

THE SOCIAL RESPONSIBILITY OF AIRLINE COMPANIES

AND THE SEXUAL EXPLOITATION OF CHILDREN



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Regroupement pour
la Responsabilité
Sociale des Entreprises

A group of religious communities, organizations and individuals whose goal is to promote the social responsibility of businesses through committed shareholding.

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Introduction

The *Regroupement pour la responsabilité sociale des entreprises* (RRSE) is an association that brings together religious communities, organizations and individuals whose mission is to promote the social responsibility of businesses through shareholder engagement. As investors, the members of RRSE emphasize environmental, social and governance issues. It is to be noted that the RRSE is a member of the Principles for Responsible Investment (PRI) and undertakes to put into practice the commitment of its members as active investors in the promotion of best practice of governance, the defense of human rights and of the environment by businesses in which its members have investments.

So, the members of RRSE, as also other investment groups, are particularly concerned about the issues relating to sexual tourism regarding children. This reality, which deserves strong condemnation and is profoundly destructive of the rights of children to a healthy life, is often situated in the framework of a lively tourism flowing from northern countries toward those of the south. Thus we derive the absolute need to solicit the contribution of travel agencies, hotel chains and airline companies to put an end to this trafficking.

A few obsolete ideas

Many representatives of the tourism industry believe that [1] Sexual tourism involving minors does not exist in the destinations offered to their customers [2] People that cultivate these practices are all inveterate pedophiles [3] The tourism industry cannot do anything about this problem.

These three opinions are false. Sexual tourism involving children is not reserved exclusively to destinations like South-East Asia (Thailand, Cambodia, etc.). More and more it is clear that the majority of destinations to the southern countries of the Americas, those most frequented by Canadian tourists, are also facing this same calamity. Sexual tourism involving children exists notably in Mexico, Cuba, the Dominican Republic and Costa Rica. Each year more than two million children are exploited by the sex trade. Some are no more than 5 years old. The average age of these children is 14.¹

Studies have shown that most sexual tourism involving children cannot be attributed only to pedophiles but also to so-called “situational” predators. According to *Beyond Borders*, a Canadian NGO specialized in the subject, “situational” predators do not travel for that purpose. They get involved when the situation presents itself in the context of anonymous tourism outside ordinary moral constraints of social life and as an “experience.” Unlike pedophiles, they do not show an exclusive sexual inclination toward children.

According to the *International Coalition for Responsible Tourism* (ICRT), a billion tourists have travelled throughout the world and 10% have chosen destinations that offer a possibility for sexual tourism.² Two million children are thought to have been forced by clandestine and illegal networks to become victims of sexual abuse. Also, the *International Labour Organization* (ILO), the *United Nations* (UN) and the *International Association of Hotels and Restaurants* (IAHR) have all published reports claiming that certain tourist areas may be sources of increased demand for child prostitution. Unfortunately, Canadian tourists are not an exception and the major Canadian companies doing business in global tourism cannot be indifferent to

1. 2012 Proxy Resolutions and Voting Guide, *Interfaith Center for Corporate Responsibility*, page 76.

2. Voir : <http://www.coalition-tourisme-responsable.org/tourisme-responsable.html>



this situation. Since “situational” predators represent the majority of sexual exploiters abroad, RRSE is convinced that airline companies, an essential link in the travel industry, should act to put in place adequate policies and should educate Canadian passengers about the disastrous impact of this phenomenon. In this respect, it is also good to recall that in 2011 the *International Air Transport Association* (IATA) and the *World Organization on Tourism* (WOT) published a joint statement entitled “Protection of Children from Sexual Exploitation in Travel and Tourism.” (SEE APPENDIX 2)

The Social Responsibility of Corporations

The members of RRSE firmly believe that businesses have social and environmental responsibilities that go beyond the strict necessity of providing a better yield to the shareholder investment. These companies, and especially those trading on the exchanges, should have a close look at the direct and indirect negative impacts associated with their practices and take measures to limit the negative effects. The Ca-

nadian tourism industry, especially the airline companies, can do much more to help diminish the sexual exploitation of minors. The members of RRSE believe it is their duty to take care to minimize its dimensions.

It is important to stress that there is, as always, an important confusion between a charitable approach and one of social responsibility. Some companies, such as for example the Canadian airline companies, make contributions to organizations that defend causes related to children. There is no question of reproaching companies that support such works. But the social responsibility of a corporation goes well beyond works of charity. In fidelity to its mission, RRSE believes it is extremely important that companies put in place coherent and pertinent policies regarding their social responsibility.

