

## Submission concerning Intellectual Property Laws Amendment (Productivity Commission Response Part 1 and Other Measures) Bill 2018

### Introduction

This is a submission by invitation of the *Senate Economics Legislation Committee* to offer comments to the *Intellectual Property Laws Amendment (Productivity Commission Response Part 1 and Other Measures) Bill 2018*.

In this submission, we address amendments related to trade marks, copyrights, plant's breeder rights and international law technicalities related to Australia accession to the *Patent Cooperation Treaty*, incorporated into domestic law.

The *Trade Marks Act 1995*<sup>1</sup>, the *Copyright Act 1968*<sup>2</sup>, the *Plant Breeder's Right 1994*<sup>3</sup>, and the *Patents Act 1990*<sup>4</sup> represent our intellectual property framework, our set of rules for intangible assets created out of our ingenuity, creativity and innovative ideas as part of our global community.

For a society that aims to be economically inclusive of every individual, one should not be barred from protecting the result of their inventions, their artwork, their inventiveness to select a plant to breed for the enjoyment of the public and her entrepreneurship. This is sadly true enough concerning Aboriginal Peoples of Australia and their intangible assets associated with Traditional Knowledge, which are seldom considered in intellectual property laws.<sup>5</sup>

Other topics of importance that we address in this submission are the repeal of the Patent Cooperation Treaty 1979, parallel importation, exclusion of patentable subject-matter, exclusive license for PBRs grants, the concept of a reasonable person and reasonable inquiries as well as other terms and definitions lacking clarity. We are proposing an extensive review of the Bill 2018.

Originally, we lodged a submission to the IP Australia following their public request for public consultation on the *Exposure Draft of the Intellectual Property Laws Amendment (Productivity Commission Response Part 1 and Other Matters) Bill and Regulations 2017* ("draft legislation"),<sup>6</sup> in

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<sup>1</sup> See, Federal Register of Legislation, *Trade Marks Act 1995*, available at <<https://www.legislation.gov.au/Series/C2004A04969>>

<sup>2</sup> See, Federal Register of Legislation, *Copyrights Act 1968*, available at <<https://www.legislation.gov.au/Details/C2017C00414>>

<sup>3</sup> See, Federal Register of Legislation, *Plant Breeder's Rights 1994*, available at <<https://www.legislation.gov.au/Details/C2018C00046>>

<sup>4</sup> See, Federal Register of Legislation, *Patents Act 1990*, available at <<https://www.legislation.gov.au/Details/C2017C00045>>

<sup>5</sup> See, The Convention on Biological Diversity, Introduction, Traditional Knowledge and the Convention on Biological Diversity, available at <<https://www.cbd.int/traditional/intro.shtml>>. See also Ninte Submission, An Inclusive Governance Framework for Bush Food Commercialization, 2015, available at <[https://www.ipaustralia.gov.au/sites/g/files/net856/f/submission\\_-\\_ninti\\_one.pdf](https://www.ipaustralia.gov.au/sites/g/files/net856/f/submission_-_ninti_one.pdf)>. See generally, Terry Janke, Indigenous Knowledge: Issues for Protection and Management, available at <<https://www.ipaustralia.gov.au/about-us/news-and-community/news/indigenous-knowledge-issues-protection-and-management>>.

<sup>6</sup> See, Australian Government, Draft Legislation Intellectual Property Laws Amendment (Productivity Commission Response Part 1 and Regulations 2018, IP Australia, available at <<https://www.ipaustralia.gov.au/about-us/public-consultations/draft-legislation-intellectual-property-laws-amendment-productivity>>( IP Australia explains that a public consultation was taken for the Intellectual Property Laws Amendment (Productivity Commission Response Part 1 and other matters) Bill and Regulations 2017).

which we provided suggestions for trade marks non-use only and our concerns regarding legal consequences of these changes. That submission is attached in our Annex One.

### Clarity

The body of rules that allow one to protect rights and obligations in any legal frame is the balance between inclusiveness into the economic cycle or alienation of it. Therefore, the test of any written legislation is to convey a clear message to all involved such as legal practitioners, jurists, inventors, copyright holders and entrepreneurs, recipients of these rights and obligations.

Ideally, persons can protect themselves from injustice and unfairness in any legal system by accessible laws. For that matter, the conditions to grant rights on intangible assets such as the intangible rights created by any legal frame of intellectual property rights must be clear. The courts need objective terms in clauses and sections of any written legislation so that the court can apply the rules with an assurance of applying the law according to the intent of the legislator in their decisions.

The *Intellectual Property Laws Amendment (Productivity Commission Response Part 1 and Other Measures) Bill 2018*,<sup>7</sup> hereinafter the Bill 2018, is one of these body of rules that need to be perceived as effortless to understand despite the legal technicalities of definitions such as essentially derived varieties, non-obviousness, a reasonable person, an exclusive licensee, biopharming in genetically modified crops, standing, geographic licenses, just to cite some crucial definitions affecting intangible assets in a contractual form like a licensee or in an assignment.

Further, an uncomplicated law will be crucial in litigation strategies if it has a legislative format accessible to all. The proposed intellectual property law must be transparent in its intentions to avoid short comings and unnecessary amendments in the future.

### Australian Aboriginal intangible rights

There are other legal issues in patentability and eligibility that have been for a long time overlooked in our intellectual property laws, so that this is the best opportunity to suggest and advocate for changes in these rules to allow economically excluded inventors from their right to participate in the economic cycle to be part of it. In 2004, when Australia signed and ratified a free trade agreement with the United States,<sup>8</sup> which did not exclude patentability on native plants associated to the Aboriginal culture, the opportunity to allocate economic rights and exclude associated cultural assets was lost. In consequence, economic participation in intellectual property by way of controlling their intangible assets became distant to Aboriginal Peoples of Australia.

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<sup>7</sup> See, Australian Parliament, Intellectual Property Laws Amendment (Productivity Commission Response Part 1 and Other Measures) Bill 2018, available at

<[https://www.aph.gov.au/Parliamentary\\_Business/Bills\\_LEGislation/Bills\\_Search\\_Results/Result?bld=r6080](https://www.aph.gov.au/Parliamentary_Business/Bills_LEGislation/Bills_Search_Results/Result?bld=r6080)>

<sup>8</sup> See Australia-United States Free Trade Agreement, Chapter Seventeen, Intellectual Property Rights, available at <<http://dfat.gov.au/about-us/publications/trade-investment/australia-united-states-free-trade-agreement/Pages/chapter-seventeen-intellectual-property-rights.aspx>>

Indeed, many submissions<sup>9</sup> at that time advised both Houses to avoid a consistent absence of Aboriginal inventorship recognition, or at least to consider restriction on the patentability of associated subject-matter of Traditional Knowledge. That would allow to acknowledge Aboriginal Peoples' collaboration with western scientific expeditions and projects to consider a future arrangement of joint patents or joint collaborative involving breeding of native plants, seeds and genetically modified crops.<sup>10</sup>

Intellectual property laws must consider that there are intangible assets associated to Australian flora, namely called bush food.<sup>11</sup> Further, the Australian law of intellectual property must be a consistent legal framework to protect Traditional Knowledge from misappropriation of its intangible assets. That opportunity was lost in 2004, and the free trade agreement with one of our largest trading partners was ratified allowing transfer of patentable material. This is a second opportunity to rectify an absence of legal protection to Traditional Knowledge by amending the *Plant Breeder's Rights Act 1994* to include a declaration of joint grant in registrations where native Australian plants are associated to Australian Aboriginal knowledge.

### Patentable subject-matter and enforceability

Other multilateral treaties like the *Convention on Biological Diversity*<sup>12</sup> and the *Agreement on Trade-Related Aspects of Intellectual Property Rights*, hereinafter TRIPs<sup>13</sup>, both dealing with the question of patentability and Traditional Knowledge. Australia is party to both the *Convention* and the *Agreement*, whereas some of our biggest trading partners are not. Therefore, enforceability of intangible rights may be a challenge.

