



# **Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Act 2020**

**No. 9, 2020**

**An Act to amend legislation relating to intellectual  
property, and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation  
(<https://www.legislation.gov.au/>)



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# Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Act 2020

No. 9, 2020

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## An Act to amend legislation relating to intellectual property, and for related purposes

[Assented to 26 February 2020]

The Parliament of Australia enacts:

### 1 Short title

This Act is the *Intellectual Property Laws Amendment  
(Productivity Commission Response Part 2 and Other Measures)  
Act 2020*.

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No. 9, 2020

*Intellectual Property Laws Amendment (Productivity Commission  
Response Part 2 and Other Measures) Act 2020*

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## 2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	26 February 2020
2. Schedule 1, Part 1	The day after this Act receives the Royal Assent.	27 February 2020
3. Schedule 1, Part 2	The day after the end of the period of 18 months beginning on the day this Act receives the Royal Assent.	26 August 2021
4. Schedules 2 to 7	The day after this Act receives the Royal Assent.	27 February 2020
5. Schedule 8	The day after the end of the period of 6 months beginning on the day this Act receives the Royal Assent.	26 August 2020

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

## 3 Schedules

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

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#### **4 Review of the accessibility of patents**

- (1) The Minister must cause a review of the accessibility of patents for small and medium sized enterprises within 3 months of the commencement of this section.
- (2) Without limiting the matters the review should consider, the persons conducting the review must examine:
  - (a) the cost of applications for patents; and
  - (b) processing times of patents; and
  - (c) advice provided by the Australian Government with respect to the patent application process; and
  - (d) awareness of the patent application process.
- (3) The persons conducting the review must provide the Minister with a written report of the review within 12 months of the commencement of the review.
- (4) The Minister must cause copies of the report to be tabled in each House of the Parliament within 15 sitting days of that House after the report is given to the Minister.

## **Schedule 1—Responses to the Productivity Commission**

### **Part 1—Object of the Act**

#### *Patents Act 1990*

##### **1 After section 2**

Insert:

##### **2A Object of this Act**

The object of this Act is to provide a patent system in Australia that promotes economic wellbeing through technological innovation and the transfer and dissemination of technology. In doing so, the patent system balances over time the interests of producers, owners and users of technology and the public.



## **Part 2—Innovation patents**

### ***Patents Act 1990***

#### **2 Section 3 (list of definitions)**

Insert “priority date”.

#### **3 Subsection 43(2)**

Omit “priority date”, substitute “*priority date*”.

#### **4 At the end of section 52**

Add:

- (3) It is a requirement of the formalities check that the date of the patent (if granted) would be a date before the day this subsection commences.

Note 1: This subsection was inserted by the *Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Act 2020*.

Note 2: For the date of the patent, see section 65 and regulations made for the purposes of paragraph 65(b).

Note 3: Other requirements of the formalities check are specified in regulations made for the purposes of paragraph 228(2)(ha).

#### **5 After paragraph 101B(2)(h)**

Insert:

- (ha) each claim in the complete specification has a priority date that is before the day this paragraph commences; and

#### **6 At the end of subsection 101B(2)**

Add:

Note: Paragraph 101B(2)(ha) was inserted by the *Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Act 2020*.

#### **7 After subparagraph 101E(1)(a)(viii)**

Insert:

(viii) each claim in the complete specification has a priority date that is before the day paragraph 101B(2)(ha) commences;

**8 At the end of subsection 101E(1)**

Add:

Note: Paragraph 101B(2)(ha) was inserted by the *Intellectual Property Laws Amendment (Productivity Commission Response Part 2 and Other Measures) Act 2020*.

**9 Schedule 1**

Insert:

*priority date* has the meaning given by subsection 43(2).

## **Schedule 2—Crown use of patents**

### **Part 1—Amendments**

#### *Patents Act 1990*

##### **1 Section 3 (list of definitions)**

Insert “exploited for Crown purposes”.

##### **2 Section 3 (list of definitions)**

Insert “relevant Minister”.

##### **3 Section 3 (list of definitions)**

Insert “services”.

##### **4 Section 3 (list of definitions)**

Omit “State”.

