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my opinion, therefore, the trustees, in making that agreement, have exceeded their powers, and have been guilty of a breach of trust. I agree with *Real* J. that no injunction should be granted, and that, under the circumstances, no more is required than to make a declaration as to the rights and obligations of the trustees. But, in my view, for the reasons I have given, His Honor's declaration is too wide, and I agree that it must be varied in the terms stated by my learned brother the Chief Justice.

Judgment appealed from varied. No costs in either Court.

Solicitors for appellants, *Roberts & Roberts.*
Solicitors for respondents, *Leeper & Biggs.*

H. E. M.

[HIGH COURT OF AUSTRALIA.]

POTTER . . . . . APPELLANT;
OBJECTOR,

AND

DICKENSON . . . . . RESPONDENT.
APPLICANT,

ON APPEAL FROM THE SUPREME COURT OF VICTORIA.

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MELBOURNE, *August* 16, 17, 18.

Griffith C.J., Barton and O'Connor JJ.

Patents Act 1890 (*Victoria*), (*No.* 1123), *secs.* 15, 28, 29, 33—*Application for Patent—Opposition to issue—Award of costs by Commissioner—Right of appeal to law officer and from him to Supreme Court—Meaning of "costs"—Employment of Patent Agent—Witnesses—Qualifying fees—Rules of the Supreme Court* 1884 (*Victoria*), *Order LXV., r.* 27 (9).

Semble, an appeal does not lie to the law officer from an order made by the Commissioner of Patents under sec. 29 (3) of the *Patents Act* 1890 (Victoria), for the payment by one party to an application for a patent of the other party's costs.

Even if such an appeal does lie, no appeal lies from the law officer to the Supreme Court.

The word "costs" in sec. 29 (3) of the *Patents Act* 1890 includes the reasonable expense incurred by a party in employing a patent agent to conduct proceedings before the Commissioner of Patents for him, in obtaining evidence, and in securing the attendance of witnesses.

Fees to scientific witnesses for qualifying themselves to make affidavits or to give evidence may properly be allowed by the Commissioner of Patents when fixing the amount of such costs.

Decision of the Supreme Court, *In re Dickenson's Application for Letters Patent*; *Potter* v. *Dickenson*, (1905) V.L.R., 235; 26 A.L.T., 124, affirmed.

APPEAL from the Supreme Court.

Francis Marshall Dickenson applied to the Commissioner of Patents of Victoria for a patent in respect of a certain invention. The application was opposed by Charles Vincent Potter, but was granted. The applicant was represented throughout the hearing by Arthur Otto Sachse, a patent agent. An application was then made to the Commissioner for an order that the objector should pay the applicant's costs, and a statement in the form of a bill of costs and disbursements of Sachse was submitted to the Commissioner, amounting to £860 15s. 8d., being £405 8s. 8d. for Sachse's costs and £455 7s. for disbursements. This bill of costs included the following items (*inter alia*):—

To instructions to defend the application against such opposition	£10	10	0
To lengthy search in Patent Office records as to cases which anticipated the broad claim of Potter, and carefully studying cases thought to have bearing on questions	30	0	0
To attendance on experts in Sydney and Melbourne, and attending at experiments made by them for purpose of illustrating differences in applicant's process and opponent's process, and numerous attendances on experts in connection with this case not already charged for, also attendances at Public Library and elsewhere looking up record of inventions bearing on the subject-matter in dispute. Also examining			

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various authorities on the matter, engaged self and clerks almost continuously six months ... 105 0 0

To attendances at hearing first day, including clerk of papers, engaged whole day 15 15 0

Attendances at hearing remaining seven days, at 15 guineas per day, including clerk of papers on each occasion 157 10 0

The disbursements included :—

Paid Mr. L. Bradford for services as an expert, qualifying, attendance as witness, &c. ... 240 1 6

The Commissioner, having first obtained the advice of the Taxing Officer of the Supreme Court as to the bill, delivered the following decision :—

"I shall decide against the opponent upon the main point for one reason. I should be very reluctant to upset the practice which has prevailed for so many years, and which has been followed by the various Commissioners, unless I saw a very strong reason for it, but I think the word 'costs' in sub-sec. 3 of sec. 29 does include costs which may be charged by a patent agent. I do not think it is at all limited to a solicitor's bill of costs.

