

EXPLANATORY STATEMENT

Select Legislative Instrument No. , 2018

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

Patents Act 1990

Designs Act 2003

Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Regulation 2018

Legislative Authority

Subsection 228(1) of the *Patents Act 1990* (Patents Act) and subsection 149(1) of the *Designs Act 2003* (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.

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

The Regulation is a legislative instrument for the purpose of the *Legislation Act 2003*.

Purposes and Operations of the Regulation

The Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Regulation 2018 (‘Regulation’) amends the *Patents Regulations 1991* (Patents Regulations) and the *Designs Regulations 2004* (Designs Regulations) (collectively, ‘the principal Regulations’) to:

- prescribe matters required under the provisions of the principal Acts as amended by Schedules 1, 2, 4 and 8 of the Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Bill 2018 (‘Amending Bill’);
- improve and streamline processes involved with obtaining and maintaining intellectual property (IP) rights; and
- ensure Australia’s compliance with international treaties.

The various Parts in Schedule 1 to the Regulation amend the Patents Regulations as follows:

Part 1 – Innovation patents

- makes amendments to the Patents Regulations consequential to the amendment of the Patents Act to phase out the innovation patent system.

Part 2 – Crown use

- makes consequential amendments to the Patents Regulations as a result of amending the provisions in the Patents Act for Crown use.

Part 3 – Compulsory licences

- makes consequential amendments to the Patents Regulations as a result of amending the provisions in the Patents Act for compulsory licensing.

Part 4 – Translations

- clarifies the national phase entry translation requirements for Patent Cooperation Treaty (PCT) applications and provides some additional flexibility for applicants when filing translated documents.
- removes mandatory requirements for providing a certificate of verification for translated documents for patent applications.
- provides the Commissioner of Patents with power to direct a certificate of verification be filed when there are reasonable doubts regarding the veracity of the translation.

Part 5 – Delegation

- enables the Commissioner of Patents and the Registrar of the Designs to delegate their powers to summon witnesses and to produce documents, to employees suitably qualified to make such decisions.

Part 6 – Fees

- ensures the schedule of fees in the Patents Regulations complies with the schedule of fees under the Patent Cooperation Treaty.

Part 7 – Extension of time for acceptance.

- provides greater certainty surrounding the acceptance date of a patent application where there is an entitlement dispute in progress.

Part 8 – Application, transitional and savings provisions

- provides how the other parts in the Schedule apply.

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

Commencement of the Regulation

The commencement arrangements for each of the Parts of Schedule 1 are set out in the commencement table at Section 2 of the Regulations. The items in Schedule 1, Parts 1 and 4 of the Regulations relating to amending the provisions for innovation patents and translations are intended to operate in conjunction with the corresponding items in the Amending Bill, so the commencement provisions for the relevant items are aligned with the Amending Bill.

The other provisions in Schedule 1 of the regulation do not require any prior planning from users of the IP system (and do not need prior notice of the start date of these changes). These changes commence on the day after the registration of the Regulations on the Federal Register of Legislation.

The Regulations are a legislative instrument for the purposes of the *Legislation Act 2003*.

ATTACHMENT

Details of the Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Regulations 2018

Section 1 – Name

This section provides that the title of the Regulation is the Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Regulations 2018.

Section 2 – Commencement

This section provides that a number of the provisions in Schedule 1 of the Regulation commence at the same time as corresponding Parts in the Amending Bill.

Schedule 1, Part 2 of the Amending Bill commences the day after the end of the period 12 months beginning on the day it receives the Royal Assent. The provisions in Schedule 1 of the Regulation that commence at the same time as those Amending Bill amendments are:

- Part 1 relating to consequential amendments for the innovation patent

Schedule 8 of the Amending Bill commences the day after the end of the period 6 months beginning on the day it receives the Royal Assent. The provisions in Schedule 1 of the Regulation that commence at the same time as those Amending Bill amendments are:

- Part 4, relating to translations of PCT applications and the requirements to file certificates of verification

The remaining provisions in Schedule 1 of the Regulation commence the day after the Regulation is registered. These provisions are:

- Part 2, relating to consequential amendments for Crown use of patents;
- Part 3, relating to consequential amendments for compulsory licences;
- Part 5 relating to the Commissioner of Patents and the Registrar of Designs delegating their powers to summon witnesses and produce documents;
- Part 6 relating to compliance with the schedule of fees under the Patent Cooperation Treaty;
- Part 7 relating to amendments to clarify the effect of an entitlement application under s 36(1) of the Patents Act; and
- Part 8 relating to application, transitional and savings provisions.