##### **5 Before section 161**

Insert:

#### **160A When an invention is *exploited for Crown purposes***

- (1) An invention is *exploited for Crown purposes* if:
  - (a) the invention is exploited for the services of a relevant authority; and
  - (b) the exploitation is by:
    - (i) the relevant authority; or
    - (ii) if a person is authorised, in writing, by the relevant authority for the purposes of this subparagraph—the person for the relevant authority.
- (2) A person may be authorised for the purposes of subparagraph (1)(b)(ii):
  - (a) before or after a patent has been granted for the invention; and

- (b) even if the person is directly or indirectly authorised by the nominated person or patentee to exploit the invention.
- (3) Subject to section 168, an invention is taken to be exploited for the services of a relevant authority if the exploitation of the invention is necessary for the proper provision of those services within Australia.
- (4) **Services** of a relevant authority includes:
  - (a) if the relevant authority is the Commonwealth—services that are:
    - (i) primarily provided or funded by the Commonwealth; or
    - (ii) primarily provided or funded by the Commonwealth and one or more of the States or Territories; and
  - (b) if the relevant authority is a State or Territory—services that are:
    - (i) primarily provided or funded by the State or Territory; or
    - or
    - (ii) primarily provided or funded by the State or Territory and one or more of the other States or Territories or the Commonwealth.

## **6 Section 162**

Repeal the section.

## **7 Section 163**

Repeal the section, substitute:

### **163 Crown exploitation of inventions—general rule**

- (1) Exploitation of an invention in the circumstances mentioned in subsection (3) is not an infringement of:
  - (a) if a patent application for the invention is pending—the nominated person’s rights in the invention; or
  - (b) if a patent has been granted for the invention—the patent.
- (2) Despite subsection (1), if terms relating to the exploitation of the invention have been agreed or determined in accordance with section 165, the exploitation is an infringement unless the terms are complied with.

- (3) The circumstances are as follows:
- (a) the relevant Minister considers that the relevant authority has tried for a reasonable period, but without success, to obtain from the applicant and the nominated person, or the patentee, an authorisation to exploit the invention on reasonable terms;
  - (b) the relevant Minister approves, in writing, the exploitation;
  - (c) the invention is exploited for Crown purposes;
  - (d) if the exploitation is by a person authorised by a relevant authority for the purposes of subparagraph 160A(1)(b)(ii)—the person is authorised by the relevant authority before the exploitation starts;
  - (e) at least 14 days before the exploitation starts, the relevant authority gives the applicant and the nominated person, or the patentee:
    - (i) a copy of the approval referred to in paragraph (b); and
    - (ii) a written statement of reasons for approving the exploitation.
- Note: Section 25D of the *Acts Interpretation Act 1901* sets out rules about the contents of a statement of reasons.
- (4) An approval given under paragraph (3)(b) is not a legislative instrument.
- (5) **Relevant Minister** means:
- (a) in relation to the exploitation of an invention by or for the Commonwealth—the Minister; or
  - (b) in relation to the exploitation of an invention by or for a State—the Attorney-General of the State; or
  - (c) in relation to the exploitation of an invention by or for a Territory—the Attorney-General of the Territory.

### **163A Crown exploitation of inventions—emergencies**

- (1) Exploitation of an invention in the circumstances mentioned in subsection (3) is not an infringement of:
- (a) if a patent application for the invention is pending—the nominated person's rights in the invention; or
  - (b) if a patent has been granted for the invention—the patent.

- (2) Despite subsection (1), if terms relating to the exploitation of the invention have been agreed or determined in accordance with section 165, the exploitation is an infringement unless the terms are complied with.
- (3) The circumstances are as follows:
- (a) the relevant Minister considers that the exploitation is required because of an emergency;
  - (b) the relevant Minister approves, in writing, the exploitation before the exploitation starts;
  - (c) the invention is exploited for Crown purposes;
  - (d) if the exploitation is by a person authorised by a relevant authority for the purposes of subparagraph 160A(1)(b)(ii)—the person is authorised by the relevant authority before the exploitation starts.
- (4) As soon as practicable after the relevant Minister approves the proposed exploitation, the relevant Minister must give the applicant and the nominated person, or the patentee:
- (a) a copy of the approval referred to in paragraph (3)(b); and
  - (b) a written statement of reasons for approving the exploitation.
- Note: Section 25D of the *Acts Interpretation Act 1901* sets out rules about the contents of a statement of reasons.
- (5) An approval given under paragraph (3)(b) is not a legislative instrument.

## **8 Section 164 (heading)**

Repeal the heading, substitute:

### **164 Crown exploitation of inventions—information to be given by relevant authority**

## **9 Section 164**

Omit “under subsection 163(1)”, substitute “in the circumstances mentioned in subsection 163(3) or 163A(3)”.

