

EXPLANATORY STATEMENT

Select Legislative Instrument No. , 2019

Issued by the Authority of the Minister for Industry, Science and Technology

Patents Act 1990

Designs Act 2003

*Intellectual Property Laws Amendment (PCT Translations and Other Measures) Regulations
2019*

Legislative Authority

The *Patents Act 1990* (the Patents Act) provides for the patenting of inventions in Australia.

The *Designs Act 2003* (the Designs Act) provides for the registration of designs in Australia.

Subsection 228(1) of the Patents Act and subsection 149(1) of the Designs Act (collectively, ‘the principal Acts’) provide that the Governor-General may make regulations prescribing matters required or permitted by the principal Acts to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the principal Acts.

In particular, paragraph 228(1)(e) of the Patents Act provides that the Governor-General may make regulations for the purpose of carrying out or giving effect to the PCT: the Patent Cooperation Treaty signed at Washington on 19 June 1970, as that treaty is in force for Australia from time to time, together with the Regulations annexed to that treaty, as those Regulations are in force for Australia from time to time.

The principal Acts do not specify any conditions that must be met before the power to make the regulations may be exercised.

The regulations are a legislative instrument for the *Legislation Act 2003*.

Purposes and Operations of the Regulations

The Intellectual Property Laws Amendment (PCT Translations and Other Measures) Regulations 2019 (‘Regulations’) amend the *Patents Regulations 1991* (‘Patents Regulations’) and the *Designs Regulations 2004* (‘Designs Regulations’) (collectively, ‘the principal Regulations’) to:

- clarify requirements relating to the filing of translations of documents with the Patent Office;
- improve and streamline processes involved with obtaining and maintaining intellectual property (‘IP’) rights; and
- ensure Australia’s compliance with international treaties.

Schedule 1 to the Regulations amends the Patents Regulations to:

- clarify the translation requirements for international patent applications made under the PCT (“PCT applications”) to enter the national phase in Australia and provides some additional flexibility for applicants when filing translated documents
- remove requirements for anyone who files a document translated into English to always provide a certificate of verification of the translation (“certificate of verification”); and
- provide that – if the Commissioner of Patents has reasonable doubts about the accuracy of a translation into English – the Commissioner can require the person to either file a certificate of verification of the translation, or else file a corrected translation with its own certificate of verification.

The various Parts in Schedule 2 to the Regulations amend the principal Regulations as follows:

Part 1 – Delegation

- enables the Commissioner of Patents and the Registrar of Designs to delegate to suitably qualified employees their powers to summon witnesses or to require someone to produce documents or articles;

Part 2 – Fees

- ensures the schedule of fees in the Patents Regulations complies with the schedule of fees under the PCT;

Part 3 – Extension of time for acceptance

- provides greater certainty for the acceptance period of a patent application if there is a dispute about the applicant’s entitlement to make the application;

Part 4 – Certificate of verification

- makes the operation of the definition of the expression “certificate of verification” clearer;

Part 5 – Spent provisions

- repeals a spent transitional provision for the formalities checking of PCT applications filed before 15 April 2013 and makes a consequential amendment; and

Part 6 – Application, transitional and savings provisions

- provides how an amendment made by Part 3 in Schedule 2 applies.

Details of the Regulations are set out in the [Attachment](#).

Consultation undertaken on Regulations

Consultation was undertaken on an exposure draft of the Regulations from 16 November to 21 December 2018. Six non-confidential submissions were received. Minor changes were made to Part 1 of Schedule 1 to the Regulations to address unintended consequences identified by the submissions.

No Regulation Impact Statement required for the Regulations

The Office of Best Practice Regulation (“OBPR”) advised that it does not require a Regulation Impact Statement for any of the measures in the Regulations, as they are all of a minor or machinery nature. The OBPR reference numbers are detailed in the table below.

Amendments made by Regulations	OBPR reference numbers
Schedule 1, Schedule 2 Part 4 – PCT translations and certificate of verification	23107, 23560
Schedule 2 Part 1 – Delegations	22950
Schedule 2 Part 2 – Fees	23611
Schedule 2 Part 3 – Extension of time for acceptance	23561

Commencement of the Regulations

The commencement arrangements for each of the Parts of Schedules 1 and 2 to the Regulations are set out in the commencement table in subsection 2(1) of the Regulations.

