

## TERTIARY SCHOLARSHIPS

16/11/10

(37)

### **RODRIGUES - STUDENTS - GOVERNMENT LOAN SCHEME FOR TERTIARY EDUCATION**

(No.1B/603) Mr J. F. François (Third Member for Rodrigues) asked the Minister of Education and Human Resources whether he is aware that Rodriguan students encounter difficulties when applying to financial institutions for loan facilities under the Government Loan Scheme for Tertiary Education and if so, will he, for the benefit of the House, obtain from the Human Resource Development Council, information as to the reasons therefor.

**Dr. Bunwaree:** Mr Speaker Sir, under the Human Resource, Knowledge, Arts and Development Fund provision is made for a Government Guaranteed Loan Scheme for students in mainland Mauritius and Rodrigues who cannot provide any security to benefit from loans to pursue post secondary education. Students with an offer from a TEC recognised Post Secondary institution in Mauritius and whose families do not have the means to secure such a loan are eligible for a Government Guarantee under that Scheme.

The Scheme is meant to give significant financial relief to students who come from families with modest income and who could otherwise be deprived of opportunities to pursue post secondary education. The students will, in principle, service the loan only after securing a job at the end of their studies.

The modalities for application for the Loan Scheme have been posted on the website of the HRKAD Fund. Students having enrolled for tertiary level courses can readily access information relating to application procedures for loans as these are communicated to most post secondary institutions locally. Full details of the Government Guaranteed Loan Scheme have been made available to the Education Commission of Rodrigues to be brought to the notice of Rodriguan students. In addition, a delegation comprising the Chairperson of the Sub-Committee of the HRKAD Fund dealing with the Government Guaranteed Loan Scheme and Scholarships proceeded to Rodrigues in April 2010 to sensitise students and stakeholders on the Scheme.

Mr Speaker, Sir, I am informed that at the start of the Government Guaranteed Loan Scheme at the beginning of 2009, some difficulties were in fact being encountered by students in

Rodrigues as banks operating there were not fully conversant with the operation of the Scheme. Necessary clearances had to be sought by Branches of Banks based in Rodrigues from their respective Head Offices in Mauritius and this led to undue delay in the submission and processing of applications. Furthermore, students who had applied for loans in Rodrigues and then proceeded to mainland Mauritius, had difficulties to follow up on their loans. With a view to resolving this problem, dedicated contact persons were identified at the level of the Banks operating the Scheme in Mauritius to maintain a close liaison between the students and their Banks.

I am informed that two appropriate Desk Officers have been designated by the Education Commission of Rodrigues to assist and guide students in respect of the Scheme and to alleviate any difficulties they may face.

The HRKAD Fund, Mr Speaker, Sir, is sustaining its efforts to further streamline its processes and better serve the students concerned.

I am informed that, at present, no difficulty whatsoever is being encountered for eligible candidates.

**Mr François:** Mr Speaker, Sir, is the hon. Minister aware that not all the commercial banks accept the option for repayment of loan after a student has secured a job?

**Dr. Bunwaree:** Well, I don't know because we started giving the loans only two years ago, even less, so I'll have to look into the matter and see if ever there is this problem, we will try to look into it.

**Mr François:** Secondly, there is also a problem with the Government guaranteed loans from these commercial banks regarding the land lease as a guarantee and most of the land leases are being pledged for either building a house or whatever and some of those commercial banks are having problems to give loans to those students because their lease has been pledged and there is a big problem. Will the hon. Minister look into that?

**Dr. Bunwaree:** If it falls under the purview of this fund, of course, Mr Speaker, Sir, but the fund itself is supposed to look into cases where parents who do not have the means to secure, act as the guarantees themselves. But, I will take that into consideration.

**Mr Leopold:** Mr Speaker, Sir, can I simply ask the hon. Minister to give an indication about the time frame on mainland Mauritius from the time the application is made, approval is obtained and disbursement is made?

**Dr. Bunwaree:** As I said in the case of Rodriguan students it was about six to eight weeks at the start. Now it is three to four weeks and we are trying to make it still less.