

Debt centre to help Malays sees 580 cases in 1st year

THE Debt Advisory Centre (DAC) expected to help about 200 people in the Malay community struggling with debt in the first two years of its existence.

Instead it has seen a significantly higher 580 cases in the first year alone.

Set up by the Association of Muslim Professionals (AMP) in April last year, the DAC aims to address debt problems among Malays here.

Most of the people who have approached it for help are aged 30 to 49 and married with children. The average debt for each

case stands at about \$29,000.

Every week, an average of 120 people call the DAC helpline, of whom about 50 go on to seek formal help with the centre.

From October last year to April this year, the DAC has seen a rise in the number of younger people in debt.

AMP executive director Mohd Anuar Yusop said: "There have been more people in their 20s coming to us for help, as well as older people in their 50s.

"This is very worrying as starting debt young means they will probably be carrying their debt

on to later in life."

The DAC said many people seeking help earn less than \$2,500 a month. About one-third got into trouble owing to poor financial management and 26 per cent blame lifestyle and high expectations for their debt woes.

In more than half of the cases DAC sees, debtors owe money to licensed moneylenders and financial institutions such as banks.

DAC has also seen cases of non-Malay and non-Muslims approaching it for help. It estimates that 5 per cent of its cases come from these people.

Of the 580 cases, DAC has managed to close 53 per cent. The rest are going through various stages of debt management.

It has also recently worked with a number of new organisations, such as the Housing Board, to better help these people.

AMP senior manager Hameet Khanee JH said: "Thirty per cent of (HDB's) clients with housing problems are Malay... hence we are working with them to better manage the debt of these people."

DAC adviser Sani Hamid said that it expects more people to

seek help in the coming months, and has put in place several measures to better help them.

It is expanding its casework and outreach division, with one new employee hired to help these people, to share its framework with other organisations.

It has also increased its budget to \$200,000, twice its figure for the past year.

Mr Sani said that it will be focusing on research as it hopes to bring DAC to a national level, to reach out to more people who need help.

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