## **10 Section 165 (heading)**

Repeal the heading, substitute:

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**165 Crown exploitation of inventions—terms (including remuneration)**

**11 Subsection 165(2)**

Repeal the subsection, substitute:

- (1) The terms for the exploitation of an invention in the circumstances mentioned in subsection 163(3) or 163A(3), including terms concerning the remuneration payable to the nominated person or the patentee, are such terms:
  - (a) as are agreed, or determined by a method agreed, between the relevant authority and the nominated person or the patentee; or
  - (b) in the absence of agreement—as are determined by a prescribed court on the application of the relevant authority, or the nominated person or the patentee.
- (2) Without limiting paragraph (1)(b), the prescribed court must determine an amount of remuneration that is just and reasonable, having regard to the economic value of the exploitation of the invention and any other matter the court considers relevant.

**12 Subsection 165(3)**

Omit “subsection (2)”, substitute “this section”.

**13 Subsection 165(3)**

After “agreed”, insert “or determined”.

**14 Section 165A (heading)**

Repeal the heading, substitute:

**165A Crown exploitation of inventions—court order to cease**

**15 Subsection 165A(1)**

Omit “by the Commonwealth or the State”, substitute “in the circumstances mentioned in subsection 163(3) or 163A(3)”.

**16 Subsection 165A(1)**

Omit “of the Commonwealth or of the State”, substitute “of the relevant authority concerned”.

**17 Subsection 165A(2)**

Omit “Commonwealth or the State”, substitute “relevant authority”.

**18 Subsection 165A(2)**

Omit “Commonwealth or of the State”, substitute “relevant authority”.

**19 Section 166**

Repeal the section, substitute:

**166 Certain agreement and licences inoperative unless approved by relevant Minister**

- (1) An agreement or licence setting the terms on which a person other than a relevant authority may exploit an invention is inoperative with respect to the exploitation of the invention in the circumstances mentioned in subsection 163(3) or 163A(3).
- (2) Subsection (1) does not apply if the agreement or licence has been approved in writing by the relevant Minister.

**20 Subsections 167(1) and (2)**

Omit “under subsection 163(1)”, substitute “under subsection 163(1) or 163A(1)”.

**21 Section 169**

Repeal the section.

**22 Section 170**

Omit “or a State” (wherever occurring), substitute “, a State or a Territory”.

**23 Section 170**

Omit “or the State”, substitute “, the State or the Territory”.

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## **24 Schedule 1**

Insert:

*exploited for Crown purposes* has the meaning given by subsection 160A(1).

## **25 Schedule 1 (definition of *relevant authority*)**

Repeal the definition, substitute:

*relevant authority* means:

- (a) in relation to the exploitation of an invention by or for the Commonwealth or an authority of the Commonwealth—the Commonwealth; or
- (b) in relation to the exploitation of an invention by or for a State or an authority of a State—the State; or
- (c) in relation to the exploitation of an invention by or for a Territory or an authority of a Territory—the Territory.

## **26 Schedule 1**

Insert:

*relevant Minister* has the meaning given by subsection 163(5).

*services* of a relevant authority has a meaning affected by subsection 160A(4).

## **27 Schedule 1 (definition of *State*)**

Repeal the definition.

## Part 2—Application and transitional provisions

### 28 Definition

In this Part:

*amended Act* means the *Patents Act 1990* as in force after the commencement of this Schedule.

### 29 Application of amendments

- (1) The amendments of the *Patents Act 1990* (other than section 166 of the Act) made by Part 1 of this Schedule apply in relation to inventions that start to be exploited for Crown purposes on or after the day this Schedule commences.
- (2) The amendment of section 166 of the *Patents Act 1990* made by Part 1 of this Schedule applies in relation to:
  - (a) agreements made or licences given before, on or after the day this Schedule commences; and
  - (b) the exploitation of inventions that occurs on or after the day this Schedule commences.

### 30 Transitional—authorised person

An authorisation of a person that is in force for the purposes of section 163 of the *Patents Act 1990* immediately before the commencement of this Schedule continues in force as if:

- (a) the person had been authorised for the purposes of subparagraph 160A(1)(b)(ii) of the amended Act; and
- (b) paragraph 163(3)(d) of the amended Act were satisfied in relation to the person.

### 31 Transitional—negotiations

If, before the commencement of this Schedule, a relevant authority has tried, for a period, but without success, to obtain from an applicant and a nominated person, or a patentee, an authorisation to exploit an invention on reasonable terms, the relevant Minister must take that period into account in considering whether the condition in paragraph 163(3)(a) of the amended Act is satisfied in relation to the exploitation of the invention.