We explain these aspects in our submission illustrating some of the most problematic sections in the amendments proposed to the *Plant Breeder's Rights 1994* and in the *Patents Act 1990*.

<sup>9</sup> In 2004, we have also lodged a submission regarding Aboriginal Peoples rights on their intangible cultural assets. See, Senate Committee Report, Select Committee on the Free Agreement between Australia and the United States of America, Final Report (Senate Printing Unit, August 2004), page 300. As a result, the treaty was adopted including a provision 17.9 (2), (a) in which patentability can be exclude only in regard to morality and environment concerns, but no mention of Traditional Knowledge, available at <<http://dfat.gov.au/about-us/publications/trade-investment/australia-united-states-free-trade-agreement/Pages/chapter-seventeen-intellectual-property-rights.aspx>>

<sup>10</sup> It is a matter of fact that biopharma practices have been developing since the late 90's. Biopharming consists in using a technology that exploits molecular farming in plants, especially, introducing a foreign gene in to the host genome, which can accelerate the production in commercial scale for producing vaccines and medicaments. While it seems a fabulous method to develop new drugs, using chloroplast-based molecular farming may use native Australian plants for essentially derived varieties regardless whether this plant is culturally important for Traditional Knowledge custodians as food or therapeutic medicine. The law does not request the applicant to consider this fact for eligibility to a PBR grant. For Biopharming, see generally Mariam Andrawiss, *Plant-Made Pharmaceuticals* (June 2007) available at <<https://www.dddmag.com/article/2007/09/plant-made-pharmaceuticals>>

<sup>11</sup> See, above note 6.

<sup>12</sup> See, *Convention on Biological Diversity*, article 8 (j) available at <<https://www.cbd.int/traditional/>>

<sup>13</sup> See, World Trade Organization, *Uruguay Agreement: TRIPs*, section 5 Patents, article 27, 2, 3 (a), (b) available at <[https://www.wto.org/english/docs\\_e/legal\\_e/31bis\\_trips\\_04c\\_e.htm#5](https://www.wto.org/english/docs_e/legal_e/31bis_trips_04c_e.htm#5)>

### Traditional Knowledge absence

We ratify our critique to these amendments in Bill 2018, by confirming an absence of Traditional Knowledge protection or any suggested proposal to patentability exclusion to Traditional Knowledge subject-matter. Moreover, the Plant Breeder's rights application has no restrictions on eligible native plants to be registered by its subsequent registration procedure as stated in the Bill 2018.

Our critique notes that the *TRIPs*, article 27.3 (b),<sup>14</sup> the *Doha Declaration on the TRIPs Agreement*, paragraph 19,<sup>15</sup> and the *International Convention on the Elimination of All Forms of Racial Discrimination (CERD)*<sup>16</sup> ratified by Australia seem overlooked in this Bill 2018, or not even considered to be part of it.

Not to mention that the *Doha Declaration*, in its mission to eradicate diseases like hepatitis B from less advantaged countries makes notice that Australia has a poor internal health policy concerning our Aboriginal communities plagued by diseases that are eradicated in other less economic advanced States.<sup>17</sup> Indeed, we are consistently failing in protecting Aboriginal People's intangible interests, which makes this Bill 2018 so relevant to ensure that their intellectual property assets are included.

Take this illustrative example at the Bill 2018 on item 44, Grant of PBR (2)(b) that states:

"If:

- (a) an application for PBR in a plant variety is accepted; and
- (b) after examining the application (including the subsequent description) and any objection to the application, the Secretary is, or continues to be, satisfied that:
  - (i) there is such a variety; and
  - (ii) (...)

The Secretary must grant that right to the applicant.

If:

- (a) an application for PBR in a plant variety is accepted; and
- (b) the plant variety is a variety of a **species indigenous to Australia**;

The Secretary must require supply of a satisfactory specimen plant of the variety to the herbarium."<sup>18</sup> (our stress)

<sup>14</sup> See The World Trade Organization, TRIPs Review, article 27.3 (b), and Related Issues, Background and the current situation, available at <[https://www.wto.org/english/tratop\\_e/trips\\_e/art27\\_3b\\_background\\_e.htm](https://www.wto.org/english/tratop_e/trips_e/art27_3b_background_e.htm)> (last seen May 28, 2018).

<sup>15</sup> See, World Trade Organization, Doha WTO Ministerial 2001, WT/MIN(01)/DEC/1, Ministerial Declaration adopted on 14 November 2001, paragraph 19, available at <[https://www.wto.org/english/thewto\\_e/minist\\_e/min01\\_e/mindecl\\_e.htm](https://www.wto.org/english/thewto_e/minist_e/min01_e/mindecl_e.htm)>

<sup>16</sup> See, Australian Government, Attorney's General Department, International Human Rights System, available at <<https://www.ag.gov.au/RightsAndProtections/HumanRights/Pages/International-Human-Rights-System.aspx>>.

<sup>17</sup> See, World Health Organization, Bulletin of the World Health Organization, Research by Andre Louis Wattiaux, J Kevin Yin, Frank Beard, Steve Wesselingh, Benjamin Cowie, James Ward & Kristine McCartney, Hepatitis B Immunization for Indigenous Adults, Australia, available at <<http://www.who.int/bulletin/volumes/94/11/16-169524/en/>>

<sup>18</sup> See, Plant Breeder's Rights Act 1994, 44, (1)(a)(b) and (2)(a) (b), available at <<https://www.legislation.gov.au/Details/C2017C00043>>

As we have noted, there is no restriction to plants eligible to PBR registration, even if it belongs to the Traditional Knowledge associated with Aboriginal Peoples of Australia. We emphasize that there must be a restriction to accept any PBR application based on the admissible documents such as an informed consent by Aboriginal Peoples' interested parties to accept the application to the Registrar. Instead, in fact there is an incentive for appropriation of Indigenous Peoples of Australia's intangible assets and rights.

Our suggestion is that at least a free informed consent to be inserted as document for showing confirmation by Aboriginal Peoples communities custodians that they have been consulted about registration of these native plants.

Indeed, this Bill 2018 should include the Traditional Knowledge custodians in the cycle of PBRs application procedure and grants, and PBRs successful grant would be conditional to free informed consent for possible benefit sharing of profits.

Having in mind, that the PBR grant is an exclusive grant as stated by the amended *Plant Breeder's Rights Act 1994*, it should have at least a clause stating that in case of Traditional Knowledge flora subject-matter, either the registration is cancelled or a joint application to grant PBR in Traditional Knowledge associated plants is peremptorily accepted by the Registrar. The joint PBR must be an Aboriginal Peoples' custodian familiar with the specified native plant. One way or another this Bill should acknowledge the intangible rights of Aboriginal Peoples' intellectual property on their native plants, but it fails to do so.

#### **PBRs - an Exclusive License in the Plant Breeder's Rights Act amended by the Bill 2018**

This Bill divests the grantee from a PBRs right to pursue any residual right in the PBR granted application. It states that an exclusive licensee is eligible to make a PBR application for an essentially derived variety including for an unregistered second variety. If this becomes law, then an exclusive licensee will divest the original grantee of any right to exploit the essentially derived variety. In short, the grantee assigned exclusivity for all acts related to the license to the exclusive licensee. It does not look like a good common-sense rule. This is against economic common sense to rip off the original grantee even to sue or to oppose a third party on that PBR granted to her. If this is the aimed result for this right, it is a succession in title, so no distinction between the two acts.

