EXPLANATORY STATEMENT

Select Legislative Instrument 2012 No. 221

Issued by the Authority of the Minister for Industry and Innovation

Patents Act 1990

Patents Amendment Regulation 2012 (No. 1)

Subsection 228(1) of the Patents Act 1990 (‘the Act’) provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Paragraph 228(2)(e) of the Act provides that the Governor-General may make regulations for the purpose of carrying out or giving effect to the Patent Cooperation Treaty (PCT). The PCT provides for international cooperation in the filing, searching and examination of applications for the protection of inventions.

Section 227 of the Act provides for the payment of prescribed fees in accordance with the regulations made for the purpose of the Act.

Regulation 22.4 of the Patents Regulations 1991 (‘the Principal Regulations’) provides that Part 4 of Schedule 7 to the Regulations sets out the amounts of two fees payable to the Patent Office for the benefit of the International Bureau of the World Intellectual Property Organization (‘the International Bureau’). These fees are:

- the international filing fee for filing an international application at the Patent Office
- the handling fee for a demand for international preliminary examination filed at the Patent Office.

These fees are prescribed in Swiss francs. The Commissioner of Patents (‘the Commissioner’) determines the Australian dollar amounts of the fees in accordance with the PCT, and publishes them on IP Australia’s website. The international applicant pays the Australian dollar amounts of the fees; the Commissioner remits the Swiss franc amounts to the International Bureau. The fees defray the International Bureau’s costs for processing, translating and publishing the international application and the international preliminary examination report.

Part 4 of Schedule 7 to the Regulations was inadvertently omitted on 1 July 2012, when the Intellectual Property Legislation Amendment Regulation 2012 (No. 1) substituted a new Schedule 7.

The Regulation would amend the Principal Regulations to correct this error by re-inserting Part 4 of Schedule 7 to the Regulations, as it was before 1 July 2012. Details of the Regulation are set out in the Attachment.

The Regulation is a legislative instrument for the purposes of the Legislative Instruments Act 2003.
No consultation was undertaken prior to the Regulation being made. Extensive consultation was conducted regarding the *Intellectual Property Legislation Amendment Regulation 2012 (No. 1)* and the fee changes that commenced on 1 July 2012. The Regulation is of a machinery nature that does not substantially alter existing arrangements. It merely returns Part 4 of Schedule 7 to the state it had immediately prior to 1 July 2012.

The Office of Best Practice Regulation in the Department of Finance and Deregulation has advised that no Regulation Impact Statement is required to be prepared for the Regulation.

The Regulation commences on the day after it is registered.

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**ATTACHMENT**

**Details of the Patents Amendment Regulation 2012 (No. 1)**

Section 1 identifies the Regulation as the *Patents Amendment Regulation 2012 (No. 1)*.

Section 2 specifies that Schedule 1 commences on the day after it is registered.

Section 3 specifies that Schedule 1 amends the *Patents Regulations 1991* (‘the Principal Regulations’)

Schedule 1 - Amendment

Item [1] amends Schedule 7 to the Regulations by re-inserting the inadvertently omitted Part 4 of Schedule 7 to the Principal Regulations. Part 4 was omitted on 1 July 2012, when item 23 in Schedule 1 to the *Intellectual Property Legislation Amendment Regulation 2012 (No. 1)* substituted a new Schedule 7 to the Regulations.

The amendment restores Part 4, as it was prior to its omission on 1 July 2012, to Schedule 7 to the Regulations. At all times there has remained an obligation under the PCT for the fees to be paid to the Patent Office for the benefit of the International Bureau. A failure to pay the relevant fee would result in loss of the international applicant’s right under the PCT to make the international application or to demand international preliminary examination, irrespective of the presence of Part 4.
Statement of Compatibility with Human Rights

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

Patents Amendment Regulation 2012 (No. 1)

This 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 Patents Amendment Regulation 2012 (No. 1) makes technical amendments to the Patents Regulations 1991 to correct an error in the patent fees.

The Intellectual Property Legislation Amendment Regulation 2012 (No. 1) implemented changes in fees arising from a fee review conducted by IP Australia. The changes included inserting a new schedule of patent fees, commencing on 1 July 2012. Part of this schedule was to remain unchanged, but was accidentally omitted. The omitted part provided the fee for filing an international application at the Patent Office and the handling fee for a demand for international preliminary examination. Despite the absence of this part in the Patents Regulations 1991, there has remained an obligation under the Patent Cooperation Treaty for the fees to be paid.

The amendments correct the error by re-inserting the omitted part of the schedule to the Patents Regulations 1991, as it was before 1 July 2012.

These amendments do not make any substantive changes to the law.

Human rights implications

This Legislative Instrument does not engage any of the applicable rights or freedoms.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

The Hon Greg Combet AM MP, Minister for Industry and Innovation