

Leading by Degrees

Universities and Fossil Fuel Divestment

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Tom Swann

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Level 5, 131 City Walk
Canberra City
ACT 2601
Tel: (02) 6130 0530
Email: mail@tai.org.au
Website: www.tai.org.au

Summary

The social movement for fossil fuel divestment has grown faster than any similar movement. Since starting on university campuses in the United States and Australia, there are now campaigns on campuses around the world, including most Australian universities.

Globally, 32 universities have made some sectoral divestment commitment. The Australian National University (ANU) and the University of Sydney (USYD) recently made partial commitments, although they retain exposure to coal, oil and gas. Many other universities have rejected divestment, including in Australia, while others are reviewing their policies.

In early work on divestment, The Australia Institute explored ethical, financial and legal issues for universities and other institutions to consider regarding different approaches to fossil fuel investments.¹ As the debate about university divestment continues, universities will also consider the community's attitudes and changing expectations.

This report begins by outlining the fast growing campus divestment movement, globally and in Australia, and explores the debate about the 'moral university' and fossil fuels. It then explores the first national poll to assess public attitudes towards universities' ethics and investments, conducted following the national controversy around the ANU divestment decision.

The survey data show broad support for universities investing ethically, and for the idea that universities should avoid fossil fuel investments. The data suggest university divestment decisions would attract more support than criticism from the public and alumni.

Indeed, many people who agree universities should avoid fossil fuel investments are not currently prepared to change their own superannuation to avoid investments in coal or coal seam gas. Yet many people also say university divestment would make them more likely to switch funds.

9 in 10 people agree universities should operate according to the "highest ethical standards". Half strongly agreed. 4 in 5 think universities, when investing, should consider ethical as well as financial factors in mind.

3 in 5 think universities should avoid investments in fossil fuels – 2 in 5 agreed, while 1 in 5 strongly agreed. 1 in 5 disagreed; 1 in 5 were not sure. There was similar agreement with universities putting more funding into on-campus sustainability.

Among those who agree with the science of human-caused climate change, two thirds agreed with universities avoiding fossil fuels. However, 1 in 10 people agreed with the science but did not agree with university divestment, while 1 in 10 agreed with divestment but did not agree with the science.

A common criticism of ethical investing is that it leads to lower returns on average. Theoretical and empirical studies challenge this criticism in many cases and previous surveys show people generally agree ethical investing leads to about average returns.

Regardless, people who agree universities should invest ethically, or avoid fossil fuels, are likely to think universities should do so *even if* it leads to slower growth or lower returns in some cases. Around 1 in 10 disagree; they think it is permissible *only* with maximised returns.

¹ The Australia Institute, (2014) *Climate Proofing Your Finances, Moving Funds out of Fossil Fuels*

The survey asked alumni whether they would be more or less likely to donate to their university if they divested. 17 per cent were much more likely, compared with 7 per cent much less likely – a net increase of 10 per cent being much more likely to donate. Forcing respondents to take a position on this question resulted in 60 per cent being a “somewhat more likely”. In other words, those who are unsure or lack strong opinions do not seem likely to withhold donations as a result of such decisions.

The survey also asked about divestment of superannuation accounts.

Would people be willing to change their super fund if it were found to be investing in coal and coal seam gas? 28 per cent said ‘yes’, 37 per cent ‘not sure’ and 35 per cent no. Since TAI last asked this question, in early 2013, ‘no’ responses dropped 8 per cent while ‘not sure’ increased 5 per cent and ‘yes’ 3 per cent.

It is clear that many people hold universities to stricter standards than those to which they hold themselves. 3 in 5 agree universities should avoid fossil fuels, but only 1 in 4 were prepared to switch their own fund.

It is also clear that in most cases stated values do not match actions. Many say they are prepared to switch, yet most people remain in funds which invest in fossil fuels

The data also suggest divestment by universities and other institutions could influence the choices of the wider community. If superannuation funds provided the option to avoid these industries, this may lead to more people investing in accordance with their stated values

The survey also asked whether people thought divestment decisions from “universities, religious groups and local councils” would make them more likely to switch funds. 43 per cent said they would be more likely, including 15 per cent much more likely. Half said it would have no impact.

Among people who said they were currently not prepared to switch funds, many said divestment decisions from universities and other institutions would make them more likely to do so – this accounted for 1 in 5 of all respondents.

In short, many people appear to view universities as leaders in these issues. Campaigns calling for leadership through divestment are likely to draw support from these sentiments held in the community.

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The global fossil fuel divestment movement

The ‘fossil free’ movement started as student campaigns on university campuses, spreading across the United States in 2012. Across the world there are now hundreds of campus campaigns underway across the world, with at least 17 in Australia.²

The fossil fuel divestment movement is the fastest growing divestment movement in history, according to a major 2013 Oxford University study.³ According to 350.org, 32 higher education institutions have pledged to make some form of sector-wide divestment from fossil fuels.⁴ In April 2014 Stanford committed to divest from the world’s 100 largest publicly listed coal companies, ranked by carbon reserves. In May 2015, Oxford University banned direct investments in coal and tar sand oil, formalising an existing portfolio exclusion, already in place due to financial risk. Other universities divesting include San Francisco State, Edinburgh, Glasgow, College of Marshall Islands and Victoria University in Wellington.

Other universities have rejected calls for divestment. Harvard and Yale have publicly restated their decision not to divest a number of times. Even 350.org founder Bill McKibben’s university Middlebury College has rejected divestment.

Similarly, Australian universities have so far largely either rejected calls for divestment, or are still considering their response. However, there have been some partial divestment commitments from the Australian National University (ANU) and the University of Sydney (USYD), discussed below. The Royal Australasian College of Physicians recently announced it would avoid a ban on fossil fuel investments, citing health impacts.

Beyond student campaigns and universities, there have been many more divestment decisions from other institutions, including:

- Norway’s \$US900 billion wealth fund
- Cities of San Francisco, Seattle, Oxford and Oslo (capital of Norway),
- the World Council of Churches,
- the British Medical Association,
- the Rockefeller Brothers Fund,
- and the Guardian, as part of its on going “Keep it in the Ground” campaign.

In Australia there are fossil fuel divestment decisions from the Uniting Church, Anglicans, Quakers, and six local governments. There have also been commitments from a number of superannuation funds, including UniSuper, the fund for Australian university employees.

Nonetheless, student campaigns are drawing significant attention. At the end of 2014, when *The Australian* ranked the top 50 most influential ‘people’ in higher education, the ‘fossil free movement’ ranked at number 39. *The Australian* said:

Vested interests might have tried to undermine the fossil-free movement over ANU’s decision to divest \$16m in fossil-fuel share holdings [sic], but take a look overseas and all the evidence

² 350.org (2015a) “Fossil fuel divestment campaigns – colleges and universities”,

³ Ansar, A, Caldecott, B, James Tilbury, J, (2013) “Stranded assets and the fossil fuel divestment campaign: what does divestment mean for the valuation of fossil fuel assets?” Smith School of Stranded Assets, Oxford University,

⁴ 350.org (2015b) “Fossil Free – Commitments”,

*points to the fact that this movement is here for a long haul — and they are not going to be intimidated by the status quo.*⁵

The number and volume of divested funds remains small, relative to the size of the fossil fuel industry. Nevertheless, the financial world is paying attention. A senior analyst from AXA Investment Managers, with €600 billion under management, wrote about divestment driving “reputational risk” from debate on “moral issues” relating to climate impacts.⁶ Similarly, a note from Swiss banking giant UBS (via UBS Global Research), saw

the fossil fuel disinvestment campaign as potentially effective movement, defined as one that will act as a catalyst for change.

*Why? Because many of those engaged in the debate are the consumers, voters and leaders of the next several decades. In our view, this single fact carries more weight than any other data point on the planet for this issue: time, youthful energy and stamina are on the side of the fossil fuel divestment campaign.*⁷

As the Oxford study argued, divestment has a historical record as an effective political strategy for building support for mitigating damage from certain industries, in time leading to regulatory risk and changed ‘market norms’. This seems the best explanation for the increasingly hostile attitude towards the movement from fossil fuel companies and lobbies.

Australian universities and divestment

Royal Australasian College of Physicians

The Royal Australasian College of Physicians (RACP) is the representative and training body for close to 20,000 specialist physicians and paediatricians.

