**AUS Ethical Business Practices Committee**

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AUS in an   
Evolving World:

A Study of Sustainability and Ethical Procurement in the Arts Undergraduate Society

**February 27, 2020**

# Associated Documents:

**AUS Sustainability Policy**

**AUS Ethical Procurement Policy**

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# Introduction

**Background of the Report**

In 2014, the Ethical Business Practices bylaws were passed by the AUS legislative council. Yet, its stipulations were never implemented and its proposed committees were never formed. Further, today’s ethical business requires different stipulations, given new data and new ideas which were not available in 2014. This report follows other institutions across the globe which have changed their financial strategies to reflect an imperative to implement increasingly ethical standards.

In this report, and its recommended policies *(AUS Sustainability By-Laws* (Appendix C) and *AUS Ethical Procurement By-Laws* (Appendix D)), you will find a comprehensive review of AUS’s revised practices alongside their reasoning and the methodology by which we came to such conclusions. These address, specifically, environmental pollution, greenhouse gas emission, fair labour practices, and social entrepreneurship. Further included is a timeline for their implementation, an estimate of required expenditure, and future recommendations.

The findings of this report should not be understood to be comprehensive or final. Indeed, ethical business, whether regarding sustainability or procurement policy, is constantly in flux, following changes in technology, information, availability, and practicality. For this reason, the report recommends an ongoing committee, whose members are to be found annually, to review its findings and advise new solutions.

**Methodology of the Report**

We conducted our research in several parts. At the direction of the VP Finance, an Ethical Business Practices Committee was formed in addition to the two paid Commissioners to ensure the exchange of as many ideas as possible. Together, our team extended multiple invitations to all AUS departmental associations for consultations about the new policies. Those who could not attend an in-person consultation had access to a Google Form through which they could provide their input. Reminders were sent out intermittently on October 2nd, October 29th, and November 12th, 2019. The main questions we posed during our consultations were:

* **What club/department are you representing?**
* **Is your club/department doing anything already that you think should be recognized for its ethics/sustainability?**
* **What do you think should be included in the new bylaws to incentivize AUS clubs/departments to use sustainable and ethical practices? Is there anything specific to your organization that you think we should include in our bylaws?**
* **Do you have the potential or the financial capability to be more sustainable?**
* **Did you have knowledge of the current Ethical Business Practices bylaws before [this consultation]?**

In total, we conducted **16 consultations.** Following these in-person and digital consultations, we compiled our findings. Our team then decided to divide the new policy into two: a Sustainability Policy and an Ethical Procurement Policy. To move forward, we identified all of the key areas in which AUS clubs and departments could have impact.

Then, our team conducted research about organizational best practices for sustainability and ethical procurement. To back up our findings, we held meetings with a host of on-campus stakeholders and experts, including **SSMU Plate Club, Sam Haward (SSMU Vice President Finance), Professor Hamish van der Ven (Specialist in Ethical/Sustainability Certifications), Kendra Pomerantz (Supervisor: Sustainability, Contracts & Special Projects), the McGill Office of Sustainability,** and **Stéphanie Leclerc (Program Manager, Sustainable Procurement).**

We evaluated the rigour of our policy proposals based on feasibility, cost-effectiveness, accessibility, international recognition, and enforceability.

**Summarized Findings of the Consultations**

In meeting with various departmental associations, many had already invested considerable amounts of time and energy in improving their own sustainability and ethical practices. The entirety of our notes on these meetings is available in the Appendix section 2. However, these associations were limited by the funds available to them and their limited authority to implement their ideas. Some hoped to use more sustainable or fair trade products, but feared budget allocations would limit their potential. In reviewing these consultations we noted the need for higher budgetary allotments to ensure the safe implementation of these policies, and avoid pushing undue burdens on students.

Foremost on many minds was the concern that their association’s members might end up “footing the bill” for higher priced merchandise or events. Others felt they had maximized their potential for ethical practices within the constraints of budgets, but were open to more practices should they become available. As such, we have advised a higher budget allotment for all associations to ensure such products remain available to all, regardless of income.

Finally, there was concern from associations with smaller membership and smaller budgets that any enforcement would be negatively prejudiced against them due to the outsize effect any change in bylaws might create. As such, we have ensured that new funds will be available for all associations, and that these funds will be allotted as a percentage of association’s original budget. This means that each association receives equitable funding changes regardless of membership, and that none are disproportionately affected.

Each of these consultations was referred to countless times in devising policy recommendations to the AUS. Concerns and ideas were brought forward, and those who answered our questions may find their points reflected in the advised by-laws. Such solutions were implemented to address concerns in a nondiscriminatory manner, irrespective of association size and budgets. For all those present, thank you for your time.

# Recommended Solutions

# Revised AUS Sustainability By-laws

The AUS Sustainability By-laws has been implemented to meet the needs of our planet and our student population, who will witness the most devastating effects of climate change in their lifetimes if it is not prevented. As such, the sustainability By-laws has focussed on climate change as the main obstacle to environmental justice. The following policies have been divided into three sections: Lowering overall GHG output (articles 1.1 to 1.4.2); Offsetting current GHG output (articles 2.1 to 2.5.2) and advocating for future change (articles 3.1 to 3.2). It should be recognized that these are not comprehensive, and will require future additions by new committees, ever increasing the sustainability of the Arts Undergraduate Society.

**Lowering Overall Greenhouse Gas [GHG] Output**

In 2016, [along with global states](https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement), Canada committed to greatly decreasing its greenhouse gas emissions with the goal of carbon neutrality to prevent fatal global warming. Though government policy is central to achieving this essential goal, the state is not alone in its endeavour. National institutions, including McGill, must alter its practices to recognize and act against the realities of today’s climate crisis. With this goal, the new AUS Sustainability By-laws will lower the departments’ GHG output.

The revised **Sustainable Funding for Public Transport policy (article 2.2.1)** attempts to lower departmental use of transport which uses fossil fuels, while increasing its use of public transit. Unfortunately, due to the limitations of Montreal’s transit system, we cannot require our student body to exclusively use the STM for all transit needs. Many students use private cars, taxis, and rideshare apps to get home late at night, or transport large goods which cannot be taken onto the STM. Others are prevented from many transit options due to accessibility and mobility issues. As such the AUS will encourage the use of AUS funds for public transport whenever possible. This will be done in advertisements and instructional material. Club and association use of public transit will also be recognized positively when these actors apply for funding. If the club uses public transit rather than private transport its funding applications will be seen more favourably.

**Sustainable Events (article 2.2.2)** policy has been advised to use more sustainable practices in everyday events, without causing problems for our constituents. These events proved to be the aspect of our work which most interested clubs and departments, who hoped to make a difference while supporting the needs of their members. This article requires all events with over fourty attendees to **meet the** **standards** of a bronze certification from the McGill Office of Sustainability, which publicizes information about their program [here](https://www.mcgill.ca/sustainability/get-involved/sustainable-events). So long as expected attendees remain below eighty people, clubs and associations will only be required to meet the certification standards. When clubs and associations hold events with over eighty people, they will need to **certify their event directly** with the McGill Office of Sustainability. This certification may be demanded in end-of-year audits. Should organizers go “above and beyond” the requirements of this article, by certifying their events with silver or gold certifications, they will be seen favourably in funding applications.

**Printing (article 2.2.3)** is another sector which heavily benefits from AUS funds. Due to the nature of our constituents’ interests, it occupies a major factor in the budgets of many associations, clubs and journals. Printing also heavily contributes to deforestation, which leads to ecosystem change while destroying those plants which might otherwise take carbon dioxide out of our atmosphere. As such, article 1.3 requires all printers be certified by the [Canadian Forest Stewardship Council](https://ca.fsc.org/en-ca/certification) (FSC), an organization which evaluates printing companies on their practices and certifies their sustainability. All printing companies which are used by clubs and associations must be FSC certified. This will not decrease club accessibility to printing services. Rubik’s, the most used printing company by AUS organizations, is certified by the FSC. This act applies to all printing activities, including advertisements and journal printing. Further, the AUS will encourage all organizations to use sustainable techniques which limit resource use.

**Sustainable cutlery (article 2.2.4)** used at many events, will be demanded by the AUS. Nonsustainable plastic and paper cutlery, to include cups, glasses, plates, knives, forks, and spoons, deal damage to our immediate environment and destroy ecosystems. With this policy, the AUS will stop paying for plastic and paper cutlery, instead advising the use of Plate Club’s resources for applicable events. Should Plate Club be unavailable or be unable to accommodate certain needs, the AUS will only pay for compostable cutlery. This will ensure sustainability and help clubs achieve requirements demanded by article 1.2.

**Offsetting Current Greenhouse Gas [GHG] Output**

While lowering overall GHG output is essential to ensuring sustainability in AUS practice, our city’s reliance on fossil resources means we cannot completely avoid their use. We lack the ability to improve public transport, or the funds to buy electric vehicles. As such, AUS will commit to negating *all* carbon it produces through carbon offset programs beginning in September 2020 (article 2.1). This is an ambitious plan, considering the [Paris Climate Accords](https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement) only request such a target by 2030. It is believed that this will not only produce direct benefits for our environment, but also pressure other departments as well as the McGill administration to adopt similar targets. For more on this, see section three.

These offsets will be purchased through [*Less*](https://www.less.ca/en-ca/)*,* a subsidiary of the Bullfrog power company, endorsed by multiple international agencies including [the Gold Standard](https://www.goldstandard.org/), the [CSA group](https://www.csagroup.org/), and the [David Suzuki Foundation](https://davidsuzuki.org/). *Less* was chosen for three reasons. Firstly, it is a Canadian company, and therefore AUS offset purchases will not be decreased by exchange rates. Secondly, *Less,* is certified by international organizations including the United Nations to meet gold standards of carbon offset purchasers. Should this fact change, another business should be chosen. Lastly, *Less* allows mass purchases by the tonne, which will allow AUS to pay for annual offsets at one time, rather than make hundreds of individual purchases. Thus, the AUS will pay for all carbon offsets, calculated below, at the end of the academic year, including the entire calendar year in its calculations.

**Offsetting the use of private cars (article 2.2.6)** means finding the amount of gas used per subsidized trip, then combining all trips to find the total gas paid for by AUS per year. With this number, we can extrapolate AUS’s private car CO2 output per annum. The following equation does this.

**[(Annual cost of gas / Average cost of gas) \* 0.00982] \* 24**

The first term, annual cost of gas divided by the average cost of gas that year, renders an accurate estimate of the amount of gas used that year. Receipts often do not show the amount of gas, and are sometimes not reported in data, so we need to estimate. The rendered amount should be converted into US gallons. This amount is then multiplied by 0.00982 as this is the amount of tonnes of CO2 in one gallon of gas, as stipulated by the [U.S. Energy Information Administration](http://www.patagoniaalliance.org/wp-content/uploads/2014/08/How-much-carbon-dioxide-is-produced-by-burning-gasoline-and-diesel-fuel-FAQ-U.S.-Energy-Information-Administration-EIA.pdf). As such, multiplying gas used in gallons by CO2 present in one gallon gives us the amount of CO2 created by private cars per year in tonnes. We then multiply this number by 24 to reflect the [Gold Standard guidelines](https://www.goldstandard.org/blog-item/carbon-pricing-what-carbon-credit-worth) requiring offsets to invest $24 per tonne of CO2 created. This renders the required price in CAD per year to offset the GHG output of gasoline. In the 2019-2020 year, this would have been $205.75.

**Offsetting the use of online rideshare applications including Uber and Lyft (article 2.2.7)** is necessary due to their comparatively high use among the McGill population. As we do not have access to gas usage in rideshare cars, this will be done by estimating total distance travelled, found through its price. The following equation shows how:

**[(Annual cost of rideshare – 2.5 \* total rides) / 0.85] \* 650 \* 0.000024**

In Montreal, rideshares combine two prices: one is an initiation price, usually $2.50, and the other adds $0.85 per kilometer. Thus, the first bracket finds the annual cost of the rideshare, and subtracts all initiation costs ($2.50 multiplied by the total rides). This gives us the price of rideshares accounting exclusively for its distance. Dividing this by 0.85, the charge per kilometer, renders the total distance travelled in kilometers per annum. [The Environmental Protection Agency](https://nepis.epa.gov/Exe/ZyNET.exe/P100JPPH.TXT?ZyActionD=ZyDocument&Client=EPA&Index=2011+Thru+2015&Docs=&Query=&Time=&EndTime=&SearchMethod=1&TocRestrict=n&Toc=&TocEntry=&QField=&QFieldYear=&QFieldMonth=&QFieldDay=&IntQFieldOp=0&ExtQFieldOp=0&XmlQuery=&File=D%3A%5Czyfiles%5CIndex%20Data%5C11thru15%5CTxt%5C00000011%5CP100JPPH.txt&User=ANONYMOUS&Password=anonymous&SortMethod=h%7C-&MaximumDocuments=1&FuzzyDegree=0&ImageQuality=r75g8/r75g8/x150y150g16/i425&Display=hpfr&DefSeekPage=x&SearchBack=ZyActionL&Back=ZyActionS&BackDesc=Results%20page&MaximumPages=1&ZyEntry=1&SeekPage=x&ZyPURL) estimates that 650 grams of CO2 are emitted per kilometer in the average car. As such, we multiply the kilometers by 650 to find the total carbon output of AUS rideshares in grams. As [Gold Standard](https://www.goldstandard.org/blog-item/carbon-pricing-what-carbon-credit-worth) offset stipulations, declared by the U.N. and the World Wildlife Fund, requires $0.000024 worth of carbon offsets per gram of CO2, we then multiply this number by 0.000024. This gives us the total required price in CAD per year to offset GHG output of rideshares. In the 2019-2020 year, this would have been $20.91.

**Offsetting the use of taxis (article 2.2.8)** is similarly required due to their carbon output and their preponderance among AUS members. The equation follows a similar logic to that of rideshares:

**{[Annual cost of Taxis – (3.45 \* total rides)] / 1.70} \* 650 \* 0.000024**

Taxis in Montreal cost $3.45 to initiate, followed by $1.70 per kilometer. As such, to find the distance travelled in taxis, we start with the annual cost of taxis, and subtract the total initiation costs (3.45 \* total rides). By dividing this by the $1.70 charge per kilometer, we can find the distance travelled in taxis by kilometer. The Environmental Protection Agency [estimates](http://www.patagoniaalliance.org/wp-content/uploads/2014/08/How-much-carbon-dioxide-is-produced-by-burning-gasoline-and-diesel-fuel-FAQ-U.S.-Energy-Information-Administration-EIA.pdf) that 650 grams of CO2 are emitted per kilometer in the average car. As such, we multiply the kilometers by 650 to find the total carbon output of AUS taxis in grams. As Gold Standard offset stipulations, declared by the U.N. and the World Wildlife Fund, requires $0.000024 worth of carbon offsets per gram of CO2, we then multiply this number by 0.000024. This gives us the total required price in CAD per year to offset GHG output of taxis. In the 2019-2020 year, this would have been $0.48.

