I would like to assist the House further in this matter by clarifying the point concerning how the people have lost confidence. In order to do this it is as well for members to know how the scheme operates in other States.

Mr. Bickerton: I would like you to clarify it.

Mr. BLAIKIE: In Queensland, New South Wales, Tasmania, and South Australia, the scheme is designed in such a way that any person wishing to buy a farm, first chooses a property to his liking, settles on a price, and then approaches the authority. The first criterion to be considered is whether the applicant qualifies; the second criterion is his ability to repay the loan.

Mr. Bickerton: This is for dairy farms only.

Mr. BLAIKIE: In Victoria the scheme operates somewhat differently. Farmers offer their properties for sale, and these are processed. If the farmer qualifies for assistance under the terms of the agreement his property is advertised for sale.

Mr. Bickerton: That is socialism.

Mr. BLAIKIE: The Minister has not heard about the Western Australian scheme yet which, at the outset, operated fairly satisfactorily. However, the final results have been shocking.

If a farmer in Western Australia wishes to buy a property he makes application to the authority. If a person desires to sell his property, he does likewise and then has his property valued, which in some instances has been much higher than current market prices. The authority then classifies the applicant—buyer or seller—to ascertain whether or not he qualifies for assistance under the scheme. If he does, then his case is considered on its merits. This applies to all applicants.

To explain the situation a step further, farmer A might wish to sell his dairy farm in, say, Busselton, and 10 or 15 farmers in the locality—they could be anything from five to 15 miles away—would be considered.

If any other neighbours have not made application the authority then seeks them out and classifies them to see whether or not they also qualify. But this operation can take months and is not satisfactory to either seller or buyer. This, Mr. Speaker, is an example of the frustration which is experienced. The Minister for Housing mentioned socialism, and to me this is rank socialism.

Sir David Brand: That is the policy of the Government.

Mr. Bickerton: Farmers like to socialise their losses and capitalise their gains!

Mr. BLAIKIE: I have outlined a situation which has developed in this State. It is a good scheme which could be frittered away.

Mr. Bickerton: I cannot understand how this has all happened in the last 12 months.

Mr. Rushton: It is easy to understand.

Mr. BLAIKIE: The scheme has been in operation for 18 months anyway, and only in the last 12 months has the present Government loused it up. The Government has not taken the opportunity to find out what the problems of the people involved in the industry are.

Mr. Bickerton: Why did the farmers put us in Government?

Mr. BLAIKIE: My concern is that we have a scheme to which ample Commonwealth funds have been allocated. However, the policies of the Government are preventing the Marginal Dairy Farms Reconstruction Scheme from operating in the best interests of the industry in this State. I support the motion.

Debate adjourned, on motion by Mr. Harman.

House adjourned at 5.57 p.m.

# Legislative Council

Tuesday, the 28th March, 1972

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.

## QUESTIONS: (5) ON NOTICE.

#### BURSWOOD BRIDGE

Commencement and Resumptions

The Hon. R. J. L. WILLIAMS, to the Leader of the House:

- (1) When is it planned that construction of Burswood Bridge will be started, and what is the estimated completion date?
- (2) How many, and what resumptions of private properties are involved in the construction of the bridge and its approaches?

The Hon. J. DOLAN (for The Hon. W. F. Willesee) replied:

- (1) Subject to the provision of adequate funds in the next Commonwealth Aid Roads Act due in 1974, it is hoped that construction of the bridge will commence in 1974 and be completed within three years.
- (2) Until detailed design of the approach roads is completed the exact number of properties affected cannot be defined. However, it would appear that approximately 85 private properties will be affected, either wholly or in part. Of these 11 have already been acquired.

#### 2. THIRD PARTY INSURANCE

#### Claims

The Hon. L. A. LOGAN, to the Minister for Local Government:

Further to my questions on the 21st March, 1972, regarding the Third Party Claims Tribunal—

- (a) how many of the 1,738 consent agreements had been listed for hearing by the Tribunal;
- (b) of the 11 appeals upheld by the Supreme Court, what was the amount awarded by the Tribunal and by the Supreme Court in each case; and
- (c) why is the result of 22 appeals to the Supreme Court unknown?

## The Hon. R. H. C. STUBBS replied:

- (a) 907.
- (b) Further inquiries have substantiated the fact that 14 appeals have been upheld by the Supreme Court and not 11 as previously advised. This will reduce the number of appeals of which the results are unknown from 22 to 19. The results of the 14 successful appeals are as follows:—
  - Claim No. 17/68 Schaper v. Foppoli—Appeal allowed and claim referred back to Tribunal to determine according to law. No further action taken in the Tribunal.
  - Claim No. 29/68 Taylor v. Lopes—Appeal allowed—dismissal of plaintiff's claim by Tribunal set aside—plaintiff's claim by Tribunal set aside—plaintiff to recover \$12,267 plus \$50 per week.
  - Claim No. 300/68 Browning v. Swan—Appeal allowed —award increased from \$4,070.10 to \$9,070.10.
  - Claim No. 189/68 Britten v. Hatcher—Appeal allowed award increased from \$643 to \$1.143.
  - Claim No. 17/69 Graham v. Rosen—Appeal allowed—cross appeal dismissed—award varied by increasing sum from \$15,277.80 to \$22,177.80.
  - Claim No. 239/68 Hipkins v. Cook—Appeal allowed—award increased from \$12,278.70 to \$18,528.70.

- Claim No. 161/68 O'Shea v.
  O'Neill—Appeal dismissed
  —cross appeal allowed—
  plaintiff not negligent and
  award increased from
  \$3,963.50 to \$7,927.
- Claim No. 25/68 Palma v. Kelly—Appeal allowed—decision of Tribunal on liability set aside—plaintiff's claim dismissed.
- Claim No. 293/68 Seaborne
  v. Rogers—Appeal allowed
  —award increased from
  \$5,200.00 to \$10,800.
- Claim No. 146/69 Thompson v. North—Appeal allowed —award reduced from \$21,871.24 to \$19,871.24.
- Claim No. 27/69 Jones v. Hankinson—Appeal allowed —by consent award increased from \$1,750 to \$2,250.
- Claim No. 110/70 Pinkus v. M.V.I.T.—Appeal allowed award of Tribunal set aside and plaintiff's claim dismissed.
- Claim No. 463/69 Dixon v. Withers—Appeal allowed—award reduced from \$11.797.30 to \$6.797.30.
- \$11,797.30 to \$6,797.30. Claim No. 487/70 Herrman v. Johnston—Appeal allowed—award increased from \$8.684.30 to \$11,184.30.
- (c) The information supplied previously was extracted from the Register of Appeals in the Central Office of the Supreme Court. This Register is an accurate record of the number of appeals instituted, but does not record any more action taken by the Court or the parties to the appeal until such action is embodied in a formal document filed in the Court.

Some appeals may be instituted and never proceeded with and until the appellant files a notice of discontinuance or the respondent moves to dismiss the appeal for want of prosecution, no record would appear in the Register. Others may be still current and awaiting a judgment of the Court. These cases would probably account for the 19 appeals of which the result is tunknown.

#### I. WATER SUPPLIES

## Pingrup Dam

The Hon. D. J. WORDSWORTH, to the Leader of the House:

(1) Has water in the Pingrup dam been condemned for domestic use? 5.

- (2) If not, how long is this supply expected to last?
- (3) (a) How far will residents have to cart water if this supply is condemned or runs out; and
  - (b) is the Government intending to subsidise its cartage as the septic systems on State Housing has brought about much of this trouble?
- (4) What has happened to the new scheme proposed by the previous Government, and due to be completed by next winter?
- (5) If "lack of funds" is the reason that this project is being shelved, how much less is this year's State budget than last?
- (6) Has the Nyabing-Pingrup Shire offered the Government its loan raising entitlement to fund this project?

The Hon. J. DOLAN (for The Hon. W. F. Willesee) replied:

(1) No.

4.

- (2) This is impossible to assess.
- (3) (a) Five miles—that is, approximately three miles further than at present.
  - (b) No.
- (4) Rejected on economic grounds.
- (5) General Loan Funds Estimate for 1970-71 was \$76,769,000.
   General Loan Funds Estimate for 1971-72 is \$88,894,000.
- (6) Yes, but see (4).

#### LAND

## Release in Northcliffe Area

The Hon. V. J. FERRY, to the Leader of the House:

Further to my question on the 22nd March, 1972, regarding the intention of the Government to release land in the Northcliffe area for agricultural purposes, and having regard for the reply stating that a decision on the release of Crown land in the Northcliffe area will be made when the results of current experimental programme are available, how may it be reconciled that an advertisement appearing in the Warren-Blackwood Times of the 15th March, 1972, invited applications for four Nelson Locations totalling approximately 596 acres situated within about two miles of the Northcliffe township?

The Hon. J. DOLAN (for The Hon. W. F. Willesee) replied;

The reply given had reference to the release of Crown land for general application. The four Nelson locations referred to were released specifically for building up purposes and may only be applied for by the holders of land in the immediate vicinity.

## TRAFFIC

#### Seat Belts

The Hon. N. E. BAXTER, to the Minister for Police:

With reference to my question on the 23rd March, 1972, regarding the compulsory wearing of seat belts in motor vehicles and the reply thereto, will the Minister please supply a direct answer to my question and advise the House the number of vehicle drivers who have actually been fined?