"That appears from the following considerations:—Sec. 74 confers on the Governor-in-Council power to make rules for regulating the procedure and practice under this Act before the Commissioner and the law officer, and for providing a scale of costs in all such proceedings. So it seems to me the Act provides for the Governor-in-Council providing a scale of costs in the proceedings which constitute the procedure and practice before the Commissioner. Then at the end of sec. 74 there is power to regulate the issue of licences to persons to practise as agents for the procuring and taking out of patents. A licence may be issued to persons to carry on that 'procedure and practice' under this Act which is regulated by rules, and for which a scale of costs is provided. I therefore think, as I have said, the word 'costs' in sub-sec. 3 is not limited to a solicitor's costs, but relates also to those questions which are provided for under sec. 74.

"Another question of some importance about which I have had some difficulty from time to time, is as to the application of r. 58. That rule would rather sanction the proceedings in this case

of delivering a bill of costs, and it seems to me that does not limit it to the costs of a solicitor. The only method of getting at a bill of costs is to render one. There is no provision in the Act or Rules for taxing a bill of costs. I regard this as the claimant's bill of costs—as a mere guide to determine how much costs should be allowed under sec. 29. The guide I follow is the lower scale of the Supreme Court."

The Commissioner allowed the costs at £350, and ordered that the objector should pay to the applicant £350 for costs.

The objector appealed from this decision to the law officer, the Attorney-General, who required declarations to be made as to the disbursements, from which it appeared (*inter alia*) that the amount of £240 1s. 6d., paid to Bradford, was in respect of two declarations made by him in support of the application, and for qualifying himself to make those declarations. The Attorney-General dismissed the appeal with costs. From this decision the objector appealed to the Supreme Court, and the matter coming on for hearing before *Hood* J. was by him referred to the Full Court.

The Full Court having dismissed the appeal with costs: *In re Dickenson's Application for Letters Patent*; *Potter* v. *Dickenson* (1), the objector now appealed to the High Court.

Mitchell K.C. and *Agg*, for the appellant. As to the whole or a large portion of the sum awarded by the Commissioner as costs, he had no jurisdiction to award it. He went on wrong principles, and contrary to what is laid down in the Rules under the *Patents Act* 1890 relating to costs. The procedure by which evidence is to be brought before the Commissioner prescribes that it shall be by statutory declarations. When the evidence is completed there is no right whatever in either party to call witnesses or to charge the other party with their expenses, except to the extent to which sec. 29 (3) gives the Commissioner the right, if he thinks fit, to summon a person to give evidence, and in the event of his so doing, to decide what that person's remuneration shall be. The intention is that the parties shall not as of right supplement the statutory declarations by oral evidence. This is shown by the

(1) (1905) V.L.R., 235; 26 A.L.T., 124.

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Rules under the Act, r. 41 of which at a certain stage treats the evidence as closed. The proceedings before the Commissioner are not intended to be expensive. If there is any doubt as to whether a patent should be issued, it is issued, for the patentee takes it at his risk. The merits of the patent are not finally challenged. The evidence having been closed under the Rules, there is no power to call further evidence except under sec. 29, when the Commissioner must be satisfied that it is proper to call any particular witness. Sec. 74 gives power to the Governor-in-Council to make Rules for providing a scale of costs in patent proceedings, and Rule 58 provides that the scale of costs "shall be the same, as nearly as may be, in business of a like character as is fixed and allowed on the lower scale in proceedings under the *Supreme Court Act* 1890." There is no provision in the lower scale for remuneration of witnesses, even for their attendance. That remuneration is, as to the Supreme Court, fixed by a rule of practice. See *Rules of the Supreme Court* 1884, Or. LXV., r. 27. Nor is there any provision in the lower scale for witnesses qualifying themselves to make affidavits, or to give evidence otherwise.

