May 2015 - Summary of the study's results

# **PROSTCOST**

Estimate of the economic and social cost of prostitution in France





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# ProstCost, an estimate of the economic and social cost of prostitution in France.

In 2014, the European Commission offered for the Member States of the European Union to increase their «national wealth» by including the turnover from prostitution in the calculation of their GDP. In France, IN-SEE refused to implement the European request and explained, rightly so, that prostitution was not so much a «provision of freely consented services» as an exploitation of people in the most precarious of situations.

ProstCost, a previously unpublished study carried out by the Mouvement du Nid - France and Psytel, questions this myth of prostitution as a vector of growth and provides an estimate of the twofold economic and social burden which the prostitutional system imposes on its victims and on society as a whole.

After 18 months of research, both entities are pleased to present the results in this summary. Our calculation of the economic and social cost of prostitution in France is based on two estimates:

#### • An estimate of the number of prostitutes in France

Recent studies and parliamentary reports have all highlighted the difficulty in estimating the number of prostitutes in France. Our research has enabled us to put forward a documented estimate of **37,000 prostitutes**, with a low hypothesis of 30,000 and a high hypothesis of 44,000 prostitutes.

• The identification of 29 "cost items" and an estimate of their value, the total figure equalling 1.6 billion Euro

To calculate the economic and social cost of prostitution in France, we have identified 29 "cost items" broken down into the 6 following categories:

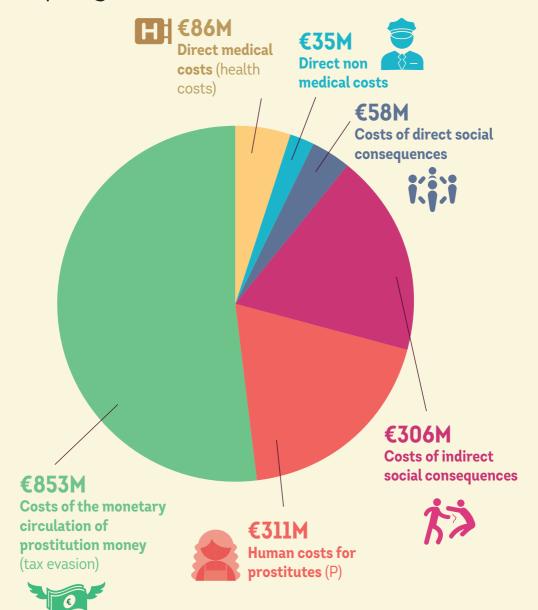
- 1- Direct medical costs (costs of hospitalisation, of the excessive consumption of medicine, etc.):
- 2- Direct non medical costs (police, gendarmerie, judiciary)
- 3- Costs of direct social consequences (housing, social support, prevention, etc.)
- 4- Costs of indirect social consequences (homicides, suicides, placing of children, etc.)
- 5- Human costs for prostitutes (physical violence, psychological violence, sexual violence, etc.)
- 6- Costs linked to tax evasion on prostitution money

All mobilised data along with our calculation factsheets for each item are available on the website: **www.prostcost.org** 

## Prostitution costs French society

# €1.6 billion

per year



## Lessons learned

## TAKING STOCK OF THE COST BORNE BY THE VICTIMS AND INCREASING PUBLIC SUPPORT

Our study reveals the significant human cost (in addition to the cost of direct and indirect social and medical consequences) borne by the victims of the prostitutional system. Prostitutes are at least 6 times more exposed to rape than the general population and 7 times more likely to commit suicide The human cost borne by prostitutes is estimated at 252 to 370 million Euro per year. In comparison, the total social expenditures which prostitutes benefit from is estimated at 50 to 65 million Euro per year (including housing, benefits and prevention and support actions) and the total public funds allocated to charitable organisations specifically for the prevention and support of prostitutes amounts to a mere 2.4 million Euro, i.e. 65 Euro per year and per prostitute.

## INTEGRATING AN ECONOMIC APPROACH INTO THE FIGHT AGAINST PROCURING

It makes sense to integrate an additional economic approach into the fight against procuring and the prostitutional system in so far as this form of violence and exploitation has the distinctive feature of **being motivated by profit**. We estimate the turnover of prostitution in France at 3.2 billion Euro, while the annual budget of all police and gendarmerie services working on dismantling rings and sentencing pimps equals 12 million Euro.