### **32 Transitional—agreements and determinations**

An agreement or determination that is in force for the purposes of subsection 165(2) of the *Patents Act 1990* immediately before the commencement of this Schedule continues in force on and after that commencement as if it had been made for the purposes of subsection 165(1) of the amended Act.

## Schedule 3—Crown use of designs

### Part 1—Amendments

#### *Designs Act 2003*

##### 1 Section 5

Insert:

***relevant authority*** means:

- (a) in relation to the use of a design by or for the Commonwealth—the Commonwealth; or
- (b) in relation to the use of a design by or for a State—that State;  
or
- (c) in relation to the use of a design by or for a Territory—that Territory.

***relevant Minister*** has the meaning given by subsection 96(5).

***services*** of a relevant authority has a meaning affected by subsection 95(5).

***used for Crown purposes*** has the meaning given by subsection 95(2).

##### 2 Subsection 95(2)

Repeal the subsection, substitute:

- (2) A design is ***used for Crown purposes*** if:
  - (a) the design is used for the services of a relevant authority; and
  - (b) the use is by:
    - (i) the relevant authority; or
    - (ii) if a person is authorised, in writing, by the relevant authority for the purposes of this subparagraph—the person for the relevant authority.
- (3) A person may be authorised for the purposes of subparagraph (2)(b)(ii):
  - (a) before or after the registration of the design; and

- (b) even if the person is directly or indirectly authorised by the entitled person in relation to the design, or the registered owner of the design, to use the design.
- (4) Subject to section 105, a design is taken to be used for the services of a relevant authority if the use of the design is necessary for the proper provision of those services within Australia.
- (5) **Services** of a relevant authority includes:
  - (a) if the relevant authority is the Commonwealth—services that are:
    - (i) primarily provided or funded by the Commonwealth; or
    - (ii) primarily provided or funded by the Commonwealth and one or more of the States or Territories; and
  - (b) if the relevant authority is a State or Territory—services that are:
    - (i) primarily provided or funded by the State or Territory; or
    - (ii) primarily provided or funded by the State or Territory and one or more of the other States or Territories or the Commonwealth.

### **3 Section 96**

Repeal the section, substitute:

#### **96 Crown use of designs—general rule**

- (1) Use of a design in the circumstances mentioned in subsection (3) is not an infringement of a registered design.
- (2) Despite subsection (1), if terms relating to the use of the design have been agreed or determined in accordance with section 98, the use of the design is an infringement unless the terms are complied with.
- (3) The circumstances are as follows:
  - (a) the relevant Minister considers that the relevant authority has tried for a reasonable period, but without success, to obtain from the applicant or entitled person, or the registered owner, an authorisation to use the design on reasonable terms;

- (b) the relevant Minister approves, in writing, the use of the design;
- (c) the design is used for Crown purposes;
- (d) if the use of the design is by a person authorised by a relevant authority for the purposes of subparagraph 95(2)(b)(ii)—the person is authorised by the relevant authority before the use starts;
- (e) at least 14 days before the use starts, the relevant authority gives the applicant and the entitled person, or the registered owner:
  - (i) a copy of the approval referred to in paragraph (b); and
  - (ii) a written statement of reasons for approving the use of the design.

Note: Section 25D of the *Acts Interpretation Act 1901* sets out rules about the contents of a statement of reasons.

- (4) An approval given under paragraph (3)(b) is not a legislative instrument.
- (5) **Relevant Minister** means:
  - (a) in relation to the use of a design by or for the Commonwealth—the Minister; or
  - (b) in relation to the use of a design by or for a State—the Attorney-General of the State; or
  - (c) in relation to the use of a design by or for a Territory—the Attorney-General of the Territory.

### **96A Crown use of designs—emergencies**

- (1) Use of a design in the circumstances mentioned in subsection (3) is not an infringement of a registered design.
- (2) Despite subsection (1), if terms relating to the use of the design have been agreed or determined in accordance with section 98, the use of the design is an infringement unless the terms are complied with.
- (3) The circumstances are as follows:
  - (a) the relevant Minister considers that the use of the design is required because of an emergency;

- (b) the relevant Minister approves, in writing, the use of the design before the use starts;
  - (c) the design is used for Crown purposes;
  - (d) if the use of the design is by a person authorised by a relevant authority for the purposes of subparagraph 95(2)(b)(ii)—the person is authorised by the relevant authority before the use starts.
- (4) As soon as practicable after the relevant Minister approves the proposed use of the design, the relevant Minister must give the applicant and the entitled person, or the registered owner:
- (a) a copy of the approval referred to in paragraph (3)(b); and
  - (b) a written statement of reasons for approving the use of the design.
- Note: Section 25D of the *Acts Interpretation Act 1901* sets out rules about the contents of a statement of reasons.
- (5) An approval given under paragraph (3)(b) is not a legislative instrument.

