

INVESTING IN HEALTH

The Australian
health professions
and fossil fuel
divestment



CLIMATE AND
HEALTH
ALLIANCE

1 / Foreword

Rising sea levels. Warming temperatures. More extreme weather events. Climate change is real and will further impact our communities, environments and economies. But have you also considered how climate change is already impacting the personal health of people around the world?

The direct health impacts of climate change already include significant increases in heat-related illnesses, infectious diseases, cardiovascular diseases, injuries, and respiratory diseases. These result from more extreme weather patterns including an increased frequency of storms, droughts, floods and heatwaves.

The indirect health impacts of climate change include poorer water quality, worsening air pollution, land use change and ecological degeneration. The combination of direct and indirect mechanisms also interacts with social dynamics. The result is poorer health outcomes.

While everyone is vulnerable to climate-health impacts older people and people with pre-existing health issues or disabilities and those in disadvantaged communities are most at risk. It is estimated around 400,000 people die each year from the impact of climate change.

It is little wonder Royal Australasian College of Physicians fellows and trainees have felt compelled to take action. In June last year, the RACP decided to divest from investments that have been identified as being directly or materially involved in fossil fuel activities. At this stage we have identified these investments to be worth about \$2.3 million.

The main cause of rising global temperatures, and the impacts it has on human health, is the burning of fossil fuels. Since the RACP is a medical organisation which aims to improve the health of our population, we must also take action that leads to reduced carbon emissions – and lead by example. We encourage other health professionals and groups to take similar action.

This timely and important report by the Climate and Health Alliance and Doctors for the Environment Australia highlights the significance of divestment from fossil fuels and the role that all health professionals can play.



**Laureate Professor
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2 / Key Findings

- **Climate change has been identified as both the “defining health issue” and the “greatest global health threat” of the 21st century.**
- **The health impacts of climate change occur due to heat, extreme weather events, ecosystem change and collapse, and social system destabilisation. Climate change is currently responsible for 400,000 deaths per annum.**
- **Health professionals have a long history of acting beyond the clinic, taking active steps to improve the social, economic and environmental determinants of health. Actions against the tobacco industry and use of asbestos are recent examples.**
- **Production and consumption of fossil fuels – coal oil and gas – adversely impact human health through air pollution, psychosocial impacts, water contamination and land degradation, as well as being the major driver of climate change.**
- **To have a reasonable chance (66% likelihood) of staying below a 2°C limit of global warming, up to 80% of known fossil fuel reserves must remain in the ground.**
- **Fossil fuel assets are worth five trillion US dollars. Many health professionals and health organisations have investments in the industry via their financial portfolios, superannuation or banking; most are unaware they are supporting the fossil fuel industry.**

Divestment is dis-investment: the deliberate movement of money away from a particular asset class. Health bodies have long practised divestment from tobacco, arms, gambling and alcohol; in the interests of the widely held health dictum ‘*first, do no harm*’, fossil fuels must be added to that list.

- **There are clear financial risks in investment in carbon intensive industries which will become ‘stranded assets’ in a carbon constrained world.**



- **Fossil fuel divestment is a vital public health intervention, one in which all health organisations and health professionals (a workforce of over 600,000 in Australia) can take part and actively promote.**
- **Prominent health bodies such as the British Medical Association, the Canadian Medical Association and the Royal Australasian College of Physicians have already changed their investment strategy to exclude the fossil fuel industry.**
- **Health superannuation funds are beginning to respond to pressure from members to provide investment strategies divested from fossil fuels but more needs to be done.**
- **Health professionals and health organisations have a vital role in promoting healthy investments which facilitate a low carbon economy, promote public health and contribute to the mitigation of climate change.**



3 / Introduction

Charged with the promotion of public health and improving patients' quality of life, health professionals and health systems have again and again responded with bold and innovative interventions both within and beyond the clinic. The 2005 *Doctors in Society* report from the Royal College of Physicians refers to medicine as "a vocation in which a doctor's knowledge and judgment are put in the service of protecting and restoring human well-being". The Royal Australian College of GPs (RACGP) going further, describing a GP as a "physician, counsellor, advocate and agent of change for individuals, families and their communities."^{1, 2} While these two quotations refer to doctors, similar sentiments apply to other health disciplines such as nursing and midwifery, public health, and allied health.

