Govt bears 85-95pc of tuition fee subsidy, says Muhyiddin

SHAH ALAM: The Barisan Nasional (BN) government bears between 85 and 95 per cent of tuition fee subsidy to ease the burden of students at public institutions of higher learning, Deputy Prime Minister Tan Sri Muhyiddin Yassin said.

As such, he said, the students were only needed to pay their tuition fees at a very minimum rate.

"For example, a medical student at Universiti Kebangsaan Malaysia (UKM) needs only to pay a tuition fee of RM9,000 for a five-year course compared to the actual fee of RM166,000. That means the student only pays 5.4 per cent of the actual fee as the other 94.6 per cent is paid by the government.

"An engineering student at UKM needs to pay RM5,600 for a four-year course compared to the actual fee of RM61,200. The student merely pays 9.2 per cent while the government pays the other 90.8 per cent," he said at the Malaysia Kelantan Undergraduates Gala Dinner at Universiti Teknologi Mara (UiTM), here.

Present were International Trade and Industry Minister Datuk Seri Mustapa Mohamed and UiTM vice-chancellor Datuk Prof Sahol Harfiid Abu Bakar.

On the National Higher Education Fund Corporation (PTPTN) issue, Muhyiddin, who is also Education Minister, said only 15 to 30 per cent of the loans was used by the students to pay the tuition fees, while the other 70 to 85 per cent went to their living expenses.

"The abolishment of PTPTN loans as proposed by the opposition will cause the students to look for sponsors to pay their tuition fees," he said.

Muhyiddin said as at Dec 31, 2011, a total of 11,764 students, who managed to graduate with a first class degree or equivalent, had also been exempted from repaying their study loans to PTPTN.

PTPTN, he said, had also approved 1.93 million loan applications involving an allocation of RM42.96 billion up to Dec 31, 2011.

"To provide study loans to students, PTPTN has to take loans from other financial institutions with the interest rate of between four and five per cent borne by the government.

"For 2012, the government has to bear RM1.09 billion to pay the interest to the financial institutions," he added. - Bernama