We believe that companies should adopt policies and practices that, when needed, go beyond the laws and norms of a given country or nation through recognition of human rights, the importance of protecting the environment and sound governance both here at home and abroad. Article 13 of the *Guiding Principles on Business and Human Rights: Implementing the United Nations framework guidelines “Protect, Respect and Remedy”*³ encourages private companies to become proactive in the defense of human rights:

The responsibility to respect human rights requires that business enterprises:

- a) *Avoid causing or contributing to adverse human rights impacts through their own activities and address such impacts when they occur;*
- b) *Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or*

3. See : http://www.ohchr.org/Documents/Issues/Business/A-HRC-17-31_AEV.pdf

services by their business relationships, even if they have not contributed to the impacts.

Also article 19 of the same document stipulates two conditions for the effectiveness of this responsibility:

In order to prevent and mitigate adverse human rights impacts, business enterprises should integrate the findings from their impact assessments across relevant internal functions and processes and take appropriate action.

a) *Effective integration requires that:*

- i) *Responsibility for addressing such impacts is assigned to the appropriate level and function within the business enterprise;*
- ii) *Internal decision-making, budget allocations and oversight processes enable effective responses to such impacts.*

RRSE is of the opinion that best practices in the prevention of sexual exploitation of children should be based on the elaboration of a clear and transparent policy. The Code of Conduct⁴ promoted by ECPAT (End Child Prostitution and Trafficking) international, a well-known international organization continues to be a primary reference.

The application of the prevention of sexual exploitation of children

ECPAT is an international network of organizations working together to eradicate child prostitution and the trafficking of children for sexual purposes⁵. ECPAT can be found in 74 countries (25 in Europe, 15 in Africa, 4 the Middle-East and 15 in Asia). It has more than 80 members all

of whom are autonomous groups or coalitions whose goal is fighting sexual abuse of children.



One of the primary activities of this network is to support the Code of Conduct for the protection of children against sexual abuse in tourism and the travel industry. Created by ECPAT, this Code of Conduct is now an independent organization financed by the Japanese section of UNICEF, which has the support of the World Organization on Tourism and is supported technically by many ECPAT groups around the world. The Code is considered the most effective tool in the industry for combatting sexual tourism involving children. Those who work in the industry and travel agencies that subscribe to the Code are committed to inform their clients about their policies for the protection of children and to train their personnel as well as to point out cases of abuse and to adopt measure to protect children.

More than 1,030 companies present in 42 countries have adopted the Code of Conduct including Air France, Corsair and British Airways. In March, 2011, Delta Airlines became the first

4. See : <http://thecode.org>

5. See : www.epcat.net

North American company to subscribe to the Code. The press release announcing this news emphasized the persistence of a religious community, a member of ICCR, in the dialogue with Delta Airlines. The Wyndham hotel chain also adopted the Code of Conduct on November 23, 2011. In 2012 shareholders of US Airways introduced a resolution at the annual meeting asking the company to subscribe to the Code. (SEE APPENDIX 1)

The approval of the Code of Conduct requires the implementation of the following procedures:

- > *Establishment of an ethical policy for the company against sexual exploitation of children;*
- > *Training of their personnel in the countries of origin and in the cities where they do business;*
- > *Inclusion of a clause in contracts with their suppliers in which they declare their shared rejection of sexual abuse of children;*
- > *Informing tourists by means of their catalogue, brochure, poster, in-flight video, tickets, Web site or by other means that they see appropriate;*
- > *Provision of information to their principal local agent at each destination;*
- > *An annual report on the implementation of these instructions..*

In short, it is a question of measures that require an important effort by the companies. Nevertheless, to the extent that Canadian airline companies neglect to adopt a proactive and effective approach to counteract this calamity, the member investors of RRSE believe that these companies are exposed to important risks to their reputation.

Beyond Borders is the Canadian representative of ECPAT

Founded in 1996 and based in Winnipeg, *Beyond Borders* is an affiliated group and Canadian representative of ECPAT International since 1999. Jointly with RRSE, Beyond Borders is currently engaging with the major Canadian airline companies regarding the implementation of the norms inscribed in the Code of Conduct promoted by ECPAT. Implementation of the elements of the Code of Conduct is pending. For this reason, the members of RRSE are hoping for more rapid progress.

Conclusion

RRSE believes that the airline companies are part of the tourism industry and are thus exposed to potential risks that could endanger their reputation. A company associated directly or indirectly with incidents related to the sexual abuse of children could suffer substantial negative impacts on its reputation as well as negative publicity.

The dialogue undertaken by RRSE on the issue of the sexual abuse of children continues. Interesting outcomes have already been obtained. Still, there remains a considerable way to go, notably in matters relating to the education of Canadian travellers by Canadian companies. If, as Beyond Borders would have us believe, most individuals responsible for crimes of sexual abuse of children in the context of tourism are “situational” perpetrators, the members of RRSE are convinced that the adoption of ECPAT’s Code of Conduct will have a significant and lasting impact on the prevention of these crimes. By way of example, systematic projection of an on-board video reminding travellers that the Canadian criminal code condemns this type of crime, even when it is committed in another country, would be a step in the right direction.

