e.g., *Dart v. Craigslist, Inc.*, 665 F. Supp. 2d 961 (N.D. Ill. Oct. 20, 2009).

<sup>186</sup> See L. Guo, “Part 2: Bedford meets Backpage.com,” *The Court* (5 June 2012), online: <http://www.thecourt.ca/2012/06/05/part-2-bedford-meets-backpage-com/>

## v. Financial transactions

Globalization and digitalization of financial markets have benefited organized crime groups by offering a high level of anonymity and time efficiency.<sup>187</sup> Sex from trafficked girls and women can be purchased online with a credit card, with the transaction processed through “legitimate” businesses, such as massage parlours, escort services or other fronts for prostitution. Traffickers also use online transactions such as PayPal and Bitcoin to exchange payments and services.<sup>188</sup> To decrease the chance of being traced, nonmonetary digital items of values, such as game points for online games, can be exchanged to purchase people, including minors, for sex.

## vi. Coordinating with other traffickers in the criminal network

Traffickers and sex buyers learn about trafficking techniques via the internet and use the internet to communicate with one another. Traffickers communicate with sex buyers and each other using newsgroups, web messages, bulletin boards, websites, chat rooms, file transfer protocol, peer networks, file swapping programs, encryption, and mobile internet systems, such as smartphones.<sup>189</sup> Traffickers have also devised innovative ways to communicate online via gaming technologies like Xbox Live, where they can communicate “in game.”<sup>190</sup> Such internet communications and transactions are less likely to be detected by traditional law enforcement surveillance techniques.<sup>191</sup>

Cellphones appear to remain the technology of choice for traffickers to coordinate the transit, housing, and control of trafficking victims with others in their criminal network.<sup>192</sup> While the rise of smartphones has created greater possibility for coordinating with criminal networks, many traffickers prefer to use prepaid phones, or “burners,” to minimize traces and records. A 2012 study confirms that mobile devices and networks have risen in prominence and are now “of central importance” to the sex trafficking of minors in the US.<sup>193</sup> Of particular interest is that 19% of the phone numbers associated with online sex classified sites were from a US phone company offering pre-paid phone service that required no identification or credit card to purchase.<sup>194</sup> Skype and other online video services also offer coordination possibilities for traffickers that are more difficult to trace than typical mobile phones.<sup>195</sup>

## 7.2 Internet/technology as part of the solution

Although the internet and other networked technologies have facilitated trafficking, most technologists suggest that technology also be viewed as part of the trafficking solution, typically starting with the premise that the internet and related technologies are widely used

---

<sup>187</sup> UN GIFT, 017 Workshop, *supra* note 166 at 5.

<sup>188</sup> Microsoft, Human Trafficking and Technology, *supra* note 162 at 6.

<sup>189</sup> UN GIFT, 017 Workshop, *supra* note 166 at 4.

<sup>190</sup> Microsoft, Human Trafficking and Technology, *supra* note 162 at 7.

<sup>191</sup> H. Wang, *supra*, note 159.

<sup>192</sup> Microsoft, Human Trafficking and Technology, *supra* note 162 at 4-5.

<sup>193</sup> M. Latonero, The Rise of Mobile and the Diffusion of Technology-Facilitated Trafficking *supra* note 131 at 4.

<sup>194</sup> These pre-paid phones that can be purchased by cash only -- known as “burners” on the street -- are one of the last completely anonymous modes of communication and are the target of recent legislation.

<sup>195</sup> Microsoft, Human Trafficking and Technology, *supra* note 162 at 7.

and here to stay.<sup>196</sup> The primary recurring themes in this regard are provided in the following section.

**i. Inevitable migration of sex ads?**

Inevitable migration of advertising from one online site to another is one of the most common reasons cited for not working to shut down online sex advertising, which mingles trafficked people with non-exploited women in prostitution. Because business will simply migrate from one site to another, efforts to attack any one internet platform are seen to be futile.<sup>197</sup> Indeed, after pressure from numerous Attorneys General due to trafficking concerns, craigslist closed its “Adult Services” section both in Canada and the US in 2010, only to have posts selling sex migrate to its “therapeutic services” section as well as other online sites, such as (in Canada) backpage.com, sp411.com, erslist.com, and perb.ca.<sup>198</sup>

While such migration can easily occur and is often cited, it is not clear whether all ads do, indeed, migrate. A leading classified ads consultancy found that in the two years since craigslist stopped accepting paid advertising from escorts and escort services, other sites have not collectively generated as much revenue as craigslist did from ads selling sex.<sup>199</sup> Estimates show a \$7.3 million dollar reduction over craigslist’s estimated \$44.6 million profits from sex ads in 2010, suggesting some ads did not migrate.<sup>200</sup> Immediately following craigslist’s closure of its adult services section, online prostitution advertising is reported to have fallen by more than 50%, although this number is contested by backpage, that states its “adult, dating and other paid ad content” increased approximately 29% when craigslist shuttered its adult services section.<sup>201</sup> Thus, while migration can and does happen, losing a major online marketplace may at least be a temporary setback to traffickers.

**ii. Visibility assists law enforcement**

Some in law enforcement think their job to identify trafficking cases is made easier when traffickers’ crimes are “visible” online and can, thus, be traced. When perpetrators use various communication technologies to share information, advertise victims, and coordinate among themselves, they increase the chances of leaving digital traces that can be followed.<sup>202</sup> Law enforcement officers can thus, more easily track patterns in credit card transactions, mobile phone calls, GPS patterns, plane tickets, and apartment rentals of potential

---

<sup>196</sup> Critics suggest that such programs are mere window dressing, designed to shift attention from the fact that internet search engines effectively power the internet prostitution business. See e.g., D. Fisher, “Backpage Takes Heat, But Prostitution Ads Are Everywhere,” *Forbes* (26 Jan. 2012); E. Rist, *Why Backpage Has It Backwards: The Roles of craigslist, backpage and Demand in Commercial Sexual Exploitation* (2012) (finding the maintenance of online classified ads victimized far more than it saves.)

<sup>197</sup> L. McDougal, “Liz McDougal on Defending Classified Ads for Erotic Services,” *Businessweek* (17 May 2012) online:<http://www.businessweek.com/articles/2012-05-17/liz-mcdougall-on-defending-classified-ads-for-erotic-services>; d. boyd, Combating Sexual Exploitation Online, *supra* note 131 at 2.

<sup>198</sup> See “Craigslist Removes Erotic Services Ads,” *Toronto Sun* (Saturday, December 18, 2010), online:<http://www.torontosun.com/news/torontoandgta/2010/12/18/16603501.html>, accessed April 5, 2013.

<sup>199</sup> Aimgroup.com, “Prostitution as revenue still falls short of past craigslist totals” (24 August 2012), online: <http://aimgroup.com/2012/08/24/prostitution-ad-revenue-still-falls-short-of-past-craigslist-totals/>

<sup>200</sup> *Ibid.*

<sup>201</sup> *Ibid.*; J. Ruvolo, “Sex Trafficking on Backpage.com: Much Ado About (Statistically) Nothing,” *techcrunch.com* (6 October 2012): online <http://techcrunch.com/2012/10/06/sex-trafficking-on-backpage-com-much-ado-about-statistically-nothing/>.

