

Why Abolish PTPTN, The Saviour Of Many Students?

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KUALA LUMPUR, May 4 (Bernama) -- The call for the National Higher Education Fund Corporation (PTPTN) loans to be abolished, and Malaysians be given free tertiary education has attracted many debates.

As a matter of fact, since PTPTN was established in 1997 under the National Higher Education Fund Corporation Act 1997, about 1.93 million students have benefited over the past 15 years, as pointed out by the higher education ministry.

"In my opinion, PTPTN helps many students, especially those from poor families, as well as those who failed to get scholarship or loan from any Chinese clan associations and social organisations.

"PTPTN has certainly fulfilled the dream of many youths to pursue their tertiary education by solving their financial woes," UCSI associate professor Dr Dominic Lau told Bernama recently.

In fact, he said the loan given by PTPTN was also used to cover the daily living expenses of undergraduates, apart from payment of the actual tuition fees.

Lau also pointed out that PTPTN gave exemption from loan repayment to undergraduates who completed their bachelor's degree with first class honours.

While for the rest, loan repayment only commences six months after completion of studies or graduation that relieves the financial burden of the fresh graduates.

Federation of Chinese Association Malaysia (Huazong) deputy secretary-general Dr Chin Yew Sing said PTPTN was a very good system in helping poor students to further their studies, as not everyone could obtain scholarships.

"I don't agree it (PTPTN) should be abolished. For us, we feel that even if the government can afford to give free education at tertiary level, it should not be encouraged.

"If you give them free, many of these students will not feel obligated to study well. Let the student know education is an investment that they have to invest for their future. At least, with PTPTN, it would make the students value it," he told Bernama.

He explained that some parents who could afford the study expenses, had deliberately made their children take up part-time jobs to support their education to instill a sense of responsibility in their education.

"Moreover, it was with Asian values that these students pay back for good deed," he said.

Penang-based educationist Datuk Cheah See Kian said PTPTN had been a very good policy,

having helped many lower and middle-class Malaysians of various races to complete their tertiary education.

Should the loan be abolished, the honorary principal of Han Chiang College in Penang said, not only would it be unfair to those who had paid up, but also it would make a mockery of the whole education financing system in the country.

"Very few countries in the world have offered education loan such as Malaysia. If you decide to abolish PTPTN and give free education, how about those who study in independent and private schools, colleges and universities? These people still have to pay," he said.

He explained currently, there were 60 independent schools in the country, apart from 439 private colleges and 25 private universities.

"How to convince them that because they cannot go to public universities, they are not entitled to this? The current PTPTN system is fair, pay back only after graduation. It's actually a good system, regardless whether they come from national, national-type or independent school," he reasoned.

Deputy Prime Minister Tan Sri Muhyiddin Yassin, who is also education minister, recently explained that the government subsidised up to 95 per cent of the tuition fees to ease the burden of students at public institutions of higher learning, and that they should be aware of the subsidies provided by the government at the moment.

However, for the economist, one thing for sure was that scrapping the PTPTN loan would burden and shrink government resources.

Although feasible, RAM Ratings chief economist Yeah Kim Leng said the proposal to abandon the loan scheme would leave a huge hole in the economy, as it was a sizeable amount to write off.

"It was equivalent to three per cent of the GDP in 2011. Using oil revenue to fund education would affect other societal economic development programmes.

"Even if the amount owed were funded by Petronas, government spending on other areas such as education, healthcare, infrastructure, rural development and social welfare would have to be cut correspondingly," he told Bernama.

For some of the parents and students who have been using PTPTN loans to finance their studies, they said the emphasis should be on improving the mechanism to recover loans from defaulters, as PTPTN should not be scrapped.

So, why would anyone want to abolish the PTPTN?

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