

on mental health. That is roughly \$2.56 billion, and yet other First World countries spend between 10 and 14 per cent of their total health budget on mental health. That is a concern and something that needs to be addressed by governments of all persuasions, state and federal.

There was a report that detailed this, which was written by the Mental Health Care Council of Australia, called 'Out of hospital, out of mind!' It spoke about the extent of mental health problems within our community. Approximately 20 per cent of the population experience a mental health problem such as an effective anxiety disorder or substance abuse disorder each year. Fourteen per cent of Australian children and adolescents experience mental illness, and three per cent experience serious mental illness. Of the 2,454 people who died by suicide last year, most had a mental illness. I think it is incumbent upon us as a community, as politicians and as governments to put more funding into mental health so fewer people die and there is less social wreckage that occurs as a consequence of something that we should be addressing as a front-line issue.

#### **Trade: Ugg Boots**

**Mr BALDWIN** (Paterson) (9.14 p.m.)—Tonight I would like to draw the attention of members to a problem that has bewildered many Australians in this country, and that is the problem of our manufacturers in using the term 'ugg boots'. 'Ugg' is one of the many terms that go to the core of our own Australian identity. Like the words 'ute', 'meat pie' and 'kangaroo', ugg boots are a part of our Australian culture. They have gone from our farms to the surfer culture and through to the catwalks overseas for the very rich and famous. Yet the problem facing our manufacturers of ugg boots is that the word 'ugg' has been trademarked by an American company, Decker Outdoor Corporation. That means that any Australian company that dares use 'ugg' to promote or market its product faces legal action.

This has put the Mortel Sheepskin Factory in Ruthersford, which employs a number of people from my electorate, in a very difficult situation. Last year, through advertising on the Internet, it had received many orders but, along with those orders, came legal notices to cease selling under the name 'ugg boots'. The number of orders that Mortel has taken since this began late last year has dropped significantly. Tony Mortel and his family have been unable to market their products, particularly overseas where there is a huge export potential for these fine Australian products on facilities like eBay, in fear of litigation. It will cost them around \$300,000 in turnover from the beginning of December last year to the end of April this year, during which period they were considering employing an extra three people to cope with the level of orders that were coming.

There are a number of different variations of the word 'ugg' that companies like Mortel cannot use. The words 'ugg', 'ugh' or 'ug' cannot be used—and they cannot be used in 25 countries around the world. Like many people I have spoken to, I find this a ridiculous situation. Another Australian company that has been making ugg boots for some 30 years in Dubbo, Westhaven Industries, also finds this a ridiculous situation. Westhaven Industries is a non-profit organisation that employs the intellectually disabled. They have also been sent threatening letters saying that they must stop using the word or face being sued.

These two companies were making ugg boots with Australian wool from areas like yours, Mr Speaker, long before ugg boots became fashionable in the USA; yet Australian companies are in a situation where jobs are at risk and copies of our ugg boots are being made overseas. Consumers overseas should also be warned. It is very easy to assume that, when you buy an ugg boot, the product is made in Australia of fine Australian wool. But this is not the case, and consumers should know that some ugg boots being hailed as Aussie ugg boots overseas are nothing of the sort.

This has created an air of disbelief for local companies that have been using this generic term for decades. How this got through US trademarks is very questionable indeed. Certainly the term 'ugg' has been used in a generic sense for many years in this country. For an American company to do this to Australia is like an Australian company trying to buy the trademark 'cowboy boot'. Here we have the word 'ugg', which has been used in a generic sense like you would use the word 'watch' or 'jeans', being blacklisted for Australian companies when in fact it was companies like Mortel Sheepskins that first coined the name many years ago. I am sure that Frank Mortel cannot believe this situation has occurred. He set up the business in the 1950s selling ugg boots, and now his son Tony and daughter-in-law Stephanie are carrying on the tradition with their family.

I understand that Australian companies are seeking legal advice on how they may have this trademark ruling overturned in the US, and I support them thoroughly in that effort. To think that the word 'ugg', which was listed in the *Macquarie Dictionary* in the early eighties as a generic term, can now be taken away from Australian companies that developed ugg boots in the first place is outrageous. Even Macquarie has been forced to change its dictionary description after threats of litigation. This is a very sad situation for Australian ugg boot manufacturers, who have made their living off one of Australia's unique icons, using the highest quality material through merino sheepskins. I support the efforts being made by the coalition of ugg boot manufacturers to get this trademark removed in the US—to protect local jobs and Australian products.