

Toronto drug officers face more corruption accusations

A CBC News/Toronto Star investigation unearths previous allegations

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"A few bad apples."

That's how former Toronto police chief Julian Fantino described the force's problems when six former officers were charged with conspiring to beat and rob drug dealers of hundreds of thousands of dollars. The officers, all members of Team 3 of the Toronto Police Service's Central Field Command drug squad, are still awaiting trial after almost six years.

"I am deeply saddened and disappointed," Fantino told a news conference in January 2004, commenting about the charges against the six. "I can, however, tell you that the allegations are isolated and confined."

His comments came at the conclusion of an internal probe headed by RCMP Chief Supt. John Neily into the allegations or wrongdoing, which led to 40 criminal charges against the officers.

But police documents that surfaced for the first time this week in a Toronto lawsuit show anti-corruption investigators repeatedly briefed Fantino about similar allegations against other drug officers.

These warnings came several months before Fantino made public assurances that alleged wrongdoing was isolated to Team 3 of the drug squad. A joint CBC News/Toronto Star investigation has found that Toronto police did not allow Neily and his team to complete their investigation into those allegations.

'There was a thief on that team'

The TPS documents were unearthed as part of a move to expand a lawsuit against the force this week.

They show another drug squad was being scrutinized by Neily's investigative unit — dubbed the Special Task Force (STF) — for offences similar to the ones Team 3 was accused of.

STF findings of irregularities in 1999 drug case:

- On March 19, 1999, officers Mike Abbott and Darren Cox told a bank manager to leave the room while they counted and seized cash from a safety deposit box in connection with a criminal investigation of Roman Paryniuk.
- The manager was to step outside in case there were harmful substances in the box, but the officers themselves took no protective steps.
- The two took an hour to return to the station, stopping for a sandwich on the way, despite carrying hundreds of thousands of dollars in their cruiser.
- The money was placed in a safe in the detective's office, and the money bags were not sealed. The money was not formally counted until March 25, almost a week after the seizure.
- The officers reported counting \$664,000. But Paryniuk reported \$200,000 was missing from the box.
- The probe in this case was dropped when Paryniuk refused to complain formally.

Source: STF report summary in an affidavit filed by Falconer Charney LLP.

In the late 1990s, nine separate drug dealers accused members of Team 2, led by Det. Danny Ross and Const. Mike Abbott, of stealing more than \$600,000 in cash from them.

One of the documents shows that Neily briefed Fantino about those allegations against Team 2.

"These cases are unsubstantiated [without interviews with the drug suspects]," Neily wrote in a confidential briefing note to Fantino in May 2002. "I temper that ... however, by telling you that there is very good reason to suspect someone on that team is a thief."

Neily first assigned two investigators to focus on Team 2 in late 2001. They uncovered troubling questions over the officers' handling of drug money seized during searches at banks.

STF investigators wrote in internal documents in late 2001 that in three separate cases, Team 2 officers did not follow standard procedures when seizing money from safe deposit boxes.

The investigators reported members of the team repeatedly asked bank staff to leave when seizing cash from safe deposit boxes, leaving no second witness to count the cash, counter to bank policy.

They found that team members delayed handing over seized cash and improperly stored the cash.

There were also discrepancies between the amount of seized cash reported by the officers and the amount of cash the defendants said they possessed.

Neily, however, couldn't continue the probe as none of the alleged drug dealers would come forward to file an official complaint, fearing what they said about the officers could be used against them in a legal setting.

The stalemate led Neily to concede that the probe into Team 2 was stalled. But in a July 2002 note to Fantino, he said his suspicions still weren't allayed.

"While I have ordered the nine cases of interest [to be] no longer investigated involving the team of Danny Ross, as reported to you in May there is no doubt in my mind that there was a thief on that team and it is my belief so far that it could have been one or both of [Team 2 officer] DC Mark Denton and/or Mike Abbott," Neily wrote.

None of the Team 2 officers named in the ongoing lawsuit by Milos Markovic, a formerly accused drug dealer, would agree to an interview. Their lawyer, Gary Clewley, denies any theft and says the STF uncovered only sloppy police work.

"They do thousands of these cases and, at the end of the day, we have a handful of people who claim that they were ripped off. And when you're doing thousands of cases, mistakes get made," Clewley told CBC News in a recent interview.

"Documents don't get filled out properly. Things don't get put where they're supposed to. That doesn't amount to theft unless you start the investigation, working from the assumption that they are thieves and set out to prove it. I think that's what happened."

