

# GOVT TO REVIEW BANKRUPTCY THRESHOLD

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PM to discuss matter with law minister and Bank Negara governor

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**I**N light of the rise in the number of people filing for bankruptcy, especially among youths, Prime Minister Datuk Seri Ismail Sabri Yaakob said the government will review the bankruptcy threshold.

Expressing his worry over the spike in the number of youths being declared bankrupt this year, he said Putrajaya might reintroduce previous methods to help the younger generation.

He said this in reference to the government's previous action in 2020 during the Covid-19 pandemic, where the Malaysian Department of Insolvency (MDI) increased the bankruptcy threshold to RM100,000 in debt from RM50,000.



Prime Minister Datuk Seri Ismail Sabri Yaakob speaking to jobseekers who received job offers at the Barisan Nasional Youth Job Fair in Kuala Lumpur yesterday. With him is Umno Youth chief Datuk Dr. Asyraf Wajdi Dusuki (right). PIC BY ASWADI ALIAS

“The government previously increased the threshold during the pandemic and legal action (against defaulters) was delayed.

“Looking at how things are

now, the threshold will be reviewed.

“I will discuss this with the Minister in the Prime Minister’s Department (Parliament and

Law) to look into the relevant act.

“I will also meet the Bank Negara governor to see what can be done from a legal perspective,” he said in his speech at the closing of

the 2022 Barisan Nasional Youth Job Fair at the Kuala Lumpur World Trade Centre here yesterday.

In May, MDI revealed that there were 287,411 people who had been declared bankrupt up to March this year.

According to MDI, most of them were forced to declare bankruptcy for failing to clear loan because of insufficient funds.

It said Selangor recorded the most bankruptcies at 71,659, followed by Kuala Lumpur with 45,630.

MDI also said most of the people who filed for bankruptcy were private sector workers and businessmen between the ages of 35 and 44.

The prime minister urged employers and companies to create more jobs, especially for the younger generation, to prevent them from becoming bankrupt.

“I am worried when looking at the figures.

“I am afraid of the possibility that it could increase, which is why this government will do its best to serve the youth.

“Believe me, the youth agenda is our priority.”