

Hairdressing and Barbering Industry Regulatory Review

Summary Final Report

May | 2025



**Ministry for Regulation
Te Manatū Waeture**



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Hairdressing and Barbering Industry Regulatory Review

Recommendations

The Review makes the following recommendations:

- **Recommendation 1:** Revoke the Health (Hairdressers) Regulations 1980 in full.
- **Recommendation 2:** Ministry for Regulation collaborate with the Ministry of Health, Health NZ, and other relevant parties to develop updated guidance for the industry about health and hygiene practices and communicate changes to the industry and local authorities.
- **Recommendation 3:** Ministry for Regulation monitor and report back to Cabinet two years following revocation of the Health (Hairdressers) Regulations 1980 on whether risks are being appropriately managed under the new regime or whether new risk-based regulations should be introduced.
- **Recommendation 4:** Ministry for Regulation work with the Ministry of Justice to respond to issues raised by submitters with how the Sale and Supply of Alcohol Act 2012 applies to the hairdressing and barbering industry.

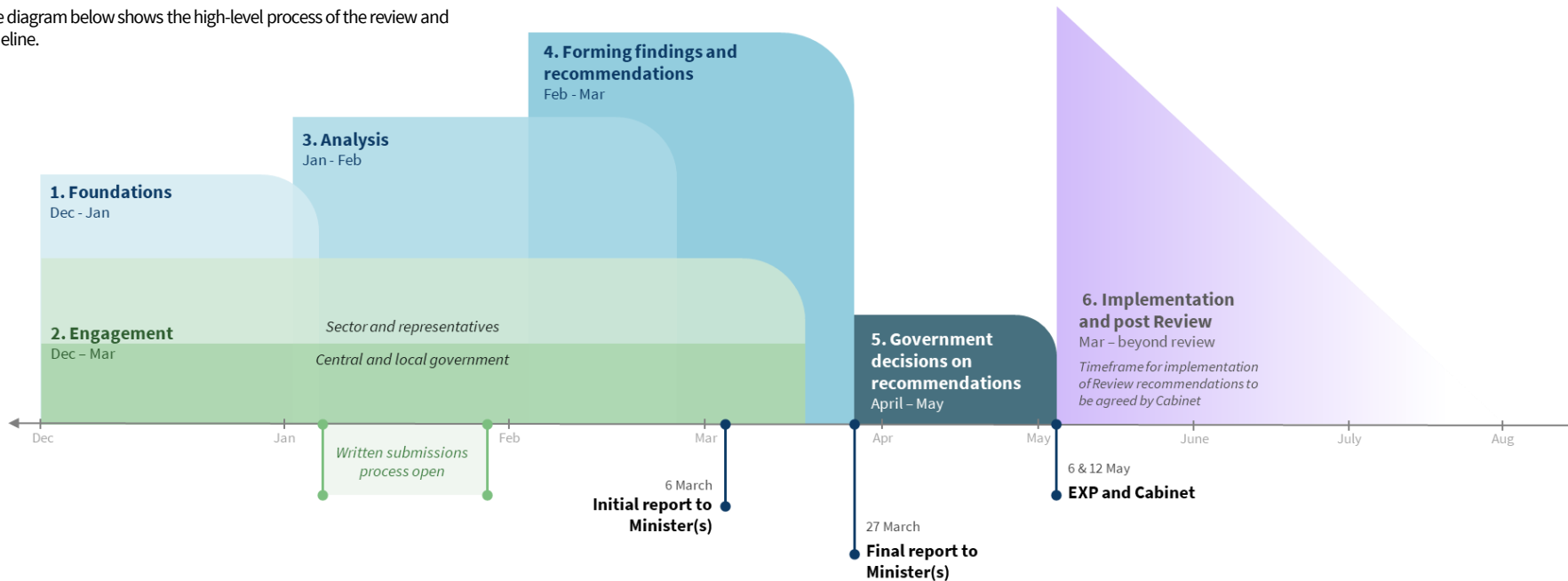
Regulatory review method and approach

The purpose of this Review was to ensure that the regulation that applies to the hairdressing and barbering industry is proportionate to the risks posed by the industry.