Renewed interest in 2003

Neily and his task force renewed their interest in Team 2 in early 2003, after getting Markovic to file an official complaint.

Before then, Markovic had repeatedly refusing repeated requests from the STF to complain about Team 2.

He relented after striking a deal that any statements he gave to the STF would not be used against him later, either in criminal court or in a lawsuit he filed against the police service.

Markovic was arrested in Oct. 28, 1999, by the Ross/Abbott crew and charged with dealing cocaine. Those charges were eventually dropped.

Markovic and his wife, Natasha, filed a suit in 2000 against: nine Team 2 officers who searched their home; the Toronto Police Service; its board and former TPS chief David Boothby. The TPS internal documents that surfaced this week were a result of a court motion in Markovic's suit.

The Markovics claimed the nine officers beat him in his pizza shop and later robbed him of close to more than \$361,000 in cash and valuables. They sought \$1.3 million in damages.

STF investigator Det. Neal Ward said in a report about the Markovic case that "the work of the Central Field Command Drug Squad was sloppy at best and a hair's-width away from being criminal."

Neily had set dates in early 2003 to meet Markovic to take his statement of complaint. But that meeting — and the probe into Team 2 — was suddenly called off.

CBC News has learned that in March 2003, Fantino met with Neily, other STF investigators and TPS chief financial officer Frank Chen. According to sources who requested anonymity, Fantino threatened to cut off all funding for forensic audits on officers suspected of wrongdoing.

Probe moved to Internal Affairs

The sources said Fantino cited financial pressures and the need for Toronto police to be prepared for a potential "terrorist attack" as reasons for the STF to wrap up its work, closing the door on any further probe of Team 2 officers.

"I was shocked," **Peter Biro**, Markovic's lawyer at the time, told CBC News.

"Chief Supt. Neily called sheepishly and apologetically and told me the interview was cancelled ... that the investigation into the Markovics' complaints was at an end, [and] would not continue."

"Chief Supt. Neily said on at least one occasion in that telephone call that it was not his decision. The explanation? A lack of resources and a need to wrap up the task force. That was the official reason given to me," **Biro** said in a recent interview.

Neily, now retired from the RCMP, told CBC News that "given our resourcing limitations and our focus on Team 3," the STF had no choice but to hand the case back to TPS Internal Affairs.

"It was a Toronto Police Service decision," Neily told CBC News when asked why the STF didn't handle it or do financial checks on officers on the other suspect team.

Neily recommended in a November 2003 document he titled, "Notes From the Wall: We Are Not Done Yet," that someone should interview Markovic and begin an undercover operation to try to get to the bottom of the allegations against Team 2.

Fantino, now commissioner of the Ontario Provincial Police, refused to be interviewed for this story.

Markovic now learning details

TPS Internal Affairs did eventually take a statement from Markovic in the summer of 2003, but closed the file, concluding he was not a credible witness and too much time had passed.

TPS conducted no further probe of the officers or their personal finances. Markovic claims he's been kept in the dark about the internal investigations for years.

After repeated attempts, Markovic's legal team — now headed by high-profile Toronto lawyer Julian Falconer — secured a court order in December 2008 compelling the TPS to hand over hundreds of pages of documents, including the confidential briefing notes to Fantino about the Team 2 officers.

In February, the Toronto Police Service handed over the documents. Falconer, after reviewing the documents, decided to effectively rewrite the lawsuit Markovic had filed in 2000.

Falconer has now filed a motion in civil court that seeks to expand the lawsuit, claiming that beyond theft and assault by officers, the TPS failed to properly investigate the corruption allegations.

"It was deliberately covered up," Falconer told a Toronto court at a Wednesday hearing. "They pulled the plug."

In an interview with CBC News, Falconer brushed aside suggestions that the STF's mandate was limited to an investigation of Team 3 and it had to end at some point.

"Why not tell the Canadian public the truth? Pure and simple," he said.

"Why not acknowledge that they had concerns about members of Team 2? Why say the allegations are confined and isolated, when in fact the concerns were the opposite? Why not acknowledge that the investigation is being unplugged for a lack of resources?"

Falconer said he fears the failure to let the STF fully investigate Team 2 was all part of a plan set in motion back in 2001 when Fantino set up the internal probe.

He pointed toward an internal TPS recommendation that the STF probe could "avert a public inquiry" and "provide some assurance that it was just this one team."

A Toronto judge has reserved decision on whether he'll allow an expanded suit to go to trial.