

'Carr drives commuters off the rails' and 'Rail in crisis'. Train commuters now face daily rolling stoppages and hour-long delays due to the Labor government's mismanagement. Add this to the ever-increasing fares and you have a system that simply is not appealing.

I have started lobbying Bob Carr to improve the rail system—to meet the current demand for better and more drivers on the system and to deal with other short-term issues like security—so that rail commuters do not have to walk away from the system and take their cars to work. But he also needs to look at the long-term issue of getting more and more people onto the trains. He needs to introduce express trains from Campbelltown—(*Time expired*)

Australian Sheepskin Association

Ms JACKSON (Hasluck) (9.20 p.m.)—The issue I will address tonight is one that presents a choice for the Howard government—that is, to back either corporate America or Australian small business. I have previously advised the House that a US company, Deckers Outdoors Corporation, is demanding, with the threat of legal action, that Australian manufacturers and distributors of ugh boots immediately cease and forever refrain from advertising, promoting, marketing, distributing and/or offering for sale their goods by reference to the word 'ugh' or any other name incorporating the word 'ugh' or its alternative spellings 'ugg' and 'ug'. Potentially hundreds of Australian small businesses and families now face hardship through loss of distribution outlets and sales, despite having traded using the word 'ugh' for decades.

The families whose livelihoods depend on the ugh boot industry do not expect the government to fight their fight for them or have the solution handed to them on a platter. These people are the kind who know that you rarely get something for nothing. They are not standing back and letting things happen to them—far from it. They have united to form a national association called the Australian Sheepskin Association. The ASA has already established a fighting fund to cover the legal fees which have and will be incurred. My office has been in contact with the ASA. They have recently received their first legal bill for \$12,000 and they expect another for \$2,000 this week.

These people are real Aussie battlers who are not going to back down from a fight. The ASA is doing its part and it is about time this government weighed in with its support. Unfortunately, it looks like the government is quite happy to give way to the US corporation. I have written to the Minister for Industry, Tourism and Resources, the Hon. Ian Macfarlane, regarding this issue. I finally received a response last Wednesday from the Parliamentary Secretary to the Minister for Industry, Tourism and Resources, the member for Leichhardt. Prior to this letter, the closest I got to a reply was a media report that quoted a spokesperson

for the minister, who said it was inappropriate to intervene in what was 'a private legal matter'. The parliamentary secretary echoed this position.

Two matters that both he and the minister failed to address are as follows. Firstly, how and why did IP Australia allow the relevant generic terms to be trade marked in the first place? Secondly, what assistance packages, if any, may be available to the small businesses concerned? If the government is so ineffective in supporting this Aussie industry in these circumstances then, frankly, the fears held by some industries about the impact of the US-Australia free trade agreement on them are validly held. Or is it the case with this government that it will support particular industries and/or particular businesses and hang the rest?

What makes many Australians angry is that Deckers' actions are driven by profit, not principle. Deckers' share price was worth less than \$US4 a year ago. They now trade at the \$US26 mark. Net sales and net earnings for the most recent quarter increased by 39 per cent and 81 per cent respectively. For the full year, sales increased 22 per cent to \$121 million. Net earnings rose 465 per cent to \$9.2 million. Deckers' own web site states the growth was driven in large part by sales of the company's Ugg product line of sheepskin boots. Sales of the Ugg line in 2003 jumped 55 per cent from the previous year to total \$37 million. It is worth noting that Deckers has been able to generate these profits while Australian companies have been trading using the word 'ugh'. There is no reason to presume—except perhaps except for the vagaries of the fashion scene—that Deckers will not continue to make similar profits in the future. The issue is that they want to make much, much more while ugh boots are fashionable, at the cost of our own home-grown industry.

The government should not be prepared to have yet another Australian icon go the way of so many others before them. The production of ugh boots provides employment for thousands of Australian families. It is simply not right that a US company that wants to increase its profit margin by a few more million dollars can destroy their very livelihoods. While the Howard government seems quite happy to wash its hands of this matter, I will not. I will continue to work with constituents like Bruce and Bronwyn McDougall, whose business 'Uggs-N-Rugs' is located in my electorate, to raise awareness and funds to keep 'uggs' an Australian icon.

Finally, I would like to conclude by saying to the Minister for Industry, Trade and Resources that if he will not officially support this campaign I would encourage him to make a personal donation. (*Time expired*)

Victoria: Australian Labor Party

Mr BARRESI (Deakin) (9.25 p.m.)—I rise tonight to speak about the tangled web woven by the Labor