The amendments made by Schedule 1 to the Regulations commence six months after the registration of the Regulations on the Federal Register of Legislation. This is because users of the IP system require sufficient notice to prepare for the amendments to the requirements for translations and certificates of verification.

The other amendments made by Schedule 2 to the Regulations commence on the day after the registration of the Regulations on the Federal Register of Legislation. These amendments do not require users of the IP system to prepare for them, and so can appropriately take effect on the default commencement date.

ATTACHMENT

Details of the Intellectual Property Laws Amendment (PCT Translations and Other Measures) Regulations 2019

Section 1 – Name

This section identifies the Regulations as the *Intellectual Property Laws Amendment (PCT Translations and Other Measures) Regulations 2019*.

Section 2 – Commencement

This section provides for the commencement of the Regulations.

Schedule 1 to the Regulations, relating to translations of PCT applications and certificates of verification of translations, commences 6 months after the Regulations are registered.

The remaining provisions in the Regulations commence the day after the Regulations are registered on the Federal Register of Legislation. These provisions are in:

- Schedule 2 Part 1, enabling the Commissioner of Patents and the Registrar of Designs to delegate their powers to summon witnesses and to produce documents;
- Schedule 2 Part 2, ensuring the schedule of fees in the Patents Regulations complies with the schedule of fees under the PCT;
- Schedule 2 Part 3, providing greater certainty for the acceptance period of a patent application if there is a dispute about the applicant's entitlement to make the application;
- Schedule 2 Part 4, relating to the definition of certificate of verification;
- Schedule 2 Part 5, repealing a spent transitional provision for the formalities checking of PCT applications filed before 15 April 2013; and
- Schedule 2 Part 6, providing how an amendment made by Part 3 of Schedule 2 applies.

Section 3 – Authority

This section provides that the *Intellectual Property Laws Amendment (PCT Translations and Other Measures) Regulations 2019* is made under the *Designs Act 2003* and the *Patents Act 1990*.

Section 4 – Schedules

This section provides that each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1 – PCT Translations

This Part amends the Patents Regulations to:

- clarify the translation requirements for PCT applications to enter the national phase in Australia;
- ensure that as a minimum, an applicant of a PCT application must file a translation into English of the specification filed in another language at a foreign patent office;
- remove the requirement for persons filing documents not in English to provide certificates of verification with their translations of those documents; and
- provide that – if the Commissioner of Patents has reasonable doubts about the accuracy of a translation into English – the Commissioner can require the person to either file a certificate of verification for the translation or else file a corrected translation with its own certificate of verification.

Translations required for entry into the national phase

Under subsection 29A(1) of the Patents Act, a PCT application is treated as a complete application for a standard patent in Australia. The applicant of a PCT application must comply with the requirements in subsection 29A(5) of the Patents Act to enter the national phase in Australia: so the Commissioner of Patents can examine the PCT application and decide whether or not to grant a patent. To enter the national phase, the applicant must request this and pay the Australian fee.

Paragraph 29A(5)(a) of the Patents Act sets out a special requirement for a PCT application filed in a foreign patent office (“receiving Office”) in a language other than English. For that PCT application to enter the national phase in Australia, the applicant must file at the Patent Office a translation into English of the PCT application.

The requirements for those translations are set out in regulation 3.5AF of the Patents Regulations. Currently these requirements are not wholly clear about what must be filed. The translation could be of the PCT application as originally filed, as amended under Article 19 or 34 of the PCT, or as rectified by a competent authority under Rule 91 of the PCT. The interaction of regulation 3.5AC (which determines when a PCT application is taken to be amended) and regulation 3.5AF is also not clear.

There is also no guarantee that a translation filed by the applicant includes a translation of the PCT application as originally filed at the receiving Office. This is needed for:

- assessing, under section 102 of the Patents Act, the allowability of amendments to the complete specification after a PCT application enters the national phase in Australia; and
- determining, under section 114 of the Patents Act and regulation 3.14 of the Patents Regulations, the priority date of any translated text of Article 19 or 34 amendments filed at the Patent Office with the PCT application.

The amendments made by this Part will ensure that the applicant must file a translation into English of the specification of the PCT application (the description, drawings and claims) as originally filed at the receiving Office or as subsequently rectified under Rule 91 of the PCT. The applicant will also have the option of filing a translation into English of the text of any

Article 19 or 34 amendments not in English: if the applicant wishes to apply such amendments to the PCT application entering the national phase in Australia.