#### The Hon. J. DOLAN replied:

In replying to the Honourable Member's question of 23rd March, 1972, the word "Nil" was inadvertently omitted from my answer. The additional information was given in an endeavour to be helpful and not for the purpose of avoiding the question. The position is, that statistics by each type of offence are not maintained and as far as I am aware, no fines arising from seat belt offences have yet been imposed by the Courts in the Metropolitan area. It is possible that fines may have resulted from prosecutions by country traffic authorities.

## CONTRACEPTIVES ACT AMENDMENT BILL

Introduction and First Reading

Bill introduced, on motion by The Hon. R. F. Claughton, and read a first time.

#### ADDRESS-IN-REPLY: SEVENTH DAY

#### Motion

Debate resumed, from the 23rd March, on the following motion by The Hon. D. K. Dans:—

That the following Address be presented to His Excellency:—

May it please Your Excellency: We, the Members of the Legislative Council of the Parliament of Western Australia in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign and to thank Your Excellency for the Speech you have been pleased to deliver to Parliament.

THE HON. D. J. WORDSWORTH (South) [4.46 p.m.]: As is well known, one of the greatest concerns that I have expressed in this Parliament is for the welfare of the farming community and, more

particularly, as it relates to the new land farmer. The main reason is that probably the majority of Western Australia's new land farmers live in the South Province which is my electorate. I am concerned not only for them, but also for the effect on towns in my electorate and on the city of Perth itself, because I firmly believe Western Australia is still greatly dependent upon the primary producer.

Today I would like to draw attention to one problem which may be peculiar to my electorate. I am sure everybody is aware that the primary producer is experiencing many difficulties and I do not wish to enlarge on them except to say the farmer is endeavouring to help himself overcome some of his difficulties.

One of the methods is to control production to the available market. I hold nothing against this idea; indeed I agree with it in most cases. There is need for care, however, because in some cases this method does away with what I regard as a fundamental right; namely, "the right to trade in the market place." Perhaps odd description seems an it may be said it could apply only to fishmarkets and vegetable stalls. I would like to explain how it does affect the new land farmer. I shall refer to eggs as my first example. The number of surplus eggs on the market has received much publicity in the Press in recent times. Although this is a problem for the city dweller, it is an added problem for those in the country. I refer to Esperance, in particular, and to Albany to a lesser degree.

We find the ridiculous position in which local poultry producers have built sheds and increased their hen numbers to cater for the nearby market and to give the local housewife a fresh product at the minimum price. Apart from this, the poultry farmer uses local feeds and local labour. But what is the position today? We find these farmers are being ordered to destroy their hens and housewives are being forced to buy stale eggs which are more expensive because they have travelled 600 miles from Perth

This is a ludicrous situation. The State is becoming so regimented that private enterprise has to go by the board.

I should like to explain why this product is unsatisfactory to the housewife in Esperance. Members will realise that several days elapse between the laying of the egg and its arrival at the board's premises in Perth. The eggs are then sorted and consigned by rallway wagon to Esperance; and generally it takes three or four days for them to get to Esperance. In theory the railway vans are refrigerated, but the Minister for Transport will undoubtedly realise that once the vans arrive in Esperance the refrigeration is turned off until reloading takes place.

The next day the eggs are taken to the supermarket and the supermarket then has the problem of resorting them. The producers claim that every egg is perfect, but it is remarkable just how many are broken. I was interested in an English extension service article reproduced in a country newspaper which stated that 15,000,000,000 of the eggs passing through its egg board were cracked. I do not think we can produce a figure as to how many eggs are cracked here, but I can assure members very many broken eggs are delivered to country places.

When an egg breaks in a carton the contents spill over and cover the other eggs. The employees of the supermarket have to unpack the eggs, pick out the broken ones, wash the unbroken eggs, and repack them. A housewife visiting the Esperance supermarket from, for example, Ravensthorpe, 150 miles away, buys eggs which are at least a fortnight old and probably washed. She then may wish to keep the eggs for another fortnight or three weeks and I am sure not one member will argue that these eggs can hardly be considered fresh. The eggs are also more expensive because of the added freight and the unnecessary handling at the supermarket. The English article says we should make our hens lay their eggs on cement floors so that they do not crack—they break. As I do not think the Egg Board would like that suggestion, the more practical solution is obviously for the local market to be supplied by local producers. There is no justification for this market being supplied by Perth producers.

The Hon. L. A. Logan: We do not have an egg floor.

The Hon. D. J. WORDSWORTH: No, we do not have an egg floor in Esperance.

The Hon. Clive Griffiths: Which comes first—the chicken or the egg?

The Hon. D. J. WORDSWORTH: I have used eggs as an example, but there are other commodities such as potatoes which could be mentioned. Certain areas in the State were established as potato-growing areas before the new land was opened up. The growers in those areas were granted licenses to grow potatoes whilst farmers in districts such as Esperance were denied them.

We are now seeing a two-tier price plan being introduced into the dairying industry. This will raise considerably the price of milk in new-land areas, particularly in Esperance. We have not as yet been declared a milk area. A milk company in Albany is able to buy manufactured milk at about half the price it would pay for whole-milk; and this after processing it, freighting it to Esperance, and selling it at normal Perth prices. This is only possible with manufactured milk but as soon as orderly marketing is introduced into the dairying industry this area will be

declared a whole-milk area, as will other places, such as Kalgoorlie. Again we will see the price of milk go up.

The Hon. N. McNeill: There is no reason why milk cannot be produced in Esperance at the moment, is there?

The Hon. D. J. WORDSWORTH: Milk is being produced in Esperance at present. However, there is a possibility that there is contagious abortion in the cows and this infected milk could cause serious disease, as there are no facilities in Esperance for pasteurisation.

The Hon. R. H. C. Stubbs: Was there not a move some years ago to bring milk to Kalgoorlie for pasteurisation?

The Hon. D. J. WORDSWORTH: This is so, but the Milk Board would not agree to it. The board said that milk had to come from the traditional areas and Esperance was not a traditional milk-producing district. This is the point I am trying to make, and the same comments are applicable to many different products.

In the last session Parliament passed the Marketing of Lamb Bill. This Bill provides for better control of the home market, the determination of future quotas, and the fact that the board will take into account the past history of production. Once again the new-land areas will be at a grave disadvantage. In the past Esperance has not had an abattoir and farmers faced a cost of over \$1 a head to send lambs to Perth. Consequently, the local farmers have not yet developed fat-lamb flocks. If the board decides future production on previous figures, once again the producer in Esperance and new-land areas will not be able to participate in such production.

The Hon. R. Thompson: How many years have the boards for milk, potatoes, and eggs been in operation? When was it decided that these goods must be supplied from Perth?

The Hon. D. J. WORDSWORTH: This has always been the case, except with eggs.

The Hon. R. Thompson: It is not a new idea?

The Hon. D. J. WORDSWORTH: No. I wish to make the point that we should make special provision for the new-land areas as more orderly marketing is being introduced. It certainly does not seem that the new-land farmers are allocated an adequate share of the market at the present time.

To turn to another product, one would at least feel that the new-land farmers would be able to produce wool. However, one of the major wool-producing organisations has made a recommendation that when and if wool quotas are introduced they should favour areas which cannot produce anything but wool. In other words,

this organisation suggests that the pastoral areas should have the benefit of wool quotas.

I do not wish to speak about the wheat quotas—the matter has already been thrashed out. However, it is well recognised that the new-land farmer received a raw deal over the wheat quotas.

Western Australia as a State endorsed the opening up of the new-land areas. We were proud of the fact that a total of 1,000,000 acres was opened up in a year. My plea is that this Parliament and this Government should look at controlled marketing to ensure that the new-land areas are given a place in it and the right to trade in the market place,

Unfortunately, Mr. Dans is not here tonight. In his speech on opening day he made a plea for a review of the arbitration laws. He spoke of the right to strike and the right to organise. I feel I should point out that there are two definite sides to this problem. Esperance has managed to build up a live-sheep trade with the Middle East. The producers, stock firms and shippers have expended a great deal of time and effort to establish this trade. However, because of carelessness and a lack of interest a group of waterside workers has threatened the project. These men were asked to work an extra two hours to load the sheep on a Saturday. They went on strike and no decision was reached about the Saturday work until the following Tuesday.

The shipping agent has now announced that he is doubtful whether any more ships will be visiting Esperance. So, although I endorse what Mr. Dans said in his speech at the opening of this session, I mention this fact to point out that there are two sides to the problem and I hope we will not see farmers losing their markets through similar actions in the future.

The Hon. S. J. Dellar: Would this be the sole reason they did not intend to have their ships call at Esperance in the future?

The Hon. D. J. WORDSWORTH: It is one of the main reasons because whilst a ship is held up in the port it costs \$5,000 a day. On this particular occasion half the ship was loaded and the sheep had to be fed. Unfortunately they lost condition and I gather they arrived at the market at a date later than the contracted date of delivery.

Whilst on the question of marketing I wish to enlarge further on a problem I have mentioned before concerning the establishment of abattoirs in country areas. It is obvious we will not be able to do without the sheep. I have mentioned and explained previously that it is financially and physically impossible for every sheep producer to change over to the production of cattle. Fortunately wool prices have risen a little recently and

I think most wool producers feel they can survive on today's prices. One of the problems facing sheep producers is that they cannot kill their surplus livestock. In these new-land areas mutton is a major product and it costs over \$1 to send a sheep to Perth. In many cases that is more than 50 per cent. of the value of the stock. Therefore I hope the Government will continue to look into this matter of establishing abattoirs in country areas and will see fit to build one at Esperance.

The Hon. T. O. Perry: Why don't you go to the Trades Hall to have them build one for you? Have you approached the United Farmers and Graziers?

