
TO: Senate

FROM: Senator Gregory Mikkelson

SUBJECT: Motion Regarding Divestment from Fossil Fuel – *As approved by Senate on September 12, 2018*

MEETING DATE: September 12, 2018

DOCUMENT #: D17-68

ACTION REQUIRED: INFORMATION APPROVAL/DECISION

BACKGROUND AND RATIONALE: Section 6.3.8 of the McGill Statutes authorizes the Senate to "make such representations, through the Principal, to the Board of Governors as may from time to time become necessary or desirable, touching any claims and needs of the University or any part thereof."

This motion calls for a change in the university's current policy of investing endowment funds in fossil fuel corporations. McGill has divested for moral and political (as opposed to purely financial) reasons at least three times in the recent past: in the 1980's, from companies – including fossil fuel corporations – doing business in South Africa; and in the first decade of the 21st Century, from corporations doing business in Myanmar and tobacco firms. Such divestment campaigns nearly always result in stronger government action effectively reducing the harms caused by offending companies.

www.smithschool.ox.ac.uk/publications/reports/SAP-divestment-report-final.pdf

McGill's mission is "the advancement of learning and the creation and dissemination of knowledge, by offering the best possible education, by carrying out research and scholarly activities judged to be excellent by the highest international standards, and by providing service to society." (<https://www.mcgill.ca/secretariat/mission>) By adopting the Climate and Sustainability Action Plan, the university has begun acting upon the best research, and fulfilling its obligation to society, in this area. This plan commits the university to substantial reduction in the consumption of fossil fuel. Meanwhile however, the university's investment policy contradicts this goal by promoting expansion of the fossil fuel industry. Divesting the endowment from fossil fuel would resolve this contradiction, and help promote the necessary rapid transition to a low-carbon economy. The students we have educated so well have consistently, over a multi-year period, demanded such divestment.

WHEREAS all 196 nations in the United Nations Framework Convention on Climate Change (UNFCCC) have agreed on a target of

limiting emissions to a level that would prevent global temperature increase beyond 2°C above pre-industrial levels, based on research from the Nobel-Prize winning Intergovernmental Panel on Climate Change, in order to "prevent dangerous anthropogenic interference with the climate system";

WHEREAS the major fossil fuel companies severely impair the global community's ability to adhere to the UNFCCC's protocols, by continuing exploration and extraction of fossil-fuel reserves beyond sustainable limits, and by actively undermining the transition toward renewable and sustainable energy sources;

WHEREAS divestment campaigns have historically been a successful means by which public institutions can apply pressure on and change the practices of regimes and industries engaged in documented social injury;

WHEREAS McGill University has a proud history of socially responsible investment, divesting from companies doing business in South Africa's apartheid regime in 1985, and divesting from tobacco companies in 2007;

WHEREAS Cambridge, Oxford, and more than 60 other institutions of higher education in the UK; Stanford, Columbia, and more than 40 others in the US; the University of Laval in Canada; and many others around the world have already committed to partial or full divestment from fossil fuel companies; and

WHEREAS organizations that together represent all students, professors, and librarians at McGill have passed resolutions with strong majorities, calling for divestment of the endowment from fossil fuel – i.e., the Students' Society of McGill University (SSMU), Post-Graduate Students' Society (PGSS), and McGill Association of University Teachers (MAUT) – as have the faculties of Arts and Law and the McGill School of Environment;

**MOTION
APPROVED BY
SENATE:**

BE IT RESOLVED that Senate inform the Board of Governors, through the Principal, that it favours, in principle, a move to divest the endowment from all companies whose primary business is the extraction, distribution, and/or sale of fossil fuels; and from all mutual funds that invest in such companies.