Certificates of verification and corrected translations

Once a PCT application in a language other than English enters the national phase in Australia, the applicant must file a certificate of verification of the translation into English. If the certificate of verification is not filed, and the applicant does not comply with a formality notice from the Commissioner of Patents requesting it, the PCT application lapses. This means it does not progress any further in Australia.

Other documents not in English may be filed at the Patent Office, if they are also filed with translations into English and related certificates of verification. If a document not in English is filed with its translation but without a certificate of verification, then the Commissioner of Patents may treat the document as having no effect.

Most translations are accurate and do not give rise to any concerns, making the requirement for certificates of verification an unnecessary burden on most applicants. The amendments made by this Part will remove this unnecessary burden, better aligning the practice of the Patent Office with the practice of most major English-language patent offices. These include the patent offices of Canada, the United Kingdom and the United States of America, and of the European Patent Organisation.

If the Commissioner of Patents has reasonable doubt about the accuracy of a translation, then the Commissioner should be able to require the person who filed the translation to arrange for its accuracy to be checked. The amendments made by this Part will ensure the Commissioner can require the person to either file a certificate of verification for the translation, or else file a corrected translation with its own certificate of verification. It is expected that the Commissioner would not need to exercise this new power routinely.

Patents Regulations 1991

Items 1, 2, 5, 14, 15, 16, 18: Requirements for certificates of verification

These items amend paragraph 2.7(b), subparagraph 3.1(2)(c)(iii), subparagraph 3.5A(3)(b)(iii), paragraphs 3.14D(1)(e), 3.23(1)(c) and 9.2(3)(b) and subparagraph 22.15(3)(b)(ii) so that certificates of verification are no longer required when providing translations into English under those provisions.

Items 3 and 4: Subregulation 3.2C(2)

Item 4 repeals paragraph 3.2C(2)(b) to remove the requirement for an applicant to provide a certificate of verification of the translation into English of a PCT application that has entered the national phase in Australia. Item 3 makes a consequential amendment to paragraph 3.2C(2)(aa).

Item 6: Subparagraph 3.5AB(2)(b)(ii)

This item repeals and substitutes subparagraph 3.5AB(2)(b)(ii) to make it clear that an applicant doesn't have to file a translation into English of the specification of a PCT application that is not in English: if the Article 21 publication of that PCT application was in English.

The requirements for a translation into English of a PCT application entering the national phase is governed by existing subregulations 3.5AF(1)–(2) and by new subregulations 3.5AF(2A)–(2B) to be inserted by item 12.

Items 7 and 9: Subregulation 3.5AC(3) and subregulation 3.5AC(5)

These items amend subregulations 3.5AC(3) and 3.5AC(5) consequentially on the new subregulations inserted by items 8 and 10 respectively.

Items 8 and 10: Subregulations 3.5AC(3A) and 3.5AC(5A)

These items insert new subregulations 3.5AC(3A) and 3.5AC(5A) of the Patents Regulations to clarify the circumstances in which Article 19 or 34 amendments of the specification of a PCT application not in English, respectively, have effect when the PCT application enters the national phase in Australia.

New subregulations 3.5AF(2A)–(2B) inserted by item 12 require the applicant to file a translation into English of the specification of the PCT application as originally filed at the receiving Office, or as subsequently rectified under Rule 91 of the PCT. This is for the PCT application to enter the national phase in Australia. Existing subregulation 3.5AC(2) ensures that on the day that translation is filed, its specification replaces the specification of the PCT application not in English.

New subregulations 3.5AC(3A) and 3.5AC(5A) will ensure that any Article 19 or Article 34 amendment of that PCT application not in English will only have effect in Australia — if the applicant files a translation into English of the amendment on the same day that the applicant files the translated specification of the PCT application. Nevertheless, once the PCT application is in the national phase, the applicant can request amendment of its specification under the Australian legislation (e.g. under section 104 of the Patents Act).

The new subregulations will not apply to an Article 19 or to an Article 34 amendment, if the International Bureau has already published a translation of the amendment into English as part of the Article 21 publication of the PCT application. In that case, existing subregulations 3.5AC(2), 3.5AF(1)–(2) and 3.5AF(4) ensure that the translation of the amendment is given effect on the date of the Article 21 publication.

Item 11: Subregulations 3.5AC(8)–(12)

This item inserts new subregulations 3.5AC(8)–(12) into the Patents Regulations to allow translations of Article 19 or Article 34 amendments filed under new subregulations 3.5AC(3A) or 3.5AC(5A) to be corrected or verified as needed.

