Fraud inquiry gets go ahead into abuses of Gama workers

By **Michael O'Farrell**
INVESTIGATIVE CORRESPONDENT

A GARDA fraud investigation into the misappropriation of millions of euro in wages from Turkish construction workers has finally been authorised after the Supreme Court last week lifted an injunction blocking the probe.

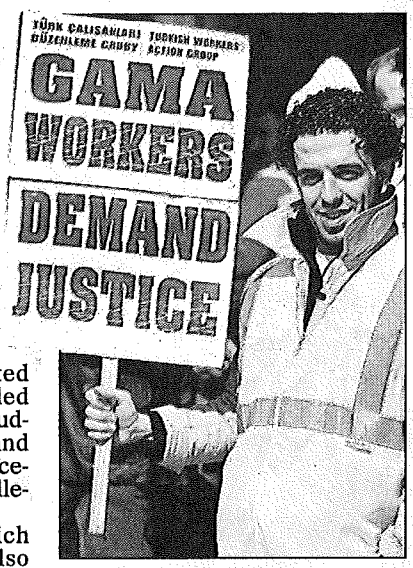
Gama Construction Ltd had succeeded in blocking the release of a damning report by a Government-appointed inspector which recommended that several State bodies, including the Garda Fraud Squad and the director of corporate enforcement, be asked to investigate allegations against the firm.

The inspector's report, which has never been published, also detailed a series of suspicious transactions involving workers' wages secretly siphoned by Gama into an offshore bank account.

In many cases, workers were asked to sign English-language documents they did not understand authorising Gama to open accounts in their names without their knowledge.

Although Gama's legal manoeuvres prevented the Government from publishing or passing the report on for further investigation, then enterprise minister Micheál Martin made it clear he believed further investigations into Gama should be carried out by 'other departments, the Revenue, the gardaí and a range of regulatory bodies'.

Now that the State has won the right to circulate the report to prosecutorial bodies for investigation, Gama is once again facing the prospect of prosecution.



PROTEST: The Gama workers have lost tens of millions in wages

In a statement to the Irish Mail on Sunday last night, the Department of Enterprise confirmed that it was in the process of contacting bodies such as the fraud squad and the Revenue to ask them to consider possible prosecutions.

It is understood that the director of corporate enforcement has ruled out any prosecutions under company law but the Revenue is known to be keen to establish the tax status of millions in unpaid workers' wages that was controlled by Gama in offshore accounts instead of being paid to employees.

The focus of the fraud squad detectives will also be on the manner in which a large proportion of the salary of almost 700 Gama workers was secretly deposited into an account in Finansbank – a Turkish-owned bank in the Netherlands which worked closely with Gama.

The existence of the money and other abuses at Gama were uncovered by Joe Higgins, Socialist Party former TD, who now writes a weekly column for the Irish Daily Mail.

But even as the Garda probe continues, almost 500 of Gama's former workers have already signed up to a High Court case being taken on their behalf by solicitor Donal Taaffe.

Mr Taaffe, who once secured a famous victory for maltreated employees of convicted brothel keeper Samantha Hutton, is seeking more then €40m for the workers through the courts.

Speculation that company may leave

Meanwhile, Gama Construction Ltd has discontinued its website and, in the wake of last week's Supreme Court ruling, has paid off two of its mortgages, according to company accounts filed on Thursday.

This – combined with a €56m loss last year and the fact that the firm's lavish HQ in Swords is now available for rent – has prompted some to speculate that the company may be about to leave Ireland completely.

michael.o'farrell@mailonsunday.ie