#### **4 Subsection 97(1)**

Omit “under section 96, the Commonwealth or a State”, substitute “in the circumstances mentioned in subsection 96(3) or 96A(3), the relevant authority”.

#### **5 Subsection 97(2)**

Omit “Commonwealth or a State”, substitute “relevant authority”.

#### **6 Subsection 97(2)**

Omit “Commonwealth or State”, substitute “relevant authority”.

#### **7 Section 98**

Repeal the section, substitute:

#### **98 Crown use of designs—terms (including remuneration)**

- (1) The terms for the use of a design in the circumstances mentioned in subsection 96(3) or 96A(3), including terms concerning the

remuneration payable to the entitled person or the registered owner, are such terms:

- (a) as are agreed, or determined by a method agreed, between the relevant authority and the entitled person or the registered owner; or
  - (b) in the absence of agreement—as are determined by a prescribed court on the application of the relevant authority, or the entitled person or the registered owner.
- (2) Without limiting paragraph (1)(b), the prescribed court must determine an amount of remuneration that is just and reasonable, having regard to the economic value of the use of the design and any other matter the court considers relevant.
  - (3) A person may not apply to a prescribed court for a determination under paragraph (1)(b) in relation to a design unless a certificate of examination has been issued in relation to the design.
  - (4) The prescribed court may, in determining the terms of use, take into consideration compensation that a person interested in the design has received, directly or indirectly, from the relevant authority in respect of the design.
  - (5) For the purposes of this section, the terms, or the method, may be agreed or determined before, during or after the use of the design.

## **8 Section 99**

Repeal the section, substitute:

### **99 Certain agreement and licences inoperative unless approved by relevant Minister**

- (1) An agreement or licence setting the terms on which a person other than a relevant authority may use a design is inoperative with respect to the use of the design in the circumstances mentioned in subsection 96(3) or 96A(3).
- (2) Subsection (1) does not apply if the agreement or licence has been approved in writing by the relevant Minister.



**9 Sections 100 and 101**

Repeal the sections.

**10 Section 102 (heading)**

Repeal the heading, substitute:

**102 Crown use of designs—court order to cease**

**11 Subsection 102(1)**

Omit “by the Commonwealth or State”, substitute “in the circumstances mentioned in subsection 96(3) or 96A(3)”.

**12 Subsection 102(1)**

Omit “of the Commonwealth or State”, substitute “of the relevant authority concerned”.

**13 Subsection 102(3)**

Omit “Commonwealth or the State”, substitute “relevant authority”.

**14 Subsection 102(4)**

Omit “Commonwealth or State”, substitute “relevant authority”.

**15 Section 103**

After “under section 96”, insert “in the circumstances mentioned in subsection 96(3) or 96A(3)”.

**16 Section 103**

Omit “Commonwealth or the State”, substitute “relevant authority”.

**17 Section 104**

Omit “or of a State”, substitute “, a State or a Territory”.

**18 Section 104**

Omit “or a State”, substitute “, a State or a Territory”.

**19 Section 104**

Omit “or the State”, substitute “, the State or the Territory”.

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## Part 2—Application and transitional provisions

### 20 Definitions

In this Part:

*amended Act* means the *Designs Act 2003* as in force after the commencement of this Schedule.

### 21 Application of amendments

- (1) The amendments of the *Designs Act 2003* (other than section 99) made by Part 1 of this Schedule apply in relation to designs that start to be used for Crown purposes on or after the day this Schedule commences.
- (2) The amendment of section 99 of the *Designs Act 2003* made by Part 1 of this Schedule applies in relation to:
  - (a) agreements made or licences given before, on or after the day this Schedule commences; and
  - (b) the use of designs that occurs on or after the day this Schedule commences.

### 22 Transitional—authorised person

An authorisation of a person that is in force for the purposes of section 96 of the *Designs Act 2003* immediately before the commencement of this Schedule continues in force as if:

- (a) the person had been authorised for the purposes of subparagraph 95(2)(b)(ii) of the amended Act; and
- (b) paragraph 96(3)(d) of the amended Act were satisfied in relation to the person.

