

# CAMPAIGN FOR JUSTICE ON TOBACCO FRAUD

## CAMPAGNE POUR OBTENIR JUSTICE FACE À LA FRAUDE DU TABAC

### NEWS RELEASE

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#### **Health advocacy group publishes severe criticism of the \$32.5 billion tobacco settlement**

Toronto, Dec.03, 2025/CNW: - In March 2025 the \$32.5 billion settlement between the provinces, territories, class action creditors, and the tobacco industry was approved by the Ontario Superior Court under the *Companies Creditors Arrangement Act*. After 25 years of litigation the governments involved settled for pennies on the dollar, while failing to deliver any of the health benefits or changed industry behaviour that for decades the health community had recommended as goals of the healthcare cost recovery litigation.

The PR spin adopted by various governments on the terms of the settlement had two elements. First, they claimed the settlement held the manufacturers financially accountable for their health care losses caused by industry negligence and fraud. Second, they claimed that the foundation created by the agreement was a public health win for Canadians.

Despite the paltry financial recovery by governments and a health foundation that will deliver none of the benefits sought by health interests, the reaction to the settlement by major health charities and professions has been shallow, vapid or non-existent.

Today, the Campaign for Justice on Tobacco Fraud (CJTF) will publish Garfield Mahood's richly deserved criticism of the settlement and some of the major players involved - see CJTF website <http://www.justiceontobaccofraud.ca> "It is difficult to overstate the magnitude of the cave-in to the tobacco industry that the governments negotiated under the federal bankruptcy legislation," said Mr. Mahood, the CJTF president.

“In this ‘no-holds barred’ fact-based critique Gar Mahood has exposed the serious limitations of Canada’s tobacco settlement,” said Mary Jane Ashley, Professor Emerita of Public Health at the Dalla Lana School of Public Health. “It should be essential reading for journalists commenting on the settlement, as well as for health agencies and those working in tobacco control and on other issues. In the absence of critical analysis they may be tempted to view this settlement as an acceptable financial recovery and a public health win.”

Robert Solomon, Distinguished University Professor, Emeritus, Faculty of Law at Western University said it is critical that someone in the health community has made the effort to prepare “a stinging rebuke” of the settlement. “How was the public interest served when these governments wasted millions litigating for over two decades, obtained a shameful financial recovery and delivered none of the health benefits recommended by the national health community?

These governments had the powers of taxation to raise any amount of money needed to address health care costs and the legislative power to deliver recommended health benefits without years of litigation. What was the 25-year litigation exercise all about?” asked Professor Solomon.

“As well, if provinces and territories wanted to educate the public about the industry’s repugnant behaviour, a laudable public health goal,” added Mr. Mahood, “they could have used creative mass media as crafted in California and Massachusetts.”

“Now, with this critique, the public has a chance to have a more fulsome picture of what went down,” said Professor Ashley.

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The Campaign for Justice on Tobacco Fraud is a health advocacy group incorporated under the *Canada Not-for-profit Corporations Act*.

*The News Release will also be available at <http://www.justiceontobaccofraud.ca/>.*

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