

The table below shows the number of applications over a series of years, and the stages to which they have respectively advanced :—

Year.	Number of Applications received.	Number of Letters Patent granted.	Number of Patents on which Second-term Fee paid.	Number of Patents on which Final Fee paid.
1890	614	364	80	37
1891	589	348	78	23
1892	606	326	84	37
1893	625	334	99	...
1894	756	349	88	...
1895	816	362	113	...

It will be observed that 10·16 per cent. of the patents granted in 1890, 6·6 per cent. of those granted in 1891, and 11·3 per cent. of those granted in 1892 have been maintained for the full term of fourteen years.

There has been some discussion lately as to the advisability of altering our patent system by providing for preliminary official examination somewhat on the lines adopted in the United States and Germany. So far as I have been able to ascertain, the systems followed in those countries have not given such entire satisfaction as to justify their adoption here without much fuller information than we at present possess. It seems to have been too hastily assumed by the advocates of examination that in countries where examination prevails a patent once granted may be relied upon as absolutely secure from attack. This, however, is not the case, and the law-courts are still the ultimate tribunal to decide the question of validity, and have still to be resorted to for final settlement in case of dispute. If the Patent Office could, after examination, give a valid title analogous to a Land Transfer title, there might be justification for the great additional expense involved in establishing a different system, but I confess that I see little advantage in compelling an inventor to run the gauntlet of an official examination, which gives him a fictitious security, only to find that he is still subject to a liability to defend his patent in the law-courts. There is also—though this, perhaps, is a minor matter—the risk of friction arising between the office and inventors. I find that inventors, as a rule, are inclined to resent criticism or suggestion, and the most that the office can do is to point out to an applicant that his invention appears to lack the essential quality of novelty, and to leave him to decide whether he will proceed further. On the whole, I am of opinion that the case for “official examination” has not been proved.

The staff of the office is small, but the work is well done. My own time is so fully occupied by my other duties that I have found it impossible to give much attention to the details of the Patent Office, which are therefore carried out under the immediate supervision of Mr. Lewis, the Deputy Registrar. It affords me much pleasure to bear testimony to the assistance I have received from the staff, and to record its zeal and efficiency.

Patent Office, Wellington, 9th June, 1900.

F. WALDEGRAVE, Registrar.

APPENDIX.

A.—BALANCE-SHEET of INCOME and EXPENDITURE for the Year ending 31st December, 1899.

<i>Income.</i>			<i>Expenditure.</i>		
	£	s. d.		£	s. d.
Patent fees ...	2,720	18 0	Salaries ...	450	0 0
Design fees ...	7	1 0	Copying specifications, &c. ...	22	4 2
Trade-mark fees ...	371	15 6	Fees to Patent Office Agents ...	41	12 6
Sale of Acts, &c. ...	1	3 0	Printing and stationery from Government Printing Office ...	41	8 6
Other receipts ...	1	5 0	Printing Patents Gazette ...	202	0 0
			Binding, freight, &c., of British specifications and abridgments ...	59	0 8
			Conveyance of books from Museum to P.O. Library ...	5	5 8
			Typewriter ...	19	0 0
			Fees refunded ...	3	16 0
			Incidental expenses ...	6	15 0
			Surplus for the year ...	2,251	0 0
	£3,102	2 6		£3,102	2 6