Section 3 – Authority

This section provides that the Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Regulations 2018 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 – Amendments

Part 1 – Innovation Patents

This Part makes consequential amendments to the Patents Regulations as a result of changes to the innovation patent provisions of the Patents Act made by Schedule 1 Part 2 of the Amending Bill.

Patents Regulations 1991

Item 1: At the end of subregulation 3.2B(1)

This item amends subregulation 3.2B(1) as a consequence of the amendment to section 52 of the Patents Act in Part 2 of Schedule 1 to the Amending Bill.

Regulation 3.2B prescribes the details and procedures for the formalities check of innovation patent applications. Subregulation 3.2B(1) sets out the criteria that the application must meet in order to pass the formalities check. Part 2 of Schedule 1 to the Amending Bill adds a new criterion to the formalities check by inserting subsection 52(3) into the Patents Act.

Accordingly, this item adds new paragraph 3.2B(1)(k) to include a reference to this new requirement in subsection 52(3) of the Patents Act.

This item also includes new paragraphs 3.2B(1)(i) and (j) that provide that a request to convert a standard patent to an innovation patent, or a request to file a divisional innovation patent from either a standard patent application or an innovation patent application (as per section 79B of the Act), will fail the formalities check if the date of the request is after the term of the innovation patent, if granted, would have expired. This is to prevent the situation where innovation patent rights could reach ‘back in time’ and provide the public certainty about their freedom to operate after the term of a notional innovation patent would have expired.

Item 2: Subregulation 3.2B(2)

This item makes a consequential amendment to subregulation 3.2B(2) as a result of the addition of paragraph 3.2B(1)(k) by item 1.

Item 3: At the end of regulation 10.2B

This item adds a new provision to regulation 10.2B to prevent the conversion of a standard patent application into an innovation patent application in certain circumstances.

Part 2 of Schedule 1 to the Amending Bill includes amendments to commence the abolition of the innovation patent by preventing any new applications from being filed after that Part of the Bill commences. Following the commencement of those amendments, the only innovation patent applications that can be progressed are those that would have a date of patent, as determined under section 65 of the Patents Act, which is earlier than the commencement date.

One way that an innovation patent application can be made is by amending an existing standard patent application to convert it to an innovation patent application. Regulation 10.2B prescribes the amendments of a patent request that are not allowable for the purposes of

subsection 102(2D) of the Patents Act. This item amends regulation 10.2B to provide that an amendment that would convert a standard patent application to an innovation patent application is not allowable if the date of the patent for that application would be on or after the commencement date of this regulation. The commencement date of this regulation will be the same as the commencement date of Part 2 of Schedule 1 to the Amending Bill.

Item 4: Before paragraph 22.11(4)(a)

This item adds new provisions to subregulation 22.11(4), which clarify actions which are not eligible (prescribed actions) for an extension of time to be granted by the Commissioner under section 223 of the Patents Act.

This item amends subregulation 22.11(4) to specify that an extension of time will not be granted for filing a divisional innovation patent application from either a standard or innovation patent application under section 79B of the Act, or for converting a standard patent application to an innovation patent application in certain circumstances. That is, these actions are not eligible for an extension of time if the filing date of the divisional application or the request to convert was made on or after the term of the innovation patent, if granted, would have expired. This item complements item 1 above to give the public certainty that innovation patent rights could not be resurrected and reach back in time after the term of the notional innovation patent would have expired.

Part 2 – Crown use

This Part makes consequential amendments to the Patents Regulations as a result of changes to the Crown use provisions of the Patents Act made by Schedule 2 of the Amending Bill.

Patents Regulations 1991

Item 5: Regulation 3.25E (heading)

This item repeals the heading ‘Grant of certification—exploitation for purposes of Commonwealth or a State’ at regulation 3.25E of the Patents Regulations and replaces it with the heading ‘Grant of certification—exploitation for Crown purposes’. This amendment is consequential to the introduction of new section 160A of the Patents Act.

Item 6: Paragraph 3.25E(a)

This item repeals paragraph 3.25E(a) and substitutes new paragraph 3.25E(a) to reflect the change of terminology from ‘Commonwealth or a State’ to ‘relevant authority’ in new section 160A of the Patents Act.

Item 7: Regulation 17.1

This item repeals regulation 17.1 which is no longer required as result of the repeal of section 169 of the Patents Act.