On 3 June, RACP president (Laureate Professor at University of Newcastle) announced the RACP foundation would no longer invest in companies materially involved in fossil fuel activities. The statement said “the RACP is a health organisation with an objective of improving the health of our population” and noted the health impacts of fossil fuels which prompted the decision. It said this was just the “first step to the College playing a leadership role”.⁸

The Australian National University

Probably the highest profile divestment decision in Australia was at the Australian National University (ANU). This is surprising, given that the university did not actually divest from fossil fuels.

In October 2014, ANU divested from seven resource stocks, equivalent to 1 per cent of its portfolio, on grounds of poor ‘environmental, social and governance’ (ESG) performance.⁹

⁵ The Australian, (2014), “Higher Education top 50, part two – The most influential people of 2014”,

⁶ Florez, L (2015) “Climate change is an investment play for today”, AXA Investment Managers,

⁷ Quoted in Legget, J, (2014) “UBS: Divestment will catalyse “significant, structural” change in energy.”, The Winning of the Carbon War,

⁸ RACP (2015) “The President’s message – 3 June”, accessed online 5 June, [url<http://www.racp.edu.au/page/news/announcement&announcementid=AD5DAD95-0CF6-8D31-318A4ACFDA751A76>](http://www.racp.edu.au/page/news/announcement&announcementid=AD5DAD95-0CF6-8D31-318A4ACFDA751A76)

⁹ ANU (2014) “University to divest holdings in seven companies”, Press Release 3 October,

ANU's decision led to enormous public controversy—including criticism from the Prime Minister and five federal cabinet ministers, mining lobby group the Minerals Council of Australia, and the companies from which the university divested. There were 53 stories on the topic in the *Australian Financial Review* over one month.¹⁰

As the criticism escalated, the ANU received thousands of emails of support from the public and from alumni, with 10 per cent in criticism.¹¹ Ex-Prime Minister Malcolm Fraser and ex-Liberal Party leader John Hewson, along with business people and 10,000 members of the public, signed an open letter in support of ANU's freedom to make such a decision without being 'bullied'.¹² The ANU staff union branch wrote in support of the decision; higher education commentator Stephen Matchett suggested other vice chancellors might "go green" to "make friends" with their traditional opponents.¹³

A number of commentators questioned the way the ANU made and announced its decision, rather than the decision itself. ANU climate economist Frank Jotzo wrote the reaction showed the power of divestment, but also wrote that "in divesting, universities need to make doubly sure to consult extensively, explain rationales, set clear benchmarks, define criteria, and make their assessments open to scrutiny."¹⁴ Leeora Black from the Australian Centre for Corporate Social Responsibility said:

*In the end, they failed the politeness test. From the outset there needed to be more engagement with the companies.*¹⁵

Much of the media coverage portrayed the ANU as having divested from coal, or all fossil fuels. This was not the case. Indeed, because ANU screened out companies and not sectors, it is likely to have bought more fossil fuel shares and may therefore have increased its carbon footprint.

The University of Sydney

After initially rejecting divestment, USYD faced criticism of its investment in pure-play coal miner Whitehaven. In August 2014 USYD 'froze' its investments in coal.¹⁶ It then conducted a review of its investment policies.

In February 2015, the University of Sydney (USYD) committed to reduce its portfolio carbon by 20 per cent over three years.¹⁷ The announcement included a number of other reporting and implementation measures, including joining the UN-backed Portfolio Decarbonisation Project.

USYD did not say which companies from which it would divest. However it emphasised reducing carbon across the whole portfolio, not just fossil fuels. John Hewson lauded this approach as "more professional" than straight divestment but criticised the lack of

¹⁰ Swann, T (2014) "By the numbers: The *Fin's* divestment obsession," *Crikey*, 6 November,

¹¹ Young, I, in Education and Employment Legislation Committee – Estimates, 22 October 2014,

¹² Aston, H (2014) "John Hewson and Malcolm Fraser blast Liberals over ANU divestment backlash", *Sydney Morning Herald*,

¹³ Matchett, S (2014). "Memo VCs: go green make friends" *Campus Morning Mail*,

¹⁴ Jotzo, F, (2014) "Outrage at ANU divestment shows the power of its idea", *The Conversation*, 13 October,

¹⁵ Shanahan, L, (2014) "Uni defends Santos mutuality" *The Australian*, 24 October,

¹⁶ Hannam, P, (2014) "Sydney university creates waves with investment ban on coal", *Sydney Morning Herald*, 26 August,

¹⁷ USYD, (2015), "University of Sydney takes leadership position on carbon reduction", Press Release 9 February,

transparency around how USYD would meet its own targets.¹⁸ USYD said it intended to model behaviour for other investors. Campus campaigners said the approach:

*should already be a standard industry wide. However, Sydney University should aim higher than standard. It's five minutes to midnight on climate change... We, as a university community, must do more*¹⁹

Other universities – rejections and reviews

Many Australian universities have rejected calls for divestment. Universities that have made explicit rejections include University of New South Wales, University of Adelaide and University of Canberra.

Melbourne University previously rejected divestment, while indicating it might provide a sustainable option for donors. Melbourne University is now reviewing its investment policies.

A number of other universities are also considering their policies, including University of Technology Sydney and Monash University.²⁰

On investments at Australian universities

Investment income

Australian university investments are relatively modest. University financial statements show investments worth \$8.9 billion in 2013 across the sector. All Australian universities received \$962 million in “investment income”, equivalent to 3.7 per cent of all university revenue.²¹ Many universities receive very little investment income. Table 1 shows the universities where investment income is the largest share of total revenue.

Table 1 – Investment income as share of revenue, Top 5 universities in 2013

Investment income, as share of revenue, 2013	
University of Sydney	9.5%
University of Western Australia	8.7%
Australian National University	7.7%
Melbourne University	6.4%
Murdoch University	6.4%

¹⁸ Asset Owners Disclosure Project, (2015a), “AODP Praises University of Sydney’s Risk-Based Divestment; Gauntlet Thrown Down to Sector Laggards”, Press Release,

¹⁹ 350.org Australia (2015) “Sydney University’s partial divestment plan a positive but they can an must do better”, Press Release,

²⁰ Dodd, T, (2014) “The Thankless Lot of a Resources Company”, *The Australian Financial Review*, 13 October,

²¹ Department of Education (2014) *University Finance Publications*,

By comparison, many US universities have very large endowments. The biggest, at Harvard, is worth over \$US36 billion, distributing \$1.5 billion in the 2012-13 financial year, or a third of Harvard's budget.²²

Other sources of revenue across the Australian sector in 2013 include

- government payments and student fees – \$21 billion, 83 per cent of revenue.
- “consultancy and contracts” – 6.7 per cent
- non-government grants – 1.4 per cent
- donations – 1.1 per cent²³

Legal situation

Universities manage investments under powers and responsibilities given in founding laws and regulations, in most cases state law. The legal situation is different with each university and even across different funds within universities. University administrators often talk about ‘fiduciary duties’; in general these are not necessarily strict trustee duties, however there are often trust deeds covering certain funds.

Some universities face general ethical obligations. For example, the *Australia National University Act 1991* says “In the performance of its functions, the University must pay attention to its national and international roles and to the needs of the Australian Capital Territory and the surrounding regions.”²⁴ Such general requirements arguably extend to their investments although this does not appear to have been tested.

Some universities have ‘socially responsible investment’ policies which include bans on investing in certain industries. For example, University of Newcastle’s Investment Policy reads “there will be no investments in alcohol, tobacco or gambling.”²⁵

Climate Proofing Your Finances contains further detail on the financial and legal situation for universities and other institutions regarding divestment.²⁶

Carbon risk management

While the social movement typically focuses on moral arguments about fossil fuels, there are also strong concerns about the level of financial risk management and transparency in university investments.

