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The Tenth Parliament of
The Democratic Socialist Republic of Sri Lanka
(First Session)

Twelfth Report of The Committee on Public Enterprises

(The examination conducted on 27.02.2025 and 23.05.2025 on
Sri Lanka Bureau of Foreign Employment)

Presented On 08.01.2026 by
Hon. (Dr.) Nishantha Samaraweera, M.P.
Chair of the Committee on Public Enterprises

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First Session of the Tenth Parliament
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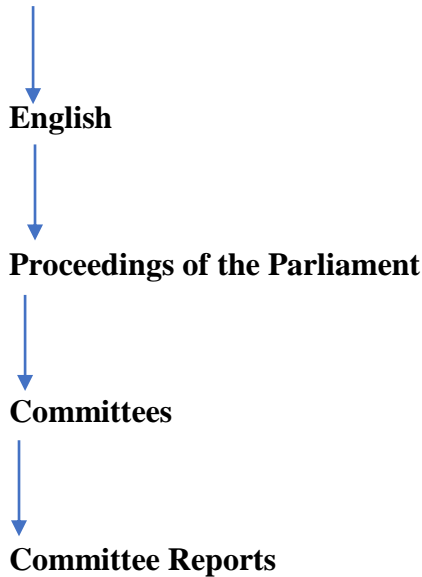
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Chair's Note

The Committee on Public Enterprises of Parliament of Sri Lanka conducted an examination on 27.02.2025 and 23.05.2025 into the Auditor General's Reports for the years 2022 and 2023, as well as the current performance of the Sri Lanka Bureau of Foreign Employment, which falls under the purview of the Ministry of Foreign Affairs, Foreign Employment and Tourism, and I hereby submit the report of the investigation carried out in this regard.

The Sri Lanka Bureau of Foreign Employment has been established under Parliamentary Act No. 21 of 1985, as amended by Act No. 04 of 1994 and Act No. 56 of 2009, with eighteen specific objectives, foremost among them being the safety and welfare of Sri Lankans who migrate abroad for employment. The Sri Lanka Bureau of Foreign Employment is the key regulatory institution for labour migration in Sri Lanka. It is an institution with a broad scope, established under a legal frame to regulate the labour migration process, ensuring the dignity, safety and equality of Sri Lankans who seek employment abroad.

However, at the meetings of the Committee, attention was drawn to the way in which the institution, acting beyond its mandated scope, had attempted to function not as a regulatory body but as an income generating institution through labour migration, neglecting the welfare of the workers. Furthermore, the investigations revealed several cases in which the public suffered huge financial losses due to spending of Bureau funds on political projects carried out to meet the requirements of the then political authority, projects that provided no benefit whatsoever to the workers.

I highly appreciate the support extended by the staff of Parliament under the leadership of the Hon. Speaker, and the two advisors to the Committee on Public Enterprises, as well as the support received from the officers of the Treasury and the National Audit Office in the successful discharge of the responsibilities of the Committee on Public Enterprises.

Dr. Nishantha Samaraweera
Chairman - Committee on Public Enterprises

Executive Summary

A number of serious irregularities and weaknesses in the administrative, financial and regulatory functions of the Sri Lanka Bureau of Foreign Employment were revealed during the examination held by the Committee on 27.02.2025 and 23.05.2025.

During the examinations, it was identified that the powers vested in the Auditor General under Article 154 of the Constitution had been restricted by a circular issued by the General Manager dated 20.06.2023, which made it mandatory to obtain prior approval before responding to inquiries made by the National Audit Office. Furthermore, as per the provisions of the Sri Lanka Bureau of Foreign Employment Act, No. 21 of 1985, a conflict of interest has arisen due to the representation of licensed foreign employment agencies by 04 members out of the 11 members of the Board of Directors. It was also revealed that, at the institutional level, there were 156 vacancies in the staff as at 31.12.2024. Furthermore, the approved Scheme of Recruitment (SoR) had been violated in the appointment of officers to foreign missions. In addition, out of the twelve Safe Houses established by the Bureau, seven including those in Abu Dhabi and Kuwait have been closed down, and only five are currently in operation.

The Bureau, by the Circular No.07/2023 dated 20.03.2023 and Circular No.10/2023 dated 04.05.2023, granted approval to send housemaids to the United Arab Emirates and Oman on tourist visas without employment agreements, disregarding Section 53(3) of the Sri Lanka Bureau of Foreign Employment Act, No. 21 of 1985. As at 07.03.2025, around 6,290 housemaids had been sent abroad under this process and as per the investigations of the Auditor General, 1,310 of them had not yet received employment and the details of 818 individuals were

completely missing. In this regard, 06 officers have been suspended and the operations of 15 agencies have also been suspended.

During the period from January 2023 to 29.05.2024, the Bureau incurred a loss of training income amounting to Rs.631, 177, 650, as residential training (28 days) was not provided to 28, 165 housemaids. Through this process, 683 underage individuals had migrated and 1,925 complaints were received regarding untrained workers.

The total financial expenditure for the “Jayagamu Sri Lanka” employment programme amounted to Rs. 1.25 billion and Rs. 542.8 million was spent solely on renting stalls. For the programme held in Galle in October 2022, a stall was rented at Rs. 170,000. However, for the programme held in Jaffna in July 2023, the price of the same stall increased to Rs. 500,000, and all stalls were procured from a single private institution, which drew the attention of the Committee. This procurement, exceeding Rs. 500 million, was a serious matter, particularly as it had not been referred to the procurement committee appointed by the Cabinet. Furthermore, through this series of programmes, only 336 workers had been sent abroad as of 31.12.2024.

The Kuwait gratuity fund, amounting to approximately Rs. 5.1 billion, remained inactive for several years from 1991 to 31.12.2023. Between 1997 and 2022, it generated an interest income of Rs. 4,960,937,306. However, based on the recommendations of the COPE on 27.02.2025, it was decided to utilize this Rs. 5.1 billion funds under two portions: Rs. 3 billion for training programmes and Rs. 2.1 billion to establish a retirement benefit scheme for housemaids who have reached the age of 60.

