පාර්ලිමේන්තු ප්‍රකාශන මලා අංක .222

ආයතනයේ නම - නැගෙනහිර පළාත් සභාව

පාර්ලිමේන්තුවේ රජයේ ගිණුම් පිළිබඳ කාරක සභාව විසින් සභාගත කරන ලද වාර්තා සම්බන්ධයෙන් ස්ථාවර නියෝග 119(4) යටතේ ගරු අමාත්‍යවරයාගේ නිරීක්ෂණ හා ගනු ලබන පියවර පාර්ලිමේන්තුව වෙත ඉදිරිපත් කිරීම.

பாராளுமன்ற வெளியீட்டுத் தொடர் இலக்கம்: 222

நிறுவனத்தின் பெயர்: கிழக்கு மாகாணசபை

பாராளுமன்றத்தின் அரச கணக்குக் குழுவினால் முன்வைக்கப்பட்ட அறிக்கை தொடர்பாக நிலையியற் கட்டளை இலக்கம் 119(4) இன் கீழ் கௌரவ அமைச்சரின் அவதானிப்புக்களும் மற்றும் அது தொடர்பாக எடுக்கப்படும் நடவடிக்கைகளும் பாராளுமன்றத்திற்கு சமர்பித்தல்.

Parliament Series No.222

Eastern Provincial Council

Submission of observations of Hon.Minister and Steps taken with regard to the reports tabled by the Committee on Public Accounts in terms of Standing order 119(4)

Shortcomings identified by the Committee		Action taken by the Institution to rectify the shortcomings/Current Statues
1. The progress in implementing the recommendations made in the meeting of the Committee on Public Accounts held on 5th April 2017	Recommendation No. 07 – "To take appropriate action and submit a report to the Committee regarding the audit of the accounts of the Governor's Trust Fund". It was revealed before the Committee that the relevant report has not been received by the Committee and steps have not been taken to legalize the Governor's Trust Fund and Emergency Fund. The Chief Accounting Officer (C.A.O)/ Accounting Officer(A.O) stated that the relevant statutes are being drafted for the legalization of this fund, and since the term of office of the Provincial Council has been over for several years, it has not been possible to get the statute passed. The Committee instructed the C.A.O/A.O to complete all the requirements necessary for submiiting the relavant statute for the approval of the provincial council until the establishment of the Provincial Council. In addition, the Committee on Public Accounts expressed its displeasure about the fact that no reports related to recommendation Nos. 12, 13, 14, 15 and 16 given by the Committee in its meeting held on 05.04.2017 have	**12.** A detailed report was called from the Secretary Chief Ministry indicated a sum of Rs 489,378.00 remains unsettled. However, it is to mention that till 29.08.2025 a sum of Rs 440,000.00 has been recovered. Action is being taken to recover the balance Rs 49,378.00 through Secretary Chief Ministry. recovery details annexed **(Annexure 01)** **13.** The Report related to this was submitted to the Committee on Public Accounts on 2017.10.13. Copy of it enclosed herewith. **(Annexure 02)** Further, when we examine this matter the Solar Power lights installed along in the sides of canal path of Addalachchenai, Due to the reason of its land condition additional expenses was met, and In Trincomalee beach Solar Power lights was installed along in the street side in by the Tourism Unit which under Ministry of Agriculture, due to the reason, that this land in a condition of sandy , which the cost for installation process were verified depending on the land filling. For further clarification comprehensive report submitted from the Secretary, Ministry of Road Development enclosed herewith. (**Annexure 03**) **14.** In this regard a detailed report was called from the Provincial Director Department of Road Development. Based on the report it was stated that fuel expenditure, maintenance cost of the machinery and additional over time payment were made by the Central Government Irrigation Department. Furthermore, since this machinery was utilized in a period of disaster collection of rent for the machinery was not considered and Copy annexed. **(Annexure 04,05)** **15.** It has been informed to take action as per undermentioned manner in the Public Accounts Committee Meeting on 2023.09.21. As per the information collected by the Zonal Directors of Education action taken to apologies 10 principal upon their given independence statements. Some are transferred and working in other schools, and few of them are got retirement. Accordingly, the relevant particulars with each school are given below. And action

