

LC Paper No. LS41/17-18

Paper for the House Committee Meeting on 16 March 2018

Legal Service Division Report on Proposed Resolutions under section 73A of the District Court Ordinance (Cap. 336) and section 6 of the Small Claims Tribunal Ordinance (Cap. 338)

The Chief Secretary for Administration has given notice to move, at the Legislative Council ("LegCo") meeting of 21 March 2018, two motions under section 73A of the District Court Ordinance (Cap. 336) and section 6 of the Small Claims Tribunal Ordinance (Cap. 338) respectively to seek LegCo's approval to increase the civil jurisdictional limits of the District Court ("DC") and the Small Claims Tribunal ("SCT").

2. The civil jurisdictional limits of DC and SCT are set out in Part 4 of Cap. 336 and the Schedule to Cap. 338 respectively. The proposed resolutions seek to amend sections 32, 33, 35, 36, 37, 52 and 69B in Part 4 of Cap. 336 and the Schedule to Cap. 338 respectively to make the following adjustments to the civil jurisdictional limits of DC and SCT ("the Proposed Adjustments"):

	Types of jurisdictional limit	Current limit	Proposed limit
(a)	General financial limit of civil jurisdiction	\$1 million	\$3 million
	of DC under sections $32(1)$ and $(3)^{1}$,		
	$33(1)(b)^{2}$ and $52(1)(a)$ and $(d)^{3}$ of		
	Cap. 336		
(b)	Financial limit of civil jurisdiction of DC	\$240,000	\$320,000
	for land matters (in terms of the annual rent		
	or the rateable value or the annual value of		
	the land) under sections 35, 36(a) and (b),		
	$37(4)^4$, $69B(1)^5$ and $52(1)(c)^6$ of Cap. 336		

¹ Jurisdictional limit in respect of actions founded on contract, quasi-contract and tort and proceedings by way of interpleader.

² Jurisdictional limit in respect of actions for the recovery of money recoverable by enactment.

³ Jurisdictional limit in respect of granting injunctions and making declarations of right in all matters affecting movable property and in all matters of contract not falling within section 52(1)(a), (b) or (c) of Cap. 336.

⁴ Sections 35, 36(a) and (b) and 37(4) of Cap. 336 relate to jurisdictional limit in respect of actions for the recovery of land and actions relating to the title to an interest in land.

⁵ Jurisdictional limit in respect of relief against forfeiture by re-entry for non-payment of rent.

⁶ Jurisdictional limit in respect of granting injunctions and making declarations of right in all

	Types of jurisdictional limit	Current limit	Proposed limit
(c)	Limit for the equity jurisdiction of DC where the proceedings do not involve or do not relate to land under section 37(2)(i), (ii) and (iv) of Cap. 336	\$1 million	\$3 million
(d)	Limit for the equity jurisdiction of DC where the proceedings involve or relate to land under section 37(2)(iii) and (iv) of Cap. 336	\$3 million	\$7 million
(e)	General financial limit of civil jurisdiction of SCT under paragraphs 1 and 2(b) of the Schedule to Cap. 338	\$50,000	\$75,000

3. The Judiciary conducted a review of the civil jurisdictional limits of DC and SCT in 2015-16 following the last review in 2003.⁷ According to the LegCo Brief issued by the Administration Wing, Chief Secretary for Administration's Office and the Judiciary Administration dated 28 February 2018 (File Ref: CSO/ADM CR 8/3221/93), in proposing the increase in the jurisdictional limits of DC and SCT, the Judiciary has taken into consideration the significant increase in the civil caseload of the Court of First Instance of the High Court ("CFI") in recent years, the enhancement of DC's capabilities to handle cases with higher claim amounts and the changes in economic indicators after the last review. The Judiciary considers that the Proposed Adjustments would allow better distribution of cases among CFI, DC and SCT, and enhance access to justice for public through the comparatively lower litigation costs at DC and SCT. Members may refer to the LegCo brief for further information.

4. According to paragraph 32 of the LegCo Brief, the creation of nine Judges and Judicial Officers ("JJO") posts (namely four District Judges, three Deputy Registrars for DC and two Adjudicators for SCT) and 23 non-directorate civil service posts for supporting the JJOs is required for coping with the projected increase in caseload at DC and SCT arising from the Proposed Adjustments. The Judiciary's proposal to create additional posts in the Judiciary (including the abovementioned nine JJO posts for the implementation of the Proposed Adjustments) under Item No. FCR(2017-18)39 was approved by the Finance Committee at its meeting on 1 December 2017.

5. According to paragraph 33 of the LegCo Brief, the Hong Kong Bar Association and the Law Society of Hong Kong were consulted in the

matters affecting immovable property.

⁷ As a result of the review in 2003, the general financial limit of civil jurisdiction and the limit of the equity jurisdiction (where land is not involved) of DC was adjusted from \$600,000 to \$1 million in 2003 while the jurisdictional limits for land matters and equity jurisdiction (where land is involved) of DC and the jurisdictional limit of SCT were kept unchanged.

consultation exercise conducted by the Judiciary in 2015-16 and they were generally supportive of the Proposed Adjustments.

6. As advised by the Clerk to the Panel on Administration of Justice and Legal Services, the Panel was consulted at its meeting on 24 April 2017 on the Proposed Adjustments and members raised no objection to such adjustments.

7. The proposed resolutions, if approved, will come into operation on a day to be appointed by the Chief Justice by notice published in the Gazette.

8. No difficulties relating to the legal and drafting aspects of the proposed resolutions have been identified.

Prepared by

Rachel DAI Assistant Legal Adviser Legislative Council Secretariat 14 March 2018

LS/R/5/17-18