Part 3 – Compulsory licences

This Part makes consequential amendments to the Patent Regulations as a result of changes to the compulsory licensing provisions of the Patents Act made by Schedule 4 of the Amending Bill.

Patents Regulations 1991

Item 8: Paragraph 3.25D(a)

This item amends paragraph 3.25D(a) to replace the term ‘to work’ with the term ‘to exploit’. This is a consequential amendment following the replacement of the term ‘to work’ with the term ‘to exploit’ in section 133(1) of the Patents Act.

Item 9: Regulation 12.1(2)(a)(iv)

This item repeals subparagraph 12.1(2)(a)(iv) of the Patents Regulations and substitutes a new provision reflecting changes made to paragraph 133(2)(a) of the Patents Act.

The new provision replaces a reference to the “reasonable requirements of the public” with a reference to the public interest. The new provision will require that, where an applicant for a compulsory licence relies on the grounds set out in new paragraph 133(2)(a) of the Patents Act, the application must include facts supporting the making of the order, having regard to the matters mentioned in paragraphs 133(3)(a), (b) and (e) of the Patents Act.

Part 4—Translations

This Part amends the Patents Regulations to:

- clarify the national phase entry (NPE) translation requirements for PCT applications;
- ensure that as a minimum requirement applicants file a translation of the PCT specification as filed;
- remove the mandatory requirement for patent applicants to provide a certificate of verification when they file any document translated into English; and
- provide the Commissioner with power to direct a certificate of verification be filed when there are reasonable doubts regarding the accuracy of the translation.

Translation required for PCT National Phase Entry

An international patent application under the PCT is considered an application for a standard patent in Australia under subsection 29A(1) of the Patents Act. If the international application was filed in a language other than English, paragraph 29A(5)(a) provides that the applicant must file a translation into English with the Patent Office.

The requirements for translations under paragraph 29A(5)(a) are set out in regulation 3.5AF. Currently the requirements are ambiguous and confusing about exactly what must be filed. There is also no guarantee that a translation filed by the applicant includes a translation of the PCT application as originally filed. A translation of the specification as originally filed provides the basis for proper assessment under section 102 of any amendments made after NPE and for determining the priority date under section 114 and regulation 3.14 of any translated Article 19 or 34 amendments under the PCT that are supplied at NPE.

The amendments will ensure that a translation of the PCT application filed by the applicant must contain a translation of the specification as originally filed. It will also give the applicant the option of filing a translation of any Article 19 or 34 amendments made under the PCT that the applicant wishes to proceed with in their Australian application.

Certificates of verification

When documents filed as part of a patent application in Australia were not originally filed in English in their country of origin, the Patents Act requires that a translation into English be filed. The Patents Regulations provide that translated documents must be accompanied by a certificate of verification of the translation. If the certificate of verification is not provided, and the applicant does not comply with a formality notice from IP Australia requesting it, the application lapses and does not progress to the next stage in the patent process.

Most translations are accurate and do not give rise to any issues, making this requirement an unnecessary burden on most applicants. The amendment will remove an unnecessary burden on applicants and better align Australia's requirements with that of other countries.

However there may be times where a certificate of verification is a useful for the Commissioner to assess a patent application to provide assurance that the translation is accurate. These amendments will ensure that the Commissioner has the power to request a certificate of verification when he or she reasonably doubts the accuracy of the translation.

Patents Regulations 1991

Items 10, 13 and 14: Regulation 1.7 and subregulation 3.2C(2)

Items 10 and 14 repeal regulation 1.7 and paragraph 3.2C(2)(b) to remove the requirement for an applicant to provide a certificate of verification for the translation of their international application. Item 13 makes a consequential amendment to paragraph 3.2C(2)(aa).

Items 11, 12, 16, 25, 26, 27, 29: 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) to remove references to 'a related certificate of verification' so that it is no longer a mandatory requirement to provide a certificate of verification when providing translated documents under these regulations.

Item 15: Paragraph 3.2C(7)(a)

This item repeals paragraph 3.2C(7)(a) and substitutes a new paragraph to remove references to the requirement to file a certificate of verification, since this requirement has been removed by items 10, 13 and 14 above.

Note that this paragraph also refers to a section of the Act (subsection 89(3)) that was in force prior to the commencement of Schedule 6 of the *Raising the Bar Act 2012* on 15 April 2013. This section is not present in the current version of the legislation but continues to apply to applications filed prior to 15 April 2013 under the application provisions of the *Intellectual Property Laws Amendment (Raising the Bar) Act 2012*.