<sup>202</sup> Microsoft, Human Trafficking and Technology, *supra* note 162 at 6-8.

suspects.<sup>203</sup> Forensic examiners can recover digital evidence from computers and other electronic devices. Advertisements and online sales of trafficking victims can also leave digital traces.<sup>204</sup> Officers can monitor suspected individual's activities online or conduct web-based reverse stings by posting decoy advertisements online or responding to real online ads.<sup>205</sup> And, for the many law enforcement agencies with limited resources, knowing where traffickers and victims reside online reduces the time and resources required to find victims.

Some companies that house ads selling sex, including craigslist and backpage, publically express willingness to work with law enforcement to detect human trafficking cases. Attorneys general and informants report, however, that this willingness has not actually resulted in meaningful action.<sup>206</sup> Other sex-advertising sites are less cooperative. There is also substantial skepticism from critics that law enforcement and society can rely upon companies that derive significant profits from the online sex industry to regulate one of the most profitable parts of their industry.<sup>207</sup> While technology firms may be well placed to understand their own technology, the profits generated by sex ads may make voluntary monitoring less than thorough for fear of driving away profitable business.

### iii. Developing anti-trafficking innovations

Various technology companies express interest in helping combat human trafficking and are developing technological tools to further this effort, such as data mining and new identification technologies. Some financial institutions are partnering with law enforcement to shut down payment systems in related cases.

### iv. Data mining

Manually sorting through online advertisements is a daunting task that strains resources. Basic data-mining techniques such as automated data collection, natural language processing, and digital mapping allow investigators to respond to potential cases more efficiently.<sup>208</sup> Automated data collection can filter, flag, aggregate, and store online ads that appears to feature underage victims, thus narrowing the pool of online classified ads that must be reviewed by humans.<sup>209</sup> Scientific minds in the Natural Language Group at the University of Southern California's Information Sciences Institute are exploring computational linguistic and machine-learning methods to develop algorithms designed to detect possible cases involving individuals who demonstrate qualities that place them at particular risk of human trafficking.<sup>210</sup>

### v. New identification technologies

Investigation of sex trafficking often starts with the photos used in the advertisement of sex trafficking victims. Microsoft has developed PhotoDNA and offered for free to law enforcement, to help match photos of human trafficking victims to photos of missing children

---

<sup>203</sup> *Ibid.*

<sup>204</sup> *Ibid.*

<sup>205</sup> National Institute of Justice, National Overview of Prostitution and Sex Trafficking Demand Reduction Efforts (2012) at 22, online <https://www.ncjrs.gov/pdffiles1/nij/grants/238796.pdf>.

<sup>206</sup> Interview of J. Fisher; Letter from the National Association of Attorneys General to Mr. Samuel Fifer, counsel for backpage.com, *supra* note 169.

<sup>207</sup> Backpage.com's revenue is estimated at \$22.7 million per year. See D. Fisher, "Backpage Takes Heat, But Prostitution Ads Are Everywhere," *supra* note 183.

<sup>208</sup> M. Latonero, *Human Trafficking Online*, *supra* note 151 at 29.

<sup>209</sup> *Ibid.* at 30.

<sup>210</sup> *Ibid.*



and locate copies of pornographic images online. In 2009, it donated the technology to those fighting online child pornography.<sup>211</sup> Anti-trafficking organizations use the technology to inform online service providers to remove copies of the photos.<sup>212</sup> Facebook is reported to currently employ this technology. Microsoft has also funded research grants in 2012-2013 to study how technology affects human trafficking in the US, specifically in connection with the commercial and sexual exploitation of children, the results of which will be published shortly.<sup>213</sup>

#### vi. Global mapping

New mapping technology uses location-based information to map the location of individuals mentioned in the online ads, which enables monitoring and tracking of victims and survivors over geographic space.<sup>214</sup> In April 2013, internet search giant Google launched the Google Global Human Trafficking Hotline Network, which covers the US, Europe and Asia. Every time the network receives a call, factual data provided by the caller and the caller's location is logged and analyzed. As the network builds information, it will reveal trafficking locations and patterns, which will be shared with law enforcement through three designated nongovernmental organizations.

#### vii. Public-private partnerships

In the related crime of commercial child pornography, the US Treasury Department's Office of Terrorist Financing and Financial Crimes reported in 2011 that commercial child pornography had dropped to "effectively zero" from a multi-billion dollar industry six years earlier. This dramatic change was a result of cooperation with the private sector, which shut down distribution and payment mechanisms for child porn as well as increased enforcement efforts.<sup>215</sup> The Financial Coalition Against Child Pornography was established in 2006 and includes 35 financial and credit companies, such as MasterCard, Visa and American Express. While commercial child pornography has shrunk dramatically as a result of the coalition, the non-commercial distribution of child pornography has reportedly "exploded."<sup>216</sup>

LexisNexis, the world's largest electronic database for legal and public records, received public recognition from the US State Department for helping develop a database of human trafficking social service providers and creating various online resources for attorneys working on human trafficking cases.<sup>217</sup> These types of public-private interface are promising developments if technological advancement is to check rather than augment rates of human trafficking.

#### viii. Public awareness

There is also general agreement that the internet and mobile technology can be effectively used to raise public awareness, advocacy and activism by educating the public. Online

---

<sup>211</sup> *Ibid.*

<sup>212</sup> *Ibid.* at 32.

<sup>213</sup> Microsoft is also bringing together academic computer scientists, entrepreneurs and governmental and corporate engineers to identify ways to use technology to address domestic sex trafficking. Open Letter from 19 technologists, How to Responsibly Create Technological Interventions to Address the Domestic Sex Trafficking of Minors, 8 April 2013, available at <http://cyber.law.harvard.edu/node/8267>.

<sup>214</sup> M. Latonero, *Human Trafficking Online*, *supra* note 151 at 30.

<sup>215</sup> Testimony of Ernie Allen, *supra* note 166

<sup>216</sup> *Ibid.*

<sup>217</sup> United States Department of State, *Trafficking in Persons Report, Public-Private Sector Partnerships: A Powerful Tool* (2009).

platforms help anti-trafficking organizations share information and coordinate their efforts. Crowdsourcing, flagging and mapping technologies have been cited as effective means of monitoring social media and advertisement websites for instances of trafficking.<sup>218</sup> Digital mapping, such as that produced by Slavery Map, can record and display instances of trafficking.<sup>219</sup> Technology can therefore play an important role in ensuring that public outrage at this horrendous crime translates into political engagement, resource commitments and, ultimately, accountability.

### 7.3 Policing the internet

Some informants and commentators believe that policing the internet is practically impossible. Others urge that the myth, suggesting that the internet is a “Wild West” where no rules apply, be dispelled.<sup>220</sup> The reality is that the internet, like any other networked technology, can be policed if decisions are made to do so and resources are earmarked to this end. Other worldwide technological networks, such as radio and television, are policed, as is the “dark net” where child pornography is traded and sold. While the internet allows for unprecedented efficiency in communications and transactions, it’s important to recognize that behind all online activity are individual human criminals and networks that can be identified.<sup>221</sup>

In order to effectively police the internet, however, law enforcement must understand and use technology. Because of the vast sea of data on the internet, effective policing would require law enforcement to use, or partner with companies that use, the innovative techniques discussed above to monitor online activities.<sup>222</sup> Resources would need to be allocated and proactive investigations encouraged instead of the current complaint-driven approach described by the RCMP.<sup>223</sup>

In sum, the internet and technology is certainly facilitating sex trafficking, but responding to this reality is complicated and recommended actions are highly polarized. In developing policy responses, realities to consider include:

- many, but not all, online ads selling sex have been shown to migrate when an online sex-selling platform is closed down
- companies may be willing to cooperate with police on trafficking cases
- the internet can be policed if policy makers choose to do so
- companies that profit from the online sex industry should not be the primary monitors of the online sex industry
- pre-paid mobile phones requiring no identification to purchase comprise 19% of phone numbers associated with online sex classified sites in the US

---

<sup>218</sup> Crowdsourcing is where information is solicited from a large undefined group, such as an online community. See also M. Latonero, *Human Trafficking Online*, *supra* note 151 at 32; Judge H. B. Dixon, *Human Trafficking and the Internet\* (\*and Other Technologies, too)*, *The Judges Journal* (American Bar Association: Winter 2013), online:

[http://www.americanbar.org/publications/judges\\_journal/2013/winter/human\\_trafficking\\_and\\_Internet\\_and\\_other\\_technologies\\_too.html](http://www.americanbar.org/publications/judges_journal/2013/winter/human_trafficking_and_Internet_and_other_technologies_too.html)

<sup>219</sup> See [www.slaverymap.org/](http://www.slaverymap.org/).

