

**For information
On 28 May 2007**

LegCo Panel on Administration of Justice and Legal Services

Budgetary arrangement and resources for the Judiciary

Purpose

This paper informs Members of the latest development of the revised budgetary arrangements for the Judiciary and the review of the judicial remuneration mechanism.

The revised budgetary arrangements

2. The Administration and the Judiciary have been adopting the revised budgetary arrangement for compiling the Judiciary's Estimates for 2006-07 and 2007-08. The Administration shares with the Judiciary that the arrangement has been working satisfactorily. By allowing the Judiciary to submit its forecast resource requirements prior to the Administration drawing up operating expenditure envelopes, experience in the past two years has shown that the revised budgetary arrangement can ensure adequate resources be provided to the Judiciary in upholding its service quality.

3. The Administration will continue to adopt the revised budgetary arrangement for the coming Estimates. We shall work closely with the Judiciary in examining its resource requirements and shall be as facilitating and as constructive as usual in the process.

4. In respect of Judiciary's manpower requirements, the Administration welcomes the opportunity to further refine the current mechanism with the Judiciary. We will consider Judiciary's manpower proposals in accordance with the agreed framework in the 2008-09 budget exercise.

Judicial Remuneration Mechanism

5. In April 2003, the Chief Justice (CJ) submitted to the Chief Executive (CE) the Judiciary's proposal of adopting the views and

recommendations contained in the Consultancy Report by Sir Anthony Mason (the Mason Report) as the appropriate system for the determination of judicial remuneration in Hong Kong. The Panel discussed the Mason Report at its meeting on 26 May 2003.

6. Having considered the Judiciary's proposal, and in full recognition of the independent status of the Judiciary, the CE appointed the Standing Committee on Judicial Salaries and Conditions of Service (the Judicial Committee) in January 2004 to make recommendations to him on an appropriate institutional structure, mechanism and methodology for the determination of judicial remuneration in Hong Kong. In undertaking this task, the Judicial Committee was asked to look into all aspects of the Judiciary's proposal, and to make recommendations on whether the Judiciary's proposal based on the Mason Report should be accepted.

7. The Judicial Committee submitted a report on its study of the appropriate institutional structure, mechanism and methodology for the determination of judicial remuneration in Hong Kong (the Study Report) to the CE on 25 November 2005.

8. Given that the recommendations of both the Mason Report and the Judicial Committee's Study Report would have very far-reaching effect on the Judicial remuneration system in Hong Kong, the Administration needs some more time to consider the matter.

9. Members are assured that the Administration attaches the greatest importance to judicial independence, one of the cornerstones of Hong Kong. In considering the matter, we will also take full account of the Judiciary's position, as well as the Panel's views on the matter.

Administration Wing of the Chief Secretary for Administration's Office
Civil Service Bureau
Financial Services and the Treasury Bureau

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