The recent Asset Owners Disclosure Project (AODP) Global Universities Index shows that “Universities are worse at managing climate change risk than other asset owner types”.²⁷ Using a methodology similar to that AODP used to rank large investment funds, only three

²² Harvard (2015) *Harvard Endowment at a Glance*,

²³ Department of Education (2014) *University Finance Publications*

²⁴ *Australian National University Act 1991*, Section 5(2), accessed online April 10
url:<<http://www.comlaw.gov.au/Details/C2014C00377>>

²⁵ University of Newcastle (2015) *Investment Policy*, Accessed online 10 April,
url:<<https://www.newcastle.edu.au/about-uon/governance-and-leadership/policy-library/policy>>

²⁶ The Australia Institute, (2014) *Climate Proofing Your Finances, Moving Funds out of Fossil Fuels* accessed 10 April, url:<<http://tai.org.au/content/climate-proofing-your-investments-moving-funds-out-fossil-fuels>>

²⁷ Asset Owners Disclosure Project (2015b), *The Global Universities Index*, accessed online 10 April,
url:<http://aodproject.net/images/docs/AODP_GUI.pdf>

Australian universities found a positive ranking, and only Charles Sturt University actively participated in the survey. Andy Vann, Charles Sturt University vice chancellor, said

*People may be worried about scrutiny. We took the view that ethical investment is something we're all thinking about and that we might as well be transparent about it.*²⁸

Controversy about university divestment

Debates about fossil fuel divestment at universities typically focus on questions of values, impact and risk. Is divestment consistent with the values of this institution? Will it have any environmental impact? Is it risky?

Previous work from The Australia Institute explored the substantive ethical, legal, financial and environmental dimensions of divestment.²⁹ Here attention is drawn to moral questions about the role of universities.

University values

Explanations of divestment decisions, whether to divest or not to, often appeal to consistency with values and the themes of concern to teaching and research at the university. This was seen in the divestment explanation from ANU vice chancellor Ian Young:

*For a university like ours, which is, for instance, a major researcher in environment and alternative energy, we need to be able to put our hand on our heart when we talk to our students and to our alumni and to our researchers and be able to say that we're confident that the sort of companies that we're investing in are consistent with the broad themes that drive this university.*³⁰

The vice chancellor of Victoria University of Wellington explained their decision to divest:

*The University recognises that the world is still reliant on the fossil fuel industry and the intent of this decision is not to vilify responsible companies in the sector. It is important, however, that the University aligns its investment decisions with the results of its scientific research and its public stance on climate change while it continues to work on actively reducing its own carbon footprint.*³¹

Similarly, Stanford argued it would divest from coal because this was consistent with the values and requirements of its socially responsible investment policy; this was “a small, but constructive, step while work continues, at Stanford and elsewhere, to develop broadly viable sustainable energy solutions for the future.”³²

Advocates further point out the inconsistency between educating the next generation of society while investing in industries known to cause long term damage.³³

By contrast, universities rejecting divestment have appealed to the importance of respecting and working closely with fossil fuel industries. The University of New South Wales (UNSW)

²⁸ Hare, J, (2015), “Charles Sturt University only local to join fossil fuel survey” *The Australian*, 28 January,

²⁹ The Australia Institute, (2014) *Climate Proofing Your Finances, Moving Funds out of Fossil Fuels*

³⁰ Young, I, (2014) “ANU selling out of resources”, on *Lateline*, 8 October,

³¹ Victoria University, (2014), “Victoria University to Review its Investments in Carbon Emitting Fossil Fuels”, Press Release,

³² Stanford, (2014) “Stanford to Divest from Coal Companies” Press Release, 7 May,

³³ McKibben, B, (2015), “Universities should keep leading Australia's push to divest from fossil fuels”, *The Guardian*, 9 April,

rejected divestment saying “we will have greater impact in addressing climate change through partnerships than via token political actions.”³⁴ In response to ANU divesting shares in oil and gas company Santos, Warren Bebbington of the University of Adelaide (UoA) rejected divestment and defended UoA’s long connection with Santos, including substantial funding into oil and gas extraction:

*Our relationship has been built on principles of mutual respect, research excellence and a shared interest in supporting the best and brightest students who seek careers in that industry.*³⁵

Critics of divestment have also focused on the inconsistency of using fossil fuel energy while divesting from fossil fuel stocks. UNSW pointed to its low per-student emissions as superior form of leadership to divestment, while ANU was criticised for its high per-student emissions.³⁶ That criticism was somewhat unfair, given ANU is a research-intensive campus with many students living on campus; nonetheless, ANU’s previous attention to emissions targets appears to have waned, with management recently focusing on renegotiating energy contracts more than reducing energy use.³⁷

Other criticisms focus on the idea that divestment is not itself a sound policy response. For example, ANU economist Warrick McKibbin said

*No, I disagree with that decision. ... You need proper, clear, transparent policies such as carbon pricing. You don't get the sort of adjustment we need by these token gestures by institutions like a university.*³⁸

It is right to conclude that such decisions do not have the economic impact of a carbon pricing policy. However it is more appropriate to ask whether such decisions may influence support for climate policy, rather than than a substitute.

The strong response from the industry and its supporters would at least strongly suggest they consider it has some impact on building support for climate mitigation policy.

‘The moral university’

Beyond the idea of consistency with research or teaching themes, there have been broader debates about the role of moral or political questions in university operations and engagement with broader political debates.

It appears that no Australian university has endorsed or even addressed the idea of ‘unburnable carbon’. This is the idea that securing a reasonable chance of avoiding dangerous climate change requires leaving most known reserves of carbon in the ground. Unburnable carbon has been endorsed by the UN, the International Energy Agency, the Bank of England and the US envoy on climate change, and consequent risks of stranded assets have been assessed by numerous financial analysts.³⁹

³⁴ UNSW, (2014) “Statement on fossil fuel divestment”, Press release, 27 October,

³⁵ Shanahan, L, (2014) “Uni Defends Santos Mutuality”, *The Australian*

³⁶ Dodd, T, (2014) “The Thankless Lot of a Resources Company” *the Australian Financial Review*, 12, October,

³⁷ ANU management public budget presentation to ANU staff, early 2015.

³⁸ McKibbin, W, (2014) “Creative Thinking Needed on the Budget”, *Lateline*, 8 October,

³⁹ See discussion in Denniss, R, Swann, T (2015) “Strand or Be Stranded: the Growing Case for Divestment” in *Australian Quarterly*,

Jeffrey Sachs, prominent economist and special advisor to the UN, noted the common view that universities are there to pursue teaching and research only, and are beyond that amoral. As an example of this view, Sachs cites Harvard President Drew Faust, who rejected divestment on the following grounds:

Conceiving of the endowment not as an economic resource, but as a tool to inject the University into the political process or as a lever to exert economic pressure for social purposes, can entail serious risks to the independence of the academic enterprise. The endowment is a resource, not an instrument to impel social or political change.⁴⁰

This statement is often cited in defence of decisions not to divest. For example, UNSW cited this paragraph in support of its decision not to divest.

Sachs says the attempt to view the university in this way is “morally wrong” and “corrosive” of the institution. He contrasts this view of universities with a broader conception of the ‘moral university’. Sachs urges that

We should strive to revive moral discourse as a university community, drawing on the experts within our own community ... We should take up important moral challenges in the University's relations with the broader world, including divestment policies.⁴¹

Interestingly, Sachs does not endorse divestment as a first step. On his view, universities should develop strict standards for *responsible* fossil fuel companies, attempt to drive companies towards these standards, then divest the *irresponsible* companies. This ‘investment principles’ approach is attracting increasing attention from academics, citing precedents in previous divestment campaigns.⁴²

As well as seeking to influence public debates on fossil fuels, university decisions may influence the decisions of others – not merely other universities. USYD stated it aimed to model behaviour for large investors. But university decisions may also influence consumer preferences, for example choice of superannuation. In turn this may drive change in the finance industry.

What does the community think?

Beyond substantive debates about divestment, there have increasingly been debates about the legitimacy or public support for calls for divestment.

Campaigns for divestment have sought to demonstrate support for divestment amongst the university community. This includes through petitions, letters to administrators, open letters from staff,⁴³ and referenda among students on campus – summarised in Table 2 (next page).

