

Students' Loan Bureau Announces Lower Interest Rates

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Minister of Finance and the Public Service, Hon. Audley Shaw, says the Students' Loan Bureau (SLB), will be making an announcement soon regarding the lowering of its interest rates.

"In line with the general direction of lowered interest rates, we expect that interest rates at the Students' Loan Bureau will also be declining," Mr. Shaw told journalists at the post-Cabinet press briefing, held at Jamaica House on February 3.

Meanwhile, as the Government seeks to strengthen the capital base of the SLB to allow more students to access assistance, Mr. Shaw indicated that the administration is negotiating a US\$5 million grant with the Caribbean Development Bank, and is looking at other sources of grant-funding for the SLB.

"It is one of those areas which we have not aggressively looked at enough, in terms of various forms of support from non-governmental organisations over the world. We are targeting funding sources through the EU as well as the United States and other countries. So, we plan to finance and capitalise by a combination of initiatives that have to do with grant funding as well as budgetary support," Mr. Shaw explained.

Meanwhile, Mr. Shaw informed that the subsidy of \$125 million that was implemented to assist needy students, would be increased to \$150 million. The subsidy assists students who have accessed loans, but need additional support. "We are making the necessary arrangements to ensure adequate capitalisation, and anticipating that there will be a higher level of demand for student loans," the Minister said.

Earlier this week, Minister of Education, Hon. Andrew Holness, assured students at the opening ceremony of the University of the West Indies (UWI) annual Research Day at the UWI, Mona campus, that in a time of recession, in a time of crisis, "the Government could not, in all good conscience, pursue a policy of radically adjusting the subsidy to our tertiary institutions."

"This would cause a dislocation that we could not sustain or would not be in our interest and we made a commitment that as far as possible, we would keep our funding to the university, stable," the Minister said.

The Government spends \$14 billion on tertiary education every year, \$2 billion at the early childhood level and \$10 billion on primary education.

Source:- JIS