## ADDRESSING THE "DEMAND" AT THE ROOT OF EXPLOITATION AND SOCIAL COST

The "clients" of prostitution are the backers and the first to benefit from prostitution. It is to satisfy their demand and to collect their money that national and international pimps organise human trafficking for the purpose of prostitution. This exploitation of prostitutes leads to frequent and significant violence, which has a high social cost.

If the "clients" of prostitution spent their money on any other activity, **French** society would save several hundred million Euro per year in expenditures linked to the consequences of prostitution, while increasing its tax revenues by at least 853 million Euro.

#### INVESTING TODAY INSTEAD OF SUFFERING ENDLESSLY

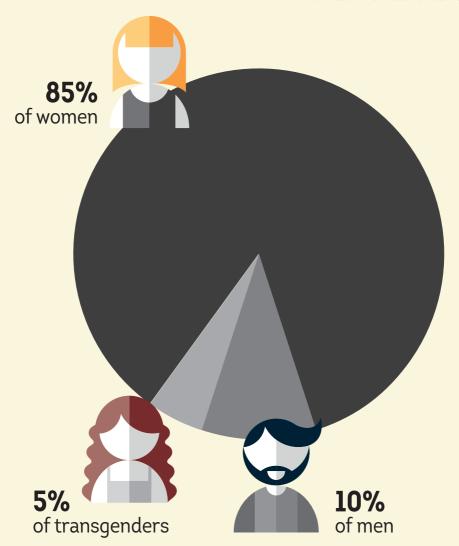
The prostitutional system imposes a twofold burden on its victims as well as on society, which this study estimated at 1.6 billion Euro per year. It therefore makes economic sense, as well as being an ethical necessity, to invest today in prevention, in the development of an exit policy to end prostitution, in the punishing of procuring and the discouraging of demand, rather than to keep on suffering this economic and social cost.

# An estimate of the number of prostitutes in France

# 37,000 people

9 250 are in touch with charitable organisations\*

\* Estimate of the Mouvement du Nid.

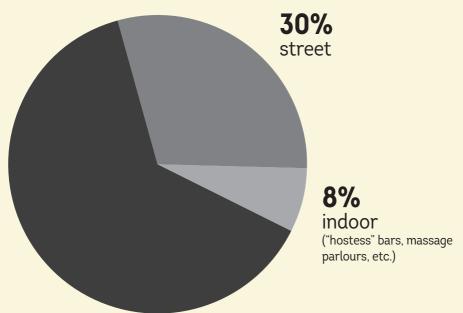


Recent studies and parliamentary reports have all highlighted the difficulty in estimating the number of prostitutes in France. Our research has enabled us to put forward a documented average estimate of **37,000 prostitutes**, with a low hypothesis of 30,000 and a high hypothesis of 44,000 prostitutes<sup>1</sup>.

#### This bracket and this average were obtained by:

- crossing four types of data sources: 1) figures provided by the police department, 2) figures provided by charitable organisations that support prostitutes, 3) ad hoc surveys by journalists or sociologists, 4) expert opinions
- performing our own calculations based on urban areas of over 100,000 people for street prostitution and processing adverts published on the internet

#### Final estimate<sup>2</sup>:



**62%** internet

These figures are not exhaustive but they do represent a reasoned and documented order of magnitude. Let us also point out that the number of prostitutes quantified is based on a "stock" and not a "flow" approach. This means that we have 37,000 "full-time equivalent" prostitutes, and therefore even more prostitutes who have been present at a given time and for short periods of time on the territory.

<sup>1-</sup> For details of our calculations, refer to the PC114 document

<sup>2-</sup> For all details, go to the www.prostcost.org website

# Direct medical costs (health costs)

# €86 million



We estimate the direct medical costs specifically linked to prostitutional activity at **70 to 103 million Euro per year**<sup>3</sup>.

