

*gwd on conf. memo.*  
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DAN QUAYLE

December 6, 1982

*WJH*  
AEI panel - Dan introduced as "the mover and shaker" behind the jobs training bill.

Dan starts in by thinking of categories of jobs legislation (1) public works (2) CETA (3) job training.

(1) = not a jobs program - it's capital intensive

(2) = countercyclical program which doesn't work, doesn't create jobs permanently

(3) = job training partnership get -- will help young people; and will help dislocated worker.

"Only bill that actually incorporates the president's new federalism approach... This is the new federalism." governors involved and decisions are finally made.

substantive debate really was over who would make the decision - PIC carried "a rather delicate balance which we think is 50-50."

"negotiations in conference committee...was terrible discussion...a month long...Hawkins and I had to go in again after we thought we had delicate balance worked out."

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Partnership idea seems to come from the relationship at the PIC level. 70-30 was administration key point - another confrontation with House. Mac Lovell Under Secretary of Labor says DQ "is responsible as anybody in the country for the bill."

"Our *trick and our* challenge was to get the private sector involved on a serious basis." We want to give them real responsibility.

"We can't afford--given the jobs situation...to discard any program.

We've got to look at all of them."

On the way back, I talked to Dan about the conference. We had talked a little as he ate lunch in his office before we went to AEI.

Is it more enjoyable to talk about it or push it through. "It's more enjoyable to talk about it. It's fun to push it through, but you have so many ups and downs, highs and lows, so much anguish and you lose so much sleep. It's kinda nice to just sit back and talk about it."

Do you feel like the father of it? "A little bit, I do. It was our bill and we put it together--the political part of it."

"Way back at the beginning, when we had the meeting worked out as a conceptual agreement with Kennedy, I remember we came out and Bob said, 'We've got a bill.' I said, 'Don't be so sure.' You've asked me this all along, ~~days~~ whether I thought Kennedy was a help or a hindrance. He was a help. Once they saw his name on it, they knew there would be a bill and they would have to deal with it. All the way through, he kept saying 'We've got to have a bill.' If he had not been on the bill, we would probably have still gotten something out of committee, but a lot of people would have gone along with CETA for another year--the House would have, and the administration would have."

Did TK help in conference? "He didn't participate in the conference because his constituency was kicking the hell out of him. The Conference of mayors was really mad at him. He told me 'I can't do any more; I'm in hot water with my constituents.' But still he kept saying 'We've got to have a bill.' And that was a help, because so many people really didn't want a bill."

"There was a period of four or five days when I thought it was lost. The House really dug in when they saw all the compromising they were going

to have to do, bringing the governors in and so forth. They began to say, 'Why should we have any bill? We don't need a bill. We'll just go along with CETA for one more year.' They started thinking that way, and their attitude hardened along those lines. The Conference of Mayors was telling them to do it. Boy are they tough. The Democratic party must be beholden to them. Then the administration...Meese--kept saying 'Don't worry, things won't be bad if we don't get any bill. Or, he said, we'll veto any bill that isn't just what we want.' Bob and I said 'well we may not get a bill after all.' I was caught in the middle and was being hit by both sides. They were together in not wanting a bill. I used that against them, by playing them off against each other. I'd go to Hawkins and tell him 'You're with Donovan. He doesn't want a bill.' Then I'd go to the White House and say 'You're with those big city mayors, they don't want a bill.' I told the House guys, OK, if you go with CETA, I'll guarantee you it will be cut in half in the Senate. And I got Erlenborn to go to the House appropriations guys--Natcher--to deliver the same message. CETA was very unpopular. So their thinking began to change. And that's when Hatch stepped in and was very helpful working with the White House. He told them that they had to have a bill. They did not want to offend him. They had to take him seriously. He was running for reelection. And he wanted a bill. His staff person worked out a compromise and we grabbed it, so as to bring Hatch into the picture. He came. Up to them it had always been 'Make a speech and drag Hatch'. But he became involved and was very helpful in putting it all together. Yes, there was a time when I thought we would not get a bill out of conference."

"I don't know what would have happened if Reagan hadn't called me about the MX missile that day. That's when I asked him 'What about the job training

program. We've got a good program.' He said 'I'm for that and I'll look into it.' Right after that, things started to move. The administration, which had not wanted any bill, began to change. I told one Indiana reporter 'how the MX missile saved the job training program' and he wrote an article about it."

When I went into his office where he was gulping his salad, he said "I haven't seen you since the conference, have I. That was something. Right up until the last minute, Meese was threatening to veto the bill. He was insisting that he get everything he wanted. Finally we had to pull a Donovan and get him out of town."

"The composition of the PIC Council was the big substantive issue. The Council of Mayors hated to give that up. But it was the ballgame. If the mayor controlled the PIC's, we would have had the same old program. That was the issue as far as I was concerned. The 70-30 issue was mickey mouse by comparison. You can always fiddle with that."

"The Labor Dep't is writing the regs. to favor business. I knew they would do that. But they can't go against congress in what they do."

Said Dubertstein helped, with Hatch and noted that Duberstein had worked in the Labor Dep't.

There were 32 people arranged around the table at AEI's session on Strategies for Job Training and employment. I asked Dan how many he knew and he said two--a man named Scheerschmidt from Xerox, and Mac Lovell, Under-secretary of Labor. He had no idea who Sar Levitan was. "Who's he?" he asked Larry. Levitan had been most critical of Dan's hopes for his bill and most protective of the Public Jobs idea. He said that the 19 Republicans up in 1984 could well be running on a public jobs platform. In car afterwards, Dan

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said "I should have told him that if the 19 Republicans have to run on a public service jobs platform in 1984, then we're already in such deep trouble it won't matter." But I was surprised at how little of the "job community" he knew.