

Pittsburgh Boilermakers Union official admits theft of funds

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The former business manager of Boilermakers Local 154, based in Pittsburgh, pled guilty Thursday to federal charges that he stole as much as \$2.5 million from the union since 2010. The indictment alleged that he used the money for personal expenses, including purchases at electronics retailer Best Buy, home remodeling and costly personal items, including a drum set.

Raymond Ventrone, age 59, had been charged in April with tax evasion and embezzlement in relation to the stolen money. The indictment followed an investigation by the FBI, the Internal Revenue Service (IRS) and the US Department of Labor.

The case is the latest exposure of gross corruption by union officials. It follows the indictment of officials of Fiat Chrysler and the United Auto Workers in relation to more than \$1 million in illegal payouts from joint union management funds designated for training.

The exact amount stolen from the Boilermakers Union is not clear. In the plea deal, Ventrone agreed to pay back \$2.5 million in funds, although federal prosecutors said they could prove only that he had taken \$1.5 million.

Prosecutors detailed hundreds of thousands of dollars that Ventrone spent on personal items, including \$970,000 from Best Buy. “His house was literally lined with Best Buy purchases,” said Assistant US Attorney Nelson Cohen. In addition to Best Buy, Ventrone spent \$105,000 at the Apple store, \$527,000 on purses from Louis Vuitton and \$198,000 at Restoration Hardware.

When the FBI asked Ventrone to return what merchandise he could, he delivered nine truckloads of items to the local. The union auctioned off the merchandise.

Local 154 is the bargaining agent for some 2,000 skilled construction workers, including welders and

pipe fitters, in the greater Pittsburgh area. This is not the first time the local has been under investigation. The local leadership came under scrutiny for building a banquet center across the street from the union headquarters at a cost of more than \$1 million. The local spent lavishly on meetings, conventions and entertainment, including \$31,000 at the Double Tree Ocean Point resort in Miami Beach and \$34,000 at the Hilton Marco Island Resort. Another \$10,000 was spent at Caesar’s Palace in Las Vegas.

In 2013, a Local 154 member filed a complaint in federal court against the union for rampant favoritism and nepotism in hiring practices. Among other things, he charged that Ventrone’s brother was hired as a full-time dispatcher and other Ventrone relatives were hired for office staff positions.

The case against Ventrone started with a tip in 2013. In 2015, the international union took over the local and began an investigation that soon involved federal authorities. Ventrone resigned his post and retired at that point. He had held his position in the local since 1996. However, the current charges apparently date back only to actions taken after 2010.

Ventrone is free on \$25,000 bond while awaiting sentencing. Federal guidelines call for a prison term of three years to 43 months for the crimes to which he admitted guilt.

There has been no explanation as to how such a massive misappropriation of funds could have taken place without the knowledge and complicity of other union officials. Federal investigators indicated that controls over spending had been “relaxed” by the union, including a requirement for two signatures on checks and for the international union to approve any expenditure above \$5,000.

The former Local 154 official is a typical

representative of the corrupt, right-wing American trade union bureaucracy. In 2013, at a rally outside the Local 154 union hall, Ventrone joined Republican Congressman Jim Murphy in denouncing rules issued by the US Environmental Protection Agency restricting mercury and air toxins, which he said were “killing jobs.”

While Ventrone’s corruption was blatant and grotesque, his lavish lifestyle is fairly typical for higher echelon American trade union officials, and certainly not atypical for the Boilermakers Union. According to a report in the *Kansas City Star* this past April, the salaries and perks of Boilermaker officials have increased, even as union membership has plummeted.

In 2016, President Newton Jones took in \$756, 973 in salary and expense accounts, according to US Department of Labor filings. The salaries for the union’s seven top officers amounted to some \$2.5 million, with total payouts to those officers exceeding \$3.5 million. Assets for the union totaled some \$63.5 million, based on a membership of just 58,000.

Nepotism appears to be rampant in the Boilermakers Union, with Jones’ wife, brother and son all on the union payroll, earning generous salaries. In a response to an earlier investigation by the *Star*, the union defended its hiring practices, declaring, “It is quite common for working members—and their leaders—to have relatives employed in the industry at various levels.”

The lifestyle of Boilermaker officials stands in stark contrast to the difficult and dangerous conditions confronting members, who must complete rigorous training for their positions, which involve a high degree of skill. Some must travel long distances to job sites and live away from home for extended periods. Despite this, the median income for boilermakers was just \$60,000 in 2015.

The guilty plea by Ventrone follows by two weeks the tragic deaths of two members of Local 154 in an accident at the Bruce Mansfield power station in Shippingport, Pennsylvania. The two men were working as part of a larger crew in a pit to remove an elbow joint, not knowing that the line was active.

When they removed the joint, it released deadly hydrogen sulfide gas. Two of the men in the pit were not able to get out before they suffocated. They were identified as Kevin Bachner, 34, and John Gorchock,

42, both of Pittsburgh. Four other workers were treated at a local hospital, where two were listed in critical condition.

The US Occupational Health and Safety Administration is investigating the incident. However, nothing serious can be expected from this agency, which acts as little more than a front for the employers.

Following the deaths, there was no statement from the Boilermakers Union and there will be no independent union investigation. A statement on the International Union of Boilermakers web site notes, “We work with our employers on joint health and safety committees at every workplace.” In other words, the union works with management to cover up deadly safety violations and squelch worker opposition to hazardous conditions.



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