The referenda results suggest strong support for divestment among the student bodies. But although thousands of students participated each case, the referenda represent small proportions of the student populations and do not assess staff and alumni opinions.⁴⁴

⁴⁰ Faust, D, (2013) “Fossil fuel divestment statement”, Harvard,

⁴¹ Sachs, J, (2015) “What is a Moral University in the 21st Century?”, Speech at Columbia University, 2 April,

⁴² Briggs, H, (2015) “Fossil fuels: Scientists draw up investment principles”, *BBC News*, 21 March,

⁴³ Hannam, P, (2014) “UNSW's fossil fuel stance 'a complete failure of leadership’”, *Sydney Morning Herald*, 27 October,

⁴⁴ Aitkin, D, (2014) “On Divestment”, *Online Opinion*, 21 October,

There seems to be no organised campus movement against divestment in Australia. Nonetheless, some students have been critical. One student wrote “The divestment campaign is an answer seeking a question, as most of the assumptions behind the campaign are simply incorrect.”⁴⁵ Spokesperson for the Australian Liberal Students Association (ALSF) Michael Lesh said “A small minority is saying something (divest from fossil fuels), so we need to come out and represent the majority”.⁴⁶

Similarly, coverage of the ANU divestment decision often highlighted the influence of a minority of activists, suggesting this influence was undue and therefore not representative.⁴⁷ As noted, during the controversy about the ANU divestment decision, the ANU was not only criticised by a range of government politicians and business groups; it also received substantial public support.

Table 2 – Results from student campus referenda on divestment⁴⁸

	% voted in support of divestment	Number voted (valid)	Undergraduate population ⁴⁹	Votes as % of undergraduates
ANU ⁵⁰	82%	1957	10,013	20%
USYD ⁵¹	80%	3733	33,077	11%
UTS ⁵²	74%	2334	23,950	10%
UniMelb ⁵³	97%	1876	24,493	8%
UNSW ⁵⁴	78% (9% unsure)	1300	32,140	4%

There appears to be little existing public polling on public attitudes towards universities, and none on the topic of universities, the environment and investment.

Universities Australia survey

In 2012 Universities Australia conducted research into attitudes towards universities, polling 1000 from the public and 300 businesspeople.⁵⁵

⁴⁵ Torres, C, (2014) “Fossil Fuel Referendum: Vote No”, *Honi Soit*, 22 September,

⁴⁶ McHugh, B, (2015) “Liberal Students Oppose University Mining Shares Divestment”, *ABC*, 19 January,

⁴⁷ Potter, B. (2014) “ANU Vice Chancellor Had Interest In Blacklisting” *The Australian Financial Review*, 14 October,

McHugh, B, (2014) “Activists Support ANU Mining Shares Divestment Despite Fallout”, *ABC Online*,

⁴⁸ Some (at ANU and USYD) were conducted by independent returning officers during election of student union representatives. UNSW’s student referendum was conducted online by the Student Representative Council, but not during other elections. Others referenda were conducted as surveys by campaigners.

⁴⁹ In 2013, *Higher Education Statistics*, Undergraduate Enrolments, Department of Education,

⁵⁰ ANUSA (2014) Referendum.pdf, in “Scrutiny Sheets – ANUSA Elections 2014”,

⁵¹ Gooding, J, (2014), “Switchroots win SRC majority, 80% vote for divestment”, *Honi Soit*, 1 October,

⁵² Hannam, P, (2014), “UNSW's fossil fuel stance 'a complete failure of leadership'” *Sydney Morning Herald*, 27 October,

⁵³ Dalton, S, (2014), “Support to divest put to the test”, *Farago*, 23 October

⁵⁴ Data from 350.org Australia

They found over 90 per cent agreed that “universities make an important contribution to modern Australian society” and around 80 per cent had favourable attitudes to universities overall.

Asked about the ‘main purpose of universities’, most respondents said it was “educating for skilled/ professional jobs”, as shown in Figure 1.

Figure 1 -The main purpose of universities – general public



Source: (UA 2013 survey – page 3)

Only 8 per cent said the main purpose of universities was to “Contribute to society/ help community”. However, as this question asked only about the *main* purpose of universities, it is plausible that there would be strong levels of support for the idea that contributing or helping society is important or essential to what universities do.

The survey did not ask about university operations or investments.

TAI survey – universities, ethics and investments

To assess public attitudes towards university investments and fossil fuel divestment, in November 2014, following the ANU controversy, The Australia Institute conducted a nationally representative survey (n = 1442) of Australians over 18. The survey questions are included in an appendix.

The purpose of the poll was to assess public sentiments and how the public, and in particular alumni, may respond if universities were to pursue divestment decisions.

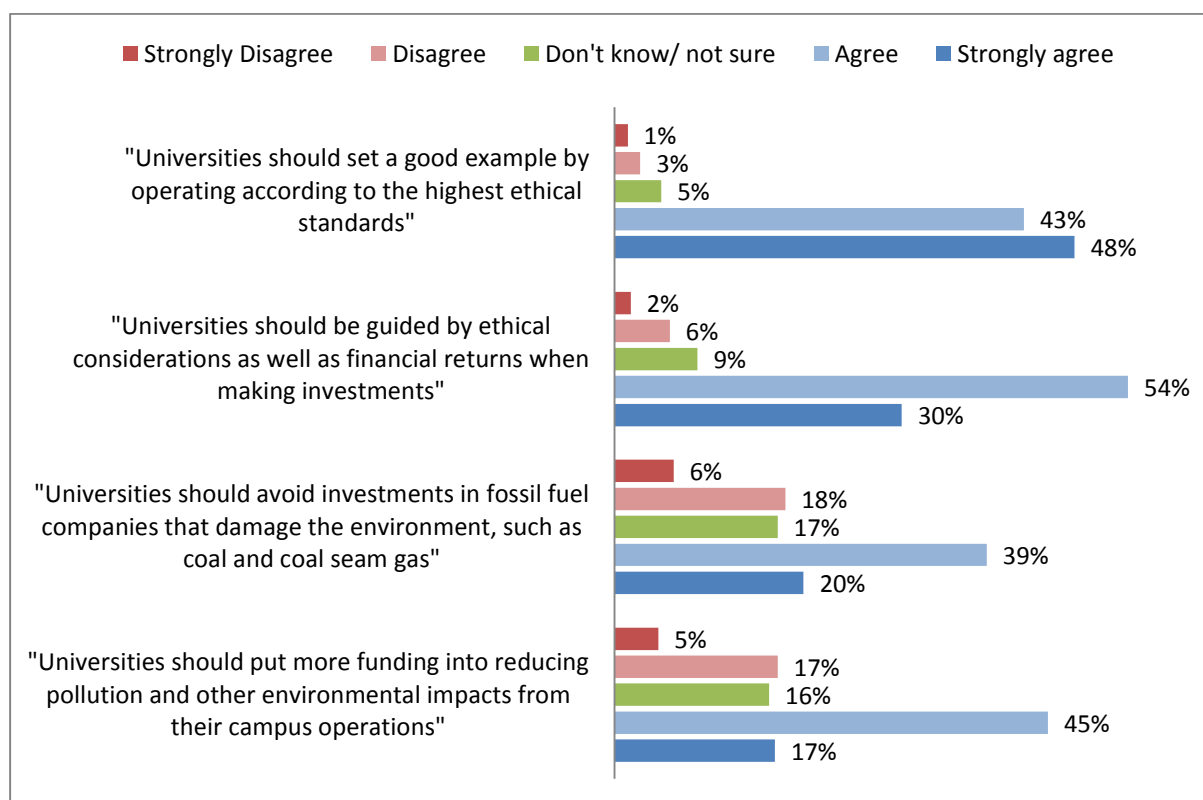
After asking basic demographic questions, the survey began with the following:

We are now going to ask you some questions about investments by universities. Universities in Australia receive most of their funding from government grants and student fees. Many also have financial investments which provide additional resources.

It then asked respondents to respond to a series of statements. Respondents could respond “strongly agree”, “agree”, “disagree”, “strongly disagree” or “don’t know/ not sure”. These statements were presented in a randomised in order. Figure 2 summarises some of the main results, which are discussed below.

⁵⁵ Universities Australia, (2013) *Public Perceptions of Australia’s Universities*, 1 February,

Figure 2 – Survey results – universities investments and environment



Universities should set a good example by operating according to the highest ethical standards.

- 9 in 10 agreed in total.
- Half of respondents strongly agreed.

Universities should be guided by ethical considerations as well as financial returns when making investments

- 4 in 5 respondents agreed.
- Half as many strongly agreed as agreed. People were less sure about ethical investing than ethical standards in general.
- Total agreement was slightly higher amongst those with university qualifications – 89 per cent, compared to 81 per cent who do not have university qualifications.

