

## SNUFFING OUT THE LIGHTS: THE LABOR DEPARTMENT GOES AFTER THE SALVATION ARMY

The Salvation Army — one of the brightest “points of light” in America’s volunteer ranks — may have to shut a program for alcoholics and drug addicts because of federal government interference.

This clash between true compassion and the regulatory mind-set goes beyond the problem of overzealous bureaucrats. It reveals the growing rift between those who help people help themselves and those who believe that only government is capable of helping people. It reveals, in essence, a clash between a culture rooted in traditional American values and one based on the cold, contractual relationships of the bureaucratic welfare state.

The U.S. Labor Department ordered the Salvation Army to pay the minimum wage to more than 50,000 people enrolled in work-therapy programs. Labor officials say the down-and-outers are “employees” covered by the 52-year-old Fair Labor Standards Act. The Salvation Army, which has sued the Labor Department, sees the people correctly as “beneficiaries” in desperate need of spiritual counseling, food and shelter.

“This has got to be mindless bureaucracy at its worst,” New Jersey Representative Marge Roukema, the ranking Republican on the House labor-management subcommittee, told *The Washington Post*. After pressure from Roukema, Labor Secretary Elizabeth Dole temporarily suspended the order September 23.

**Seeking Counseling and Medical Help.** Salvation Army officials say they will not withdraw the suit until Labor withdraws the order. So far, Dole has agreed only to negotiate with the Salvation Army while lobbying Congress to amend the law. In a September 25 press release, Dole says: “We will... look for ways that rehabilitation centers such as the Salvation Army can function and house the homeless while we protect workers’ rights.” This may seem reasonable except for a glaring fact: the clients are not “workers” or “employees.” “These aren’t people who came to us looking for a job,” says Colonel Kenneth Hood, national chief secretary for the Salvation Army. “These are people who came for religious counseling and medical help....It’s not an employee-employer relationship at all. We have 40,000 regular employees nationwide. We know the difference.”

The Salvation Army operates 8,000 beds in 118 centers nationwide and in Puerto Rico. Clients receive food, shelter, clothing, counseling, and spending money for 90 to 120 days and work at non-skilled jobs such as sorting donated toys. If Labor’s order is not lifted, the Army “would fire more people than it hired,” says William J. Moss, counsel for the Salvation Army. Many of the 7,000

employees who operate the work-therapy program would be let go, Moss said, including truck-drivers, counselors, cooks and janitors.

Work-therapy clients interviewed by the *Los Angeles Times* and *The Washington Post* say they seek spiritual comfort and rehabilitation, not a job. "This was the only way I felt I could get close to God," says a drug addict in Annandale, Virginia. A client in Los Angeles says of the minimum wage: "It's not what I'm looking for. I'm looking for help."

**Enforcing the Law.** But some bureaucrats cannot tell the difference between an hourly employee at McDonald's and a desperate alcoholic seeking a shred of dignity. "Congress intended for people who work to be paid," declares Labor spokeswoman Joanna Schneider. "We have to enforce the law."

"They are very honorable people," Samuel D. Walker, acting administrator of the Wage and Hour Division of the Employment Standards Administration, says of Salvation Army officials. "But it's been a longstanding position that they're covered by the Fair Labor Standards Act." Walker, who wrote the letter threatening legal action, told The Heritage Foundation: "I want to help these people out. I want to help them comply with the law." Walker notes that the law allows a sub-minimum wage for the disabled, and "we consider alcoholism and drug abuse to be disabilities."

Even if Army officials give in and jump through the government hoops, the question remains: why is the Labor Department leaning on the Salvation Army, a religious organization with a spotless record that does the work that most people loathe? By helping millions over the years, the Salvation Army has helped re-form families, lowered the criminal population and saved taxpayers untold expenditures. According to *Fortune* magazine, the Salvation Army is one of the most efficient charities in the nation.

**Brusque Ultimatum.** Walker acknowledges that the ultimatum stems from a single complaint filed five years ago in Pittsburgh. Army spokesman Hood notes: "It doesn't sound like people are jumping up and down about it." Salvation Army officials were asked to meet with Walker and Labor Department lawyers on September 7. "They just handed us the letter," Hood recalls. "It wasn't even 'let's sit down and talk about this.'"

Asked why he chose to act now, Walker replied that it was an "ongoing" matter and he was responding to "the increasing pitch of the advisory committee." Chaired by retired Admiral David Cooney, the Advisory Committee to the Secretary of Labor on Special Minimum Wages issues wage recommendations for special cases. Cooney, who is president of Goodwill Industries, told Heritage that Goodwill believes people need to be paid for work. Asked why the Salvation Army had to comply with that philosophy, Cooney says it is a matter of "following the law."

Bureaucrats at many levels are working overtime to douse George Bush's "thousand points of light." In New York, Mother Teresa abandoned plans to convert two buildings into homeless shelters because the city ordered an elevator installed for the handicapped. The nuns, who carry the handicapped as part of their service, spent \$100,000 on repairs before cancelling the project.

Governments should get out of the way of those who help.

Elizabeth Dole should order the Labor Department to leave the Salvation Army alone to do its vital work among the wretched. A legislative amendment is a good idea. Helping the Salvation Army to "comply" with meddlesome regulations is not.

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This is the first in a series of studies analyzing the impact of federal policies on American culture and cultural values.