The Hon. D. J. WORDSWORTH: think I expressed my feelings on that matter previously. I would now like to raise some other problems that confront those in the farming areas in my electorate. One of the first is the matter of Today members would water supplies. have heard the question I asked the Leader of the House in regard to what has happened to the Pingrup water supply. paid a visit to Pingrup during the weekend to take a sample of the water which the people of Pingrup are being asked to use. I have it here and members will see it has not a very good colour, although I am assured by the Minister it has not been condemned. I met some of the housewives who live in the area and it is most distressing to hear what is happening. They are endeavouring to boil this water, but they inform me their children are suffering from diarrhoea and other troubles. One can imagine what their washing is like.

The water has to be carted from the dam, which is half full of clay and muck. This is put into a corrugated iron tank which is some three feet off the ground. I am now speaking of the water supply for State Housing Commission homes.

The Hon. R. H. C. Stubbs: Are you getting a franchise for advertising that brand of cool drink on the market?

The Hon. D. J. WORDSWORTH: I am sure the company would be insulted. The point I am making is that the people of Pingrup are disgusted that the present Government is not continuing with the plan to give them a decent and adequate water supply. During the life of the previous Government the construction of the dam reached the stage where the pipes were ordered and were carted into the P.W.D. yard at Lake Grace, and the contract price and everything else had been agreed upon for the digging of the dam. Then followed a change of Government and the pipes seemed to disappear from the P.W.D. yard at Lake Grace and now it seems that everything is forgotten.

I might add that I have here a large list of people who have signed a letter addressed to me protesting at the Government's action and hoping it will restore the Pingrup water supply on the next year's allocations from the Budget. It is interesting to note that the reason given at one stage for the Government not proceeding with this project was the lack of money, and yet the General Loan Fund moneys have increased by at least 12 per cent. this year. That was the figure given to me today. I hope also the Government will give consideration to some of the other water supplies in the South Province.

I think the comprehensive water scheme that has been extended over a number of years has given Western Australia wonderful service, but I feel it has been to the financial detriment of some of the outer areas. The reason is that most of the money has gone into that scheme and the south coast towns have missed out. I would also add that places such as Mt. Barker are short of water. I understand the abattoir in that town cannot be enlarged because of the lack of water. Apart from Pingrup, towns such as Tambellup, Bremner Bay, and a few others are in an unfortunate position in regard to water supplies.

The next subject I want to mention is education. A new primary school has been built at Esperance and a start has been made on a technical school at Albany. I think these projects will undoubtedly fill a long-felt want. Albany is also in need of another primary school and a second high school is urgently required in the district. I hope the Government will be giving these matters some consideration in the near future.

I also mention the need to try to decentralise some of our places of higher education. In particular I speak of trying to transfer some sections of the teachers' training college and the University to Albany. I think that in Australia we have a reputation for thinking in terms of capital cities for the siting of universities, and this is most unfortunate, especially when one looks at the trend in other parts of the world. Apart from the two obvious examples—that of Cambridge and Oxford—I can quote many in U.S.A. as I devoted some of my time there to visiting universities. In fact, I visited eight universities in the western states that had agricultural facilities attached to them.

I was somewhat amazed to find they were all situated in small towns. In California there is the Davis University. In Texas, the famous A. & M. University at College Station would not have more than 2,000 students. It is amazing to find that of the eight university colleges I visited not one was situated in a city. Yet in Australia we cannot think beyond our capital cities for the siting of our universities. I deplore the Government's thinking in this matter. I consider the university student has reached the stage now where he no longer feels the need to live in the city. On the contrary he wants to go to the country. We

need only consider the attitude of the young student at the present time to realise that he is at war with the city environment. Half the students seem to want to commune with nature. So I think we should encourage the establishment of universities in rural towns.

Whilst on the subject of universities, I would like to point out the disgust that farmers, students, and academics have shown in regard to the suggestion that the veterinary school should be dropped from the new Murdoch University. The Hon. H. D. Evans has said that it was the only way for him to try to raise further funds in the Commonwealth sphere. This is what we have been informed but it is somewhat frightening to know that if we are to drop anything from the Murdoch University the only section which can be dropped, without breaking up the whole complex, is the veterinary school. So perhaps there may be a little more to this matter than we are being told.

It should be obvious to everyone how important it is that we have in Western Australia a veterinary school. One of the obvious reasons is that we are short of veterinary surgeons in this State. Also we are building new abattoirs for the production of meat for overseas markets and we will require the services of many more veterinary surgeons than is required for the killing of meat only for the local Overseas countries have stringmarket. ent laws governing meat inspection which has to be undertaken by qualified veterinary surgeons. When I visited some of the abattoirs in the United States of America I noticed they were literally crawling with veterinarians.

The fact that we are short of veterinary surgeons has become embarrassing. wool production declines and beef exports increase the need for more veterinary surgeons will become all the more pressing. There are other aspects in regard to establishing a veterinary school in Western Australia which perhaps have not been appreciated. Firstly, we have to think of the academics who will teach at the veterinary school. They will not only teach will conduct research in Western Australia on Western Australian animals under Western Australian conditions. This will prove to be of great benefit. Not only will these men carry out research, but the students they train will want to do their doctorates and they will be looking for farms in this State on which to do their research, under local conditions. Further, the establishment of such a school would encourage visits from overseas veterinarians. Experts in their field would pay visits to this State and undoubtedly a great deal of this knowledge would brush off onto the rest of the community.

Apart from this aspect, various organisations make large sums of money available for purposes of research. One of

these is the Australian Meat Board. It has created a fund-giving organisation to distribute the money being obtained from a levy on every head of livestock killed. However, that organisation has difficulty in granting money to Western Australia, because the academics have not been present in this State to carry out research. and until we get a veterinary school in Western Australia it is doubtful whether we will obtain our share of money from this source. I think the same applies to the C.S.I.R.O. That organisation has been reluctant to come to Western Australia. One of the arguments it put forward is that its scientists like to work among other academics and to date Western Australia has a lack of such men in the veterinary field.

Undoubtedly, if a veterinary school is attached to the Murdoch University a great many more graduates will remain in this State and marry our beautiful young Western Australian girls and be unable to escape.

The Hon. A. F. Griffith: They would not want to escape!

The Hon. D. J. WORDSWORTH: The next matter I wish to raise is the Stern report. I think every member has been given a copy of this report. Whilst its full impact has not been felt as yet, it is pleasing to see that we are giving more consideration to agricultural education. It is rather frightening when one realises that there are 500 new farmers going onto the land every year. Fewer than 100 of these attend a high school which has an agricultural section attached and most of them leave school when they are 15 or 16. I would also point out that only 20 students graduate from the Muresk Agricultural College each year. The remainder of those taking up farming have to learn by experience and from home studies.

Whilst we will probably disagree with the Stern report in its criticism of agricultural sections not being attached to high schools, it is only because the members of that committee consider it is important that we increase our agricultural training at more senior colleges to make it comparable with the training given at the Muresk Agricultural College and elsewhere.

I hope we will see an upsurge and a revision of agricultural education in Western Australia. There are other matters connected with education which I think at this stage are of great concern to the people in the country. One of these is the school bus system. This has worked particularly well in the past, but I can see difficulties arising as some farmers move off their farms.

As the number of students on many of these bus routes is falling off it is becoming apparent that it is not possible for these routes to continue. This is causing tremendous difficulty. It looks as though the whole bus system is degenerating, and I ask the Government to change its criteria which necessitate the taking of a bus off the run due to a lack of numbers.

314

While we are losing some of our farmers off the land there are growing problems for those that remain and I feel the Government should study the high school hostel position, because there is more need for it now than there was ever before.

Previously, many farmers were able to send their children to church schools which ran boarding schools in Perth. But because of the rural recession the farmers are no longer able to do this and, accordingly, they must fall back on the Government school system when they require high standards of education for their children. Of course, we must enable more students to complete their higher education, and to do so, many more must use the high school hostel system.

While up to date these hostels have been run on the principle of these being a home similar to that from which the child has come, those running the hostel system must realise that the church schools have been in the boarding school game for much longer and they have found that the students' spare time must be spent on sport and recreation.

I say this because many mothers are worried about sending their daughters to high school hostels where the children are left to their own devices and are left unattended for long periods of time. Goodness only knows, we must increase our throughput of children completing senior high school because it is rather frightening to know that whereas in England 85 per cent. of children complete their education and in Japan 90 per cent. complete their education, in Western Australia only 25 per cent. of the children complete their education. When I say that I refer, of course, to a full five year high school. Yet we would like to think that these countries are backward in this matter and that Australia is advanced educationally.

Another point which I wish to mention concerns television in the country areas. I am now referring to the outer new land areas. I feel the Federal Government has shown great foresight in extending the television service to country areas before the colour television programme is started. Many of the people in the city do not fully appreciate the implications of a coloured television programme.

When I was in America recently I was living in Beverly Hills—which is probably one of the richest areas—and even there only one-third of the people would have possessed colour television sets.

The Hon. R. H. C. Stubbs: It is pretty expensive.

The Hon. D. J. WORDSWORTH: It is very expensive and not very good.

The Hon. R. H. C. Stubbs: I agree it is not very good.

The Hon. D. J. WORDSWORTH: Nevertheless I do wish to point out the policy of the Australian Broadcasting Commission to the question of extensions to Esperance. The commission is treating that town in a manner similar to those on the gold-fields—and I refer to Kalgoorlie, Kambalda, and Norseman. It is setting up a station which will cover a seven-mile radius and this I feel would be a great injustice. I say this because I think it will split the entire community in that area. Half of the people will have television and the other half will not.