The Review is focused on regulations that apply specifically to the hairdressing and barbering industry. The priority legislative instruments are the:

- Health (Hairdressers) Regulations 1980
- Health (Registration of Premises) Regulations 1966.

The diagram below shows the high-level process of the review and timeline.



Analytical approach

The Review worked through the following questions:

- a) Is there rationale for any government intervention in the hairdressing and barbering industry?
- b) If yes (there is rationale for government intervention), is the current set of specific regulations and their implementation effective and efficient?
- c) If no (the current approach is not effective or efficient), what are the alternatives?

Engagement

The Review was informed by two rounds of engagement.

The first round of engagement was market research, focusing on understanding the health risks and potential market failures in the industry, and problems with the current regulatory framework. We received 147 submissions, through a combination of direct engagement and written submissions.

The second round of engagement tested draft findings and sought feedback on options for reform with industry representatives, local authorities, and impacted government agencies. We received 24 written submissions from local authorities and engaged directly with industry representatives.

Please refer to 'What the Review heard through engagement' (Appendix A to the final report) for an analysis of engagement findings.

Market failures are creating risks in the hairdressing and barbering industry

While most people will not experience any negative health impacts from a visit to the hairdresser or barber, there are a range of risks that are present when having a haircut, colour, or shave. These risks arise because of market failures in the hairdressing and barbering industry.

A **market failure** is a situation where the allocation of goods and services under a free market does not maximise the overall welfare of society

RISKS

Transmission of communicable diseases and ectoparasites

This includes risk of transmission of viral infections from bloodborne pathogens, transmission of bacterial infections, transmission of fungal infections, and transmission of ectoparasites. These types of risks are generally managed through public health responses.

Risk of harm due to hazardous chemicals

Inappropriately applied or handled chemicals and/or allergies can result in either one-off skin or hair damage (e.g., chemical burns) or ongoing skin-related harm (e.g., irritant contact dermatitis or allergic contact dermatitis). These types of risks are generally managed through workplace health and safety responses.

Common workplace hazards

This includes slips and trips, use of hot tools, and gradual process injuries such as repetitive strain injuries. This group of risks largely affects workers. As these types of workplace hazards are not specific to hairdressing and barbering, we do not consider them in detail in this report.

MARKET FAILURES

Information asymmetries

Information asymmetry refers to a situation where one party to the transaction has access to information that the other does not, which can cause the transaction to be inefficient.

While customers are clearly capable of assessing whether they are happy with the end result of the service (e.g., a haircut, colour or shave), they have very little ability to know or find out about any issues in relation to the risks they may be exposed to as part of the process of receiving the service (e.g., how often hairdressing tools are disinfected or sterilised). This means that customers cannot make an informed choice about whether to purchase a service.

Negative externalities

Negative externalities refers to the indirect imposition of a cost by one party onto another party.

Individual hairdressers and barbers do not fully bear the consequences for the risks they create. For most of the harms that arise in the hairdressing and barbering industry, the costs are primarily borne by the individual customer. However, some risks involve costs that will fall on the health system (e.g., hepatitis C infection), the education system (e.g., the spread of lice through an early childhood education centre or a school) or impact productivity for hairdressers and their customers (e.g., the spread of a respiratory disease requiring time off work).

A range of mechanisms work together to manage these risks...

Multiple risk mitigations are operating in the industry. In addition to general legislative requirements of all businesses and specific regulations for hairdressing and barbering businesses, non-regulatory factors also contribute to the overall management of risk.

Qualifications and on-the-job training

The most significant non-regulatory mitigating factor is training and qualifications. However, there is no requirement to be qualified to work as a hairdresser or barber or run a hairdressing or barbering business. Around 40 percent of those working in the industry do not have formal hairdressing or barbering qualifications. Barbers are also more likely to be unqualified than hairdressers.

Competition and customer expectations

Hairdressing and barbering businesses have strong incentives to operate in a safe and hygienic way, otherwise they risk losing business to their competitors. It is relatively easy for customers to switch providers (although relational factors may place constraints on switching), and it is fairly easy for new businesses to enter the market. There are also mechanisms like online reviews or word-of-mouth that allow information on poor practices to be easily circulated.

