

For information
25 April 2005

LegCo Panel on
Administration of Justice and Legal Services (“AJLS” Panel)

Expenditure Estimates and Charges for the Judiciary

Purpose

This note provides information on the estimated and outturn expenditure for the Judiciary in recent years. It also provides an update on the costing review for the Judiciary’s fees and charges.

Estimates and Expenditure for the Judiciary

2. Funding for the Judiciary is an integral part of the Government’s overall expenditure requirements, which are subject to the annual appropriation by the Legislative Council, and separate approvals by the Finance Committee or the Financial Secretary under the Public Finance Ordinance (Cap 2) as appropriate. The Judiciary Administrator (JA) is the Controlling Officer of expenditure Head 80 – Judiciary. He prepares the annual Estimates of expenditure for the Judiciary, and takes up with the Treasury Branch (TsyB) of the Financial Services and the Treasury Bureau requests for resources, mainly in the context of the annual resource allocation exercises.

3. As stated in the 2005-06 draft Estimates for Head 80, the Judiciary requires resources for the following two programmes –

- (a) Programme (1) **Courts and Tribunals**, for maintaining an independent and competent judicial system which upholds the rule of law, safeguards the rights and freedom of individuals and commands domestic and international confidence; and
- (b) Programme (2) **Support Services for Courts’ Operation**, for providing efficient and effective services to support the operation of courts.

4. The estimates and expenditure for these two programme areas in recent years are detailed below –

	<i>\$ million</i>			
	2002-03	2003-04	2004-05	2005-06
Programme (1)	764.9 (753.8)	765.3 (748.0)	730.8 (705.4)	704.4
Programme (2)	272.9 (254.0)	266.0 (196.1)	250.3 (240.5)	240.0
Total :	1,037.8 (1,007.8)	1,031.3 (944.1)	981.1 (945.9)	944.4

Note: Figures in brackets denote the actual expenditure for 2002-03 and 2003-04 as well as revised estimates for 2004-05.

5. The bulk of the estimated provision of Head 80 (97.2% or \$917.7 million) is included under *Subhead 000 Operational expenses* to meet salaries and allowances of staff of the Judiciary and its other operating expenses. JA may flexibly deploy the operational expenses among the components of this subhead which mainly includes personal emoluments, personnel related expenses and departmental expenses. A breakdown by subhead of the overall provision for the Judiciary from 2002-03 to 2005-06 is as follows –

	<i>\$ million</i>			
	2002-03	2003-04	2004-05	2005-06
Operating Account				
<i>Recurrent</i>				
Subhead 000 Operational expenses	1,004.9 (983.8)	1,001.2 (923.5)	952.4 (919.7)	917.7
Subhead 206 Expenses of witnesses and jurors	8.5 (7.9)	8.5 (6.1)	7.5 (7.5)	7.5
Sub-total :	1,013.4 (991.7)	1,009.7 (929.6)	959.9 (927.2)	925.2

<i>Non-recurrent</i>	4.8 (1.8)	3.6 (1.7)	6.2 (3.3)	4.8
Capital Account	19.6 (14.3)	18.0 (12.8)	15.0 (15.4)	14.4
Total :	1,037.8 (1,007.8)	1,031.3 (944.1)	981.1 (945.9)	944.4

Note 1 : Figures in brackets denote the actual expenditure for 2002-03 and 2003-04 as well as revised estimates for 2004-05.

Note 2 : Figures for Subhead 000 in 2002-03 represent the aggregate amount of provision for former subheads on operational expenses prior to the introduction of one-line vote arrangement in 2003-04.

Note 3 : The full-year effect of the various civil service pay cuts from 2002-03 to 2005-06, applicable to staff of the Judiciary other than judges and judicial officers, amounts to about \$39 million.

6. A breakdown of the estimated provision for 2005-06 under the respective programmes by major expenditure types is as follows –

	Provision for Programme (1)	Provision for Programme (2)
	<i>\$ million</i>	<i>\$ million</i>
Personal emoluments	553.5*	149.3
Personnel related expenses	6.5*	0.3
Departmental expenses	129.4	78.7
Others	15.0	11.7
Total :	704.4	240.0

* Including provision for personal emoluments and personnel related expenses of respectively \$269.2 million and \$6 million attributable to remuneration for judges and judicial officers.

7. The establishment of the Judiciary as at 31 March 2006 is estimated to be 1 592 posts, including 177 directorate posts. Of the 177 directorate posts, 172 are posts for judges and judicial officers.

Fees and charges of the Judiciary

8. The majority of the Judiciary's fees and charges are determined on the basis of global costing methodology whereby the Judiciary's overall costs (less those attributable to court hearings) in the provision of services are enumerated and allocated to individual services on a pro-rata basis. Noting that the more conventional approach of costing on the basis of individual services has not been widely used, the Judiciary, in collaboration TsyB, has been examining the feasibility of replacing the global costing basis with the individual costing basis.

9. In view of the large number of fees, JA has first been reviewing those fees that are not directly involved in court proceedings, such as fees for photocopying, searching, authentication and certification. The review is targeted to complete by 2006-07. Regarding the fees for court proceedings, JA intends to consider them in the context of the revised court procedures after the implementation of the civil justice reform.

Financial Services and the Treasury Bureau (The Treasury Branch)

April 2005