[GRIFFITH C.J.—Surely that Rule must apply to both the lower and the higher scale. Or. LXV., r. 27 (9), allows the just and reasonable charges and expenses incurred in procuring evidence, and the attendance of witnesses.]

The only items in the lower scale which are applicable are those which are "fixed and allowed" by that scale, and there is no discretion to go outside the scale and allow costs similar to those which the taxing officer would, under the *Rules of the Supreme Court* 1884, have a discretion to allow. The "business of a like nature" to the proceedings before the Commissioner is not a Supreme Court action, but an application for a special injunction. For such a proceeding there are in the lower scale appropriate costs "fixed and allowed," and these only may be allowed by the Commissioner.

[GRIFFITH C.J.—The items in the scales of costs are only "fixed" subject to the Rules of the Supreme Court, and those rules must qualify the scale of costs adopted by r. 58 of the Rules under the *Patents Act* 1890.]

Costs of witnesses qualifying themselves to give evidence were

not allowed before the *Judicature Act* 1883: *Mackley* v. *Chillingworth* (1). At the time that Act was passed the practice before 1853 governed the Supreme Court: *Band of Hope and Albion Consols* v. *Young Band Extended Quartz Mining Co.* (2). As to costs before the law officer see *Edmunds on Patents*, 2nd ed., p. 631, and *Wallace and Williamson on Patents*, p. 315. The only scale for witnesses' fees in the Supreme Court is in sec. 439 of the *Common Law Procedure Act* 1865, which is still unrepealed, and only provides for their attendance. The provision in the *Patents Act* 1890, as to the Commissioner fixing the remuneration of witnesses, shows that the Commissioner was intended to have control of the calling of witnesses, and that when he directed a witness to be called he should fix his remuneration. It was not intended that the parties should call what witnesses they chose, or should charge the other side with the cost of obtaining their evidence. The word "costs" in sec. 29 (3) means "costs" in the legal and technical sense, and is therefore confined to the costs of a solicitor, and does not include the expense of employing a patent agent or other agent to conduct the proceedings. A party employing an agent not a solicitor is only entitled to such costs as he would be entitled to if he appeared in person. He could not charge profit costs. The lower scale of costs is confined to solicitors' costs: *London Scottish Benefit Society* v. *Chorley* (3). No right is conferred by the *Patents Act* 1890 upon patent agents. Sec. 74 provides for rules being made for regulating the issue of licences to patent agents, but the object is merely to protect patentees against unskilful or dishonest agents. There is similar legislation in England, but no specific right of audience is given: See *Institute of Patent Agents* v. *Lockwood* (4); *London Scottish Benefit Society* v. *Chorley* (5); *Anthony* v. *Walshe* (6). The word "costs" runs through the Acts since the *Patents Act* 1857, and is always contrasted with remuneration. The term "costs" cannot include all the expenses to which an applicant or opponent may be put. "Costs" in the sense of legal costs includes the applicant's own costs as well as those of his solicitor: *Wallace and*

(1) 2 C.P.D., 273.
(2) 9 V.L.R. (E.), 71.
(3) 12 Q.B.D., 452; 13 Q.B.D., 872.
(4) (1894) A.C., 347, at p. 363, *per* Lord *Watson*.
(5) 13 Q.B.D., 872, at p. 876.
(6) 22 L.R. Ir., 619.

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Williamson on Patents, p. 263. It was not until the *Patents Act* 1884 (No. 808) that witnesses were introduced in these applications, and that Act shows what the word "costs" means. If the lower scale includes witnesses' fees the rule is *ultra vires*. A rule as to witnesses' expenses would be inconsistent with sec. 29 of the *Patents Act* 1890 and therefore *ultra vires*. Qualifying fees are not allowed unless there is a special authority to the solicitor: *In re Blyth and Fanshawe* (1). It would be unreasonable to make provision for the remuneration of a patent agent without also making provision for taxation. See *Parliamentary Costs Act* 1877, secs. 3, 9, 17, 25.

