

Review on bankruptcy threshold

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Govt looking into possibility of raising it again after two years

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KUALA LUMPUR: The bankruptcy threshold is being reviewed amid the high number of such cases, especially among youth, says Datuk Seri Ismail Sabri Yaakob.

The Prime Minister said the government had raised the bankruptcy threshold at the start of the Covid-19 pandemic.

"I will discuss the matter with the Minister in the Prime Minister's Department (Parliament and Law) to look into the relevant legislation.

"I will also meet with the governor of Bank Negara Malaysia to look into all the legal perspectives on whether it can be (raised) again.

"Please believe that the future of youth will be the main agenda of the government," he said in his closing speech at the Barisan Nasional Youth Job Fair 2022 yesterday.

The government in 2020 had amended the Insolvency Act 1967 to raise the bankruptcy threshold from RM50,000 to RM100,000.

The increase was aimed at strengthening the economy while allowing individuals to better manage their finances during a period



of uncertainty due to the pandemic.

Earlier at the event yesterday, Barisan Youth chief Datuk Dr Asyraf Wajdi Dusuki urged the government to take drastic action to curb the growing number of bankruptcy cases.

He also asked the government to

review the Insolvency Act by amending "archaic elements" and introducing more "progressive and modern" initiatives into the law.

According to the Insolvency Department, a staggering 18 people were declared bankrupt every day in the first five months of this year.

Future for youths: Ismail Sabri chatting with jobseekers at the Barisan Nasional Youth Job Fair at the World Trade Centre in Kuala Lumpur.
— FAIHAN GHANI/The Star

demographic had changed the country's employment landscape.

However, things had gradually improved with the unemployment rate dropping to 3.9% in April this year based on official figures, said Ismail Sabri.

"This year, the government is targeting to provide a total of 600,000 jobs with an allocation of RM4.8bil via the Malaysian Family Employment Guarantee scheme," he added.

He also cited several other government initiatives that had helped jobseekers find new jobs.

Based on data from the Statistics Department, 2,750 graduates had successfully been employed under the Career Advancement Programme, he said.

"As at May 8, the MyDigital Workforce Work in Tech had successfully placed 649 participants from a total of 3,596 applicants, including youths, in jobs related to technology and digital services," he added.

The department's data also showed that between January and May, a total of 2,694 people were declared bankrupt, bringing the number of bankruptcies in the country to 274,628.

On a separate matter, the Prime Minister said the Covid-19 pan-

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