

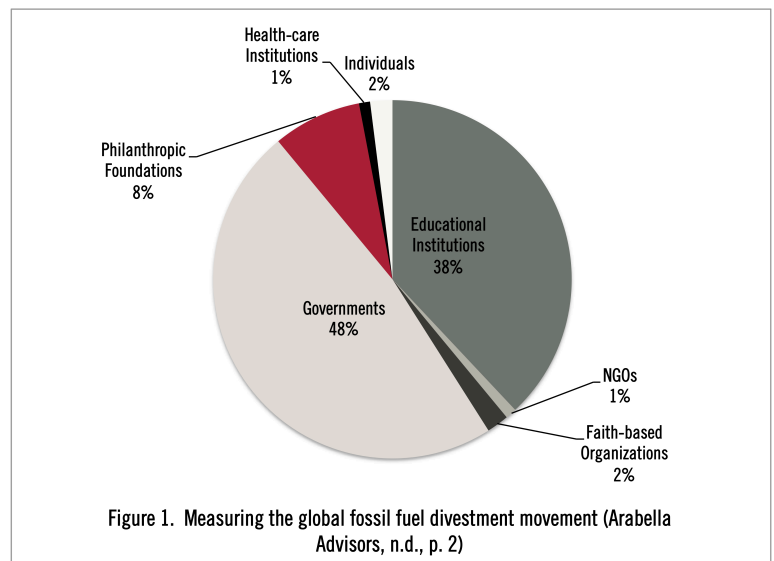
The State of Fossil Fuel Divestment in Canadian Post-secondary Institutions

Post-secondary institutions have a critical role to play as agents of change in moving society towards greater sustainability (Stephens et al, 2008), as well as have the potential to become exemplary leaders in the larger climate justice movement. This synopsis outlines the state of the high education fossil fuel divestment movement, with a particular focus on Canadian post-secondary institutions. It was written by Naomi Maina, PhD Researcher, with The Sustainability and Education Policy Network (SEPN). It is part of a larger ongoing research study being conducted by SEPN to evaluate sustainability uptake in Canadian formal education. The study is also interested in what relations may exist between post-secondary institutions that have high sustainability initiative (SI) scores (Beveridge et al., 2014), and their involvement in the divestment movement.

“If it is wrong to wreck the climate, then it is wrong to profit from that wreckage.” This is the principle behind the divestment movement, which has gained momentum in the United States, Canada, and internationally since its inception in fall 2012 (gofossilfree.org). Initiated by Bill McKibben, co-founder of 350.org, the grassroots divestment movement calls upon higher education institutions, churches, cities, non-profit organizations, and individuals to divest their holdings from the top 200 most polluting fossil fuel companies.

To date, a total of \$50 billion has been divested by at least 181 institutions and local governments across the world (Arabella Advisors, n.d.). Figure 1 shows a breakdown of the amount divested by each sector.

Post-secondary institutions have a significant amount of their endowment funds invested in fossil fuel companies, creating close and complex ties with the fossil fuel industry. Endowment funds are “donations received to be held to perpetuity,” and are invested to create income for colleges and universities (CURI, 2013, p. 3). According to data gathered by the National Association of College and University Business Officers (NACUBO) in 2013, 8.8% of the operating budget of 835 surveyed U.S. colleges and universities came from their endowment funds. As a significant portion of institutions’ operating budgets, the divestment movement advocates that endowment funds need to be invested responsibly in areas that promote cleaner futures for current students and future generations.



Climate Change and the Fossil Fuel Divestment Movement

According to the IPCC Fifth Assessment Report (IPCC, 2014), global emissions in 2010 were 31% above 1990 levels. This drastic rise is attributed to burning fossil fuels and industrial processes that accounted for 78% of the total gas emissions increase from 1970 to 2010. In 2010 fossil-fuel-related carbon dioxide (CO₂) emissions reached 32 gigatonnes and grew 3% between 2010 and 2011, and thereafter 1%-2% in 2012.