<sup>220</sup> Interview of J. Benedet.

<sup>221</sup> d. boyd, *Combating Sexual Exploitation Online*, *supra* note 131.

<sup>222</sup> M. Latonero, *Human Trafficking Online*, *supra* note 151 at 20.

<sup>223</sup> RCMP, *Human Trafficking in Canada*, *supra* note 19 at 40.

Further research on the internet and trafficking will be forthcoming in the next year from a Microsoft research collaboration.

## 8. Economic and Social Costs of Sex Trafficking in Canada

Given that it is currently not possible to estimate the exact prevalence of human trafficking in Canada, it will be impossible to quantify the total costs of sex trafficking to the country. It is possible, however, to estimate the cost of trafficking to an individual victim and the cost of this individual to society, although significantly more time would be required to do so than allocated for this initial report. As a first step, we extrapolate from related cost reports and outline an economic cost framework that would lead to a reliable per victim estimate of the cost of sex trafficking both to the individual victim and to society.

One of the many reasons to undertake such a cost analysis is to decide whether it is economically sound to invest in anti-trafficking prevention programs. While prevention programs and policies generally have direct upfront costs, the benefits and social cost savings that may result are less obvious. Further, understanding the economic and social costs of human trafficking can also assist courts in calculating damage awards for trafficking victims, which may be relevant as the number of trafficking cases in Canadian courts increases.

### 8.1 Existing literature and studies

Unfortunately, there is currently no study of the economic and social costs of sex trafficking in Canada. In fact, there is currently no study that measures the costs of human trafficking more generally.<sup>224</sup> Although little is known at this point about the quantitative costs of sex trafficking and its Canadian prevalence, there is qualitative work in Canada and internationally that can give a better understanding of the potential costs borne by the state and the victims of sex trafficking. Combining this qualitative information with pre-existing Canadian cost studies on other activities can give rough sense of the potential costs of domestic sex trafficking per victim.<sup>225</sup> The costs of a person trafficked internationally for sexual purposes include somewhat different costs, as outlined below, but are not the focus of this discussion.

Prior sex trafficking studies have likened the health risks and consequences of sex trafficking in women and girls to those experienced by migrant women, women experiencing sexual abuse or domestic violence, women sex workers, and exploited women laborers.<sup>226</sup> Although cost evaluation studies in Canada have not been done on sex trafficking specifically, four recent in-depth, Canadian, cost studies have been conducted in two of these related areas:

---

<sup>224</sup> The closest existing work internationally roughly estimates the wages lost to victims as a consequence of forced labour (excluding sex work) internationally and the fees they paid that lead to their trafficking by the International Labour Organization (“ILO”) (2009). It concluded that the total underpayment of wages to victims totaled \$2.5 billion (2009 US) in industrialized economies. See ILO, *The cost of coercion*, International Labour Conference 98th Session 2009 Report I(B) (2009).

<sup>225</sup> The discussion below highlights the issues, identifies relevant cost studies and categories and discusses the likely magnitude of sex trafficking costs in Canada. It should not be seen as a detailed cost evaluation of sex trafficking, which would require more time and analysis.

<sup>226</sup> C. Zimmerman et al., *The health risks and consequences of trafficking in women and adolescents. Findings from a European study* (2003), online: <http://genderviolence.lshtm.ac.uk/files/>

two on youth involvement in the sex industry and two on domestic violence.<sup>227</sup> Relevant information from these four studies is instructive in developing an individual cost estimate for human trafficking in Canada. Table Three below lists the cost findings of these four studies. Although the range of cost estimates is substantial, it quickly becomes clear that the social costs associated with domestic violence and youth involvement in the sex industry are significant and often exceed the costs borne directly by the individuals affected. This section proceeds to discuss each of the studies briefly and then considers whether the cost of sex trafficking per person is suspected to be greater or less than the costs reported in Table Three.<sup>228</sup>

---

<sup>227</sup> C. Varcoe et al., “Attributing selected costs to intimate partner violence in a sample of women who have left abusive partners: A social determinants of health approach,” 37 *Canadian Public Policy* 359-380 (2011); T. Zhang et al., *An Estimation of the Economic Impact of Spousal Violence in Canada, 2009* (Department of Justice Canada: 2013); L. DeRiviere, “A Human Capital Methodology For Estimating The Lifelong Personal Costs Of Young Women Leaving The Sex Trade,” 12 *Feminist Economics* 367-402 (2006); L. DeRiviere, “An Examination of the Fiscal Impact from Youth Involvement in the Sex Trade: The Case for Evaluating Priorities in Prevention” (2005) 31:2 *Canadian Public Policy* 181.

All values in Table Three have been taken from the cost tables in the respective reports, inflated to 2012 dollars from each study’s dollar value date, and converted to per person costs for ease of comparison.

<sup>228</sup> This comparative judgment is subjective and future research is needed before a definitive conclusion can be reached.

**TABLE THREE: SUMMARY OF CANADIAN STUDIES FINDINGS ON THE COST OF VIOLENCE AND THE COST OF YOUTH IN PROSTITUTION**

<b>Study</b>	<b>Broad Category of Costs</b>	<b>Per Person Cost in 2012 Dollars</b>
DeRiviere (2005)* (Tables A4-7)	Justice System Utilization	154,070.07
	Social Services Utilization	575,483.55
	Health Service Utilization	8,268.02
	Life Long Cost of HIV/AIDS**	181,129.38
	Life Long cost of Hepatitis C **	162,779.67
	Life Long Cost of Tuberculosis**	221,645.53
DeRiviere (2006) (Table 4)	Lost future value of earnings	973,633.15
	Direct Personal costs	275,044.37
Varcoe et al. (2011) (Table 7)	Public Cost Directly Attributable	4,896.22
	Private Cost Directly Attributable	443.96
	Public Cost Partially Attributable (Health)	5,776.73
	Public Cost Partially Attributable (Non-Health)	2,542.91
	Private Cost Partially Attributable (Health)	1,187.09
	Private Cost Partially Attributable (Non-Health)	452.64
Zhang et al. (2012) (Table 6.1 - women only)	Justice System Costs	2,686.08
	Victim Costs (tangible)	2,389.20
	Victim Costs (intangible)	19,459.93
	Third-Party Costs	4,086.36
<p>*mid-point between listed maximum and minimum cost values from Table A4-7, converted to cost per person in 2012 CAD using the CPI index from statistics Canada, CANSIM, table 326-0021 and Catalogue nos. 62-001-X, 62-010-X and 62-557-X. It should be noted that the assumption that the expected cost will be the mid-point of DeRiviere's estimates is a significant statistical assumption. Last modified: 2013-01-25.A31 **maximum cost if contracted</p>		

**i. Costs of prostitution in Canada**

The most relevant existing studies for determining the costs of domestic sex trafficking focus on the costs of prostitution to an individual and the public costs of an individual exiting prostitution, both conducted by Linda DeRiviere.