The First Session of the Tenth Parliament
Twelfth Report of the Committee on Public Enterprises

The Committee on Public Enterprises is pleased to present its twelfth report of the first session of the Tenth Parliament.

At present, there are 462 public enterprises under the supervision of the Committee on Public Enterprises, which are regulated under the Department of Public Enterprises and the Department of National Budget. (Source: Department of Public Enterprises – as at 04.09.2025)

The committee meetings held by the Committee on Public Enterprises during the first 11 months of the First Session of the Tenth Parliament are as follows

No	Institution	Date of the Committee Meeting
1.	The National Youth Services Council	18.02.2025
2.	The National Youth Services Council	20.02.2025
3.	Sri Lanka Bureau of Foreign Employment	27.02.2025
4.	National Gem and Jewelry Authority	05.03.2025
5.	National Medicines Regulatory Authority	12.03.2025
6.	National Gem and Jewelry Authority	27.03.2025

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7.	Airport and Aviation Services (Sri Lanka) (Private) Limited	02.04.2025
8.	Construction Industry Development Authority	08.05.2025
9.	Airport and Aviation Services (Sri Lanka) (Private) Limited	09.05.2025
10.	Sri Jayewardenepura General Hospital	15.05.2025
11.	Sri Lanka Bureau of Foreign Employment	23.05.2025
12.	Sabaragamuwa University of Sri Lanka	04.06.2025
13.	The University of Sri Jayewardenepura	20.06.2025
14.	Mahapola Higher Education Scholarship Trust Fund	09.07.2025
15.	Construction Industry Development Authority	17.07.2025
16.	The State Timber Corporation	23.07.2025
17.	Civil Aviation Authority	20.08.2025
18.	Sri Lanka Ports Authority	10.09.2025
19.	The Geological Survey and Mines Bureau	12.09.2025
20.	LTL Holdings in relation to the inquiry of the Ceylon Electricity Board	24.09.2025
21.	Construction Industry Development Authority	08.10.2025
22.	Lanka Sathosa	10.10.2025

23.	LTL Holdings in relation to the inquiry of the Ceylon Electricity Board	24.10.2024
24.	National Savings Bank	19.11.2025
25.	National Savings Bank	26.11.2025

At these meetings, the Committee on Public Enterprises (COPE) examined the Auditor General's Reports for the years 2022 and 2023 of the Sri Lanka Bureau of Foreign Employment which falls under the purview of the Ministry of Foreign Affairs, Foreign Employment and Tourism and the current performance of the Bureau on 27.02.2025 and 23.05.2025, and the observations and recommendations of the Committee have been included in this report.

Auditor's Opinion on the Financial Statements

The Auditor's opinion on the financial statements submitted by the Sri Lanka Bureau of Foreign Employment in relation to the years 2022 and 2023 is given below.

Name of the institution	Auditor's Opinion	
	2022	2023
The Sri Lanka Bureau of Foreign Employment	Qualified Opinion	Qualified Opinion

Types of Audit Opinions

01. Unqualified Opinion

The financial position of the institution has been presented fairly in the financial statements.

02. Qualified Opinion

Except for the effects of the matters mentioned in the report, the financial position, financial performance and cash flows of the institution give a true and fair view in accordance with Sri Lanka Accounting Standards.

03. Disclaimer of Opinion

That an opinion cannot be expressed on the accounts due to the inability to identify sufficient or appropriate audit evidence.

04. Adverse Opinion

That the financial position, financial performance and cash flows of the entity do not present a true and fair view in accordance with Sri Lanka Accounting Standards.

Sri Lanka Bureau of Foreign Employment

(Ministry of Foreign Affairs, Foreign Employment & Tourism)

Dates of Examination – 27.02.2025 & 23.05.2025

Matters discussed on 27.02.2025

01. Responding to the Audit Queries

By issuing a circular dated 20.06.2023, the General Manager of the Bureau made it mandatory for all Additional and Deputy General Managers to obtain prior approval before responding to inquiries from the National Audit Office. The Auditor General informed the Committee that this would restrict the powers vested in the Auditor General under Article 154 of the Constitution and it constitutes an attempt to conceal information.

The Committee observed that the said circular had been issued on the oral instructions of the former Chairman with the objective of providing more accurate responses, and no delay had occurred in responding to audit inquiries as a result of this circular. The Committee further observed that the present Chairman has proposed to review all previous circulars issued since 2020.

The Committee was informed on 11.03.2025 that, in accordance with the recommendation made to cancel the said internal circular and report back to the Committee, the internal circular dated 20.06.2023, which specified that responses to audit inquiries should not be provided without obtaining the approval of the General Manager, had been cancelled.

02. General matters relating to the institution

2.1 Organizational Structure

The Sri Lanka Bureau of Foreign Employment comprises the Head Office, 09 Provincial Centers, 10 District Centers and 02 Training Centers. Labour Welfare Units have been established in 15 Foreign Missions. There are 12 Safe Houses that were established to temporarily accommodate migrant workers who faced issues while being employed abroad. Seven among them located in Abu Dhabi, Jordan, Lebanon, Malaysia, Cyprus, Bahrain and Kuwait have

been closed down. At present only 05 Safe Houses are in operation. In addition, 02 training centers are being operated to provide orientation and training for migrant workers.

The Officers of the Foreign Missions who had been deployed at the Safe Houses in the 07 countries which have now been closed down are as follows;

Kuwait	14
Bahrain	03
Abu Dhabi	06
Jordan	07
Lebanon	04
Malaysia	05

It was revealed before the Committee that these officers are appointed for a period of 02 years and due to financial difficulties arising from the Covid-19 pandemic, most of the officers were recalled to Sri Lanka. It was further revealed that arrangements are in place to appoint new officers.