Coldham and *Cussen* (with them *Sproule*), for the respondent. No appeal lies from an order of the Commissioner as to costs. The order is made under sec. 29 (3) of the *Patents Act* 1890, and no appeal in respect of such an order is given by sec. 28. No grounds of appeal as required by sec. 28 could be given as to an appeal in reference to costs. The matters as to which an appeal is granted are matters affecting the grant or withholding of the patent. The only order which can be made on appeal is one in the form in the Third Schedule, which is inapplicable to an appeal as to costs. The appeal is limited to an order made by the Commissioner under sec. 16. The Commissioner is, as to costs, in the position of an arbitrator. As to the power of an arbitrator to award costs, see *In re an Arbitration between Walker & Son and Brown* (2). He is a *persona designata*, and, unless an appeal is given in distinct words, no appeal lies from his decision. The word "costs" in sec. 29 (3) has the meaning attributed to it by the Supreme Court, viz., the reasonable expenses to which one of the litigants is put. An agent of a party has a right of audience, and is in the position of a solicitor. As to the costs of an agent before the Commissioner of Land Tax, see *Watson* v. *Clinch* (3). The work done by a patent agent in such a case as this is outside the ordinary domain of a solicitor's work. The "reasonable remuneration," which the Commissioner may direct to be paid for the attendance of witnesses required by him to attend, is not "costs"

(1) 10 Q.B.D., 207.
(2) 9 Q.B.D., 434.
(3) 5 V.L.R. (L.), 278.

within the meaning of sec. 29 (3). As to the meaning of "costs" in other Statutes, see *Health Act* 1890, sec. 53; *Land Act* 1890, secs. 92, 194, 197. No hard and fast meaning can be given to the word "costs." Under no circumstances will the Court interfere with the discretion of the taxing officer as to matters in which he has discretion, such as the amount to be paid to a witness. On the same principle the Court should not interfere with the order made by the Commissioner in this case.

[They also referred to *Osborne* v. *Barclay, Curle & Co.* (1).]

Aqg in reply referred to *Earl of Shrewsbury* v. *Wirral Railways Committee* (2).

GRIFFITH C.J. This is an appeal from a decision of the Full Court dismissing an appeal from the law officer on an appeal from the Commissioner of Patents. The question arises under the provisions of the *Patents Act* 1890, and relates to a sum of £350 awarded by the Commissioner to the petitioner as against the objector, who is the appellant in the present case. The respondent applied for a patent, and the appellant lodged objection to the grant. The procedure laid down by the *Patents Act* 1890 in that event is that a time is to be appointed by the Commissioner to hear the application and the objection. At the time appointed the Commissioner hears the parties, and if he is satisfied of the novelty of the invention, and if his determination is in favour of the patent, he issues a warrant under his hand for the grant of the patent. The Act authorizes the Governor-in-Council to make rules of procedure, and, under the rules which have been made, the objector is required within a limited time to put in statutory declarations or other evidence, and within a further limited time the applicant is required to put in his statutory declarations or other evidence in answer, and within a further limited time the objector must put in his statutory declarations or other evidence in reply. The Commissioner then appoints a day for hearing the case on that evidence. All those things were done in the present case, the respondent being repre-

(1) (1901) A.C., 269, at p. 278.
(2) (1895) 2 Ch., 812; 64 L.J. Ch., 850.