Although sex trafficking is legally distinct from prostitution, the study's sample group is composed of individuals engaged in the same activities as those trafficked for sexual purposes: engaging in sex acts for profit, although the profit in the case of trafficking victims may mostly or entirely go to the trafficker rather than the victim. Indeed, it is possible that some of the sample group could be considered, for at least some period, to be sex trafficking victims. The average age of entry into the sex industry in the study's sample is well below 18, 90.3% of her respondents were Aboriginal, several of her participants were "recruited" by

friends and relatives already engaging in prostitution, and some were dislocated from their families during their exploitation. Thus, the study's findings on the cost savings from deterring a youth from prostitution may actually give direct insight into the cost savings from eliminating a case of domestic sex trafficking.

DeRiviere's first study (2005) considers quantitative research on a sex-trade worker's utilization of public resources, social services, usage of the justice system, and other health costs.<sup>229</sup> The estimated costs saving of deterring a youth from prostitution are found to be dramatic. For example, after the respondents returned to "the mainstream," the costs of their income assistance total \$3,034 to \$136,380 and housing subsidies total \$10,043 to \$50,219.<sup>230</sup> Sixty-five percent of the sample received income assistance over a six-year period compared to approximately 16% of a comparator group. Health care costs were also found to be very significant - 66% higher, at minimum, than the average individual in Manitoba - and the burden on the justice system reaches tens of thousands of dollars per person.

The second DeRiviere study (2006) extends the estimate of the economic impact of adolescent involvement in the sex industry by supplementing previous calculations.<sup>231</sup> The first part of this work estimates the earnings premium individuals gain from prostitution activities in the years an individual sells sex. This earning premium is calculated as gross earnings while in the sex industry minus the opportunity cost of income while not in the sex industry. Workdays lost due to incarceration are also included and the corresponding lost earnings due to prostitution are also accounted for. During the years an individual is engaged in selling sex, a net income benefit is calculated over minimum wage work, despite income transfers to pimps and income lost to drugs and legal encounters. After accounting for lost labour market experience and other productivity losses due to involvement in the sex industry, the net personal cost of selling sex is substantial: \$205,739 in 2012 dollars.<sup>232</sup>

Table Four multiplies this individual cost by the number of calls human trafficking service provider "Walk With Me" received in 2011. This result gives an idea of the economic and social cost of sex trafficking for the victims using the services of just one Canadian service provider. The total is just over 80 million dollars. Although this estimate sounds substantial, it may notably over or underestimate the actual costs that result from sex trafficking, as discussed below.

---

<sup>229</sup> The study gathers information on 62 respondents in total, but only collected detailed service utilization and work experience for eight respondents. It also includes data from 75 community agencies and government departments on costs and service utilization.

<sup>230</sup> Note that these numbers are the numbers in DeRiviere's 2005 study, but they have been inflated to 2012 dollars.

<sup>231</sup> L. DeRiviere, *supra* note 213.

<sup>232</sup> This number appears in Table Four along with the social costs calculated in the first study.

**TABLE FOUR: TOTAL COSTS OF YOUTH INVOLVEMENT IN THE SEX INDUSTRY (DERIVIERE) - INFLATED TO 2012 DOLLARS**

Component	Cost per individual	Cost total of 8 Respondents	Extrapolated to number of calls to Walk With Me in 2011 (n=79)*
Costs on society of each individual studied	\$809,902.99**	\$6,479,223.92	\$63,982,336.21
Labour market productivity loss + other personal costs	\$205,739.32***	\$1,645,914.56	\$16,253,405.94
<b>Total costs (Societal + Labour market + Personal)</b>	<b>\$1,015,642.31</b>	<b>\$8,125,138.48</b>	<b>\$80,235,742.15</b>

\*Taken from the 2011 Walk With Me Annual Report. Only includes domestically trafficked victims.

\*\*Methodology for calculation described in footnote below.<sup>233</sup>

\*\*\*Taken from DeRiviere's Figure 1 (2006). Inflated to 2012 dollars using CPI referenced in Table Three.

## ii. Cost of domestic violence in Canada

The second relevant set of studies in approximating the costs of sex trafficking in Canada focus on domestic violence.

Table Three includes estimates from two recent domestic violence studies. The first study, by Varcoe et al., focuses on the health costs of domestic violence to women who have recently left abusive partners. Their primary source of data was the Women's Health Effects study, a longitudinal investigation of patterns of women's health and resources in the early years after leaving an abusive male partner. The second study, by Zhang et al., focuses on current and former victims and uses the Uniform Crime Reporting Survey 2 and information

<sup>233</sup> These numbers assume that the justice system utilization, social services utilization and additional health utilization would not have occurred if an individual was not involved in the sex trade, which likely over estimates the associated costs. In addition, the use of the mid-point of DeRiviere's cost range requires strong statistical assumptions. After these numbers were summed together, the expected lifelong costs of the chronic conditions reported in Table 3 were added, again using the midpoints, and assuming the probability of having the condition were they not involved in the sex trade would be equal to that of the general population, which may be optimistic. The estimates of the rates of the chronic conditions in the general population are based on the work of J. Uhanova, R. B. Tate, D. J. Tataryn, and G. Y. Minuk, "The epidemiology of hepatitis C in a Canadian Indigenous population;" *Canadian Journal of Gastroenterology* 27, no. 6 (2013): 336; D. Boulos, P. Yan, D. Schanzer, R. S. Remis, and C. P. Archibald. "Estimates of HIV prevalence and incidence in Canada, 2005." *Canada Communicable Disease Report* 32, no. 15 (2006); and the Centre for Communicable Diseases and Infection Control (<http://www.phac-aspc.gc.ca/tbpc-latb/pubs/tbcan12pre/index-eng.php>). As more conservative numbers, based on the minimum values in DeRiviere's range, result in a total cost of \$31,658,483, Table 4 should be understood as a rough estimate of costs only.

from the General Social Survey Victimization Cycle 23. Both studies also utilize several other data sources in order to take into account the personal costs of violence.

The Varcoe study concludes that the overall annual per women cost, attributable to domestic violence, was \$15,299, with 86% of the cost borne by the public sector. The direct costs of violence borne by the public sector were found to be approximately \$4,896 per women per year and the direct expenses to the private sector were approximately \$444. The indirect costs of violence arrived at by the authors was approximately \$2,543 per woman annually. Most of these costs were associated with visits to a social assistance worker. Of the third party costs that could be quantified, the annual cost was approximately \$452.63 and the publicly borne health costs were \$5,777. Private health costs of violence yielded \$1,187, with visits to a psychologist and dentist contributing most of the costs. In total, they estimate the annual cost of domestic violence for women who have left abusive partners to be \$8.02 billion.<sup>234</sup>

The Zhang study includes virtually all of the costs accounted for in the Varcoe study, but also attempts to account for the intergenerational consequences of domestic violence and pain and suffering endured by the victims. It is important to note that neither of these costs is accounted for by DeRiviere. The Zhang study uses American estimates of the average pain and suffering of rape and physical assault and estimates that the costs of pain and suffering due to spousal violence for women is \$2,394,679,266. Since they assume there are 179,893 female victims of domestic violence, the pain and suffering per person is approximately \$13,312.<sup>235</sup> The calculated dollar value of pain and suffering makes up about 46% of the total cost of domestic violence with another 21.5% accounted for by loss of life. The estimate of “intangible costs” in Table Three includes both of these items.