In an opinion piece published on March 28 2015 in the "Journal du Dimanche", a collective of French doctors including Xavier Emmanuelli, co-founder of the "SAMU social", geneticist Axel Kahn, gynae-cologist Israël Nisand, psychiatrist Christophe André as well as Muriel Salmona, psychiatrist and president of "Mémoire Traumatique et Victimologie" and Emmanuelle Piet, doctor and president of "Collectif Féministe Contre le Viol"; described prostitution as an obstacle to global health: "A world of violence at the hands of pimp rings or clients, of constraints, whether financial, psychological or physical: prostitution is incompatible with the definition of sexual health given by the WHO".

In March 2013, the ProSanté study on the "Health, access to health-care and access to rights of the people in a situation of prostitution met within social and medical structures" carried out by FNARS and the French Institute for Public Health Surveillance (InVS) showed that prostitutes are particularly exposed to physical and psychological violence and that this has a significant impact on their psychological health and well-being in particular.

This study showed, inter alia, that people in a situation of prostitution:

- are 3 times more likely than the general population, within the same age bracket, to be in average, poor or very poor health;
- state that they have **7 times more suicidal** thoughts than the general population;
- take **4.5 times more medicine** such as antidepressants and antianxiety medication than the general population.

We have therefore attempted to estimate the economic and social cost of this overexposure to violence in terms of health, by analysing the costs of hospitalisations, visits to A&E, recourse to VTPs, medical consultations, excessive consumption of medicine, alcohol, tobacco and drugs linked specifically to prostitution.



Almost a third of prostitutes

HAVE CONSIDERED

SUICIDE AT LEAST ONCE

within the last 12 months

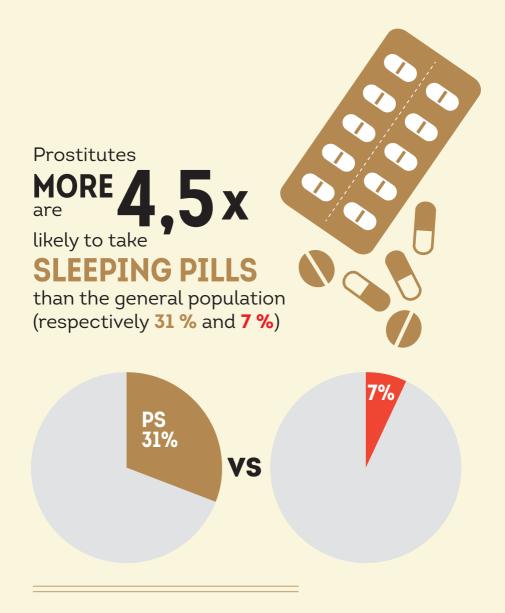
THE SUICIDE RATE

of prostitutes is

12 x HIGHER

than that of the general population





# © Direct non-medical costs €35 million



We estimate the cost of police, gendarmerie, justice and prison administration services linked directly to prostitution at **35 million Euro** per year<sup>4</sup>. We must point out that in spite of the advanced legal arsenal for fighting procuring and the efficiency of police and gendarmerie workforces in dismantling rings, the financial means allocated to the judicial police and to magistrates remain very poor.

The yearly budget for all police and gendarmerie workforce in charge of dismantling rings and sentencing pimps only amounts to 12 million Euro. We estimate the budget of the Central Office for the Repression of Human Trafficking (OCRTEH) at less than 2 million Euro.

These figures should be set against the 3.2 billion Euro yearly turnover of prostitution in France and the 1.4 billion Euro handed over to pimps and taken abroad illegally by international rings, thus escaping mandatory levies.

# A CLOSER LOOK AT ON THE NUMBER OF POLICE/GENDARMERIE FULL TIME EQUIVALENTS SPECIFICALLY ASSIGNED TO THE DISMANTLING OF THE MAIN RINGS EACH YEAR

#### NUMBER OF CASES 2013 = 40

In 2013, according to the Central Headquarters of the Judicial Police (DCPJ), 11 cases were processed (OCRTEH + regions excluding Paris).

In 2013, the Parisian anti-prostitution brokerage squad (BRP) is said to have processed 10 cases.

In 2013, we can estimate that the gendarmerie processed 7 cases. In 2013, the DC PAF (borders) dismantled 12 procuring channels.