To limit warming to 2°C above pre-industrial levels, the IPCC report calls for immediate mitigation measures that require all countries to adopt a single global carbon price, with no additional limitations on technologies that help to reduce CO₂ in the atmosphere (2014, p. 27). This required reduction of green house gases (GHG) is estimated at 40%-70% by 2050. The IPCC report also observed that most of the presented mitigation scenarios include reduced fossil fuel revenues, and cautions that if mitigation policies are not implemented by 2030, the costs will be substantial and more challenging. This report strengthens the case for divestment, by reaffirming the urgency and creating an impetus to urge institutions to divest from fossil fuel companies.

As it is true with any grassroots organizing, the divestment campaign has elicited a plethora of arguments concerning its ability to achieve its goals. Arguments against fossil fuel divestment are focused mainly on the premise that the oil, gas, and coal companies are too big to be brought down. Together these companies are valued at \$4.68 trillion (Clark, 2014) and therefore opponents of divestment say no significant damage will result from divestment of a few billion dollars. However, counter arguments suggest that while divestment is “more symbolic than effective,” this symbolism should not be underestimated as “it has the power to stigmatize the fossil fuels industry”

(Dehaas, 2014). Denying these companies the social license to continue to operate is one of the aims of the divestment movement (Toronto350.org, 2014).

The State of Divestment in Canadian Post-secondary Institutions

At the post-secondary level, preliminary findings show a relationship between existing sustainability policies, and the decision to commit to divestment. In 2012, Unity College in Maine was the first North American College to commit to divestment. At Unity the “Board of Trustees and Financial Affairs Committee have a policy of reviewing the impact that their endowment investments have on sustainability. As a result, on November 5, 2012, the Board unanimously voted to divest the endowment from fossil fuel companies” (Karp, Orlowski & Silverstein, 2014, p. 25). Since then, thirteen U.S. post-secondary institutions have agreed to divest their endowments from fossil fuels.¹

In Canada, the divestment campaign is steadily growing across several post-secondary institutions. So far there are 34 active divestment groups in college campuses that are spread across nine provinces. Thirteen of these campaign groups are in Ontario, eight in British Columbia, four in Nova Scotia, three in Québec, two in New Brunswick, one in Prince Edward Island, one in Manitoba, one in Newfoundland, and one in Alberta.

In many of these 34 active divestment campaigns in Canadian institutions, leadership has primarily been by students, with support gained from other university and community affiliates. At Simon Fraser University for example, the student-led group Sustainable SFU initiated the divestment campaign ‘SFU350’ as one of their projects, and has been seeking support from the larger student body. The campaign has acquired support from SFU Student Society, Graduate Student Society, the Alumni Association, and various departments on campus. Over 100 faculty members showed support for the campaign by writing an open letter to the Board of Governors, stating the case for fossil fuel divestment. In other institutions such as University of British Columbia, University of New Brunswick, and Lambton College of Applied Arts and Technology, individual students and alumni have come together to initiate campaigns. At Dalhousie University, McMaster University, and McGill University, campaigns began as joint efforts of students, alumni, faculty, and community members.

In November 2014, exactly two years after the inception of the student-led divestment campaign, Concordia University became the first university in Canada to agree to partially divestment \$5 million of its endowment from fossil fuels (“Concordia University becomes first,” 2014, n.p.). While this decision may be seen as an important win for the movement, the divestment group at Concordia University, Divest Concordia has termed this decision “a flat-out rejection” of calls to full divestment. Their argument is that if this decision is hailed as a win, other universities may follow suite, undermining the long-term commitment to distancing with fossil fuel companies through partial divestment (“Divest Concordia denounces,” 2014, n.p.).

The divestment campaign has nevertheless seen smaller victories. Students’ Society of McGill University have voted to divest their endowment funds, followed by Dalhousie Student Union who also agreed to divest their \$2.5 million. Student referendums to endorse divestment have also been passed at eleven universities listed below, and these endorsements have increased credibility and momentum of the divestment movement to keep pushing the administration to rethink their investment policies. Other actions have included campus protests, signing of petitions, rallies, climate action workshops, open letters signed by students, faculty, alumni and community members calling for action.