Universities should avoid investing in fossil fuels that damage the environment, such as coal and coal seam gas.

- 59 per cent, or almost 3 in 5 respondents, agreed in total.
- 1 in 5 strongly agreed, while 2 in 5 just agreed.
- 1 in 5 respondents disagreed.
- Only 1 in 20 strongly disagreed.
- Two and half times as many people agreed than disagreed.
- Among those who agreed universities should invest ethically, 1 in 4 did not think universities should avoid fossil fuel investments.

Universities should put more funding in reducing pollution and environmental impacts from their campus operations.

- 62 per cent of respondents agreed.
- Again, support was higher amongst people who had been to university – 68 per cent compared to 59 per cent of those without university degrees.

While university investments are the current focus of debate, previously there has been more debate around on-campus sustainability, as discussed in Box 1.

Support for divestment correlated with age

Younger respondents were more likely to agree that universities should avoid investments in fossil fuels, while older respondents were more likely to disagree, as shown in Figure 3. This is consistent with evidence that that belief in human-caused climate change is strongly correlated with age.⁵⁶ But even among those over 45, most people agreed with the statement.

Box 1 – On-Campus Sustainability

Previous student campaigns for on-campus sustainability include calls for increased use of renewable energy (e.g. at USYD)⁵⁷ or banning sales of disposable plastic water bottles (e.g. at University of Canberra).⁵⁸

Universities often have dedicated units for improving and promoting on-campus sustainability, engage in inter-campus exchanges for on-campus sustainability and participate in a yearly conference through the Australasian Campuses Towards Sustainability (ACTS), including the ‘Green Gown Awards’.⁵⁹ ANU set on-campus sustainability targets in 2009, although there appears to be little recent reporting on those targets.⁶⁰ UNSW recently launched a detailed sustainability reporting program using the “Global Reporting Initiative” framework – this does not include investments.⁶¹

Funding on-campus sustainability can be sound a financial investment, if it substantially reduces energy and water use.

⁵⁶ Keane, B. (2014) “Essential: over-55s climate deniers, everyone hates Direct Action”, *Crikey*, 8 April,

⁵⁷ Rose, A (2011) “Campaign Case Study, Sydney Uni Campus Clean Energy”,

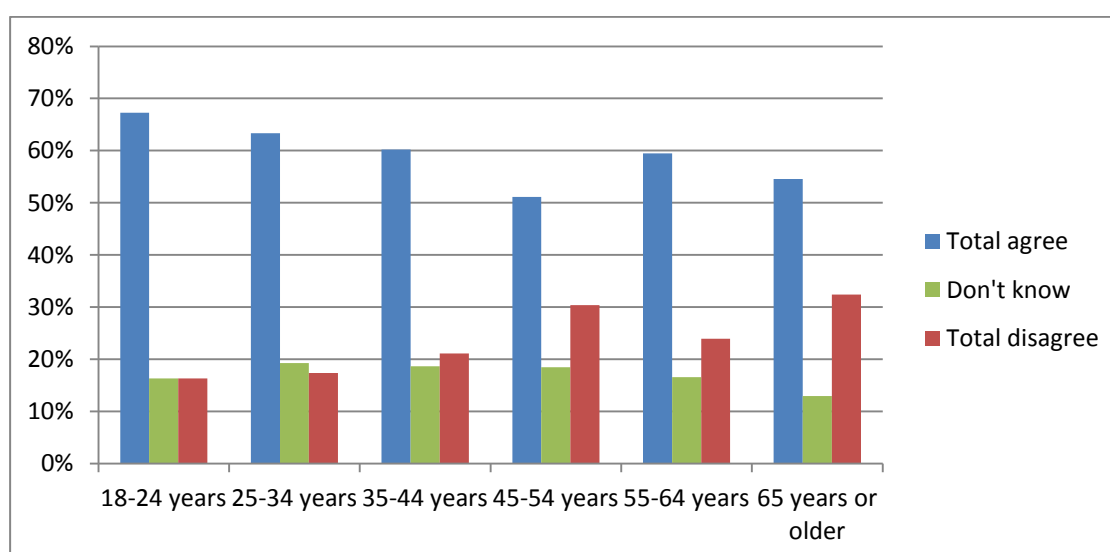
⁵⁸ University of Canberra, (2011), “UC becomes Australia’s first bottled water free uni”, Press Release 21 January,

⁵⁹ Australian Campuses Towards Sustainability (2015),

⁶⁰ ANU (2009) *Environmental Management Plan, Implementation Strategies*,

⁶¹ UNSW (2014), *Sustainability Report*,

Figure 3 – Support for universities avoiding fossil fuel investments, by age



Support for divestment vs belief in human-caused climate change

Another part of the survey asked whether people agreed

There is a scientifically demonstrated causal link between human emissions and climate change.

Table 3 shows the results, broken down by support for divestment.

Table 3 – University divestment vs human caused climate change (% all respondents)

<i>There is a scientifically demonstrated causal link between human emissions and climate change</i>				
	Total Agree	Total Disagree	Don't know	
Universities should avoid fossil fuel investments	Total Agree	47%	6%	5%
	Total Disagree	10%	11%	3%
	Don't know / not sure	9%	2%	7%
Total	65%	19%	15%	

- Most who agree with the science support universities divesting – 1 in 2 respondents.
- Among those who agree with the science, 2 in 3 support university divestment.
- 1 in 10 agree with the science and disagree with divestment or are unsure about it.
- 1 in 10 do not agree with the science but support university divestment – presumably thinking of non-climate environmental impacts.

TAI survey – beliefs around ethical investing

While there is broad agreement that universities should invest ethically, there are many views about what this might mean in practice. Similarly, there are many ways to approach fossil fuel investments, as investors have different legal obligations, financial goals and ethical values. Some take an ethical approach; others take a more financial approach.

The Australia Institute's report *Climate Proofing your Finances*⁶² explored these issues. The report explained that screening dedicated fossil fuel companies out of a portfolio need not substantially affect returns over the business cycle, provided the screen is not too restrictive. On the other hand, fossil fuel companies face rising risks which investors should seek to manage and mitigate.

However, the present survey suggests that people agree universities should invest ethically, or avoid fossil fuel investments, even if there is some financial trade-off.

Ethical investing even with slower growth in returns?

As noted, most respondents *agreed* that universities should invest with ethical considerations in mind. The survey asked these people to consider a trade-off: whether

Universities should invest ethically even if in some cases this leads to slower growth in returns.

Among those who agreed with universities investing with ethics in mind,

- 79 per cent think universities should be prepared to invest ethically even if it leads to slower growth in returns, at least in some cases.
- 13 per cent in principle disagreed with a potential trade-off with financial returns. These people supported ethical investment, but only if it is consistent with maximising returns.
- 8 per cent were not sure.

Avoid fossil fuels even with lower returns?

59 per cent of survey respondents agreed universities should avoid fossil fuel investments. The survey asked these people whether

Universities should avoid environmentally damaging investments even if in some cases this means lower returns.

Among those who agreed universities should avoid fossil fuel investments

- 89 per cent agreed universities should avoid fossil fuels even if this meant lower returns in some cases.
- 5 per cent disagreed with universities avoiding fossil fuels if this meant lower returns. These people thought avoiding fossil fuels was possible without lower returns.
- 6 per cent were unsure.

⁶² The Australia Institute, (2014) *Climate Proofing Your Finances, Moving Funds out of Fossil Fuels*

- As a share of all respondents, 52 per cent thought universities should avoid environmentally damaging investments even if in some cases it meant there was some financial trade-off.

Discussion

It is important to be clear about what these results do and do not demonstrate.

The data tell us that most people do not think universities should maximise returns in all cases; in some cases, ethical or environmental considerations *may* be an important overriding factor. They do not imply people think universities should make a loss. Nor do they indicate how much of a trade-off people would be willing to accept, nor what standards are at play. Further questions would be necessary to test opinions on these matters.

Nor does it show that people think ethically guided investing or avoiding fossil fuels are necessarily costly – indeed it shows some people believe this is not the case. Moreover, previous survey results suggest most people think responsible or ethical investing gives about the same returns.