Industry bodies and guidance

New Zealand has one industry body that represents hairdressing and barbering businesses, Hair & Barber New Zealand | Makawe me Kaikuti Makawe o Aotearoa. Hairdressers and barbers must be qualified to become a member, and Hair & Barber New Zealand report a membership base of approximately 10 percent of the overall industry. Hair & Barber New Zealand issue workplace health and safety guidance on their website for members and they receive complaints from the public, which they address if the relevant hairdresser or barber is a member.

WorkSafe has issued specific guidance for the hairdressing and barbering industry on their website that outlines the key workplace health and safety hazards and risks that are likely to be present during hairdressing and barbering work. The existence of guidance for the hairdressing and barbering industry may not be very widely known.



... but harm is still occurring

Harm to customers and workers is still occurring despite these mechanisms, but in most cases this harm is low-level. Workers are experiencing higher levels of harm due to higher levels of exposure.

The Review has identified evidence to harm to customers and workers through

- ACC claims: 436 active claims relating to non-workers in 2024.
- Complaints made to Hair & Barber New Zealand (the industry body): 35 complaints relating to a customer being injured or having their hair burnt in a two-year period.
- Complaints made to the Commerce Commission : 100 complaints made between 19 January 2012 and 27 July 2024 (entire records at the time of the request).
- Engagement with Hair & Barber New Zealand and training providers.

The current regulations specific to the hairdressing and barbering industry are not an effective nor efficient intervention

While the original objective of the hairdressing and barbering regulations to promote healthy practices is valid, the regulations are outdated, and the level of prescription in the regulations is in most cases not proportionate to the risk of harm. The regulations also take a one size fits all approach that does not account for differing service profiles and differing levels of risk across the industry.

CRITERIA	RATING	SUMMARY OF ASSESSMENT
Effective at achieving objectives	The regulations are somewhat effective	<p>We do not have clear evidence about whether the regulations are driving good practice and mitigating health risks compared to other parts of the system, such as other legislative instruments and qualifications and training, although we think it is likely that they are contributing to some extent.</p> <p>The regulations do not address some of the highest risks posed by the industry, i.e., injuries caused by the incorrect use / application of chemicals.</p> <p>There is inconsistent compliance with some aspects of the regulations. However, there is no evidence of significant harm occurring as a result.</p>
Efficient at achieving objectives	The regulations are somewhat efficient	<p>We have identified that the regulations are imposing some unnecessary costs on businesses that are not justified or are only marginally justified by benefits. These largely relate to the registration and minimum standards requirements. However, we estimate the magnitude of unnecessary costs to be relatively low. We do not have the necessary and / or sufficient data to carry out a quantified cost-benefit analysis.</p>
Proportionate to risks	The regulations are not proportionate to the risks	<p>The level of prescription in the regulations is, in most cases, disproportionately strict for the risk of harm. The scale of disproportionality varies across different parts of the regulations.</p>
Flexible to change	The regulations are not flexible	<p>The prescriptive nature of the regulations gives little discretion to operators as to how to achieve the desired outcome (minimising risks to customers and to the public), when there may be alternative ways to achieve this outcome.</p> <p>The regulations take a one size fits all approach that does not account for the differing service profiles, and therefore differing levels of risk, across different types of businesses within the industry.</p> <p>Updating the regulations to keep up with technological and market changes in the industry has not been prioritised, making some aspects outdated, although in other areas the requirements are still relevant.</p>
Transparent for regulated parties and regulators	The regulations are somewhat transparent	<p>The regulations themselves are generally clear in setting out the requirements that must be met. However, inconsistent practice and enforcement across local authorities may be causing uncertainty for businesses about the existence of the requirements, how to comply, and whether and how they will be enforced.</p>

Fully meet criteria
 Issues identified
 Fail to meet criteria

Two options for reform were considered in detail

Having determined that the status-quo needs to change, the Review considered two options in detail. Both options come with risks and trade-offs, and costs to government to implement.

