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Documents Revealed Through Freedom of Information Request Show Increasing Privatization and Consolidation of Ontario's Medical Laboratory Services:

Three Multinational Corporations are the Big Winners While Local Communities Losing Lab Services

TORONTO, Oct. 8, 2009 - Documents released after a two year Freedom of Information battle reveal almost complete control of Ontario's community medical laboratory services by three multinational corporations.

Ministry of Health payments to these companies place them among the largest for-profit corporations providing health care in Canada. In 2006, they received from the Ontario Government:

MDS (now Lifelabs) \$178,321,456.12

Gamma Dynacare \$173,493,668.29

CML \$172,547,589.10

The documents show increasing privatization and consolidation of the province's laboratory system into the hands of fewer corporations. As of 2006, these three corporations controlled 93% of Ontario's \$564 million community laboratory market, up from 43% in 1985. From 1999 to 2006 the number of commercial laboratories in Ontario fell from 17 to 11.

"These documents reveal a surprising amount of private control of this publicly funded health care service," commented Ross Sutherland, RN, board member of the Ontario Health Coalition. "What is more surprising is that the Ministry of Health fought for two years against releasing information on how more than half a billion dollars of our health care money is spent. It indicates an unacceptable level of secrecy and a bias in the Ministry to protect for-profit health care corporations."

"At the same time that the Ministry was spending thousands of dollars shielding these private multinationals it was ordering the closure of the last non-profit community medical laboratories; laboratories that provided a better service at significantly less cost, according to the government's own documents," noted Sutherland.

Communities in which community medical laboratories have been closed due to Ontario government policies include Hamilton, Napanee, Smiths Falls, Perth, Bracebridge, and Winchester.

"In addition to closing the last community laboratories, the McGuinty government is forcing hospitals to close public non-profit outpatient labs. Instead of using existing resources in the community hospitals, the McGuinty government is paying more to siphon off lab work to a handful of private corporations," says Patty Rout, 1st Vice-President of the Ontario Public Service Employees Union. "When it costs more, takes longer to process, and makes remaining inpatient lab services less efficient, one has to ask where the accountability for this poor decision is?"