

Legislative Council
Panel on Administration of Justice and Legal Services

Progress Report on the Implementation
of the District Court (Amendment) Ordinance

Purpose

This is a progress report on the operation of the District Court (Amendment) Ordinance and the relevant new Rules of the District Court since they came into effect on 1 September 2000.

Background

2. The District Court (Amendment) Ordinance included, inter alia, provisions to raise the civil jurisdiction of the District Court from \$120,000 to \$600,000 in respect of monetary claims, and to introduce a Master System together with a new set of procedural rules to enhance case management and to deal with less contentious interlocutory applications in an expeditious manner. The Amendment Ordinance, together with the relevant Rules of the District Court, was brought into operation on 1 September 2000.

3. At the meeting of the Panel on 16 May 2000, Members expressed concern about the caseload situations in the District Court consequent to its increase in the civil jurisdiction and the implications for the High Court. Members wanted to follow up the matter six months after the implementation of the Amendment Ordinance and quarterly thereafter.

4. The Judiciary Administrator submitted a progress report to the Panel in June. This is the second progress report.

Caseload of the District Court

5. A caseload report of the District Court up to 31 July 2001 is at the [Annex](#).

(a) No. of Civil Cases Filed

6. The total number of civil actions filed for the period from 1 September 2000 to 31 July 2001 decreased by 14% compared with the same period in the previous year. This was attributable mainly to the substantial reduction (57%) of cases filed by the Inland Revenue Department, due to the computer enhancement work being carried out in the Department. These IRD cases seek to recover tax payments, for which the District Court has exclusive jurisdiction. The increase in the civil jurisdiction of the District Court therefore has no impact on such cases.

7. On the other hand, for the same 11-month period, there was an overall increase of 38% in non-IRD civil cases in the District Court, from 15,307 to 21,072 cases

(b) No. of Interlocutory Hearings

8. The number of interlocutory hearings increased substantially by 123% from 3,886 to 8,649. We anticipate that in the coming months, the trend will continue.

(c) No. of Trials Listed

9. For cases to reach the trial stage after filing, it would take at least about nine months for the parties to be properly prepared. Some

cases filed soon after 1 September 2000 are coming up for listing for trial. The number of trials listed is also on the increase, as evident by the trend over the last few months: 54 cases in May 2001, 66 cases in June 2001 and 75 cases in July 2001. The Judiciary will monitor this trend closely with a view to deploying suitable resources to cope with the workload.

(d) No. of Taxation Cases

10. The number of taxation cases increased by 92% from 563 to 1080.

Active Case Management

11. A feature of the Rules of District Court is that the court may under Order 23A call for a directions hearing between parties in order to maintain active case management, particularly for cases where one or more than one parties are acting in person. The computer system alerts the court to such cases after the close of pleadings. At the directions hearings, the Masters will inform those parties acting in person of their rights to apply for legal aid and to seek legal advice, as well as other necessary directions for the future conduct of the action.

12. When the Masters are satisfied that the parties have complied with the directions given, there will be a pre-trial review hearing before the Listing Judge who will then consider if the case is ready for trial. Between the period of January and July 2001, a total of 109 cases had directions hearings conducted by the court on its own motion.

13. To facilitate case management, the computer system will also draw the attention of the court to cases where no Acknowledgement of Service or Defence is filed nine months after the writs in those cases are

filed. Where those cases involve the plaintiffs acting in person, the court will call up the parties for directions hearings and will inform the plaintiffs of their rights to apply for default judgment. So far, however, there have been very few such cases.

14. Active case management has proved to be effective in disposing of cases. Between September 2000 and July 2001, the District Court disposed of 9,474 cases, 98.6% of which were disposed of before trial and only 1.4% after trial. For cases disposed of at the pre-trial stage, about 64% were disposed of through default judgment.

Waiting Time

15. The waiting time for civil trials from setting down to first hearing is currently 90 days. This is well within the target of 120 days.

Caseload Situation in the High Court

16. For the 11-month period from September 2000 to July 2001, there were 24,923 civil cases filed in the High Court, a decrease of 15% over the previous corresponding period.

17. The decrease in civil actions filed in the High Court has no immediate impact on the waiting time of cases to be listed for trial in the High Court. About 75% of the cases presently listed for trial in the Court of First Instance of the High Court were filed in 1999, and about 20% were filed in 2000. Many of the civil cases filed in 2000, let alone those in 2001, are still in the interlocutory stage.

**Impact of New Civil Jurisdictional Limits
on Civil Caseload in the District Court**

	(A)	(B)	(A) – (B)	
	1.9.2000 - 31.7.2001	1.9.1999 – 31.7.2000	No. of cases	% of change
1. No. of case filed:	28,769	33,344	-4,575	-14%
(a) Non-IRD cases	21,072	15,307	5,765	+38%
(b) IRD cases	7,697	18,037	-10,340	-57%
2. No. of Interlocutory hearings	8,649	3,886	4,763	+123%
3. No. of trial listed	625	533	92	+17%
4. No. of Taxation	1,080	563	517	+92%