# SUPPLEMENTARY LEGAL AID SCHEME - SLAS -

## SUSTAINABLE SHORT MENU FOR THE SANDWICH CLASS

# WHAT IS SLAS?

"a kind of mutual insurance fund, which would insure each aided litigant against the risk of losing his action and having to pay both his own and his successful opponent's costs out of his own pocket".

- set up in 1984
- administered by Director of Legal Aid
- about 80 to 120 SLAS certificates are granted each year

- sandwich class
- short menu
- claimants only
- money claims only
- opponents who can pay up
- litigation success rate
- recoverability success rate
- claw back on damages
- self sustaining SLAS Fund

## WHO IS THE SANDWICH CLASS?

- an informal term used in Hong Kong to refer to the "middle class"
- people who are "squeezed" between the rich and the poor.

- but below a ceiling, currently just under HK\$0.5m
   i.e. less HK\$488,400
- financial means greater than that covered by the Ordinary Legal Aid Scheme
  (i.e. more than HK\$175,800)

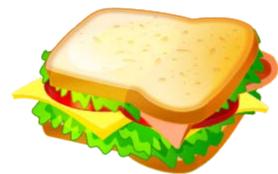
### Financial eligibility

- disposable capital and
- disposable income for a year

### (no account taken of

- the value of the applicant's home, or
- the mortgage for his home, or
- the rent he pays for his home)

an allowance is applied to reflect the number of persons in the household



### **SHORT MENU**

### WHO IS COVERED

- only claimants
- only money claims
- only selected claims
  - personal injuries, fatal accidents
     (road traffic accidents, industrial accidents)
  - employees compensation
  - medical, dental, legal professional negligence

### **Success Rate**

### WHO IS SUED

only defendants who are likely to be able to pay up

- •damages
- •costs
  eg those covered by
- mandatory insurance(motor vehicle drivers, employers )
- other funds/assets
   (Hospital Authority, HK Government,
   Incorporated Owners of Multi-Storey
   Buildings)

### Recoverability

# **SLAS SUCCESS RATE**

Outcome of SLAS Cases Closed from 2004 to 2008 (Jan to Dec)

Year	Judgment obtained in favour of AP's claim	Judgment <i>not</i> in favour/ Legal Aid Certificate discharged/revoked prior to issue of or in the course of proceedings	Total
2004	113	15	128
	88.28%	11.72%	100%
2005	86	6	92
	93.48%	6.52%	100%
2006	75	5	80
	93.75%	6.25%	100%
2007	79	12	91
	86.81%	13.19%	100%
2008	97	16	113
	85.84%	14.16%	100%
Total	450	54	504

### **HOW DOES SLAS WORK**

# What the SLAS Litigant pays to SLAS

# What SLAS pays for the SLAS Litigant

- Application Fee HK\$1,000
- Interim Contribution \$43,950
- Claw Back

percentage of damages if case successful

- 6% if settled before counsel is briefed for trial
- 10% after counsel is briefed

Director of Legal Aid's Administration cost of running SLAS Scheme (HK\$1.2m to HK\$2.17m p.a.)

- Cost of Litigant's legal fees
- Cost of Litigant's expert fees
- Costs awarded against Litigant if he loses

### Number of SLAS cases settled before and after delivery of brief to counsel from 2003 to 2008

Year (Oct - Sept)	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Case settled <i>before</i> delivery of brief to Counsel	67	72	77	34	11
Case settled <i>after</i> delivery of brief to Counsel	2	3	1	3	1

# SUSTAINABLE SCHEME

Cost of litigation and Cost of Administration of the scheme

**High success rate of claim Recoverability of damages** 

### **SLAS Fund from seed money**

- HK\$1m in 1984 from the Lotteries Fund
- HK\$27m in 1995 from the General Revenue.

The Claw Back

**Costs recovered from opponent** 

#### **Investment of SLAS Fund**

### **Contribution from SLAS Litigant**

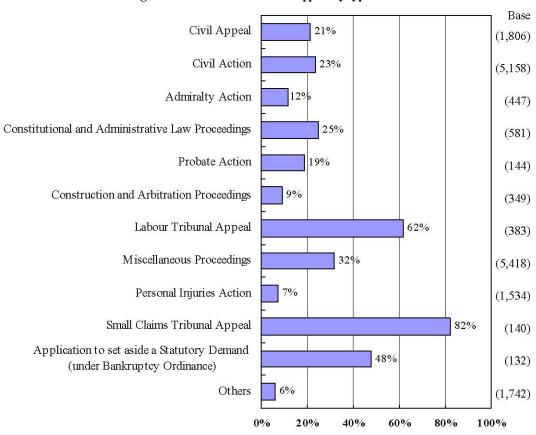
- Application fee
- Interim contribution

SLAS Fund has grown to about

HK\$90m

# DOES SLAS NEED EXPANSION?

#### Percentage of litigants in civil cases who were unrepresented in the High Court and Court of Final Appeal by type of cases

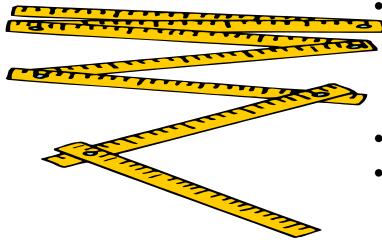


### WILL SLAS BE EXPANDED?

### VERTICAL EXPANSION

To expand upwards and cover claimants with more financial means

- up to around HK\$1.3m



### HORIZONTAL EXPANSION

To expand sideways and cover more types of cases

Professional negligence claims against other professionals

(e.g. Architects, Accountants, Engineers, Surveyors)

- Employees claims on appeal from the Labour Tribunal
  - Claims against the Incorporated Owners of Multi-Storey Buildings (in addition to personal injury cases)
- Claims against Estate Agents
- Claims against Property Developers.

# Further injection into the SLAS Fund from the Government

# HK\$100m