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sented by a patent agent. The Act also provides for rules being made for the licensing of patent agents, and it is the recognized practice for patent agents to appear on behalf of parties to applications for patents, to prepare the evidence, and to get up the case just as a professional man does in a Court of law. Sec. 29 (3) provides that the Commissioner:—"May by summons under his hand require the attendance of all such persons as he thinks fit before him for examination, and may by writing under his hand order to be paid to any such persons summoned at the request of any applicant patentee petitioner objector or other party such reasonable remuneration for their attendance as he thinks fit, and may also in like manner order that such remuneration and the costs of and incidental to any such appeal or to the hearing of any such application petition or other proceeding or matter under this Act shall be paid by any applicant patentee petitioner objector or other party, and to whom such costs shall be paid, and in and by such writing may fix the amount of such remuneration and costs. Every such order shall be in the form contained in the Fourth Schedule hereto or to the like effect and may be made a rule of the Supreme Court." In the present case the Commissioner decided in favour of the grant of the patent, and issued his warrant for granting it, and ordered the appellant to pay the respondent £350 for costs. The present appellant then appealed to the law officer, the Attorney-General, who dismissed the appeal; the appellant then appealed to the Supreme Court, who also dismissed the appeal. He now comes to this Court. An objection was taken by the respondent in the first place that no appeal lies from the Commissioner in such a matter as the present. It is clear that no appeal lies unless it is given by the Act. The power given to the Commissioner is to order "the costs of and incidental to" the hearing of an application to be paid, and to fix the amount of such costs. That order is final unless an appeal is given. The appellant relies on sec. 28 which provides:—"(1.) Any applicant . . . or objector . . . who is aggrieved by any decision or determination of the Commissioner in respect of such application petition proceeding or matter may within fourteen days from the giving of such decision or the announcement by him of his determination appeal to

the law officer." "(III.) The law officer shall at a time and place to be fixed by him proceed to rehear and determine the matter of such appeal, and may reverse vary or confirm the decision or determination of the Commissioner." But what is to follow? The law officer is to do one of two things, he may issue a warrant for the granting of a patent to the applicant, or he may decline to issue such warrant. That is to say the duty of the law officer on the hearing of an appeal from the Commissioner is to issue his warrant for granting a patent, or to decline to issue his warrant. There is apparently nothing in those words applicable to an appeal from an incidental order for costs. The section dealing with costs is sec. 29, which uses different language, and, in particular, provides that the Commissioner may order the costs of the hearing of an application to be paid by the applicant or by the objector, and may fix the amount of them. Upon those sections alone I think it is tolerably clear that the Commissioner is, as was said by *Lopes* L.J., in the case of *Earl of Shrewsbury* v. *Wirral Railways Committee* (1), put in the postion of an arbitrator from whose decision there is no appeal unless expressly given, and I cannot find anything which gives an appeal. But, even if there is any doubt whether an appeal lies from the Commissioner to the law officer, I think it is quite clear that there is no appeal from the law officer to the Supreme Court. An appeal to the Supreme Court is given by sec. 33, which provides that:—"(I.) If any applicant patentee petitioner objector or other person as aforesaid be dissatisfied with the refusal of the law officer to issue his warrant for the granting of a patent or with any other decision of the law officer with respect to any proceeding or matter under this Act, such applicant patentee petitioner objector or other person as aforesaid may appeal to the Supreme Court. (II.) No such appeal shall be entertained unless before entering the same a certificate under the hand and seal of the Commissioner that the appellant has paid all costs (if any) ordered by the Commissioner or law officer to be paid by him in respect of any matters arising out of the application petition or other proceeding or matter is produced to the proper officer of the Supreme Court." If that were held to apply to an appeal as to costs, there would

(1) (1895) 2 Ch., 812.

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be the extraordinary position that no appeal as to costs would be allowed except on condition that the appellant produces a certificate that he has paid those costs. I am unable to entertain any doubt on the construction of the Act that no appeal lay either to the law officer or to the Supreme Court in this case. It is possible that the remedy by mandamus or *certiorari*, suggested by *Rigby* L.J., in *Earl of Shrewsbury* v. *Wirral Railways Committee* (1), may be available, but I express no opinion whether a remedy of any sort exists.

That, of course, is sufficient to dispose of the matter. But, as what may be called the merits of the objection taken by the appellant to the decision of the Commissioner were argued, I think it right, although not necessary, to express an opinion upon them. It may be said that what I now propose to say is an extra-judicial utterance, but I have the example of the Lords of the Privy Council in several cases.

