

IP Australia response to public consultation on exposure draft of Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Regulations 2018

Introduction

From 16 November to 21 December 2018 IP Australia released draft regulations for public comment. The draft regulations include measures consequential to the amendments in the proposed Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Bill 2018 ('the Bill'). The regulations also make some technical improvements to IP regulations.

Six non-confidential submissions were received during consultation on the draft regulations. No confidential submissions were received.

IP Australia has considered all submissions and thanks all stakeholders who took the time to consider the draft regulations and respond to us.

Schedule 1 - Amendments

Part 1 – Innovation Patents

Summary of submissions

Six submissions provided comments on the amendments to commence the abolition of the innovation patent.

Four of the submissions did not comment on the drafting of the regulations, but expressed their continued opposition to the decision to abolish the innovation patent system.

One submission objected to the proposed amendments in the Bill on the basis that they would not abolish the innovation patent sufficiently quickly, but did not comment on the drafting of the regulations.

One submission noted that a cross reference in the commencement provisions relating to this part appears to refer to an incorrect part of the Bill.

IP Australia response

IP Australia notes that the decision to abolish the innovation patent system was taken by the Government. IP Australia further notes that the decision would be given effect principally by amendments in the Bill, and that this consultation was directed towards regulations that would support those amendments

In the absence of any compelling new evidence on the value of the innovation patent, IP Australia considers that the proposed amendments balance the relevant interests.

The cross-referencing in the proposed regulations reflects changes made to the Bill to remove the proposed amendments to the inventive step provisions of the Patents Act. This change was made following the recent consultation on the [exposure draft](#) of the Bill, as noted in [IP Australia's response](#) to stakeholders.

Accordingly, IP Australia proposes to proceed with the amendments as currently drafted.

Parts 2 and 3 – Crown use and compulsory licensing

Summary of submissions

One submission discussed Crown use, and two submissions discussed compulsory licensing. The submissions did not comment on the drafting of the proposed regulations, but reiterated their view from their submissions to the consultation on the exposure draft of the Bill that it is not necessary to amend Crown use and compulsory licensing at this time.

IP Australia response

As discussed in [IP Australia's response](#) to the consultation on the Bill, IP Australia considers that these amendments should proceed, for the reasons given in that response.

Part 4 – Translations

Summary of submissions

Two submissions discussed translations.

One submission noted that proposed subregulations 3.5AC(10), 3.5AF(2E) and 22.15A have unintended consequences that where a translation is incorrect, an applicant cannot comply with the requirement to verify the translation.

One submission proposed that applicants be given a further two months to furnish a translation on National Phase Entry (NPE), suggesting that this approach would bring Australia into line with other major trading partners.

The same submission also considered that removing certificates of verification would not significantly reduce a burden on applicants, as they must file a certificate of verification for their English translation in other major jurisdictions. The submission expressed concern about the increased potential for filing low-quality machine translations that are not verified.

IP Australia response

Unintended consequences

IP Australia agrees that the proposed subregulations have an unintended consequence, and we would like to thank Wadeson IP for drawing our attention to the error. IP Australia will amend the draft regulations to ensure that an applicant can respond to a request under that regulation by either verifying the filed translation, or alternatively filing a corrected translation and related certificate of verification.

Additional time for filing translation on NPE

IP Australia does not believe that there is sufficient evidence, at this time, to justify giving applicants an additional two months to file a translation on NPE.

IP Australia notes that an applicant has already had 31 months from the priority date of their application to obtain an English translation for NPE in Australia. Once an application enters the national phase in Australia, it can become an Australian patent. It is appropriate that the

Australian public should be able to understand the content of the application at this stage, in order to be able to determine their own freedom to operate if a patent is granted in Australia.

IP Australia further notes that most major English language patent offices, including the USPTO, EPO, UK, Canada and India require the filing of a translation on national phase entry. Some of these offices, such as the USPTO, have procedures to correct errors or formalities issues with the translations subsequently within a two-month timeframe, as is proposed in the current exposure draft.

As such, IP Australia believes that the proposed amendments as currently drafted balance all relevant interests and are appropriately in line with our major trading partners at this time. The proposal to extend the time will be published on our [policy register](#) for further consideration if circumstances change or further evidence comes to light.

Removal of burden on applicants from certificates of verification

IP Australia disagrees that removing certificates of verification would not remove a burden on applicants. Most major English language jurisdictions, including the UK, European, Canadian and the US patent offices do not require verification of a translation on filing. Australia is one of the largest English language filing offices to require the certificate in all circumstances, hence removing this requirement would remove a burden on a significant proportion of applicants.

Low quality or machine translations

IP Australia notes concerns about the potential for low quality and/or machine translations to be filed.

The exposure draft contains a safeguard in proposed new regulation 22.15A to ensure that where the Commissioner reasonably doubts the accuracy of a translation, she can require that the translation be verified. Noting the amendment identified above, IP Australia considers that this will represent an appropriate means to ensure that translations are of an appropriate quality.

Parts 5-8 – Technical fixes

Summary of submissions

No substantive submissions were received on Parts 5-8.

IP Australia response

In the absence of any errors or concerns regarding Parts 5-8, IP Australia proposes to proceed with the proposed amendments as currently drafted.

Next steps

Parts 1–3 of Schedule 1 to the draft regulations depend on amendments in the Bill, and so can only be made after the Bill is enacted. In contrast, Parts 4–7 of Schedule 1 do not depend on amendments in the Bill. Accordingly, IP Australia will soon seek the making of the amendments in Parts 4–7 of Schedule 1 to the Regulations, with minor changes to address some drafting concerns identified during the recent consultation.

All of the submissions received are now available on the IP Australia website. IP Australia's public response to those submissions will also be published there shortly.