It is difficult for the general public to realise and appreciate the full implications of this. Perhaps I have more insight into the problem than most, because I would probably be the only person present in this Chamber who does not have a television set. I certainly notice the difference when I come to Perth. I do not have things in common with others and it is difficult for me to converse with them on programmes that have been shown on television. It is quite remarkable how much people discuss what they see on television.

I can see this sort of thing happening in the country communities where only half of them will be able to enter into discussions on what is shown on the television while the other half will not. It is almost preferable for them not to have television at all than for only half of the people in the community to have it.

The commission has gone to the trouble to install a repeater station around Wagin and Katanning so those who were previously in a shadow will now get a better service. I do implore the commission to do the same for Esperance. I say that for another reason; as I do not know whether the general public is aware of what is happening to A.B.C. radio broadcasts, because they now only supplement what is shown on television.

It is remarkable how many people do not listen to the radio at all once they have T.V. On Saturday at least one-quarter of the A.B.C. radio time is taken up with racing commentaries. One would imagine we were a group of dedicated gamblers. I admit one might quite easily come to the same conclusion when one sees the policy of the Labor Party towards gambling.

The Hon. J. Dolan: These racing broadcasts have been going on since your party was in Government.

The Hon. D. J. WORDSWORTH: That is so, but now with dog racing we are going to have more of them. The point I am

trying to make is that these radio broadcasts are mainly to supplement the television, and they fit in very well, because the majority of people devote most of their attention to television.

When radio is all which people have it is rather remarkable that they should now try to tune in to commercial radio broadcasts because they find them preferable to the programmes on the A.B.C. With commercial radio at least there are a limited number of advertisements which people feel they can endure more easily than the programmes produced by the A.B.C. which spends more time on racing than is taken up by advertisements and is a lot harder to listen to.

We find that even at one o'clock on a Sunday, which is probably the prime viewing time, the A.B.C. is broadcasting language sessions to new Australians. The commission is not trying to cater for the remote country areas at all because there are so few people without television facilities.

While on the question of the A.B.C., I feel I should mention what appears to be a lack of use of works by Australian musicians. I did not quite appreciate this fact until I travelled with one of Australia's leading composers across the Nullarbor. He pointed out to me how little use the A.B.C. makes of the works of Australian composers, and the consequent royaltles that are paid for overseas works.

I would quote one example and say that the theme song connected with the news takes about one minute and it costs Australia thousands of dollars in royalty. I am sure most of us would agree it would not be difficult to find an Australian composition which would be just as suitable.

I have brought these matters up so as to place them before the Government in the hope that it will give them due consideration, because there is no doubt that they are of vital importance to those who are living in the south of the State.

THE HON. I. G. MEDCALF (Metropolitan) [5.24 p.m.]: I support the motion for the adoption of the Address-in-Reply. This afternoon I propose to go over some well-fallowed ground which, although it has been well fallowed and well sown, has unfortunately never produced a crop.

The problems I wish to discuss were well known to my predecessor in this Chamber, the former member for the Metropolitan Province, Sir Keith Watson. They were also well known to another great parliamentarian who was a former member of this Chamber, and a former Premier of the State. I refer to The Hon. Frank Wise.

In their different ways both these gentlemen, representing different political parties and different groupings in the community, served Western Australia very well indeed. Although their views often differed on many matters they were united in their realisation of the central weakness of the State Government. I refer to the problem of the sources of its finance.

These two former members of the Legislative Council spoke eloquently and forcefully on many occasions in this Chamber on behalf of our State, and although when they first addressed their minds to this problem I was a comparatively young man and not aware of the problems, I have since, I hope—from my association with them and after reading in Hansard what they and others have said on the subject—become conscious of the position; and I hope to be able to add something to what they have said, in an attempt to help bring to fruition this crop, which has so far not shown any signs of life.

On the many occasions on which these gentlemen have spoken on this subject I am humbled to realise that they did so not so much from a political point of view as from a very real appreciation of the interests of the State. They spoke from their hearts and their consciences and I am indeed grateful for the contributions they have made.

I hope those who so blithely claim that the Legislative Council should be abolished will contemplate the great services rendered to this State by these two former members of the Legislative Council; I hope they will ponder the thought that had there been no Legislative Council those members would not have been able to make their contributions, and as a result, the State would have been the poorer indeed.

I suppose that any consideration of this problem—as is the case with the consideration of any problem—depends entirely upon one's point of view. This was well illustrated by Sir Robert Menzies when he was counsel for the State of Victoria before he entered politics, and later as Attorney-General for Victoria, when he fought battles on what he described as the "brutal Commonwealth encroachment on State rights."

Later as Attorney-General and Prime Minister of the Commonwealth he saw things from the Commonwealth point of view. In going over this ground I have tried to be fair in my approach, because I realise there are two points of view. But in the clash of power that has occurred between the Commonwealth and the States since the dawn of Federation, and in what might be described as the debris of State powers left by the various constitutional cases, one inexorable fact remains, that the States still have the duty of discharging the major domestic responsibilities of Government but they lack the wherewithal to do it.

The early history of the Commonwealth bears witness to the struggles between the Commonwealth and the States and the

very rapid change which came over the relations between the Commonwealth and the States in the first 10 years.

The hopes of the founding fathers that there would be an easy relationship between the Commonwealth and the States were not realised. I would like to refer very briefly to some sections of the Constitution to illustrate what they say in their words and what has happened to those words.

Section 87 of the Constitution stated and still states, that for 10 years, and thereafter until the Federal Parliament provided, not more than one fourth of the customs revenue should be applied annually by the Commonwealth towards its expenditure. The balance—that is, three-quarters—was to go to the States.

This was quickly disposed of with the Surplus Revenue Act of 1910 which terminated the effect of that section. That action was perfectly constitutional and that was the end of section 87, for what it was worth to the States.

Section 94 of the Constitution states that after five years from the imposition of uniform duties of customs the Parliament—that is the Federal Parliament—may—and I ask members to note the word "may"—provide for monthly payments to the States of surplus revenue.

The Commonwealth enacted the Surplus Revenue Act in 1908, and established a new practice whereby any surplus revenue was transferred into special Commonwealth trust accounts. Hence, there were no longer any surplus revenues. This practice has been upheld by the courts as being a perfectly valid exercise of Commonwealth power.

Section 96 states that for a period of 10 years after Federation, and thereafter until the Federal Parliament otherwise provides, the Parliament would grant financial assistance to any State on such terms and conditions as it thought fit. It has been generally agreed, by people who have read the debates of those attending the foundation of the Commonwealth, that that section was intended to be only a transitional provision to overcome the disabilities of the bargaining States. It is now a permanent and major flexible instrument of Commonwealth policy and action.

It has been made clear that if the Commonwealth provides a grant to a State, the terms which may be attached to it are entirely within the jurisdiction of the Commonwealth Parliament. It has been held in constitutional cases to be a valid exercise of that power by the Commonwealth. Firstly, although the State is bound to apply the money specifically to an object that has been defined by the Commonwealth; secondly, although the object is outside the powers of the Commonwealth; thirdly, although the payments are left to

the discretion of the Commonwealth Minister and, fourthly, although the money is provided as the Commonwealth's contribution to an object for which the State has also to make a contribution—that is what we have heard termed, "matching grants"—the State is required to put up dollar for dollar to match the money provided by the Commonwealth for an object which the Commonwealth has defined.

The method by which the Commonwealth obtained financial supremacy in the field of income tax is now a matter of history. In 1942 the Commonwealth legislated to take over the taxing powers of the States. The Commonwealth took over the Taxation Department offices in the States—and not only the offices in the sense of premises, but also the officers in the sense of personnel-by transferring them to the Commonwealth, which meant that henceforth there would be uniform taxation throughout the Commonwealth. Previously, separate taxes were levied at different rates by the various States. The Commonwealth rate of tax was sufficient to provide for the wartime requirements, plus what was required to recompense the States for the amount of their own income tax collections.

By using section 96 of the Constitution—which was the grants power—the Commonwealth was able to tell the States that if they refrained from imposing their own income tax they would be recompensed under the grants power for what they would have otherwise received. In other words, the Commonwealth would give grants to the States under such terms and conditions as it thought fit, which were that the States were to refrain from imposing their own taxes.

The legislation was immediately challenged by South Australia, and in the High Court case, South Australia versus the Commonwealth, the Commonwealth's powers were upheld. After all, it was an emergency measure introduced during the war and I suppose most people would agree something drastic had to be done.

As soon as the war was over the then Prime Minister, (Mr. Chifley) announced that uniform taxation would continue in the future. One of the first persons to raise any objection—in our own Western Australian sphere—was none other than the then Premier of the State and a former member of the Legislative Council, The Hon. F. J. S. Wise. On the 17th January, 1946, Mr. Wise wrote a letter to Mr. Chifley and protested at the Commonwealth's action in failing to hand back to the States the taxing power, which had been taken as a wartime measure. What happened on that occasion is also a matter of history. Neither Mr. Wise, nor the State of Western Australia, has ever received any satisfaction as a result of that approach, or as a result of any subsequent approach.

The Commonwealth's uniform taxing power was again challenged in 1957 by the State of Victoria, but with the same result. The Commonwealth's uniform taxing powers were held to be constitutionally valid. So much for income tax; that was the end of State income tax.