New subregulation 3.5AC(8) permits the applicant for a PCT application, on their own initiative, to correct an error or omission in the translation of an Article 19 or Article 34 amendment filed under new subregulations 3.5AC(3A) or 3.5AC(5A) respectively. To do this, the applicant files a corrected translation of the amendment. As the applicant is taking the initiative to make the correction, the applicant is not required to file a certificate of verification as well. If the Commissioner has concerns about the accuracy of the corrected translation, the Commissioner can exercise the power under new subregulations 3.5AC(9)–(11) to require the applicant to correct or verify it.

New subregulations 3.5AC(9), 3.5AC(10), and 3.5AC(11) enable the Commissioner to require the applicant to correct or verify the translation of an amendment mentioned in new subregulations 3.5AC(3A) or 3.5AC(5A). The Commissioner can exercise this power, if the Commissioner reasonably believes that the translation does not accurately reflect the contents of the amendment. The applicant must respond to the Commissioner's notification in one of two ways:

- by filing a corrected translation of the amendment and a certificate of verification for the corrected translation; or
- certifying that the translation is correct by filing a certificate of verification for it.

The applicant must comply with the Commissioner's notification within two months after it is given, or else the PCT application lapses.

New subregulation 3.5AC(12) provides that the filing of a corrected translation of the amendment — whether on the applicant's initiative or at the Commissioner's requiring — is not an amendment of the specification of the PCT application for subsection 29A(3) of the Act. Instead the corrected translation replaces the originally-filed translation of the amendment, with effect from when the originally-filed translation was filed. This means that if the originally-filed translation of the amendment was filed on the same day as the translation of the specification of the PCT application, then the corrected translation of the amendment is taken to have amended the translated specification under new subregulation 3.5AC(3A) or 3.5AC(5A) on that same day (notes on items 8 and 10 above). It also means that the Commissioner can require the applicant to correct or verify a corrected translation of an amendment: whether this corrected translation was filed on the applicant's initiative or at the Commissioner's earlier requiring. This use of the requiring power would be expected to be very uncommon.

Item 12: Subregulations 3.5AF(2A)–(2H)

This item inserts new subregulations 3.5AF(2A)–(2H) of the Patents Regulations to:

- clarify what translation into English must be filed for a PCT application not in English to enter the national phase in Australia;
- provide for that translation into English to be corrected or verified as needed; and
- clarify the effect of an error or omission in a translation and the effect of their correction.

New subregulation 3.5AF(2A) provides that the other new subregulations apply if a PCT application is not filed in English at its receiving Office, and its Article 21 publication was not in English. Existing subregulations 3.5AF(1)–(2) govern the case of a PCT application not in English whose Article 21 publication was in English: no translation is required to be filed.

New subregulation 3.5AF(2B) provides that to satisfy the requirements of paragraph 29A(5)(a) of the Act for a PCT application not in English, the applicant must file a translation into English of the specification as originally filed at the receiving Office. The applicant may also choose to have the translation reflect any Rule 91 rectification to the PCT application, or to abandon any such rectification by choosing that the translation not reflect it. In any case, the translation of the specification filed by the applicant becomes the specification of the PCT application in the national phase in Australia: existing subregulation 3.5AC(2).

New subregulation 3.5AF(2C) permits the applicant for a PCT application, on their own initiative, to correct an error or omission in the translation of the specification of the PCT application filed under new subregulation 3.5AF(2B). To do this, the applicant files a corrected translation of the amendment. As the applicant is taking the initiative to make the correction, the applicant is not required to file a certificate of verification as well. If the Commissioner has concerns about the accuracy of the corrected translation, the Commissioner can exercise the power under new subregulations 3.5AF(2D)–(2F) to require the applicant to correct or verify it.

New subregulations 3.5AF(2D), 3.5AF(2E), and 3.5AF(2F) enable the Commissioner to require the applicant to correct or verify the translation of the specification filed under new regulation 3.5AF(2B). The Commissioner can exercise this power, if the Commissioner reasonably believes that the translation does not accurately reflect the specification of the PCT application: whether as originally filed or with any Rule 91 rectifications. The applicant must respond to the Commissioner’s notification in one of two ways:

- by filing a corrected translation of the amendment and a certificate of verification for the corrected translation; or
- certifying that the translation is correct by filing a certificate of verification for it.