#### SPECIALISED POLICE WORKFORCE 2013 = 87

OCRTEH: 21:

BRP Paris: 50 of which 35 operational;

BRP Lyon: 6;

BRP Lille: 4:

BRP Marseille: DK but probably 4;

BRP Grenoble: DK but probably 2;

There are no other BRPs in France

#### SPECIALISED GENDARMERIE WORKFORCE 2013 = 21

We estimate the number of "gendarmerie regions" invested in the dismantling of rings to be 7. One case per year with three full time equivalents per case. i.e. 21 gendarmes.



PER YEAR (source national judicial record)

Only 100



while the TURNOVER OF PROSTITUTION equals

€3.2B



and that the LOSS FOR THE STATE DUE TO TAX EVASION

is estimated at approx.

working yearly on
DISMANTLING
THE MAIN RINGS

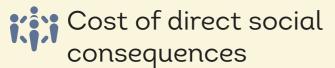
policemen and gendarmes

for the whole country, i.e.

= €6M

€853M





# €58 million



We estimate the annual cost of direct social consequences, including emergency and specialised accommodation, social benefits and prevention and support actions at **50 to 65 million Euro**. As a reminder, the total public funds allocated to charitable organisations that work specifically to prevent and support prostitutes only amounts to **2.4 million Euro**<sup>6</sup>!

During a hearing at the National Assembly on November 5 2013, the Minister for Women's Rights Najat Vallaud-Belkacem admitted that "the State grants specifically targeted towards the integration of prostitutes are currently estimated at an average of 120 Euro per person per year" and announced the creation of a fund dedicated to supporting people trying to get out of prostitution, which would be supplemented by the State by 10 to 20 million Euro per year. This fund was never created, due to a delay in the parliamentary adoption process of the draft legislation increasing the fight against the prostitutional system. When applied to the estimated 37,000 prostitutes in our study, these 2.4 million Euro only represent 65 Euro per person per year!

Adding up the consolidated budgets of all charitable organisations that specialise in prostitution would result in a lot more than 2.4 million Euro, but this would include non-public funding and public funding not specifically allocated to preventing prostitution and supporting its victims (funds linked to places in Housing and Social Re-integration Centres, funds of the Regional Health Agencies already included in the "health" cost item, etc.).

Finally, we would like to point out that the total public funds allocated to global social actions linked to prostitution (housing, benefits, prevention and specialised support) remain 5 times lower than our estimate of the human costs borne by prostitutes themselves.

Overall, charitable organisations have been lamenting their lack of means to meet the needs of the people they support for years. This situation was highlighted in two parliamentary information reports published by the National Assembly in 2011 and by the Senate in 2013.

<sup>5-</sup> For calculation details, see factsheets 310 to 340

<sup>6-</sup> Action 35 of the "Equality between women and men" program of the "Solidarity, integration and equal opportunities" mission.

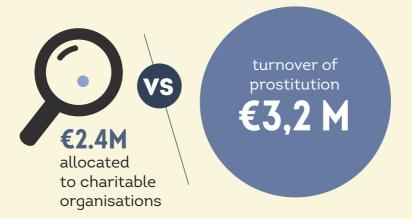
<sup>7- 2.4</sup> million Euro/20,000 prostitutes = 120 Euro per person per year

Only

# €2.4M

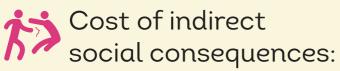
allocated specifically by the State to ORGANISATIONS WORKING TOWARDS THE PREVENTION AND INTEGRATION

of prostitutes (prostitution budget).

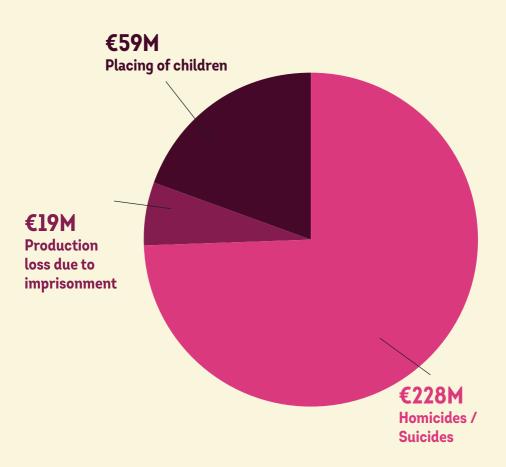


**STATE GRANTS** specifically allocated to preventing prostitution and to integration only represent





# €306 million



Our estimate of the cost of indirect social consequences, for a total amount of **256 to 356 million Euro**, includes three different types of "cost items"<sup>8</sup>.