Offsetting the use of private busses (article 2.2.9) is required due to their use by various AUS clubs and associations. Its price is calculated similarly to those of private cars, but measures the total output of diesel, which is relatively higher than gasoline. The equation below accomplishes this task:

**(Annual cost of diesel / Average cost of diesel) \* 0.01119 \* 24**

The first term, annual cost of diesel divided by the average cost of diesel that year, renders an accurate estimate of the amount of diesel used that year. Receipts often do not show the amount of diesel, and are sometimes not reported in data, so we need to estimate. The rendered amount should be converted into US gallons. This amount is then multiplied by 0.01119, as this is the amount of tonnes of CO2 in one gallon of gas, as stipulated by the U.S. Energy Information Administration. As such, multiplying diesel used in gallons by CO2 present in one gallon gives us the amount of CO2 created by private busses per year in tonnes. We then multiply this number by 24 to reflect the [Gold Standard guidelines](https://www.goldstandard.org/blog-item/carbon-pricing-what-carbon-credit-worth) requiring offsets to invest $24 per tonne of CO2 created. This renders the required price in CAD per year to offset the GHG output of diesel busses. In the 2019-2020 year, this would have been $215.35.

**Offsetting plastic waste (article 2.2.10)** created by AUS members is becoming more essential as we learn more about the effects of plastic pollution, which disrupt ecosystems, complicate food chains, and increase CO2 emissions. Unfortunately, due to administrative difficulties, we did not receive reliable data on McGill’s plastic waste. Thus, a central task of the Ethical Business Practices committee next year will be to find this data, find a reliable plastic offset provider, and calculate how much must be spent annually to offset this waste. This should be implemented in 2021, or sooner.

**Ethical Apparel Procurement Policy**

The **Ethical Apparel Procurement Policy** acknowledges that one of the most financially significant purchases which clubs make each year is branded merchandise. Currently, most AUS departmental associations purchase such merchandise from local Montreal companies who tend to provide them with affordable, yet largely unethical products.

The need for ethical apparel became globally clear following the Rana Plaza building collapse in 2013, which killed 1,138 people and injured 2,500, most of whom were young women. This tragedy occurred as a result of the globalization of the clothing industry, a transition during which corporations have sought to lower production costs as much as possible ([Fashion Revolution](https://www.fashionrevolution.org/about/why-do-we-need-a-fashion-revolution/)). In order to decrease clothing prices, corporations exploit garment workers in the Global South, where strong labour rights protections do not always exist ([The Encyclopedia of World Problems and Human Potential](http://encyclopedia.uia.org/en/problem/145520)). Such injustices include supervisors firing pregnant employees, punishing employees who attempt to join a union, forcing employees to work extensive overtime hours with few to no breaks, failing or refusing to pay employees a living wage, and outright ignoring allegations of sexual violence ([Human Rights Watch](https://www.hrw.org/topic/womens-rights/labor-rights-garment-industry)).

For these reasons and those beyond them, it is imperative that the Arts Undergraduate Society adopt bold and clear measures to ensure it is procuring ethically-made apparel. Throughout research for this policy, several challenges became clear. Our policy acknowledges and seeks to account for these challenges:

1. Due to how globalized and complex the clothing supply chain is, implementing and enforcing an ethical apparel certification is quite difficult.
2. There are many certifications in existence; however, information on them tends to be unclear and convoluted.
3. Greenwashing, defined as “expressions of environmentalist concerns especially as a cover for products, policies, or activities”, is quite common among apparel companies ([Merriam-Webster](https://www.merriam-webster.com/dictionary/greenwashing)). This practice makes it more difficult to enact an airtight ethical apparel procurement policy.

**AUS Ethical Apparel Certification Requirements**

The reformed Ethical Apparel Procurement Policy will require all apparel purchased that is to be reimbursed by AUS to be certified under the following:

1. **Article 2.2.1: Apparel Produced in Canada**The company needs to have evidence of *at least one* of the following. Clubs and associations who procure from suppliers with evidence of *both* will be viewed favourably in AUS funding applications.
   1. Decent work conditions
   2. Social Entrepreneurship
2. **Article 2.2.2: Apparel Produced Outside Canada**The product needs to be Fairtrade International certified.

Our policy has different requirements depending on the apparel’s procurement location because **locally-produced products are typically simpler to ensure the ethicality of, since it usually means the supply chain is less complex.** When products are produced outside of Canada, it is far more challenging to sufficiently ensure all the steps of their supply chains are ethical.

**Article 2.2.1: Apparel Produced in Canada**

**Decent work conditions**

According to the [International Labour Organization](https://www.ilo.org/global/topics/decent-work/lang--en/index.htm), Decent Work is defined as:

*“opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.”*

United Nations Sustainable Development Goal #8, [Decent Work and Economic Growth](https://www.un.org/sustainabledevelopment/economic-growth/), utilizes the above definition for their purposes ([UN Global Compact](https://www.unglobalcompact.org/what-is-gc/our-work/social/labour)), making it the one which the AUS wishes to align itself with. Thus, if using this point to demonstrate the ethicality of a company, AUS clubs and associations should be able to provide documented proof that said company also aligns itself with these principles.

An example of sufficient proof can be seen in the case of [Ethica](https://www.attraction.com/en/promotional/our-offer/#ethica), a unionized, made-in-Canada wholesale clothing supplier.

**Social Entrepreneurship**

According to the [UN Global Compact Framework for Social Enterprise & Impact Investing](https://www.unglobalcompact.org/docs/issues_doc/development/Framework_Social_Enterprise_Impact_Investing.pdf), a social enterprise is one which **prioritizes social or environmental benefits over economic gain** (pg. 4)**.** Making a profit is still acceptable and not inherently at odds with social entrepreneurship; however, **social and/or environmental good must be more important than financial growth to the business.**

Listed below are several ways in which AUS clubs and associations can provide proof of Social Entrepreneurship within an organization. Any of the following are acceptable, and the Ethical Business Practices Committee is open to receiving other proof should a club or association be unable to obtain any of the following.

* Business holds membership with a Social Entrepreneurship organization, like:
  + The [World Fair Trade Organization](https://wfto.com/what-we-do/)
  + The [B Corporation Certification](https://bcorporation.net/certification)
* Business has extensive, transparent documentation about their Social Entrepreneurship efforts.
  + For example, see [Patagonia’s](https://www.patagonia.ca/activism/) activism webpage.

**Article 2.2.2: Apparel Produced Outside Canada**

**Credibility of Fairtrade International**

Research has demonstrated that this certification is the most globally recognized of its kind ([GlobeScan](https://globescan.com/fairtrade-reflection-consumers-personal-values/)). Its structure is made up of three regional producer networks (based in Africa and the Middle East, Asia and the Pacific, and Latin America and the Caribbean respectively), more than twenty-five national organizations, and Fairtrade International as an overarching non-governmental organization ([Fairtrade International](https://www.fairtrade.net/about/how-fairtrade-works)). Finally, the certification is implemented and audited by [FLOCERT](https://www.flocert.net/about-flocert/vision-values/roots-role-fairtrade/), an independent, third-party body. FLOCERT holds an [ISO 17065](https://www.iso.org/standard/46568.html) accreditation, which is provided by the [International Organization for Standardization](https://www.iso.org/home.html) and ensures that FLOCERT is in line with global best practices for product certifications.

**Fairtrade International Standards**

Fairtrade International’s standards fall into three categories of criteria: economic, social, and environmental.

* **Economic:** ensures a [Fairtrade Minimum Price](https://www.fairtrade.net/about/), a [Fairtrade Premium](https://www.fairtrade.net/about/), and long-term trading partnerships
* **Social:** democratic decision making, the right to organizing, transparency, non-discrimination, minimum wage, and prohibition of forced and child labour.
* **Environmental:** waste and water management, minimization of pesticides and chemicals, biodiversity, and the encouragement of organic production

Fifty percent of Fairtrade International is also owned by producers, which puts directly into action its practice of democratic decision-making.

**Fairtrade International Apparel Certifications**

As previously mentioned, certifying apparel as ethical is difficult because of how complex the global apparel supply chain is. Compared to other products like coffee or fruit, which are simpler to certify since the entire supply chain generally takes form in fewer locations, apparel is created in many steps and many locations. Thus, ethical apparel is complicated to certify since the entirety of the supply chain must be taken into account.

For these reasons, Fairtrade International has several distinct apparel-related certifications. More information is available [here](https://files.fairtrade.net/standards/2018_Quick-guide-Textile-PM.pdf).

* **Fairtrade Textile Production:** this mark certifies the *entire textile supply chain* for a product. More information is available [here](https://www.fairtrade.net/standard/textile).
* **Fairtrade Cotton (Figure A):** this mark certifies that 100% of the cotton used in the product is Fairtrade certified.
* **Fairtrade Sourced Cotton (Figure B):** this mark certifies that 100% of the cotton used in the product is certified as responsible fibres. In other words, some or most of the cotton is certified Fairtrade, and is mixed with other responsible fibres during the product’s production.

**Figure A (Fairtrade Cotton) Figure B (Fairtrade Sourced Cotton)**

At this time, the Fairtrade Textile Production certification is still quite ambitious for many companies, farmers, and producers. With this understanding, **all apparel procured under the AUS from outside of Canada must have *at least* a Fairtrade Cotton or a Fairtrade Sourced Cotton certification.**

**Article 2.2.3: AUS Approved Suppliers List**

**Rationale**

Indeed, the Ethical Business Practices Committee acknowledged that all of these new policies do not involve simple adaptations. To avoid placing the burden of these changes on clubs and associations, the Committee has created a **working list of Approved Suppliers (Appendix 1)**, which clubs and associations can refer to whenever they intend to procure one of the products which now falls under the purview of these new policies.

The Approved Suppliers list will be updated with whenever either the Ethical Business Practices Committee or an AUS club or association identifies a new eligible supplier.

**Article 2.2.3.2: Supplier Submission Process**

If a club or association identifies a supplier they wish to procure from that is not included on the Approved or Disapproved Suppliers lists, they may submit its name and information via a Google Form. The Ethical Business Practices Committee will ensure all clubs and associations have access to this Google Form.

**Article 2.2.3.3: Disapproved Suppliers List**

Since clubs and associations have the ongoing ability to submit new suppliers to the Ethical Business Practices Committee for its review to be procured from, whenever the Committee decides to disapprove a supplier, it will add it to the Disapproved Suppliers list. In this way, the Committee will prevent repeat submissions, as well as ensure clubs and associations do not undertake unnecessary work.

**Article 2.2.4: Ethical Event Sponsorship Policy**

In addition to the Sustainable Events Policy, the Ethical Business Practices Committee encourages all AUS clubs and associations to adopt additional ethics measures with respect to their events. We encourage clubs and associations to **seek sponsorship from** businesses and companies included in or similar to AUS Approved Suppliers.

In other words, clubs and associations should seek sponsorship from businesses and companies with **any of the following:** decent work conditions, social entrepreneurship, Fairtrade International certification, B Corporation Certification, World Fair Trade Organization Certification, or other evident positive measures.

At this time, AUS clubs and associations are **not mandated** to seek event sponsorship from businesses and companies who qualify under any of these stipulations. However, those who go out of their way to do so will be seen favourably in AUS funding applications.

**Advocating for Future Change**

These policies should not be taken to mean AUS is an entirely sustainable organization, or one who procures solely from ethical suppliers. They do not decrease in total our GHG output, nor offset the entirety of what is left. There are also certainly products which it does not account for. These policies are instead a foundation for future change, requiring consistent work and oversight. The enduring Ethical Business Practices committee must constantly re-examine these policies to improve them and thus improve AUS sustainability and ethical procurement.

Further, the enduring committee must work with McGill groups to promote campus sustainability. This includes both policy implementation and activism to aid others in the struggle against climate change and remain educated in our own work. We should further work with municipal groups to promote Montreal’s sustainability and broader ethical consumerism culture, especially in those areas with direct impact on AUS pollution such as public transport, energy, and availability of ethical products. Finally, national and international groups should be worked with towards a similar purpose of climate justice, sustainability, and ethical trade.

These policies simply begin a discussion, helping to improve AUS’s climate and ethical procurement record and pressure others to do the same. Future policies will be required, and future updates on existing policies will be needed. It is thus demanded that the next AUS executives and Legislative Council take this opportunity seriously, and immediately begin the search for next year’s Ethical Business Practices Committee.

**Implementation Expenditure and Scheduling Tables**

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| --- | --- |
| **Date** | **Goal** |
| **Feb 27, 2020** | * Pass recommendations for Fee Levy and By-laws. |
| **March 20-September 01, 2020** | * Creation of transition and training documents (including powerpoints and booklets) for implementing provisions starting in September 2020. * Continual Expansion of *Approved Suppliers List.* * Selection of Ethical Business Practices Commissioners for FY2021. * Development of Sustainability and Ethical Procurement By-laws enforcement mechanisms. * Development of Ethical Procurement and Sustainability day-to-day permit procedures. * Formal selection of Carbon Offsets to be purchased. |
| **September 01-15, 2020** | * Transition period begins. * VP Finance delivers the Q1 mandatory report to the Council on implementation of Sustainability and Ethical Procurement By-laws. * Full implementation of provisions ratified by Council on February 27, 2020. Replacement of all documents on website. * Finalization and distribution of live updated *Approved and Disapproved Suppliers Lists* with budget planning documents and on website*.* * *S*ynchronization of QBO to include only approved vendors in supplier list. * Tabulation of fees and development of FMC application process. * Budget planning to integrate Sustainability and Ethical Procurement By-laws into the AUS Budget Planning process. * Establishment of Ethical Business Practices ad-hoc Committee. * Integration of Sustainability and Ethical Procurement By-laws into budget planning process. * Implementation of Sustainability and Ethical Procurement By-laws enforcement mechanisms developed during Spring and Summer of 2020. * Development of Communication plan. |
| **October 03-16, 2020** | * Along with regular departmental allocation, disbursement of Sustainability and Ethical Procurement supplement allocation for fall and winter semesters according to amended Financial By-laws. * Presentation of expectations and provisions established under the Ethical Procurement and Sustainability By-laws to Departmental associations during finance orientation. * Presentation of new funding opportunities under the FMC and communication for these opportunities to wider McGill community. |
| **December 2020** | * Transition period ends. * Development of framework for Tabulations of total waste and Waste Offsets. * Final review of Ethical Procurement and Sustainability By-laws enforcement mechanisms along with presentations for disseminating information about those mechanisms. * VP Finance delivers the Q2 mandatory report to the Council on implementation of Sustainability and Ethical Procurement By-laws. |
| **January 2021** | * Ongoing departmental audits and enforcement actions begin. * Collecting feedback on systems of enforcements * Begin Frosh implementation consultations and action plan to fully implement the Ethical Procurement and Sustainability By-laws for frosh. |
| **April 2021** | * Calculation of necessary carbon (and possibly waste) offsets to purchase at FYE for GHG emissions for FY2020. * Purchase of Carbon Offsets for FYE 2020. . * Consultation with departments on improvements. * Transition to next year. * VP Finance delivers the Q3 mandatory report to the Council on implementation of Sustainability and Ethical Procurement By-laws. |

# Summary of Specific Expenditures for FYs 2021, 2022, 2023

|  |  |  |  |
| --- | --- | --- | --- |
|  | **FY2021** | **FY2022** | **FY2023** |
| **Expected Revenue from Fee** | **$30523.80** | **$30676.42** | **$30829.80** |
| Carbon Offsets | ($1059.74) | ($1337.66) | ($1790.96) |
| FMC Fund | ($5494.28) | ($5521.76) | ($5549.36) |
| Departmental Supplement | ($17122.82) | ($17550.89) | ($17989.66) |
| AUS Executive Portfolio Transition | ($6846.96) | ($6226.11) | ($5499.81) |

Notes and assumptions:

1. A detailed breakdown of each calculation can be obtained upon request.
2. The expected revenue anticipates a yearly growth in fee paying enrollment of 0.5%.
3. Carbon offsets were calculated using the formulas provided in the *Sustainability By-laws* and the *Recommended Solutions* (including attached source information) section of this report. Each year assumes that expenditures on Carbon Offsets will increase by 30% for the following reasons: (1) during each year of this plan’s implementation, it is assumed techniques for measuring output information will improve (such that more output is measured), and; (2) frosh was excluded from the initial estimates, the including of frosh will have a significant impact on total offset expenditures.
4. The FMC Funds represent 18% of the Expected Revenue from Fee (as outlined in the proposed Financial By-laws).
5. Departmental Supplement is computed as finding the difference between current estimates for departmental expenditure using status-quo levels of departmental allocation and the total allocation including the proposed Sustainability and Ethical Procurement Supplement levels of departmental allocation. This shows the additional expenditure that will be allocated to departments under the new funding scheme.
6. Calculations for the Departmental Supplement assume a combined inflation and student population growth rate of 2.5%/year from current allocation.
7. AUS Executive Portfolio transition represents the difference between all the previous expenditures and the collected amount. The amount will be used to transition the executive portfolios to compliance with the Ethical Procurement and Sustainability By-laws.