The impact of factors outside of the healthcare system on individual wellbeing is increasingly acknowledged and acted upon, with many health workers taking active steps to improve the social, economic and environmental determinants of patient and population health. This realisation has seen the health professions come together to collectively respond to the tobacco industry, roll out nation-wide vaccination programs, and embrace the principles of universal health care coverage.

Now, climate change threatens to unravel the public health gains of the previous century, with the World Health Organization's (WHO) Director General declaring it "the defining health issue for the 21st century".³ The Intergovernmental



Panel on Climate Change's (IPCC) second working group has drawn on over 12,000 academic articles and 1,729 expert reviewers to lay out the scientific evidence on the impacts of climate change – a report which has been approved by and accepted by 195 governments.⁴ This overwhelming scientific and political consensus is further supported by a range of health bodies, including the Australian Healthcare and Hospitals Association, the Australian Nursing & Midwifery Federation, the Public Health Association of Australia, Doctors for the Environment Australia, The Royal Australasian College of Physicians and the Australian Medical Association.

To date, fossil fuels as an asset class are worth over five trillion US dollars (USD), with many of the world's largest financial management firms, companies and governments holding substantial investments in the industry.⁵ The scale and urgency of the problem is thrown into sharp relief by the IPCC's 2050 global 'carbon budget' of just 565-886 gigatonnes of CO₂e.^a This refers to the maximum cumulative CO₂e

emissions which can be released in to the atmosphere between now and 2050, whilst maintaining a reasonable prospect (66% likelihood) of keeping warming under 2°C. The fossil fuel reserves already listed on stock exchanges worldwide would, if burned, produce 2860 GtCO₂e emissions.⁶

With just four years left in the period described as the 'critical decade', to reduce emissions and limit global warming, it is time for health professionals to once again lead by example, by responding to climate change in a way that protects and promotes public health and facilitates best practice patient care. With the oil, coal and gas sector as a central driver of climate change, this briefing focuses on the role of Australian health professionals in directing finance away from fossil fuels, and investing in renewable energy, low-carbon health systems, and local community resilience.

a. CO₂e is equivalent carbon dioxide, which describes how much global warming potential any greenhouse gas has using the functionally equivalent amount of carbon dioxide

4 / The Defining Health Issue of the 21st Century



The impacts of climate change on human health have been well described in the literature and are summarised in recent reports such as the Global Climate and Health Alliance's *Climate Change: Health Impacts and Opportunities*⁷ and the 2015 *Lancet Commission on Health and Climate*⁸, and the American Psychologist *The Psychological Impacts of Climate Change*.⁹ Crucially, many of the contributors to climate change (such as fossil fuel combustion, poorly-designed cities, overdependence on motorised transport) are also major drivers of the world's fastest-growing public health problems (such as heart disease, asthma, chronic respiratory disease, obesity, diabetes and road deaths).

By designing comprehensive public policies which address these joint drivers, efforts to improve public health and reduce the burden of disease for individuals and the community can also reduce carbon emissions.

