

財經事務及庫務局  
(庫務科)

香港下亞厘畢道  
中區政府合署

FINANCIAL SERVICES AND THE  
TREASURY BUREAU  
(The Treasury Branch)  
Central Government Offices,  
Lower Albert Road,  
Hong Kong

傳真號碼 Fax No. : 2801 7135  
電話號碼 Tel. No. : 2810 2286  
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20 March 2006

Clerk to the Panel on Administration  
of Justice and Legal Services  
Legislative Council  
Legislative Council Building  
8 Jackson Road  
Hong Kong

(Attn: Mrs Percy Ma)

Dear Mrs Ma,

**Panel on Administration of Justice and Legal Services**

Further to our letter of 4 October 2005, I write to report on the implementation of the revised budgetary arrangement for the Judiciary in the context of the preparation for the 2006-07 draft Estimates.

As explained in previous Panel discussions, the process of resource allocation has never been allowed to undermine the independence of the judicial system. However, in order to enhance efficient consultation with the Judiciary on resource allocation, the Administration has agreed to the following –

- (a) the Judiciary would submit to the Administration its forecast requirements **prior to** the Administration drawing up the operating expenditure envelope for the Judiciary in line with government budgetary targets;
- (b) The Administration would adopt a pragmatic approach by discussing with and consulting the Judiciary Administrator on its funding requirements. We would accord resource bids from the Judiciary

the usual high priority and would be as facilitating and as constructive as possible. The revised arrangement would not preclude modifications to the Judiciary's proposal or exempt it from following the due process for resources bidding.

In the run-up to preparation of the draft 2006-07 Estimates, the Judiciary Administrator forwarded to the Administration the Judiciary's operating expenditure requirements. The estimated requirement was premised on the overall financial and manpower position of the Judiciary for 2006-07, including the planned recruitment of additional judges and judicial officers for various levels of Courts. Having considered the merits of the Judiciary's bids and overall government affordability, the Administration accepted the Judiciary Administrator's proposals in full and the relevant resource requirements have been fully incorporated into the draft Estimates of Head 80 – Judiciary, the estimated provision of which amounts to \$952.7 million.

Having reviewed the above arrangement, we consider that –

- (a) the flexibility under the revised arrangement should have enabled the Judiciary to prepare, without predetermined budgetary constraints, its operating expenditure requirements on the basis of actual resource needs in delivering judicial services of the quality desired;
- (b) the revised arrangement would provide added assurance that the final envelope allocation for the Judiciary is decided upon after having taken into account, inter alia, the Judiciary's resource requirements drawn up without any predetermined budgetary constraints; and
- (c) the revised arrangement, as an exception to the way we handle other envelope allocations, helps demonstrate to both the Judiciary and other stake holders the Administration's emphasis and commitment towards providing sufficient resources to the Judiciary to ensure its service quality.

Given the foregoing, the Administration would be pleased to extend the revised arrangement (as may be fine-tuned in consultation with the Judiciary Administrator) as a standing practice for the coming Estimates.

Yours sincerely,

( Miss Elizabeth Tse )  
for Secretary for Financial Services and the Treasury

c.c. Judiciary Administrator (Attn.:Ms Emma Lau) - *fax* : 2501 4636  
Director of Administration (Attn.:Ms Susan Mak) - *fax* : 2877 0802