As the Bureau did not possess a clear report on the closing down of 07 out of the 12 Safe Houses that had been operated to temporarily accommodate migrant workers who faced various issues while being employed abroad, the Committee recommended that a comprehensive report be submitted within two weeks, including the reasons for the closing of the said Safe Houses and whether there is a necessity to re-establish them. Accordingly, a report dated 11.03.2025, containing the reasons for the closing down of the Safe Houses attached to the Sri Lanka Missions in Abu Dhabi, Bahrain, Cyprus, Jordan, Kuwait, Lebanon, and Malaysia, was submitted to the Committee.

2.2 Composition of the Board of Directors

In terms of Section 5 (1) (c) of the Sri Lanka Bureau of Foreign Employment Act No.21 of 1985, the Board of Directors of the Bureau should consist of 11 members. Accordingly, the Committee observed that 04 out of the 08 members appointed by the Minister under the provisions of Section 5(1)(d) of the Act are representatives of licensed foreign employment agencies.

Appointment of the 04 representatives of licensed foreign employment agencies among the 08 members appointed by the Minister under the provisions of Section 5(1)(d) of the Sri Lanka Bureau of Foreign Employment Act, No. 21 of 1985 could give rise to a conflict of interest. Accordingly, the Committee recommended that the process of amending the Act be expedited so as to exclude such representatives. In line with this recommendation, the minutes of the discussion held on 09.04.2025 under the patronage of the Deputy Minister of Foreign Affairs, Foreign Employment and Tourism were submitted to the Committee through the Chief Accounting Officer by a letter dated 30.04.2025.

Further, in accordance with the recommendation to submit a list of license holders registered with the Bureau, the list was submitted to the Committee through the document dated 11.03.2025.

2.3 Composition of the Staff

The composition of the approved cadre and the actual cadre of the Bureau as at 31.12.2024 was as follows:

Employee Category	Approved Cadre	Number of Employees as at 31.12.2024	
		Number of Permanent Employees	Number of Vacancies
Senior Level	137	91	46
Tertiary Level	197	173	24
Secondary Level	692	639	53
Primary Level	251	218	33
Total	1277	1121	156

The Committee observed that there are 156 vacancies in the staff of the Bureau, including 40 vacancies in Management Assistant category, 04 vacancies at the Deputy General Manager level and 24 vacancies at the Management level. The General Manager of the Bureau informed the Committee that the main reason for the 40 vacancies in the Management Assistant category is the court order that had halted the recruitment process.

It was revealed to the Committee that another reason for the existence of vacancies is the long duration of around 10 years required for an officer to be promoted from Junior Manager level to the Management Level.

Furthermore, it was revealed to the Committee that a Grievances Committee was appointed in 2018 to grant promotions. Following this, a group of employees filed two fundamental rights cases against the decisions of the said Committee. Accordingly, the Supreme Court issued an order halting promotions to the level of Assistant Manager, which remained in effect for around 05 years. These cases were withdrawn in 2023 due to issues related to fulfilling of the required educational qualifications.

The Committee recommended that a new Schemes of Recruitments (SoR) should be prepared within 03 weeks, the approval process be expedited and the finalized SoR be submitted to the Committee. Accordingly, the letter dated 24.04.2025 of the Additional Secretary (Administration) of the Line Ministry, which referred the final draft of the SOR for the approval of the Director General of the Department of Management Services, has been submitted to the Committee by the letter dated 22.05.2025.

The Committee also recommended that issues faced by officers holding the post of Assistant Manager, who claim to have been subjected to injustice by the Grievances Committee in 2018, be reviewed and resolved. Accordingly, letters dated 02.04.2025 and 02.05.2025 were sent to the relevant Minister requesting the appointment of a committee to inquire into employees' grievances on promotions and recruitment process. In addition, a request dated 14.05.2025 was made to the Secretary of the Line Ministry seeking further

clarification and the Committee was informed of such action by the letter dated 22.05.2025.

Recommendation of the Committee

Expedite the completion of the Scheme of Recruitment (SoR) already submitted to the Department of Management Services in order to obtain approval and implement it.

03. Sending housemaids to the United Arab Emirates and Oman on visit visas without employment agreements by the Bureau.

In terms of Section 53 (3) of the Sri Lanka Bureau of Foreign Employment Act No. 21 of 1985, every Sri Lankan who migrates for foreign employment is required to be registered at the Bureau. However, despite this requirement, approval had been granted under Chairman's Circular No. 07/2023 dated 20.03.2023 to send housemaids to the UAE and Oman on visit visas without employment agreements upon a deposit of USD 100.

As per the said Circular, the foreign employment agency is required to secure employment for the housemaids within 30 days and if employment is not secured within 45 days, the relevant agent must bring back the housemaids to Sri Lanka.

With the Covid Pandemic and the economic crisis that followed, the Sri Lanka Bureau of Foreign Employment, at the request of foreign employment agencies, introduced a process to deploy workers (Specially housemaids) to countries such as the UAE on visit visas. This situation arose due to the preference of employers in those countries to recruit workers at a lower cost, rather than issuing work visas, by adapting to the existing Tadbeer mechanism in those countries. It was revealed to the Committee that, if the said agencies fail to secure employments for workers sent on visit visas within 45 days, such agencies will be blacklisted and arrangements will be made by the Mediation Division to bring back the relevant workers to Sri Lanka.

However, during the period from 20.03.2023 to 06.06.2024, a total of 4,942 housemaids were sent to the two aforementioned countries on visit visas, and of these relevant documents confirming the offer of employment to 3,954 housemaids had not been uploaded to the information system of the respective embassies. Furthermore, as at 06.06.2024, 225 complaints had been received from housemaids deployed in the UAE and 17 complaints from housemaids deployed in Oman. It was also observed that, as at 21.12.2023, 11 housemaids were accommodated at the Safe House in Dubai.