In this Bill 2018, a clause for an exclusive licensee does not inform that in full detail. A reader of this piece of legislation will find a footnote in Bill 2018 mentioning that the consequence of the exclusive license is that the grantee loses the right to even commence an infringement of her original granted registration. It seems a winning situation to the licensee to be assigned full rights in the PBR registration.

Our query would be why give an exclusive license to one licensee if the scholarly literature advocates that because of the market structure, it is essentially a good decision to grant licenses to multiple licensees? Robert Cooter and Thomas Ulen, in *Law and Economics*, observe that in relation to narrow patents:

"In contrast, under a narrow rule, a separate patent would be required for each invention. The party who makes the first invention would receive exclusive rights to it, and the party who makes the second invention would have property exclusive rights to it. Thus the narrow rule encourages

slower, complementary research.(...) Broad patents encourage fundamental research, and narrow patents encourage development.<sup>19</sup>

It seems counterproductive to consider otherwise, so this legislation should support multiple licensees instead of an exclusive licensee that will, in practice, succeed in the title of the registered variety.

### Parallel Importation

Concerning parallel importation, Bill 2018 presents so many definitions of unclear meaning and leave legal uncertainty in these amendments to the *Trade Marks Act 1995* and *Copyright Act 1968*.

This may create a relaxed control for any industry to use parallel importation. For instance, the Bill 2018, section 122A (1) (a) says “the goods are similar to goods in respect of which the trade mark is registered”<sup>20</sup> which is a confusing way to convey that *the products are the same but not identical*.

Obviously, this is to avoid the imbroglia of explaining whether this amendment is for a “badge of control”<sup>21</sup> in our ports to police goods for their “similarity”<sup>22</sup> or the law is for “badges of source”<sup>23</sup>, which means not all goods will be accepted for parallel importation in Australia depending from where they are manufactured, related or unrelated overseas proprietors or the goodwill of the mark. The place of manufacture is especially important for medicaments arriving at our ports from countries that do not abide by our therapeutical standards.<sup>24</sup>

Parallel Importation is perceived as an economic boost to allow more competitive goods for the Australian market. It is a good step into competition for the best economic advantage for Australians. Notwithstanding that these problematic amendments were inserted into the Bill 2018 for copyrights and trade marks.

Parallel importation is good policy if the products are listed by the Executive or its administrative branches, it must be well planned and managed from the port of entry to the last point of commerce. For instance, if an imported pen sold in Singapore is subject to control at the port of

<sup>19</sup> See, Robert Cooter and Thomas Ulen, *Law and Economics* (Pearson Addison Wesley, 2004), page 125 ( an application of narrow patents is similar to PBRs registrations concerning exclusivity to exploit the registered plant variety).

<sup>20</sup> See, Bill 2018, section 122A, page 4.

<sup>21</sup> See, Brian Elkington & others, *TM Annotated Trade Marks Act 1995* (Butterworths Annotated Acts, 2010) page 193. (The authors mentioned that in the previous Trade Marks Act 1955, trade marks were badge of origin not control stated in the case of *Atari Incorporated v Dick Smith Electronics Pty Ltd* (1980) 33 ALR 20).

<sup>22</sup> Similar goods are defined currently at section 14 (1) and (2) at the Trade Marks Act 1995. See, Brian Elkington & others, *TM Annotated Trade Marks Act 1995* (Butterworths Annotated Acts, 2010) page 191.

<sup>23</sup> It seems that is not a legal issue, what matters is the “physical manifestation” of the mark after *Transport Tyre Sales Pty Ltd v Montana Tyres Rims & Tubes Pty Ltd* (1999) 93 FCR 421. See, Brian Elkington & others, *TM Annotated Trade Marks Act 1995* (Butterworths Annotated Acts, 2010) pages 191,192.

<sup>24</sup> See, generally Australian Government Department of Health, Therapeutic Goods Administration, Import and export of controlled substances, available at <<https://www.tga.gov.au/import-and-export#controlled>>. See also, for personal import of controlled substances, available at <<https://www.tga.gov.au/personal-importation-scheme>>. The government cannot enforce but advise importers to comply with existing legislation on medicaments that are imported in our border especially controlled substances, available at <<https://www.tga.gov.au/personal-importation-scheme>>. Drugs are not assessed for their efficacy unless they are registered by the TGA, available at <<https://www.tga.gov.au/medicines-and-tga-classifications>>. Side effects are assessed regularly after the first marketing and sale in Australia, available at <<https://www.tga.gov.au/black-triangle-scheme>> .

entry in Australia for similar mark and display on the “physical manifestation” to compete with a locally manufactured pen from the same source, prices will be the primary drive to compete.

The liability of someone dying by using a not-fit-for-purpose pen is minimal. It can run out of ink in the minutes of use, it can explode making a mess on surfaces, but it has no risk for a consumer’s health. Therefore, an importer of pens granted privilege for parallel importation will be a positive step towards more available and affordable items for the Australian consumer.

This is not a true statement for all industries, especially for the pharmaceutical and biotechnological industries. Whether prices are the ultimate test for a consumer to buy a medication regardless of the badge of source, that is another matter of concern.

Drugs and medicaments affect our health as human beings. In the case of a medicament failure to uphold to our high standards on medicament control, one can forecast an increase of consumer complaints, a raising number of liability cases in our courts and a further mistrust on branded medicaments. This is true because of market failures in assuming we have perfect contracts, with the best information available which is basically refuted by the theory of asymmetric information.<sup>25</sup>

The amendment could result on a systemic relaxed control in the port of entry due to the volume of goods to inspect. The source may be subject to lower standards of control overseas, it could be that the overseas manufacture is under lenient control, which could ultimately inflict on our population a considerable risk for health and deterioration of lifestyle.<sup>26</sup> A drug that is produced as a generic in some parts of the world may not have the same protocol or seal of approval with the same rigorous rules that are practiced in Australian soil.

Therefore, parallel importation is dangerous if it is not perceived as a policy to be applicable only to some industries. What looks like a simple act of the Executive power for economic benefit may have huge consequences for consumer and liability issues and, for our biosecurity, if these amendments prosper in the way they are inserted into this Bill 2018.

Adding to this is the fact that clinical trials and further information of medicaments will be decentralised by these amendments according to the suggested repeal of Patents Act 1990, section 76A, which is not welcome. It will become a challenging task to anyone to monitor and investigate the drug industry compliance with our rules and regulations. It will also promote a less transparent public access to medicament information. Parallel importation must be restricted to some industries, to some products and be highly regulated.

### **Reasonable Person and Reasonable Enquiries**

Another issue with the amendment inserted in the *Trade Marks Act 1995*, section 122A (1) (c) is that the test for a “reasonable person”<sup>27</sup> and the test for “the person had made reasonable inquiries in

<sup>25</sup> See, Robert Cooter and Thomas Ulen, *Law and Economics* (Pearson Publishing, 2004) page 221.

<sup>26</sup> See, Robert Cooter and Thomas Ulen, *Law and Economics* (Pearson Publishing, 2004) page 221. (talking about people throw away the printed warning on medications because they trust the government, the manufacturers, the consumer’s advocates will protect them from any harm).

<sup>27</sup> See, Bill 2018, section 122A (1) (c), page 4.

relation to the trade mark”<sup>28</sup> are unpredictable, which is of subjective nature, not objective nature of what is *reasonable*.

If the intention was to avoid the term good faith, the result is confusing. What is a *reasonable person* and what are *reasonable inquiries*? Does the amendment in Bill 2018 expect a reasonable person to have any written evidence of his or her reasonable inquiries in case of litigation? To whom these inquiries will be made? Is it enough to request to an official organism or to a private person to suffice section 122A (1) (c)?

If the test of the *reasonable person* is the same of the *average consumer* than the same expectation should apply.<sup>29</sup> If more queries are required as to due diligence, it is necessary to ask: will a *reasonable person* expect to undertake a national search or an international search in relation to the trade mark? This section 122A is a subjective norm as it is in Bill 2018 and it should be re-drafted to avoid confusion.