#### The cost of deaths linked to prostitutional activity: suicides and homicides

Prostitution is a world of extreme physical and psychological violence. However, in France, there are no official statistics regarding the number of prostitute suicides and homicides.

Nevertheless, we do have an important figure taken from the ProSanté study, which states that prostitutes are 7 times more likely than the general population to have suicidal thoughts. By crossing the rate of suicidal thoughts, the rate of suicide attempts and the observed suicide rate, we were able to estimate that the suicide rate is 12 times higher among prostitutes than among the general population.

Regarding prostitute homicides, there are no official statistics either. However, our regional delegations take census of several prostitute murders per year, often at the hands of one of their "clients". For **2014** alone, and based solely on facts collected directly or via the press, the Mouvement du Nid organisation counted **7 prostitute murders**.

The total cost of deaths linked to prostitutional activity is estimated at 189 to 267 million Euro.

#### · Production loss due to imprisonment

In 2012, French courts passed 434 sentences for procuring and ordered 6,470 months of detention for perpetrators of simple or aggravated procuring. Based on the average number of months actually spent in detention, and on the average salary, we can infer the cost of production loss due to imprisonment linked to prostitutional activity. The total cost of production loss due to imprisonment for procuring is therefore estimated at 18.8 million Euro.

#### • Placing of children

There are no statistics on the number of children of prostitutes placed by Child Welfare Services. We therefore based our estimate on a survey sent to the delegations of the Mouvement du Nid and to people who receive permanent support from the organisation. These surveys enabled us to work out an average of 0.32 children placed per prostitute and an average total cost of 59.4 million Euro per year.

#### IN MEMORIAM

#### December 31 2014, Epinal

A 45-year-old prostitute from Brazil is murdered by a "client" of prostitution aged 33. The victim was stabbed 53 times by her "client", who later told the police he wasn't "satisfied with the services provided by the professional".

#### November 14 2014, Paris, Porte de Vincennes

A young female prostitute is killed with a knife.

The murdered is unknown.

#### September 5 2014, Lunel

A thirty-year-old Albanian female prostitute is found dead, naked, in a canal near Montpellier. .

The murdered is unknown.

#### June 14 2014, Clichy-La-Garenne

Luz Maria, a 32-year-old Dominican prostitute dies of multiple stab wounds to the stomach and chest in a hotel. The alleged murderer is a 38-year old "regular client".

#### May 19 2014, Châteauroux

A 64-year old female prostitute dies of several blows to the head with a blunt object. **The murdered is unknown.** 

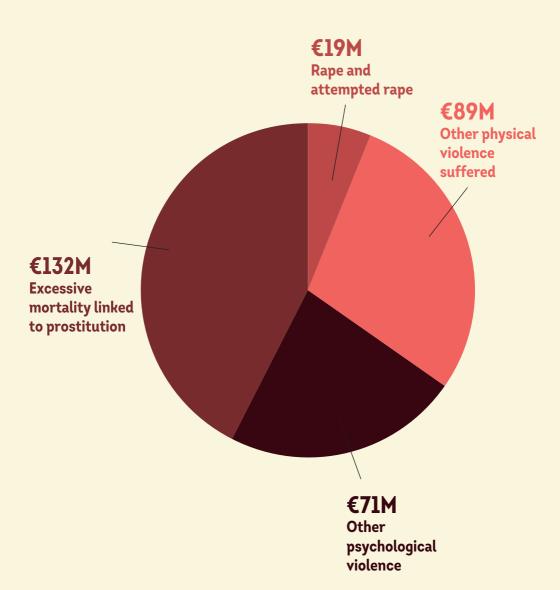
#### April 1st 2014, Paris

A fifty-year old Chinese female prostitute is stabbed ten times in a flat located rue Bichat, in the 10th district of Paris. The alleged murderer is a "client" of prostitution.