	been submitted to the Committee even though more than 6 years have passed and the Committee recommended to the Chief Accounting Officer/Accounting Officer (C.A.O./A.O.) that all those reports should be submitted to the Committee before 05th October, 2023.	being taken for collect details of the respective Principal. Summarized report is enclosed herewith. **(Annexure 06)** **16.** Audit Committee has taken action to initiate preliminary investigation and the recommendation of this committee, warning letter have been issued to the two offers concerned about their carelessness. **(Annexure 07)** **Report -01 The relevant reports have been submitted Eastern Province Chief Secretary's letter No. EP09 / FR/01 / 2023 / COPA/01 dated on 05.10.2023 and Report -02 Even number dated on 28.03.2025**
2. Non-remittance of stamp duty levies to local authorities	The Auditor General brought to the attention of the Committee that stamp duty collections of 349 million rupees had been retained in the Provincial Council for more than 2 years without being remitted to the local authorities. In addition to that, the Auditor General also pointed out that there has been a loss of 280 million due to the fact that another Rs. 700 million was not invested in fixed deposits but deposited in current accounts. This matter was discussed at length and since this is a common situation for all provincial councils, the Committee instructed the C.A.O of the Ministry of Public Administration, Home Affairs, Provincial Councils and Local	It is the general practice that the stamp duties not claimed and not recognized by the Local Government Institutions shall be transferred to the Provincial Fund in accordance with the provisions **of Section 2(1) of the Eastern Province Stamp Duty Transfer Act, No. 06 of 2010.** However, in the event that such Local Government Institution makes a subsequent application with proper reasons, the procedure for refunding the same to the Local Government Institutions from the Provincial Fund. All the stamp duties collected are being deposited in savings accounts maintained at the Bank of Ceylon and People's Bank. In addition, Rs. 400 million has been deposited Bank on 11/04/2023 in a fixed deposit account at People's and earned the interest of Rs. 80,287,023.71 up to 11.04.2025.

<table>
<tr><td></td><td>Government to take steps to prepare a suitable system to receive the money owed to local authorities without delay.</td><td></td></tr>
<tr><td>3. Principal Vacancies</td><td>It was disclosed before the Committee that while there are 566 principal vacancies in 15 zonal education offices in the Eastern Province, there is an excess of 20 principals in 02 zonal offices in Ampara district.

The C.A.O/A.O. who commented at this point stated that although there should be 1531 principals in the Eastern Province, there are only 837 pricipals at present . Accordingly C.A.O/A.O. stated that there are 691 principal vacancies, but not a surplus of principals . The C.A.O/A.O. further stated that an excess of principals has been observed due to the fact of counting as principals the senior teachers (ACTING PRINCIPALS) who have been appointed to cover the duties of principals in schools without principals.

The Committee noted that although senior teachers have been appointed as acting principals to cover the duties

of principals, they have not been attached to schools where there are vacancies . The need for the Ministry</td><td>Principal appointing authority which has the Ministry of Education & Higher Education Isurupaya. Ministry of Education Eastern Province have the authority to make placement only. In 2020 onward we maintained the data base system to obtained the information about principal & performing principal details. As the result we can analyze the vacancies and excess detailed information more over we can identified placement details.
(Annexure 08)

In 2025 the present details about principals.
<table><tr><th>Approved Cadre</th><th>Available Cadre</th><th>Vacant</th></tr><tr><td>1630</td><td>839</td><td>791</td></tr></table>The approved cadre of Principals in Eastern Province is 1630 under the 17 Zones. However Actual Cadre is 839 and the vacant is 791. Ministry of Education Eastern Province decided to appoint the 170 qualified appropriate principals in grade 1AB, 1C schools to minimize the vacant. Although end of the selection through the interview only 69 qualified principals could be placed in vacancies. And then recall the application on 25/08/2025 for 90 schools which are the grade 1AB, 1C. and Provincial Department of Education also call the application for type II Schools. The preliminary works have been already started. The action has been taken to place the principals in vacant schools as soon as possible.</td></tr>
</table>