I will now refer to the States' power to borrow money. It was way back in 1928 when the Financial Agreement was signed by each of the States and the Commonwealth. Prior to that date it had been the practice of the States and the Commonwealth to borrow separately on the overseas market, in London, New York, or wherever the money could be obtained. The borrowing was done by separate negotia-tion, and that was one of the important functions of the Agents-General representing the States. Some of the States-although this did not apply to Western Australia-sometimes had difficulty in filling their loans and the justification for the Financial Agreement was that by rationalising arrangements the Commonwealth took over all the borrowing on behalf of the States. In the future there was not to be any competition between the States, and that was a reasonable proposition.

In fact, the Commonwealth persuaded the States to sign the agreement on the understanding that it would continue to pay them an annual grant under section 96. If the States had not agreed to sign the agreement that would have been the end of their annual grants out of the surplus revenue which the Commonwealth was previously bound to give back to the States under section 87 of the Constitution to which I referred. The signing of the Financial Agreement is now also a matter of history. A constitutional amendment, one of the only four ever passed, was accepted by the States and the people of Australia. The Constitution was amended to enable the Commonwealth to borrow money on behalf of the States. In subsequent years, whenever there has been a shortfall in the loan market, and the Commonwealth, on behalf of the States, has been unable to borrow the required amount of money, the Commonwealth has made up the difference. In the last 20 years the Commonwealth has made up the difference out of income tax collections, and the Commonwealth has drawn on these loan funds during that time. The Commonwealth's loans have been supplied by income tax collections; all available loan funds have been used for the States.

It is rather strange that the Commonwealth has financed all its loans out of income tax, and when there has been a shortfall, the Commonwealth has supplemented that shortfall by lending back to the State concerned some of the income tax, and charging interest on it. I am no economist but that seems to me to be a most unusual and intriguing method of financing. Nevertheless, these are all

matters of history and I have mentioned them purely with a view to giving the background.

Section 90 of the Constitution sets out that the Commonwealth shall have the exclusive power to levy excise. This is something which the States have tampered with occasionally. However, if the States put their fingers into the excise pie they get a rap over the knuckles. We all know of the recent cases on receipt duty, and the High Court decisions which stated that the State of Western Australia was not able to levy receipt duty because such a levy would contravene the excise power contained in the Constitution. Section 90 of the Constitution gives exclusive jurisdiction over excise to the Commonwealth.

When we lost the power to impose receipt duty, a couple of years ago, we said farewell to another State tax, so do not let us be fooled. In so far as they record the financial dominance of the Commonwealth over the States, the chapters are virtually complete. The book is closed unless we amend the Constitution and reopen it. Because we have said farewell to so many State powers are we also to say farewell to the States? We should not forget we are a Federation and that the States form an integral part—or parts—of the Federation.

Our particular form of federalism is that we have joint Governments; the continent of Australia is governed jointly by the Commonwealth and State Governments. There is a division of powers laid down by the Constitution, and the residue of power belongs to the States. The States still exercise major powers and functions in this country, so far as the domestic responsibilities of government are concerned.

Do we then want the States to continue, and to be deprived of finance? Do we want to hand the States over to the Commonwealth? I say, categorically, we not only want the States, we need the States. Also, the States must be strong. Do we want all decisions of governmentthe domestic decisions affecting the people of Western Australia-to be made 2,000 miles away in Canberra? Do we really believe such a method would retain the confidence of the people in this State? Would we be satisfied to leave our future in the hands of a Government which is 2,000 miles away, and which is so much closer to the major States of the eastern seaboard with all their financial and other influences?

I would like to quote some words of a former Premier of this State who had to consider the Financial Agreement. In the debates leading up to the Financial Agreement, in 1926, on page 119 of Hansard, volume 72, The Hon. Philip Collier said—

In the whole of our dealings with the Federal Government and our attitude to the Federation, our first

duty is to this State and to the people of this State, whether it be the matter of the transfer of the North-West, the abolition of the per capita payments or any other question we are called upon to decide.

A little further in the debate he said-

We could not get the same freedom and opportunities to develop our resources in our own way when controlled from Canberra or from Melbourne as we could if controlled by our own people through the Parliament of Western Australia.

In the same debate—and referred to in the same *Hansard*—his words are echoed by Sir James Mitchell, who shared his sentiments to the letter. That was 46 years ago.

Even Sir Robert Menzies has echoed those words, writing as the former Prime Minister of the Commonwealth of Australia when he said—

The Commonwealth knows that the States are better informed and better equipped administratively and technically in relation to their constitutional functions, their "reserved" or "residuary" powers, and that overall efficiency would suffer from too large a Commonwealth invasion.

That quotation is from Central Power in the Australian Commonwealth at page 108.

Some of these important constitutional functions which are still performed by the States comprise health, education, transport, justice, law and order, electricity, water supplies, police, social services, housing, arbitration and employment, aboriginal affairs, child welfare; and there are many others.

In The Herald newspaper of the 27th November, 1968, Sir Douglas Copland, the noted Australian economist, is reported as saying—

... public opinion, and the responsible authorities in both Governments and private enterprise, have not grasped the importance of the responsibilities that rest with the States under our Federal Constitution.

The States are not only responsible for the maintenance and promotion of basic services, which involve increasing expenditure from day to day, but they also provide the basis for the overall social and economic efficiency which is required for a modern economy.

When the Federal Government is asked to spend money, as it is asked all the time, it quite rightly says, "These are State matters; they are not Commonwealth matters. We cannot spend money on them." I refer to the matters I have just mentioned and a number of others. The Federal Government is quite right in saying they are State matters. Of course, they are. Under the Constitution and under the residue of powers they belong

to the States; so, strictly speaking, the Federal Government is quite correct in saying these matters are not its responsibility but the responsibility of the States.

But how can the State administrations which are set up to deal with these matters—the departments that have been operating since Federation—carry out their functions properly if they are not in funds and if they do not have the assurance that they will have the necessary funds? How can the States, therefore, fulfil their proper functions in an expanding economy and supply the State services which are required? In order to do so, they find it necessary to have almost continuous discussions with Canberra.

There was a time when the Premiers' Conference took place every 12 months and we heard about the annual pilgrimage. It is now a biannual pilgrimage. Every six months for the last couple of years the Premiers have been going to Canberra to plead their causes. The conference has been described, amongst other things, as a charade. It has often seemed to me that it was dreadful to contemplate so many proud State Premiers having to eat such humble pie and ask the Commonwealth for moneys, which were really theirs of right. with which to discharge the functions given them by the people.

The States have been forced to dream up new and exotic forms of tax in order to try to cope with the situation, and the unfortunate citizens of the States have had to pay all sorts of complicated new forms of stamp duty and probate taxwhich were never heard of a few years ago-land tax, regional tax, betting tax, payroll tax, and multifarious other taxes. While this State was a claimant State the Grants Commission it was forced to adopt all the tax subterfuges and devices which were adopted by New South Wales and Victoria, because the Grants Commission supervised us and if we did not adopt their taxes we were penalised every year.

I wonder whether the Treasury officers of the Commonwealth or the States have ever paused and shed a tear for the unfortunate citizen who has to pay all these taxes. The same citizens pay the taxes, perhaps to two different Governments. The taxes come out of the same pockets and are paid on the same moneys. The same moneys are caught for State pro-bate duty and Federal estate duty. The same moneys which are liable for those duties may also be liable for income tax and a great number of other taxes. Without very much stretch of the imagination it can be seen that many taxes are taken out of the same funds received by the one individual.

In the five years from 1959-60 to 1964-65 the total grants from the Commonwealth to Western Australia increased by 38 per cent., but the yield from the limited local tax field available to the State of Western Australia increased by 67 per cent. in those five years. Thus, the Commonwealth grants increased by 38 per cent. and the State increased its taxes by 67 per cent. The story is much the same in all the other States. In the same period the total yield from Commonwealth taxation rose by 64 per cent. overall. I believe there is no justification for further increases in State taxes while Commonwealth income tax remains at its present high level.

I would like to quote a telegram which was sent by my predecessor. The Hon. Keith Watson, to the Prime Minister on the 17th September, 1969. It reads—

The Rt. Hon. John G. Gorton, Prime Minister, Parliament House, Canberra.

As those unprincipled turnover stamp duties imposed by the States were necessitated through gross inadequacy of income tax reimbursements the responsibility for quick and fair solution to this week's special budgetary problems of States rests, I respectfully suggest. fairly and squarely on you and Treasurer McMahon and could readily be removed or at least temporarily bridged by your promptly using broadsword and agreeing that three quarters of this year's income tax collections will, as a basic grant, be returned to the States stop I have long held this view and have yet to see it reasonably refuted stop See my speeches Legislative Council 18th October and 22nd November 1966 and 25th October 1967 stop Abandonment by the States of all income tax and sales tax elements in stamp duties to be an essential condition of the scheme stop Taxpayers are entitled object to being taxed twice for the same services

Keith Watson

I will quote briefly from some of those speeches which were mentioned by Sir Keith Watson in his telegram to the Prime Minister. The first reference is to volume 174 of *Hansard*. At page 1432, when speaking on the Supply Bill, The Hon. H. K. Watson said—

It was on the 21st August, 1900, that the Parliament of Western Australia passed an Address to the Queen informing Her Majesty that the people of Western Australia had agreed to join the Federation. I was not then in Parliament. But I was born on the following day; and when I heard of the Address, I kicked the bottom out of my cradle.

