

**Perkasa slams move to link education loan defaulters to CCRIS**  
**Malaysian Insider**  
**Aug 20 , 2013**  
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Perkasa has slammed the government's move to link National Higher Education Fund Corporation (PTPTN) loan defaulters to the Central Credit Reference Information System (CCRIS), calling it a persecution of Bumiputera youths.

Education Minister II Datuk Seri Idris Jusoh said the move was two-pronged, first to help control rising household debt and second to promote the culture of good repayment by PTPTN borrowers.

He said this would ensure that other students would be able to benefit from the education financing facility.

But Malay rights group Perkasa didn't take kindly to Idris's reasoning, arguing that it penalised borrowers, the majority of who were youths.

Perkasa argued that the move by Idris would close the opportunities for Malay and Bumiputera youths from venturing into the entrepreneurship sector as they would face difficulties in obtaining loans.

"This is a form of persecution. I challenge Idris to recover the borrowed monies from Malay and Bumiputera students by going through the court process first. The government must remember that the public has a choice," said Perkasa general secretary Syed Hassan Syed Ali (pic).

He told The Malaysian Insider that the public could choose to either vote for a party which fights for the student loans to be written off or a party which wanted to link the loan defaulters with CCRIS.

Idris said once the PTPTN loan defaulters had been linked to CCRIS, those who continued to default on their loans would be subject to the same treatment as ordinary loan defaulters.

Banks and financial institutions use CCRIS to evaluate and check the history of a loan or credit card applicant. CCRIS contains the entire history of an individual in his dealings with either banks or financial institutions.

It is quite difficult to apply for a loan, credit card, hire purchase or personal loan from banks and financial institutions if an applicant's CCRIS record is tarnished. Moreover, the banks also weigh up the applicant's financial commitments via CCRIS before making a decision to approve or reject an application.

"The financial institution or bank will evaluate and analyse every loan, the loan balance, the payment record and the number of payments outstanding. This will affect the bank's decision in approving any loan application or the loan amount," Idris said.

The Besut MP explained that linking the PTPTN loan defaulters to CCRIS was not to increase their financial burden but to encourage them to pay back what they have borrowed. This will also forge a better repayment culture for future generations of PTPTN borrowers.

Idris also explained that the PTPTN offered several alternative solutions for borrowers who had been listed in CCRIS, including repaying the outstanding amount in full or instalments through salary deductions or bank Standing Instructions (SI).

But Syed Hassan argued that the government was fomenting the public's hatred against Barisan Nasional. He claimed that linking PTPTN loan defaulters to CCRIS would cause the youth difficulties in finding a source of income, especially in the current environment where job opportunities were slim.

"Instead of punishing, Putrajaya should take easier measures and not burden borrowers. Perhaps the government could demand borrowers who have been working for five years or more to settle their loans? Those who are not working anymore, how are they going to repay the loan?"

Another alternative Syed Hassan offered was to deduct the loan amount from the borrower's Employee Provident Fund account.

But he sarcastically applauded Idris's boldness in introducing such a controversial plan with the Umno elections just around the corner.

The PTPTN has approved loans amounting to RM49.9 billion to 2.2 million students between July 1997 until June this year. - August 20, 2013.

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