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MANITOBA LIQUOR & LOTTERIES FINDS \$4.8 MILLION IN SAVINGS THROUGH OPERATIONAL EFFICIENCIES WITHOUT LAYOFFS, SERVICE CUTS

An operations review by Manitoba Liquor & Lotteries has identified about \$4.8 million in savings to be achieved during the next two years while still maintaining excellent customer service and employment opportunities for its valued staff, Tourism, Culture, Heritage, Sport and Consumer Protection Minister Ron Lemieux, minister responsible for Manitoba Liquor & Lotteries, and Winston Hodgins, president and CEO of Manitoba Liquor & Lotteries, announced today.

"These new savings are on top of the \$6.1 million already achieved through our initiative to merge the separate liquor and lotteries organizations into a single Crown corporation," said Minister Lemieux. "These savings will allow us to continue investing in job creation, infrastructure, health, education and other important services that Manitobans rely on. It's also in line with our broader efforts to reduce administrative spending across government departments and invest those savings in better front-line services."

In total, 108 positions will be managed through existing vacancies, attrition and retirements, said Hodgins.

"We are working with unions and employees in a proactive manner to ensure a smooth transition," said Hodgins. "We remain committed to being one of the province's top employers and we appreciate the continued dedication of all of our valued staff in maintaining that standing."

Manitoba Liquor & Lotteries iscommitted to a culture of operational best practices that strives to provide ongoing cost savings, Hodgins said. Initiatives that assess expenditure management and identify operational efficiencies have been successful in saving millions of dollars annually, he added.

In April 2012, the Government of Manitoba announced the merger of the Manitoba Liquor Control Commission (MLCC) and Manitoba Lotteries Corporation, as well as the regulatory functions for liquor and gaming activities. The expected outcomes of the merger were to increase efficiencies, modernize procedures and practices, reduce red tape and achieve cost savings, while ensuring continued delivery of effective customer services.

To date, the corporation has identified \$6.1 million in accumulated savings that will be realized by March 31. Consulting firm MNP helped guide the merger of the MLCC and Manitoba Lotteries, streamlining two organizations into one Crown corporation over the last two years. A review by a third party will be conducted shortly to verify the achieved merger savings.

Manitoba Liquor & Lotteries operates Liquor Marts and Liquor Mart Express stores, Club Regent and McPhillips Station casinos, Video Lotto and PlayNow.com, and also distributes and sells Western Canada Lottery products through the network of lottery ticket retailers. Revenues generated by Manitoba Liquor & Lotteries are returned to the province to support priority programming in health care, education, social and community services, economic development and public safety initiatives.

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The Province of Manitoba is distributing this release on behalf of the Government of Manitoba and Manitoba Liquor & Lotteries.