Fee Revenues

1. Simple Regression Line between opt-out rate (as a percentage of the total AUS Population) and fee size is represented by (where “f(x)” is Opt out rate in percent as a proportion of the total AUS student body, and “X” is fee size): **f(x) = 0.0003x+0.0488**
2. Probabilities of paying full-time, part-time and less fees in Arts are : P(Full-time)= 0.907412, P(Part-time)=0.091759 and P(less)=0.000829 respectively.
3. Total fees collected modeled by: f(x) = [(8446\*0.907412)x]+[(8446\*0.091759)\*(x/2)]+[(8446\*0.000829)\*(x/4)]-[(8446\*(0.0003x+0.0488)]x
4. Simplified: **f(x) = 7641.0852x -2.5338x^2** (where “f(x)” is total raised after opt out and “x” is total fee levied for winter and fall semester).
5. This equation was used to calculate the estimated revenue after opt-out from fee.
6. **Solve f(x) where x=4 ($4.00)**to yield $30523.80/year in revenue.

**Appendix Section 1: Approved Suppliers List**

*This working list is simply a beginning sample of the suppliers that will be available to AUS clubs and associations. It is presented along with the By-laws and Report as a visual aid so those impacted are aware of what this resource is intended to look like.*

**Apparel**

[**Ethica**](https://www.attraction.com/en/promotional/our-offer/#ethica): **Produced in Lac-Drolet, Quebec**

* **Ethics and Sustainability:** Union-made in Quebec, Global Organic Textile Standard certified
* **Products Offered:** T-Shirts, Hoodies, Long Sleeve Shirts, Quarter Zips, Jackets, Crewnecks, Zip-Up Sweaters
* **Sizes Available:** XS - 6XL
* **Price Range:** Blank t-shirts cost roughly $20, while hoodies cost roughly $60. More information on offerings available [here](https://www.attraction.com/en/product-category_en/unisex/?query_type_collections=or&filter_collections=ethica-en,ethica-on-order).

[**Green Campus Cotton**](http://www.greencampuscotton.ca/about)**: Produced internationally; located in Toronto, Ontario**

* **Ethics and Sustainability:** Fairtrade Cotton certified, non-profit campus cooperative at York University
* **Products Offered:** Fairtrade Certified t-shirts
* **Sizes Available:** information by contact
* **Price Range:** blank t-shirts cost roughly $10-$15, plus screenprinting costs.   
  Quotes and more information available by contact [here](http://www.greencampuscotton.ca/contact-1).

**Printing**

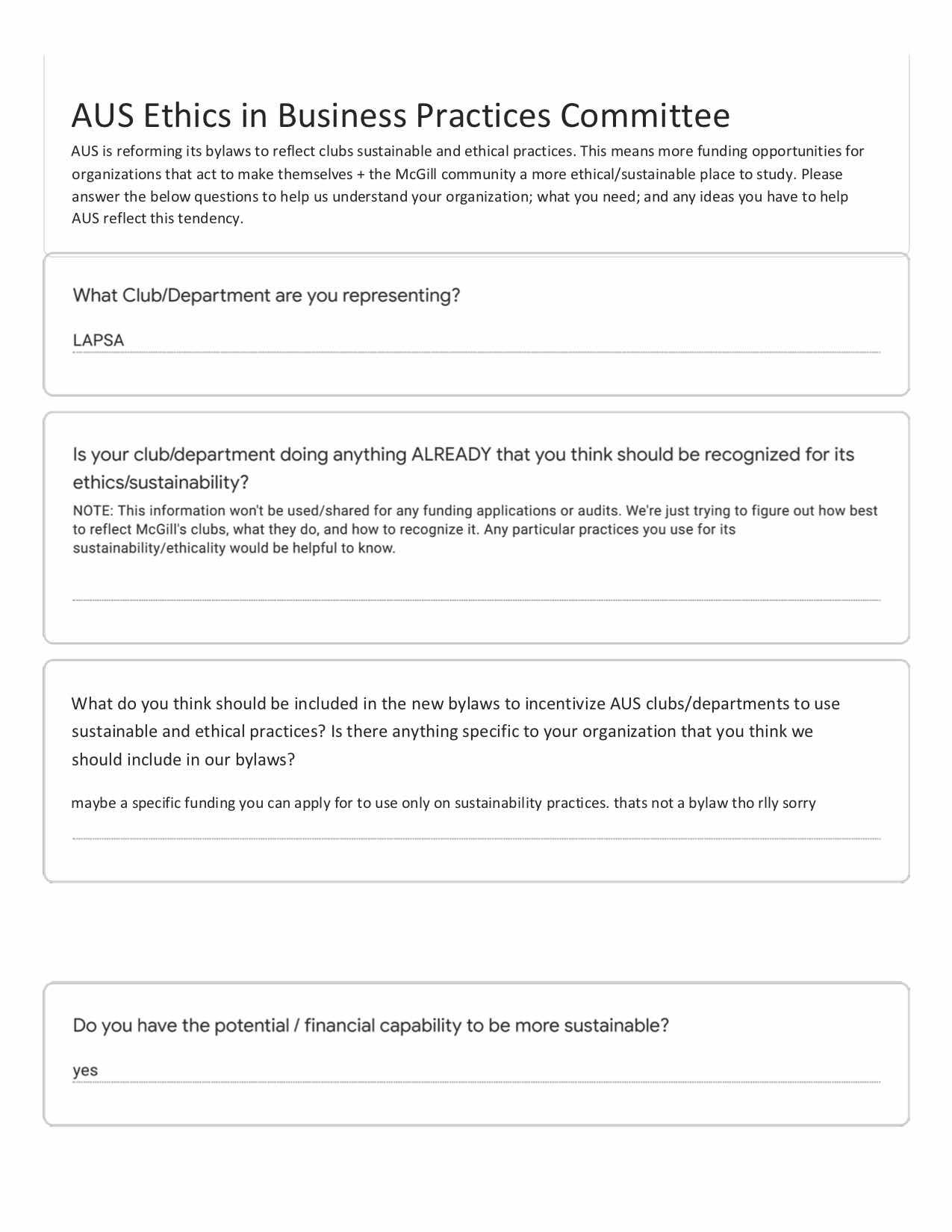
[**Rubiks**](https://www.rubiks.ca/index.php)**: Produced in Montreal, Quebec**

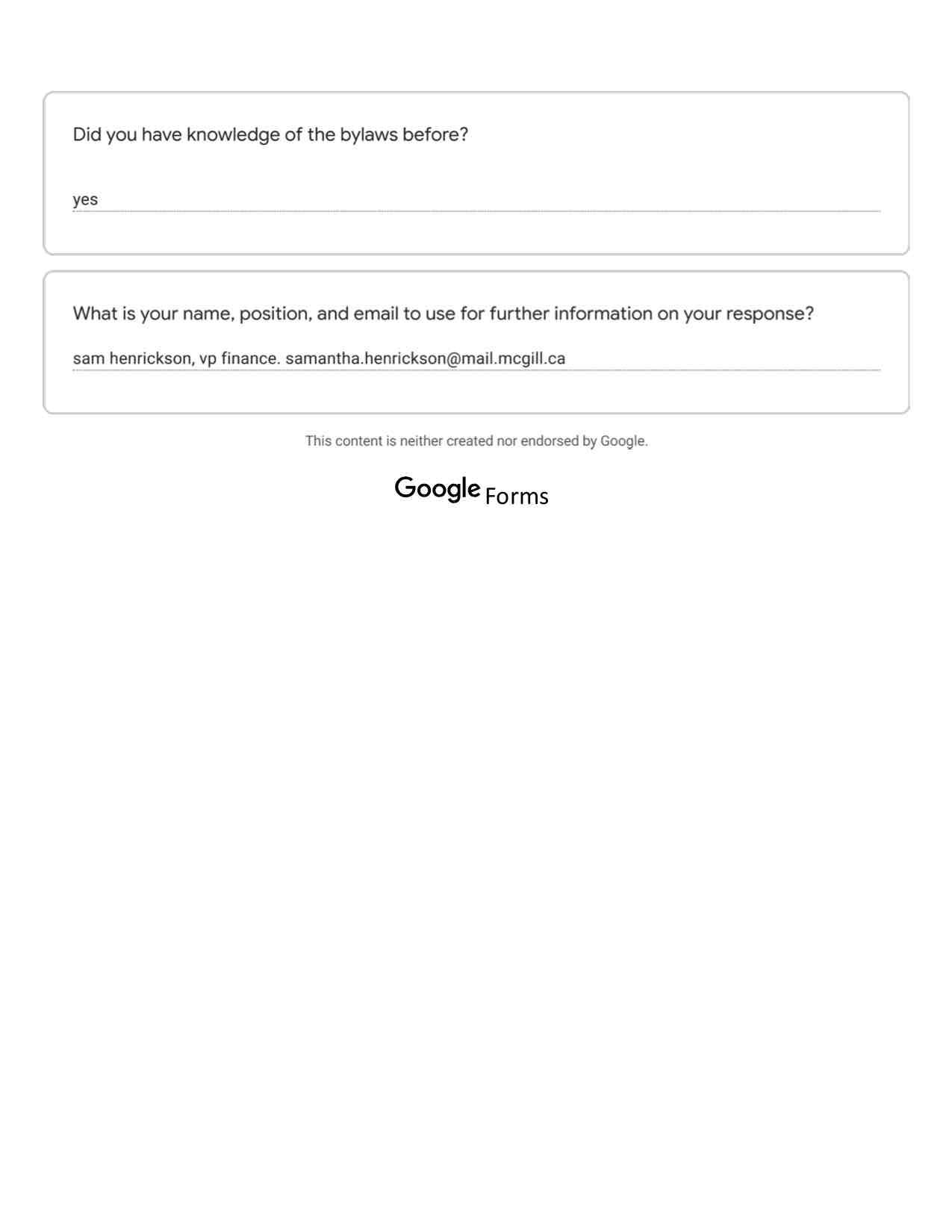
* **Ethics and Sustainability:** Forest Stewardship Council (FSC)-certified; energy-saving and recycling policies
* **Products Offered:** virtually all printing products are available. See the full list [here](https://www.rubiks.ca/index.php).