#### Early March 2014, Haguenau

A 51-year old female prostitute dies of multiple stab wounds at her house at the hands of a **"regular client"**. The murderer's DNA proves him guilty of the murder of another female prostitute found dead at her house on July 23 2013 in Strasbourg. She was 59 years old and had been strangled.

# Human cost for prostitutes €311 million



Our study highlights **the significant human cost** borne by the victims of the prostitutional system. Prostitutes are at least **6 times more exposed to rape** than the general population, and **12 times more exposed to the risk of suicide**. The human cost borne by prostitutes is estimated at 252 to 370 million Euro per year<sup>9</sup>:

## RAPE, ATTEMPTED RAPE AND OTHER PHYSICAL AND PSYCHOLOGICAL VIOLENCE

The 2013 study by the InVS and the FNARS on the "health, access to health-care and access to rights of the people in a situation of prostitution met within social and medical structures" revealed that **at least 38 % of prostitutes were raped**<sup>10</sup> during their lifetime, against 6.8 % for women of the general population. By assigning an "interlocutory value over one year" of 22,500 Euro<sup>11</sup> per rape, we estimate the yearly prejudice suffered by prostitutes at **16 to 23 million Euro**.

The ProSanté study indicates that 51 % of prostitutes suffered one or more acts of physical violence within the last 12 months. Regarding psychological violence, 64 % of the people surveyed stated that they had been a victim of it within the last 12 months. The study also adds that "while the results regarding violence suffered by prostitutes seem high, organisations, based on the testimonies which they collect, estimate that individuals have largely under-declared the violence which they have suffered, regardless of the nature thereof and its perpetrators".

By applying human cost<sup>12</sup> calculations to these statistics, we estimate that the prejudice linked to physical violence suffered by prostitutes equals 72 to 106 million Euro per year, and that the prejudice linked to psychological violence suffered equals 58 to 84 million Euro.

#### **EXCESSIVE MORTALITY LINKED TO PROSTITUTION**

In the absence of a French study on this topic, we based our work on the study entitled "Mortality in a Long-term Open Cohort of Prostitute Women" by John J. Potterat, Americain Journal of Epidemiology (2004). By crossing these results with the research carried out by the OCDE on potential years of life lost, we were able to estimate the cost of potential years of life lost linked to prostitutional activity: between 714 and 1,047 years of life lost, i.e. a total yearly cost of **107 to 157 million Euro**.

<sup>9-</sup> For calculation details, see factsheets 510 to 540

<sup>10- &</sup>quot;Forced sexual intercourse"

<sup>11</sup>- 15 % of the cost of the statistical value of a year of life – for details, see factsheet 510 12- As developed in the Ouinet report



# more RAPES among PROSTITUTES than among the GENERAL POPULATION

51%



of prostitutes surveyed suffered

# ONE OR MORE ACTS OF PHYSICAL VIOLENCE

within the last 12 months

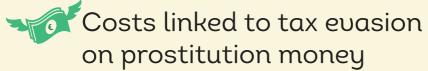
64%



of prostitutes surveyed suffered

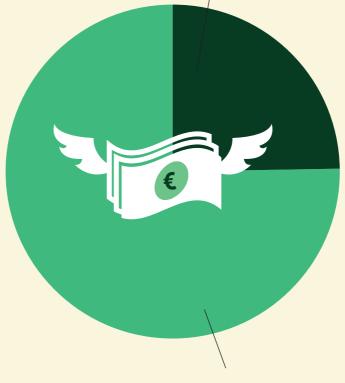
ONE OR MORE ACTS OF PSYCHOLOGICAL VIOLENCE

within the last 12 months



## €853 million





**€641M**Tax evasion: compulsory levies

Our study has enabled us to estimate the share of money generated by the prostitutional system in France which escapes the various taxes (direct and indirect) and to illustrate how, ultimately, the famous "turnover of prostitution" increases the economic social cost of the prostitutional system. Every year, the country falls 519 to 762 million Euro short in terms of tax revenues and national consumption<sup>13</sup>. To calculate the order of magnitude of the turnover of prostitution, we based the calculation of our estimates on the number of prostitutes per type of prostitution (street, indoor, internet) and on the monthly income generated by these various types of prostitutional activity. Based on these hypotheses, we have a yearly turnover of a little over 3.2 billion, i.e. an average income per prostitute of approximately €85,700 for 37.000 Ps/FTEs.

