

# Billions at stake in Alta. tobacco lawsuit

## Province seeks to recover health-care costs

BY KEITH GEREIN, EDMONTON JOURNAL    OCTOBER 26, 2010



**Photograph by:** Justin Sullivan, Getty Images, File, Edmonton Journal

A pending provincial government lawsuit against the tobacco industry could turn out to be one of the biggest legal actions in Alberta's history, potentially worth up to \$10 billion in recovered health-care costs, a leading anti-smoking advocate says.

"This is fantastic, another step forward," said Les Hagen, executive director of Action on Smoking and Health.

"This industry has really been getting away with murder for decades and it's time for them to be held accountable for an enormous impact on our quality of life."

Justice Minister Alison Redford made the announcement Monday that Alberta would become the fourth Canadian province to initiate litigation against big tobacco. Ontario, British Columbia and New Brunswick have already filed statements of claim, seeking to have the industry help pay for decades of treatment of smoking-related illnesses.

"We are confident this action is the right thing to do. Some of the most costly illnesses to treat, such as cancer and heart disease, are caused by smoking," Redford told MLAs during the first day of the legislature's fall session. "The litigation we plan to commence will seek to share this burden with the manufacturers of this product."

Redford said she hasn't determined the value of Alberta's claim, saying only that it would be "a substantial amount of money."

But Hagen noted Ontario's lawsuit, filed last year, is seeking \$50 billion from tobacco companies -- roughly the amount that province estimates it has spent on providing health care to smokers since the 1950s.

"Based on that, proportionally Alberta's statement of claim should be at least \$10 billion," he said.

He suggested any settlement or judgment should include not just a monetary award, but also harsher restrictions on how tobacco products are sold and marketed.

"Health-care costs are an important part of this action but this is also about seeking justice," Hagen said. "The tobacco industry must be held accountable for decades of deceptive marketing practices, including targeting youth, marketing to women, failing to disclose the health effects of smoking, promotion of so-called light cigarettes, and systematically fighting government efforts to reduce and prevent tobacco use."

Ontario's statement of claim alleges the industry has known since the 1950s that tobacco products were harmful and addictive. Such statements contain allegations that have not been proven in court.

Redford said Alberta's lawsuit should be filed within a year, but it's unclear how long the case could take or whether it will even see a courtroom.

British Columbia, after nearly a decade of legal wrangling, is set to proceed with a trial next year. Some experts believe a successful outcome for the province in that case could force the tobacco industry to the settlement table with other provinces.

Redford acknowledged such lawsuits can drag on for years. She said it was important to join the other provinces now to be "part of the discussion" around what kind of evidence would be used to move forward with the case.

"We believe it's important for Alberta to begin this process now so that we're able to file our statement of claim and work collectively and jointly with other provinces to set the litigation strategy," she said.

Hagen said Alberta's lawsuit action could create a "domino effect" of other provinces also going after big tobacco.

"At some point when this hits a critical mass or tipping point, the industry will probably come forward with some proposals which may or may not be acceptable to provinces."

A spokesman for the country's three leading tobacco companies or their lead lobby organization, the Canadian Tobacco Manufacturers Council, could not be reached for comment. However, the industry has called provinces hypocritical for going after tobacco companies, when such governments profit from gambling and liquor sales.

The government estimates 3,000 Albertans die every year from tobacco-related illnesses.

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