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Royal Mint proposes franchise schemes for retrenched workers

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THE Royal Mint of Malaysia is proposing to set up three franchise schemes which will benefit over 2000 retrenched workers from the banking, insurance and stock-broking sectors.

The three franchise schemes which will be based on a vendor system are for financial services, gifts and collectible items and handicrafts.

For a start, a new subsidiary, The Royal Mint Exchange Sdn Bhd has been set up with an initial paid-up capital of RM10 million to operate the financial services franchise schemes.

Executive director Datuk Nik Mohd Amin Nik Abdul Majid said about 50 such outlets would be set up in the early stage beginning late March this year.

He added that over three years the number of outlets were expected to increase to 500 throughout the country.

"The financial franchise schemes will involve business activities such as payment system, ticketing, money-changing, disbursement and collection of loans.

"Basically we are a type of channel and even third party products can be delivered through us," he said at a Hari Raya gathering organised by the company and attended by Prime Minister Datuk Seri Dr Mahathir Mohamad and wife Datin Seri Dr Siti Hasmah Mohd Ali.

Nik Mohd Amin added that The Royal Mint of Malaysia would hold substantial stake in The Royal Mint Exchange.

Other stakeholders include the investment arm of the Government, Khazanah Nasional Bhd, while a technology-based company listed on the main board of the Kuala Lumpur Stock Exchange has also expressed its interest to participate in the company.

"Each outlet will involve a capital outlay of RM250,000 and we will initially operate to get the system going.

"We hope retrenched workers through the voluntary separation schemes from the financial sector will come together and form companies to operate these outlets," he added.

The Royal Mint of Malaysia is working together with Perbadanan Usahawan Nasional Bhd for the development of the home-grown financial services and handicraft vendor schemes.

The Royal Mint of Malaysia was established by Mariwasa Kraftangan Sdn Bhd and specialises in the production of circulation coins, numismatic products and medallions.

It also produced Malaysia's first gold bullion, the Kijang Emas, which was launched on July 17 last year.

Dr Mahathir in his brief speech expressed his support for the franchise schemes initiated by the company to assist retrenched workers in the financial sector.

"The franchise schemes and other plans by the company will help many Bumiputras and non-Bumiputras in specific business activities.

"I am confident this will assist the Government's efforts to involve more people in the business sector," he said.

The Prime Minister said the franchise schemes by The Royal Mint of Malaysia would help to capitalise on the skills and knowledge of the retrenched workers.

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