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Mazlan-Loan

NO LOANS AND SCHOLARSHIPS FOR SIBLINGS OF DEFAULTERS

KUALA LUMPUR, Nov 13 (Bernama) -- The Public Services Department (PSD) is considering not giving loans and scholarships to siblings of those who have defaulted on repayment.

PSD Director-General Tan Sri Dr Mazlan Ahmad said today this was one of the measures being studied by the department as a penalty for its scholarship and loan holders who failed to pay back after completing their studies.

"There must be some penalties. Not giving loans to their siblings is one of the penalties we are talking about, besides taking legal action," he told reporters after closing the 12th British Malaysian Industrial Trading Association-PSD Management Development Programme, here.

He said the PSD was working out the details and would establish a database before implementing the measure.

The PSD had sponsored 3,516 students for overseas studies between 1995 and 1997. It allocated RM444.7 million for its overseas and local scholars last year compared with RM461 million in 1995.

Asked how much money was owed by the defaulters, Mazlan said but the amount was not hundreds of millions as reported in the press.

He said there are some students who had completed their studies but failed to report their whereabouts to the PSD while some had been paying but stopped doing so when they changed jobs.

"There are also those... if I may call recalcitrant...they don't pay at all. They should not treat this as an NPL (non-performing loan)," Mazlan said.

He said such action was depriving other students of getting loans and scholarships as the government have reduced its allocation due to the economic slowdown.

He also said that the PSD was still studying which Saturday in the month to be declared a holiday. Prime Minister Datuk Seri Dr Mahathir Mohamad when presenting the 1999 Budget, announced that from January next year civil servants would get a Saturday off every month.

-- BERNAMA

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