

Top graduates to be rewarded

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Govt to reinstate PTPTN loan waiver for first-class honour students

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KUALA LUMPUR: The government is reinstating the National Higher Education Fund Corp (PTPTN) loan waiver for students who graduate with first-class honours, says the Prime Minister.

This will again be given to all top students regardless of their socio-economic status, said Datuk Seri Ismail Sabri Yaakob.

"I wish to announce that the government will once again be giving special goodies to any student with a PTPTN loan who has a first-class honours degree, whereby they are allowed to change their loans to be exempted from repayment without taking into account their economic background, race or religion," he said when launching PTPTN's 25th Silver Jubilee

Anniversary celebrations at Matrade Exhibition and Convention Centre yesterday.

He added that this award would be given to students who graduate in 2019 and onwards.

During the announcement of Budget 2019, the exemption was halted for all and given only to students from the B40 families.

Ismail Sabri said he hoped the corporation would discuss with the Finance Ministry regarding the amount needed for this allocation.

On another matter, he said an Education Savings Club would be launched in schools to teach students better financial literacy.

He said the PTPTN-created club would also raise awareness about the importance of starting to save for tertiary education early through the National Education Savings Scheme (SSPN).

The Prime Minister said there

were currently 13 schools in five states with such a club in their co-curricular module.

In continuing to deliver the good news, Ismail Sabri said that 3.67 million "Malaysian Family" members managed to further their studies thanks to PTPTN loan disbursements of RM66.87bil to date.

"At the age of 25 years, PTPTN has become the top tertiary studies savings agency that is committed to shouldering its mandate," he added.

Ismail Sabri stated that the government had allocated more than RM3bil per year through PTPTN, allowing an average of 180,000 new students to further their tertiary education.

However he stressed that repaying the PTPTN loans was important to ensure the sustainability of the fund for future students.

According to Ismail Sabri as of June, over two million (82.04%) bor-

rowers had repaid their loans, totaling RM17.8bil.

The *rakyat* had expressed concern about how the loans could be a burden to graduates, he said, adding that to allay those concerns, the government had launched the SSPN savings scheme.

"The savings scheme has more than RM12.5bil deposited into 5.4 million accounts as of June."

In her speech, Higher Education Minister Datuk Seri Dr Norani Ahmad said with effective, efficient, and innovative management, PTPTN has remained consistent in providing loans for students.

"From 1997 to 2002, up to RM5.3bil was allocated by the government for this purpose. From then on, PTPTN no longer depended on the government for the grant," she said.

She added that although in 2020, the government had postponed

repayment for PTPTN loans because of the Covid-19 pandemic, the institution still managed to collect about RM1.35bil.

"Last year, the repayment rate continued to rise, with the debt collection amounting to RM2.36bil. As of June this year, RM1.70bil had been collected, which was about 61% of the targeted RM3bil.

"I believe this achievement was partly due to the introduction of the discount incentive for repayments as a result of the pandemic," she said, adding that the repayments would be used for the benefit of the next generation, who needed the opportunity to achieve educational success through loan schemes.



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