It was revealed to the Committee that, although 6,290 workers had migrated on visit visa as at 25.04.2025, details of only 4,300 had been uploaded. Among them, 742 workers were unaccounted for including 365 workers who had not secured employment within 45 days and 880 workers who had remained without employment for more than 45 days.

Accordingly, the Committee observed that the institution had totally neglected its responsibilities, and how it acted in this regard shows some signs similar to those of human trafficking.

The Committee recommended that Articles 5(1)(d), 14.1 and 14.3 of the Sri Lanka Bureau of Foreign Employment Act No. 21 of 1985 be amended to clearly specify and highlight the responsibilities of the Bureau. Accordingly, the minutes of the discussion held under the patronage of the Deputy Minister of Foreign Affairs, Foreign Employment and Tourism on 09.04.2025 were submitted to the Committee on 30.04.2025.

The Committee recommended that, in accordance with institutional procedures, an investigation be conducted into the weaknesses of the programme under which housemaids were sent to the UAE and Oman on visit visas without employment agreements, as well as into the overall damage suffered by those who migrated under that programme, that a report be prepared and submitted to the Committee and that appropriate punishments be imposed on the responsible individuals. Accordingly, a copy of the letter dated 09.06.2025 sent by the Additional Secretary to the Line Ministry to the Director General of the Department of Samurdhi Development requesting the appointment of an investigation officer, has been submitted to the Committee.

The Committee recommended that an appropriate procedure be prepared to send women abroad as housemaids, actions be taken to obtain the cabinet approval for the same and it be submitted to the Committee. Accordingly, the Committee was informed on 22.05.2025 that a Cabinet Paper had been drafted and arrangements were being made to forward it for the attention of the Minister.

The Committee recommended that the Chairman's Circular No.07/2023 dated 20.03.2023, which had been issued without obtaining the approval of the Board of Directors and in violation of Article 53(3) of the Bureau Act, as well as all circulars issued in connection therewith, be cancelled. Accordingly, the Committee was informed on 30.04.2025 that action had been taken as recommended.

The Committee recommended that it be informed of the action taken regarding the agencies that had sent housemaids abroad under this circular, with specific reference to the 225 complaints received in respect of the UAE and the 17 complaints received in respect of Oman from housemaids who had migrated under the said circular. Accordingly, the Committee was informed on 30.04.2025 of the action taken, and it was further reported that investigation had been initiated against the relevant agencies.

The Committee recommended that a report be submitted giving information about the 880 housemaids whose information had not been uploaded to the computer information system of the Embassy. Accordingly, the relevant report was submitted to the Committee on 30.04.2025.

The Committee recommended that the relevant employment agreements be submitted and accordingly, the said employment agreements were submitted to the Committee on 01.04.2025.

04. The Bureau incurred losses due to the practice of sending housemaids abroad without providing them with residential training.

An expenditure of Rs. 138.6 million had been incurred by the Bureau on 13 October 2023 for a programme intended to distribute gift vouchers to first time migrant housemaids. In total, 14,000 vouchers of Rs. 10,000 each and 28,000 vouchers of Rs. 2,500 each had been purchased. As at 14 August 2024, 13,005 vouchers valued at Rs. 128,229,300 remained unused. This had resulted in as certain women, who had been presumed to be first time migrants, had subsequently provided documentation indicating that they had previously been abroad and therefore have been exempted from training, as well as due to delays in holding the related ceremony.

Notwithstanding the instructions issued by the Chairman of the Bureau through the letter dated 07 June 2022 and by the Deputy General Manager (Training) through the letter dated 09 January 2023, a fee of Rs. 22,410 had been charged from the first time housemaids migrating overseas, without providing the required 28 day residential training (NVQ Level 3). As a result, a total of 28,165 housemaids were sent abroad for the first time without providing such training during the period from January 2023 to 29 May 2024, resulting in a loss of Rs. 631,177,650 of training revenue to the Bureau.

It was revealed to the Committee that, in accordance with the instructions of the former Minister of Foreign Employment and Labour, the former Chairman of the Bureau had permitted migrant workers who had spent at least 150 days abroad since June 2022 to obtain approval for overseas employment through an online process without undergoing any training.

Nevertheless, due to this irregular procedure, first time housemaids who claimed prior overseas experience to the Bureau were sent abroad without receiving the necessary training, causing difficulties for them and resulting in a loss of training revenue for the Bureau.

The Committee further observed that, as a result of this process, 683 underage individuals had migrated, 1,925 complaints had been lodged concerning workers who did not receive the required training, and a range of social issues had arisen affecting the families and children of female migrant workers. The Committee

also noted that the General Manager had neglected to fulfill the responsibilities in relation to these matters.

A recommendation was made by the Committee to conduct an investigation into the actions of the General Manager concerning the aforementioned process and to submit a report to the Committee. Accordingly, the report was submitted to the Committee on 20.05.2025. Furthermore, it was recommended that the circular issued by the General Manager for sending housemaids abroad without providing residential training be submitted to the Committee. Accordingly, the circular was submitted on 11.03.2025.

05. Failure to adhere to proper procurement processes when renting trade stalls for job fair programmes

The Committee observed that there were serious financial irregularities and transparency issues in the purchase of trade stalls in the job fair programmes conducted by the Bureau.

It was revealed to the Committee that, for the programme held in Galle on 15 and 16 October 2022, 30 stalls were rented at a rate of Rs. 170,000 each, and 25 stalls were rented from the same private institution at Rs. 500,000 each for the programme held in Jaffna on 15 and 16 July 2023 reflecting an increase of Rs. 300,000 per stall. Payments totaling Rs. 12.5 million for these 25 stalls were made under the supervision of the Secretary to the Ministry of Labour based on a letter from the Secretary dated 29 May 2023. Furthermore, Rs. 542.8 million had been spent on job fairs conducted in 24 districts during 2024, under the “Glocal Fair” programme, with the total cost of the overall programme reaching Rs. 1.25 billion. However, as at 31 December 2024, only 336 workers had migrated through this series of programmes.