4.1 / The Science of Climate Change

Combustion of fossil fuels results in the release of greenhouse gases, the most important of these being carbon dioxide (CO₂), whilst others such as methane are also released by mining and hydraulic fracturing. Fossil fuel combustion and deforestation, industrial processes, and agricultural practices over the last 200 years have led to an accumulation of these greenhouse gases (GHG) in the atmosphere, now reaching levels never before seen in human history: CO₂ levels of 400 parts per million (ppm) in 2014, compared to a pre-industrial average of 285ppm. The heat trapped by these gases has led to a global average temperature rise of 0.9°C since the pre-industrial era, with the 20 hottest years on record having occurred since 1981.¹⁰ If climate change continues unabated, the IPCC expect a 3.7 - 4.8°C rise in global mean surface temperatures during the current century, with an upper range possibility of 7.8°C.¹¹

The greenhouse effect causes an energy imbalance between the greater amount of solar energy being absorbed by Earth and the amount of energy the planet radiates to space as heat.^{12, 13} This energy imbalance is causing the

planet to warm and is leading to changes in the world's climate.¹⁴ Higher temperatures interact with the more erratic rainfall patterns and rising sea levels also caused by warming, so that as global temperatures rise, extreme weather events such as heatwaves, droughts, floods and storms become more frequent and severe. There is now clear evidence that the frequency and severity of extreme events, such as the 2013 summer heatwave in Australia, are increased by human-induced climate change.¹⁵ Global environmental change at this scale has profound effects on environmental and social systems, leading to dangerous effects on human health.

4.2 / The Health Impacts of Climate Change

In 2009, the Lancet referred to climate change as "the biggest global health threat of the 21st century".¹⁶ It is already responsible for an estimated 400,000 deaths annually, and poses significant threats to human health and survival, necessitating urgent emissions reductions.¹⁷

The health impacts of climate change fall broadly into three categories: direct effects of extreme weather and sea level rise, effects mediated primarily through ecosystems, and those mediated primarily through social systems.¹⁸ Direct impacts include deaths and injuries in climate-related floods, storms and bushfires, and the effects of higher temperatures on mortality, morbidity, and productivity - all effects which are particularly pertinent for the Australian public.¹⁹

Changing temperature and rainfall result in ecological changes which in turn affect health. Such

changes include biodiversity loss and, under higher-end scenarios, ecosystem collapse; coral reefs, coasts, grasslands and rainforests are particularly vulnerable. The CSIRO notes that “significant losses of unique Australian animal and plant species are expected to occur in sites such as the Great Barrier Reef, the Queensland Wet Tropics, the Kakadu wetlands, south-west Australia, eastern alpine areas, and Australia’s sub-Antarctic islands”.²⁰ Such environmental changes threaten to undermine the physical and mental health and psychosocial wellbeing of communities. People’s health and livelihoods rely on functional ecosystems for food production, tourism, natural regulation of infectious diseases and countless other ‘ecosystem services’.²¹

Australians face serious (and deadly) risks to health from climate change. Recent examples include a spike in deaths from heatwaves in Victoria (2009 and 2014) and Sydney (2011). Hundreds of people were admitted to hospital in South Australia with heat-related conditions during the January 2014 heatwave.²² An increase in domestic violence in affected communities following the Black Saturday bushfires in Victoria illustrates the pressures on communities in the aftermath of extreme weather events.²³

The economic costs associated with the health and social impacts from the Black Saturday bushfires (illnesses, injuries, fatalities, psychological distress, drug and alcohol misuse, and family violence) have been estimated at \$3.9 billion, a sum greater than the economic costs from infrastructure damage (\$3.1 billion). The Queensland floods in 2011 led to even greater social and health costs of \$10.2 billion,

largely associated with mental health damage.²⁴

The largest impacts of unmitigated climate change on human health over the coming century are arguably those effects mediated principally through social systems under the most severe scenarios. These include a significant likelihood that climate change and sea level rise will increase food and fresh water insecurity, malnutrition and starvation, exacerbate poverty, impact mental health, and drive migration and conflict.²⁵ In Australia, economic losses due to our increasingly erratic weather are already putting a severe strain on many farmers.²⁶

4.3 / The Drivers of Climate Change

The combustion of fossil fuels – coal, oil and natural gas – indirectly harms health by accelerating climate change. However, fossil fuel usage also directly damages human health at all stages of the supply chain, including deteriorated local air quality that arises from their extraction, processing and combustion, the disproportionate

occupational health risks associated with fossil fuel extraction, and the contribution of carbon-dependent transport and agricultural infrastructure to the lifestyle disease epidemic.