Out of the 34 post secondary institutions with divestment campaigns, the following 12 campuses have had successful votes from students in support of divestment:

- Concordia University
- Dalhousie University
- McGill University
- McMaster University
- Queen’s University
- Simon Fraser University
- Trent University
- University of British Columbia
- University of Guelph
- University of New Brunswick
- University of Victoria
- University of Winnipeg

The following 5 campuses have had successful votes from faculty members:

- Mount Allison University
- Simon Fraser University
- University of British Columbia
- University of Toronto
- University of Victoria

These 6 campuses have written open letters to the administration supporting the student campaigns and stating their case for fossil fuel divestment:

- Concordia University
- Dalhousie University
- Lakehead University
- McGill University
- Simon Fraser University
- University of British Columbia

There seems to be a disconnect between publicly declared sustainability initiatives on various campuses, and actual investment practices. While some campuses have positioned themselves as sustainability leaders, they are still heavily invested in fossil fuel companies (University of British Columbia, 2014). Table 1 shows Canadian post-secondary institutions where divestment campaigns are underway, including the amount of money currently invested fossil fuels.

Name of Institution	Province	Total Endowment	Funds in Fossil Fuels
University of Toronto	ON	1,500,000,000.00	32,400,000.00
University of British Columbia	BC	1,100,000,000.00	120,000,000.00
McGill University	QC	1,000,000,000.00	56,000,000.00
Queen's University	ON	658,000,000.00	
McMaster University	ON	616,000,000.00	-
University of Calgary	AB	538,000,000.00	
Dalhousie University	NS	465,000,000.00	20,300,000.00
University of Victoria	BC	365,000,000.00	21,000,000.00
York University	ON	351,000,000.00	
Simon Fraser University	BC	288,000,000.00	-
University of Guelph	ON	270,000,000.00	40,500,000.00
University of Waterloo	ON	268,000,000.00	-
Carleton University	ON	214,000,000.00	-
University of Ottawa	ON	193,000,000.00	-
University of New Brunswick	NB	189,000,000.00	-
Concordia University	QC	136,600,000.00	10,000,000.00
Mount Allison University	NB	123,000,000.00	-
St. Francis Xavier University	NS	91,000,000.00	-
Lakehead University	ON	65,000,000.00	-
Laurentian University	ON	59,000,000.00	-
Trent University	ON	41,000,000.00	34,000,000.00
University of Winnipeg	MB	41,000,000.00	2,460,000.00
University of King's College	NS	33,000,000.00	-
University of Prince Edward Island	PEI	26,000,000.00	-
Saint Mary's University	NS	25,000,000.00	-
Kwantlen Polytechnic University	BC	258,575.00	11,118.00
Camosun College	BC	-	-
Capilano University	BC	-	-
Langara College	BC	-	-
Vancouver Island University	BC	-	-
Mohawk College of Applied Arts and Technology	ON	-	-
Memorial University	NL		
Université de Sherbrooke	QC		
Sheridan College Institute of Technology and Advanced Learning	ON	-	-

Table 1. Canadian post-secondary institutions that have divestment campaigns, listed by size of their endowment funds.²

The fossil fuel divestment movement is framed as an ethical issue, invoking the social responsibility of post-secondary institutions and other organizations. As observed so far, Canadian institutions can be doing more to divest (Fenton, 2013). To help understand why this is the case, it is important to consider the local context of Canada as an economy that is fueled by the fossil fuel industry. Many livelihoods depend on the industry, including institutions of higher learning, some of which are heavily funded by the fossil fuel industry. Therefore, developing campaign strategies that are sensitive to this unique context is critical to the success of the divestment and the larger climate action movement. One of the ways to do this may be to provide information on alternative investment programs that have been successful in other institutions. Although these may be conversations on a larger scale, organizing forums for discussions on alternative employment opportunities and how communities can move forward beyond fossil fuel energy economy may enable communities to support such campaigns.

End Notes:

¹ College of the Atlantic, Foothill-De Anza Community College Foundation, Green Mountain College, Hampshire College, Naropa University, Peralta Community College District, Pitzer College, Prescott College, San Francisco State University Foundation, Stanford University, Sterling College, Unity College, University of Dayton

²Note: Blank cells indicate that the information was not publicly available. To date, 29 of the divestment campaign institutions are universities, and four are non-Cégep colleges (Beveridge et al., in press)

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PARTNER ORGANIZATIONS

Association for the Advancement of Sustainability in Higher Education
Canadian Centre for Policy Alternatives
David Suzuki Foundation
Learning for a Sustainable Future
Sierra Youth Coalition

CONTRIBUTING ORGANIZATIONS

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