The Auditor General has announced that a full investigation will be conducted into the failure to refer this to the ministerial level procurement, which exceeds Rs. 500 million, to the procurement committee appointed by the Cabinet, as this constitutes a serious concern.

The Committee recommended that the Ministry conduct an investigation into the payment of Rs. 12,500,000 for renting the trade stalls required for these programmes from the same company without following the proper procurement process. Accordingly, the Ministry inquired from the Committee about conducting the relevant investigation through the Auditor General on 01.04.2025, and the agreement of the Chair of the Committee in this respect was communicated to the Secretary to the Ministry on 28.04.2025.

All documents related to the procurements carried out by the Procurement Committees of the Bureau for the entire programme were submitted to the Committee on 01.04.2025 in accordance with the recommendation made by the Committee.

06. The payment vouchers of the Labour Welfare Section of the Embassy of Oman from August to December 2022 have not been submitted to the Auditor General in accordance with Financial Regulation 273.

In response to the audit query, the Committee paid attention to the Auditor General's view that a letter signed by the Acting Chairman of the Bureau stated that the process was expected to be digitized in the future due to the high costs incurred in sending vouchers to the country, and that this statement implied an intention not to issue vouchers.

However, the Deputy General Manager (Legal), who had served as the Advisor to the Oman Embassy, had sent all the vouchers to Sri Lanka, and upon receipt of those vouchers, the Acting Deputy General Manager (Finance) handed them over to the National Audit Office. Subsequently, a circular was issued directing that the vouchers be forwarded to a sub-office in Badulla for further action.

Due to the limited space and shortage of staff at the head office, and due to the availability of adequate space at the Badulla sub office and the fact that most of its staff are residents of Badulla, the deposit of vouchers and other special functions are carried out at the said office under the 'Back Office' concept. An Accounts Officer from the Head Office and a Manager from the sub-office have been assigned to supervise these operations, while four officers have been deployed to handle the accounts activities of the missions.

The Committee recommended formulating a specific programme for bringing the relevant vouchers to the country. Accordingly, it was reported to the Committee on 22.05.2025 that an appropriate programme has been prepared.

It was recommended that a detailed report prepared following a thorough study be submitted to the Committee giving details on the background of establishing the Regional Office in the Badulla area under the Bureau, the functions of the Bureau, the number of employees assigned, and the need for maintaining the office continuously. Accordingly, the relevant report was submitted to the Committee on 30.04.2025.

07. Kuwait Compensation Fund Account

The Committee noted that, as of 31 December 2022, the management had taken no action regarding the Kuwait Compensation Fund, which has existed since 1991 and amounts to approximately Rs. 5.1 billion.

The Committee observed that, although there had been a list of 948 claimants of compensation, payments could not be made due to the absence of the necessary documents. It was further noted that the unpaid amounts from 1997 to 2022 had been invested, generating interest income of Rs. 4,960,937,306. Despite the approval of the Cabinet for a pension scheme and for a loan scheme in March and April 2023, the fund has not yet been utilized. Additionally, the Committee noted that, although all the documents of a migrant worker who had applied on 19 November 2007 were approved, 15 years have passed without any action being taken to provide his compensation.

The Committee observed that, after 35 years, none of the 948 workers on the list had come forward to claim the Kuwait compensation funds, and as a result, the Bureau is unable to verify their employment. It was further noted that, on 24.04.2023, the Cabinet approved a pension scheme using the fund. Although approval was not granted for a multi-faceted loan scheme, the Bureau has initiated such a scheme using its welfare funds, and Rs. 260 million has been disbursed to 138 individuals to date.

The Committee recommended that a report be submitted on the feasibility of conducting necessary training programmes for workers who migrate for foreign employment utilizing the balance of Rs. 5.1 billion in this dormant fund as at 31 December 2023. It was further recommended that the proposal prepared based on this report be studied in greater detail and be incorporated into the corporate plan and action plan of the institution. The Board Decision in this regard was submitted to the Committee on 22.05.2025.

08. Appointment of officers to Foreign Missions

The Committee drew its attention to the criteria adopted in selecting officers of the Bureau for the Labour Welfare Sections in Foreign Missions.

The Committee observed that, in accordance with the Circular No. 01/2023 of the Chairman dated 06 April 2023, greater consideration should be given to applicants who have not previously served in Foreign Missions, and that officers who have completed their foreign service should have completed 03 years of service in the Bureau before applying again. It was further noted that 07 officers of the Bureau who had previously served in Foreign Missions were selected again for service in Foreign Missions in 2023, including two officers who had completed their service for the third and fourth times, and that an officer who had not completed the required 03 years of service after service in a Foreign Mission had also been appointed.

The Committee noted that, at present, there are 15 Labour Welfare Sections across 13 countries. Although a new recruitment procedure was approved on 07 January 2023, appointments have continued to be made in accordance with a circular issued by the former Chairman. It was further observed that, on certain occasions, the new procedure had not been followed, constituting a clear discord regarding the appointments of external individuals based on Cabinet approvals and the recommendation of the former Minister under Section 14(1) of the Sri Lanka Bureau of Foreign Employment Act. The Committee also observed that complaints had been received regarding internal appointments due to political influence, and that concerns exist regarding the performance of officers appointed externally by the former Minister.

The Committee recommended that a committee be appointed to examine the appointments made in violation of the provisions of the Circular No. 01/2023 of

the Chairman dated 06 April 2023, and that a formal investigation be conducted in order to resolve the issues related to these appointments. The Bureau requested the Line Ministry on 20.03.2025 to provide instructions in this regard, and subsequently informed the Committee that, after discussing with the Minister in charge of the subject on 22.05.2025, steps would be taken to address the matter.