Air pollution is closely linked to climate change, because the vast majority of local air pollution in most countries is produced by fossil fuel combustion for energy and transport. Many short lived climate pollutants (SLCPs), such as black carbon and ozone, also have adverse health effects. This is a significant public health problem in its own right; according to the World Health Organization, indoor and outdoor air pollution is now responsible for one in every eight deaths worldwide, or 7 million premature deaths annually.²⁷

However, premature mortality is only part of the problem. Even at low levels, long-term exposure to particulate air pollution elevates the risk of respiratory diseases (such as asthma, chronic obstructive pulmonary disease, pulmonary emboli and lung cancer), cardiovascular disease and stroke.²⁸



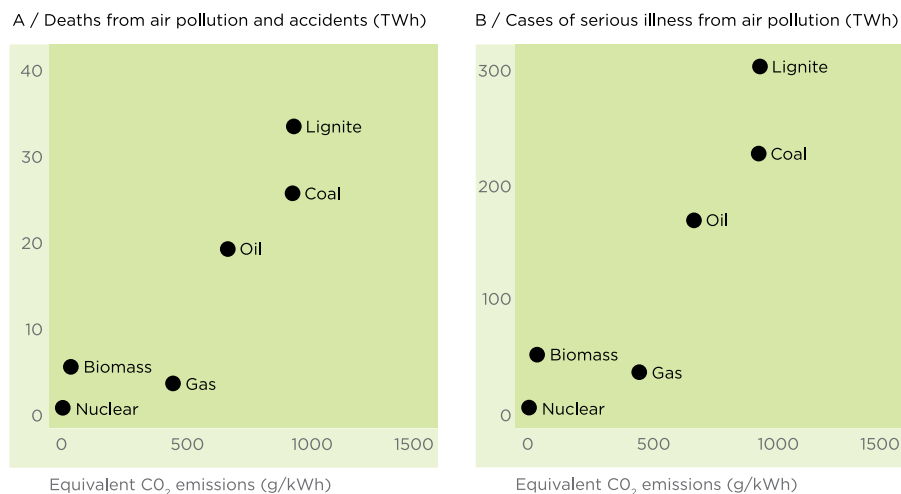


Figure 1 / Markandya and Wilkinson (2007) estimate the number of deaths and cases of serious illness of different energy sources per TWh (terawatt hours) of energy produced, against their carbon intensity.²⁸ The majority of the non-nuclear health impacts are associated with the air pollution produced during combustion.

It reduces birth weight²⁹ and impairs neurocognitive development in children.³⁰ Such impacts have been identified across age groups and geographical boundaries.³¹

Figure 1 above lays out some of the health impacts that result from different energy sources.

There are also health impacts arising from the extraction of fossil fuels. Coal and oil extraction in particular are two of the highest-risk industries for occupational morbidity and mortality, with the mining industry causing 8% of all occupational fatalities worldwide.³³ Additional local environmental and social impacts, including ecosystem degradation, community disruption and water contamination, are of particular concern with the exploitation of 'unconventional' fossil fuels. These include oil from tar sands and unconventional gas from shale, coal seam and tight sands deposits requiring hydraulic fracturing (fracking).^{34,35} These industries have been rapidly expanding before their health risks are adequately understood. Health risks result from the contamination of land and water supplies, an increased risk of explosions, ecosystem degradation, noise and air pollution, and risks from transport, including oil spills.

