

For discussion
on 20 June 2000

Legislative Council Panel on Administration of Justice and Legal Services

**Revision of Judiciary Fees and Charges under
the Legal Practitioners (Fees) Rules (Cap. 159, sub. leg.)**

PURPOSE

This paper seeks Members' views on proposals by the Judiciary relating to the revision of Government fees and charges which do not directly affect people's livelihood or general business activities by increasing the fees prescribed in the Legal Practitioners (Fees) Rules (Cap. 159, sub. leg.) (LP(F)R).

BACKGROUND

2. The Secretary for the Treasury consulted the Panel on Financial Affairs on 13 April 2000 on proposals to revise various fees and charges that would only affect a small number of people and some specialist businesses. Some Members suggested that, in view of the diverse nature of the identified fees and charges, the relevant Legislative Council Panel should be consulted. At the House Committee meeting held on 14 April 2000, Members agreed that the Administration should consult the other Panels on whether and if so how fees and charges under their respective purviews should be increased. Among the fees proposed for revision are the fees under the LP(F)R.

3. Fees in respect of the following matters are prescribed in the LP(F)R –

- (a) request made to the Registrar of the High Court under section 5(2) of the Legal Practitioners Ordinance (Cap. 159) (the Ordinance) for entry on the roll of solicitors of the name of a solicitor;

- (b) request made to the Registrar of the High Court under section 29(2) of the Ordinance for entry on the roll of barristers of the name of a barrister;
- (c) request made to the Registrar of the High Court under section 40 of the Ordinance for registration of a notary public;
- (d) request made to the Registrar of the High Court under rule 4(1) of the Admission and Registration Rules (Cap. 159, sub. leg.) (the Rules) to apply for admission as a solicitor; and
- (e) request made to the Registrar of the High Court under rule 8(1) of the Rules to apply for admission as a barrister.

Most of the fees in respect of the above matters were last revised in 1994.

4. It is the Government's policy that fees should in general be set at levels sufficient to recover the full costs of providing the services. In view of the large number of fees collected by the Judiciary, the Administration has decided that a revision of these fees should be conducted on a global costing basis with a view to seeking an overall breakeven. A cost computation statement was prepared by the Judiciary and is attached at Annex I. This gives a breakdown of the costs to be incurred and the revenue to be received for providing the services for the year 2000 – 2001, and reveals that there will be a shortfall. To achieve full cost recovery, it is proposed that the fees for all judicial services, including those under the LP(F)R should be increased by 8.5% on average. Details of the existing and proposed fees prescribed in the LP(F)R are set out in Annex II.

COST CONTAINMENT

5. In parallel with the revision of the fees proposed in Annex II, the Judiciary will continue to implement the Enhanced Productivity Programme and other efficiency improvement measures to contain costs and alleviate the pressure for fees increases. The Judiciary will also review whether it is still necessary to provide the various services under its purview that require the payment of fees and charges.

FINANCIAL AND STAFFING IMPLICATIONS

6. Additional revenue generated is estimated to be \$64,000 per annum. There are no staffing implications.

NEXT STEPS

7. We plan to table the Legal Practitioners (Fees) (Amendment) Rules at the Legislative Council in October 2000, with a view to bringing the revised fees into effect in November 2000. The amendment rules are subject to negative vetting by the Legislative Council.

MEMBERS' ADVICE

8. We would be grateful for Members' views on –
- (a) the fees proposed for revision in the coming months as set out at Annex II; and
 - (b) the level of fee revision for the identified fees.

The Judiciary

and

Legal Policy Division
Department of Justice
June 2000

Fees suggested for Revision

	Current Rate	Proposed Rate	Explanation	Last Implementation Date	Estimated No. of Transactions p.a.	Estimated Additional Revenue p.a.
Legal Practitioners (Fees) Rules:						
Schedule 1						
1 ENTRY ON THE ROLL OF SOLICITORS OF THE NAME OF A SOLICITOR	\$330.0	\$359.0	By recovery of shortfall of 8.50%	02-1994	400	11,240
3 ENTRY ON THE ROLL OF BARRISTERS OF THE NAME OF A BARRISTER	\$330.0	\$359.0	"	02-1994	130	3,653
5 REGISTRATION OF NOTARY PUBLIC	\$1,045.0	\$1,134.0	"	02-1994	20	1,776
Schedule 3						
2 APPLICATION FOR ADMISSION AS A SOLICITOR	\$1,045.0	\$1,134.0	"	02-1994	400	35,520
3 APPLICATION FOR ADMISSION AS A BARRISTER	\$1,045.0	\$1,134.0	"	02-1994	130	11,544
						63,733

COST COMPUTATION
Judiciary
Judiciary Fees and Charges under various Rules and Regulations #

Cost at 2000-01 prices

	\$'000
Staff Costs	179,174
Departmental Expenses	12,814
Accommodation Costs	2,737
Depreciation	4,924
Cost of Services Provided by Other Dept	3,801
Administrative Overhead	11,317
	214,767
+ Operation Cost (a)	214,767
* Revenue (b)	197,985
Existing Cost Recovery Rate (b)/(a)	92.2%
Proposed Increase [(a)/(b)-100%]	8.5%

Note:

- # The Rules and Regulations are:
- Bankruptcy (Fees and Percentages) Order
 - Bills of Sale (Fees) Regulation
 - Companies (Fees and Percentages) Order
 - Control of Obscene and Indecent Articles Regulation
 - Coroners (Fees) Rules
 - Criminal Appeal Rules
 - District Court Civil Procedure (Fees) Rule
 - Estate Agents (Registration of Determination and Appeal) Regulations
 - High Court Fees Rules
 - Hong Kong Court of Final Appeal Fees Rules
 - Labour Tribunal (Fees) Rules
 - Landlord and Tenant (Consolidation) Ordinance
 - Lands Tribunal (Fees) Rules
 - Legal Practitioners (Fees) Rules
 - Magistrate (Fees) Regulations
 - Matrimonial Causes (Fees) Rules
 - Money Lenders Regulation
 - Probate and Administration Ordinance
 - Small Claims Tribunal (Fees) Rules
- + Costs attributable to court hearing and other free services (e.g. Criminal cases, Coroner's Court) are excluded.
- * Court fines and fixed penalty fines are excluded.