Finally, the Zhang study computes the cost of child protection services as a result of domestic violence to be \$156,744,097. Although there are numerous assumptions involved in this number as well as the use of outdated information, it appears to be the most comprehensive existing number regarding the cost of child protection services as a consequence of domestic violence in Canada.<sup>236</sup>

Using these four cost studies in conjunction with information from informants and other human trafficking studies, we extrapolate below a framework for calculating the costs of sex trafficking in Canada.

## 8.2 Costs of sex trafficking

The studies on domestic violence and on the costs of youth involvement in prostitution are useful in illustrating the types of costs involved in sex trafficking. Taken separately, however, each set of cost studies likely underestimates the costs of sex trafficking, which overlaps with each of them and involves additional costs not considered in any. The following discusses the major costs involved in sex trafficking with reference to the studies discussed above. Direct costs of sex trafficking are discussed first, followed by indirect costs.

---

<sup>234</sup> These figures are taken from the Zhang study and have been converted to 2012 dollars.

<sup>235</sup> There are several criticisms of both the Zhang and Varcoe studies that are not discussed here.

<sup>236</sup> Again, note all figures have been converted to 2012 dollars.



### i. Pain and suffering

The most significant costs incurred during an individual's trafficking experience are the substantial psychological costs. Not only are trafficked women frequently exposed to numerous forms of violence, they are also isolated from their families and communities. Even if a trafficked person wishes to return to her family after being trafficked, the shame and psychological damage resulting from trafficking may make it unlikely that she will ever return home.<sup>237</sup> These intangible costs are difficult to quantify, but it does not make them any less real than the cost of visiting the emergency room. We estimate that the cost of pain and suffering for two years of being a victim of human trafficking is approximately \$552,964 CAN, as described below.

Pain and suffering are frequently recognized in economic costing, and when accounted for, can make up a substantial fraction of the overall costs of a crime or illness to society, as it does in the Zhang study. One method used to quantify pain and suffering is to use the amount of court awards for pain and suffering for the victims of a crime.<sup>238</sup> Since awareness and legislation regarding sex trafficking is reasonably new, court awards for pain and suffering are few and far between. However, numbers do exist that could be used to calculate the pain and suffering of sex trafficking victims.

In the UK in 2009, four victims of human trafficking successfully sued two of their traffickers.<sup>239</sup> All victims were internationally trafficked from Moldavia and two of them were sexually enslaved for two months while the other two were enslaved for one month. They were made to have sex with 40 to 50 clients a day and were additionally subject to non-sexual forms of violence. All were diagnosed with post-traumatic stress and three suffered from symptoms typically found in moderate depressive disorder while the other had symptoms from chronic post-traumatic stress disorder. The claimants never returned to Moldova for fear of putting their families at risk. The judge awarded amounts ranging from £82,000 - £125,000 (roughly \$130,000 - \$200,000 CAN) due to their experiences, false imprisonment and psychological distress. The courts used a similar logic to the economic concept of diminishing marginal utility - where the first month of victimization induces more pain and suffering than the second month - in their calculations of pain and suffering.<sup>240</sup>

More extensive research would be required to investigate other awards of pain and suffering for less extreme cases in order to generate an estimate of the average cost to a victim.<sup>241</sup> Future work to aggregate other existing court awards is necessary in order to calculate an "average pain and suffering" per victim. However, it may not be unreasonable to use the UK court's award to calculate the costs of pain and suffering where trafficking victims have experienced similar abuse.

---

<sup>237</sup> Interview of T. Nagy.

<sup>238</sup> This method has been highly criticized but often, alternative methods are infeasible. A common critique is that amounts awarded for similar crimes can be highly variable, especially when few cases exist.

<sup>239</sup> *AT v Dulghieru*, [2009] EWHC (QB), No. HQ07XO3535.

<sup>240</sup> See T. Keren-Paz, *AT v. Dulghieru - Compensation for Victims of Trafficking, but Where is the Restitution?* (2010), online: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1639399](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1639399)

<sup>241</sup> For example, one US study based on court awards found the average value of pain and suffering for rape equivalent to \$84,421 (2013 USD) and pain and suffering from assault to be approximately \$9,537 (2013 USD) Cohen (1988) costs are inflated to 2013 dollars. In the United States, awards for pain and suffering are more common than in Canada, thus computing the average value of pain and suffering for crimes can be easier.

In addition, the victims in the UK case were trafficked for a relatively short time-period: one and two months. The average period of victimization of a victim of sex trafficking in Canada is currently unknown. However, Tímea Nagy of Ontario's "Walk With Me" estimates that the average period of entrapment of the women she has worked with is approximately two years. This estimate is substantially lower than many of the estimates of the years individuals remain in the sex industry in Canada, such as the five to ten year average stay found in the DeRiviere study. Applying this conservative two-year estimate to the UK court award for pain and suffering, the first month of pain and suffering would be \$130,000, the second month \$50,000, the third month \$32,500. Continuing this calculation for 24 months using the same rate of diminishing suffering as the UK court - each successive month is 65 percent as painful as the month before - and, finally, discounting the result by a rate of 2.5%,<sup>242</sup> the pain and suffering costs of a sex trafficking victim trafficked for two years comes to \$552,964 CAN.<sup>243</sup>

## ii. Medical costs

The medical costs of a human trafficking victim are typically very high. A 2003 study tracked 107 European trafficking victims in Europe and reported that nearly half of the trafficked women interviewed had been confined, raped or beaten during the journey to their new location.<sup>244</sup> The study further found that most women interviewed had been "intentionally hurt" at some point during their trafficking experience, while having virtually no access to health care services.<sup>245</sup>

Frontline service providers confirm this lack of access to health care for trafficked women in Canada.<sup>246</sup> Although initial violence may not result in women using health care services, and thus is not an immediate direct cost to society, long-term health conditions often result with associated medical expenses in the future. Extreme cases of abuse during trafficking do, however, lead to immediate health care expenditures, such as emergency unit and ambulance usage.<sup>247</sup> Ms. Nagy reported she had personally dealt with near 200 victims in her career thus far and that approximately 70% of the victims used hospital services at least once during their trafficking experience, including emergency room visits and sexual assault services (35% reported continued use of the health care system for treatment of chronic mental or physical injuries). If only 80 of these victims accessed the emergency ward at the average cost per visit of \$283 (2012 CAN)<sup>248</sup> as a direct consequence of their trafficking experience, then the burden to the health care system would be equivalent to \$22,638 (2012 CAN).

---

<sup>242</sup> Discounting is a method used to account for the fact that a cost or benefit borne in the future is not as costly or valuable as it would be today for the same dollar value. For example, \$100 today is worth more than \$100 a year from now (even assuming no inflation) because the 100 dollars received today can be invested at some positive interest rate (say 2.5% per year) and will be worth 102.5 dollars in a year.