	of Education to have a formal programme regarding the filling of principal vacancies was also emphasized at this point .	
4. Providing licenses by the Geological Survey and Mines Bureau (GSMB) for mining activities.	The Committee inquired about the permission given by the Geological Survey and Mines Bureau to a private company to carry out mining activities in inhabited areas of Kutchchaveli area. The C.A.O/A.O. stated that the Geological Survey and Mines Bureau has given permission to a private company to carry out mining activities in a land in Kuchchaveli Divisional Secretariat Division, in which human settlements, government institutions, religious places and other public places are located. The C.A.O./A.O. stated that due to objections raised by various parties, the Governor questioned the Geological Survey and Mines Bureau in writing regarding the lack of prior notification in this regard. The C.A.O/A.O. further stated that the Geological Survey and Mines Bureau has resorted to court action by naming as respondents a group including the Minister of Environment, the Governor of the Province, the Provincial Chief Secretary, and the Divisional Secretary of Kuchchaveli.	As per instruction of the Public Accounts Committee Meeting held on 2023.09.21 brief report of the case is enclosed herewith. **(Annexure 09)** **The relevant reports have been submitted Eastern Province Chief Secretary's letter No. EP/09/FR/01/2023/COPA/01 dated 05.10.2023.**

<table>
<tr><td></td><td>The Committee, which expressed its surprise regarding the filing of a case by the Geological Survey and Mines Bureau, an institution under the Ministry of Environment, making its Minister also a respondent, recommended that a detailed report regarding that case (including the reason for the filing of the case, the names and positions of the respondents, and their current status) be submitted to the Committee before October 5, 2023.</td><td></td></tr>
<tr><td>5. Teacher Vacancies</td><td>The Committee observed that there is a surplus of 664 teachers in 6 education zones, while there are 1509 teacher vacancies in 11 zones out of the 17 education zones in the Eastern Province, according to the Auditor General's report.
The C.A.O/A.O stated before the Committee that even though there were vacancies and surpluses of teachers in the province, as was stated in the Auditor General's report, almost 90% of that situation has been balanced by now. He further mentioned that not even a single teacher has been recruited since the year 2019 and that, though there were 3608 teacher vacancies, he was able to bring his province to the first place in the G.E.C. (Advanced Level) Examination in the year 2022.</td><td>From 2020 to 2025, teacher recruitment was carried out jointly by the Provincial Ministry of Education and the Ministry of Education (Isurupaya), where the Provincial Ministry handled graduate and B.Ed. appointments while Isurupaya managed College of Education and other national-level teacher recruitments; through this combined process, a total of 2,616 teachers were appointed during the period.

The present details of the Teachers
<table><tr><th>Approved Cadre</th><th>Available Cadre</th><th>Vacant</th></tr><tr><td>22,469</td><td>17,981</td><td>4,488</td></tr></table></td></tr>
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<tr>
<td></td>
<td>Appreciating the success achieved in the education sector in the face of many challenges, the Committee also emphasized the importance of maintaining a data system to obtain information about teachers.</td>
<td>2020 to 2025 Teachers Recruitment Details
<table>
<tr><th>Year</th><th>No of Teachers appointed</th></tr>
<tr><td>2020</td><td>07</td></tr>
<tr><td>2021</td><td>430</td></tr>
<tr><td>2022</td><td>422</td></tr>
<tr><td>2023</td><td>606</td></tr>
<tr><td>2024</td><td>623</td></tr>
<tr><td>2025</td><td>528</td></tr>
<tr><td>Total</td><td>2,616</td></tr>
</table>
(The detailed information is annexed here with it)

In 2020 onward we started a data base system for Education Sectors. Including all Services relating to educational sector such as SLTS, ISA, SLPS, SLEAS. This system has been modified time to time during the periods. This system facilitates to elaborate our quality of works and service.</td>
</tr>
</table>