### Organization of topics

Our non-exhaustive suggestions<sup>30</sup> to improve these amendments are organised by these relevant Acts described below. These Acts are included in the Bill 2018 separated by topics instead of amendments side by side with the previous version of the Acts. We find to publicise a Bill for submissions by topics is harder for assessing the impact into the body of the Act.

The Acts inside the Bill 2018 should have been left in their integrity and amendments should have been under the respective previous version of the Acts, so that an analysis of the body of the text would be fluid. This submission will address the *Bill 2018* in this order below:

- a) Trade marks, as amendments presented to the sections of *Trade Marks 1995*;
- b) *Copyrights Act 1968*, as amendments presented to sections of this Act;
- c) *Plant Breeder’s Rights Act 1994*, as amendments presented of this Act;
- d) *Patents Act 1990*, as amendments presented of this Act;
- e) the repeal to the accession of Australia to the *Patent Cooperation Treaty 1979*.

#### a) Proposed Amendments to the Trade Marks Act 1995

These are the amendments in this Act proposed for sections, paragraphs, subsections: 6(1), 34, (a), 65, 52(2)(a), 52A(2), 54(1)(b), 65A(4), 77 (2), 80 (c), 80E (2), 83A(4), 84A (4), 92 (4), (5), 93, 95 (1),

<sup>28</sup> See, Bill 2018, section 122A (1) (c), page 4. The New Zealand Practice Guidelines implies that the test must have a person that is familiar with the category of the products, well-informed, circumspect, with an investigative mind to perceive the trade mark as a whole.

<sup>29</sup> See, Paul Sumpter, *Trade Marks in Practice*, (LexisNexis, 2015) page 66.

<sup>30</sup> We do not address the Bill 2018 amendments inserted into the *Designs Act 2003*.



96(2)(a), 111, 122 (a), (b), (c), (v), (vi), (2), (3); 123 (1),(2), 129, 129(2)(a), 129(2), 129(5), 130, 130A, 134 (3) ( c) and (d), 134(1), 134(3)(c)(d), 139, 156(3A), 156(4), 157A, 176 (3)(a), 202(e), 213, 213B, 213C, 214, 214A, 222(a), 223(2), 223AA, 229, 229AA, 229B, 231(2)(c), 231(3).

Some amendments that are proposed for Bill 2018 are of good consideration. For instance, a good indication is subsection 134(1) which is amended to be flexible as to communications.<sup>31</sup> It allows electronic means to communicate with IP Australia and the owners of seized products, which is necessary for the fast interaction between authorities and owner in cases of seized goods. Another good illustration is the amendment in Division 2A – Computerized decision-making.<sup>32</sup>

Unfortunately, that is not the case of section 129 and the amendment 129(2)(a).<sup>33</sup> In the case of unjustified threats, the amendments are of more grave consequences as litigation can produce recovery of damages. Therefore, in the case of threatening infringement proceedings, in the amendment proposed on our current section 129, we have again the expression of “on and after that commencement”<sup>34</sup> in the amendment, which is more than confusing. It is a convoluted term to apply here as unjustified threats can generate damages because of failing to cease and desist from an infringement. Having that in mind, any situation prescribed by law must be plain and transparent for clear understanding of what the amendment prescribes as action for parties and legal professionals. It can produce extra legal proceedings at the court to clarify this *on and after* expression.

There is an absence of an explanatory note that states what is the application and timing of these amendments. Frankly, we do not think it would help the understanding of the amendment to specify time. This expression *on or after* is frequently used in this Bill 2018 with an apparent intention to include all the opportunities available to be initiated a legal action of any sort, to restrict a legal action of any sort or even to consider an action or inaction of something. It is almost impossible to second guess the meaning, one does not know where to begin and it would not be our legal task to do so. However, we can speculate on the legislator’s intentions to use this expression. Some amendments in the Bill 2018 are intentionally designed to be apparently of *ex post facto* nature. Other amendments appear to be of *ex ante facto* nature, as illustrated below:

“(1) The amendments of sections 34, 77, 80E, 84A, 176 and 202 of the Trade Marks Act 1995 made by this Part apply in relation to notifications **occurring on or after** the commencement of this term.

(2) The Trade Marks Act 1995, as in force immediately before the commencement of this item, continues to **apply on and after** that commencement in relation to a notice given under subsection 77(2), 80E(2) or 84A(4) or paragraph 176(3)(a) of that Act before that commencement.”<sup>35</sup> (our stress)

In this Bill 2018, items 113, 153, 209, 220, 242, 306, 312, which are in correspondence to the Trade Marks Act 1995, sections 213, 213B, 213C, 223(2C), 222(a), 134, illustrate the use of “*on or after*”<sup>36</sup> in a convoluted fashion. It does demonstrate what is wrong with this Bill. The simple use of a Latin expression of time would be the best solution. There are many examples of the use of this

<sup>31</sup> See, Bill 2018, page 98.

<sup>32</sup> See Bill 2018, pages 74-75.

<sup>33</sup> See, Bill 2018, Application and Saving Provisions, page 78.

<sup>34</sup> See, Bill 2018, page 78

<sup>35</sup> See, Bill 2018, page 47.

<sup>36</sup> See, Bill 2018, pages 47, 66, 67

convoluted expression. Further on the Bill 2018, sections 213, 213B, 213C, 223(2C) are to be applied “*on and after the commencement of this item*”.<sup>37</sup>

The simple use of these two Latin expression *ex post facto* and *ante post facto* would be perhaps the best solution.

This use of a labyrinthian writing style in this Bill 2018 presents issues of legal nature. One must share that Bill 2018 would become easier to read if a change for *ex post facto* and *ante facto* to rectify the intention of the legislator. A change would permit readers to understand clearly Bill 2018. Additionally, it would add some sophistication of Roman law applied to the Bill 2018.

Notably, the amendment of section 222 presents the same problem with this overused expression *on and after* in this Bill 2018. We have discussed the problems introduced by *on and after* usage. It would become a pleasant reading of an important Bill 2018 and avoid future judicial misunderstanding of the intent of the law.

#### **b) Proposed Amendments to the Copyright Act 1968**

The amendments for this Act are proposed to the sections 198A, 135AC(1), 135AC(3)(c )(d).

Most of them are related to parallel importation and are connected to the brand use of its logo, which are subject to copyright protection. We have discussed at length our concerns towards parallel importation.

The application provisions stated on item 306 are of the same problematic nature for an overuse of “*on or after the commencement*” which is an ambiguous expression, it appears either on or after not in between. The adoption of *ex ante facto* and *ex post facto* would be welcome.