Previous surveys on opinions about returns to responsible investing

Responsible Investment Association of Australia (RIAA)

RIAA is the peak group for ‘responsible’ investors in Australia, covering a wide range of approaches to ethical or ESG issues in their investment practices. In November 2013, it commissioned a national survey of 1,026 Australians over 18. It asked a range of questions, including a question on the performance of funds that invest ‘responsibly’, which includes ethical considerations.⁶³ Results are shown in Figure 4

Figure 4 – Australian super members' opinions of SRI performance

If there were two super funds, one that invests in responsible investments (i.e. that takes into account environmental, social, ethical and governance considerations) and a standard super fund; how well do you think they'd perform financially over a year?

	Financial performance	%
Responsible fund performs better	<1% better	5%
	1-3% better	9%
	4-5% better	5%
	>5% better	9%
	Total 28%	
Standard fund performs better	<1% better	2%
	1-3% better	8%
	4-5% better	3%
	>5% better	5%
	Total 18%	
No difference	54%	

(Source: RIAA poll, 2013)

⁶³ RIAA, (2013) Press Release, 28 November,

28 per cent of respondents to RIAA’s poll think such a fund would deliver better financial returns while 18 per cent think such a fund would deliver worse returns. Most think there would be no difference.

Teachers Insurance and Annuity Association–College Retirement Equities Fund (TIAA–CREF)

TIAA–CREF is a US-based company with US\$851 billion under management through which it provides retirement and other financial services to those “in the academic, research, medical and cultural fields”. In 2014 TIAA–CREF surveyed one thousand of its members for opinions on ‘socially responsible investing’ (SRI).⁶⁴ The survey found most people were interested in SRI options, but similar numbers were not aware of the SRI options available to them: “Financial advisors have a unique opportunity to fill this information gap”.⁶⁵

The survey also asked:

How would you rate the financial performance of socially responsible investments compared to investments that do not take environmental and social criteria into account?

Most people thought SRI options provided “about average” financial performance; 81 per cent thought SRI options provided “about average” or “better than average” returns. This is shown in Figure 5 below, taken from the TIAA–CREF report.

Figure 5 – Opinions of financial performance of socially responsible investment



(Source: TIAA–CREF 2014, page 2)

⁶⁴ TIAA-CREF (2014), “Socially responsible investing: Strong interest, low awareness of investment options; Survey of TIAA-CREF retirement plan participants — 2014”

⁶⁵ TIAA-CREF (2014) page 4. The survey found most people ranked ESG leadership (positive screening) and impact investments over exclusionary screening, but did not report on levels of support for combined strategies.

TAI survey – alumni donations

Australian universities are increasingly looking to donations as a new source of revenue, especially donations from alumni. Alumni fundraising is common among US universities:

Regardless of how it is first introduced, the immediate goal for a college is to quickly get graduates into the habit of giving back to the school. The ultimate goal is to sustain that generosity for a lifetime. A true indicator of the love for and loyalty to one's alma mater is the extent to which one is willing to support it financially.⁶⁶

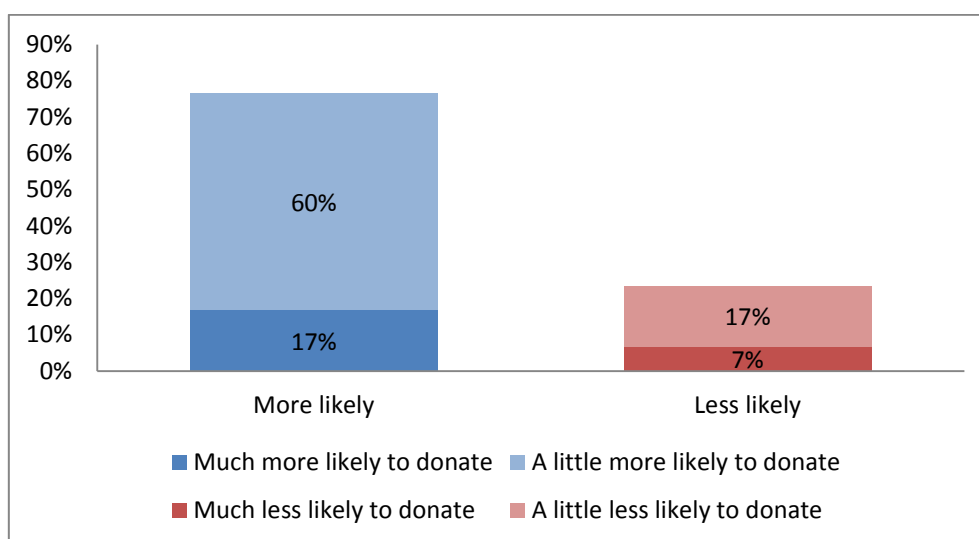
Such donations have been targets for divestment campaigners in the US, who have called for donations to be withheld, or donated to a special fund to be held until their college divests.

The survey asked respondents who were university graduates:

Universities often ask for donations from their students later in their careers. Would you be more or less likely to donate to your university, now or in the future, if you knew they had stopped investing in fossil fuels?

Results are shown in Figure 6. This data suggests that, on balance, fossil fuel divestment would be modestly helpful to universities in seeking alumni donations.

Figure 6 – Most people say they would be more likely to donate after divestment



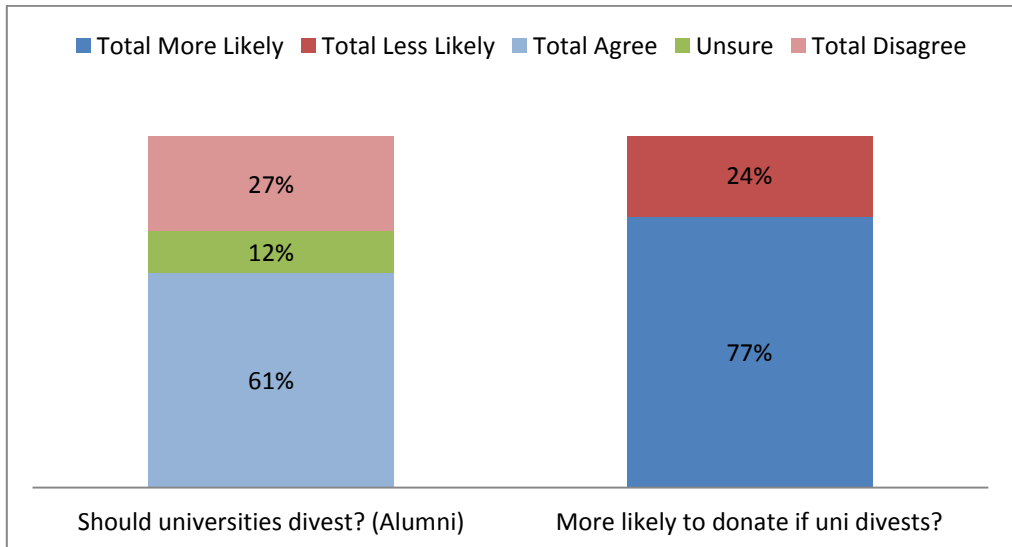
- Most people, 60 per cent, were a little more likely to donate.
- Three times as many people were more likely to donate (77 per cent) than less likely to donate (24 per cent) after divestment.
- 17 per cent of alumni were much more likely to donate.
- 7 per cent were much less likely.
- That is, there was a net increase of 10 per cent of alumni much more likely to donate.

When asked about making or withholding donations following a university divestment decision, respondents had to express an opinion. As such, the high level of “a little more

⁶⁶ The Alumni Factor (2015), “Alumni Giving”,

likely” demonstrates primarily that alumni were not likely to withhold donations as a result. Moreover, it demonstrates that alumni who were unsure about fossil fuel divestment (12 per cent) nonetheless nominated as more likely to donate after divestment. This is shown in the comparison in Figure 7.