### 23 Transitional—negotiations

If, before the commencement of this Schedule, a relevant authority has tried, for a period, but without success, to obtain from an applicant or an entitled person, or a registered owner, an authorisation to use a design on reasonable terms, the relevant Minister must take that period into account in considering whether the condition in paragraph 96(3)(a) of the amended Act is satisfied in relation to the use of the design.

## **24 Transitional—agreements and determinations**

An agreement or determination that is in force for the purposes of subsection 98(1) of the *Designs Act 2003* immediately before the commencement of this Schedule continues in force on and after that commencement as if it had been made for the purposes of subsection 98(1) of the amended Act.

## Schedule 4—Compulsory licences

### *Patents Act 1990*

#### **1 Section 132B**

Omit “to work”, substitute “to exploit”.

#### **2 Section 132B**

Omit:

The court may order a compulsory licence to be granted if the reasonable requirements of the public are not being met with respect to a patented invention.

The reasonable requirements of the public relate, broadly speaking, to whether Australian trade or industry is unreasonably affected by the actions of the patentee in relation to the manufacture or licensing of the invention (or the carrying on of a patented process).

substitute:

The court may order a compulsory licence to be granted if certain conditions are met, including that demand in Australia for the invention is not being met on reasonable terms, authorisation to exploit the invention is essential to meet that demand and it is in the public interest to grant the licence. If the person seeking the compulsory licence is the patentee of another invention and is seeking the licence to exploit that other invention, the court must also be satisfied that the other invention involves an important technical advance of considerable economic significance on the original invention.

#### **3 Before subsection 133(1)**

Insert:

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*Application for an order granting a compulsory licence*

**4 Subsection 133(1)**

Omit “to work”, substitute “to exploit”.

**5 Subsection 133(1)**

After “patented invention”, insert “(the *original invention*)”.

**6 Subsections 133(2), (3) and (3B)**

Repeal the subsections, substitute:

*Making an order*

- (2) After hearing the application, the court may make the order if satisfied that:
- (a) all of the conditions in subsection (3) exist; or
  - (b) the patentee has contravened, or is contravening, Part IV of the *Competition and Consumer Act 2010* or an application law (as defined in section 150A of that Act) in connection with the patent.
- (3) The conditions in this subsection are:
- (a) demand in Australia for the original invention is not being met on reasonable terms; and
  - (b) authorisation to exploit the original invention is essential to meet that demand; and
  - (c) the applicant has tried for a reasonable period, but without success, to obtain authority from the patentee to exploit the original invention on reasonable terms and conditions; and
  - (d) the patentee has given no satisfactory reason for failing to exploit the patent to the extent necessary to meet the demand for the original invention in Australia; and
  - (e) it is in the public interest to provide the applicant with authorisation to exploit the original invention, having regard to the following:
    - (i) the benefits to the public from meeting the demand for the original invention;

- (ii) the commercial costs and benefits to the patentee and the applicant from providing authorisation to exploit the original invention;
  - (iii) any other matters the court considers relevant, including matters relating to greater competition and any impact on innovation; and
- (f) if the applicant is the patentee of another invention (the ***dependent invention***) and is seeking the authorisation for the purposes of exploiting the dependent invention:
- (i) the dependent invention cannot be exploited by the applicant without exploiting the original invention; and
  - (ii) the dependent invention involves an important technical advance of considerable economic significance on the original invention.

*Form of order*

- (3A) If the applicant is the patentee of the dependent invention, the order must:
- (a) require the patentee to grant to the applicant a licence to exploit the original invention only to the extent necessary to exploit the dependent invention; and
  - (b) if the patentee so requires—require the applicant to grant to the patentee a licence on reasonable terms to exploit the dependent invention.
- (3B) An order must direct that a licence:
- (a) is not to give the licensee, or a person authorised by the licensee, the exclusive right to exploit the original invention or the dependent invention (if applicable); and
  - (b) is to be assignable only in connection with an enterprise or goodwill in connection with which the licence is used.
- (3C) An order may direct that a licence is to be granted on any other terms specified in the order that the court thinks fit. Such terms must be consistent with the public interest, having regard to the matters specified in paragraph (3)(e).

