



## **Audit points out failures in employment programme**

July 11, 2018

A mid an ongoing investigation into alleged corruption in the overseas guaranteed employment programme, the annual audit report 2017 states that the labour ministry had failed to implement the contract agreement with one of the partner agencies.

Under the programme, the training provider must ensure that the job seekers work with a particular employer for two years after training. If this condition is not fulfilled, the partner agency must reimburse 20 percent of the money to the ministry.

The audit report does not mention if there were irregularities in the overseas guaranteed employment programme implemented by the ministry.

However, the report states that the department of employment had not recovered a sum of Nu 1.364 million (M) from a Thimphu-based employer, M/s iSoft. The company had failed to provide jobs to the trainees for a minimum of two years after regularisation.

There was no review carried out to validate the claims made by the employer on losses sustained by the company.

“The department had failed to exercise due diligence as there was no investigation done to validate the genuineness of grounds for non-employment of participants by the agency,” states the report.

Under the programme, job seekers are given employment either in India or Bhutan after training. The programme is funded by the government with the economic stimulus plan budget that India provided during the 11th Plan.

The government spent about Nu 80,000 on just one job seeker for training and placement in India last year.

A Noida-based company, Alfresco Solutions LLP, had taken about 80 youths to India in April 2017 with the agreement to provide training and placement in Indian firms. However, most of them returned home in December last year, citing harsh working conditions and the company’s inability to find jobs for them.

Some of the local training institutes in an earlier interview had told Kuensel said that the labour ministry was biased against local training providers and that most of the contracts under the overseas employment programme were awarded to Indian firms. They had blamed the lack of transparency in the tendering process for the failures in the employment programmes.

They also said that it was almost impossible to get all the trainees employed and to make them work with the same employer for two years.

Earlier in January, the prime minister asked the Anti-Corruption Commission to conduct an “immediate and thorough” investigation on the alleged corruption in the guaranteed employment programme and other such schemes.

This led to labour minister Ngeema Sangay Tshempo going on a paid leave for six months. He resumed office last month even though the investigation is underway.

It remains to be seen whether or not the labour minister is implicated in the case.

Kuensel learnt that the probe into alleged corruption relating to trainings and employment provided in Japan has been completed.

Last year, Royal Audit Authority issued 12 audit reports for the Ministry of Labour and Human Resource, its departments, divisions, and units.

There were 10 observations amounting to Nu 5.282M, of which five amounting to Nu 3.326M were either resolved prior to the compilation of the draft report or did not qualify for inclusion.

Based on the response received after the issue of the draft report and actions taken by the ministry, observations amounting to Nu 454,000 were resolved. The total unresolved significant irregularities amount to Nu 1.5M.

**MB Subba**