The applicant must comply with the Commissioner’s notification within two months after it is given, or else the PCT application lapses.

New subregulation 3.5AF(2G) provides that any error or omission in the translation of the specification of a PCT application does not invalidate the entry into national phase of the PCT application. This includes circumstances where a translation of the wrong specification, missing parts or incorrect wording has inadvertently been provided.

New subregulation 3.5AF(2H) provides that the filing of a corrected translation of the specification — whether on the applicant’s initiative or at the Commissioner’s requiring — is not taken to be an amendment of the PCT application. Instead it replaces the originally-filed translation of the specification, with effect on the day the originally-filed translation was filed. This means that the corrected translation of the specification becomes the specification of the PCT application under existing subregulation 3.5AC(2) on that same day. It also means that the Commissioner can require the applicant to correct or verify a corrected translation of the specification: whether this corrected translation was filed on the applicant’s initiative or at the Commissioner’s earlier requiring. This use of the requiring power would be expected to be very uncommon.

Item 13: Subregulation 3.5AF(4)

This item makes a consequential amendment to subregulation 3.5AF(4) to account for the changes made by item 12.

Item 17 Paragraphs 13.4(1)(b) and (c)

This item repeals paragraph 13.4(1)(b) and inserts substitute paragraph 13.4(1)(b) and new paragraph 13.4(1)(c) to ensure that an applicant whose application is being examined is not disadvantaged by the Commissioner requiring the correction or verification of a translation under new subregulations 3.5AC(9), 3.5AF(2D) or 22.15A(2) inserted by items 11, 12 and 19 respectively.

The Commissioner might require the applicant or some other person who filed a translation of a document to correct or verify that translation. If the period for acceptance of the application is already running, it could disadvantage an applicant who would need some time to correct or verify a translation, or to respond to someone else's corrected or verified translation, so that the application can be accepted.

To avoid this disadvantage to the applicant, the usual period for acceptance of a patent application would be extended from 12 months to 14 months following a first report under section 45 of the Patents Act. This would suffice to allow for the two-month response period to the Commissioner's requiring under new subregulations 3.5AC(9), 3.5AF(2D) or 22.15A(2). The 14-month acceptance period would apply if:

- the notification of the Commissioner's requiring is given to a person under subregulation 3.5AC(9), 3.5AF(2D) or 22.15A(2) in relation to the application, on or after the date of the first report under section 45 of the Act; and
- the notified person complies with the Commissioner's requiring in the relevant two-month response period.

This ensure that the applicant can enjoy the extended acceptance period — if in the first or subsequent report on the application the Commissioner requires the applicant to correct or verify a translation. It also ensures that the extended acceptance period does not apply if the Commissioner requires the applicant or someone else to correct or verify a translation before the application is examined.

If the applicant corrects the translation on the applicant's own initiative, there is no extension of the 12-month acceptance period. This is because such a correction would generally be within the applicant's control. If necessary, the applicant could seek under the existing provisions of section 223 of the Patents Act to extend the time for acceptance of the application.

Item 19: Regulation 22.15A

This item inserts new regulation 22.15A to allow the Commissioner to require that translations of documents be corrected or verified. New regulation 22.15A does not apply to correcting or verifying translations of specifications of PCT applications, or of Article 19 or 34 amendments. Those translations are corrected or verified under their own special provisions: new subregulations 3.5AC(8)–(12) or 3.5AF(2C)–(2F), inserted by items 11 and 12 respectively.

New subregulation 22.15A(1) specifies that the regulation applies if a translation of a document into English is filed and the Commissioner reasonably believes that the translation does not accurately reflect the contents of the document.

New subregulation 22.15A(2) enables the Commissioner to require the person who filed the translation in the circumstances outlined in new subregulation 22.15A(1) to correct or verify the translation within a period of two months. The applicant must respond to the Commissioner's notification in one of two ways:

- by filing a corrected translation of the document and a certificate of verification for the corrected translation; or
- certifying that the translation is correct by filing a certificate of verification for it.

The consequences of failing to comply with the Commissioner's notification are specified for various persons and documents in new subregulations 22.15A(3)–(9).

New subregulation 22.15A(3) specifies the consequences if the applicant for a standard patent fails to comply with a notification under new subregulation 22.15A(2) in relation to a translation of an application for a standard patent application. If the applicant does not comply, the application will lapse.

New subregulation 22.15A(4) specifies the procedure to be followed if the patent application lapses under new subregulation 22.15A(3). The Commissioner must notify the applicant that the application has lapsed and advertise this fact in the *Official Journal*.