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*Effect of order*

**7 Paragraph 133(5)(b)**

Repeal the paragraph, substitute:

- (b) if paragraph (a) does not apply—such amount as is determined by the Federal Court to be just and reasonable, having regard to:
  - (i) the economic value of the licence; and
  - (ii) if the order is made because the court is satisfied that the patentee has contravened, or is contravening, Part IV of the *Competition and Consumer Act 2010* or an application law (as defined in section 150A of that Act) in connection with the patent—the desirability of discouraging contraventions of that Part or an application law; and
  - (iii) the right of the patentee to obtain a return on investment commensurate with the regulatory and commercial risks involved in developing the invention; and
  - (iv) the public interest in ensuring that demand in Australia for the original invention is met on reasonable terms.

**8 Before subsection 133(6)**

Insert:

*Revocation of licence*

**9 Subsection 133(6)**

Omit “revoke the licence”, substitute “revoke a licence”.

**10 At the end of section 133**

Add:

- (7) If:
  - (a) the licence is revoked by the Federal Court; and
  - (b) the order granting the licence required a licence (the *cross-licence*) to be granted in accordance with paragraph (3A)(b);

the Federal Court must consider whether to revoke the cross-licence.

### **11 Paragraph 134(2)(a)**

Repeal the paragraph, substitute:

- (a) all of the following apply:
  - (i) demand in Australia for the original invention is continuing to not be met on reasonable terms;
  - (ii) the patentee has given no satisfactory reason for failing to exploit the patent to the extent necessary to meet the demand for the original invention in Australia;
  - (iii) it is in the public interest to revoke the patent, having regard to the matters in subsection (3); or

### **12 At the end of section 134**

Add:

- (3) The matters are as follows:
  - (a) the benefits to the public from meeting the demand for the original invention;
  - (b) the commercial costs and benefits to the patentee and the applicant from revoking the patent;
  - (c) any other matters the court considers relevant, including matters relating to greater competition and any impact on innovation.

### **13 Section 135**

Repeal the section.

### **14 Schedule 1 (definition of work)**

Repeal the definition.

### **15 Application of amendments**

- (1) The amendments of section 133 of the *Patents Act 1990* made by this Schedule apply in relation to an application for an order made on or after the day this Schedule commences.



- (2) The amendment of section 134 of the *Patents Act 1990* made by this Schedule applies in relation to an application for an order revoking a patent made on or after the day this Schedule commences, if the order granting a compulsory licence relating to the patent was made under section 133 of that Act after that day.
- (3) The repeal of section 135 of the *Patents Act 1990* by this Schedule does not affect an application or an order made under section 133 or 134 of that Act if the application was made before the day this Schedule commences.

## **Schedule 5—Seals**

### ***Patents Act 1990***

#### **1 Section 206**

Before “There”, insert “(1)”.

#### **2 At the end of section 206**

Add:

- (2) The seal of the Patent Office may be kept and used in electronic form.

### ***Trade Marks Act 1995***

#### **3 Section 200**

Before “There”, insert “(1)”.

#### **4 At the end of section 200**

Add:

- (2) The seal of the Trade Marks Office may be kept and used in electronic form.

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## **Schedule 6—Specifications**

### ***Patents Act 1990***

#### **1 Paragraph 59(c)**

Omit “or (3)”, substitute “, (3) or (3A)”.

#### **2 Paragraph 98(a)**

Omit “or (3)”, substitute “, (3) or (3A)”.

#### **3 Paragraph 101G(3)(a)**

Omit “or (3)”, substitute “, (3) or (3A)”.

#### **4 Paragraph 101M(b)**

Omit “or (3)”, substitute “, (3) or (3A)”.

#### **5 Paragraph 102(2)(b)**

Omit “or (3)”, substitute “, (3) or (3A)”.

#### **6 Paragraph 138(3)(f)**

Omit “or (3)”, substitute “, (3) or (3A)”.