Despite the devastating risks climate change and fossil fuel extraction, processing and combustion pose to human health, UK institutional investors have on average 5-8% of their investments in companies whose primary business is fossil fuel extraction.³⁶ The Australian stock market is resource intensive and considered to have "significant carbon exposure", i.e. more than most share markets.³⁷ Globally 55% of superannuation is invested in high carbon sectors and only 2% in low carbon options.³⁸

In the past, the health community has refused to invest in industries – such as tobacco and arms – which directly damage public health. In response to the health threat of climate change, many health professionals are already personally divesting their banking, superannuation and share portfolios from fossil fuels. But many more are not even aware of how their finances support fossil fuels and drive climate change.

5 / Protecting and Promoting Health in the 21st Century

5.1 / First, Do No Harm

The phrase 'first, do no harm' is familiar to all health professionals, and guides much of their approach to patient care and clinical decision making. But its importance extends beyond the clinic, and has implications for the broader health system. It is readily apparent that investment in the fossil fuel industry provides support for businesses which are fundamentally damaging to human health.³⁹ This investment capital facilitates exploration of new sites and the development of unconventional fossil fuel reserves, and continuing investment by well-regarded institutions also lends social legitimacy to the industry. This not only violates the principle of non-maleficence, but also is directly contradictory to the very purpose of a health system.

At its heart, this is a discussion about making an informed decision between two very different scenarios. By moving away from fossil fuel extraction, and instead investing in interventions which both improve public health and decrease the dangerous effects of climate change, the health profession has the opportunity to lead by example towards a sustainable and healthy future.

There is strong precedent here, with many health bodies making the conscious decision not to invest in other potentially harmful goods such as tobacco, arms, gambling and alcohol. The British Medical Association (BMA) acted in this tradition when, in 1985, it published a report disclosing details of many prominent health institutions' investments in tobacco at a time when their advocacy for

tobacco control was increasingly vocal.³⁹ Embarrassed, many of those referred to announced they would sell all of their stocks in tobacco companies. A year later, the American Medical Association wrote to every US medical school calling for divestment from tobacco.⁴⁰ The Australian Medical Association, the Heart Foundation, and other health bodies have taken a strong stance in this area, repeatedly calling for the Australian state governments to cease investments in the tobacco industry.^{41,42} Today, most Australian health institutions screen investments in the tobacco industry from their portfolios as a matter of course. The health profession as a whole has unambiguously stated that public investment in the tobacco industry is unacceptable as an industry hazardous to human health.⁴³

5.2 / A Healthy Investment Portfolio

In addition to the moral and health protection imperatives mentioned above, there are also sound financial reasons why investment in the fossil-fuel industry will pose long-term risks to an institution's financial health. The business model of the industry, and indeed its present-day market value, is predicated on the assumption that coal, oil and gas will make up a stable, if not growing proportion of the global energy mix – a scenario which is incompatible with a healthy future.

It is useful to clarify what is meant by investment in companies related to the fossil fuel industry, as much of this can initially seem complex. A 2014 report, *Climate proofing your*



investments: moving funds out of fossil fuels, categorises companies in the ASX200⁴⁴ in to four tiers, based on their involvement in the fossil fuel industry, and suggests a shareholder response ranging from full divestment of shares to shareholder engagement with the company to reduce involvement in fossil fuels.⁴⁴

The financial case for ceasing fossil fuel investments is predicated on the idea of the 'carbon bubble', the threat of devaluation that fossil fuel assets will face when political action is taken to respond to climate change. Achieving a 2°C scenario – the upper limit of what has been agreed by most governments – will require that up to 80% (66%, according to the International Energy Agency) of known fossil fuel reserves remain in the ground.⁴⁵

This has resulted in what Bloomberg's Michael Liebreich calls "a systemic failure of valuation, an overvaluation of the fossil-related and extractive industries".⁴⁶ Adequate legislative steps to mitigate climate change would

b. Investment in fossil fuels is defined here as holdings – directly, or indirectly via hedge/pool funds – in any of the top 200 fossil fuel extraction companies, listed by current carbon reserves. These are termed 'fossil fuel companies' or, collectively, 'the fossil fuel industry' in this report.

