

LC Paper No. LS55/08-09

Paper for the House Committee Meeting on 17 April 2009

Legal Service Division Report on Proposed Resolution under section 7(a) of the Legal Aid Ordinance (Cap. 91)

The Secretary for Home Affairs (the SHA) has given notice to move a motion at the Legislative Council's meeting to be held on 29 April 2009 to seek the Legislative Council's approval of the upward adjustment of the financial eligibility limits of legal aid applicants so as to maintain the real value of these limits.

2. Under section 5 of the Legal Aid Ordinance (Cap. 91) (the Ordinance), a person whose financial resources do not exceed \$165,700 is eligible for legal aid which is commonly known as the Ordinary Legal Aid Scheme (OLAS). The limit for the OLAS also applies to criminal legal aid under rule 4(1) of the Legal Aid in Criminal Cases Rules (Cap. 221 sub. leg. D). Under section 5A of the Ordinance, a person whose financial resources exceed \$165,700 but do not exceed \$460,300 is eligible for legal aid under the Supplementary Legal Aid Scheme (SLAS). Section 7 of the Ordinance provides that the Legislative Council may by resolution amend the amounts of financial resources specified in these two sections. The existing amounts of financial resources were specified in December 2007 (L.N. 236 of 2007).

3. According to the draft speech by the SHA, the cumulative increase in Consumer Price Index (C) (CPI(C)) for the period from July 2007 to July 2008 is 6.1%. To maintain the real values of the financial eligibility limits, the Administration proposes to adjust upwards the limit for OLAS from \$165,700 to \$175,800 and that for SLAS from \$460,300 to \$488,400 in accordance with the cumulative increase in consumer prices.

4. The Administration's paper on the outcome of the regular annual and biennial reviews of the financial eligibility limits of legal aid applicants was issued to the Panel on Administration of Justice and Legal Services (LC Paper No. CB(2)1152/08-09(08)) in March 2009. In the Administration's paper, the Administration advised that the annual review took into account of movements in CPI(C), and the biennial review took into account of changes in private litigation costs. At its meeting on 30 March 2009, the Panel noted the Administration's paper and its proposal to raise the financial eligibility limits for legal aid by 6.1% to reflect the change in the CPI(C) during the relevant reference period. As regards the biennial review, the Administration considered that as the findings of the review were not

representative of the overall private litigation costs, they were not reflected in the proposal. Members of the Panel did not make any comment on the proposal.

5. No difficulties in relation to the legal and drafting aspects of the resolution have been identified.

Prepared by

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