#### At page 1433 he said-

I dealt with this question rather extensively in my speech to the Addressin-Reply on the 4th August, 1948. Most of what I then said could be repeated today. But I will not do so except to mention that on that occasion. I

pointed out that prior to the introduction of uniform taxation in 1942, three-quarters of the total income tax collected in Australia was State income tax and one-quarter was Commonwealth income tax, and by all the laws of reason, justice, and common sense the States should continue to receive three-quarters of the total amount collected from income tax under the combined uniform system.

Reviewing that proposition after the passage of 18 years, I can still say the proposition was a sound one and the refusal of the Commonwealth to face up to it, and the failure of the States to insist upon it, is largely responsible for the financial predicament in which the Treasurers of all Australian States find themselves today.

## At page 1436 he said-

I would remind every member in this House that the interests of the State are above party, irrespective of whether or not the Minister in Canberra who is being criticised is a member of the party to which we belong.

The Commonwealth Government continues to spend and spend and spend and spend at an ever-increasing rate. For that purpose, its taxation collections have, as I have said, doubled within the past 10 years.

From The West Australian of the 10th September last, we learn that President Johnson has ordered a cut of many thousands of millions of dollars in the United States' federal spending. In an Australian operation of such refreshing nature to ensure sound and economic government, there is ample room—and without fear of much public disputation—for our Federal Treasurer to go all the way with L.B.J—and to go part of the way with H.K.

It is a refreshing reminder that this matter is above party politics and is one on which all members of the State Parliament should be united in seeking to obtain a justifiable means of ensuring that Western Australia has adequate money for its constitutional requirements. But we still have no access to a growth tax.

It is true that the Commonwealth permitted the States to take over payroll tax last year, and that the States assumed control of payroll tax and passed legislation to that effect; but although that was called a growth tax, the only evidence of growth so far is the increase in the percentage rate from 2½ per cent. to 3½ per cent. I would hardly call that the proper kind of growth because a growth tax is really a tax that grows in accordance with the way the economy and society grow, so that with an expanding economy and society the Government has

enough money to cater for its expanding needs. That is a real growth tax, and payroll tax will never fulfil that role.

The Hon. A. F. Griffith: The States let the Commonwealth put it over them on that.

The Hon. I. G. MEDCALF: Payroll tax will never fulfil that role for the simple reason that it will never be adequate.

The Hon. L. A. Logan: Stamp receipt duty was the right one.

The Hon. I. G. MEDCALF: Payroll tax is a bad tax because it is a production tax. It is levied on the production of goods at their source and the price to the public is increased because of the payroll tax, which is one of the expenses of production. In addition, it is an inflationary tax. By adding to the price of goods it promotes inflation in the demand for higher wages, and other inflationary pressures.

Payroll tax is also unsatisfactory because it is a tax on employment. It is a tax on the amount of wages or salaries paid to employees by an employer. That is a tax on employment, and in these days of inflation and unemployment problems it is one of the worst of the taxes we have been lumped with. I do not believe for a moment it will ever be found that payroll tax can be considered by the States to be an adequate growth tax. It will not be the answer.

In saying this I am not really being critical of the Commonwealth or State Governments. I believe the States had no choice at the time but to accept payroll tax. I think I made that clear when we discussed the matter last year. On the other hand, I think one must also say the On the Commonwealth did not have to hand this tax over. I am perfectly serious in saying the Commonwealth did, in fact, act quite handsomely in the matter of payroll tax. The Commonwealth Government agreed to pay the additional loss entailed in the States excluding local authorities from paying payroll tax. In addition, the Commonwealth Government agreed to pay the administrative costs of the States in collecting the payroll tax. I think the Commonwealth acted with perfect propriety and quite handsomely, but payroll tax is not the answer we are looking for. It is only a temporary palliative and will not provide the solution to the States' financial problems. This State must have access to a real growth tax. I am not sure whether Mr. Logan referred to sales tax.

The Hon. L. A. Logan: I referred to the stamp receipt duty which the High Court ruled out of order.

The Hon. I. G. MEDCALF: Yes, it was ruled out of order.

The Hon, L. A. Logan: It should not have been.

The Hon. I. G. MEDCALF: As far as sales tax is concerned, there might be a solution if the Commonwealth levied a national sales tax. Section 92 of the Constitution forbids the States levying sales That section provides that trade. commerce, and intercourse among the States shall be absolutely free, which means the States cannot levy their own sales tax, which would impede free trade among the States. However, the Commonwealth could levy national sales tax in particular categories and pay the funds over to the States on an agreed basis or formula. That could be done. I am not suggesting it is the answer, but it has been put forward by some as one means of securing a growth tax. It is only partially the answer.

The real growth tax is the income tax. That tax grows every year through no act on the part of the Commonwealth. The Commonwealth does not need to increase its rates of income tax. By virtue of the increase in income throughout on and the increase in income throughout the community there is an automatic growth in the amount of tax received by the Commonwealth. Therefore, it seems to me that some reasonable scheme for sharing this income tax should be devised between the Commonwealth and the States. I believe that such a scheme should be and is quite capable of being devised.

At the February, 1970, Premiers' Conference proposals were made for a scheme whereby the States should have access to income tax broadly along the lines of the system operating in Canada, but adapted to Australian circumstances and to the recognised needs of the Australian States. The Commonwealth rejected the proposals but indicated subsequently that the Treasury would examine alternative possibilities for new growth taxes for the States. Out of this came the arrangement whereby the Commonwealth returned payroll tax to the States.

I believe the Commonwealth was no doubt justified in raising objections to the adoption of the Canadian system of taxing for two reasons: Firstly, adopting the Canadian system would have defied the uniform tax principle we have in Australia whereby throughout the Commonwealth all people pay the same rate of income tax. In Canada different rates of tax are paid in different States. Therefore, the first principle of uniform tax would be broken. Secondly, it would have been unconstitutional for the Commonwealth to have levied such a tax because section 51 of the Constitution provides that there must be no discrimination in taxes between the States. But perhaps the proposals, involving as they did "adaptation to Austra-lian circumstances" were too readily dismissed by the Commonwealth Treasury.

It would not appear impossible to devise a scheme of income tax-sharing between the Commonwealth and the States whereby a more or less fixed percentage of the tax revenue which the Commonwealth receives is earmarked for the States. The alternative possibility, of course, which the Commonwealth Treasury officers were asked to look up, emerged in the following year as the payroll tax. I have already dealt with that, and it can never be regarded as a proper and sufficient growth tax.

It is a matter of coincidence and interest that the States now receive about 50 per cent. of the total Commonwealth personal income tax revenue in the form of financial assistance grants, which is the modern way of saying "tax reimbursements." Why not allocate an agreed percentage of that revenue to the States as of right, thus assuring them of their growth tax? It is being received now by the States, but there is no assurance of it; it is a hand-to-mouth operation. It would seem not at all impossible that the States and the Commonwealth could work out some reasonable basis of assuring the States of this income.

As the Commonwealth's revenues go up. so will the States' revenues, without the half-yearly spectacle of Premiers pleading to the Commonwealth for money to carry on the essential day-to-day business of running the country. There would still be only the one tax return for an individual to complete; there would be no additional State income taxes; the tax would still be collected by the Commonwealth Taxation Department: indeed there need be no change in the methods of assessment or collection: the principle of uniform tax would not be violated as it is in Canada; there will simply be an allocation of a percentage to the States as a matter of right.

Sitting suspended from 6.05 to 7.30 p.m.

The Hon. I. G. MEDCALF: Before the dinner suspension I was saying that it was necessary and desirable that the States should participate in a tax-sharing scheme with the Commonwealth; and that as a matter of right the States should be assured of a more or less fixed percentage of the Commonwealth taxation revenue. Such a scheme has been put forward by Professor Prest who is now the Dean of the Faculty of Economics at the Melbourne University, and who was formerly a member of the Commonwealth Grants Commission. Professor Prest has said that the disparity between the Federal and State revenues, compared with their responsibilities, is greater in Australia than in any other Federaton, and that the proposals for a tax-sharing scheme between the Commonwealth and the States need not impair what is called the Commonwealth stabilisation power. That is the power to stabilise the economy by using the taxing measure.

The Commonwealth has frequently complained that it lacks the complete power to control the economy. Under the Constitution it has a banking power, a taxing power, and various other financial powers which I have discussed; but we are frequently told that the Commonwealth has no power over the fringe institutions and has no power to control the economy, but it can still use its taxing power to control the economy.

Even if we had a tax-sharing scheme whereby a percentage goes to the States, provision could still be made for the imposition of a Commonwealth surcharge for the purpose of stabilising the economy, or for the purpose of meeting national emergency brought about by war or some other cause. So it is no objection to this scheme to say the Commonwealth must have reasonable control over the economy.

As a corollary to this scheme and as a condition for the success of it, I firmly believe a greater attempt must be made to eliminate wasteful Government spending, than there has been in the past. There are some people who believe that no Government spending is wasteful, because such spending creates employment; but I am not one of those people. I believe there is a certain type of spending which is unproductive or duplicative such as, for example, where there is a Commonwealth department engaged in obtaining estate duty and there is also a State department engaged in exactly the same process on behalf of the State.

We have already seen that the Commonwealth Taxation Department can take all the income tax that is required for both the States and the Commonwealth: there is only one department. Why therefore should we have two departments in respect of death duty? I mention that as an illustration of duplicative or wasteful spending, and the Commonwealth is far more vulnerable than is the State as far as waste is concerned, because the Commonwealth has far more money to make use of. I think that every member of this Chamber at one time or another would be aware of instances of wasteful Government spending; and there is far more evidence of this in the Commenwealth than in the State, because the State is forever tightening its belt against financial crises.