c. The S&P/ASX200 refers to the largest 200 companies on the Australian Securities Exchange, by market capitalisation. S&P is the ratings agency that compiles the index.

turn listed, but unburnable, carbon reserves into 'stranded assets' – and this overvaluation could be as high as US\$20 trillion,^{47,48} a significant fraction of these companies' total estimated worth. Even without international legislation, individual governments' efforts to control emissions pose serious threats to the value of fossil fuel assets. For example, a recent report concluded that China's efforts to move away from coal rendered meaningless the US\$21 billion coal companies spent on exploring for further reserves in 2013.⁴⁹

The carbon bubble is not the only risk to the value of fossil fuel and conventional energy companies; in some markets, their value is already collapsing as investment in renewable energy, and a regulatory environment favourable to renewable energy, affect their bottom line. In Germany, increasing renewable energy use, and a market in which energy from renewable sources has legal priority over that from fossil fuels, are increasingly undermining coal and gas power plants' profitability. In 2013, Germany's largest utility company, RWE, lost \$US3.8 billion, while Vattenfall (who hold Germany's second largest conventional energy generation portfolio) lost \$US2.3 billion.⁵⁰

More generally the global price of fossil fuels has been in decline for years. Many analysts see this as a structural decline rather than cyclical. The price of traded thermal coal has fallen from over A\$200 a tonne in July 2008 to A\$68 in January 2016, and the price of a barrel of North Sea oil from A\$162 in mid-2014 to A\$46 in February 2016. There are increasing signs the coal industry in Australia is in steep decline,⁵¹ with major international coal miners beginning to report massive financial losses.⁵²

Carbon Free Portfolio vs S&P/ASX 200
Growth of \$1

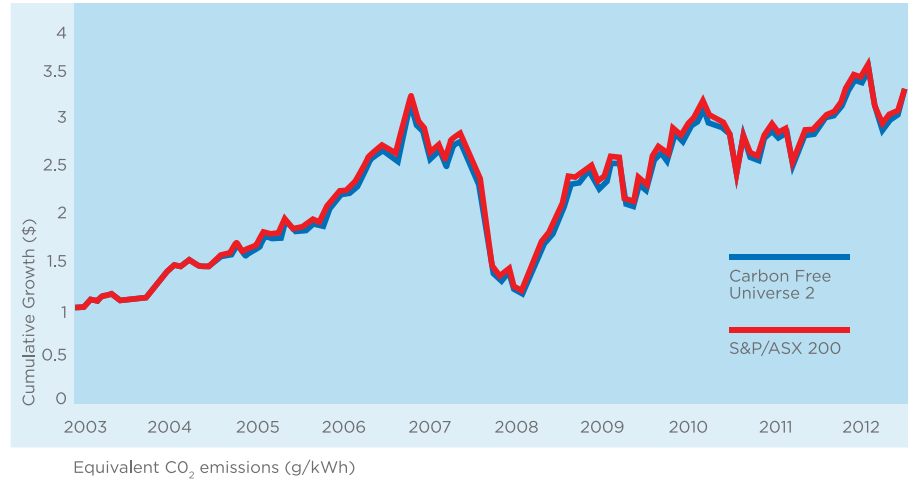


Figure 2 / Cumulative growth of optimized investment portfolios for S&P/ASX200 against a fossil free portfolio.⁵⁸

5.3 / Relative Performance of Sustainable Investment Portfolios

Alongside the longer-term arguments made above, it is pertinent to examine how screening (exclusion) of fossil fuel companies affects short-term portfolio performance.