APPENDIX 1

Shareholder Proposition
placed before US Airways group Inc.
(2012 Proxy Resolutions and Voting Guide, ICCR page 76)

Code Protecting Children US Airways Group Inc.

WHEREAS: Each year more than two million children are exploited in the global commercial sex trade, some as young as five years old. The average age is 14. Child sex tourism (CST) is the practice of foreigners sexually exploiting children in another country. It is an organized multi-million dollar industry that includes tour guides, websites and brothel maps.

Problem countries include Cambodia, Thailand, Costa Rica, Mexico, Dominican Republic, Brazil and India but also include events that happen in the United States. At least 32 countries have extraterritorial laws that allow the prosecution of their citizens for CST crimes committed abroad, including the U.S.

US Airways is part of the tourism industry and thus, we believe, is exposed to potential risks to its reputation. Delta Airlines as well as several hotel chains have addressed child sexual exploitation by signing the “Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism” (www.thecode.org).

The International Labor Organization, the United Nations, the International Hotel & Restaurant Association and the Office to Monitor and Combat Trafficking in Persons under the U.S. Department of State all have issued reports or statements suggesting that tourism areas may be a source for aggravated demand for child prostitution.

The Office to Monitor and Combat Trafficking in Persons issued a fact sheet on CST on August 19, 2005 directly encouraging companies to address this problem. In addition, a joint statement was issued by International Air Transport Association and the UNWTO on the “Protection of Children from Sexual Exploitation in Travel and Tourism” in 2001.

We believe a company associated with incidents of Child Sex Exploitation could suffer substantial negative impacts in terms of reputation and adverse publicity. We believe commercial advantages may accrue to our company by adopting an effective policy addressing the commercial sexual exploitation of children.

RESOLVED: The shareholders request the Board of Directors to adopt a human rights policy including prohibition of sexual exploitation of minors and to report, at reasonable cost and omitting proprietary/confidential information, implementation of this policy to shareholders by December 2013.

Supporting Statement: We believe US Airway’s policies should be comprehensive, transparent and verifiable and address provisions contained in “The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism.”

We suggest critical elements of a company-wide policy include:

- > *Statement of US Airway’s policy on commercial sexual exploitation;*
- > *Supplier contracts stating a common repudiation of CSEC;*
- > *An annual progress report;*
- > *An overview of employee education and tourism personnel training;*
- > *Plan for communicating information to travelers and*
- > *Methods for informing local “key persons” at travel destinations.*

Your support for this resolution will encourage US Airways to address child sex tourism.

APPENDIX 2

Joint Statement by the *International Air Transport Association (IATA)* and *UNWTO* on the Protection of Children from Sexual Exploitation in Travel and Tourism

Presented at Yokohama on 17 December 2001

« IATA and WTO are sensitive to the formally expressed wishes of our respective membership to deter child sexual exploitation in travel and tourism.

Our organizations take particular account of the WTO Global Code of Ethics for Tourism (Santiago, Chile 1999) which clearly states that “the exploitation of human beings in any form, particularly sexual, especially when applied to children, conflicts with the fundamental aims of tourism and is the negation of tourism”.

We also recall the IATA AGM Final Resolution Condemning Commercial Sexual Exploitation of Children (1996) and the WTO Statement on the Prevention of Organized Sex Tourism (1995).

It is absolutely clear from the above policy declarations that the leaders of our respective constituencies are convinced that the well being of children has to be respected and protected everywhere.

We take the opportunity of this Second World Congress Against the Commercial Sexual Exploitation of Children (Yokohama) to urge those in positions of power and authority to take specific measures to counter sexual exploitation of children, by adapting their legislation to criminalize child sex abuse and introducing extraterritorial prosecution, in particular through the reinforcement of judicial cooperation between States and the designation of national focal points.

We, for our part, will continue to encourage airlines and other international travel organizations, including airport authorities, to multiply their awareness-raising efforts towards passengers, especially

by means of articles in in-flight magazines and by screening in-flight video clips or other spots in airport passenger lounges, departure gates and on airport buses.

We and our respective organizations favour actions by the tourism industry, in particular the adoption of self-regulatory measures, such as codes of conduct and good practices, to complement existing legislation, as well as the education and training of staff at home and at tourism destinations.

Our two organizations will continue to work for closer public-private tourism-sector partnerships at national, regional and international levels to jointly combat sexual offences on minors in travel and tourism networks and call upon all tourism stakeholders to effectively support the international campaign for the protection of children from sexual exploitation in tourism.

It is our sincere hope that by our actions, we shall help those engaged in carrying out the measures needed to advance the above policies and that we shall encourage others to add their strength to this alliance. »



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