6. Financial losses incurred during the construction of 2 bridges on Malwatu Suriyapodei Road	The Committee paid its special attention to the fact that a loss of 72.2 million rupees was incurred by the provincial council by paying an amount of Rs. 150 million as compensation as a result of resorting to arbitration in the dispute regarding the construction of 2 bridges on Malwatu Suriyapodei Road with World Bank assistance, even though it could have been reached at a settlement by paying an amount of 77.8 million rupees, which consisted of compensation of Rs. 40 million and late charges of Rs. 37.8 million through the tribunal proceedings related to the said dispute. The C.A.O further stated that after referring the dispute to arbitration, both parties were not satisfied with the amount fixed to be paid as compensation to the contractor company, so they resorted to arbitration again, and finally the problem was settled by paying an amount of 150 million rupees. It was stated at this point that the recommendation of the Treasury in regard to the paying of this amount of compensation was to provide for provisions to pay it using the allocations made through the annual estimates of the year 2021 or the revenue of the provincial council subject to the approval of the Cabinet	A committee has appointed under the headship of the Deputy Chief Secretary – Planning for conducting further investigation as per the instruction given by Public accounts Committee held on 2023.09.21. Report of the committee has enclosed herewith. **(Annexure 10)** **The relevant reports have been submitted Eastern Province Chief Secretary's letter No. EP/09/FR/01/2023/COPA/01 dated 05.10.2023.**

	of Ministers, taking into consideration the financial situation of the Provincial Council. The Committee stated that the Cabinet of Ministers has not approved the payment of this compensation as recommended by the Treasury and concluded that this is an unnecessary expense. The Committee stressed that legal action should be taken against the officials related to this incident if they have committed a mistake, and recommended that a committee should be appointed by the C.A.O/A.O under a deputy secretary to investigate the incident and that the report of that committee should be submitted to the Committee before October 5, 2023.	
7. Charging Value Added Tax (VAT) on payment of contributions to Employees' Provident Fund and Employees' Trust Fund	The Committee paid its strong attention to the fact that the Provincial Council paid an amount of 9.04 million rupees during the period from 01.05.2020 to 31.12.2020 to the companies that had contracted for providing security services and sanitary services, as contribution to the Employees Provident Fund and the Employees Trust Fund without evaluating whether they have been registered with the said funds and that the aforesaid employees have not received the benefits concerned.	In related to the Security & Janitorial Service, it is mentioned in the Tax Ordinance, when Security & Janitorial Service offerd to the contractor, the respective service provider must pay VAT as per the total value of the contract agreement and that total tax amount should be deposits to the Revenue Department. At present, action has been taken to calculate Tax as per deduction of Employees Provident Fund and the Employees Trust fund. Further, a committee has appointed with three persons to evaluate and reporting this matter. The relevant report submitted. (**Annexure 11**) **The relevant report has been submitted Eastern Province Chief Secretary's letter No. EP/09/FR/01/2023/COPA/01 dated 05.10.2023 and Report -02 Even number dated on 28.03.2025.**

	Recommendation The Committee instructed that the two companies concerned be summoned and they be informed to pay the contributions to the Employees' Provident Fund and the Employees' Trust Fund and if not, the relevant contribution be paid out of an amount which should be paid by the provincial council to the said two companies and failing that too the agreement entered into with them be abolished. It was recommended to the C.A.O /A.O. to submit to the Committee a report of the action taken in this regard before 05th October 2023. **The relevant report has been submitted through the Eastern Province Chief Secretary's letter No. EP/09/FR/01/2023/COPA/01 dated 05.10.2023.** Also, it was disclosed at this point that an amount of 6.3 million rupees had been paid as Value Added Tax (VAT) for the contributions made to the Employees' Provident Fund and the Employees' Trust Fund. The Committee inquired at length about this matter too and it was recommended to the C.A.O/A.O that a report of this matter too be submitted to the Committee before 05th October 2023.	

8. Conducting of Audit and Management Committee Meetings	The Committee inquired whether the audit and management committee meetings are conducted properly by the institutions under the purview of provincial council. It was disclosed before the Committee that several institutions have not convened audit committee meetings and that the Provincial Road Passenger Transport Authority has not conducted a single meeting of the Audit and Management Committee in the past several years. The C.A.O /A.O stated at this point that the local authorities conduct their audit and management committee meetings, and in addition, all local authorities are called for the audit and management committee meetings conducted by the provincial council once a quarter. The Committee pointed out that problems cannot be solved by holding meetings having called all the institutions to the Ministry , and that solutions can be obtained by going to the relevant institutions and discussing the problems stated in the Auditor General's reports. The Committee emphasized that the Chief Secretary should issue a circular and actively intervene in this	At present meeting of the Audit Management Committee is conducting in quarter basis to all Ministries & Department of the Province.

