

**Computer Implemented
Inventions Task Force**

20 May 2026

The Commissioner of Patents
IP Australia
PO Box 200
Woden ACT 2606

Dear Commissioner,

**Re: Amendments to the Patent Examiners Manual – Computer
Implemented Inventions and Manner of Manufacture (March 2026)**

The Computer Implemented Inventions Task Force (CIITF) writes in response to the March 2026 amendments to the Patent Manual of Practice and Procedure (**Manual**) concerning patentable subject matter for computer implemented inventions (CII) and manner of manufacture (MoM). The CIITF is a stakeholder working group focused on the practical application of Australian patent law in the field of computer implemented inventions, and includes representatives from applicants, practitioners, and other stakeholders with direct experience in prosecution before IP Australia.

We acknowledge that the March 2026 amendments represent a meaningful and welcome improvement to the Manual, and we commend IP Australia for the work undertaken in updating the guidance following *Aristocrat Technologies Australia Pty Ltd v Commissioner of Patents* [2025] FCAFC 131 (**Aristocrat 2025**). The CIITF supports IP Australia's efforts to bring examination practice into alignment with the current state of the law.

The CIITF understands the importance of the Manual as a tool utilised by examiners to formulate objections during examination and, in some instances, to guide examiners in application of the law. Similarly, the Manual is relied upon by Applicants and their attorneys to engage constructively and efficiently with examiners. The Manual is not a statement of the law on patentability but it is of utmost importance that the guidance it provides results in correct application of the law.

The CIITF has identified a number of concerns with aspects of the amended Manual that, in our view, may continue to create difficulties in practice. These are set out below.

1. The primacy of *Aristocrat 2025* as the authority

Aristocrat 2025 is the current authority on patentable subject matter for computer implemented inventions in Australia. The Full Court’s reasoning in that decision was expressly adopted from the “allowing reasons” of three judges of the High Court (Gordon J, Edelman J and Steward J) in *Aristocrat Technologies Australia Pty Ltd v Commissioner of Patents* [2022] HCA 29. This reasoning was endorsed by a further 4 judges of the High Court (Gaegler CJ, Gleeson J, Gleeson J, Jagot J and Beech-Jones J) in its disposition of the Commissioner’s special leave application in *Commissioner of Patents v Aristocrat Technologies Australia Pty Ltd* [2026] HCADisp 15. Thus, the allowing reasons have now been considered and endorsed by 3 judges of the Federal Court and 7 judges of the High Court as clarifying the law as it must now be applied in respect of manner of manufacture.

The CIITF is concerned that the amended Manual does not adequately articulate the law as it has been clarified following *Aristocrat 2025*. Rather, the Manual continues to give prominent weight to a number of older Full Court decisions, including *Research Affiliates*, *RPL Central*, *Encompass*, and *Rokt*. Although we acknowledge that the judgement in *Aristocrat 2025* confirmed the correctness of these decisions rejecting patentability of certain computer-implemented invention claims, the judgement took care at [132] to make the distinction that this affirmation was on the basis of the allowing reasons. That is, the inventions claimed in the older Full Court decisions, when properly characterised, “merely involved the use of a machine to manipulate an abstract idea rather than involving the implementation of the idea on a machine to produce an artificial state of affairs and a useful result”. *Aristocrat 2025* did not endorse the reasoning of those earlier decisions. Rather, the Full Court cautioned that the reasoning in those earlier decisions “must be read in the context of what was being decided,” and that certain formulations of the test applied in those cases — most notably, the requirement of an “advancement in computer technology” — were incorrect.

The risk of maintaining references in the Manual to older cases that applied tests that have been explicitly stated by a superior court to be too narrow is that examiners may be led to apply a standard that is inconsistent with current law. We therefore respectfully request that IP Australia review each instance in the Manual where those older decisions are cited, and consider whether each such citation accurately reflects the law as stated in *Aristocrat 2025*. Where guidance based on those earlier decisions is not consistent with *Aristocrat 2025*, we suggest that they are removed and replaced with reference to *Aristocrat 2025* to ensure consistency with the current law.