Item 17: Subparagraph 3.5AB2(b)(ii)

This item repeals subparagraph 3.5AB2(b)(ii) and substitutes a new paragraph to clarify the circumstances under which a translation is required for the application to be taken as a PCT application under the Patents Act.

Subparagraph 3.5AB2(b)(ii) provides that if a PCT application is not filed in English a translation of the specification as originally filed is required if the application has not already been published in English under Article 21 of the PCT.

Items 18 and 20: Subregulation 3.5AC(3) and subregulation 3.5AC(5)

Items 18 and 20 make consequential amendments to subregulations 3.5AC(3) and 3.5AC(5), respectively, to account for the changes made by items 19 and 21, below.

Items 19 and 21: Subregulations 3.5AC(3A) and 3.5AC(5A)

Items 19 and 21 insert new subregulations 3.5AC(3) and 3.5AC(5) of the Patents Regulations, respectively, to clarify the circumstances under which Article 19 or Article 34 amendments made to a PCT application in a language other than English apply to NPE of a patent application.

Subregulation 3.5AC(3A) provides that if amendments under Article 19 were made to a PCT application in a language other than English, and the amendments have not been published in English under Article 21 of the PCT, then the amendments are only considered to amend the Australian specification if a translation of the amendments is filed at the same time as (or before) the required documents for NPE under subsection 29A(5) of the Patents Act. Any PCT amendments or rectifications not translated and filed by this time will be disregarded by the Commissioner.

Subregulation 3.5AC(5A) provides that if amendments under Article 34 were made to a PCT application in a language other than English, and the amendments have not been published in English under Article 21 of the PCT, then the amendments are only considered to amend the Australian specification if a translation of the amendments is filed at the same time as (or before) the other required documents for NPE under subsection 29A(5) of the Patents Act. Any PCT amendments or rectifications not translated and filed by this time will be disregarded by the Commissioner.

Item 22: Regulation 3.5AC

Item 22 amends regulation 3.5AC of the Patents Regulations to clarify the procedure for correcting an error of a translation of Article 19 or Article 34 amendment filed to amend the Australian specification under subregulations 3.5AC(3A) or 3.5AC(5A).

Subregulation 3.5AC(8) provides that if an applicant notices their translation of an Article 19 or Article 34 amendment as originally filed is incorrect, they may file a correct translation without waiting for the Commissioner to issue notification under subregulation 3.5AC(9).

Subregulations 3.5AC(9), 3.5AC(10), and 3.5AC(11) enable the Commissioner to request a correct translation of the amendment if the Commissioner notices that the translation is incorrect. The applicant must respond within a two month time limit otherwise the application would lapse.

Subregulation 3.5AC(12) provides that the correct translation filed either voluntarily or under direction from the Commissioner does not have the effect under subsection 29A(3) of the Patents Act amending the PCT application. It can be used for the purposes of determining the allowability of any amendment according to paragraph 102(1)(a) of the Patents Act and determining the priority date afforded to amendments.

Item 23: Regulation 3.5AF

This item amends regulation 3.5AF of the Patents Regulations to clarify NPE translation requirements for PCT applications under paragraph 29A(5)(a) of the Patents Act.

Subregulation 3.5AF(2A) provides that these requirements apply where a PCT application is not filed in English, and a translation is not supplied by publication under Article 21 of the PCT.

Subregulation 3.5AF(2B) provides that in order to satisfy the NPE requirements of paragraph 29A(5)(a) of the Act for a PCT application in a language other than English, the applicant must file a translation of the specification as originally filed under the PCT (with or without any authorised Rule 91 rectifications).

Subregulation 3.5AF(2C) provides that if an applicant notices their translation of the specification as originally filed is incorrect, they may file a correct translation without waiting for the Commissioner to issue a notification under subregulation 3.5AF(2D).

Subregulations 3.5AF(2D), 3.5AF(2E), and 3.5AF(2F) enable the Commissioner to request a correct translation of the specification if the Commissioner notices that the translation is incorrect. The applicant must respond within a two month time limit otherwise the application would lapse.

Subregulation 3.5AF(2G) provides that an incorrectly filed translation as a result of an error or omission does not invalidate the NPE of the PCT application. This includes circumstances where a translation of the wrong specification, missing parts or incorrect wording has inadvertently been provided.