New subregulation 22.15A(5) specifies the consequence if the person who fails to comply with the notification under new subregulation 22.15A(2) had asserted that a patent application or innovation patent is not novel, inventive and/or innovative. The Commissioner may exercise discretion in deciding whether to use the translation to support the assertion of invalidity.

New subregulation 22.15A(6) specifies the consequences if the person who fails to comply with the notification under new subregulation 22.15A(2) had requested re-examination of a complete specification. The Commissioner may decide not to re-examine the complete specification, by analogy with existing subregulation 9.2(4).

New subregulation 22.15A(7) specifies what actions the Commissioner may take if someone fails to comply with a notification under new subregulation 22.15A(2) in relation to any document other than those specified in new subregulations 22.15A(3)–(6). The Commissioner may take one or more actions specified in new subregulation 22.15A(8) (below) if the Commissioner is satisfied, on the balance of probabilities, that it is appropriate in the circumstances to take the action.

New subregulation 22.15A(8) describes the actions the Commissioner may take for the purposes of subregulation 22.15A(7) above. The actions specified in new subregulation 22.15A(8) are analogous to those provided under section 210A of the Patents Act which deals with non-compliance with a direction by the Commissioner. If the person who does not comply is the applicant for the patent, the Commissioner may refuse to grant the patent. If the person who does not comply is any person other than the applicant, the Commissioner may draw an inference unfavourable to the person's interest in proceedings before the Commissioner.

New subregulation 22.15A(9) specifies the circumstances the Commissioner must consider when deciding whether to take the actions specified in new subregulation 22.15A(8) when someone fails to comply with the notification under new subregulation 22.15A(2). When deciding whether to take an action, the Commissioner must consider whether the person has a reasonable excuse for refusing or failing to comply with the notification and also must consider any other matter the Commissioner considers to be relevant.

Item 20: Application of amendments

This item introduces new regulation 23.50A that provides how the amendments made by this Schedule apply.

Subregulation 23.50A(1) provides that, subject to subregulation 23.50A(2), the amendments made by this Schedule apply to translations filed after its commencement.

Subregulation 23.50A(2) provides that the amendments of regulation 3.5AF made by this Schedule apply to PCT applications that enter the national phase after the commencement of this Schedule.

Schedule 2 – Other amendments

Part 1 – Delegations

This part amends the Patents Regulations and Designs Regulations to enable the Commissioner of Patents and the Registrar of Designs to delegate their powers under the respective Acts to summon witnesses and require someone to produce documents or articles. Such powers are exercised in the context of opposition and hearing proceedings and are provided by paragraphs 210(1)(a) and (c) of the Patents Act and paragraphs 127(1)(a) and (c) of the Designs Act.

Under the current Patents Act and Designs Act, the Commissioner and Registrar must personally exercise these powers. This contrasts with all other powers conferred on the Commissioner by the Patents Act and Registrar by the Designs Act, which can be delegated to suitable qualified employees of the Patents and Designs Offices.

It appears that these limitations on the delegation of these powers of by Commissioner and Registrar were included to ensure that the compulsory powers granted by these rights' respective legislation were not exercised without serious consideration by a suitably qualified and responsible person. These limitations do not exist in the trade marks legislation. Since the practices and procedures around trade marks hearings are generally similar to those for patents and designs, it appears that these limitations are not necessary under the patents and designs legislation.

In practice, for patents these powers are generally exercised within IP Australia by a Deputy Commissioner of Patents outside the Oppositions area, following initial consideration by an Oppositions staff member. Consequently, the Deputy Commissioner relies heavily on the information and advice provided by the Oppositions staff to determine whether to issue the notice in question. A similar practice is taken in the Designs area by the Registrar or a Deputy Registrar.

The amendments will remove the current limitation on the delegation of powers of the Commissioner and Registrar to summon witnesses and require the production of documents, and instead allow the power to be delegated directly to Oppositions staff. The delegation of these powers to those staff who are best positioned to take account of the relevant considerations in deciding whether to issue summons or require production of documents will allow administrative aspects of oppositions and hearings to be streamlined.

To ensure that the powers are only exercised by a suitably qualified and experienced person, the amendments will permit these powers to be delegated to Executive level staff or higher only. IP Australia will update the instrument of delegation to identify these specific Executive level staff members to ensure that delegation is restricted to suitably qualified and trained staff with the required expertise. The instrument of delegation would allow the flexibility for updates to be made in the event of internal restructures at IP Australia as opposed to having these delegations detailed in the Regulations.