What the Commissioner is authorized to award is "costs." The term "costs" was first introduced in a Statute of Edw. I., and it clearly means the expenses to which a party is put in litigation. What it means in the section under consideration is some expense to which the party is put. It is contended that the costs must be limited to such costs as could be recovered in an action in a Court of law. Why? In a Court of law no doubt the term "costs" is used often in a limited sense, and no doubt in connection with an action in a Court of law, in which a party can only be represented by a solicitor, the meaning is to a certain extent limited. But in a Court of law the term "costs" includes not only payments for proceedings in Court, and other matters which can only be done by a solicitor, but also payments out-of-pocket, such as for Court fees, and for securing the attendance of witnesses. All these are "costs." The term also includes the expenses of commissions to foreign countries to take evidence. It includes all the necessary expenses of a party in establishing his case. When we speak of costs between solicitor and client, another distinction comes in between profit costs and out-of-pocket costs. As far as the client is concerned they are all out-of-pocket costs, but he will only be allowed to recover from the other party the proper charges

(1) (1895) 2 Ch., 812.

incurred in establishing his case. The question cannot arise in the Supreme Court in respect of any other person than a solicitor, because it is not lawful for any other person to act as an agent in legal proceedings. The principle is that there are many things in connection with an action which the party cannot do himself, and therefore he must employ an agent, and necessary payments to that agent are allowed. In proceedings in Courts of law only one kind of agent is allowed to act, and, if payments are made to any other person for acting as agent, they cannot be recovered from the other party. But if several classes of agents might be employed, payments made to any of them might be recovered. Thus at one time solicitors, attorneys and proctors were each employed for a different class of business. Payments made to a member of any one of these classes of persons, for work which might properly be done by a member of one of the other classes only, could not be recovered from the other party. Afterwards, when all three classes might do any kind of legal work, payments to them could be recovered because it was money properly expended in establishing the party's case. If that be the principle, why should it not extend to a patent agent, who may be lawfully employed in conducting proceedings before the Commissioner. There is a great deal of work to be done in preparing the case for hearing, and the applicant cannot be expected to know all about it, and therefore he is entitled to employ an agent and to pay him remuneration for the work done. The expenses so incurred are costs, and the amount of those costs may be fixed by the Commissioner. Objection was taken in this instance to a sum of about £200 paid for qualifying fees to witnesses. Most of the persons to whom those fees were paid made affidavits. It is clear that, in an action in the Supreme Court in which those facts had to be proved, those fees might be allowed on taxation. Order LXV., r. 27 (9) of the *Rules of the Supreme Court* 1884 expressly provides that such fees may be allowed in all cases, whether under the higher or lower scale of costs. The rules authorized to be made under the *Patents Act* 1890 adopt the lower scale of costs. I have no doubt that these fees were properly allowed in respect of preparing the affidavits, or that in the Supreme Court they would have been allowed.

There is only one other matter to which I will refer, and I only

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do so because it has been so strenuously argued on behalf of the appellant. Sec. 29 (3) of the *Patents Act* 1890 authorizes the Commissioner to order:—"to be paid to any such persons summoned at the request of any applicant patentee petitioner objector or other party such reasonable remuneration for their attendance as as he thinks fit, and may also in like manner order that such remuneration . . . shall be paid by any applicant patentee petitioner objector or other party." It is contended for the appellant that no remuneration can be ordered to be paid to any person not summoned by the Commissioner. In the present case only one witness was examined, but whether a summons was issued before he attended for examination is a matter of pure detail. He was called with the consent of the Commissioner, and whether he was summoned or not is immaterial.

As to the amount allowed, that is a matter for the Commissioner. He, having jurisdiction to allow costs, had jurisdiction to include in them what he considered a fair remuneration to the patent agent for the services he rendered to the applicant in applying for and obtaining the warrant for the patent. If the sums which the Commissioner properly fixed for the services of the patent agent, or for the services of the witnesses whom he called, are in respect of matters that could properly be allowed, they were matters for the exercise of his discretion, and they cannot be the subject of an appeal as to the manner in which he exercised his discretion. I say so much because I am of opinion that the appellant has no cause of complaint at all. In my opinion the appeal should be dismissed on both grounds.

BARTON J. I concur on all points.

O'CONNOR. J. I am of the same opinion.

Appeal dismissed with costs.

Solicitors, for appellant, *Braham & Pirani*, Melbourne.

Solicitors, for respondent, *Moule, Hamilton & Kiddle*, Melbourne.

B. L.