



# MOTION REGARDING POLICY ON MORATORIUM ON MCGILL FEES UNTIL FOSSIL FUEL DIVESTMENT 2019-09-26

Submitted for: October 10, 2019

**WHEREAS**, the climate crisis is the most pressing issue faced by our generation;

**WHEREAS**, the fossil fuel industry, through its exacerbation of the climate crisis, undeniably causes grave social injury;

**WHEREAS**, the Students' Society of McGill University ("the Society")'s Constitution declares our commitment "to demonstrating leadership in matters of human rights, social justice, and environmental protection<sup>1</sup>";

**WHEREAS**, the Society's Climate Change Policy outlines our commitment towards fossil fuel divestment and associated advocacy efforts<sup>2</sup>;

**WHEREAS**, the present climate crisis and fossil fuel extraction have, and will continue to, disproportionately affect marginalized communities who have contributed least to global carbon emissions<sup>3</sup>;

**WHEREAS**, the Society updated its Equity Policy<sup>4</sup> at its April 5, 2018 meeting of the Legislative Council and is committed to recognizing and challenging current and historical processes of oppression;

**WHEREAS**, the McGill University Board of Governors' Committee to Advise on Matters of Social Responsibility (CAMSR) is currently re-considering the matter of divestment from fossil fuels, and is expected to present a recommendation to the Board of Governors by the end of the calendar year;

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<sup>1</sup> [Constitution of the Students' Society of McGill University](#)

<sup>2</sup> [Climate Change Policy 2016-10-15](#)

<sup>3</sup> [Report of the Intergovernmental Panel on Climate Change: "Global Warming of 1.5°C"](#)

<sup>4</sup> [Motion Regarding the SSMU Equity Policy 2018 2018-04-05](#)



**WHEREAS**, CAMSR’s previous rejections of divestment from the top 200 fossil fuel companies worldwide<sup>5 6</sup> raise concerns over their unwillingness to consider student voices and community feedback, and therefore points to the need for student-led pressure;

**WHEREAS**, monies held by public institutions ought to serve the public interest, which stands opposed to financially supporting fossil fuel companies whose lobbying and extraction activities are directly responsible for the greatest existential threat humanity has faced to date;

**WHEREAS**, in addition to those monies provided by donors and kept in an investment portfolio replete with fossil fuel holdings, projects and activities at the University are funded in large part by tuition and other fees paid by students;

**WHEREAS**, frais institutionnels obligatoires (FIOs), or Ancillary Fees, are mandatory fees charged to students and dedicated toward a particular unit or program, and may cover costs such as technology improvements, student life, support services, and sports or recreational activities;

**WHEREAS**, aside from annual adjustments for disposable household income per capita (DHIC), the creation or modification of an FIO requires approval from the student body via Referendum<sup>7</sup>;

**WHEREAS**, Section 6 (Fees), Article 6.3 of the Internal Regulations of Finance states “The Legislative Council and the Board of Directors reserve the right to reject a proposed Ancillary Fee question outright;”

**BE IT RESOLVED, THAT** the Society establish a Policy on the Moratorium on considering Referendum questions for new Ancillary Fees, increases to existing Ancillary Fees, or any other new fees or increases to existing fees that McGill University wishes the Society to send to Referendum for approval by the Membership until McGill University:

1. Divests from its investments in companies whose primary business is the extraction, distribution, and/or sale of fossil fuels, per Appendix A; and
2. Pledges to refrain from investing in 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 in the future;

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<sup>5</sup> [McGill University Board of Governors: “Report of the Committee to Advise on Matters of Social Responsibility” GD12-55](#)

<sup>6</sup> [McGill University Board of Governors: “Report of the Committee to Advise on Matters of Social Responsibility” GD 15-44](#)

<sup>7</sup> [Comité consultatif sur l’accessibilité financière aux études: “Droits de scolarité et frais institutionnels obligatoires dans les universités ainsi que montants forfaitaires exigés des étudiants canadiens non résidents du québec et des étudiants internationaux 2019-2020”](#)



**BE IT FURTHER RESOLVED, THAT** the Society’s Executives be mandated to form a “No” Referendum committee should McGill University force a vote on new Ancillary Fees, increases to existing Ancillary Fees, or any other new fees or increases to existing fees upon the student body until McGill University:

1. Divests from its investments in companies whose primary business is the extraction, distribution, and/or sale of fossil fuels, per Appendix A; and
2. Pledges to refrain from investing in 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 in the future;

**BE IT FURTHER RESOLVED, THAT** the Vice-President (University Affairs) communicate this position immediately to the Principal and Vice-Chancellor, the Chair of the Board of Governors, the members of the Board of Governors, the Chair of CAMSR, and the members of CAMSR, per the letter in Appendix B;