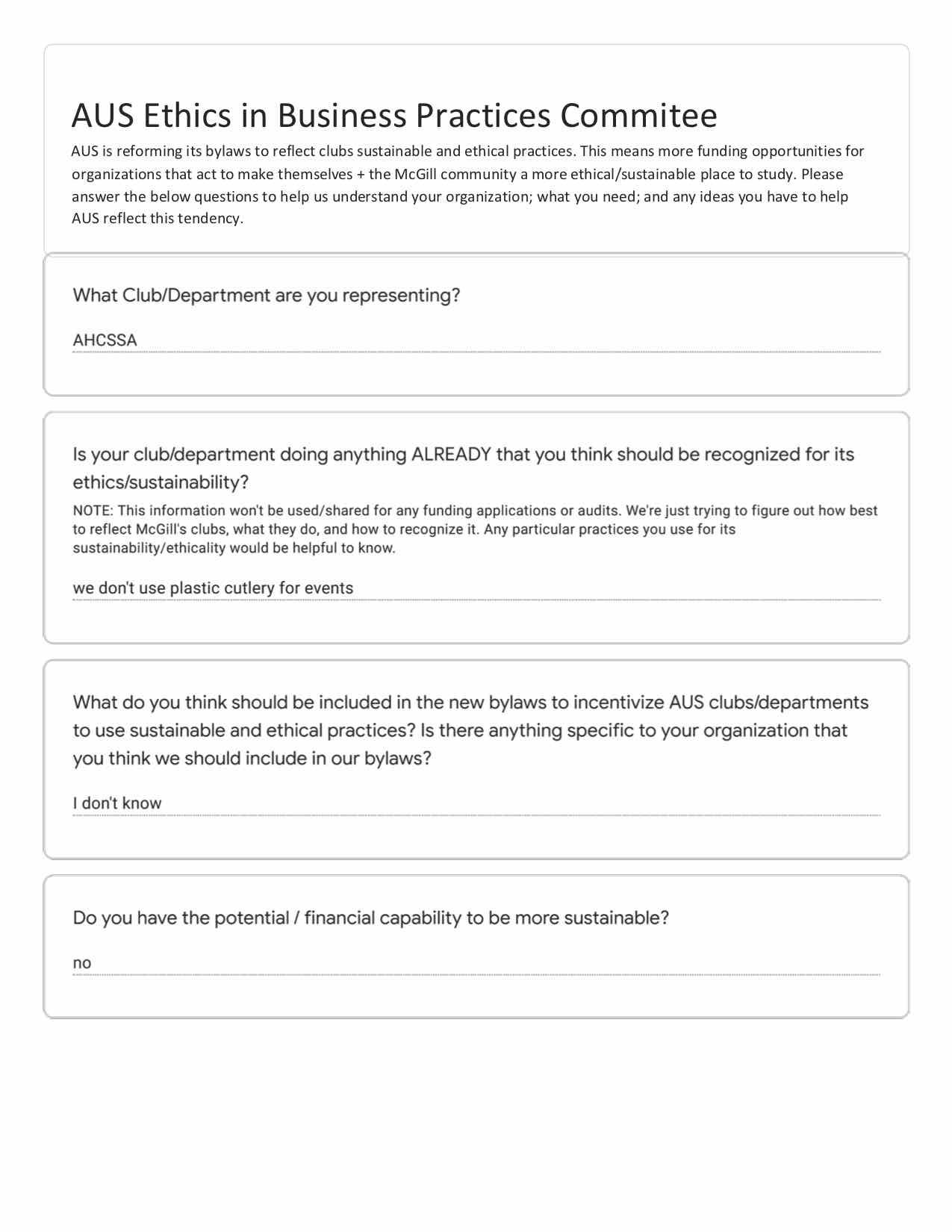
**Plastics**

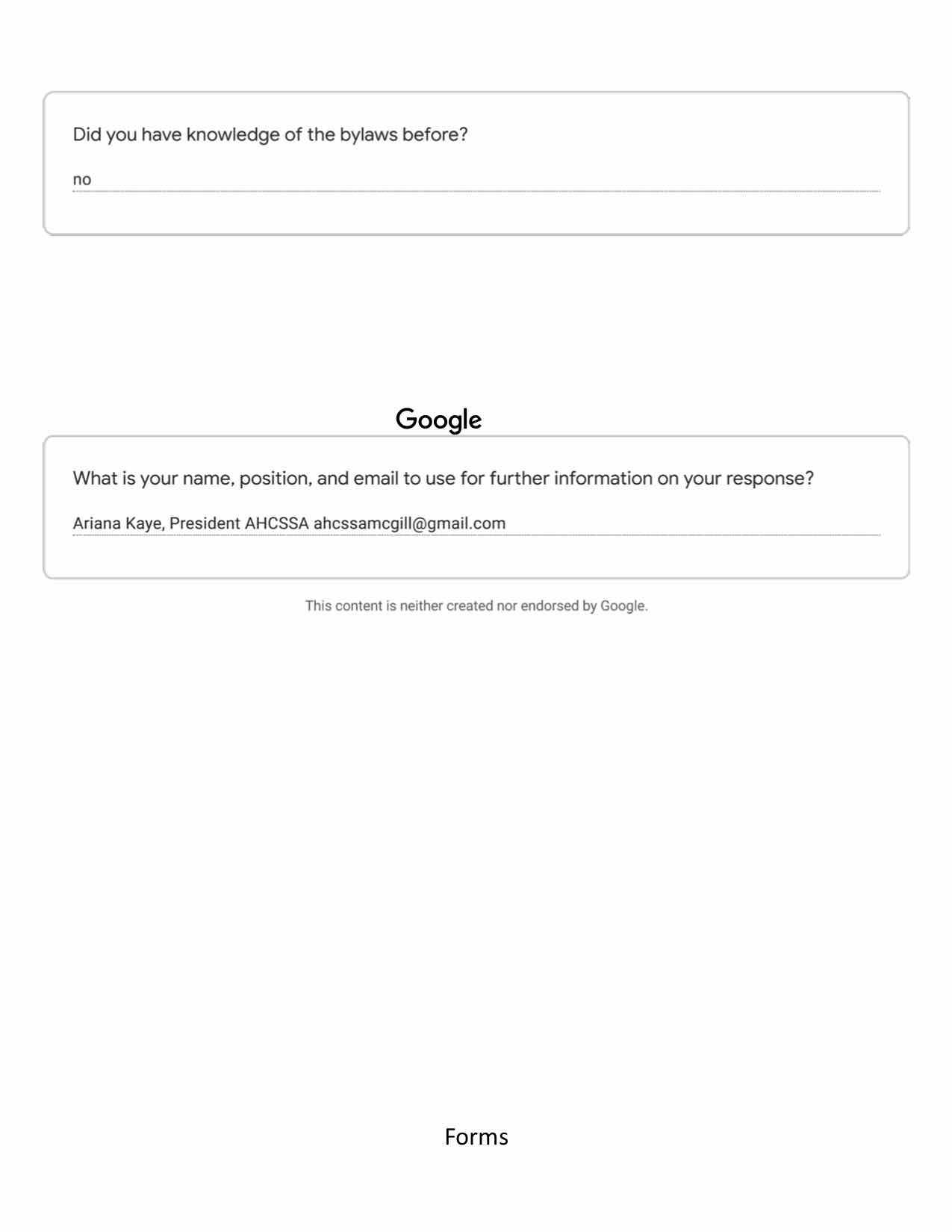
Any plastic product you purchase must be **compostable in the City of Montreal.** You can ensure this is the case by checking the product for a **#7 PLA mobius loop** or a **BPI Compostable logo**.

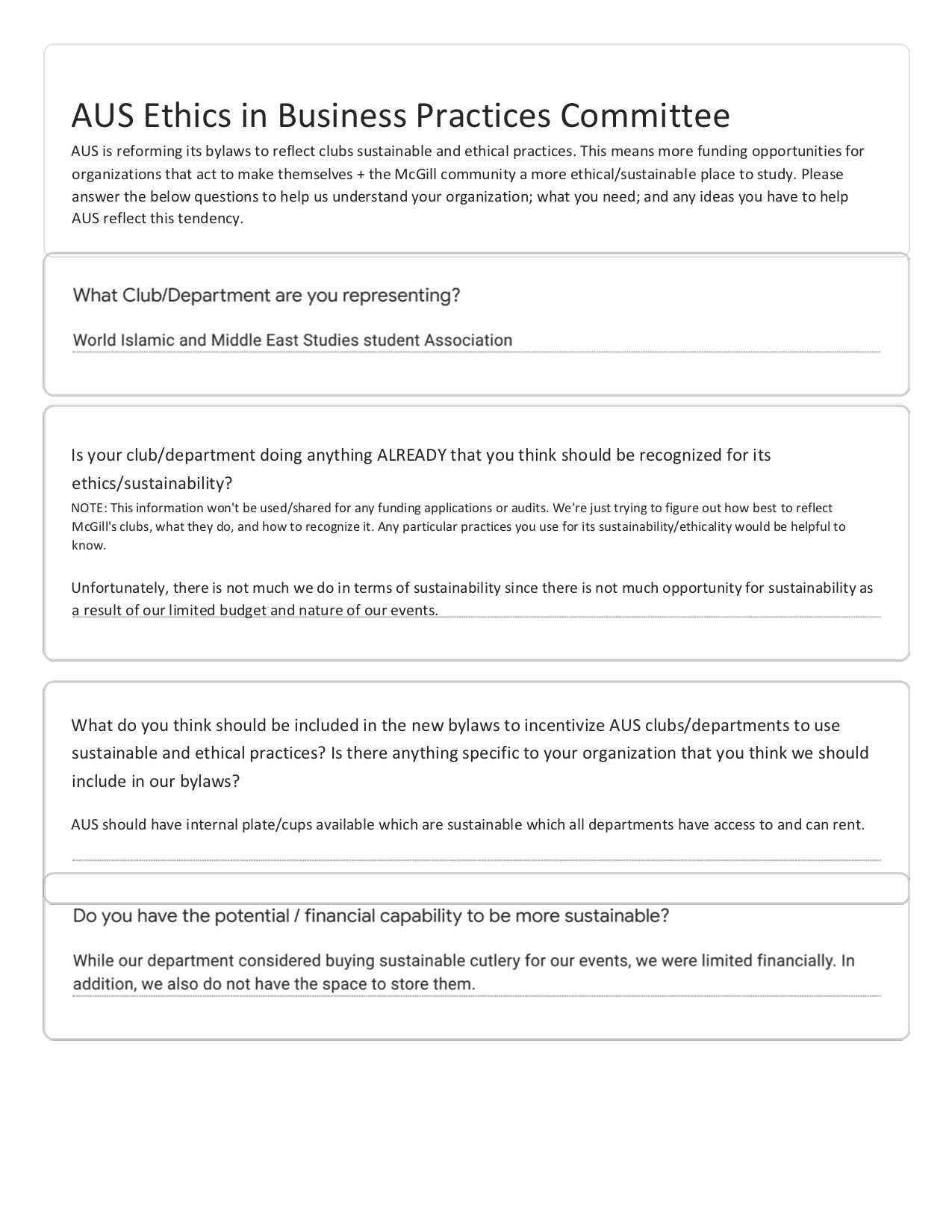
**Appendix Section 2: Consultation Summaries**