#### **c) Proposed Amendments to the Plant’s Breeders Rights Act 1994**

The amendments for this *Plant Breeder’s Rights Act 1994* are proposed for the sections, subsections, paragraphs and subparagraphs below: 3(1), 3(1A), 4, 8(1), 10(a), 12, 19(3)-(4), 19 (6)-(11), (a) (b), 18, 18(1)(b), 18(1)(b), 18(1)(c), 18(3), 19 (7) (b), 19 (7) (b) (i), 21 (3), 21 (4) (a), (i), (ii), 21 (4) (b) (i), (ii), (iii), 22 (5) (b); 23 (2), 23(3), 24(1), 26(1), 26(2)(i)(iii), 28(1)-(3), 29(3)-(4), 30(4)(a), 30 (1) -(5)(a), 31(1)-(6), 32 (1) (2), (a) (b), 32 (3), (a), (b), (c), 32 (4), 32 (5), 33(2), 34(1)(2)(3)(5)(6), 35(1) (2), 36(3)(d), 37 (1) (d) (e ), 37 (2), 37 (2A), (a), 37(2) (b), 37 (2B) (a), (3)(4)(6)(7), 38(4)(5), 39 (1) (b), 39 (2)(3)(4), 40(3)(7)(8)(10)(11), 40(4), 40(8) (a) (b), 40 (11) (b), 41 (2)(5), 41 (5), 42, 44(1)-(6) (9)(10), (12), 44 (12), (a), (b), 46(1), 47(1)(2), 49(2), 49(3)(a), 50(1)-(5)(8)-(10), 50(2)(aa), 50 (3), 50 (10), 51(1)(b), 51(1)(3), 52, 53, 54(1), 54(2) to (4), 54A, 55, 56(3), 56A(3), 57A, 57B, 57C, 57D, 57E, 57E, 58(3), 59(2)(4)(5), 60(1)(a), 61(1), 62A, 68(1)-(4), 69,(1), 70(1),71, 72, 73(b),75(1) sub-paragraphs: 34 (4) (b) (ii); 40 (1), (2), (6), (9), (10) (e ), (11) (a), (12), 41 (1), (2) (a), (1A), (2), 45 (3), 46 (2), 47 (2), 45(1), 45(2), 48 (2), 50 (3), 53 (2), 75 (3), 77 (1) (b) (xiii) (ii), 77(1)(b)(iv), 77(1)(b)(ix)(x), 77(1)(c), 77(3), 80 (2) (a), (5), 80(2)(a)(iv), 41 (5), 41A, (3), (6), (8), 41 (B), (4) ( e), 41 (C), (c), (3), (5), (6) (c), 41 D, (3) (e), (4), (c) , (5), (8), 41E, (8) 41F, (6) , 45 (3) (c), 46 (2), 47 (2), 48 (2) (c), 50 (3), 53 (2), 72, 72B, 72C, 73, 75 (3), 76A, 76B, 77(1)(b), 77(1)(b)(xi)(xiii), 77(2), 77(3) (a), 80, 80(2)(a), 80 (2)(a)(ii), 80(2)(a)(iv),

<sup>37</sup> See, Bill 2018, page 66, 67.

80(2)(d) ; paragraphs 45 (3) (c); 48 (2) (c), Part 8, 80A, and section 42 for Application of Amendments.

Some amendments in Part 6 -Addresses and services of documents, for subsection 3(4), 19(5A), 21(5), 26(1), 31(3), 31(4), 73 are of good utility and a step towards innovation. However, the application and transactional provisions applied to 56, 56A, 56(3A), 56A(3A) use the same confusing terms “*engaged in on or after*”.<sup>38</sup> Again, we notice that the same recurrence of this expression **on or after** is used in abundance as it is illustrated in the *Division 2 – Application provisions*, item 242, application provisions for trade marks and for registered attorneys “*on or after that commencement*”.<sup>39</sup> It has no clarity this expression inserted here.

Ultimately item 299, *Savings and transitional provisions* presents an impossible task to get a definitive meaning. Let us illustrate with this passage below:

“A **thing** done by, **or in relation to**, the Secretary under the Plant Breeder’s Rights Act 1994 before the commencement of this item **has effect on and after** that commencement as if **it had been done by, or in relation to**, the Registrar.”<sup>40</sup> (our stress)

What is a *thing made of*? It is a tangible act or an intangible asset that it does not be officially presented to the Registrar? Is a *thing an act by the applicant*, by the *licensee* (exclusive or not), by the *third party* that has an interest on this thing? Regarding *the effect is on and after the thing*, where is it specified that the effect will be extinguished after a *certain amount of time*?

Indeed, with the addition of “*it had been done*”<sup>41</sup> it appears to stress that a past action, *the retroactivity* of the act to interact with the thing, is more important than any other acts in existence here. However, I am second guessing again. Notwithstanding that the language used is still confusing and non-specific in terms of the time limit and when it starts, and it finishes its effect.

### c.1) An exclusive license for a PBR licensee

Section 3(1) amended defines an exclusive licensee, which amended definition is against all market failures theories<sup>42</sup>. Intellectual property is about sharing with as many licensees one inventor can or in this case a grantee can negotiate. It has been a non-controversial theory, and it is normally explained by the *tragedy of the commons*.<sup>43</sup> Despite this, it does not make sense any definition that excludes the inventor or the grantee. There is no advantage for the grantee to rent in full her invention, as he or she is passing to a successor in title, their own granted application. Exclusive licensees exploit the license (or the granted application) alone and exclude the original grantee as per this proposal. My query is who would offer an exclusive license in a contract that would divest them of any interest on their own invention for a lump sum?

<sup>38</sup> See, Bill 2018, page 93.

<sup>39</sup> See, Bill 2018, page 99.

<sup>40</sup> See, Bill 2018, page 108.

<sup>41</sup> See, Bill 2018, page 108, item 299, (1). The whole item should be taken down from the Bill 2018.

<sup>42</sup> There are plenty out in the legal scholarly papers produced since George Akerlof’s paper, “the Market for “Lemons” in 1970, we will choose Robert Cooter’s assessment of asymmetric information. See, Robert Cooter and Thomas Ulen, *Law and Economics* (Pearson Publishing, 2004) page 221. For Akerlof’s paper, available here <[https://www.sas.upenn.edu/~hfang/teaching/socialinsurance/readings/fudan\\_hsb/Akerlof70\(2.1\).pdf](https://www.sas.upenn.edu/~hfang/teaching/socialinsurance/readings/fudan_hsb/Akerlof70(2.1).pdf)>

<sup>43</sup> The *Tragedy of the Commons* term definition is available on Wikipedia.

On the other hand, the provision for the application of the amendments of Plant Breeder's Rights Act 1994, section 26, using the expression "*on or after the commencement of this item*" is of no use but to support confusion. *Post Facto* and *ante facto* in any form would be more useful and unequivocal terms.

Again, in item 237, Application and Transitional Provisions, the amendments will apply "*If, on or after the commencement*"<sup>44</sup> then in the same sentence "*to conduct engaged in before and on or after that commencement*"<sup>45</sup> these two expressions together with no specific timing are worth an unsatisfactory mark for grammar structure and style, because it is confusing. Let alone the fact that this is an item to guide the Judiciary Power to act accordingly. The Plant Breeder's Rights, section 56 is related to and includes the right of standing for initiating an infringement procedure of a registered variety at the Federal Court of Australia. It allows us to forecast our Federal Courts applying different interpretations and tests for granting relief under section 56 and 56A as "*engaged in on or after commencement*"<sup>46</sup> because it is not specific when one can initiate an infringement action of PBR if "*in before and on or after*".<sup>47</sup> This expression is rendered of no use and with unpredictable results to be inserted into our legal frame, let alone to allow this expression *sub judice*.

There is a note at this Bill that implies *ex post facto* and *ex ante facto* application of these amendments which is problematic, as quoted below:

"(1) The amendment of paragraph 19(6) (b) of the Plant Breeder's Rights Act 1994 made by this Part applies in relation to invitations *made on or after* the commencement of this item.

(2) The amendments of paragraph 19(7) (b) subparagraph 19(9)(b)(i) and sections 21, 30, 32, 37, 39, 40, 41, 44 and 50 of the Plant Breeder's Rights Act 1994 made by this Part in relation to notifications occurring *on or after* the commencement of this item." (our stress)

(3) The Plant Breeder's Rights Act 1994, as in force immediately before the commencement of this item, *continues to apply on and after* that commencement in relation to a notice given under paragraph 19(7)(b), subparagraph 19(9)(b)(i), subsection 21(3), paragraph 21(4)(a) or (b) or 30(4)(a) or (5)(a), subsection 32(1), (2), (3), or (4), section 37, subsection 39(2), paragraph 40(10)(e) or (f) or 11(a) or (b) or subsection 41(1), 44(12) or 50(3) or (10) of that Act before that commencement."<sup>48</sup>

Then there are a couple of notes about subsequent repeals and substitution of subsection 26(1), of subsection 34(3), of the subsection 40(4), section 72B which is for lodgement of documents with or given to the Registrar, of section 80(3) for fees applicable, the effect of an approved form for subparagraph 26(1)(b) for enforcement as well as for an approved form according to the paragraph 40(4) (b), fees applicable in subsection 40(1), which are all aggregated in one item of number 152.

