



MEDIA STATEMENT
UNIVERSITI MALAYA STUDENTS' UNION (UMSU) 2023/2024

**UNIVERSITY MALAYA STUDENTS' UNION URGES FOR THE
CONTINUATION OF THE DISCOUNT ON THE REPAYMENT OF PTPTN**

The University Malaya's Student Union calls for the discount on the repayment of the National Higher Education Fund Corporation (PTPTN) to be continued and tabled into the 2024 Budget.

According to the Minister of Higher Education, Datuk Seri Mohamed Khaled Nordin, the decision on whether the discount on repayment will be continued is subject to the approval of the Finance Minister. The Student Union acknowledges the end of loan repayment discount period, on 31st May 2023, as announced by the Prime Minister Datuk Seri Anwar Ibrahim during the tabling of the 2023 Budget.

However, we strongly advise the Finance Minister to approve the extension of discount on the repayment of PTPTN due to the following reasons:

1. To reduce borrowers' burden in repaying the outstanding debt after graduation

This incentive is eligible for all PTPTN borrowers and includes a variety of repayment methods including 20% discount for full settlement of the loan, 15% discount for settlement of at least 50% of the loan balance, 15% discount for repayment by salary deduction and 5% discount on refunds. Furthermore, all borrowers who have a monthly gross income of RM 1,800 and below are eligible to apply for postponement for a period of six months. This discount is able to reduce the burden of repaying a large sum of money while ensuring that more graduates will be committed to settling their debt. After all, university graduates are one of the biggest stakeholders in our society, being one of the main contributors to our workforce, especially in today's competitive world.

2. To ensure sustainability of higher education

PTPTN plays a vital role in ensuring the sustainability of higher education by ensuring that all students who are eligible to enter a Higher Education Institution (IPT) will not be hindered from doing so due to financial constraints. Through this initiative, more students will be incentivised to apply for educational funds as well as pursuing their tertiary education, thereby indirectly, improving their families' economy once they enter the workforce.

3. To help graduates affected by the current economic situation

According to PTPTN, borrowers saved more with the discount provided as they settled the payment earlier than the fixed repayment schedule. Furthermore, discount incentives are able to improve the graduates' financial management especially through the method of salary deductions as the mechanism ensures that repayment is being done consistently. This also ensures that graduates are able to have more financial freedom once they've settled their education debt.

This incentive has greatly benefitted borrowers' financially, mentally and emotionally. We urge for the government to continue this initiative and for the discount to be tabled into the 2024 Budget for the greater good.

WORK FOR ALL

**Universiti Malaya Students' Union 2023/2024
08th OCTOBER 2023**