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In response to private lab closure in Sudbury, experts call on the province to transfer the service back to local public hospitals

In response to the revelation that Lifelabs is closing its Sudbury laboratory, the Ontario Health Coalition [called](#) on the province to restore outpatient lab testing in the local public hospitals. The Coalition noted that Lifelabs is a profitable company and was bought last year by Quest Diagnostics, [which projected 2025 year end net revenues of almost \\$11 billion](#). This is the latest in the consolidation of the for-profit “market” for community laboratory work in Ontario. Community laboratory work means specimens ordered by family doctors and other community health care professionals. Inpatient laboratory work is done in public hospitals.

“Community medical laboratory work used to be done in the public, non-profit hospital system,” noted Ross Sutherland, chairperson of the Ontario Health Coalition and an expert on the history of community laboratories in Canada. “Over the decades successive provincial governments have privatized that work to for-profit laboratories. Now almost all Ontario's community medical laboratory work is done by two subsidiaries of American multinational corporations. Following the purchase of Lifelabs by multi billion-dollar company Quest Diagnostics, the new owners have started to cut services in Ontario threatening quality patient care and laying off 40 skilled laboratory technicians in Sudbury.”

Mr. Sutherland, a retired nurse and author of “False Positive: Private Profit in Canada’s Medical Laboratories” noted that the private lab companies are paid by the provincial government based on a fee-for-service per test. They are paid from our public taxes regardless of whether or not they close local laboratories.

“Essentially, the public is paying for the testing, whether or not they close down local laboratory sites,” reported Mr. Sutherland. “This is one of the many flaws in the deal that successive provincial governments have forged.”

“Lifelabs has failed in its responsibility to provide good healthcare in the near North”, added Natalie Mehra, Executive Director of the Ontario Health Coalition. “The province must step in, remove Lifelabs from collecting and analyzing community laboratory work in the Near North and integrate that work with the local and provincial hospital system.”

Mr. Sutherland pointed out that “Community Medical laboratories are the sole responsibility of the provincial government. The province has a transfer agreement with Lifelabs that, if it follows the template, contains a clause for “termination without cause”. Transferring the community laboratory work to local hospitals will also provide a more integrated service, strengthen community hospitals and improve quality.