2. Computer implemented inventions do not require a separate test

A central holding of *Aristocrat 2025*, drawing directly on the High Court's allowing reasons, is that the question of whether a claim is patentable subject matter "should not be deconstructed to require, separately from the general principles of patentability, consideration of whether the subject matter is 'computer-implemented'" at [81]. Further, it was held that "implementation of a scheme or idea on a computer to create an artificial digital state of affairs should not be treated any differently from the implementation of a scheme or idea by any other machine to create an artificial physical state of affairs".

Notwithstanding this clear statement of principle, the CIITF is concerned that the structure of the Manual, which retains a discrete section specifically addressing computer implemented inventions, may continue to convey the impression that CIIIs are a separate and more difficult category of invention requiring a distinct analytical framework. We respectfully submit that the Manual should more clearly reflect that the test for assessing manner of manufacture applies the principles from *NRDC*, and that no special or elevated hurdle applies to inventions involving a computer. The useful questions that arise from the allowing reasons (i.e. whether the subject matter, properly characterised, is for an abstract idea which is (i) manipulated on a computer or (ii) implemented on a computer to produce an artificial state of affairs and a useful result - where only (ii) is patentable) can be provided as further guidance.

3. The threshold for Manner of Manufacture is low

As noted by the High Court in *Aristocrat Technologies Australia Pty Ltd v Commissioner of Patents [2022] HCA 29* at [111] (emphasis added):

Whatever controversy may remain as to the threshold requirement for an alleged invention, the decision in *Microcell* and the remarks in *D'Arcy v Myriad Genetics Inc* demonstrate that **the threshold is low**. Further, **the threshold necessarily imposes a less stringent requirement than the independent requirements of novelty and inventiveness** in ss 18(1)(b)(i) and 18(1)(b)(ii) read with s 7. Like those provisions, the threshold should not be assessed in hindsight: "[t]he opening of a safe is easy when the combination has been already provided"[162]. And, when assessing this threshold question without the benefit of expert evidence as to prior art, it is important to "remember warnings" that "[the] Court should be careful to avoid assuming a technical expertise it does not have"[163].

The *NRDC* test — whether the claimed invention produces an artificially created state of affairs with a useful result — is not a demanding standard. It is important that the Manual does not, expressly or implicitly, treat the subject matter inquiry as an occasion to assess the quality or merit of an invention. Considerations of novelty, inventive step, and prior art are matters for separate assessment under ss 7 and 18(1)(b) of the Patents Act 1990 (Cth). They have no role in the manner of manufacture inquiry, and the Manual should be carefully written to maintain this distinction clearly.

4. Statement of the applicable test

The CIITF submits that the test as currently stated in Australian law is straightforward and should be stated simply and directly in the Manual. As confirmed in *Aristocrat 2025*, the applicable test involves two steps:

1. properly **characterise** the claimed invention, having regard to the specification as a whole, the claims, and the relevant common general knowledge; and
2. ask whether, as properly characterised, the invention produces an **artificially created state of affairs and a useful result**.

For computer implemented inventions where further guidance is required, the relevant question is whether the subject matter, properly characterised, is:

- (i) an abstract idea which is manipulated on a computer; or
- (ii) an abstract idea which is implemented on a computer to produce an artificial state of affairs and a useful result.

The second category is patentable; the first is not.

In this regard, the CIITF specifically draws attention to IP Australia’s use of the word “relevant” in the Manual as a qualifier on the phrase “relevant artificially created state of affairs”. This qualifier does not appear in *NRDC*, nor in the formulation of the allowing reasons adopted by the Full Court and endorsed by the High Court in the *Aristocrat* proceedings. The CIITF is concerned that inserting this additional qualifier introduces uncertainty since it finds no basis in the law, and, in practice, is likely to introduce a higher threshold than the law requires.

We understand that IP Australia intends the word to serve an explanatory function (that is, to exclude effects that are merely incidental to running any computer program). We respectfully submit that this point is better addressed through proper characterisation of the invention and asking the “relevant question” stated above, not by adding a qualifier to the legal test itself. We request that IP Australia reconsider the use of this term in the Manual.