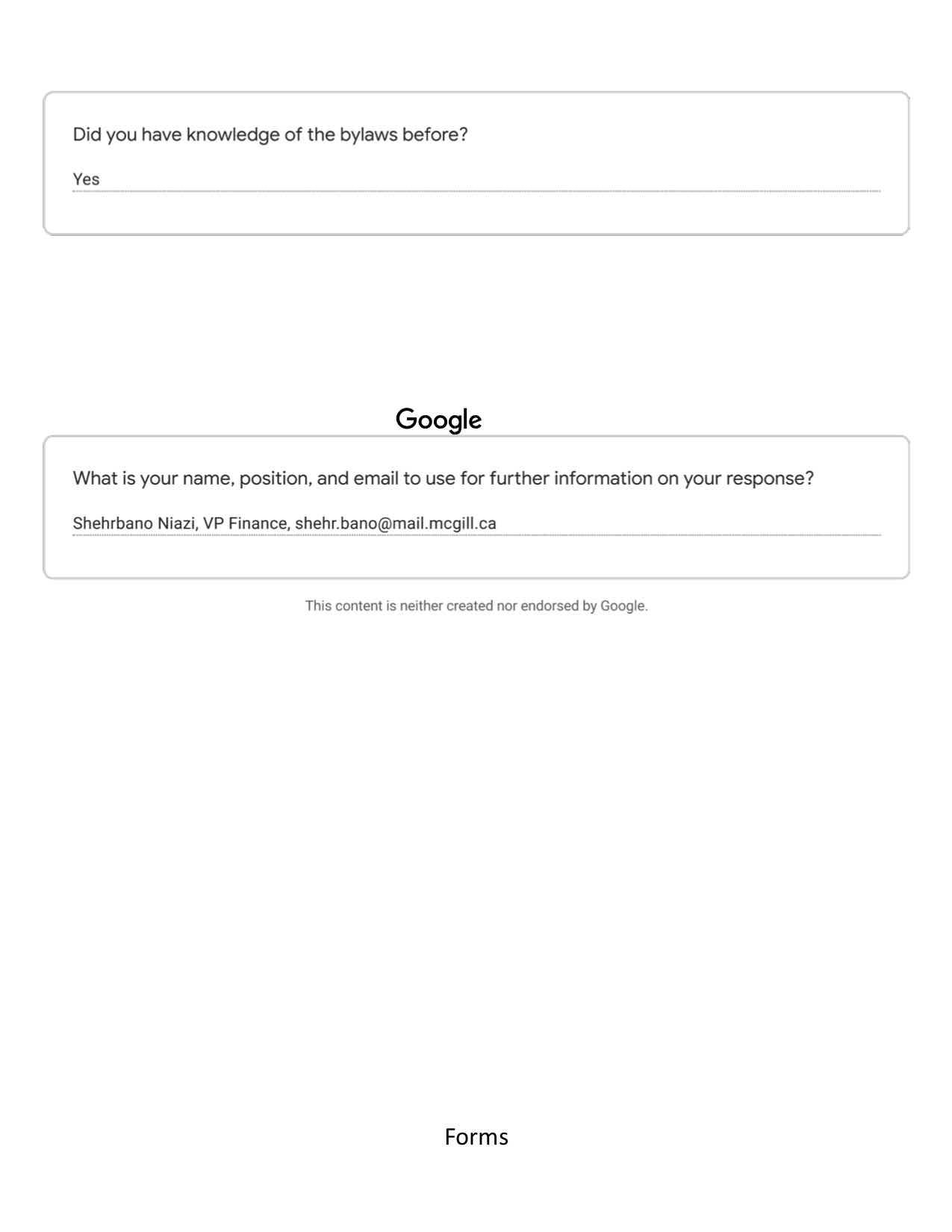


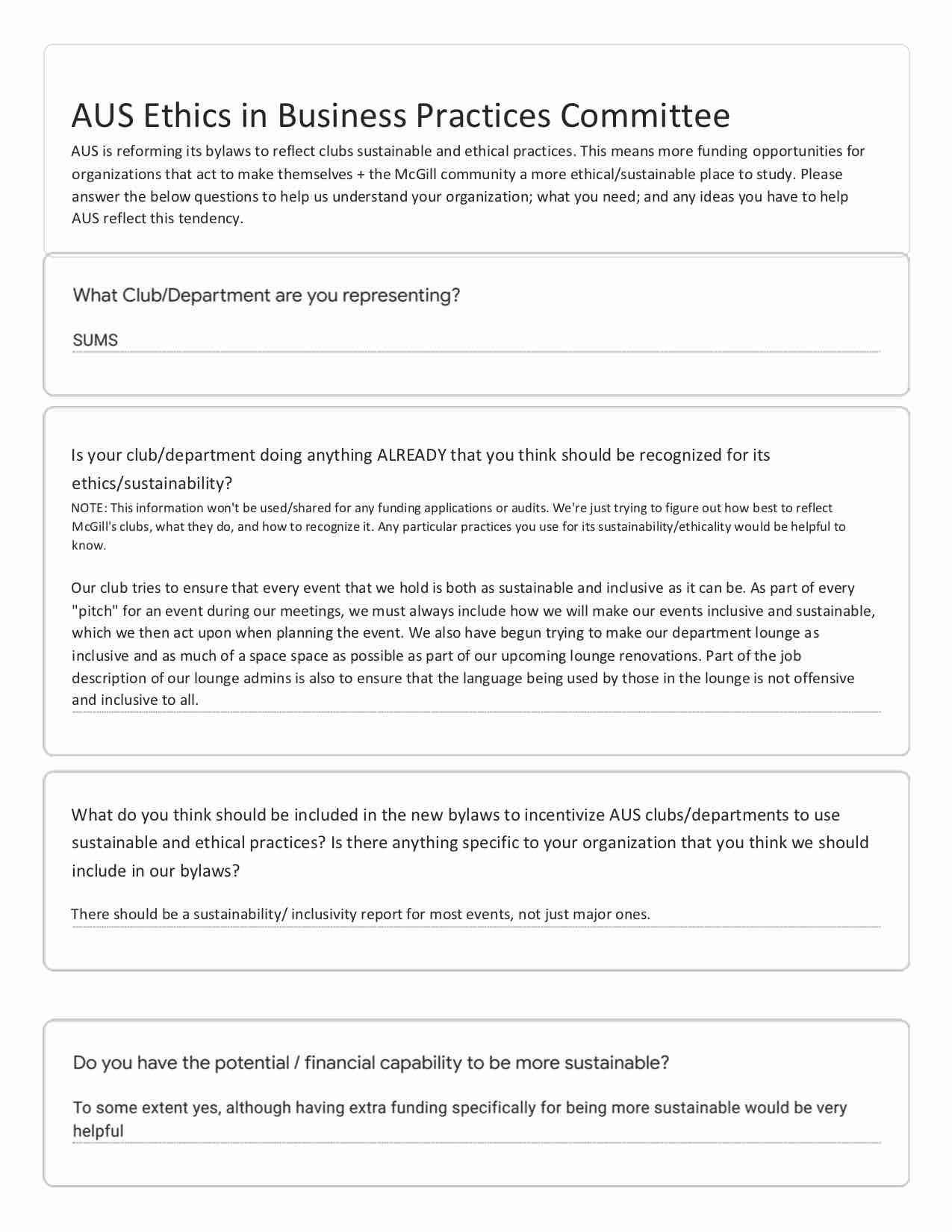


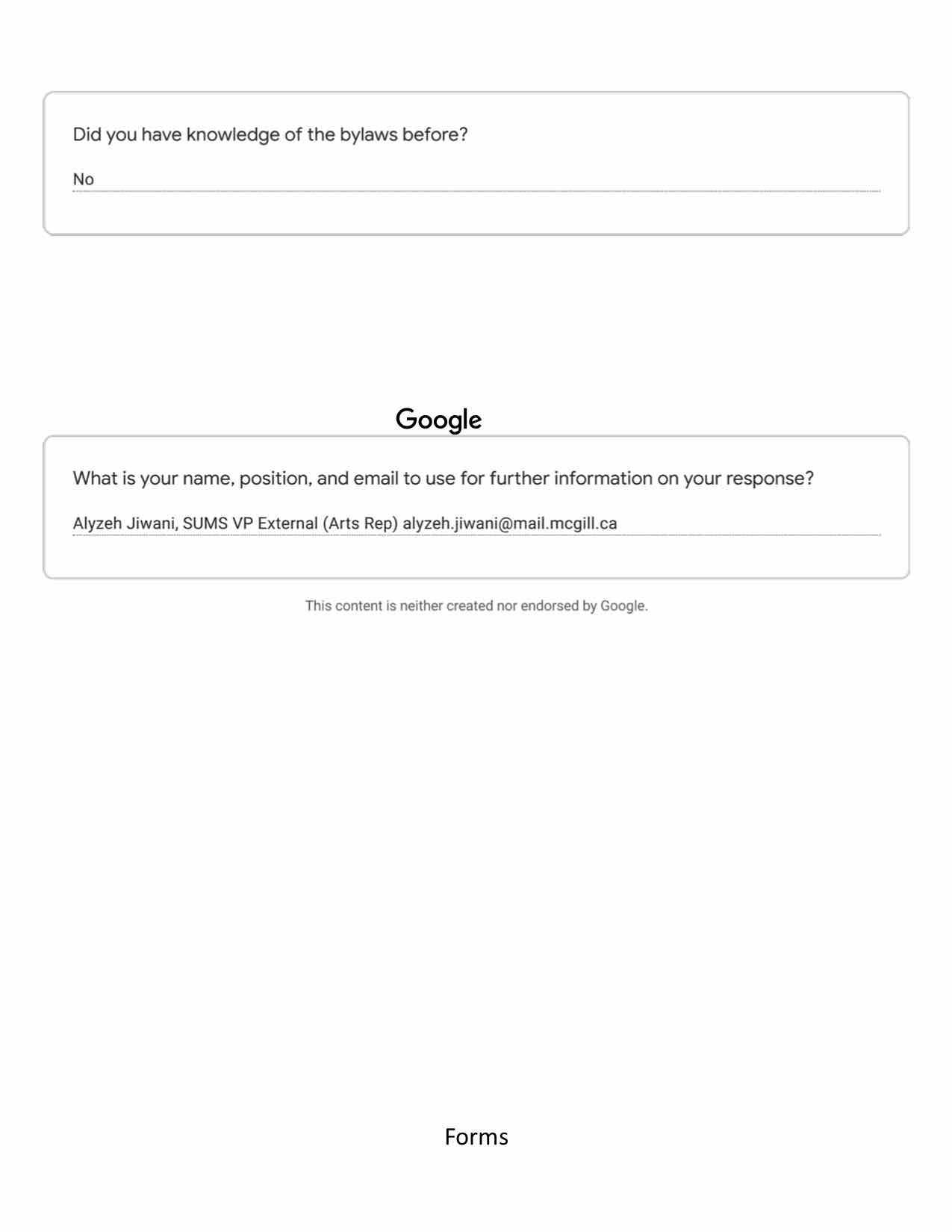
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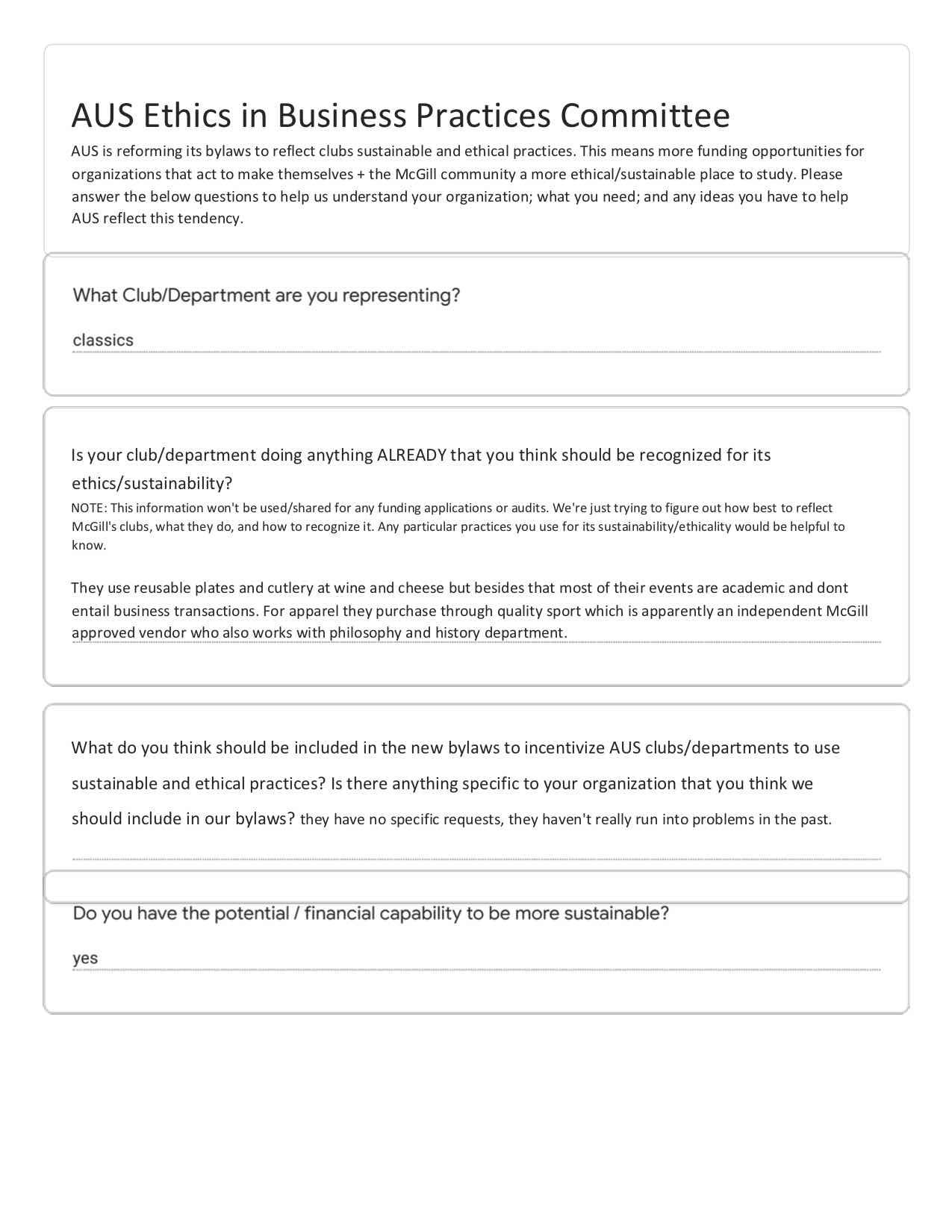
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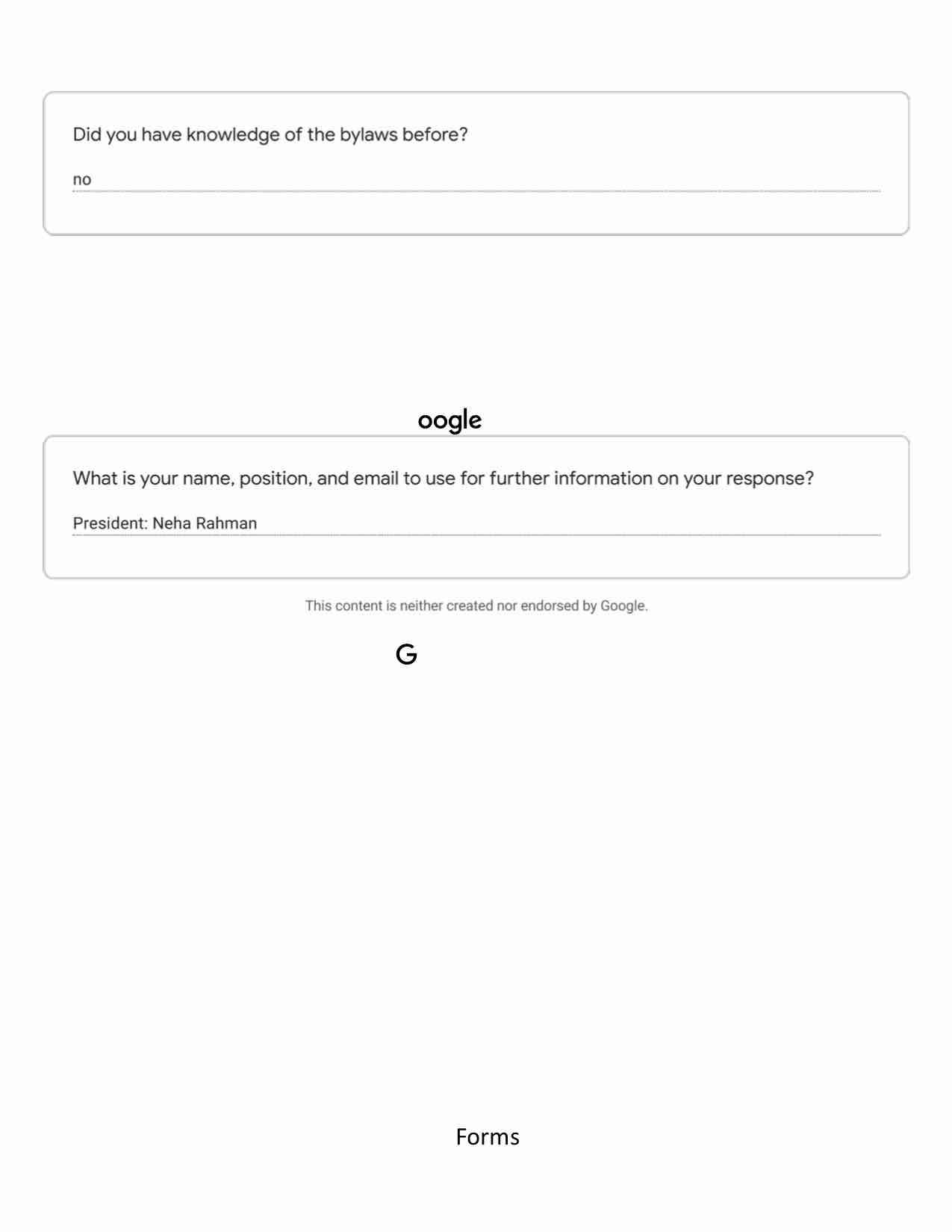
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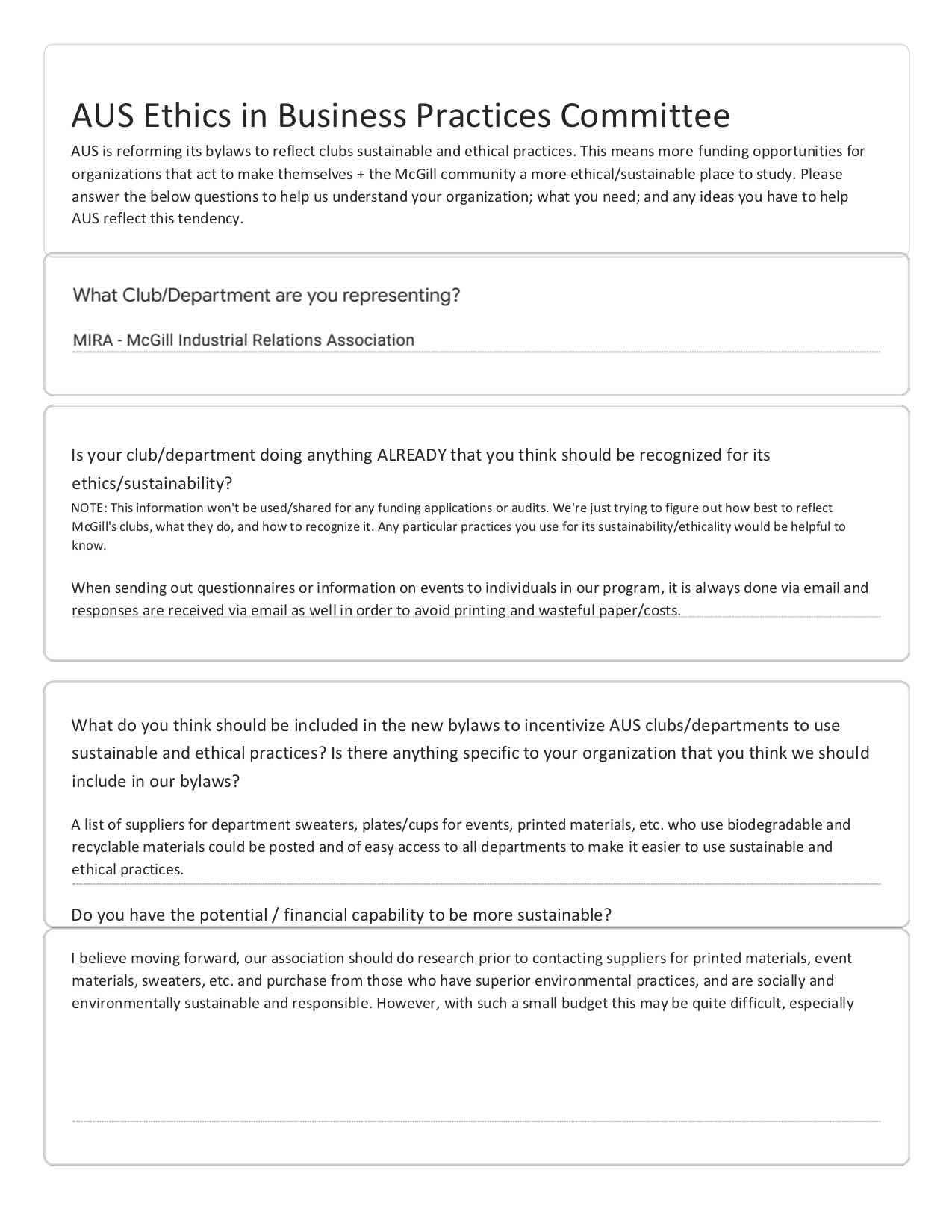