Inevitably, there is variation amongst analyses, but past performance of sustainable investment portfolios tends to track non-divested ones closely, and sometimes outperform them.⁵³ Share index provider MSCI carries out comparisons of portfolios that apply a screening on fossil fuels to a benchmark portfolio. They have found that fossil free portfolios have outperformed the benchmark 2008-2013.⁵⁴ Additionally, MSCI show that fossil fuel companies have become one of the riskiest sectors to invest in.⁵⁵

As this applies to Australia, the Aperio Group⁵⁶ have provided

modelling comparing optimised investment portfolios for S&P/ASX200 with and without the companies substantially involved in fossil fuel extraction or having large 'downstream' exposure to fossil fuels. With a tracking error^d of only 0.88 (see figure 2 above), their models demonstrate that "screening out fossil fuel extraction and downstream industries can have negligible impact on risk-adjusted returns."⁵⁷

With the recent dramatic downturn in the value of fossil fuels, fund managers everywhere need to start asking what the risks are of not divesting from fossil fuel assets. Advocacy group Market Forces have investigated the performance of the 15 largest Australian super fund options, representing \$333 billion, or 16% of all Australian superannuation. Over 2014 and 2015 they collectively lost \$5.6 billion due to their investments in fossil fuels.⁵⁹

d. Tracking error is a measure of how closely a portfolio follows the index to which it is benchmarked. In this case tracking error refers to the variation between the history of the S&P/ASX 200, and the history of the index less fossil fuel stocks

6 / How Health Organisations Can Divest From Fossil Fuels

6.1 / Fossil Fuel Divestment

This brief has argued that screening fossil fuel investments from the portfolios of health organisations in Australia is an important public health intervention, consistent with actions taken against the tobacco industry and other harmful goods. There are four important steps to divestment:

1/ Know where you're investing:

Health bodies should be aware of where their finances are being invested. Finding this out may be as simple as checking with the organisation's treasurer, financial committee, or chief financial officer; but it may also involve requesting this information from your third-party financial asset manager.

2/ No new investments in fossil fuels:

If a health organisation has investments in the fossil fuel industry – either directly, or through their financial asset manager – it should consider adopting a policy which excludes any future investments.

3/ Commit to a healthy and sustainable portfolio:

The next step involves considering a commitment to shifting old investments away from the fossil fuel industry, in a financially responsible manner, over the course of the next 5 years.

4/ Invest in health: The final step – investing in renewable energy, low-carbon health systems, and local community resilience – is just as important as the first three. This is covered in slightly more detail below.



Prominent health organisations such as the British Medical Association, the Canadian Medical Association, Dignity Health in California, and the Royal Australasian College of Physicians have already taken this important step, and are investing in activities that protect, rather than harm, the wellbeing of their patients and the community.

6.2 / Investing in Health

Equally as important as screening out fossil fuels is the decision to invest in activities, industries and interventions which are good for health. Financial services providers are increasingly responding to the demand for fossil-free investments by providing targeted services. Notably, the FTSE Group has teamed up with the world's largest investment managers BlackRock, to launch a fossil-free index.⁶⁰ Additionally, many financial services providers specialise in sustainable and fossil-free investment and provide a range of more sustainable investment options.

In particular, this reinvestment option permits a particular focus on investment in renewable energy

generation. In this way funds invested help to reduce morbidity and mortality that results from fossil fuel combustion, resulting in substantial cost-savings for the health system. Renewable energy holds other advantages for investors: it provides some of the advantages of portfolio diversity currently gained from fossil fuel investments. Renewable energy also shields the investor from energy price shocks and environmental and social governance-related risks, while helping to create energy security.⁶¹

Identifying opportunities to develop low-carbon health facilities is particularly valuable, as it works to both strengthen health systems and decrease carbon emissions.

Investing in combined heat and power solutions for local health facilities is a particularly high-yield investment, often substantially reducing operational costs.

7 / How Health Professionals Can Divest From Fossil Fuels



Individual health professionals are already taking up the challenge of personal divestment from fossil fuels, putting their finances in line with their duty of care to help protect patients and the community from the health impacts of climate change.^{62,63}

Considering the health care and social assistance sector employs over 1.5 million people in Australia, and that in 2014 there were 610,148 people registered as health practitioners, the power of this sector alone could have considerable influence on redistributing investment towards healthy renewable energy such as wind and solar.^{64,65}

Individual action can take different forms, but generally covers the following areas: banking, superannuation, shares and other investments.

