

> AH LONG MENACE

Cabinet rejects bid to charge borrowers

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PETALING JAYA: The proposal to prosecute those who borrow from loan sharks has been rejected by the Cabinet.

Housing and Local Government Minister Datuk Seri Ong Ka Ting said the Cabinet on Wednesday decided that police and other enforcement agencies should focus on enforcing laws to deal with illegal moneylenders who employ high-handed tactics to recover debts from borrowers.

"The Cabinet has shot down the proposal. It feels that under the current law, the police are tasked to enforce and take action against loan sharks," he said after attending a dinner for ex-Chinese servicemen last night.

Ong said the government felt that prosecuting borrowers could lead to more problems. "If they are forced into a corner, they will feel more pressured and might react in more disastrous ways."

He said the ministry was looking into amending the Moneylenders Act 2001 to give police more bite against Ah Long.

He also said the Cabinet felt that more micro-credit loans should be made available to those in urgent need of help.

He said the Cabinet also appointed Internal Security deputy ministers Datuk Fu Ah Kiow and Datuk Mohd Johari Baharum as chairmen of a committee tasked to draw up an awareness campaign on the menace of loan sharks.

In **Kuching**, Federal Commercial Crimes Department director Datuk Ramli Yusuff said the police planned to suggest the setting up of a micro-credit institution to give out small business loans.

This will mean that people who need a small sum to tide them over a rough patch in their business need no longer end up in the clutches of illegal moneylenders.

Ramli said the idea came about after studies by



Federal Commercial Crimes Department director Datuk Ramli Yusuff says police will propose a small loan scheme

non-governmental organisations and information from the MCA Public Services and Complaint Bureau head Datuk Michael Chong, who had indicated that 20 per cent of those who sought loans from Ah Long needed the money for business purposes.

The remaining 80 per cent sought loans to cover gambling debts.

"We will propose this to the Housing and Local Government Ministry.

"It will then be up to the Cabinet," he said.

This is one of the proposals made by the Awareness Campaign Committee Task Force chaired by Ramli.

The task force comprises 50 senior officers from the Commercial Crimes Department, Criminal Investigation Department and the Housing and Local Government Monitoring and Enforcement Division. It held its first meeting on Dec 29.

The rationale behind charging those who borrowed from Ah Long was that they were forcing loan sharks to resort to crime to recover bad debts. Catching their clients would force Ah Long out of business.

But on Monday, Inspector-General of Police Tan Sri Musa Hassan shot down the idea, saying that the priority in the fight against Ah Long should be to educate and not prosecute.