

# Investing for the future

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**KUALA LUMPUR:** Parents should start saving for their children's education from young and not hope for handouts from the government.

Higher Education Minister Datuk Seri Mohamed Khaled Nordin said the best way for parents to do this was to invest in the National Education Savings Scheme (SSPN).

"If they don't invest in SSPN, they will not be able to opt for the National Higher Education Loan Fund (PTPTN) loans," he said after the signing of an agreement between Maybank and SSPN for the bank to act as the scheme's agent.

Khaled said the agreement meant that parents would not have

## NATIONAL EDUCATION SAVINGS SCHEME

**573,880**

Account holders

**RM165.37m**

Total investment

any excuse for not opening an SSPN account, as Maybank branches were "everywhere".

To open an account, one only needs to make a minimum investment of RM20. Previously, SSPN accounts could only be opened at PTPTN counters.

SSPN has more than 573,880 account holders who have a total investment of RM165.37 million.

Khaled said, once they had opened an account, parents would be given various rebates and incentives, such as having up to RM3,000 in tax waived and also free insurance coverage of up to RM50,000.

SSPN was mooted two years ago as a means to reduce the number of PTPTN defaulters who go missing after completing their studies.

The government wanted a mechanism to ensure that loans which were due were settled promptly. In February 2007, the government made it compulsory for students to have an SSPN account under their parents' or guardian's name before they can get PTPTN loans.



**Datuk Seri Mohamed Khaled Nordin** says parents should invest in the National Education Savings Scheme

## Education fund recovers RM925m

**KUALA LUMPUR:** Some RM925 million due to the National Higher Education Loan Fund (PTPTN) has been recovered.

Higher Education Minister Datuk Seri Mohamed Khaled Nordin said this was almost 50 per cent of the RM1.9 billion in loans owed to the fund.

"We still need to collect another RM1 billion and we are going all out to recover the money," he said yesterday.

Khaled said so far only 419,815 graduates had repaid their loans.

He is not happy with this and feels that PTPTN can do a better job recovering the loans due.

"We are going all out to trace the defaulters by sending out court orders and by barring them from travelling abroad (if they have been found owing money to the institution)."

Khaled said, to date, PTPTN had approved loans totalling RM25.9 billion since it was set up in 1997.

"Out of this, we have disbursed RM16.7 billion to 1.25 million students since 1997."