Figure 7 – Alumni unsure about divestment unlikely to withhold donations



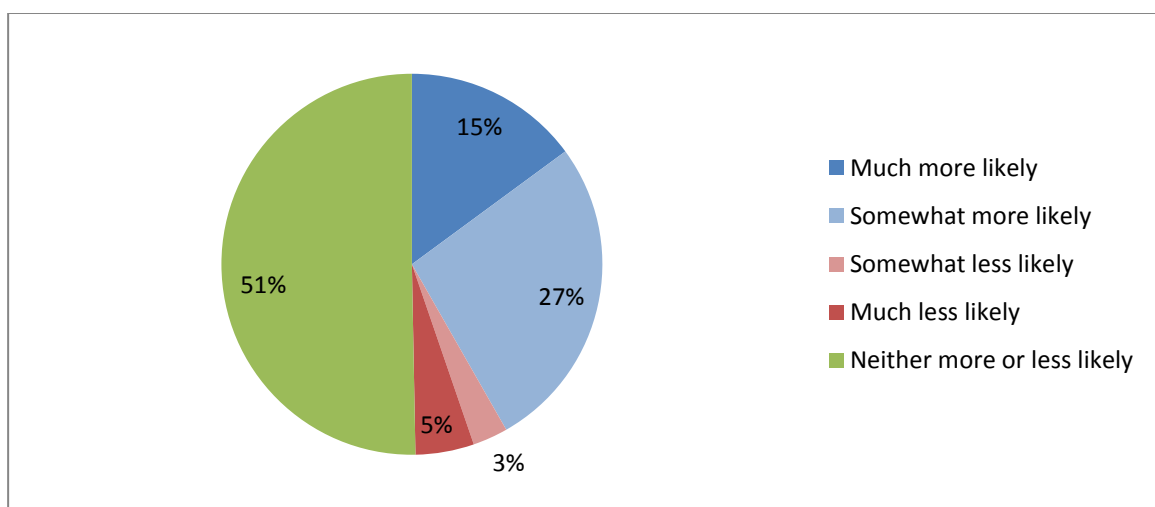
TAI survey – university divestment as investment leadership

As already noted, universities are broadly expected to “set a good example”. This suggests that people think university behaviour should affect their own. To test this, the survey asked:

If you were aware that universities, churches and local governments were avoiding investments in coal and coal seam gas for ethical reasons, would you be more or less likely to switch your superannuation to a fund that does not invest in these industries?

Responses indicate that people think such behaviour would have some level of impact on their decisions.

Figure 8 – More/ less likely to switch funds if universities and others divested?



- 43 per cent of people said university and other institutions divesting would make them more likely to switch superannuation funds.
- 15 per cent of people said they would be much more likely.
- 8 per cent said they would be less likely.
- 1 in 2 people said they would be neither more or less likely.

Prepared to switch super funds away from coal and coal seam gas?

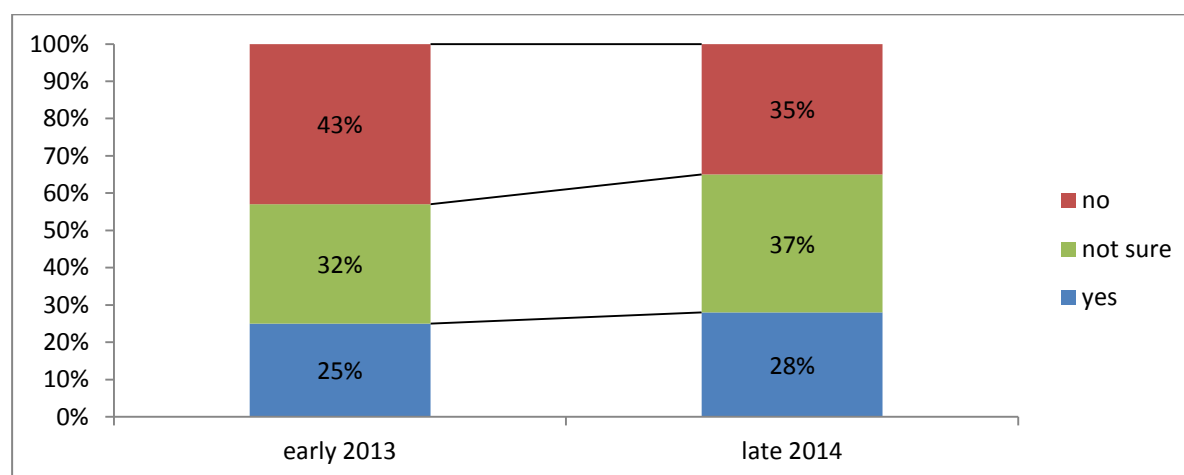
The survey also asked further questions about superannuation. Among them was the following question:

Would you be prepared to move your superannuation to another fund if it was found to be investing in coal or coal seam gas extraction, based on their negative environmental impacts?

- 28 per cent said yes.
- 35 per cent said no.
- 37 per cent said they were not sure.

Figure 9 compares these results are with results from the same question asked in in early 2013. The present results show a small level of change. The number of people saying “no” had dropped 8 per cent, while ‘not sure’ and ‘yes’ had increase small amounts.

Figure 9 – Willing to switch funds if found investing in coal and coal seam gas?



(Source: TAI surveys in 2013⁶⁷ and 2014)

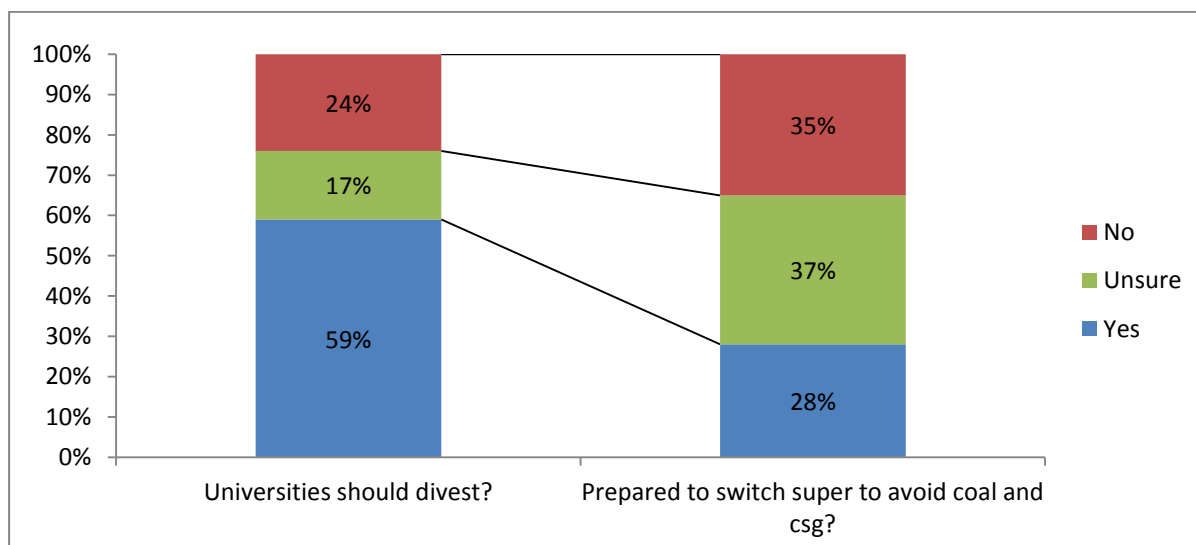
It is important to note that 25-28 per cent represents hundreds of billions of dollars worth of superannuation. Current superannuation assets are worth \$1.95 trillion.⁶⁸ 28 per cent of total superannuation represents \$546 billion in assets.

These results suggest that people hold universities to more stringent standards than those to which they hold themselves. The comparison is shown in Figure 10.

⁶⁷ Denniss, R (2013) *Time to get engaged with super?*

⁶⁸ ABS (2015) *Managed Funds, March 2015, Cat no. 5655.0*

Figure 10 – Universities face stricter expectations than people hold of themselves



While 59 per cent of respondents agree that universities should avoid fossil fuel investments, only 28 per cent were willing to consider switching funds themselves. More people also said they were not prepared to switch (35 per cent) than disagreed with universities divesting.

Yet the data taken together suggest people think universities and other institutions divesting would have an impact on their decisions to divest, even where they are currently reluctant to switch.

1 in 5 of all respondents think university and other institutional investment decisions will make them more likely to switch, despite currently not being prepared to switch. This is shown in Table 4.

Table 4 – Prepared to switch funds vs likely if universities etc divest? (% all respondents)

		<i>Would you be prepared to switch funds away from coal and coal seam gas?</i>		
		Yes	Unsure	No
<i>Would universities, churches and local governments avoiding investments in coal and coal seam gas for ethical reason make you more or less likely to switch?</i>	Total more likely	22%	7%	13%
	Neither more nor less	5%	23%	23%
	Total less likely	1%	5%	1%

By comparison, most who said they were *less* likely to switch as a result of universities and other institutions divesting said they are unprepared at any rate to switch on grounds of fossil fuel investments.