<sup>243</sup> However, it is important to note that Canadian legislation puts a cap on the non-pecuniary damages that can be awarded for pain and suffering. A trilogy of cases in 1978 placed a cap of 100,000 1978 dollars on non-pecuniary damages. (See *Andrews v. Grand & Toy Alberta Ltd.*, [1978] 2 S.C.R. 229, *Arnold v. Teno*, [1978] 2 S.C.R. 287, *Thornton v. School Dist. No. 57 (Prince George)*, [1978] 2 S.C.R. 267). The cap has been adjusted for inflation and to date approaches \$350,000 in 2013 dollars. This cap's existence, however, is irrelevant to the actual costs of pain and suffering.

<sup>244</sup> See Zimmerman et al., *supra* note 226.

<sup>245</sup> The lack of access to health services is also mentioned by Williams et al. (2010) and Zimmerman et al., *The Health of Trafficked Women: A Survey of Women Entering Posttrafficking Services in Europe*, *Am J Public Health*, Jan. 98(1) (2008) at 55-59.

<sup>246</sup> Interview of T. Nagy (2013).

<sup>247</sup> See Zimmerman et al., *supra* note 226.

<sup>248</sup> Cost taken from Zhang et al., *supra* note 227.

Increased rates of sexually transmitted infections (STIs) and HIV/AIDS due to sex trafficking also result in substantial health care costs. In studies on the sex industry, nearly one-quarter of women reported not using condoms regularly or at all for vaginal sex and more than half did not use them with their intimate partners or pimps. Consequentially women and girls are substantially more at risk of contracting HIV and sexually transmitted infections (STIs) than they would be if they were not in the sex industry.<sup>249</sup> This reduced condom usage is even pronounced among trafficking victims. Recent work in India demonstrates that women trafficked for sex were at increased risk of HIV contraction than other Indian female sex workers.<sup>250</sup> This again suggests that DeRiviere's study on prostitution underestimates the costs of sex trafficking. Given that the lifetime cost of treatment for a single individual who contracted HIV/AIDS totals \$181,129.38 and hepatitis C yields a minimum cost of \$29,596,<sup>251</sup> this STI-related underestimate may be substantial.<sup>252</sup> Another health cost acquired while trafficked is the cost of abortions, often unsafely conducted.<sup>253</sup>

Pressured drug use is also known to be a health consequence of being trafficked,<sup>254</sup> and is partially accounted for by the DeRiviere study but not the domestic violence studies. This drug use can occur during the pre-trafficking stage, transit stage, destination stage and into the future. Society bears a substantial cost in increased illicit drug and alcohol use, with studies estimating the cost of substance abuse to total almost \$48 billion or \$1,523 per capita.<sup>255</sup> If sex trafficking accounted for as much as 0.00001% of the total drug use, then the total social cost due to sex trafficking would equal almost \$48,000.

The social services employed to care for a sex trafficking victims after their experiences are also extraordinarily costly. Psychological barriers experienced by a victim can require repeated visits with a trained social worker or therapist in conjunction with other service providers in order for the individual to understand they have been victims of a crime.<sup>256</sup> Victim support organizations such as "Walk With Me" which provides front-line services to

---

<sup>249</sup> See A. Dharmadhikari, J. Gupta, M. Decker, A. Raj, J. Silverman, "Tuberculosis and HIV: a global menace exacerbated via sex trafficking," *International journal of infectious diseases* 13 (2009) 5 at 543-46; J. Gupta et al., "HIV vulnerabilities of sex-trafficked Indian women and girls," *International Journal of Gynaecology and Obstetrics* 107 (2009) 1 at 30-34; "J. Silverman et al., Syphilis and Hepatitis B Co-Infection among HIV-Infected Sex-Trafficked Women and Girls in Nepal," *Emerging Infectious Diseases* 14 (2008) 6 at 932-34.

<sup>250</sup> See Gupta et al., (2011). It should be noted that this is not the consequence of a difference in HIV knowledge or condom use, but rather the consequence of more clients served per week and more days worked per week.

<sup>251</sup> See DeRiviere, *supra* note 213 at 189, 203-04. Note that DeRiviere's 2003 dollar amounts have been adjusted for inflation.

<sup>252</sup> S. Collins, S. Goldenberg et al., "Situating HIV risk in the lives of formerly trafficked female sex workers on the Mexico-US border," *AIDS care* (2012). Note that this work only interviewed a select population of Tijuana women who were still in the sex industry after their trafficking experience. This study further posits that a trafficking victim's risk of HIV infection increases even after trafficking ends due to economic vulnerability, susceptibility to violence, and psychological trauma.

<sup>253</sup> See T. Williams et al., *Sex trafficking and health care in Metro Manila: identifying social determinants to inform an effective health system response*, 12 *Health Human Rights* 135-147 (2010); Zimmerman et al., *supra* note 226.

<sup>254</sup> See Dharmadhikari et al.; Gupta et al.; Silverman et al., *supra* note 249.

<sup>255</sup> See J. Rehm et al., *The costs of substance abuse in Canada 2002*, Canadian Centre on Substance Abuse (Ottawa: 2006) at 1-14.

<sup>256</sup> Barrett, *supra*, note 3 at 36-37.

trafficked persons in Ontario require approximately \$2,500 per victim to provide basic short-term services, which leaves over 90% of their victims still struggling in fundamental ways.<sup>257</sup>

Last, even after escaping sex trafficking, many women experience enduring medical conditions such as depression, anxiety and hostility.<sup>258</sup> A 2008 study measured the average depression, anxiety and hostility in 192 sex trafficking survivors in 2004-2005 and found they score in the 98<sup>th</sup>, 97<sup>th</sup> and 95<sup>th</sup> percentile of the general population scores.<sup>259</sup> The study provides a detailed quantified breakdown of medical problems dealt with by survivors.<sup>260</sup>

In short, the short-term and long-term medical costs of sex trafficking are quite substantial.

### iii. Transportation fees and leaving fees

A third cost sometimes acquired in sex trafficking but not involved in either the domestic violence studies or the studies on prostitution are transportation fees and/or leaving fees women accrue during their trafficking experience. International human trafficking victims often pay a fee to their traffickers to gain entrance to a country and a job that promises a better life.<sup>261</sup> Although these same costs are not borne by those trafficked domestically, domestic victims are often isolated from their communities and may acquire significant costs in the process of the relocation.<sup>262</sup> In 2009, the ILO estimated that total recruiting fees paid by forced labour victims in industrialized economies to be \$400 million (in 2009 USD). The ILO has since reported (2012) that the number of trafficking victims is much larger than the numbers used to calculate the above figure, so this number is likely an under-estimate. Although these numbers are not specific to Canada, exclude sex trafficking, and are very roughly estimated, they demonstrate how quickly the costs of human trafficking accumulate.

Victims may also be subject to “leaving fees” once individuals arrive at their destination. Leaving fees are payments an individual must make to their trafficker to gain their freedom. These fees are often difficult to pay, as victims frequently do not keep any of their earnings.<sup>263</sup>

### iv. Legal costs

The law enforcement and judicial costs associated with human trafficking are also unusually large. Human trafficking cases can require long investigations that involve many networked individuals or organized criminal groups. International human trafficking cases may require international cooperation with foreign law enforcement agencies to gain information, interview witnesses and assist with evidence collection. In addition, translators may be needed throughout the investigation and prosecution for victims and/or witnesses who cannot speak English or French. If a case proceeds to trial, these translation costs can amount to tens of thousands of dollars.<sup>264</sup>

---

<sup>257</sup> Interview of T. Nagy, 2013).

<sup>258</sup> Zimmerman et al., *supra* notes 226 and 245.