Subsequently, the same intricate text *for application and notice of the commencement* of the Bill 2018 is of *on and after* nature. What does that mean for the legislator to state "on and after" in a piece of legislation? If in this case, a plant variety is subject to a PBRs application to the Registrar precisely at the same minute as this Bill 2018 is promulgated, it shall be subject to approval by the

<sup>44</sup> See, Bill 2018, page 96.

<sup>45</sup> See, Bill 2018, page 96.

<sup>46</sup> See, Bill 2018, page 96.

<sup>47</sup> See, Bill 2018, page 96.

<sup>48</sup> See, Bill 2018, page 46.

Parliament, which is rather a rare occurrence (to be at the same time), the law ought to be applied after it is formally informed to the public organism, in this case, IP Australia.

Then IP Australia must publish the Bill approved (then an Act) to give publicity of what instruction the Legislative imposes on citizens. Unless the plant variety application is lodged at the Registrar at the same moment as the Legislation session approves this Bill 2018 at the Parliament, and applies to situation onwards but not retrospectively, a term like *ex post facto* would work better in this context.

This Bill 2018 is devoid of a fluid reading and the amendments need to be edited for full comprehension by users. Consequently, as it stands it allows confusion to be ingrained in a piece of legislation that should be of clear understanding to all. Any legislator, including the ones used to written rules and regulations systems, are aware that convoluted legislative texts have a short lifespan. Some argue that convolute texts are better used on legislative instruments so that parties can have their day at court. That is a misleading and illiterate assumption as our courts are not designed to judge the legislator intentions, but to apply the law proposed by the legislator as a representative of the people that is under the government rules in the circumstances of the case presented to the bench.

Although the discussion of any proposed Bill and readings of legislative sessions help a judge to understand the legislator's minds, and subsequently to clarify the law's meaning for the parties, an Act should be able to convey the instruction it aims by itself. The legislator intentions are to be used for providing the best judgment in a case as well as the principle should be clearly stated in the Act. One expects any legislator to avoid confusion for all individuals reading the legislation to uphold rights and obligations, including legal professionals. This Bill 2018 is an example to be avoided as well-crafted legislation.

### **c.2) Exclusion of patentability for PBRs or plant varieties**

The Uruguay Round Agreements TRIPs, Part II – Standards concerning the availability, scope and use of Intellectual Property Rights, section 5, article 27<sup>49</sup> and TRIPs, article 27.3 (b), which is to be understood as “*to allow governments to exclude some kinds of inventions from patenting, and what they can exclude from patenting, i.e. plants, animals and “essentially” biological processes (but micro-organisms and non-biological and microbiological processes have to be eligible for patents). However, plant varieties must be eligible for protection either through patent protection or a system created specifically for the purposes (‘sui generis’) or a combination of the two.*”<sup>50</sup>

One cannot disassociate TRIPs, article 27.3 (b) from the Convention on Biological Diversity, article 8(j) dealing with Traditional Knowledge, Innovations and Practices, which states:

“Each contracting Party shall, as far as possible and as appropriate: Subject to national legislation, respect, preserve and maintain knowledge, innovations and practices of indigenous and local communities embodying traditional lifestyles relevant for the conservation and sustainable use of biological diversity and promote their wider application with the approval and involvement of the

<sup>49</sup> See, World Trade Organization, Uruguay Round Agreement: TRIPs, Part II – Standards concerning the availability, scope and use of Intellectual Property Rights, section 5: patents, article 27, available at <[https://www.wto.org/english/docs\\_e/legal\\_e/31bis\\_trips\\_04c\\_e.htm#5](https://www.wto.org/english/docs_e/legal_e/31bis_trips_04c_e.htm#5)>

<sup>50</sup> See, World Trade Organization, TRIPs: Issues, Article 27.3.b, traditional Knowledge, biodiversity, and available at <[https://www.wto.org/english/tratop\\_e/trips\\_e/art27\\_3b\\_e.htm](https://www.wto.org/english/tratop_e/trips_e/art27_3b_e.htm)>

holders of such knowledge, innovations and practices and encourage the equitable sharing of the benefits arising from the utilization of such knowledge and practices.”<sup>51</sup>

It is our understanding that the Australian Legislative power have some discretion to restrict patenting on our native plants despite our bilateral treaties, including the free trade bilateral agreement with the United States.

If we do not provide a winning argument to protect our right to explore our scientific endeavours in a young country, it will not protect the human rights of all Aboriginal Australian communities that are rightly recognized as Traditional Knowledge custodians of Australian native plants, which are used in their daily bush food and in their well-being therapies.

Above all, it is a question of international human rights to be safeguarded by our government in the name of the population that abide by Australian domestic law. Nothing like this passage written back in the mid-90’s by D’Amato, to sum up, the idea of exclusion of patentability for Traditional Knowledge intangible assets in respect of international human rights for Aboriginal Peoples of Australia. In this celebrated anthology, Anthony D’Amato guides us through our argument here, when he explains the protection by law of cultural assets as stated below:

“International law regards states as juridically equal. It allocates to them jurisdiction over their internal affairs, but the developing law of the international human rights constitutes an exception to a state’s domestic jurisdiction. A new trend in the law regarding cultural patrimony may give a state some continuing rights of protection over works of art and cultural artefacts that originated in that state but are now located in another state, even if they were sold or looted from their state of origin in the distant past.”<sup>52</sup>

It is a matter of fact that this Bill 2018 does not address any *sui generis* system for Australian native plants, or a declaration for non-registration or even an exclusion from eligibility to the *Plant’s Breeders Rights 1994* amendments. It does protect with eligibility for registration or patent subject-matter with no restriction to any plant variety that is essentially derived variety from our native flora as defined by this Bill. That is a dangerous political aim and leads into misappropriation of our own flora, for overlooking our own Aboriginal communities and their culture. It is an incomplete and weak set of amendments to the *Plant Breeders’ Rights 1994*, which is of extreme importance for the future of our intellectual property, for our creative farmers breeding hybrid seeds, for our Aboriginal flora custodians that use these indigenous plants for centuries on their daily culinary and their health therapy.

The aspects of amendments concerning the *Plant’s Breeders Rights 1994* that are of crucial concern are:

- a) How will Australian native plants be used for biopharming with non-free consent of the Aboriginal Peoples’ custodians of the flora knowledge associated to their culture?
- b) How will Australian native plants be registered and granted to the applicants under the new Plants Breeders’ Rights legislation if they are associated to Traditional Knowledge if non-exclusion of patentability for Traditional Knowledge subject-matter is considered?

<sup>51</sup> See, The Convention on Biological Diversity, Traditional Knowledge, Innovations and Practices, Article 8(j)-Traditional Knowledge, Innovations, and Practices, available at <<https://www.cbd.int/traditional/>>

<sup>52</sup> See, Anthony D’Amato, International Law Anthology (Anderson Publishing Company, 1994), page 3, 400-408.

- c) Under the Schedule 1, the *Plant's Breeders Rights 1994 Act* defines “essentially derived varieties” in which Australian native plants associated to the Traditional Knowledge such as *Kakadu Plum, Anise Myrtle, Wattle See, Guandong, Finger Lime, Citrus Australasia* can be subject to biopharming<sup>53</sup> by molecular farming manipulation.<sup>54</sup> Would these amendments consider excluding native flora from being appropriated as a “stable storage system” or the recombinant protein for future edible vaccines or medicaments? What are the checks and balances that the Australian legislation must have so that we promote new drugs production plant-based, exploitation of our native plants and its derived varieties as well as we respect free informed consent of Aboriginal Peoples of Australia to use these plants associated to their culture? These concerns are not addressed in this Bill. It is fair to request an inclusion of all interested parties, that have collaborated to discover new plants and still are in full collaboration to share knowledge of Australian flora use and applications.

