

FRIDAY, JAN 5, 2018

Údarás challenged on SLM dealings

I write in relation to the article in last week's edition of the Donegal News headed, 'Shock and anger in Gaoth Dobhair' concerning the closure of SLM Ceangail Éire Teo, with the loss of 32 jobs. I share the sense of anger of the, now unemployed, workers, and feel a deep sympathy with their plight, but I cannot say that I am shocked.

Just a few months after the collapse and consequent job losses of Mobileonix Teoranta, Gaoth Dobhair, at Christmas, 2015, I learned in the spring of 2016 of the proposed SLM 125 jobs' promise for Gaoth Dobhair, announced with the usual fanfare of trumpets by Údarás na Gaeltachta.

My sense of *deja vu* prompted me to do a quick check on the finances of the parent company, SLM Manchester. At the end of the financial year 2015, this company was showing liabilities of £556,400 and had a cash shortfall of £171,600. Tak-

ing into account that the company had little in the way of assets, these figures are indicative of a company facing major financial difficulties and should, at least, have been enough to prompt Údarás to conduct a thorough examination of SLM Manchester's books.

At that time I spoke separately with two senior management figures I know at Údarás, Gaoth Dobhair, and passed on the information that I had gleaned from examining SLM's accounts. I trusted that at least one of these staff members would flag up potential problems to those colleagues responsible for the project, and that due diligence would be carried out on the financial affairs of SLM Manchester before any decision was reached to grant aid. This obviously didn't happen. Instead, every appropriate assistance and support possible under state aid rules has been made available to SLM.

This is not the first, or even the second time where companies courted by Údarás have misused the support offered. It has happened repeatedly over the years. Údarás na Gaeltachta with its light touch audit regulation - applied when it suits - is now seen by the wider business community as a soft touch.

Mícheál Ó hÉanaigh, CEO of Údarás, Gaoth Dobhair, stated on Highland Radio (Nine Tíl Noon Show, Tuesday 2nd January) that no taxpayers' money was lost in its involvement with SLM. Why then, in a press release by an Údarás official immediately after the event, did it say that steps would be taken to recover money from SLM?

Such contradictory statements leave room for too many unanswered questions. Grants were drawn down based on each worker's status.

How many workers, if any, were on short-term contracts?
How many workers, if any,

were on minimum wage of €9.25 per hour?

How long was the training period required before the workers received a full wage?

What was the invoicing arrangement between SLM Gaoth Dobhair and the parent company in Manchester? How much was paid for work carried out by the staff in Gaoth Dobhair?

I know it won't compensate for the loss of their jobs, but perhaps, as a gesture of goodwill to the 32 staff it might help if they were each given exact details, financial and otherwise on all of the Údarás dealings with SLM from the application process through to the collapse of the company. Such a show of transparency might be a small step in helping repair the tarnished reputation of Údarás na Gaeltachta.

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