<sup>259</sup> *Ibid.*

<sup>260</sup> See Table 2 in Zimmerman et al. *supra* note 226 for complete breakdown of conditions and intensity of experiences by surviving trafficking victims.

<sup>261</sup> RCMP, *Human Trafficking in Canada*, *supra* note 19.

<sup>262</sup> *Ibid.*

<sup>263</sup> Canada, Criminal Intelligence Service Canada, *Organized Crime and Domestic Trafficking in Persons in Canada (Strategic Intelligence Brief)* (August 2008), online:

[http://www.cisc.gc.ca/products\\_services/domestic\\_trafficking\\_persons/document/sib\\_web\\_en.pdf](http://www.cisc.gc.ca/products_services/domestic_trafficking_persons/document/sib_web_en.pdf).

<sup>264</sup> Information provided by L. Jankovic.

High witness management costs may be incurred, as victims are frequently reluctant to testify against their trafficker, may not consider themselves crime victims, and may continue to be coerced by their trafficker.<sup>265</sup> Because the victim's testimony is seen to be required for a human trafficking conviction under Canadian law, victim management is crucial for the outcome of prosecutions. In cases where there are ongoing coercion or threats, witness protection may be necessary, although there have been no cases employing witness protection in Canada to date.<sup>266</sup> In some instances, such as in Canada's largest human trafficking case thus far, witness management may be assisted, or even run by non-governmental organizations. NGO support may not always be available, however, and should thus not be relied upon as a matter of public policy.<sup>267</sup>

More research is needed to determine the specific costs of these social and justice services, which are significant. If the judicial costs associated with human trafficking are at least as large as for domestic violence or child exploitation cases, the cost will total thousands of dollars per victim. The complex nature of human trafficking suggests that legal costs would be significantly higher than in those cases.

#### **v. Opportunity costs: lost income and taxes**

In addition to the direct costs of sex trafficking mentioned above, opportunity costs must be calculated. Opportunity costs are a significant indirect cost that considers what the victim would have been doing during the time they were trafficked and after had they not been trafficked. These costs include, for example, earning money in the labour market or attending school. The most basic economic model of lifetime earnings includes a period of human capital accumulation, typically associated with schooling, and eventually followed by a period of wage employment, asset accumulation and eventual retirement. Greater human capital translates into higher future wages and, once in the labour force, every year of work experience also translates into higher future wages. If an individual becomes a victim of sex trafficking, then the typical life course is interrupted resulting in either lost wages or lost economic opportunity. Specifically, each year trafficked equals either a year lost in school, which translates into future losses in earnings, or a year lost in the labour force.

For now, let us focus merely on the wage losses during a two-year period of trafficking. If the individual had been in school and living with her family instead of being trafficked, her opportunity cost would be the amount she consumed while at home. If an individual had been working during this period, however, her opportunity cost is her foregone wages, net of taxes. If the individual had had consumption equal to working 35 hours a week for 50 weeks at the minimum wage in Ontario (\$10.25 2012 CAN) the individual would retain approximately \$16,298 after taxes. If the individual was enslaved for two years and a discount rate of 2.5% is used, the present value of total forgone income at the beginning of the trafficking period would be \$32,198. To determine the net costs to the individual we need to estimate how much, if anything, the individual would earn while trafficked.

Trafficked women typically keep little or none of their earnings. An unclassified RCMP 2010 report on human trafficking examined the trafficking of Asian women, East European Women and domestically trafficked women. East European women trafficked into to escort services indicated to police that they were only left with a fraction of their earnings. While Asian

---

<sup>265</sup> Interview of M-C. Arsenault.

<sup>266</sup> Interview of M-C. Arsenault.

<sup>267</sup> In the OPAPA case in Hamilton, Ontario, victim service provider Walk With Me managed all 23 labour trafficking victims. Information provided by L. Jankovic.

women involved in sex trafficking often reported keeping more money, domestically trafficked victims reported keeping none of their earnings. One Canadian service provider reported that victims are typically provided with enough food and shelter for their subsistence, but nothing more.<sup>268</sup> Another study found that 22 of 30 women interviewed received little to none of their earnings while trafficked, with 15 stating they were unable to buy basic necessities.<sup>269</sup> Working conditions were stated as “terrible” and many worked seven days a week. Although it appears women were often kept below their basic needs requirement, we will, to be conservative, assume that victims receive consumption adequate to meet their basic needs. The annual basic needs cut-off per year in Canada was estimated to be \$11,470.51 in 2012 prices.<sup>270</sup> Discounting this basic needs cut-off over two years gives an approximate income of \$22,661.25. Subtracting this amount from forgone income, the opportunity cost borne by a victim of sex trafficking is approximately \$9,536.75 for two years.<sup>271</sup>

Trafficked women and girls may also lose legitimate work experience and the opportunity to pursue education. While victims of domestic violence may suffer from lost days of work, victims of human trafficking may be prevented from completing a basic high school education, and lose years of experience in the labour market, both of which can accumulate into substantial earnings and social losses. For example, it is not uncommon for trafficking victims to be targeted as early as age 14. If an individual who would have otherwise chosen to complete high school is prevented from doing so, the social and economic consequences are substantial. The estimated earnings loss to a Canadian who drops out of high school is approximately \$111,164 over a lifetime, with nearly \$7,466 accruing in lost tax revenue and an individual cost increase of \$225,557 in health care expenditure.<sup>272</sup>

This loss of income and possible employability may also lead to higher welfare and social assistance usage. Service providers suggest that it is not uncommon for girls and women who have been trafficked to be effectively incapable of re-entering the labour market after their experiences and thus rely on social assistance for the remainder of their lives.<sup>273</sup>

Finally, the most well-cited economic analysis of prostitution suggests further costs associated with sex trafficking. These are the costs of foregone marriage opportunities. In this discussion of prostitution, women sex workers are compensated for forgone marriage opportunities by money earned selling sex. In trafficking situations, however, there could be little or no such compensation as traffickers keep the wages for themselves.<sup>274</sup> If victims of sex trafficking similarly lose marriage opportunities, they then lose the possible economic

---

<sup>268</sup> Interview of T. Nagy. Although during the “grooming” period traffickers often provided girls and women expensive clothing or gifts, after control has been established, non-subsistence transfers received by the women from their traffickers typically ends.

<sup>269</sup> Zimmerman, *supra* notes 226 and 244.

<sup>270</sup> C. Sarlo, *Measuring Poverty in Canada* (Fraser Institute: 2005).

<sup>271</sup> It should be noted that this assumes no income growth on the part of the individual over this period. It also does not account for the fact that some individuals will be removed from school over this time period. Their absence at school implies the cost of their education is not included. Thus this number should be taken as the cost borne by the individual, rather than society.

<sup>272</sup> See O. Hankivsky, *Cost estimates of dropping out of high school in Canada*, Canadian Council on Learning (Ottawa: 2008) at 7. All dollars inflated to 2012 values.

<sup>273</sup> Interview of T. Nagy (2013).

<sup>274</sup> See L. Edlund and E. Korn, *A Theory of Prostitution* (2002), online: <http://papers.ssrn.com/abstract=295069>.

benefits derived from having a spouse.<sup>275</sup> As their spouses would predominately be men and men still earn more in the labour market than women, the lifetime consumption losses of forgoing a healthy spousal relationship can be substantial.

In short, the opportunity costs of sex trafficking are dramatic, particularly when victimization starts at a young age.