**BE IT FURTHER RESOLVED, THAT** this Policy remain in force until May 1, 2024.

Moved By:

Bryan Buraga, *President*

Seconded By:

Rohan Bhutkar, *Science Representative*



## APPENDIX A

### List of McGill University's Investments in Fossil Fuels as of June 30, 2019<sup>8</sup>

1. SUNCOR ENERGY INC
2. CANADIAN NATURAL RESOURCES LTD
3. ENBRIDGE INC
4. ROYAL DUTCH SHELL PLC
5. PEMBINA PIPELINE CORP
6. BP PLC
7. CENOVUS ENERGY INC
8. BASF SE
9. RIO TINTO PLC
10. REPSOL SA
11. ENI SPA
12. ENGIE SA
13. BHP GROUP LTD
14. AGL ENERGY LTD
15. ANGLO AMERICAN PLC
16. ARCELORMITTAL
17. CLP HOLDINGS LTD
18. ITOCHU CORP
19. MITSUBISHI CORP
20. INPEX CORP
21. NATIONAL FUEL GAS CO
22. OIL SEARCH LTD
23. OMV AG
24. SANTOS LTD
25. SOUTHWESTERN ENERGY CO
26. WOODSIDE PETROLEUM LTD

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<sup>8</sup> This list was compiled by cross-referencing [McGill University's equity holdings](#) with the [Carbon Underground 200™ Companies List](#), which identifies the top 100 coal and the top 100 oil and gas publicly-traded reserve holders globally, and the [Banking on Climate Change 2018 report](#), which identifies companies carrying tar sands oil via pipeline out of Alberta.



## APPENDIX B

Dear:

McGill University Board of Governors

McGill Committee to Advise on Matters of Social Responsibility (CAMSR)

Dr. Suzanne Fortier; Principal and Vice-Chancellor

Mr. Ram Panda; Chair of the Board of Governors

Ms. Cynthia Price Verreault; Chair of CAMSR

During the first McGill Senate meeting of the 2019-2020 academic year, Principal and Vice-Chancellor Fortier, said that “the planet cannot wait” for us to take action against the devastating effects of climate change. Principal Fortier was right. It cannot. The planet cannot wait for institutions like McGill University to do the right thing after coming short time and time again. The planet cannot wait for corporations and investors to realize that individual sacrifice means nothing unless those with the resources to effect real, systemic change sacrifice too. The planet cannot wait for McGill to take any longer in divesting its endowment from the fossil fuel industry.

For years, student groups like Divest McGill and their allies have been educating our University on the unfathomably destructive impact of the fossil fuel industry and pushing our University to do better. For years, McGill has declined to listen to its own students, its own scientists, and most recently, its own Senate. In this time, it has become clear to us that few avenues actually exist to guarantee that our University makes decisions in its whole community’s best interest, while being held to the standards that are set by the community that it governs, a line of thought rendered paradoxical when one takes into account the fact that without the financial contributions of its community (namely students) the University would cease to be able to function at all.

The Students’ Society of McGill University (SSMU) is a proud member of the James McGill Circle, a select group of benefactors, foundations, and organizations that have donated \$1 million or more to McGill University. Over the course of decades, the generosity of our students have contributed to all aspects of our University. However, our donations should not be taken for granted. As the University continues to ignore our wishes to have our endowment divested from fossil fuel companies, we, the over 23,000 undergraduate students that the SSMU represents, in good conscience and in recognition of present climate emergency, cannot continue to support McGill University in this way.

It is for this reason that the SSMU has adopted a policy which imposes a complete and total Moratorium on considering new Ancillary Fees, increases to existing Ancillary Fees, or any other new fees or increases to existing fees that McGill University wishes to send to referendum for approval by the SSMU membership, until McGill University divests from its investments in companies whose primary business is the extraction, distribution, and/or sale of fossil fuels, and pledges to refrain from



**Office of the Speaker | Bureau du président du conseil**

Tel: (514) 398-6800 | Fax: (514) 398-7490 | [speaker@ssmu.ca](mailto:speaker@ssmu.ca)

3600 McTavish St., Suite 1200, Montréal, QC, H3A 0G3

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investing in 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 in the future. This policy will remain in effect until May 1, 2024, at which time it may be considered for renewal.

In the University context, where those most interested in affecting genuine change are often also the most underrepresented on our governing bodies, holding these bodies accountable can seem next to impossible. Trust in McGill's institutions is eroding, and this Moratorium is nothing if not proof of that. In order for this trust to be restored, McGill must prove that the community that it serves is truly its priority by divesting from fossil fuels. Until then, the SSMU will act in the interests of the community that McGill University continues to ignore.

Kindest regards,

The Students' Society of McGill University

APPROVED