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政府總部香港下亞厘畢道



GOVERNMENT SECRETARIAT

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> > 18 June 2007

By Fax: 2509 9055

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

Dear Mrs Ma,

Panel on Administration of Justice and Legal Services

Review of Criminal Legal Aid Fee System

Thank you for your letter of 1 June 2007, requesting for a progress report on the review of the criminal legal aid fee system for discussion at the Panel meeting on 25 June 2007.

As reported at the Panel meeting held on 26 February 2007 (CB(2)1127/06-07(02)), we have reached broad consensus with the two legal professional bodies on the proposed structure of the criminal legal aid fee system that will operate on a marked-brief basis. Since then, we have made further changes to the fee structure as proposed by the two legal professional bodies. In the main –

(a) a new item on "Reading Fee" will be payable to solicitors. It is to be paid on an hourly basis (90 pages are to be regarded as one hour's reading) and at an hourly rate. The Law Society

considers that a separate item on reading better reflects the nature of the work done by solicitors; and

(b) a separate item on "Preparation Fee" will be payable to solicitors, calculated on a half-day basis, for pre-trial preparation after reading.

We last reported that the estimated increase in criminal legal aid expenditure arising from the proposed change in the fee structure is about 30%, or roughly \$30 million per annum, even on the basis of current rates. The estimate was based on the criminal legal aid fee expenditure in the financial year 2004-2005 (about \$91 million). The criminal legal aid fee expenditure has since 2004-05 increased to about \$105 million in 2006-07 and is projected to increase further. Hence, the estimated increase in criminal legal aid expenditure arising from the proposed change in fee structure alone is likely to rise further, and well above the initial 30% projection. The actual increase in pay in individual cases could be even greater, largely depending on how much pre-trial work the lawyers devote to the case, and in the case of solicitors, also the number of hours of conference taken place (which have hitherto not been payable).

As regards rates, we offered to the two legal professional bodies the proposed rates to the various items for various court levels in March 2007 and are awaiting their feedback. We will consider their feedback when available. Since the rates are being negotiated between parties concerned, we do not consider it appropriate to make open the rates at this juncture.

Subject to the outcome of the discussion with the two legal professional bodies, we intend to consult the Legal Aid Services Council on the whole package (i.e. the proposed fee structure and the applicable rates). We propose that we will then report to the Panel on the proposed way forward.

Yours sincerely,

(Mrs Alice Cheung) for Director of Administration