#### vi. Intergenerational costs

Finally, it is crucial to consider the intergenerational costs of sex trafficking. The economic disadvantage of productivity losses and forgone education unfortunately may carry forward into the next generation.<sup>276</sup> There is a substantial body of economic literature that demonstrates the significant intergenerational correlation between education and income: lost income and education for one generation can mean lost income for the next as well.

In addition, studies on child maltreatment suggest intergenerational transmission of abuse. If an individual becomes a victim of trafficking at a young age and, hence, suffer abuse, they have a higher probability of subsequently mistreating their own children. A child does not even have to be directly physically or sexually maltreated for the costs to be notable. Neglect or witnessing intimate partner violence can lead to substantial educational and behavioral problems on the part of the children, including long-lasting effects on child mental health, drug and alcohol problems, risky sexual behavior, obesity, and criminal behavior from childhood to adulthood.<sup>277</sup> One study found the economic costs of child abuse in Canada to be over \$15 billion, estimating the average *annual* earnings losses for a victim of physical abuse to be \$4,131.<sup>278</sup>

In sum, while cost studies on domestic violence and involvement in the sex industry in Canada are quite helpful to set a baseline measure of the costs of sex trafficking, there are several additional costs that must be included to understand the full economic and social costs of sex trafficking. Several of the costs mentioned above, such as pain and suffering, medical costs, legal costs, transportation and leaving/exit fees, opportunity costs and intergenerational costs associated with human trafficking, are not fully captured by the domestic violence and prostitution studies. The per capita cost of sex trafficking is, thus, likely to far exceed the costs in the studies mentioned.

---

<sup>275</sup> It should be noted that frequently women and girls are in an intimate relationship with their trafficker. However, the forgone partners referred to here are assumed not to be abusive and to share their income within the household.

<sup>276</sup> See J. Currie and E. Moretti, "Mother's education and the intergenerational transmission of human capital: Evidence from college openings," *Quarterly Journal of Economics* 118 (2003) 4 at 1495-1532; M. Corak, L. Curtis, and S. Phipps, *Economic mobility, family background, and the well-being of children in the United States and Canada* (2010). The literature on intergenerational mobility, family environment and intergenerational education transfer is too massive to be fully cited here. These two citations are a good starting point for the interested reader.

<sup>277</sup> R. Gilbert, C. Windom, K. Browne, D. Fergusson, E. Webb, S. Janson, "Child maltreatment: Burden and consequences of child maltreatment in high-income countries," *Lancet* 373 (2008) 9657 at 68-31.

<sup>278</sup> A. Bowlus, K. McKenna, T. Day, D. Wright, *Report to the Law Commission of Canada* (2003). Note that as with all cost estimates these numbers are subject to criticism. This figure has been inflated from 1998 dollars to 2012 dollars.

### **8.3 Sex trafficking cost categories**

While the discussion above gives only an incomplete sense of the quantitative costs of sex trafficking, it identifies significant costs that should be accounted for in a complete cost study of the crime. While many of the categories overlap with existing studies on prostitution and domestic violence, others are new additions specific to the trafficking experience. Table Five below summarizes the direct and indirect costs categories that should be included in a full assessment of the per capita costs of sex trafficking.



**TABLE FIVE: REQUIRED COST CATEGORIES FOR A FULL ASSESSMENT OF THE COST OF ONE SEX TRAFFICKING VICTIM**

	Sex trafficking direct costs	Sex trafficking indirect costs
<b>Victim costs (Borne by victim)</b>	<ul style="list-style-type: none"> <li>• Pain and suffering (intangible)</li> <li>• Transport costs (particularly in international cases)</li> <li>• Leaving/exit fees</li> <li>• Legal services (immigration, guardianship, reunification, civil suits)</li> <li>• Dental services</li> <li>• Fraction of medical/therapist fees (co-pays)*</li> </ul>	<ul style="list-style-type: none"> <li>• Lost earnings, due to:               <ul style="list-style-type: none"> <li>• lost educational opportunity</li> <li>• lost experience</li> <li>• lost years of labour</li> <li>• reduced capacity to function</li> <li>• foregone marriage opportunities</li> </ul> </li> </ul>
<b>Third-party costs (Borne by society)</b>	<ul style="list-style-type: none"> <li>• <b>Medical costs:*</b> <ul style="list-style-type: none"> <li>• Emergency room visits</li> <li>• Acute hospitalization</li> <li>• Physician visits</li> <li>• STI treatment</li> <li>• Addiction services</li> <li>• Therapist/s</li> </ul> </li> <li>• <b>Justice system costs:</b> <ul style="list-style-type: none"> <li>• Investigation costs               <ul style="list-style-type: none"> <li>• complex victim management</li> <li>• possible international cooperation</li> <li>• possible translation</li> </ul> </li> <li>• Prosecution costs               <ul style="list-style-type: none"> <li>• complex victim management</li> <li>• possible international cooperation</li> <li>• possible translation</li> <li>• possible immigration services (e.g., temporary residence permit costs)</li> </ul> </li> <li>• Corrections costs               <ul style="list-style-type: none"> <li>• incarceration</li> <li>• monitoring</li> <li>• probation</li> </ul> </li> <li>• Legal aid</li> <li>• Enforcement of civil protection orders against traffickers</li> <li>• <b>Additional burden on:</b> <ul style="list-style-type: none"> <li>• Shelters</li> <li>• Transition homes</li> <li>• Long-term public housing</li> <li>• Job training programs</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Social support (welfare)</li> <li>• Additional burden on child protection systems               <ul style="list-style-type: none"> <li>- group homes</li> <li>- foster homes</li> <li>- institutional care</li> </ul> </li> <li>• Lost taxes (due to lost earnings)</li> <li>• Intergenerational costs</li> </ul>

\* This chart assumes a national health care system. In countries without such a system, these third-party medical costs would be borne, instead, by the victim. Individual co-pays may also apply in certain nationalized health care systems.

While the above cost categories and analysis establish a framework that may be used for developing a full economic cost analysis of human trafficking in Canada, substantially more research is required to arrive at a credible overall cost estimate. A rigorous quantitative estimate of the costs of sex trafficking would involve several steps. First, a credible estimate of the number of trafficked women and girls in Canada is required. As stated above, this number does not currently exist. Second, interviews should be conducted with a reasonably large sample of women and girls who have been trafficked.<sup>279</sup> These interviews are needed to determine the socio-economic backgrounds of the individuals who had been trafficked in addition to detailed information on fees paid in the process of their trafficking, the amount of time they were trafficked, their usage of medical and social services and their employment history. The detailed socio-economic backgrounds of those trafficked would be needed in order to construct an estimate of their “counterfactual lives” in the absence of their trafficking experience. Third, information available in existing data sets could then be used to construct these counterfactual lives. Using this comparator group, a relatively precise estimate of the cost per individual of sex trafficking could be calculated. Finally, the resulting number could then be scaled by the estimated number of sex trafficking victims in Canada to quantify the costs of sex trafficking to the country.<sup>280</sup> The results will likely underscore the cost-effectiveness of anti-trafficking prevention programs.

---

<sup>279</sup> A minimum of 30 domestically trafficked and 30 internationally trafficked women would be a reasonable large sample. An alternative to interviews would be to examine the detailed histories of women and children who had been victims of sex trafficking recorded in legal documentation. The latter approach is currently impractical given the limited number of cases that have gone through the Canadian courts.

<sup>280</sup> The ILO’s 2012 methodology in its forced labour report is one scaling approach that could be used.