

Gambling led to employee's \$500,000 fraud, judge told

BY DAWN LIERSCH
Staff Writer

A rampant gambling addiction fuelled Newmarket's former recreation director, Bill Andrews, to set up a sophisticated scheme to steal money from the town's coffers, a Newmarket court was told Thursday.

In submissions at a sentencing hearing for Andrews, it was also revealed the long time town employee and an unnamed accomplice set up eight phoney companies that over-charged the town for work not done or only partially completed, pilfering \$502,000 since 1995. Each received about \$150,000 through the scheme.

Andrews pleaded guilty to a charge of fraud over \$5,000 last month.

And while Newmarket assistant Crown attorney Paul Tait couldn't say why the accomplice wasn't charged or whether a deal was struck, he did say the accomplice would have been a potential witness if a trial had proceeded.

Tait said Andrews should be sentenced to 15 to 18 months in jail and ordered to pay back the town.

Arguing Andrews went to considerable lengths to "misappropriate and divert funds" while in a position of trust at the town, Tait suggested the fraud might have continued if a diligent town employee hadn't questioned a fake invoice.

He also pointed out Andrews was already paid substantially more than the average person, earning \$81,000 a year.

"Here we have an accused making \$81,000 and it's not enough, even though it's a salary that's much higher than most would ever expect to see," he said.

Although Tait acknowledged Andrews used some of the money to feed a gambling addiction, he stressed previous court decisions have determined gambling does not qualify as an excuse for unlawful behaviour.

PSYCHIATRIST'S REPORT

But Andrews' lawyer, Peter Derry, argued gambling is a "sickness" from which Andrews may be rehabilitated.

He said nine letters submitted by residents to provide information on Andrews' character shared a common message that Andrews was a "tireless worker" who was dedicated to his job. He was also the sole caregiver for his wife, Cindy, who suffers from multiple sclerosis.

A psychiatrist's report submitted at the hearing noted Andrews "realized there was a problem, but couldn't focus on it."

"Gambling was an escape. Gambling provided a rush," Derry said.

He also pointed to Andrews' exemplary background, noting that some residents knew him as "Mr. Newmarket."

Derry said a conditional sentence or house arrest should be enough punishment, adding Andrews has remortgaged his house to acquire \$125,000 now being kept in trust to pay back the town.

"This has brought a great deal of shame, not only to him, but to his family," he said.

The stigma of a conditional sentence and house arrest should not be underestimated. The shame of running into members of the community can often be worse than incarceration.

Should a conditional sentence be granted, Tait asked that it be more than 18 months. The maximum sentence is two years less a day, he said.

Andrews, deeply tanned and dressed in a dark, blue suit, sat stoically in the courtroom, appearing anxious. He was supported by his wife and daughter.

He will be sentenced on May 31.

Broker gets out on bail

A Newmarket investment broker accused of bilking dozens of senior and disabled investors of their life savings has been released on bail.

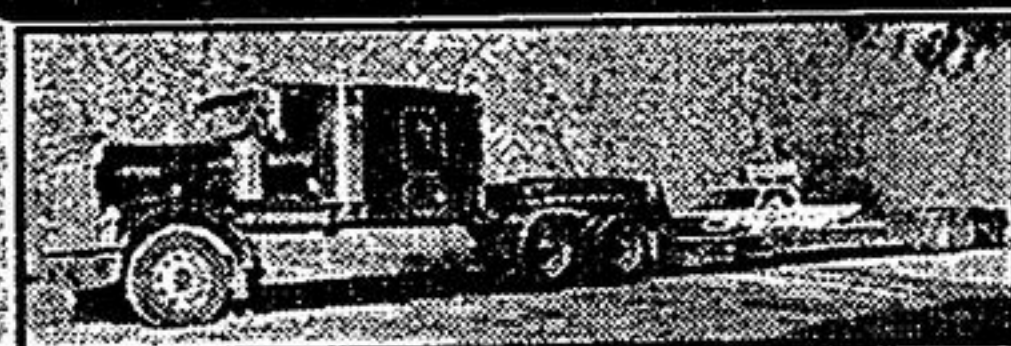
George Nelson Allen, 39, and his 30-year-old associate, Robin Susanne Moriarty of Etobicoke, face 31 charges of defrauding investors of between \$12 and \$17 million.

Allen, who had been in Toronto's Don Jail for 87 days, was released Thursday after his father posted \$200,000 bail.

The court, which ordered Allen to surrender his passport and forbade him from talking to former investors, imposed a publication ban on direct evidence.

Det. Const. Bob Fallis, of the Toronto police force's fraud squad, estimated 100 victims from across Canada each lost between \$20,000 and \$1 million.

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