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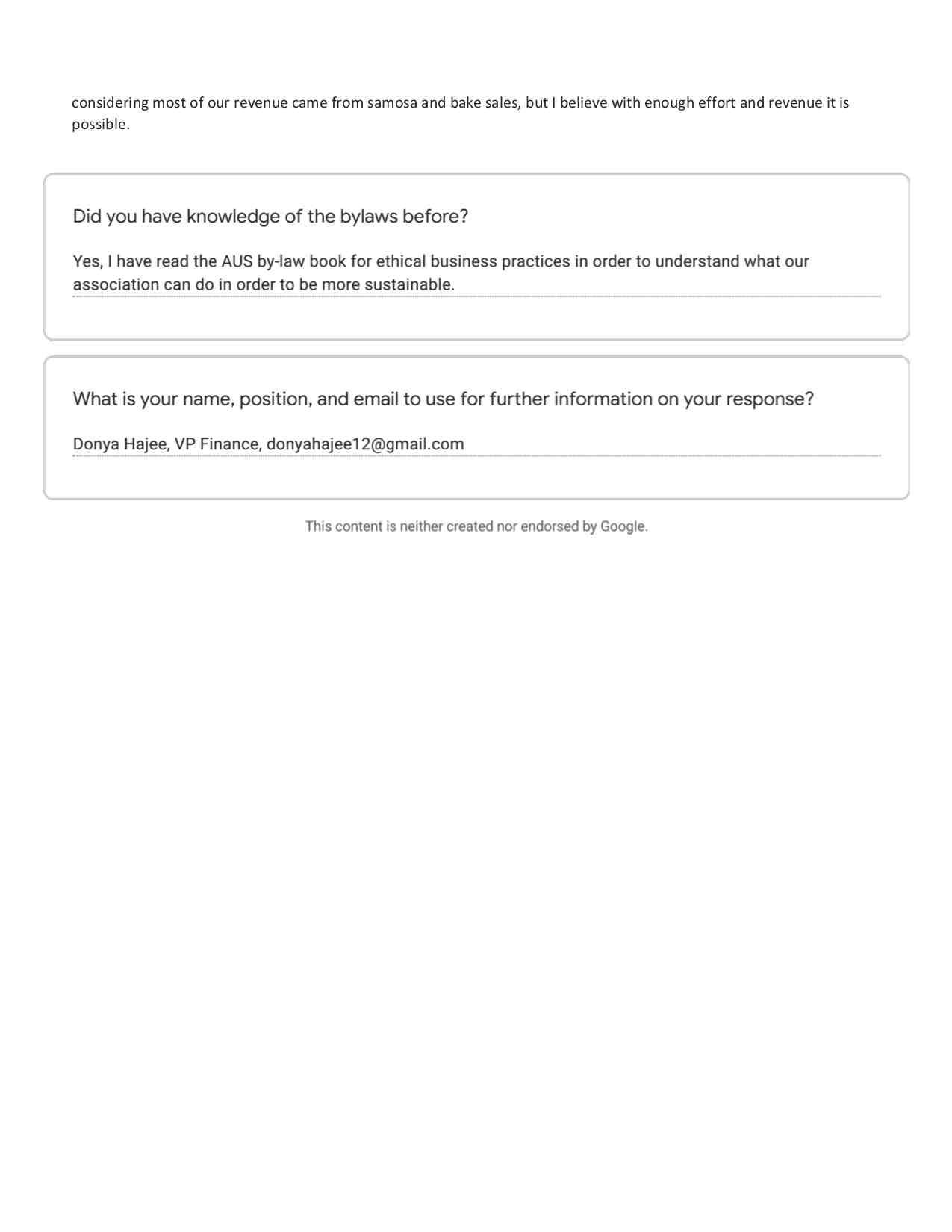
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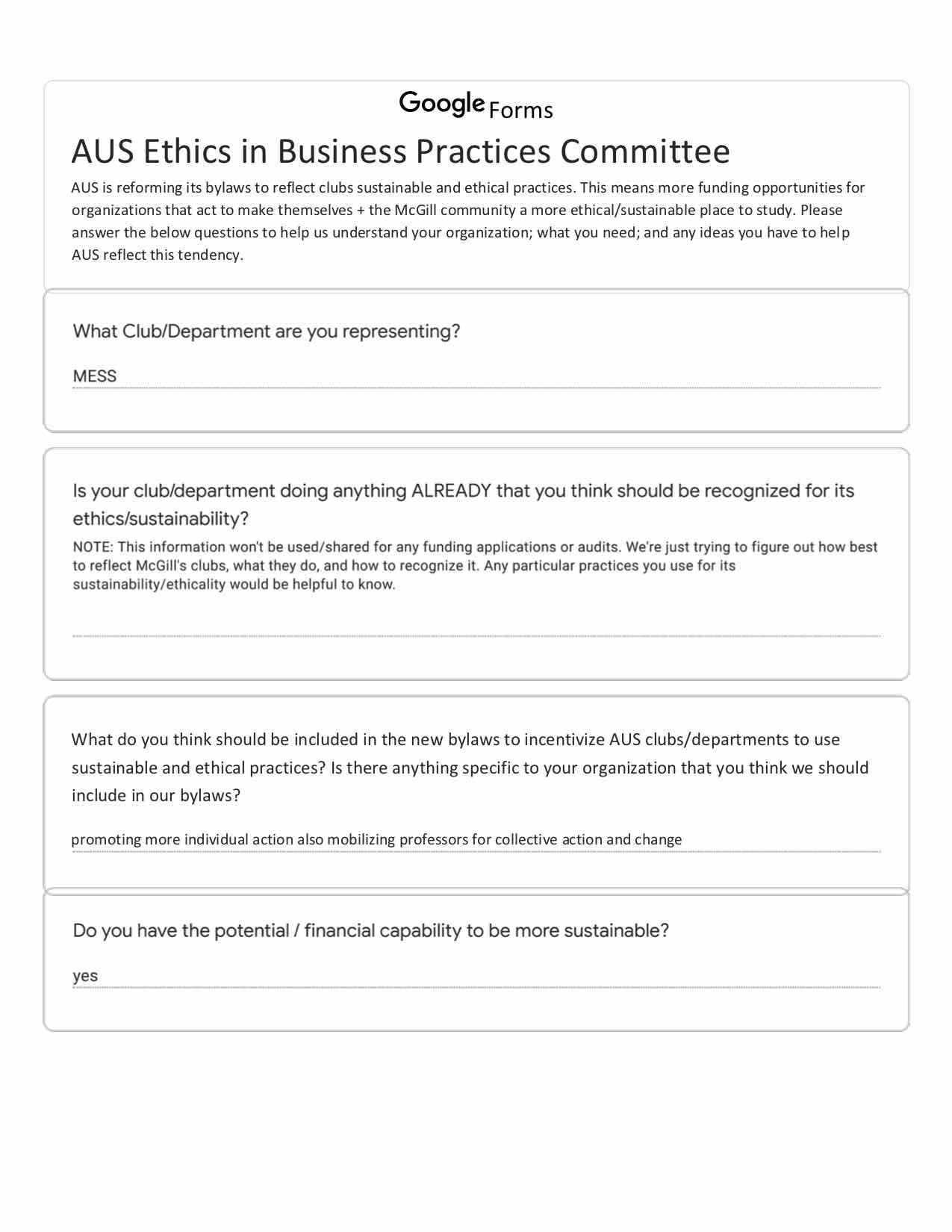
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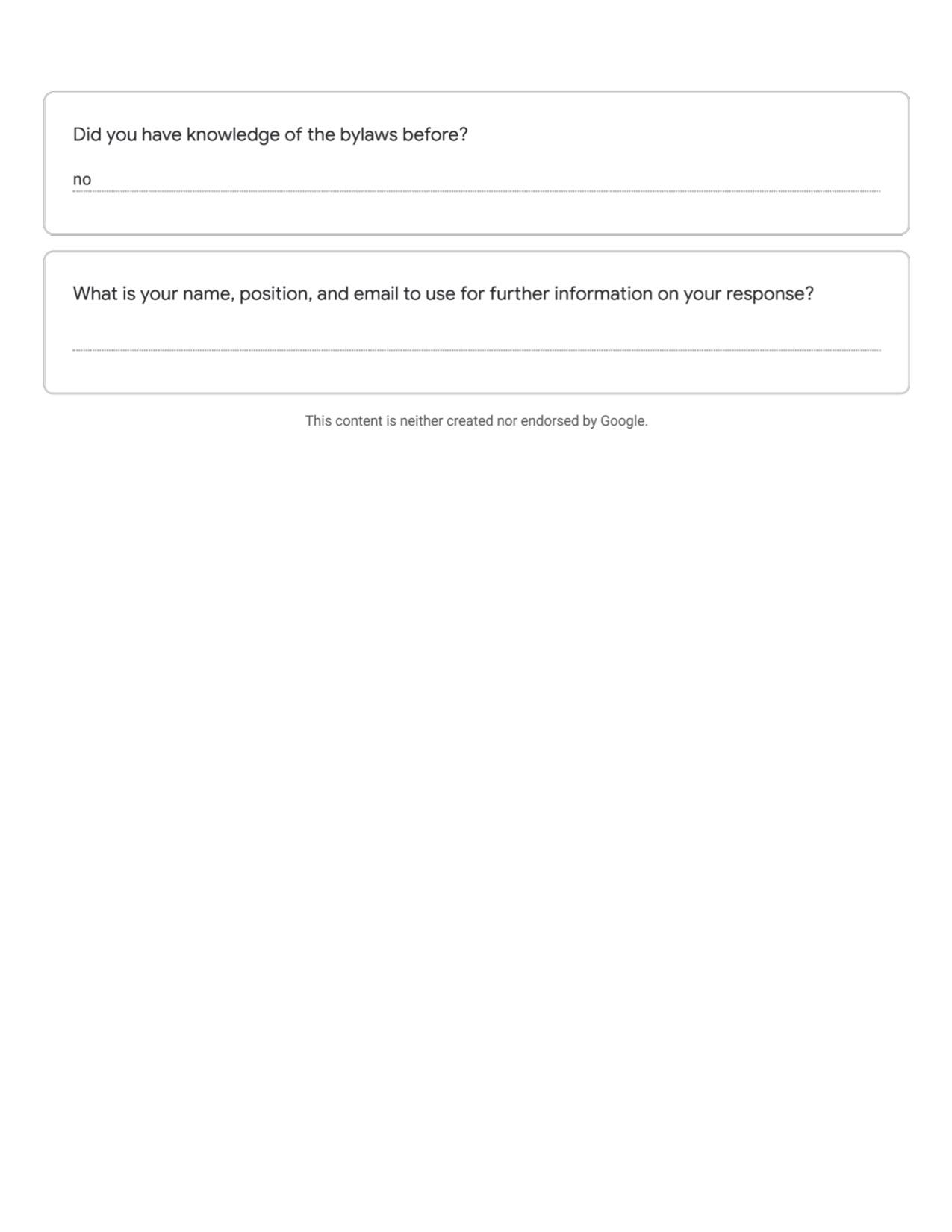
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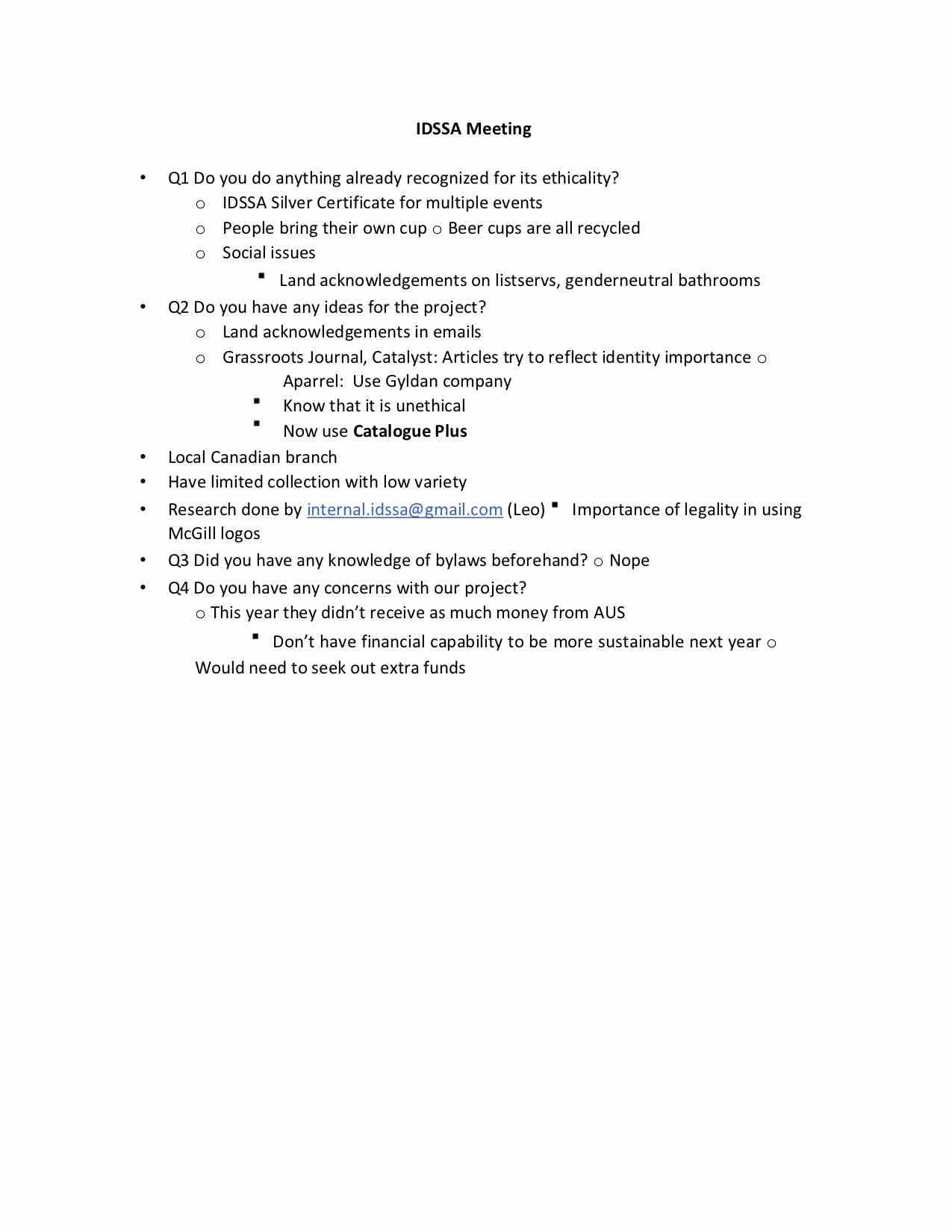