Essential Media survey

Just before publication of this report, Essential Media Communications published poll results on superannuation.⁶⁹ The poll asked

Q. When making decisions about investing members' money do you think superannuation funds should consider the social and environmental impacts of companies they invest in or should they only consider the profits made by those companies?

The results, shown in Figure 11, show strong support for considering social and environmental impacts as part of superannuation investing.

Figure 11 – Should superannuation funds consider more than profit?

	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote other
Should consider social and environmental impacts	59%	60%	54%	86%	64%
Should only consider profits	18%	15%	29%	8%	11%
Don't know	23%	25%	17%	7%	24%

(Source: Essential Media 2015)

Essential Media also asked:

Q. Would you approve or disapprove of superannuation companies investing their members' funds in the following industries?

Respondents were asked to approve or disapprove of investments in a range of industries. The results, shown in Figure 12, reveal fossil fuel investments as attracting significant approval and disapproval – more approved than tobacco but less approved than defence manufacturing.

Figure 12 – Approval of superannuation investments in different industries

	Total approve	Total dis-approve	Strongly approve	Approve	Dis-approve	Strongly dis-approve	Don't know
Medical science and technology	81%	7%	40%	41%	5%	2%	12%
Renewable energy	80%	7%	39%	41%	5%	2%	12%
Building and construction	78%	9%	25%	53%	7%	2%	13%
Defence manufacturing	57%	26%	13%	44%	17%	9%	18%
Fossil fuels (coal, gas)	47%	35%	8%	39%	22%	13%	17%
Alcoholic beverages	32%	53%	4%	28%	27%	26%	14%
Gambling	19%	70%	4%	15%	24%	46%	11%
Tobacco companies	14%	74%	3%	11%	23%	51%	12%

(Source: Essential Media 2015)

- 47 per cent approved of investing in fossil fuels while 35 per cent disapproved.
- 8 per cent strongly approved and 13 per cent strongly disapproving.

⁶⁹ Essential Media Communications (2015) "The Essential Report", 21 April,

- Defence manufacturing was more approved than investing in fossil fuels.
- 4 in 5 approved of investing in medical science and renewables.
- 3 in 4 disapproved of investing in gambling and tobacco, 1 in 2 strongly so.

Comparing these results with the TAI survey results, people were more willing to express a view on super investments in fossil fuels *in general* than they were to express a view about switching *their own* funds to avoid fossil fuels. 17 per cent said they didn't know about super investments in fossil fuels, compared with 37 per cent not sure about switching away from a fund with such investments.

Market trends – superannuation funds

While many people say they are prepared to switch funds to avoid coal and coal seam gas, or disapprove of fossil fuel investments in super, it is clear that sentiments in most cases are not matched with actions.

The Responsible Investment Association Australasia (RIAA) reports assets under management with “core” responsible investors – including those with negative screening policies – represent 2.34% of Total Assets Under Management (TAUM) in Australia and New Zealand in 2013. This compared with 1.63% of TAUM at the end of 2012.⁷⁰ It remains a small part of the market but has grown significantly. It is important to recognise not all such funds have fossil fuel screens. Nonetheless, while responsible investing remains small, there is increasing interest, and in fossil fuel divestment in particular.

UniSuper, the fund for university employees, now provides a balanced option that has no exposure to fossil fuel extraction or downstream companies.

Australian Ethical Investment and Future Super are two ethically oriented super funds with strict screens against fossil fuels.⁷¹ Both are reporting strong membership growth.⁷²

Since the RIAA survey, a number of larger funds have made divestment commitments. Local Government Super has banned investment in thermal coal. HESTA has banned investing in new thermal coal projects or new coal companies.

To help members match actions to values, superannuation funds could provide options and clear information about those options. As well as asking members about their financial interests and goals, they could also ask where members would or would not like their funds to be invested.

RIAA also reports “Australian equities responsible investment funds [net of fees] outperformed the index and average mainstream funds over the short, medium and long term, as did responsible multi-sector growth funds, in all but the 3 year returns”.⁷³

⁷⁰ RIAA (2014) *Responsible Investment Benchmark Report – Australia and New Zealand*.

⁷¹ Australian Ethical has exposure to gas pipelines. Future Super also avoids companies servicing or financing fossil fuels, including the big four banks.

⁷² Perinotto, T (2015), “Ethical super funds – it’s what people want” *The Fifth Estate*, 22 January,

⁷³ RIAA (2014) *Responsible Investment Benchmark Report*, – page 10.

Conclusion

The student movement for 'fossil free universities' is driving significant debate in the university community, the finance sector and the broader public. Universities considering their response to the campaign will consider a range of ethical, legal and financial issues. They will also consider public opinion.

The data presented here strongly suggest that public opinion supports the idea that universities should be held to high standards. Many people think that universities should avoid fossil fuel investments and invest more in reducing campus pollution. Universities deciding to divest would be met with much more support than criticism from the public and from their own alumni. Indeed, universities may find alumni more willing to donate, and are unlikely to find many people become unwilling to donate.

Moreover, many people hold universities to standards they are not currently willing to adopt in their own investments. While there is significant and rising interest in avoiding at least some fossil fuels in personal investments, it remains far smaller than support for universities avoiding such investments. Personal willingness to switch funds shows that sentiments are more ambitious than actual choices revealed in market trends. However, many people also say that university investment decisions may influence their own investing.

The survey data shows that people see universities as leaders. Campaigns calling for leadership through divestment are likely to appeal to sentiments that are widely held in the community.

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APPENDIX – Survey questions

<Uni Divestment>

We are now going to ask you some questions about investments by universities. Universities in Australia receive most of their funding from government grants and student fees. Many also have financial investments which provide additional resources.

1. To what extent do you agree or disagree with the following statements about the way Universities operate?

Please select one response per row

<i>RANDOMISED</i>	<i>Strongly agree</i>	<i>Agree</i>	<i>Disagree</i>	<i>Strongly disagree</i>	<i>Don't know/Not sure</i>
<i>Universities should set a good example by operating according to the highest ethical standards</i>	1	2	3	4	5
<i>Universities should be guided by ethical considerations as well as financial returns when making investments</i>	1	2	3	4	5
<i>Universities should avoid investments in fossil fuel companies that damage the environment, such as coal and coal seam gas</i>	1	2	3	4	5
<i>Universities should put more funding into reducing pollution and other environmental impacts from their campus operations</i>	1	2	3	4	5

- To what extent do you agree or disagree with the following statements

Please select one response per row

<i>RANDOMISED</i>	<i>Strongly agree</i>	<i>Agree</i>	<i>Disagree</i>	<i>Strongly disagree</i>	<i>Don't know/Not sure</i>
<i>Universities should invest ethically even if in some cases this leads to slower growth in returns</i>	1	2	3	4	5
<i>Universities should avoid environmentally damaging investments because it will lead</i>	1	2	3	4	5

to better returns in the long run

Universities should avoid environmentally damaging investments even if in some cases this means lower returns

1 2 3 4 5

2. If you were aware that universities, churches and local governments were avoiding investments in coal and coal seam gas for ethical reasons, would you be more or less likely to also **switch your superannuation** to a fund that does not invest in these industries?

Please select one response only

- Much more likely
- Somewhat more likely
- Neither more or less likely
- Somewhat less likely
- Much less likely

<Only asked of those with university education>

3. Universities often ask for donations from their students later in their careers. Would you be more or less likely to donate to your university, now or in the future, if you knew they had **stopped** investing in fossil fuels?

Please select one response only

- Much more likely to donate
- A little more likely to donate
- A little less likely to donate
- Much less likely to donate

<Super Divestment>

Superannuation funds have an obligation to act in the long-term interests of their members.

4. In your view, is the meaning of “long-term interests” ...

- restricted to just the financial return your super fund provides
- or does it mean investing in companies that behave ethically and avoid damaging the environment, as well as providing a financial return.
- Not sure

5. Would you be prepared to move your superannuation to another company if it was found to be investing in coal or coal seam gas extraction, based on their negative environmental impacts?

- Yes

- *No*
- *Not sure*