### c.3) International Convention for the Protection of New Varieties of Plants, UPOV

In Part 19, in the Bill 2018, an amendment to the *International Convention for the Protection of New Varieties of Plants* is notable. This amendment below introduces new aspects of the Convention's definitions, with a final sentence that reads as below:

“1991 Act of the Convention means the Act of the International Convention for the Protection of New Varieties of Plants, done at Geneva on 19 March 1991, as that **Act is in force for Australia from time to time.**” (our stress)

The legislator has either overlooked that the *International Convention for the Protection of New Varieties of Plants*, hereinafter UPOV, which is a treaty;<sup>55</sup> or that expression “from time to time”, inserted casually at the end, should not be there in the first place. If this statement is not true, then we must revisit the legal basis of multilateral treaties to exist in the first place. In Professor Ian Brownlie's, *Principles of Public International Law*, he observes that:

“The great international organizations, including the United Nations, have their legal basis in multilateral agreements. Since it began its work the *International Law Commission* has concerned itself with the law of treaties, and in 1966 it adopted a set of seventy-five draft articles.

These draft articles formed the basis for the Vienna Conference which in two sessions (1968 and 1969) completed work on the Vienna Convention on the Law of Treaties, consisting of eighty-five articles and an Annex.”<sup>56</sup>

<sup>53</sup> Compare with India, and the law of exclusion to patentability on seeds now ratified by the Delhi High Court. See, generally, Lorraine Chow, Ecowatch, “In Blow to Monsanto, India's Top Court Upholds Decision that Seeds Cannot be Patented.”, available at <<https://www.ecowatch.com/monsanto-india-cotton-patent-2566752905.html>>

<sup>54</sup> For a look into Indigenous Australian plants associated to Traditional Knowledge, see Australian Government, Rural Industries Research and Development Corporation, Focus on Kakadu Plum or Terminalia Ferdinandiana, available at <<https://rirdc.infoservices.com.au/downloads/14-115>>

<sup>55</sup> See, WIPO, UPOV is an intergovernmental institution with legal personality and repository of the treaty, available at <[http://www.wipo.int/wipolex/en/other\\_treaties/details.jsp?treaty\\_id=27](http://www.wipo.int/wipolex/en/other_treaties/details.jsp?treaty_id=27)>

<sup>56</sup> See, Ian Brownlie, *Principles of Public International Law* (Oxford University Press, 1990), pages 603-604

Australia is a party to the *Vienna Convention on the Law of Treaties*<sup>57</sup> and the UPOV.<sup>58</sup> In this Bill 2018, it is necessary to incorporate the UPOV treaty into Australian domestic law, it cannot be of transitory enforceability. Therefore, one must ask what the legislator meant when it was conveyed that expression in the Bill 2018, and why the Act incorporating into domestic law the UPOV treaty would be inactive and active from time to time.

Treaties are of multilateral, bilateral or plurilateral nature and as such unless a Party makes a reservation or an observation of interest to other Parties in the treaty, it does not cease to exist from time to time as an ephemeral being or falling under the spell of the legislator, so it could be controlled to appear or disappear from our legal frame.

We will not delve extensively into Part 19, nonetheless, item 350 of Bill 2018 presents the same problem *of on or after* inconsistency and ambiguity, a non-necessary vagueness that our further comment on this matter will render repetitive as the expression used in the Bill 2018.

#### d) Proposed Amendments to the Patents Act 1990

The amendments for this Act are proposed for these sections, subsections and subparagraphs below: 3, 20(2)(3), 27 (2) (c), 28(4), 29(3), 29(4), 29A (2), 40(3)(a), 151(4)(f), 49(5)(a), 49(7), 74 (2)(a), 76 (2), 76A, 101E(1)(a), 101E(3), 128(1), 151(4)(c), 176(c), 176(f), 183(1)(5)(6), 204, 209(1A)(1B), 214(1)-(3), 214B, 214C, 223(1)(ba), 223(1A)(1B), 224(3A), 227, 227(2)(6)(7), 227AA, 227AAA, 215, 220, 220A, 222(2), 223, 223A, 224(1), 224(2), 227A, 227B, 228(2)(ha)(i), 228(2)(ha)(ii), 228(2)(i)(i), 228(2)(i)(ii), 228(2)(i), 228(2)(b), 228(2)(j), 228(2)(j), 229, Schedule 1 (definition of specification),

There is an amendment on Bill 2018 that states that “The amendments of sections 27, 28, 49, 74, and 76 of the Patents Act 1990 made by this Part apply in relation to notifications occurring on or after the commencement of this item”.<sup>59</sup> Again the “on or after” is a non-specific set of time which induces to guessing what the intent of the legislator is. Moreover, the application and transitional provisions in these amendments for section 29, 29 (1), 29(3), 29(3)(a), 29(4)(a) apply again the expression we mentioned that is “has effect on and after” which must be rectified to a specific expression of time for plain understanding. It is our suggestion to be adopted the legal Latin expression such as *ex post facto law* or *ex ante post facto*.

There is also another problematic issue on the Bill 2018, item 151 (1)(2)(3)(4) concerning the patents amendments proposed which is quoted below:

- (1) “The repeal and substitution of section 214 of the Patents Act 1990 made by this Part applies in relation to **documents filed on or after the commencement of this item**.
- (2) Section 214B of the Patents Act 1990, as inserted by this Part, applies in relation to **documents filed on or after the commencement of this item**.
- (3) Section 214C of the Patents Act 1990, as inserted by this Part, applies in relation **to evidence filed on or after the commencement of this item**.

<sup>57</sup> See, Australian Treaty Series 1974, number 2, Department of Foreign Affairs, available at <<http://www.austlii.edu.au/au/other/dfat/treaties/1974/2.html>>

<sup>58</sup> See, WIPO, UPOV, Contracting Members, Australia, available at <[http://www.wipo.int/wipolex/en/other\\_treaties/remarks.jsp?cnty\\_id=1628C](http://www.wipo.int/wipolex/en/other_treaties/remarks.jsp?cnty_id=1628C)>

<sup>59</sup> See, Bill 2018, page 46.



- (4) Subsection 227(2C) of the Patents Act 1990, as inserted by this Part, applies in relation to fees **on or after commencement** of this item. <sup>60</sup> (our stress)

The use of “on and after” is repetitive, unclear, ambiguous to be applied to evidence, documents and fees, it should be specific. If it does not matter when the evidence will be lodged, then it does not need to have an amendment. But if it is important the distinction of time passing for the acts to be consumed, it would be better if the Bill had the usual expressions of **ex ante facto** and **ex post facto**, as it is written is rather on the field of vagueness. Yet, in Schedule 2, Part 4, Signatures, the term “on and after” is used again in the paragraphs 151(4) (c) and 176 (c).<sup>61</sup>

In the Bill 2018, in Part 4 – Signatures, Patents Act 1990, it is written “paragraph 151(4) (c) or 176 (c) which could be read as adding one paragraph in detriment of another, but that would make no common sense to be used in this situation.<sup>62</sup> The same logic applies to item 312, Division 2 – Application, which applies to both patents and trade marks. Consequently, item 312 renders the whole amendment to sections 204 and 157A, respectively, useless. We could affirmatively state for the legislator to repeal the expression “on and after” from Bill 2018 as it does not make any compliment to it, quite the opposite.