The CIITF also expresses concern regarding the continued use of the term “substance of the invention” in the Manual. In *Aristocrat 2025*, it was confirmed that “characterisation of the claim must be **undertaken as a matter of substance**, not mere form” (our emphasis) at [72]. Determination of the “substance of the invention” does not form part of the current legal test however the term remains in guidance provided in the Manual. This terminology derives from outdated case law and misrepresents the proper context in which “substance” should be assessed; namely, in the characterisation of the claim as a whole.

Historically, the use of “substance of the invention” has led examiners to require applicants to identify a subset of features said to constitute the invention’s “substance” or advancement over the CGK. Following *Aristocrat 2025*, this approach is no longer consistent with the correct application of the law. To minimise confusion, the CIITF recommends reviewing the use of the term “substance” throughout the Manual to ensure it is used consistently and in accordance with current legal authority. That is, only in the context of assessing the claim as a matter of substance.

5. The balance of probabilities standard in examination

The CIITF wishes to raise a significant practical concern regarding the standard being applied by examiners when assessing patentable subject matter. Under Australian law, the standard of proof applicable to examination is the **balance of probabilities**. That is, examiners are required to accept an application in cases where it is more probable than not that the claimed invention constitutes patentable subject matter. This is a well-established principle in Australian law, and it is the standard that examiners are required to apply.

In recent times it appears the Commissioner, via examiners, is applying an unduly high standard in assessing manner of manufacture. The Commissioner only has to be satisfied on the balance of probabilities that an application meets the various tests to allow it to proceed to acceptance.

The civil test for the meeting the balance of probabilities was discussed in *Australian Competition and Consumer Commission v Delta Building Automation Pty Ltd* [2023] FCA 880 where it was held that the combination of circumstances relied upon must do no more than raise “*a more probable inference in favour of what is alleged*”. This analysis was recently endorsed by the Full Federal Court in *Roberts-Smith v Fairfax Media Publications Pty Limited (Appeal)* [2025] FCAFC 67 at [16].

In practice, however, the CIITF’s members routinely receive adverse examination reports in which the examiner states that they are “not convinced” that the claimed invention constitutes patentable subject matter. The CIITF is concerned that this formulation reflects the application of a standard that is materially higher than the

balance of probabilities and is closer, in effect, to a “beyond reasonable doubt” standard.

Whether an examiner is subjectively “convinced” is not the appropriate legal test. The question is whether, on the evidence and arguments before the examiner, it is more probable than not that the relevant ground is made out.

This distinction is not merely technical.

The consequences of wrongly maintaining an objection to a patent application — permanently depriving an applicant of patent protection for an invention that is properly patentable — are significantly more serious than the consequences of wrongly accepting a patent, which remains subject to challenge and revocation through opposition and post-grant procedures. The CIITF appreciates that this is not a straightforward area of law; however, in circumstances where examiners encounter difficulty ascertaining where the balance of probabilities lies, refusing to accept an application should not be treated as the default choice. The costs and consequences of erroneous refusals, including the loss of rights that cannot be recovered after a deadline has passed, are substantial.

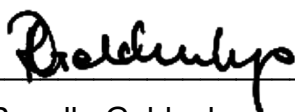
The CIITF requests that IP Australia provide clear guidance in the Manual that the applicable standard is the balance of probabilities, and that examiners should raise an objection only where they are satisfied, **on the balance of probabilities**, that the claimed invention does not constitute a manner of manufacture. We further request that IP Australia review whether the language used in model examination reports and examiner guidance documents appropriately reflects this standard.

Conclusion

The CIITF appreciates the opportunity to provide these submissions and reiterates its acknowledgment of the significant improvements reflected in the March 2026 amendments to the Manual. We remain committed to constructive engagement with IP Australia on these important issues and would welcome the opportunity to discuss our concerns further, including through direct consultation with the relevant examination teams.

Please do not hesitate to contact us if you require clarification or further information in relation to any matter raised in this letter.

Yours faithfully,



Ronelle Geldenhuis

On behalf of the Computer Implemented Inventions Task Force (CIITF)