



Deferring loan repayments will help Mr Toh, who is his family's sole breadwinner. ST PHOTO: CAROLINA CHIA

FOR UNIVERSITY GRADUATES

No loan repayment for one year; poly grads eligible too

RECENT Singapore Management University graduate Ben Toh, 27, is glad he will soon get a one-year respite from making payments on his \$18,000 tuition fee loan - given the grim economic climate.

The Ministry of Education is suspending the repayment of tuition fee and study loans for polytechnic and university graduates from April 1.

Mr Toh, a management associate at a private equity firm, is the sole breadwinner providing for his elderly parents. He is also helping to pay off an estimated \$30,000 to \$40,000 of a loan on the family's four-room HDB flat.

He completed his degree in 3½ years, instead of the usual four, to start earning earlier.

"In view of the poor economy and bleak job market, I am worried about my future and job security. As such, I am happy to defer my tuition fee repayment until next year...It gives me time to save up some funds," he said.

WHAT'S NEW IN THIS BUDGET

- Payment of tuition fees and study loans will be suspended from this April 1 to March 31, 2010.
- During this period, graduates will not be charged interest on outstanding loans.
- Repayment will be automatically suspended even for those already servicing the loans.