	regard, and that this situation should have been rectified when called for the Committee meeting of the next year. The Committee instructed all the heads of institutions who had joined the meeting through ZOOM technology to hold audit committee meetings of their institutions separately, and stated that the sole responsibility of coordinating the meetings will be assigned to the Chief Secretary.	
9. The fact that the Addalachchenai hospital complex has been abandoned for 2 years without making any use of it	The Committee questioned about the medical and health facilities of hospitals in the Eastern Province and also about the fact that the Addalachchena hospital complex, which was completed in May 2021 at a cost of 81 million, has been abandoned for 2 years without making any use of it. The C.A.O/A.O stated that the building construction activities of the Addalachchena hospital has been completed by now, but the electricity and water supply has not yet been obtained. He also said that the said supplies will be received in a few	The C.A.O/A.O stated that the building construction activities of the Addalachchenai hospital have been completed by now. Hospital has functioning normally. ((**Annexure 12)**
10. Vehicle control	It was also discussed at this point about the fact of 11 vehicles belonging to the Provincial Council were not repaired for more than 05 years and were parked at the office of	Final schedule for the 18 vehicles which auctioned as disposal item, details has been informed to the Motor Traffic Department, Colombo on 29.03.2022. Later, to confirm the cancelation of registration of the respective vehicles, it has crosses checked with Motor Traffic Department of Trincomalee respectively on 2023.06.07 and 2023.09.06. **(Annexure 13)**

	the Regional Health Services Director. The Committee pointed out that the ownership of the vehicles is in the name of the Provincial Council due to the non-cancellation of the registration of the vehicles belonging to the Provincial Council after they are scrapped or auctioned, and the Committee instructed that after scrapping or auctioning the vehicles, action should be taken to inform it to the Department of Motor Traffic and get the registration of the vehicles concerned cancelled. The Committee recommended to the C.A.O/A.O to submit a document on the vehicles auctioned by the Provincial Council to the Committee before 05 October 2023. **The relevant report has been submitted through the Eastern Province Chief Secretary's letter No. EP/09/FR/01/2023/COPA/01 and dated 05.10.2023.** In addition, the Committee recommended to the C.A.O/A.O of the Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government to submit to the Committee before 29.12.2023 , a list of vehicles of the 9 provincial councils, which were auctioned and scrapped during the last 10 years.	List of Vehicles which auctioned as disposal item for the last 10 years period of time in Eastern Province enclosed herewith. **(Annexure 14)** **The relevant report has been submitted Eastern Province Chief Secretary's letter No. EP/09/FR/01/2023/COPA/01 and dated 05.10.2023.** **The relevant report has been submitted letter No. PL/6/7/4/EP dated 23.11.2023 of the Secretary to the Ministry of Public Administration, Home Affairs, Provincial Council.**

	The relevant report has been submitted through the letter No. PL/6/7/4/EP dated 23.11.2023 of the Secretary to the Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government.	
11.Though an amount of more than 150 million rupees has been paid in relation to the construction of a building for the office of the Chief Secretary, the construction work of the building has not yet been completed.	It was disclosed before the Committee that though an amount of more than 150 million has been paid by the Planning Secretariat of the Eastern Province for the construction of a building for the Chief Sceretariat, the construction work of the building has not yet been completed . The C.A.O/ A.O stated at this point that this is a building that has been designed not only for the Chief Secretariat but also for the establishment of several other institutions. The C.A.O/ A.O stated that the construction work of this building could not be completed on the scheduled date and that the work on two floors has been completed while other construction work has been completed by about 75%. However, the C.A.O/A.O stated that another Rs. 164 million is required to complete the work on the third and fourth floors and he expressed confidence if that provision is received, all the construction work can be completed next year.	**This new administrative complex building was open on 26 April 2024 now fully utilized.**

(Total Pages - 1 — 13)

T.A.C.N. Talangama
Chief Secretary
Eastern Province

09.09.2025