I do not minimise the difficulties in getting the Commonwealth and the States to agree to a proper tax-sharing scheme which will recognise their different responsibilities and functions. However. of the problems failing to agreement are with us now. The system that has operated in the past, and the formulas under which the Commonwealth and the States have been working have virtually broken down. Anyone who does not believe that assertion should examine

322 (COUNCIL.)

the present hotch-potch set-up of frequent grants coming back to the States every six months or so from the Commonwealth. It seems there is one emergency after another, and there is the spectacle of the Premiers constantly departing hotfoot to Canberra to persuade the Commonwealth to give another grant for this or that purpose to tide them over. So. we have a hotch-potch of Commonwealth subsidies at the moment, and the States are rapidly reaching a state of stagnation, and the public who are spectators and the losers in the present political tug-of-war are reaching a state of frustration. The taxpayers are not apathetic and they expect Governments to give a lead.

This is a real challenge to all Governments to try deliberately to give a lead, and to endeavour to co-operate. If one is party to a Federation one must co-operate with the other parties in that organisation. If this were a unitary form of government, as exists in the United Kingdom, we would not need to worry about co-operation with the other Governments, because there would be only one Government; but where there is a series of Governments, as in Australia, with different levels of responsibility, tasks, and duties, there must be co-operation.

The real challenge of Federation is summed up in the one word, "co-operation." Governments should not forget they are merely the instruments of the people's will. They have no divine right of their own; they are merely elected to govern and the people expect them to govern. The people who have created the Federation of Australia expect the Commonwealth and the States to co-operate.

I therefore welcome two very recent which have occurred. developments first is the announcement the Prime Minister (Mr. McMahon) of the establishment of a research centre at the Australian National University under the guidance of academics and former senior public servants to investigate all aspects of Federal and State financial relations. which has been charged with the task of producing solutions of the Commonwealth-State financial impasse as a matter of urgency. This is a welcome indication that the Prime Minister recognises the depth and the nature of the problem, and is prepared to do something about it.

The other recent development is the proposal by the Victorian Premier (Sir Henry Bolte) that all-party delegations from all Australian State Parliaments should meet at a States' convention with a view to overhauling the Constitution; and this proposal has been taken up by all the State Attorneys-General. I gather that one of the principal tasks of this convention will be to correct some of the shortcomings in the financial situation of the States in relation to their taxing powers. I have already attempted to indicate what some of these are.

I would like to quote once again a statement made by Mr. H. K. Watson, as he was then, recorded on page 1607 of the 1967 Hansard. On the 25th October of that year he is reported as having said—

Mr. Renshaw, the Leader of the Opposition in New South Wales, has been instrumental in arranging a conference next month between Federal A.L.P. leaders and State A.L.P. leaders, to discuss this very question; and that Mr. Holt has likewise arranged with the Liberal State leaders to discuss the same question on a date still to be fixed.

For myself, I remember similar conferences being held during the last 40 years and I would prefer to see the first meeting, at any rate, attended by the Premiers and the Leaders of the Opposition of all the States, because I think we have to face up to this: Unless the Premiers and the Leaders of the Opposition in all of the States are unanimous, one's case is half lost before negotiations are commenced with the Commonwealth, One way or the other, I do hope these conferences-either or both of themwill achieve some real and lasting benefit for the Federation and the States which are members of the Federation.

I would also like to refer to an address which was given to the Australian Law Convention in Adelaide on the 30th November, 1967, by the then Mr. P. D. Durack now Senator Durack, and Mr. R. D. Wilson, Q.C. who is now the Solicitor-General of Western Australia. This appears on page 237 of volume 41 of The Australian Law Journal, 1967—

We propose that a new provision be inserted to secure for the States in the future what s. 87 secured for them over the first ten years. On federation, the Commonwealth became the sole recipient of all customs and excise revenues, which then represented the great bulk of all revenues. Section 87 preserved to the States for a period of ten years a fixed percentage, namely 75% of these revenues. We suggest that what is required of the constituframework today ís guarantee to the States of a source of revenue of a growth nature, say a fixed percentage of the total revenue accruing to the Commonwealth each year from income taxation. The precise percentage, of course, would be a matter for agreement. We understand that the West German federal constitution provides for the return to the States of a fixed percentage of revenue.

If the States do not receive an adequate share of the total revenues raised throughout Australia, the danger we see is not that the Commonwealth will steadily extend its control, thereby moving us closer to a unitary form of government, or that the States will embark upon the imposition of new and heavier imposts on the people, although both these are possible. The danger is that nothing or very little will be done at all and that the real and proper demands for better homes, schools and hospitals and a faster rate of development will be denied.

The dangers referred to by these gentlemen are very apparent and indeed are with us now, and therefore I believe it behoves the members of this Parliament to do whatever they can in their various and perhaps small ways and to direct their efforts towards getting a real assurance of guaranteed funds for the State of Western Australia.

However, I do sound a note of warning. One must not content oneself by talking on a high plane about co-operation and constitutional matters, without getting down to tintacks. The scheme for tax sharing is not enough unless there are, in fact, proper constitutional safeguards; and, first of all, there must be firm arrangements between the States for a division of the taxes in their own hands if, in fact, the States receive a percentage.

The traditional formula which has been applied in the past may still be of use as a starting point; that is, the traditional formula used by the Commonwealth for parcelling out moneys to the States, and the formula would still have to be supplemented by other Commonwealth grants. However, a formula which is too fixed and too rigid can work against the States which most need assistance. Let me illustrate that by referring to the formula which was adopted when the States and the Commonwealth signed the Financial Agreement for the raising of loans.

The formula was in these terms: That one-fifth of the revenue raised in loans should go to the Commonwealth, and the other four-fifths should go to the States to be shared among the States in proportion to the loans they had raised in the previous five years. On each occasion when the States and Commonwealth met to parcel out the loan moneys there was always argument between the States as to how much each one was to get.

When they finally could not make up their minds, the Commonwealth would solve the argument by simply saying, "All right, if you do not agree about what you are to take, we will apply the formula," and that meant the Commonwealth took one-fifth and the others had to divide the remaining four-fifths in proportion, according to the way in which they had raised loans in the previous five years.

This, of course, would have worked against the smaller States so the smaller States in the long run always had to agree with the Commonwealth. We must be very careful about adopting a formula.

I do not minimise the difficulties, but it is necessary that constitutional safe-guards be worked out to protect the smaller States. When I refer to the smaller States I am referring to the population and cash resources rather than to the areas; but I have in mind more particularly the State of Western Australia.

Therefore real problems exist; and probably the Comonwealth will always have to remain the arbiter between the States. Someone must solve these problems and perhaps the Commonwealth or an instrumentality of the Commonwealth appointed for this purpose will have to remain the arbiter—or even an instrumentality ap-pointed by the Commonwealth and the States. Some way must be found by which a decision can be made which is fair to the smaller States, and it will have to be built into any constitutional change. would be no good adopting a constitutional change which would put the smaller States in pawn to the larger ones. In addition, there will have to be a means by which to change the formula as a result of changing circumstances with provision for flexibility, because a rigid formula could in no time at all prove unworkable.

This problem of reaching agreement between the States is just as real and enormous as the problem of getting the Commonwealth to share its taxation. In effect two distinct problem areas must be overcome in connection with any proposals for income tax sharing. That does not cut down in any way what I have said about the necessity for the States and the Commonwealth to arrange for a proper shared income; but I do sound the note of warning that the basis on which the States share this percentage must be agreed between the States in advance, and let no-one go to the proposed constitutional convention thinking he can agree on a tax-sharing formula with the Commonwealth unless that formula is first agreed between the States.

However, I believe that there is at last a glimmer of light in the murky darkness; I hope that we are now on the threshold of a new, healthler, more dignified, and truly federal relationship between the Commonwealth and the States which created it and which justify its continuing existence.

THE HON. J. HEITMAN (Upper West) [7.48 p.m.]: Like the previous speakers I support the motion for the Address-in-Reply to the Governor's Speech and, like those speakers who have referred to problems in their electorates, I too will have something to say about the area I represent.

First of all, however, I wish to refer to the Governor's Speech. I admit we must agree with most of its contents, but one particular paragraph which rankled me a little reads—

Since more effective enforcement has been achieved by Police Department patrols where Local Authorities have voluntarily relinquished control, legislation will be introduced for progressive take-over of traffic control from country Local Government Authorities.

I do not know by what stretch of the imagination anyone can believe better traffic control has been achieved in those areas taken over by the police. If it has, the control must have been mighty poor before the police took over.

In Broome the shire clerk was a man called Mr. Drysdale and he was not worried so much about traffic control. He tried to achieve the control himself the same as he tried to do everything else himself, and before he left he persuaded the police to take over the traffic control. It would not be hard for the police to do a better job than he had done.

Mr. Drysdale then became the shire clerk at Esperance and it was not long before he talked that shire council into asking the police to take over the traffic control in its area.

Merredin is another area which the police have taken over, but I have not heard of anyone in Merredin agreeing that the control is any better than it was previously. The only difference is that far less patrolling has been carried out. This applies in many places in the south. For instance in one shire when the control was carried out by the shire inspectors they did something like 5,000 miles a month whereas I understand that in the first three months after the police took over the area they did 28 miles of patrolling. The Governor's Speech continues—

Recognising difficulties accruing to Local Government Authorities from higher wages bills and rural recession, the Government co-operated with the Commonwealth in removing the burden of Payroll Tax, and is distributing \$500,000 this year from a Local Authorities' Assistance Fund.

