

Second chance for entrepreneurs declared bankrupt
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Genuine entrepreneurs once declared a bankrupt, may get a second chance to venture into business once the government amends the Bankruptcy Act 1967 said Deputy Prime Minister Muhyiddin Yassin.

NONEMuhyiddin said under the current Act, the situation of "once bankrupt, always a bankrupt" arises when an entrepreneur was blacklisted.

However, the second chance to return to business would not be given to everyone under the category but only those genuine entrepreneurs who had been forced into such a situation beyond their control.

"We are taking steps to amend the Act to provide a chance for those who were previously declared bankrupt due to an economic downturn, drop in business and competition.

"But once the economy recovers, they should be given a second chance," he said opening the 2010 Rural Entrepreneurs' Carnival organised by the Rural and Regional Development Ministry at the Bukit Jalil National Stadium today.

He was asked to comment on a report that claimed many youngsters were among 38,357 individuals who had been declared bankrupt in the past 65 months due to failure in settling their credit card bills or car hire purchase.

Muhyiddin said the government would study the reasons for an increase in bankrupts, especially among young entrepreneurs.

The deputy prime minister also advised those who owned credit cards to be careful with their expenditure or those who use it beyond their ability to repay.

"Credit card issuing companies are inclined to offer high credit limits but that does not mean those who owned credit cards must use them beyond their means," he said.

- Bernama

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