To ensure that individuals' rights are protected, decisions taken by delegates under these powers are appealable under the *Administrative Decisions (Judicial Review) Act 1977*, as are many other administrative decisions under Commonwealth enactments.

Designs Regulations 2004

Item 1: Regulation 10.01

This item makes a consequential amendment to regulation 10.01 as a result of the addition of subregulation 10.01(2) by item 2.

Item 2: At the end of regulation 10.01

This item inserts a new subregulation 10.01(2) to allow the Registrar of Designs to delegate the powers relating to summoning witnesses and requiring production of documents under paragraphs 127(1)(a) and (c) of the Designs Act to relevant staff holding or performing the duties of an Executive Level 1 or above position. There is no sub-delegation of the Registrar's powers.

Patents Regulations 1991

Item 3: Regulation 21.2

This item makes a consequential amendment to regulation 21.2 as a result of the addition of subregulation 21.2(2) by item 5.

Item 4: Regulation 21.2

This item amends regulation 21.2 of the Patents Regulations to correct a typographical error so that it correctly refers to regulation 210(1)(a) and (c).

Item 5: At the end of regulation 21.2

This item inserts a new provision to regulation 21.2 of the Patents Regulations to allow the Commissioner to delegate the powers relating to summoning witnesses and requiring production of documents under paragraphs 210(1)(a) and 210(1)(c) of the Patents Act to relevant staff holding or performing the duties of an Executive Level 1 or above position. There is no sub-delegation of the Commissioner's powers.

Part 2 – Fees

This part amends item 404 of the Patents Regulations to ensure that Australia continues to meet the obligation under the PCT to apply reductions to certain international fees payable for the benefit of the International Bureau of the World Intellectual Property Organisation.

The current wording under item 404 of the Patents Regulations is outdated and does not align with the current schedule of fees under PCT regulations. These amendments are necessary to ensure consistency with the changes to the fee reduction criteria in item 5 in the PCT schedule of fees adopted by the PCT Union in 2018. The amendments do not affect the fees payable to the Patent Office.

Item 6: Clause 4 of Schedule 7 (table item 404)

This item repeals and substitutes item 404 so that it applies the fee reduction criteria under the PCT regulations (item 5 of the schedule of fees set out in the PCT).

Schedule 1 to the Patents Act provides a definition of the PCT which refers to the treaty and the regulations made under that treaty as in force from time to time. Because of that definition, the reference in this item to the schedule of fees in the PCT will be taken to refer to that schedule as in force from time to time (even without specific reference to that in the provision of the regulation).

This amendment will ensure that the fee reduction in item 404 of the Patents Regulations is consistent with the changes to item 5 of the PCT schedule of fees that came into force on 1 July 2018 and allow any future changes to this fee and fee reduction criteria to be applied in Australia without the need to further update the Patents Regulations. This is appropriate as this fee reduction and the eligibility criteria for it are regularly reviewed and revised by the PCT Union.

Reference to an item of the PCT schedule of fees is consistent with the approach taken to other parts of the Patents Regulations which, where appropriate, directly cross-reference the text of the PCT. See for example regulation 3.5AB(2), which refers to time limits by reference to the PCT Rules.

Part 3 – Extension of time for acceptance

This part amends the Patents Regulations to provide greater certainty for the acceptance period of an application subject to an entitlement dispute under subsection 36(1) of the Patents Act.

An application under subsection 36(1) to challenge entitlement to a patent application often delays acceptance of the application. While entitlement to the application is unclear or unresolved it cannot be accepted by the Patents Office. Under paragraph 13.4(1)(f) of the Patents Regulations, the period for acceptance of an application may be extended if a successful application was made in respect of the application under subsection 36(1). However, if a subsection 36(1) application is found to be unsuccessful, then it is unclear if the extension period for acceptance under paragraph 13.4(1)(f) is available. Consequently, an applicant, through no fault of their own, may find their patent application has not been accepted within the prescribed period and has therefore lapsed.

The amendment made by this Part addresses this issue by clarifying that the extension referred to in the Patents Regulations may be granted whether or not a subsection 36(1) application is successful. This is consistent with the further period provided by existing subregulation 13.4(1)(e) for acceptance of an application that is the subject of a request under section 32 of the Patents Act for the Commissioner to determine a dispute between joint applicants.