Matters discussed on 23.05. 2025

01. The Bureau had sent housemaids to the United Arab Emirates and Oman on tourist visas without proper employment agreements.

The Committee observed that the Bureau had violated the entire regulatory process by sending unqualified women abroad through emergency recruitment without following proper selection procedures. In particular, the Committee expressed its displeasure that the Bureau had not conducted appropriate follow up measures or regulatory activities regarding workers going abroad on tourist visas for a period of 45 days, nor ensured whether they had got employment.

According to the Auditor General's observations, the Circulars No. 07/2023 and 10/2023 of the Chairman issued in 2023 provided for the migration of housemaids to the United Arab Emirates and Oman on tourist visas. Under this arrangement, the respective agencies were required to deposit an administrative fee of USD 100 per worker; however, it was observed that this procedure had not been properly implemented. As of 07.03.2025, data indicates that 5,672 workers were sent to the United Arab Emirates and 629 to Oman under this scheme, of whom 1,310 had not been provided employment.

It was further revealed that the data of 318 workers had not been entered in the information system even after exceeding 45 days, and that in certain instances, information had not been updated for up to 02 years. The number of workers of whom no information was available amounted to 818. However, as of 21.05.2025, steps had been taken to reduce this number to 225, and it was observed that the operations of 103 agencies that had failed to provide the required data had been temporarily suspended.

It was observed that serious legal violations had occurred over the years up to June 2024 in the process of sending workers abroad for employment, and that an audit investigation is being carried out against a former Chairman, while disciplinary inquiries are being conducted with 06 officers being suspended. The Bureau further indicated its agreement that, hereafter, every worker without 150 days of foreign exposure will be sent abroad only after providing training.

Recommendations of the Committee

- I. The Committee recommended examining the regulatory responsibility of the Bureau in awareness raising among workers who intend to migrate for employment, and taking necessary action to determine whether the relevant regulations could be published in the Gazette with Cabinet approval through the Line Ministry instead of conveying them to workers through an internal circular.**
- II. To inform the Committee of the officer/ officers who are specifically responsible for the process of sending housemaids to the United Arab Emirates and Oman on tourist visas without an employment agreement.**
- III. Submitting a complete report to the Committee, with a copy to the Auditor General, with information about the agencies that sent the 818 workers abroad whose information had not been uploaded, along with the details of the action taken by the Bureau against those agencies.**
- IV. Ensuring that the pre-departure training programme of the Bureau includes information to make workers aware of the regulatory measures through which the agencies that fail to submit information about the workers to the Bureau within 45 days will be temporarily suspend.**
- V. Formulating a specific programme with solutions to mitigate the problems faced by migrant workers who have been sent abroad by agencies that are temporarily suspended for failing to submit information about workers to the Bureau within 45 days, as well as the problems that will be faced by the workers who engage in financial or other transactions with such agencies in anticipation of migration.**

- VI. Taking steps to digitize, the four registers A, B, C, and D maintained by the agencies containing data of migrant workers sent abroad in accordance with Section 41 of the Sri Lanka Bureau of Foreign Employment Act, No. 21 of 1985, within a period of 02 months, and to upload the information to the information system of the Bureau.**
- VII. Developing a procedure to provide information to workers who seek to migrate for employment about the agencies that have been temporarily suspended, by informing the Development Officers of the Sri Lanka Bureau of Foreign Employment attached to the Divisional Secretariats about these suspended agencies.**
- VIII. Taking measures to issue employment visas instead of sending workers abroad on tourist visas.**

02. Kuwait Compensation Fund Account

It was observed that the Board of Directors has decided to implement the recommendation of the Committee given on 27.02.2025, and accordingly, the Kuwait Compensation Fund amounting to Rs. 5.1 billion is expected to be divided into two portions.

- 1. Rs. 3 billion:** It has been decided to allocate this portion for training programmes, including the construction of a computer training centre in Homagama and a migrant resource centre in Ampara.
- 2. Rs. 2.1 billion:** This amount is to be allocated for the establishment of a pension scheme for migrant housemaids who have reached the age of 60.

Additionally, the Committee was informed that the Board of Directors has decided to provide, in collaboration with the Social Security Board, a monthly pension of Rs. 20,000 to housemaids who have exceeded the age of 60. It was noted that, for this programme, an annual contribution of Rs. 1 billion is expected to be allocated from the Revolving Fund, with 20% provided from the contributory pension. The decision of the Board is expected to be submitted to the Cabinet for approval.

Furthermore, it was observed that the Bureau has fixed deposits valued Rs. 18 billion.

Recommendation of the Committee

To integrate programmes concerning the utilizations of the Kuwait Compensation Fund and other funds available with the Bureau into the corporate plan for 2025–2030.

03. Rataviru Housing Loan Programme

In accordance with the Cabinet decision dated 24 January 2013, the Bureau signed a **05**-year Memorandum of Understanding with the Sri Lanka Samurdhi Authority to implement the “Rataviru Housing Loan Programme”. Under this agreement, the Bureau deposited a sum of Rs. 100 million with the Samurdhi Authority on 08 March 2013 as a security for the said loan scheme.

The Committee observed that, following the completion of the loan programme, the Bureau must receive the said amount along with any interest accrued.

The Committee observed that the agreement ceased to be valid after 07 March 2018, and no information regarding the disbursement of loans under the programme had been submitted to the Bureau. As of 31 December 2024, the amount had increased to Rs. 341.7 million including accumulated interest.

The Committee observed that, under this loan scheme, it was expected to provide loans of Rs. 3 Lakhs each to approximately 12,000 migrant workers. However, the Bureau had failed to obtain details of the individuals who received the loans from the Samurdhi Authority, and the Bureau had not appointed the project coordination committee, which was required to be established under the agreement.

