



NewsRelease

PROVINCE ANNOUNCES MERGER OF CROWN CORPORATIONS TO SAVE ESTIMATED \$3 MILLION EVERY YEAR Highlights From Consulting Firm Report Include Administrative Savings, Efficiencies, New Name: Chomiak

A report prepared by consulting firm MNP will guide the merger of the Manitoba Liquor Control Commission and the Manitoba Lotteries Corporation, saving an estimated \$3 million annually, Innovation, Energy and Mines Minister Dave Chomiak, minister responsible for gaming, said today.

"In Budget 2012, the merger of these two crown corporations was announced as a responsible way to reduce administrative spending, cut red tape and improve service for Manitobans," said Chomiak. "Our balanced approach is working and with this report and set of recommendations, we have a way forward that will get results."

Highlights of the report include an estimated \$3 million in recurrent annual savings after the transition period is complete through the elimination of executive and senior management positions, reduction of general costs and consolidation of vendor contract services, Chomiak said. The report included organizational structures for the two new entities and guidelines for the development of a 'single-window' for front-line services.

The MNP report indicates that its recommendations will require at least 24 months to implement, dependent on the outcomes of co-location decisions, IT system plans and legislative changes.

To support its work, MNP reviewed more than 400 documents, conducted 82 interviews with key internal and external stakeholders, conducted five interviews with other jurisdictions and reviewed nine written submissions from external stakeholders.

Legislative changes are expected in spring that would create a new act for the merged corporations, Chomiak said, adding a proposed separate legislative act would amalgamate liquor and gaming regulations. The MNP report on the merger is available at <u>www.crowncc.mb.ca/</u>.

The minister also said the new merged corporation will be named Manitoba Liquor and Lotteries and the new agency for liquor and gaming regulation will be named the Liquor and Gaming Authority of Manitoba.