Patents Regulations 1991

Item 7: Paragraph 13.4(1)(f)

This item amends paragraph 13.4(1)(f) to specify that if an application is made under subsection 36(1) of the Patents Act, a further period of three months is provided for acceptance of the application from the date of any decision to make or not to make a declaration under that subsection.

Part 4 – Certificate of verification

This Part amends the definition of the expression “certificate of verification” in the interpretation provision in regulation 1.3 of the Patents Regulations.

Patents Regulations 1991

Item 8: Definition of certificate of verification

This item amends the definition of “certificate of verification” in regulation 1.3. Paragraph (a) of the current definition refers to the “accompanying document” to the certificate. Under the amendments made in Schedule 1, an applicant will no longer have to file a certificate of verification when filing the translation into English of an original document not in English.

This item therefore amends the definition to refer instead to the certificate of verification of the translation of a “relevant document”, to cover all circumstances when a certificate may need to be filed under the amendments made in Schedule 1.

Part 5 – Spent provisions

This Part repeals a spent transitional provision for the formalities check of PCT applications filed before 15 April 2013 and makes a consequential amendment.

Patents Regulations 1991

Item 9: note following subregulation 3.2C(1)

This item repeals the note following subregulation 3.2C(1) as a consequence of the repeal of subregulation 3.2C(7).

Item 10: subregulation 3.2C(7)

Existing regulation 3.2C provides for the formality checking of PCT applications that have entered the national phase. This item simplifies the existing regulation by repealing subregulation 3.2C(7), which is a spent transitional provision governing PCT applications filed before 15 April 2013 (“the critical date”). The subregulation ensures that regulation 3.2C could apply to those PCT applications appropriately, by ensuring that references in the regulation to subsection 29A(5) of the Patents Act were taken to be references to the patents legislation applying before the critical date.

It is now very unlikely that a PCT application filed before the critical date could enter the national phase and so require formalities checking under regulation 3.2C. This is because Australia permits a PCT application to enter the national phase no later than 31 months from

its priority date. For any PCT application filed on 14 April 2013, this 31-month period would have expired before the end of 2015.

Part 6 – Application, transitional and savings provisions

This Part provides how the amendments made by Part 3 of Schedule 2 to the Regulations apply.

Patents Regulations 1991

Item 11: Application of amendment made by Part 3 of Schedule 2

This item introduces a new part into Chapter 23 of the Patents Regulations. New Part 5 of Chapter 23 of the Patent Regulations provides how amendments made by the Regulations apply.

In particular, new subregulation 23.50 provides that the amendment of regulation 13.4 by Part 3 of Schedule 2 to the Regulations applies in relation to applications under subsection 36(1) of the Patents Act made after the commencement of Part 3 of Schedule 2 to the Regulations and also to applications under subsection 36(1) of the Patents Act made but not decided before that commencement.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Intellectual Property Laws Amendment (PCT Translations and Other Measures) Regulations 2019

This Disallowable Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*

Overview of the Legislative Instrument

The *Intellectual Property Laws Amendment (PCT Translations and Other Measures) Regulations 2019* ('Regulations') makes amendments to the *Patents Regulations 1990* ('Patents Regulations') and the *Designs Regulations 2004* ('Designs Regulations') to streamline and align the administration of Australian IP system.

The Disallowable Legislative Instrument has the following schedules and parts:

- Schedule 1 clarifies the requirements for translations of PCT applications and removes the requirements to file certificates of verification for translated documents
- Schedule 2, Part 1 allows the Commissioner of Patents and the Registrar of Designs to delegate to their Executive Level 1 employees the statutory powers to summon witnesses and to require the production of documents or articles.
- Schedule 2, Part 2 ensures consistency between the schedule of fees under the PCT and the schedule of fees in the Patents Regulations.
- Schedule 2, Part 3 ensures greater certainty for patent applications subject to an entitlement challenge.
- Schedule 2, Part 4 make the definition of the expression "certificate of verification" clearer.
- Schedule 2, Part 5 repeals a spent transitional provision
- Schedule 2, Part 6 provides application, transitional and savings provisions.

Human rights implications

The Disallowable Legislative Instrument does not engage any human rights issues.

Conclusion

The Disallowable Legislative Instrument is compatible with human rights because it does not raise any human rights issues.

The Hon Karen Andrews MP, Minister for Industry, Science and Technology