## **CONSULTATION PAPER**

## **ON THE**

# REVIEW OF THE LICENSING POLICY OF MASSAGE ESTABLISHMENTS

**Security Bureau** 

Hong Kong Special Administrative Region

February 2001

This consultation paper can be found on the Internet at : <u>http://www.info.gov.hk/sb/report.htm</u>

#### Consultation Paper on the Review of the Licensing Policy of Massage Establishments

## Purpose

1. The Government has completed a review of the licensing scheme in respect of massage establishments. As a result of the review, we have drawn up tentative proposals to amend the Massage Establishments Ordinance. This paper details the background and the relevant legislative proposals and seeks views and comments from members of the public.

## **Summary of Proposals**

- 2. The legislative amendment proposals include
  - narrowing down the scope of control of massage establishments to those premises offering full-body massage to members of the opposite sex; and
  - allowing massage establishment licences to be renewed for two years if the Licensing Authority is satisfied that the licensee has not breached any licensing conditions during the preceding licensing period. (At present, a licence can only be renewed for one year.)

## Background

3. The Massage Establishments Ordinance, Cap. 266 (the Ordinance) was enacted in 1983 with the primary aim to control vice activities in massage establishments through licensing. Under the Ordinance, massage establishments are defined as any place used for the reception or treatment of persons requiring massage services or similar treatment. However, it does not apply to massage treatment provided by hospitals, clinics, maternity homes or physiotherapy centres, or hair or

beauty parlours where face or head massage is administered to female customers only or in full view of customers.

4. A massage establishment licence is valid for one year and may be renewed upon expiry. Under the Ordinance, the Commissioner of Police, as the licensing authority, may issue a massage establishment licence subject to the applicant satisfying certain prescribed conditions. The Police may also impose appropriate licensing conditions. Penalties are prescribed for breach of licensing conditions and the operation of an unlicensed massage establishment.

5. In February 1999, the Business and Services Promotion Unit commissioned a consultancy study to review the Ordinance and the related regulatory controls exercised by the Police. The study sought to ensure that the regulatory regime would be kept to the minimum necessary for preventing and combating vice activities in the most effective manner, while reducing inconvenience to legitimate business and minimising cost to both the industry and the Government.

6. As a result of the review, the Police have implemented a number of procedural or administrative changes to improve the licensing arrangements. These changes include streamlining the application procedures and shortening the time required for processing applications.

7. In addition, the consultant pointed out that the present scope of control is too wide, thus unnecessarily regulating establishments that do not appear to be prone to vice activities. This may inhibit the growth of the bona fide massage businesses.

8. In recent years, a myriad of massage services flourishes including foot massage, massage in spa, health clubs and beauty parlours, etc. We have received a number of complaints from massage operators, especially foot massage operators, that the licensing control is unnecessary and too stringent for them.

9. The primary objective of the licensing scheme is to combat vice activities in massage establishments. It is not the intention of the Administration to over-regulate bona fide massage businesses which promote health and relaxation.

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## **Legislative Amendment Proposals**

## Scope of licensing

10. Administration has carefully The examined the recommendations made in the consultancy study. To strike a proper balance between the need to control vice activities and not inhibiting bona fide massage businesses, we propose to narrow down the scope of control of massage establishments. It is proposed that only massage establishments offering full-body massage to members of the opposite sex will be required to obtain a licence. Full-body massage is defined as massage treatment provided to a person covering that part of the body between the neck and the knees. In other words, should this proposal adopted, those premises where only face, scalp, arms or feet be massage is administered to the same / opposite sex, or where full-body massage is administered to the same sex, may operate without a massage establishment licence.

11. According to the enforcement experience of the Police, vice activities are not commonly found in foot massage establishments or spa and health clubs where full-body massage services are provided to customers by massage assistants of the same sex. The narrowing down of the scope of control would promote the development of these kinds of massage businesses which have demonstrated tremendous potential for growth due to greater demand by the increasingly health-conscious public.

12. As at February 2001, there are around 220 licensed massage establishments in Hong Kong. If the above proposal is implemented, approximately 33 currently licensed massage establishments will no longer be required to obtain licences for their business. Among these establishments, 6 are foot massage parlours and 27 are massage establishments found inside spa, health clubs and hotels.

13. Although we believe that these exempted establishments are less prone to vice activities, we cannot discard such a possibility completely. The Police will continue to act on complaints and take appropriate enforcement action should intelligence reveal that vice activities or other criminal activities take place in these establishments.

## Licence Renewal

14. Another proposal to facilitate massage business is to grant a licence for two years upon renewal, if considered appropriate by the Licensing Authority. The current licensing regime requires a licence to be renewed each year. As an incentive for massage establishment operators to abide by the licensing conditions, it is proposed that a renewal may be granted for an extended period of two years if, in the opinion of the Licensing Authority, the relevant licensee has not breached any licensing conditions during the preceding licensing period. However, should any adverse record be found, the licensing period will be reduced to one year upon the next renewal. In respect of licence fees, we are considering whether different fees may be charged for new issue and for renewal of a licence.

15. In this connection, the Administration is aware of the need to keep the administrative costs to the minimum necessary. We have conducted an exercise to streamline the application processing procedures. As a result, considerable improvements have been identified in terms of streamlining the process and shortening the time required. Some of these improvement measures have been successfully implemented. A costing exercise is being conducted to review the licence fees for massage establishments.

## Way Forward

16. We intend to introduce the above legislative amendment proposals to the Legislative Council in 2001. Subject to the scrutiny and passage by the Council, we will implement these proposals as soon as possible.

## **Public Consultation**

17. We have sought to balance different views and needs of the society to ensure that our proposals neither over-regulate the massage business nor lose our grip on the control of possible vice activities in

massage establishments. We welcome the views of the public on the above proposals. Any organisation or person who wishes to comment, please write to us *before 22 March 2001* to the address below –

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