Subregulation 3.5AF(2H) provides that the corrected translation filed either voluntarily or under direction from the Commissioner does not have the effect under subsection 29A(3) of the Patents Act of amending the Australian specification. It can be used for the purposes of determining the allowability of any amendment according to paragraph 102(1)(a) of the Act and determining the priority date afforded to amendments..

Item 24: Subregulation 3.5AF(4)

This item makes a consequential amendment to subregulation 3.5AF(4) to account for the changes made by item 23, above.

Item 28: Paragraph 13.4(1)(b)

This item amends paragraph 13.4(1)(b) to allow the usual 12 month period for acceptance of a patent specification to be extended if the Commissioner requires a corrected translation after examination has commenced. The extension will be available for a period of two months after the correct translation is filed, provided the correct translation is filed within the two month period required by the Commissioner. In these circumstances, the maximum period for acceptance of an application once examination has commenced will be 14 months rather than 12 months. This extra time is allocated to allow sufficient time for any pending examination matters to be resolved once a corrected translation is filed.

If the applicant voluntarily corrects the translation close to the 12 month acceptance period, this additional time is not available. However, if necessary the applicant could seek an extension of time provisions under the existing provisions of section 223 of the Patents Act.

Item 30: Regulation 22.15A

This item adds new regulation 22.15A to enable the Commissioner to direct a certificate of verification be filed within 2 months (or a longer period at the Commissioner's discretion) if the Commissioner reasonably doubts the accuracy of a translated document.

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.

Subregulation 22.15A(2) enables the Commissioner to direct the person who filed the translated document in the circumstances outlined in subregulation 22.15A(1) to file a certificate of verification within a period of 2 months, or a longer period at the Commissioner's discretion. It is expected that 2 months will usually be permitted. The option for a longer period is included for instance if the Commissioner's decision to require a filing of a certificate of verification is challenged (see item 31, below), the period can be extended at the Commissioner's discretion so the certificate does not have to be lodged until after the challenge has been dealt with.

Subregulations 22.15A(3) specifies the consequences if the person notified by the Commissioner is an applicant and does not comply with the Commissioner's requirement to file a certificate of verification of a translation of a standard patent application within the specified time limit. If the applicant does not comply within the period specified by the Commissioner as per subregulation 22.15A(2), the application will lapse.

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

Subregulation 22.15A(5) specifies the consequences if the person who does not comply with the Commissioner's requirement to file a verification of a translation in the specified time as per subregulation 22.15(2) is a party who has notified the Commissioner that a patent application or innovation patent is not novel, inventive and/or innovative. In these circumstances, the Commissioner may exercise discretion in deciding whether to use this translation to support an assertion of invalidity by the third-party.

Subregulation 22.15A(6) specifies the consequences if the person who does not comply with the Commissioner's requirement to file a verification of a translation in the specified time as per subregulation 22.15(2) is a person who has requested re-examination of a complete specification. In this circumstance, the Commissioner may decide not to re-examine the complete specification, similar to the existing provision of subregulation 9.2(4).

Subregulation 22.15A(7) specifies what actions the Commissioner may take if a person does not comply with the Commissioner's requirement to file a verification of a translation within the prescribed time limit in relation to any document other than those specified in subregulations 22.15A(3), 22.15A(5) and 22.15(6). In this circumstance, the Commissioner may take one or more actions specified in 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.

Subregulation 22.15A(8) describes the actions the Commissioner may take for the purposes of subregulation 22.15(7) above. The actions specified in 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 an applicant for a patent, the Commissioner may refuse to grant the patent. If the person who does not comply is any person other than an applicant, the Commissioner may draw an inference unfavourable to the person's interest in proceedings before the Commissioner.

Subregulation 22.15A(9) specifies the circumstances the Commissioner must consider when deciding whether to take the actions specified in subregulation 22.15A(8) when a person does not provide a certificate of verification of translation within the set time period. When deciding whether to take an action, the Commissioner must consider whether the person has a reasonable excuse for refusing or failing to file the certificate of verification within the set time period and also must consider any other matter the Commissioner considers to be relevant.

Item 31: subparagraph 22.26(2)(a)(va)

This item amends subparagraph 22.26(2)(a)(va) to provide that the Commissioner's decision to direct a certificate of verification of a translation be filed under new subregulation 22.15A(2) (item 30, above) is reviewable by the Administrative Appeals Tribunal (AAT).