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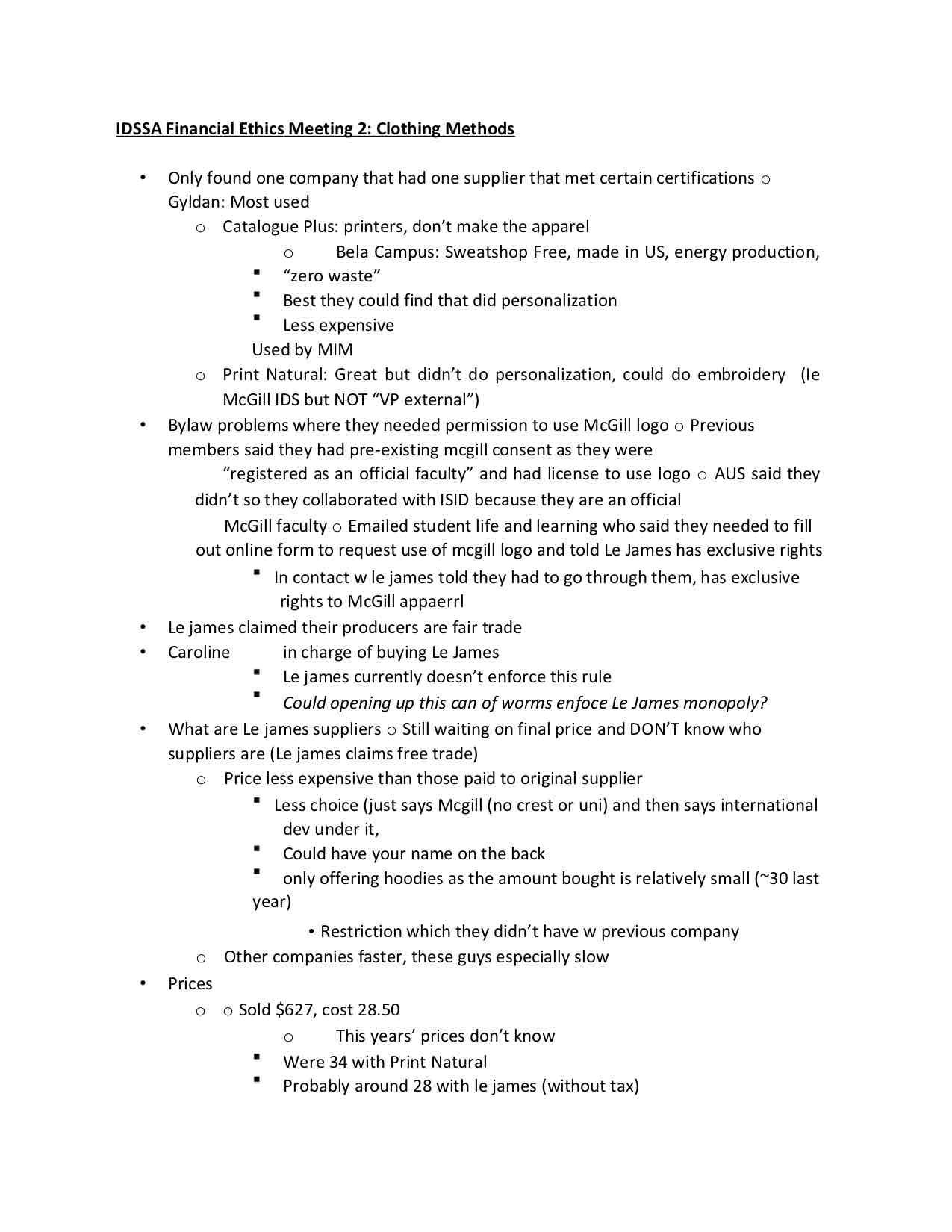
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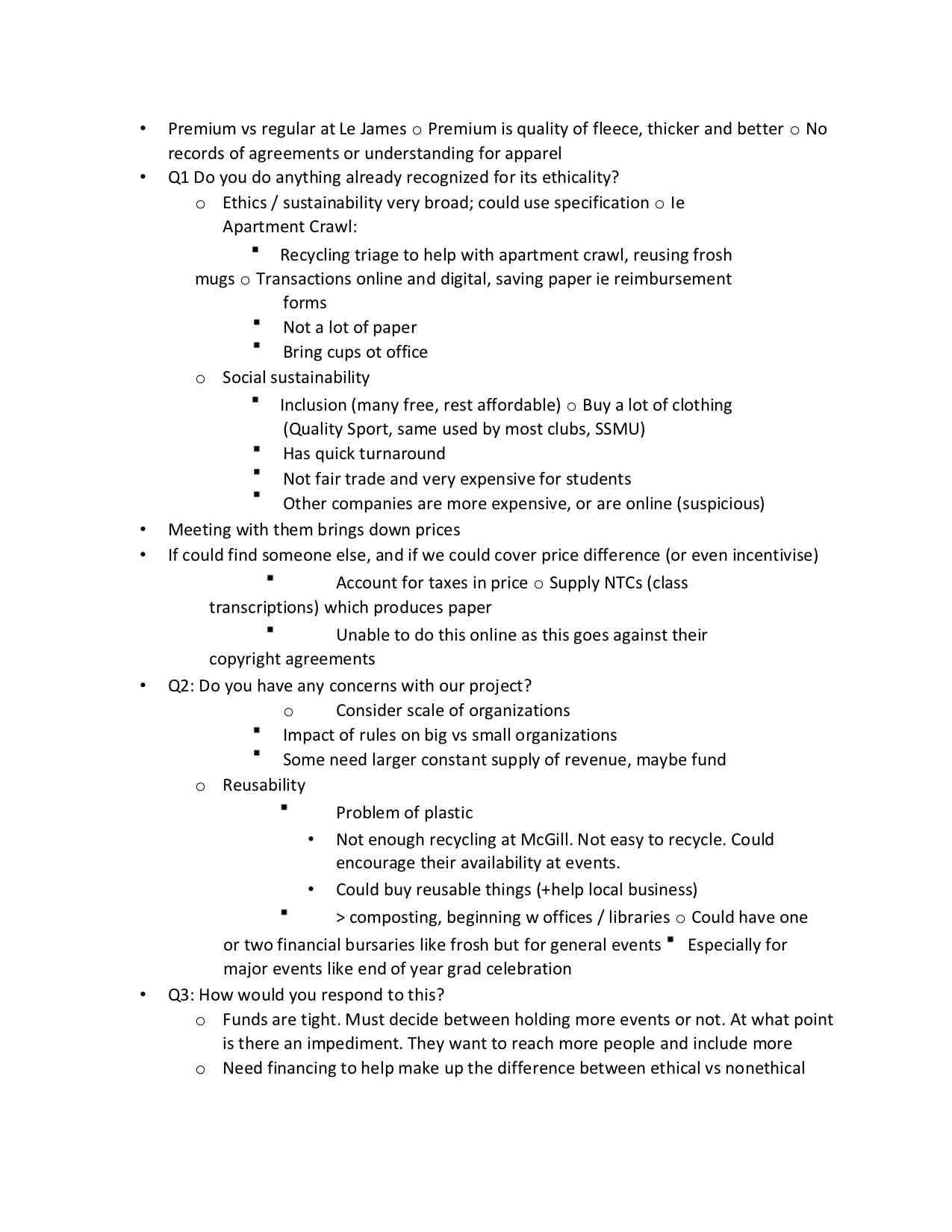
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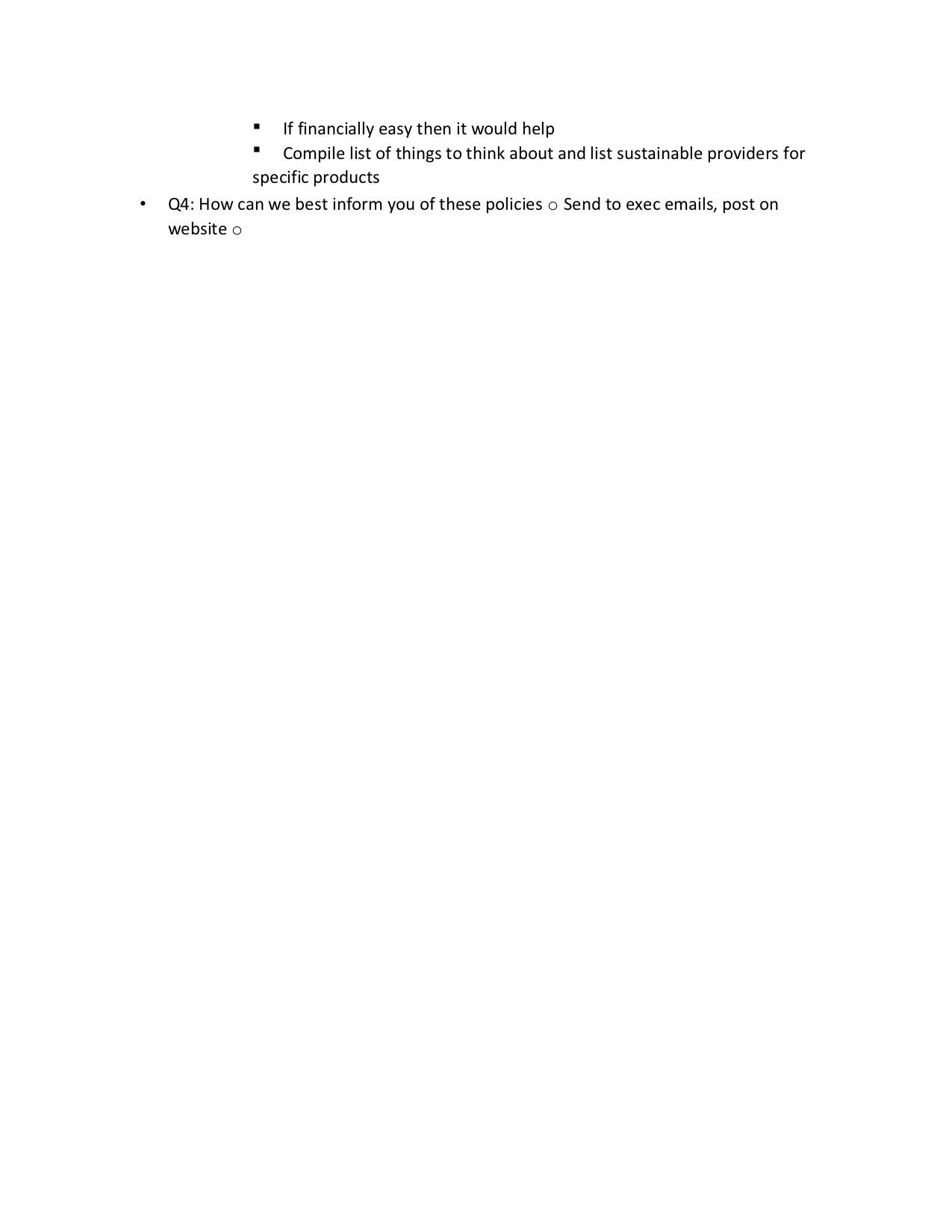
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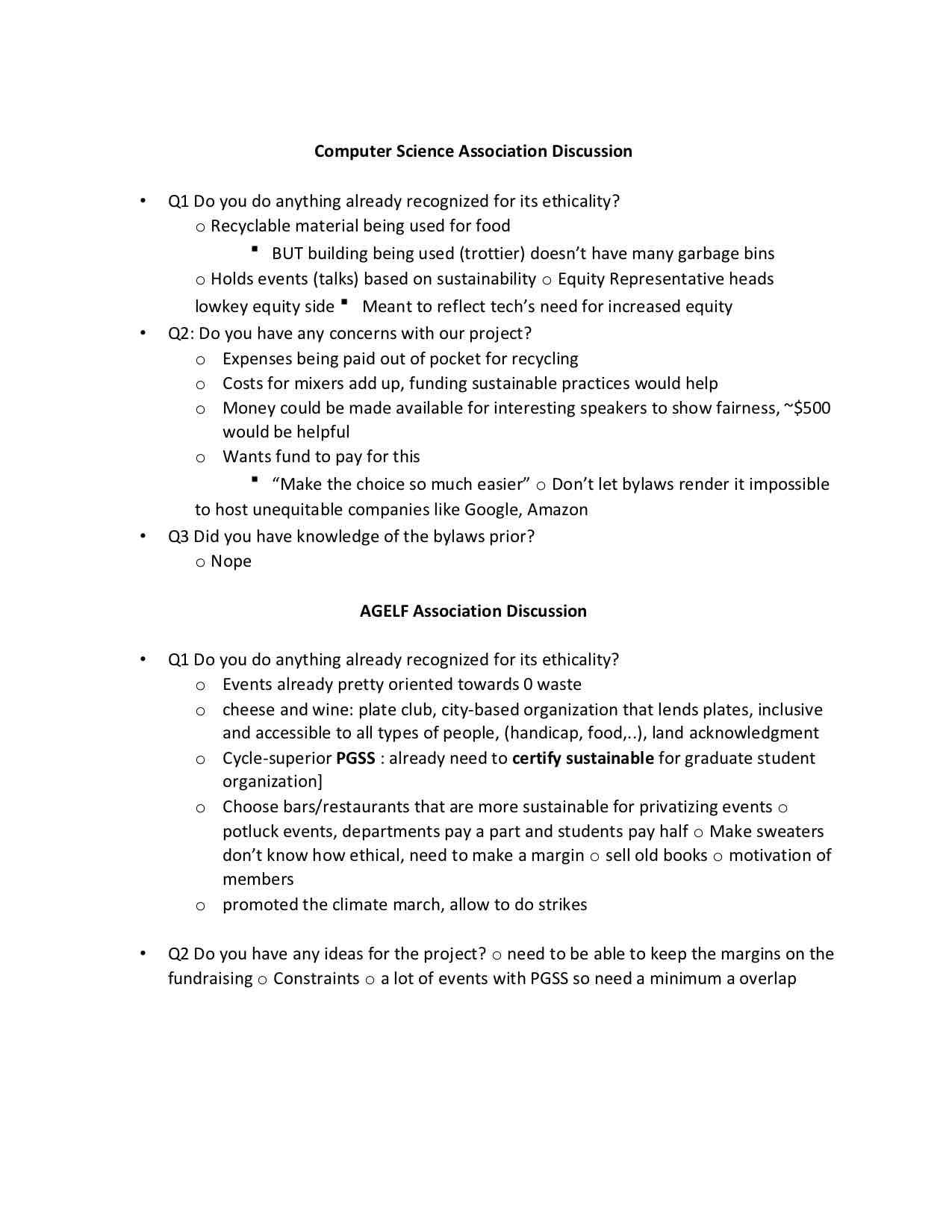