The money from prostitution clients ( $\leq$ 3.2B) is mostly removed from the conventional economy circuit: none of these amounts are re-introduced into the national consumption circuit or subjected to income tax.

This money is partly "consumed" in France by pimps and prostitutes, but also partly sent abroad by these same people. The report by divisional commissioner Thierry Ourgaud<sup>15</sup> and our own calculations have enabled us to estimate that the share exported by rings amounts to at least 45 % of the turnover.

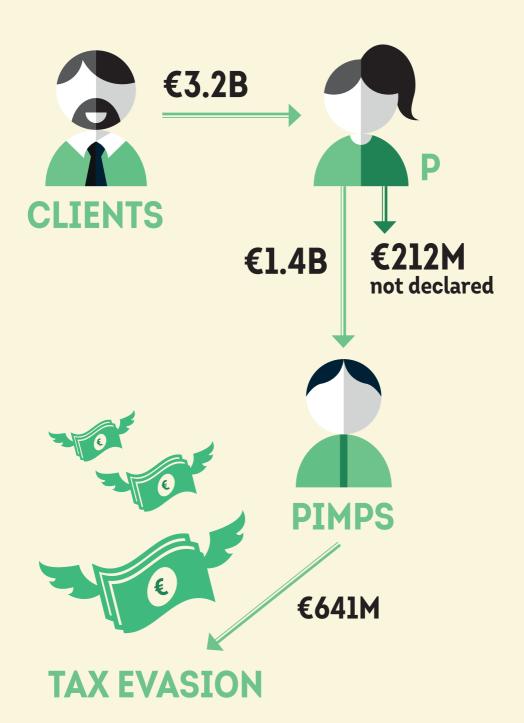
It is important to point out that if the clients of prostitution spent their money on any other activity, French society would save several hundred million Euro per year in expenditures linked to the consequences of prostitution, while increasing its tax revenues by at least 853 million Euro.

<sup>13-</sup> For calculation details, see factsheets 610 and 620

<sup>14-</sup> See our own estimate in document PC114

<sup>15- &</sup>quot;L'argent de la criminalité organisée en France" (Money from organised crime in France) - individual expert report - Ministry of the Interior - 2014

<sup>16-</sup>See document PC114



## Methodology and transparency

La réussite de ce projet d'estimation du coût économique et social The success of this project, the goal of which was to estimate the economic and social cost of prostitution in France, relies, in particular, on the complementarity of our entities. The Mouvement du Nid is a charitable organisation that supports prostitutes in over 30 French departments and meets 5,000 prostitutes every year. Social engineering firm Psytel employs experts in the field of humanities, statistics and economics and published the first estimate of the economic and social cost of IPV in Europe (DAPHNE project) in 2009.

To build this new estimate, the project team used three types of data:

- •Macro data: use of national databases (health, judicial, INSEE, etc.)
- Meso data: gathering and analysis of existing studies and surveys, expert consensus
- Micro data: studies of life trajectories, interviews of prostitutes and experts.

However, we must point out the lack of scientifically reliable data in this field. This is why the Mouvement du Nid and Psytel have chosen to share, via online open software, all of their data, sources and calculation methods; in view of refining individual parameters in future by integrating even more precise data.

Finally, we would like to point out that this estimate is de facto minimal, as several cost items could not be taken into account in the study due to lacking data. For instance, the costs borne by the family circles of prostitutes and clients of prostitution, or the cost of the decrease in real estate value in neighbourhoods where prostitution is rife

The European Commission financed this study at a rate of 90 %: ISEC program - Prevention of and fight against crime.

#### **ACKNOWLEDGMENTS**

The Mouvement du Nid and Psytel would like to thank all the people who contributed to the ProstCost project, in particular:

- The people who agreed to take part in our individual surveys
- · The experts and charitable organisations interviewed
- The departmental delegations of the Mouvement du Nid
- The editorial board of "Prostitution et Société"
- The ISEC program of the European Commission

#### **PROJECT TEAM**

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All mobilised data along with our calculation factsheets for each item are available on the website: www.prostcost.org



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