Part 5 – Delegations

This part amends the Patents Regulations and Designs Regulations to enable the Commissioner of Patents and the Registrar of Designs to delegate her powers under the respective Acts to summon witnesses and require the production of documents. Such powers are exercised in the context of opposition and hearing proceedings and are provided by the Patents Act s 210(1)(a) and (c) and the Designs Act s 127(1)(a) and (c). Under the current Patents and Designs legislation, the Commissioner and Registrar must personally exercise these powers.

It appears that these limitations on the powers of the Commissioner and Registrar were included to ensure that the pseudo-judicial 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 trade mark legislation. Since the practices and procedures around trade mark 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. The delegation of these powers to staff that 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 will also be appealable under the *Administrative Decisions (Judicial Review) Act 1977*.

Designs Regulations 2004

Item 32: 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 33.

Item 33: At the end of regulation 10.01

This item inserts a new provision to regulation 10.01 to all the Registrar to delegate their powers relating to summoning witnesses and requiring production of documents under paragraphs 127(1)(a) and (c) of the Designs Act to relevant Executive Level 1 or above staff. Any additional power to sub-delegate will not be available.

Patents Regulations 1991

Item 34: 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 36.

Item 35: Regulation 21.2

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

Item 36: 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 their 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 Executive Level 1 or above. Any additional power to sub-delegate will not be available.

Part 6 – Fees

This part amends item 404 of the Patents Regulations to meet Australia’s obligations to honour the PCT schedule of fees and fee reduction criteria as determined by the PCT Union.

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 recently adopted by the PCT Union.

Patents Regulations 1991

Item 37: Clause 4 of Schedule 7 (table item 404, column 2)

This amendment updates the wording of item 404 such that it refers to the schedule of fees and fee reduction criteria under the PCT regulations (item 5 of the schedule of fees of the PCT) as in force from time to time. This will ensure consistency 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 without the need to further update the Patents Regulations, which is appropriate as this fee reduction and the eligibility criteria for it are regularly reviewed and revised by the PCT Union.

Schedule 1 of the Patents Act provides a definition of the PCT, allowing the Act and Regulations to refer to the treaty and the regulations made under that treaty as in force from time to time. 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 cross reference to the PCT Rules as in force from time to time.

Part 7 – Extension of time for acceptance

This part amends the Patents Regulations to provide greater certainty surrounding the acceptance date of an application subject to an entitlement application under s 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 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 amendments address this issue by clarifying that the extensions 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 applied to requests relating to disputes between joint applicants under section 32 of the Patents Act, regardless of the outcome.

Patents Regulations 1991

Item 38: 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 8 – Application, transitional and savings provisions

This Part provides application, transitional and savings provisions for Schedule 1 Parts 1-7 of the Regulation.

Patents Regulations 1991

Item 39: Application of amendments

This item provides how the amendments made by Schedule 1 Parts 1-7 of the Regulation apply.

Application of Schedule 1 Part 2 – Crown use

Sub-regulation 23.50(1) provides that the amendments made to regulation 3.25E will apply to requests made for a grant of certification made after commencement of Part 2 of the Regulation.

Sub-regulation 23.50(2) provides that the repeal of regulation 17.1 will not apply to applications for a declaration that an innovation patent has been exploited by the Crown made before the commencement of Part 2 of the Regulation.

Application of Schedule 1 Part 3 – Compulsory licences

Sub-regulation 23.50(3) provides that the amendment of regulation 3.25D will apply to orders made after the commencement of Part 3 of the Regulation.

Sub-regulation 23.50(4) provides that the amendment of regulation 12.1 will apply in relation to applications for orders for compulsory licences made after the commencement of Part 3 of the Regulation.

Application of Schedule 1 Part 4 - Translations

Subregulation 23.50(5) provides that, subject to subregulation 23.50(6), the amendments of regulation 3.5AF will apply to translations filed after the commencement of Part 4 of the Regulation.

Subregulation 23.50(6) provides that the amendments of regulation 3.5AF will apply to PCT applications (which are to be treated as complete applications for a standard patent under subsection 29A(1) of the Patents Act) for which a translation was filed under subsection 29A(5) of the Patents Act after the commencement of Part 4 of the Regulation.

Application of Schedule 1 Part 7 – Extension of time for acceptance

Subregulation 23.50(7) provides that the amendment of regulation 13.4 will apply in relation to applications under subsection 36(1) of the Patents Act made after the commencement of Part 7 of the Regulation and also to applications under subsection 36(1) of the Patents Act made but not decided before the commencement of Part 7.