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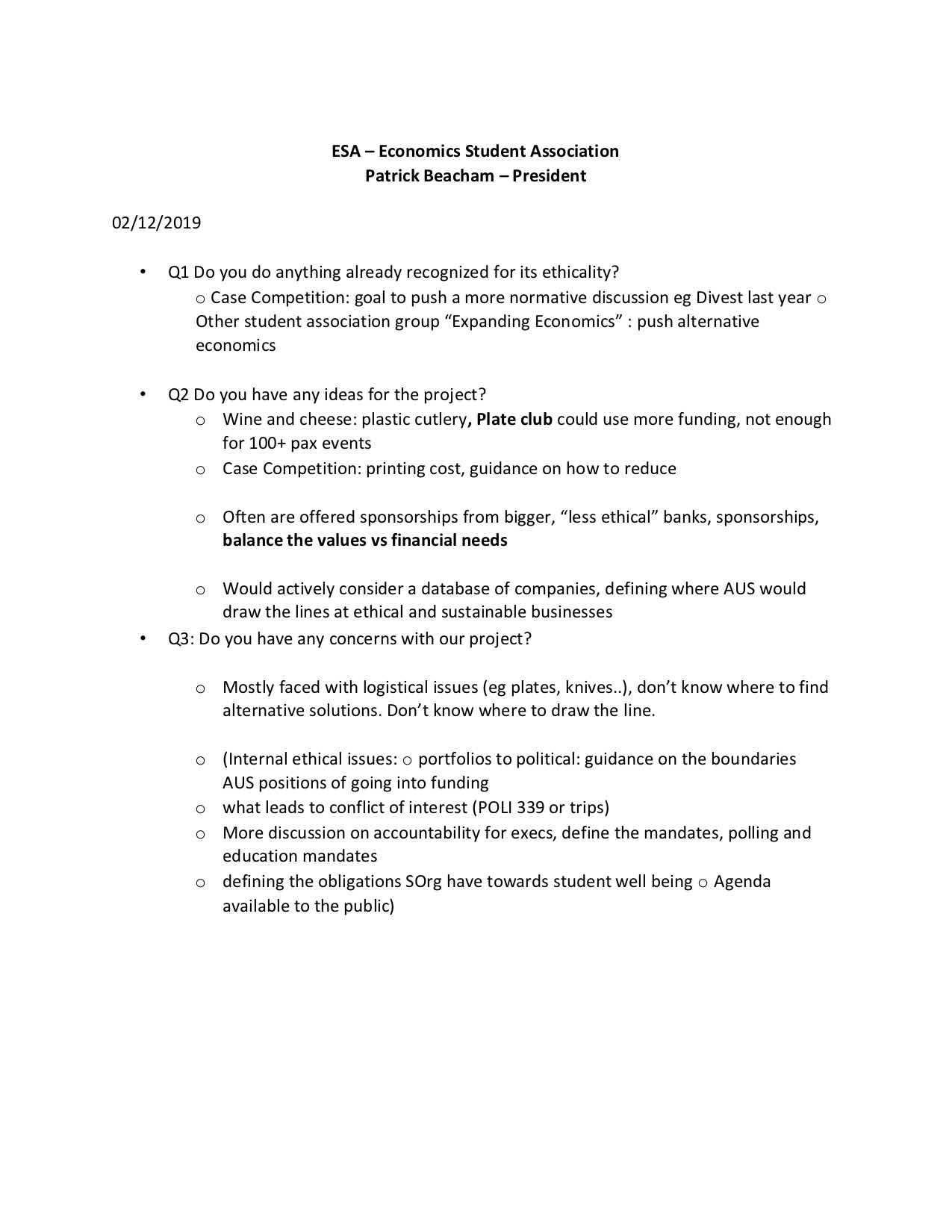
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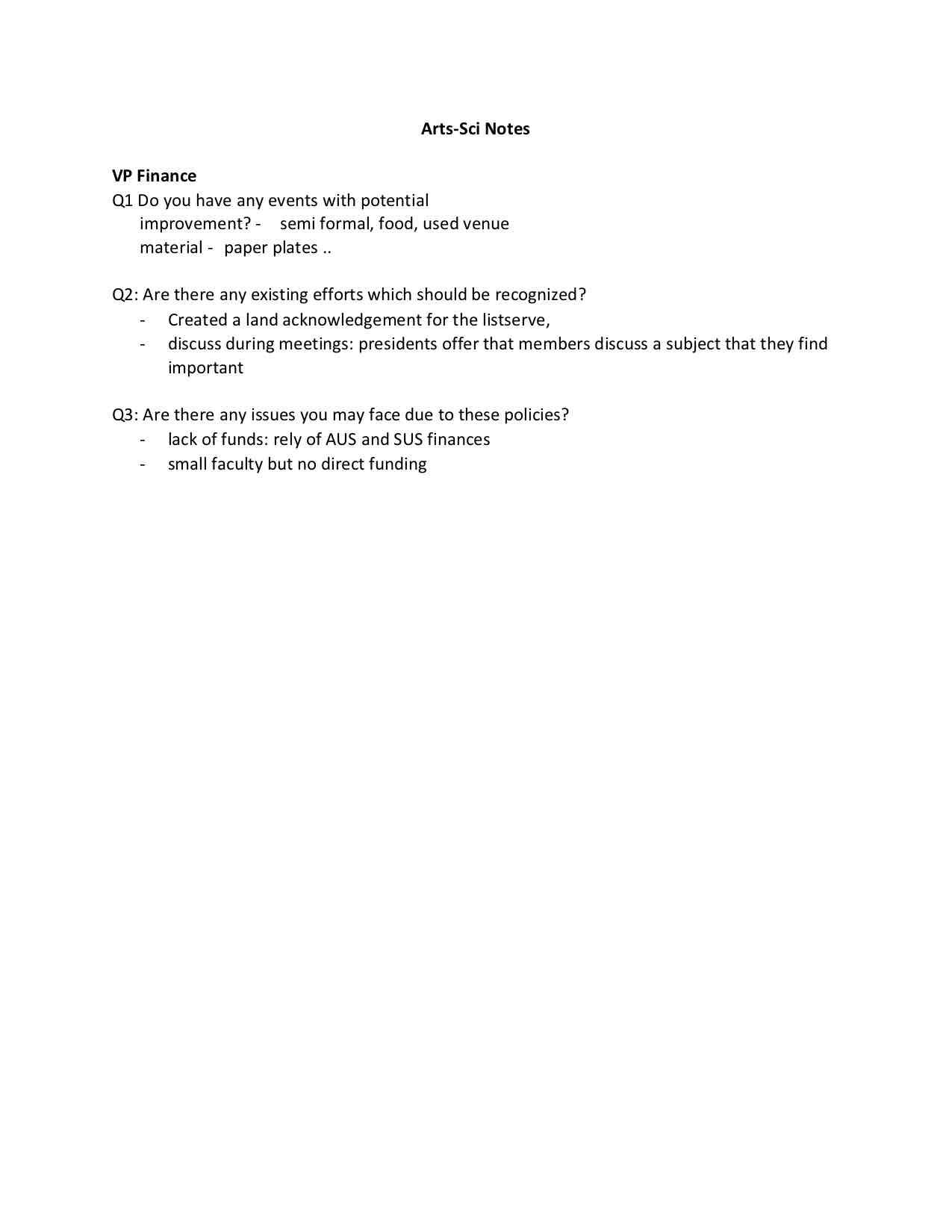
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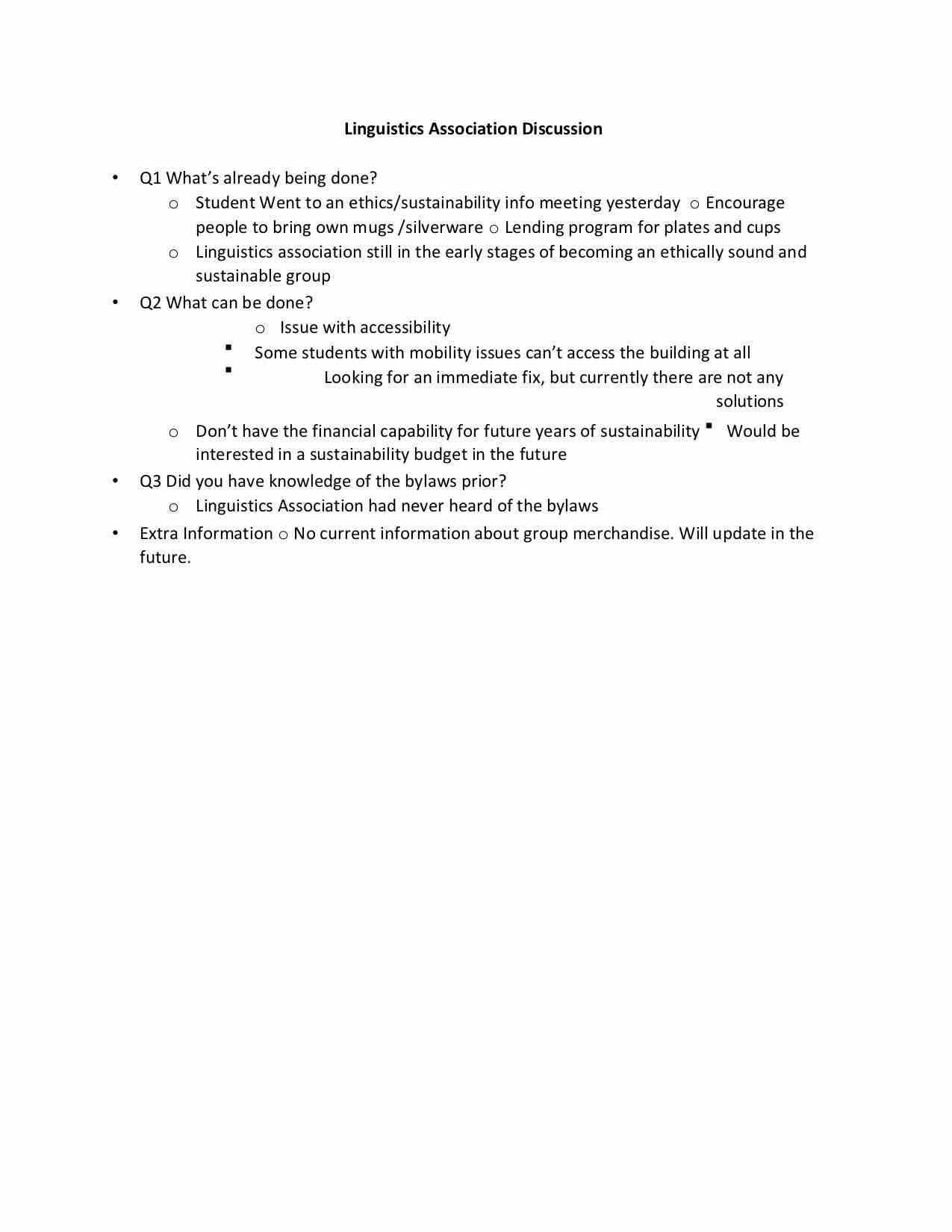
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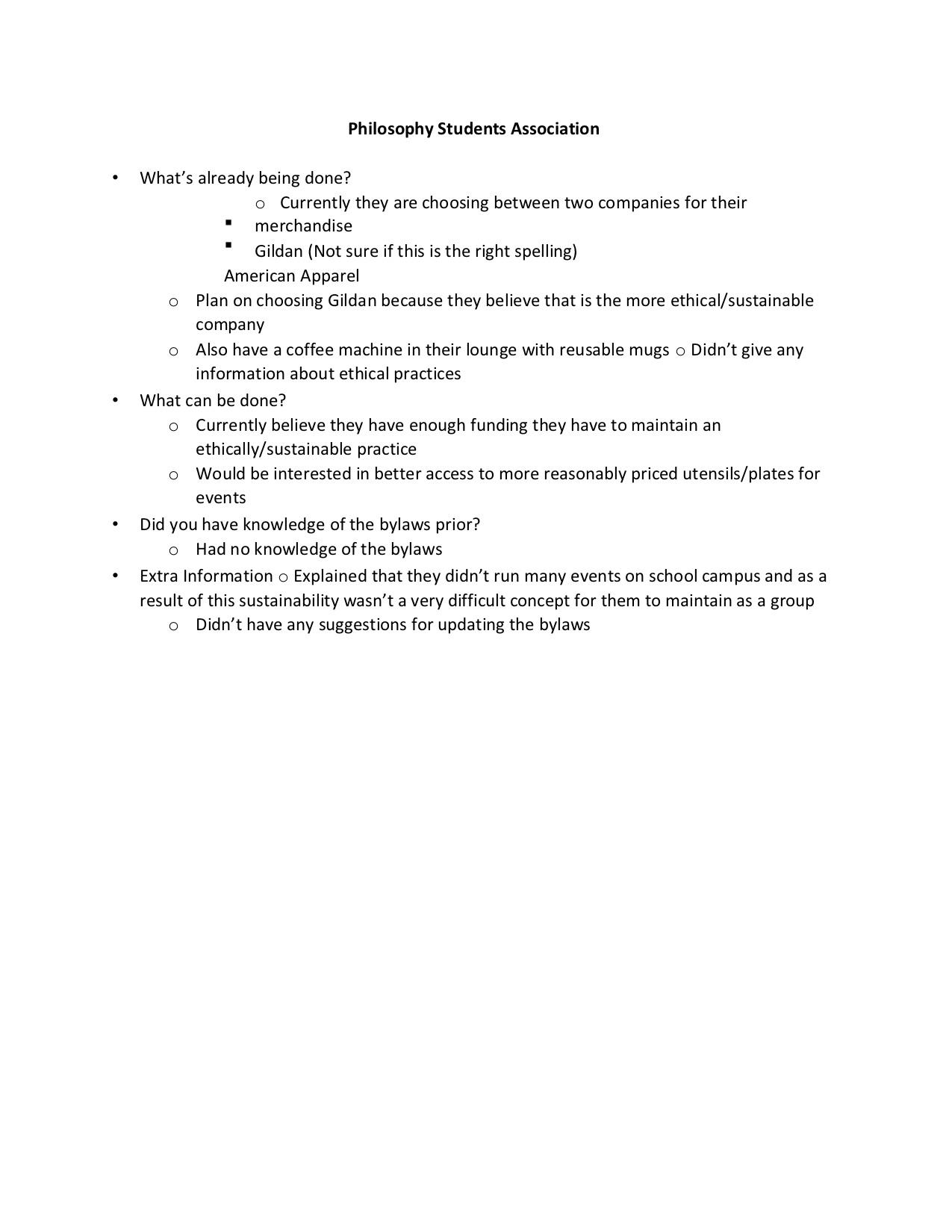
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