I think that is quite true. The Government is possibly doing this. However, the Speech made no mention of the fact that the Government raised the payroll tax from 2½ per cent. to 3½ per cent. The Government has also exempted local authorities from paying the tax; but, like Mr. Medcalf, I cannot believe the payroll tax has ever been fair and equitable. When a tax is placed on wages the result is increased inflation and increased prices for all commodities. The Government has certainly gained more money as a result of the payroll tax, but that tax is a very objectionable one and should not be imposed.

Surely we could introduce another fairer and more equitable tax. Of course I realise that the Federal Government had imposed this tax on the people for many years. I can remember that at every local authority conference held in Perth during the 20 years I was associated with local government, motions were passed requesting the Federal Treasurer to abolish the payrolitax—at least on local government authorities and Government departments. With three branches of government, surely one branch should not impose a payroll tax on another branch which is virtually doing the same work. It is ridiculous when we come to think of it.

I now wish to deal with the shortage of water in the area I represent. The Carnamah, Coorow, and Bindi Bindi districts are very short of water this year. Fortunately water has been found in good quantities out of Winchester and this has only to be piped to relieve the situation in these districts. I just hope that while this Government is in office it will provide the means to do this and thus give these towns an adequate water supply. It is not good when a town is rationed every year and stock must exist on salty water. In addition, particularly in the Bindi Bindi area, many farmers are growing wheat, barley, and other cereals. In fact, right throughout the whole area 55,000 acres is at present used for this purpose as the water is too salty to run stock.

One particular area is frightfully short of water and although protests have been made in the last five or six years, an adequate water supply has not been provided and there seems no prospect of its being provided in the near future.

Like many other speakers I would like to comment on the Stern Committee's report. It was very good and was the result of a tremendous amount of study. I cannot say I agree with all its contents, and I do not know whether the Government will adopt all its recommendations; but it is a very good report and it covers practically every phase of agricultural and secondary education in country areas.

The report recommended that all farming areas attached to agricultural colleges should be sold and the local farmers in the area should be included in the scheme to help with this type of education for those attending the schools. It is also desired that any child wishing to gain an agricultural education should first do his Leaving and then go on to Muresk or some other similar college. This is a very good idea. We should all aim for a higher education for our children, their children, and their children's children. In the past this has not always been possible in the farming areas because the parents required the children to work on the farm and the children themselves desired this instead of

continuing at school. So, by the time a child was 15 or 16 he was working on the farm.

Those who did go to Muresk eventually returned to the farms at the age of about 18 or 19, but they were greatly improved and had a greater knowledge of what they should and should not do on the farms. This is the right attitude, but I hope that we will not forget the great benefit derived by those who have gone to the lesser schools like Narrogin, Cunderdin, and Harvey. Whether these students have become farmers here or have gone overseas, their training has been of great benefit, because instead of going on to a farm and wrecking the plant, they have had some knowledge of how to look after and maintain it, and of how to weld. They definitely make better farmers and have more knowhow.

Mr. Perry referred to farm advisers, and I agree with what he said. They came on the scene just before the recession commenced and because they were able to submit a very good case for loans to financial institutions and to the Commonwealth Development Bank, the loans were granted. However, one point they appeared to overlook was that the loans eventually had to be repaid, and when the recession commenced the farm advisers walked out in many cases and left the farmers and the banks to sort matters out for themselves. In some instances other farm advisers took over and some eventually found a job with a bank or some other institution rather than face the fact that they had made a mess of the whole show.

Those farmers who had not avalled themselves of the services of a farm adviser were very much in front of those who had. Only five or six of the farm advisers that I know really knew their job inside and out and made a success of it. They were not all duds, but many of those coming from New Zealand and England did not have enough practical experience of farming to be able to achieve any success.

As Mr. Perry said, one of the first pieces of advice given to the farmers was that they should get rid of their cattle and run sheep and grow plenty of wheat. The only advantage those who took the advice gained was that they obtained a better quota because their wheat history was a bit better than if the farm adviser had not been consulted. However I do not consider that the advisers were worth the money paid to them and I feel sure that if conditions improve in the agricultural areas and these advisers return they will have a much harder job than they had in the past to persuade farmers of their worth.

Goats have caused a great deal of trouble on the large stations in the area. In the past, station owners have been able to set traps in the summer time and have either sent the goats to Robb Jetty or to Midland to be slaughtered or have sent them away alive to Asian countries. As a matter of fact the last shipment brought much more than the sheep which the stations are supposed to be running.

However, goats are classified as vermin and station owners have experienced a great deal of trouble with the Agriculture Protection Board over selling something which is classified as vermin. these times we can overcome this kind of problem. Goat meat is very good if people Like the kangaroo trade, goats like it. should be harvested instead of destroyed by poison in station country. We should look into this and endeavour to establish at least one or two killing works to slaughter goats for export. In this way some benefit would be derived from the goats that roam in pastoral areas.

From time to time pastoralists think they have cleaned up the goat population by their trapping. They set traps in the water supplies and, as the goats jump in to get to the water, they are locked in and cannot jump out again, because of the way in which the gates and ramps are fixed. Pastoralists have exported the goats, as I have said, and this has been quite lucrative. I would like the Government to look at this to ascertain whether there is any way of having goats slaughtered and sent across to countries which like goat meat.

To continue with the problems of the farming community, I would like to mention that every farmer to whom I have spoken wants to see the Murdoch University established as quickly as possible and their particular interest is centred around people who wish to train to become veterinarians. I have received quite a number of letters from different people who are interested in seeing the Murdoch University established, and I should like to quote an extract from one of those letters which is as follows:—

It is obvious that more veterinarians will be required in W.A., because of the upsurge in the beef cattle industry, and the necessary abattoirs. Today's A.B.C. Country Hour gave the increase in numbers of beef cattle in Australia over the past five years as 50 per cent. and the signs are for cattle numbers to continue to increase, to fill the increased U.S. quota, also our present 90 per cent. share of the Japanese market, and the anticipated Russian purchases.

My concern is that migrant veterinarians (English and Scotch) are filling these positions, when we have many young people longing to join this profession, through their association with animals and rural life, but are unable to do so through lack of facilities.

Enquiries at the W.A. University this year revealed that 28 students are studying a First Year Vet. Science qualifying course for Queensland and Melbourne Universities. There may be one place available at Melbourne, and five places have been reserved at Queensland, to be shared by S.A. and W.A., so our students have little chance of doing this course. The W.A. Department of Agriculture is not offering any Cadetships this year, which would allow perhaps two W.A. students to attempt the course, if they can finance their effort.

It would seem appropriate to hasten the start of Murdoch University to create employment first and secondly fill the need to train our own students, who would possibly return to their own environments and be content there, a point overlooked with many professional migrants.

As I have said, I have received several letters of this nature, a fact which shows that people in the country are most anxious to see a school of veterinary science established where students from Western Australia might be trained and, as stated, subsequently they could return to the part of the country from which they came where, in all probability, they would be quite happy to practice forever more.

The Hon. V. J. Ferry: The present Government does not seem keen to hasten this along.

The Hon. J. HEITMAN: If the Government is encouraged it may look in this direction. Everybody must know that if we hasten the start of the Murdoch University we will have a better chance of promoting more work and saving more stock in country areas. There is not a veterinary surgeon within 100 miles of where I live.

To get a veterinary surgeon down is time-consuming and costly, because one must pay for mileage as well as the treatment of the animals. In many cases people allow their sheep to die rather than get the "vet" in. I know on several occasions in the past I have wanted a "vet" but the time factor has been too long. Sometimes it is necessary to wait a week to enable the "vet" to fit in a visit with everything else he has to do and, in the meantime, one continues to lose more sheep. I think the establishment of a veterinary school is something we should seriously consider and foster as much as we possibly can.

As I have nothing else to worry members with I shall support the motion.

Debate adjourned, on motion by The Hon. J. Dolan (Minister for Police).

House adjourned at 8.07 p.m.

# Legislative Assembly

Tuesday, the 28th March, 1972

The SPEAKER (Mr. Norton) took the Chair at 4.30 p.m., and read prayers.

## QUESTIONS (24): ON NOTICE

#### VETERINARIANS

University Courses and Cadetships

Mr. BROWN, to the Minister for Education:

- (1) What universities in Australia have schools of veterinary science?
- (2) Have Western Australians the opportunity of entrance to any of them?
- (3) Are cadetships available to Western Australians?
- (4) How many applications for entrance have been made from this State in 1968, 1969, 1970, 1971 and 1972?
- (5) How many were successful and to which universities were they admitted?

Mr. T. D. EVANS replied:

- Melbourne, Sydney and Queensland.
- (2) Very limited entrance today.
- (3) Cadetships have been available but it is understood that none is being offered this year.
- (4) and (5) Reliable information can be obtained only from the universities of Melbourne, Sydney and Queensland.

## 2. THOMAS STREET AND WINTHROP AVENUE

Median Strips

Mr. HUTCHINSON, to the Minister for Works:

Is it intended to improve the aesthetics of Thomas Street and Winthrop Avenue by the planting of shrubs, trees, etc., in the median strip?

#### Mr. JAMIESON replied:

Thomas Street and Winthrop Avenue are the responsibility of the local authorities—the Perth City Council and the Subiaco City Council.

In 1968 discussions took place between representatives of these councils and the Main Roads Department with the object of preparing an improvement plan for the median strips on both Thomas Street and Winthrop Avenue. It was agreed at the meeting that a plan would be prepared by the Perth City Council, but this has not yet been done.