7.1 / Banking

Australia's large banks are heavily invested in fossil fuels. The 'big four' banks have invested over AUD\$50 billion in Australian fossil fuel projects since 2008. Market Forces www.marketforces.org.au offers information on fossil fuel exposure of all the banks and credit unions in Australia and allows selection of an institution with no exposure. Customer engagement with their current bank regarding climate change concerns and financial risk, and reasons for switching banks, provides vital communication and is as important as the move itself.

Doctors for the Environment Australia (DEA) commenced pressure on the 'big 4' banks to divest from fossil fuels in 2010 with letters from a large number of members and students to their bank followed by visits to the head offices of the 'big 4' by senior DEA members. DEA has since expanded the promotion of personal and institutional divestment and completed its own divestment. DEA recently published a FAQ sheet as a convenient starting point for advocacy.⁶⁶

7.2 / Superannuation

Health professionals working in the public system are usually enrolled in one of a handful of health superannuation funds including First State Super, HESTA, and GESB. Australians have AUD\$1.6 trillion in superannuation funds. Funds have an obligation to maximise member returns, but they are also free to apply ethical filters in key cases where their members show support. Divestment campaigns such as Super Switch www.superswitch.org.au offer tools to assist investors assess the exposure of their superannuation fund to the fossil fuel industry, and make informed decisions on how to engage with their fund and where to hold their super.

Superannuation funds vary in the extent to which their exposure to fossil fuels has been declared. AMP, Australian Ethical Super, and Hunter Hall for example, have clear policies on fossil fuel investments; many others do not.

Some health superannuation funds now offer partially divested options. For example First State Super recently announced that their

Australian Socially Responsible Investment option now screens out all companies deriving 20% or more of their earnings from fossil fuels.⁶⁷

HESTA announced in September 2015 it was reducing investments in thermal coal, but because the action was limited to only a fraction of their funds, one source has estimated they have lost \$165 million because they did not fully divest from coal.⁶⁸ There is clearly more advocacy yet to be done by members of health super funds. In addition, health organisations themselves can also call on health superannuation funds to develop and implement a plan for divestment.

There are many health professionals who hold self-managed super funds. With complete control over their investments, divestment from fossil fuels and reinvest in sustainable industries and renewable energy is possible. They can publicly declare their stance by signing on at <http://www.divestfossilfuels.org.au>.

7.3 / Membership Advocacy in Health Professional Organisations

Health professionals are also members of many professional bodies and health institutions, and can contribute to vital action inside these organisations to modernise their investment strategies. As a recent editorial in the British Medical Journal said:

“What we all do matters, not least in how it influences others. Those who profess to care for the health of people perhaps have the greatest responsibility to act.”⁶⁹



8 / Conclusion

Historically, the health professions have consistently been among the first to intervene when the public's health is put at risk from systemic threats outside of the health system. This has been true from the very beginnings of epidemiology - with John Snow's foundational work in combatting cholera - through to modern-day legislation to combat smoking.

Climate change impacts the wellbeing of the Australian public now, and this will escalate rapidly without swift curbing of greenhouse gas emissions. Conversely, many of the health challenges facing the healthcare system could be ameliorated - if not prevented entirely - through measures to reduce fossil fuel consumption whilst improving air quality and levels of physical activity.

The health professions have a central role to play in realising this transformation to a sustainable and healthy future. It is time for individual health professionals, health organisations, hospitals and healthcare facilities, and the Australian health sector to stop funding fossil fuel companies, and start investing in renewable energy, low-carbon health systems, and healthy resilient communities.

We have it in our power to remove financial support from the fossil fuel industry and invest personal and institutional resources in low carbon solutions which protect and promote - rather than harm - public health.



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