During the discussion held on 10 April 2025, it was revealed to the Committee that the Board of Directors of the Samurdhi Authority had agreed to release the amount of Rs. 341.7 million to the Bureau.

However, the Committee criticized the Bureau for not conducting any effective monitoring or review of the loan programme during the period from 2013 to 2018, and for failing to recover the funds provided as security even after approximately 07 years following the completion of the programme, with the amount remaining deposited in the name of the Samurdhi Authority.

The Committee recommended that a complete report be prepared on the “Ratawiru Housing Loan Programme,” containing all relevant information, including the list of beneficiaries who obtained loans under the programme and the respective loan amounts granted to each beneficiary, the sources of funds utilized for the programme, the interest on the Rs. 100 million fixed deposits provided by the Bureau as a guarantee for the programme in accordance with the Memorandum of Understanding with the Sri Lanka Samurdhi Authority, the existing balance, and the names of the officers responsible for implementing the programme. Accordingly, the report was submitted to the Committee on 27.06.2025.

04. Facilitating 06 workers who were traveling to South Korea to purchase air tickets at a higher cost by the Bureau.

The Committee drew its attention to the fact that the departure of 06 workers, who were to migrate to South Korea on 25 July 2023, had been suspended due to issues in purchasing their air tickets. Five of these workers had purchased tickets personally from Sri Lankan Airlines at Rs. 279,000 each, and one ticket at Rs. 272,000. However, their travel to South Korea had been suspended on that day as they had not purchased those tickets at Rs. 319,522 from the Foreign Employment Agency.

As a result, one worker was able to travel on the same day after paying Rs. 319,522 again, while the remaining 05 had to repurchase their tickets a month later at Rs. 329,291 per ticket. It was observed by the Committee that all 06 workers collectively incurred a total expenditure exceeding Rs. 1.9 million for air tickets. Furthermore, it was not verified by the audit as to whether the money that should have been refunded due to the cancellation of the tickets purchased privately had been refunded.

According to the agreement with Korea in 2012, workers were supposed to migrate in groups and through a recognized agency. However, the Board of Directors allowed individual purchase of tickets on 15 July 2020. This decision was revised again on 06 April 2023 to enable the purchase of tickets as groups. The Committee observed that these frequently changing policies created confusion among the workers.

The committee observed that the Sri Lanka Bureau of Foreign Employment only facilitates purchasing air tickets in groups for workers migrating to Korea for employment for the first time via direct flights. Workers migrating to Korea for a second time with prior experience may purchase tickets personally through Singapore. Accordingly, there are two separate procedures for obtaining tickets to migrate to Korea. The Committee noted that workers are not properly informed about these two options, and that the Bureau has not provided clear guidance regarding the relevant procedure.

05. Procedure for repatriating a Sri Lankan worker injured in South Korea

The Committee drew attention to the repatriation of a worker from the fisheries sector who was injured in South Korea on 08 October 2019.

The said worker's brother had deposited Rs. 1,564,546 with the Bureau, but an official from the Labour Welfare Division used funds from the worker's Korean account to repatriate him and settle the hospital bills, and another official had purchased air tickets using a credit card. The Committee observed that, without reviewing the expenditure, only Rs. 98,786 of the remaining amount had been paid to the worker's brother in August 2023.

It was revealed that the worker had no money with him at the time the incident happened, that the first hospital bill of KRW 170,000 was paid by the employer, and the second bill of KRW 5 million was reduced to KRW 1.8 million through negotiations by the Bureau. It was confirmed that, in both instances, no money was withdrawn from the worker's account. The return airfare to Sri Lanka was paid using the amount deposited by his brother. It was further noted that measures are being taken to settle the outstanding amount of Rs. 98,000.

A clear procedure exists for the settlement of expenses incurred when a migrant worker is involved in an accident. At first, the worker is requested to bear the relevant costs. Where this is not possible, an insurance scheme operating on a reimbursement basis is utilized. In cases where the employee has migrated to Korea through a recruitment agency, the said agency is informed and requested to provide assistance in meeting such expenses. The worker's family will be requested to cover the remaining expenses, only if all other options prove unsuccessful. Should those efforts also fail, the relevant expenditure is borne by the Workers' Welfare Fund of the Sri Lanka Bureau of Foreign Employment. In this regard, a mechanism is also in place to grant insurance compensation, subject to a maximum of Rs. 6 Lakhs, in the event of total disability or death.

Recommendations of the Committee

- I. Submit to the Committee a letter obtained from the Korean bank confirming that no funds had been spent from the said employee's bank account for the purpose of repatriating him to Sri Lanka.**
- II. As part of the regulatory mandate of the institution, formulating a specific mechanism giving due consideration to the expansion of the migrant welfare programme, whereby the costs relating to the provision of medical treatment to migrant workers in the event of accidents and their repatriation to Sri Lanka would be borne through the Workers' Welfare Fund of the Bureau, and informing the committee regarding the said mechanism.**

06.Utilizing rented buildings for maintaining safe houses, despite the availability of a residential facility owned by the Bureau within the premises of the Embassy in Oman.

Although there was the possibility of maintaining a safe house within the premises of the Oman Embassy, a sum of OMR 34,000, equivalent to Rs. 28,561,112, has been spent on buildings rented from 01 October 2019 to July 2024. Furthermore, due to the damages caused by occupants to the safe house during the period from August to December 2022, a total amount of Rs. 19,130,480 was paid from February to August 2023, comprising Rs. 4,948,972 as late fees for seven months, Rs. 1,102,902 for utility bills, and Rs. 13,078,594 for repairs.

It was observed that, although the accommodation capacity of the safe house was limited to ten persons, lodging was also provided to migrant workers who had travelled on tourist visas, and that, as a result of this overcrowding, it had become necessary to rent an additional house.