#### **7 Application of amendments**

- (1) The amendment of section 59 of the *Patents Act 1990* made by this Schedule applies in relation to an opposition, filed on or after the day this Schedule commences, to the grant of a standard patent based on:
    - (a) a complete application made on or after 15 April 2013; or
    - (b) a complete application for a standard patent made before 15 April 2013, if the applicant had not asked for an examination of the patent request and specification for the application under section 44 of the *Patents Act 1990* before that day.
  - (2) The amendment of section 98 of the *Patents Act 1990* made by this Schedule applies in relation to a re-examination started on or after the day this Schedule commences, if the re-examination is of a complete specification:
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- (a) that relates to a standard patent for which the complete application was made on or after 15 April 2013; or
  - (b) that relates to a standard patent for which the complete application had been made before 15 April 2013, if the applicant had not asked for an examination of the patent request and specification for the application under section 44 of the *Patents Act 1990* before that day; or
  - (c) that relates to a complete application made on or after 15 April 2013; or
  - (d) that relates to a complete application for a standard patent made before 15 April 2013, if the applicant had not asked for an examination of the patent request and specification for the application under section 44 of the *Patents Act 1990* before that day.
- (3) The amendment of section 101G of the *Patents Act 1990* made by this Schedule applies in relation to:
- (a) innovation patents granted on or after 15 April 2013; or
  - (b) innovation patents granted before 15 April 2013, if:
    - (i) the Commissioner had not decided to examine the complete specification relating to the patent under section 101A of the *Patents Act 1990* before that day; or
    - (ii) the patentee or any other person had not asked the Commissioner to examine the complete specification relating to the patent under section 101A of the *Patents Act 1990* before that day.
- (4) The amendment of section 101M of the *Patents Act 1990* made by this Schedule applies in relation to an opposition, filed on or after the day this Schedule commences, to:
- (a) an innovation patent granted on or after 15 April 2013; or
  - (b) an innovation patent granted before 15 April 2013, if:
    - (i) the Commissioner had not decided to examine the complete specification relating to the patent under section 101A of the *Patents Act 1990* before that day; or
    - (ii) the patentee or any other person had not asked the Commissioner to examine the complete specification relating to the patent under section 101A of the *Patents Act 1990* before that day.
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- (5) The amendment of section 102 of the *Patents Act 1990* made by this Schedule applies in relation to an amendment of complete specifications directed or requested to be made on or after the day this Schedule commences, if the amendment relates to:
- (a) a patent for which the complete application is made on or after 15 April 2013; or
  - (b) a standard patent for which the complete application had been made before 15 April 2013, if the applicant had not asked for an examination of the patent request and specification for the application under section 44 of the *Patents Act 1990* before that day; or
  - (c) an innovation patent granted on or after 15 April 2013; or
  - (d) a complete patent application made on or after 15 April 2013; or
  - (e) a complete application for a standard patent made before 15 April 2013, if the applicant had not asked for an examination of the patent request and specification for the application under section 44 of the *Patents Act 1990* before that day; or
  - (f) an innovation patent granted before 15 April 2013, if:
    - (i) the Commissioner had not decided to examine the complete specification relating to the patent under section 101A of the *Patents Act 1990* before that day; or
    - (ii) the patentee or any other person had not asked the Commissioner to examine the complete specification relating to the patent under section 101A of the *Patents Act 1990* before that day.
- (6) The amendment of section 138 of the *Patents Act 1990* made by this Schedule applies in relation to an application for an order revoking patents made on or after the day this Schedule commences, if the application relates to:
- (a) a patent for which the complete application is made on or after 15 April 2013; or
  - (b) a standard patent for which the complete application had been made before 15 April 2013, if the applicant had not asked for an examination of the patent request and specification for the application under section 44 of the *Patents Act 1990* before that day; or
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- (c) an innovation patent granted on or after 15 April 2013; or
- (d) an innovation patent granted before 15 April 2013, if:
  - (i) the Commissioner had not decided to examine the complete specification relating to the patent under section 101A of the *Patents Act 1990* before that day; or
  - (ii) the patentee or any other person had not asked the Commissioner to examine the complete specification relating to the patent under section 101A of the *Patents Act 1990* before that day.

## **Schedule 7—Protection of information**

### ***Patents Act 1990***

#### **1 At the end of section 55**

Add:

- (4) This section is subject to subsection 56(3).

#### **2 Section 56 (heading)**

Repeal the heading, substitute:

### **56 Certain documents and information not to be published or open to public inspection**

#### **3 At the end of section 56**

Add:

- (3) If the Commissioner reasonably believes that information contained in a document of a kind mentioned in section 55 should not be published or be open to public inspection, the Commissioner may arrange for a copy of the document that does not contain the information to be published or open to public inspection.

## Schedule 8—International applications

### *Patents Act 1990*

#### **1 Subsection 10(2)**

Repeal the subsection, substitute:

- (2) This section does not apply to an international application that was not filed in the receiving Office in English unless the following documents have been filed:
  - (a) a translation of the application into English;
  - (b) if required by the regulations—a certificate of verification (within the meaning of the regulations) of the translation.

#### **2 Application of amendment**

The amendment of subsection 10(2) of the *Patents Act 1990* made by this Schedule applies in relation to an application filed on or after the day this Schedule commences.

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*[Minister's second reading speech made in—  
Senate on 25 July 2019  
House of Representatives on 5 February 2020]*

(121/19)

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