#### **d) Repeal of the Patent Cooperation Treaty**

Another problem with Bill 2018 is that it is repealing unilaterally a ratified plurilateral treaty; Australia is isolated in this decision. A repeal of a treaty sends a public statement to the rest of the world of an Australian policy of isolation. Some countries have been pursuing isolationism in plenty of issues from immigration to intellectual property issues with mixed results on the global perception of their readiness to cooperate in global affairs with other States. Geographically isolated Australia is one of the most successful countries in equality, economic fairness and social integration.

Therefore, to repeal a multilateral treaty to harmonize patent procedures in which 152 States have already ratified is beyond comprehension.<sup>63</sup>

In analogy, it is the same as repealing the International Trade Mark System, namely the Madrid System, for international lodgement of trade marks. There is no substantial reason argued on the Explanatory Memorandum prepared by the House of Representatives that could suffice a good policy to repeal the Patent Cooperation Treaty besides of “it is no longer needed” as it is said that “The PCT was redundant once it amended the principal Act”.<sup>64</sup>

Unfortunately, this Explanatory Memorandum does not achieve its mission to explain why a domestic law that incorporated a treaty under the obligation of the international law should be repealed. It appears to be that there exists a misunderstanding of what domestic law mission is and what international law represents in the international stage. The two disciplines, domestic law is not the same as international law.

<sup>60</sup> See, Bill 2018, page 64.

<sup>61</sup> See, Bill, page 112.

<sup>62</sup> See, Bill 2018, page 67.

<sup>63</sup> See, WIPO, PCT, The International Patent System, available at <<http://www.wipo.int/pct/en/>>

<sup>64</sup> See, the Explanatory Memorandum, available at

If not to support our argument but to elucidate the issues raised by repealing treaties, in his paper *International Law, World Order, and Critical Legal Studies*, Professor Phillip Trimble observes that they are not the same:

“Public international law should be reconceptualized. Instead of being seen as a single, unitary system applicable across the “world community”, public international law should be imagined as a series of parallel systems, more or less convergent depending on the subject, separately applicable within the various nations of the world. Under this approach public international law, where each state has its own set of choice of law rules (or other independently adopted rules) applicable to “private” controversies, but where those rules are similar in content and in fact provide a large measure of uniformity and predictability throughout the world. (...)

Finally, some might argue that by domesticating international law I have destroyed the value of enterprise. For example, by making international law domestic it is always possible for a state to escape the obligations of international law simply by changing its domestic law. International law then becomes whatever states choose to do, the notion of law collapses into politics and behaviour (...) Behaviour does not exist in pristine form untouched by law until it somehow runs against a legal barrier.”<sup>65</sup>

Professor Trimble’s point of politics and law being distinctly separated is challenged by the Explanatory Memorandum, Part 21 – Repeal of Acts, Patents Amendment (Patent Cooperation Treaty) Act 1979 to this Bill, which is basically claiming that because the *Patent Cooperation Treaty 1979* has been incorporated into Australian domestic law, it became redundant to be a Party in the multilateral treaty.

Clearly, the repeal of the *Patent Cooperation Treaty 1979* with no legal argument of substance is to prove it is politicized, because the argument of domestication of the treaty assumes its incorporation *ipse litteris* of the text of the treaty, which is debatable. Professor Trimble ponders that “*In the broad perspective, the particular rules may vary little from country to country, but the systems of law can be kept conceptually distinct. The development of new rules of customary international law provides another example. It is said that a state may opt out of an emerging customary rule by objecting to it in a timely manner.*”<sup>66</sup>

Indeed, a change of circumstances, a short-term political agenda may alter the contents of domestic legislation which includes any legislative Act approved.

If the *Patent Cooperation Treaty 1979*, a multilateral agreement is implemented by controversial domestic law, diluted in various pieces of legislation, one can naturally assume it can be rightly amended or interpreted at domestic level in a distinctive way as the ratified treaty.

In the *Commonwealth of Australia v Tasmania (1983)*, one of the best legal minds Australia has ever produced accompanied by no less talented Justices Lionel Murphy and Gerard Brennan, Mason J illustrated his rationale in judging treaties and Australian domestic law by saying that:

“The law must conform to the treaty and carry its provisions into effect. The fact that the power may extend to the subject matter of the treaty before it is made or adopted by Australia, because the subject matter has become a matter of international concern to Australia, does not mean that

<sup>65</sup> See, Anthony D’Amato, *International Law Anthology* (Anderson Publishing, 1994), page 400, 402.

<sup>66</sup> See, *ibidem*.

Parliament may depart from the provisions of the treaty after it has been entered into by Australia and enact legislation which goes beyond the treaty or it is inconsistent with it.”<sup>67</sup>

As in 2018, Justice Mason adds a point of concern to us, which is whether any enacted domestic legislation is consistent with ratified treaties in Australia. The *Explanatory Memorandum* says that the *Patents Act 1990* has implemented the *Patent Cooperation Treaty*, however, with these amendments proposed in the Bill 2018, which is amending the *Patents Act 1990*, one cannot affirm with certainty.

Generally, States are parties to treaties, as such States have the power to ratify them and be bound by its principles in its domestic law. States by the power of their Judiciary have the authority to interpret content when these treaties are incorporated into domestic law. On the other hand, any treaty’s interpretation may require an international court or tribunal to interpret the intention of the parties expressed in the ratification of these multilateral agreements, which is not the mission of our domestic courts.

What is missing here is that the *Patents Amendment (Patent Cooperation Treaty) Act 1979 (PCT Act)* does not convey the idea that it is a legal instrument approved to incorporate into law the ratified *Patent Cooperation Treaty 1979*, regardless of what the Australian legislator may act to repeal a domestic law in the present or future.

The legislator of this Bill 2018 overlooked the independent mission of a treaty and of a domestic law, which are separated. The former is an act of international public law, and the latter is an incorporation of similar clauses of the ratified treaty into domestic law. The repeal does not fit any purpose other than confusion between political and legal obligations.

An unreliable State that withdraws unilaterally from treaties is not in our jurisprudence. Unlike Russia that tried to withdraw unilaterally from the Treaty of Paris of 1856,<sup>68</sup> and it is deemed up to today as a State that acts independently, including disrespecting international law, Australia is not in this class.

**It would be irreparable to Australia in foreign affairs and diplomacy to be considered unreliable. Let alone an absence of observance of international public law procedures to repeal an Act that ratifies Australia obligations in a multilateral treaty.**

If a repeal of the domestic law is an internal affair (most of the times a complex set of negotiations to repeal any Act) to accomplish as it must be dealt at the Parliament within the two Houses, namely the House of Representatives and the Senate after most of the times a formal procedure of debates in the Chamber.

Repealing an Act effectively is a matter for the Legislative Power<sup>69</sup>, that is not entirely true for a ratified treaty even under the *Rebus Sic Stantibus*<sup>70</sup>. One must observe that if the repeal of the Act affects our bilateral treaties that is a problem of international law and domestic law. If the legislator is not fully informed of the consequences of the repeal of an Act which incorporates a treaty signed

<sup>67</sup> See, *The Commonwealth of Australia v Tasmania, The Tasmanian Dam Case* (HCA) (1983) 158 CLR 1(HCA) [26].

<sup>68</sup> See, Anthony D’Amato, *International Law Anthology* (Anderson Publishing Co, 1994) page 125.

<sup>69</sup> See, Max Spry, *Parliament of Australia, The Executive Power of the commonwealth: its scope and its limits*, available at [https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/rp/RP9596/96rp28.>](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/RP9596/96rp28.>)

<sup>70</sup> See, Anthony D’Amato, *International Law Anthology* (Anderson Publishing Co, 1994) pages 124-125.

and ratified by Australia, we could be contemplating a perception of unilateral withdraw from the treaty or having to explain why the treaty is not binding. AP