In terms of Section 53(3) of the Sri Lanka Bureau of Foreign Employment Act, No. 21 of 1985, every migrant worker is required to be registered. Spending money out of the funds of the Bureau on unregistered workers is unlawful; accordingly, circulars have been issued stipulating that accommodation shall be provided only to currently registered workers.

However, the Committee emphasized the importance of being informed about workers who have migrated illegally, in order to gain an understanding of unlawful migration practices, and noted that creating awareness among the public regarding legal migration procedures constitutes a primary responsibility of the Bureau.

07. A sum of Rs. 63.3 million was spent on implementing the “Vigamanika Harasara (Tribute to Migrant Workers) ” programme, and Rs. 1.259 billion was spent on conducting the “Glocal Fair (Jayagamu Sri Lanka)” programme

The Committee paid close attention to the two programmes, namely “Vigamanika Harasara” (Tribute to Migrant Workers) and “Glocal Fair” implemented by the Ministry of Labour and Foreign Employment and the Sri Lanka Bureau of Foreign Employment.

“Vigamanika Harasara ” (Tribute to Migrant Workers) programme

This programme was not included in the annual action plan of the Bureau for 2024. It was conducted through three provincial level meetings, involving 5,000 members of migrant associations. Pursuant to a Cabinet decision dated 02 July 2024, approval was granted to Selacine Media Solution (Pvt.) Ltd to implement the programme through direct procurement. In accordance with a decision of the Board of Directors of the Bureau dated 17 July 2024, out of the total amount, a sum of Rs. 63,362,242 was disbursed to the Ministry of Labour and Foreign Employment on 18 July and on 03 August 2024. It was noted that Rs. 1,935,000 was spent on greeting cards, Rs. 8,230,375 on the transportation of migrant workers, and Rs. 62,756,542 on hall arrangements and catering. Nevertheless, it was revealed to the Committee that no benefit had been

accrued to the workers from these expenses, and that they were identified by the audit as uneconomical expenses.

"Glocal Fair"(Jayagamu Sri Lanka) programme series

A mobile service programme series, named “Glocal Fair(Jayagamu Sri Lanka)”, was conducted across the country to ensure that all services provided by institutions affiliated to the Ministry of Labour and Foreign Employment could be easily accessed by beneficiaries at their places of residence. It was noted that a supplier was selected for this mobile service programme deviating from the provisions in Section 2.14.1 of the Procurement Guidelines 2006, as amended by No. 35 of 25 March 2020, and a sum of Rs. 542,800,000 was disbursed. It had been planned to conduct 24 programmes once a week covering 24 districts from 31 January to 17 August 2024. However, the programme was abruptly concluded by 28 July 2024 without following any plan. This programme was not included in the annual action plan of the Bureau for 2024. Nevertheless, 115 licensed foreign employment agencies participated in the programme, and a total sum of Rs. 1,259,752,579 was spent on the entire programme. Although the objective of the series of these programmes was to increase employment opportunities, it was revealed to the Committee that, as of 25 February 2025, only 336 workers had been sent for foreign employment through 28 agencies.

The “Glocal Fair” programme was commenced in October 2022 in the Galle District and was subsequently conducted in Jaffna in June 2023. The programme for the remaining 23 districts was conducted from 31 January to 28 July 2024. Trade stalls were rented from Randip Media (Pvt.) Ltd for the Galle and Jaffna programmes, while for the other districts, they were rented from Sera Idea (Pvt.) Ltd. However, it was observed that the boards of directors of both these companies were the same. The committee noted that Rs. 170,000 was spent on each trade stall, whereas Rs. 500,000 per stall was spent in each of the other districts.

Out of the total expenditure of Rs. 1,259 million for the programme, Rs. 560 million was spent on trade stalls, and the remaining Rs. 699 million was utilized for welfare activities (provision of school supplies and scholarships for the children of migrant workers) as well as for other expenses. However, it was observed that the programme received the relevant Cabinet approval only on 12 March 2024 while it was already underway. The Committee further noted that, due to the failure to follow proper procurement procedures and the

objectives of the programme not being achieved, the expenditure that was made could not be justified.

It was observed by the Committee that funds of the Sri Lanka Bureau of Foreign Employment, which could have been utilized for the welfare of migrant workers, were clearly diverted for a political project through the said programme.

08. Fraudulent activities of the foreign employment agencies in registering migrant workers with the Bureau

The Committee summoned Mr. Wijaya Undupitiya, owner of the SSPL Recruitment Consultants under Standing Order 120(6) of Parliament. The Chair of the Committee informed him to present information to the Committee regarding the alleged fraud.

It was revealed that every migrant worker pays a registration fee to the Bureau, and when employment is obtained through foreign employment recruitment agency, 70% of this registration fee is paid to the respective agency. Mr. Wijaya Undupitiya stated that information regarding workers who found employment through private channels was falsified in the records to indicate that they had migrated through recruitment agencies, enabling those agencies to receive 70% of the registration fees paid to the Bureau. He further claimed that, as a result of this fraud, a total of Rs. 1.8 billion in revenue was lost to the government during the period from 2013 to 2024.

He further indicated that, during the period from 2015 to 2017, this fraudulent activity was regularized by issuing a confidential circular granting approval to three recruitment agencies, and that the Line Ministry had also extended appreciation to these fraudulent agencies. He submitted a complaint regarding this matter to the Commission to Investigate Allegations of Bribery or Corruption in 2019. He was made aware, that the complaint had been referred to the Legal Division of the Commission during a follow up conducted in 2023.

Mr. Undupitiya stated that he had submitted a complaint regarding this fraudulent activity to the Secretary to the Ministry of Labour and Foreign Employment. Consequently, the matter was investigated by the internal auditor of the Ministry. According to the recommendation of the said

investigation, an amount of Rs. 123 million should have been recovered from the three concerned agencies; however, no action was taken by the Ministry. Mr. Undupitiya further stated that there had been internal support from within the Bureau for this fraudulent activity.

