



## LETTER | The perennial problems of PTPTN

LETTER | When Housing and Local Government Minister Nga Kor Ming commented on PTPTN loans, suggesting that those who failed to repay their loans LETTER | When Housing and Local Government Minister Nga Kor Ming commented on PTPTN loans, suggesting that those who failed to repay their loans should have their passports withheld, the criticisms from other politicians were overwhelming.

To me, the criticisms are both riddled with opportunism and populism.

It is time to be the champion of the downtrodden and more appropriately, it is time to criticise another DAP minister or politician.

PTPTN loans were given out with low interest and without collateral.

The purpose is to finance tertiary education for those not able to afford it.

However, as it turned out, almost every student was given a loan with some taking it simply

because the interest rate was lower than the market rate.

Many of these students could afford to pay on their own, but they took it anyway.

When it is time to pay back the loans, I believe many are just finding excuses to avoid or delay the repayment.

With no collateral and nothing to hold against them, PTPTN/ the government is left with no recourse.

The common excuses are these students are unemployed or their salary is too low.

But the problem is many of the employees are also not paying back.

ADS To me, it is not wrong to impose certain travel restrictions on those defaulting on the PTPTN loan.

Those who are working and earning must pay their loan even if in smaller amounts if their salary is low.

This is about responsibility.

If borrowers do not repay, how can PTPTN sustain itself and dish out loans to other students in the future? PTPTN is supposed to be “self-financing”, not constantly depending on government allocation or government borrowing.

With PTPTN loans the perennial problems, I think it is time to review the policies on tertiary education.

The World Bank recently released a study referring to graduate unemployment and the Malaysian economy not being able to generate jobs with higher pay that require university degrees.

ADS I have long noticed that university education opportunities are running much ahead of the Malaysian economy.

We have universities spurting up like mushrooms operated by half-baked institutions offering degrees and diplomas that are doubtful of their quality and relevance.

Do we want to end up a nation of graduates heavily in debt with PTPTN loans but with doubtful university qualifications and the ability to secure a “graduate” job? Of course, there are debates about whether tertiary education is a universal human right or a means to social and economic mobility.

I am not being elitist if I suggest that some would be better off if they learn a trade or acquire a skill through an apprentice scheme rather than get an irrelevant university degree which leads them nowhere.

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