Option 1 – Revoke the Health (Hairdressers) Regulations 1980 and rely on existing mechanisms in other legislation and new industry guidance

This option would revoke the Health (Hairdressers) Regulations 1980, and existing (more general) regulatory frameworks would be relied on to manage the health risks. It means that:

- hairdressing and barbering premises would no longer need to be registered with the local authority
- there would no longer be any minimum standards. Hairdressers and barbers would not be held to specific hygiene and sanitation standards, and business owners could set up their premises however they like
- serving non-alcoholic beverages in the salon and allowing dogs on the premises would be left to the discretion of the business owner.

To address some of the concerns raised by stakeholders, revocation would be supported by additional measures:

- communicating the changes to the industry and what it means for business owners, as well as a reminder of the health risks that can arise from poor sanitation and hygiene (working in collaboration with the Ministry of Health)
- developing updated guidance for the industry about health and hygiene best practice (working in collaboration with the Ministry of Health, Health NZ, and other relevant parties)
- monitoring any impacts over the two years following revocation, with a report-back to Cabinet on whether industry guidance, alongside general requirements that apply to all businesses, are adequately managing the risk.

Option 2 – Revoke the Health (Hairdressers) Regulations 1980 and replace with risk-based regulations focused on health and hygiene practices

This option would revoke the Health (Hairdressers) Regulations 1980 and introduce new risk-based, simplified regulations, made under the Health Act 1956, that regulate health and hygienic practices.

Under this option, the existing minimum standards would cease to exist. Except where stipulated in the Building Code, there would be no prescriptions on matters such as minimum lighting levels, what surfaces should be used on the floor, walls and ceiling or minimum spacing between service chairs and hand-wash basins. Whether to serve non-alcoholic beverages or allow dogs on the premises would be left to the discretion of the business owner. We considered the following requirements:

- All hairdressing and barbering businesses would be required to register their premises with their local authority. If the business has multiple locations, each premise would need to be registered.
- All hairdressing and barbering businesses would be required to ensure:
 - equipment is sanitised or wiped down between clients following the guidelines (see additional information section below)
 - fresh towels and linen are used for each client (see additional information section below)
 - hairdressers and barbers wash their hands before they see a client
 - hairdressers and barbers check a client's head before they start to check for any cuts, sores or headlice
 - staff follow manufacturers' instructions when using any products, including disinfectant.

Existing regulatory requirements that apply businesses would generally still apply to the hairdressing and barbering industry, but there would also be new specific regulations introduced.

On balance, we recommend revoking the regulations specific to the hairdressing and barbering industry and replacing them with guidance

Overall, the relatively low levels of risks and harm (especially compared to other industries) do not outweigh the costs to regulated parties, central, and local government of a new, specific, regulatory regime.

If monitoring finds that harm has **materially increased**, it would be possible to introduce a new more targeted risk-based regulations in line with Option 2 at a later date.

There are benefits to revoking regulations and replacing them with guidance...

Revoking the Health (Hairdressers) Regulation 1980 and not replacing them would reduce the (already low) compliance costs to businesses, in a way that is unlikely to materially increase health risks.

Revocation of the regulations would remove one component of government intervention but leave others in place. Most of the risks presented by the industry are broadly managed under general legislative schemes applying to businesses. While these general requirements do not eliminate the market failures and ensuing health risks identified, they do mitigate them.

Under the current regulatory regime, most of the monitoring and enforcement activities involve businesses that would already be likely to comply with the hairdressing and barbering regulations and present lower levels of risk (as they have gone through the process of registering and are aware of the regulations). This would be unlikely to change under a new regulatory regime. The cost to resource the level of monitoring and enforcement required to identify operators who are unaware of the requirements or who avoid registration would outweigh the benefits, given the overall low risk level associated with hairdressing and barbering.

This approach ensures the hairdressing and barbering industry is treated fairly and proportionately to the risk it poses. Introducing new regulations would continue to subject the hairdressing and barbering industry to a higher level of regulation than the wider appearance industry, even though it presents less risk than other services such as skin piercing or tattooing.

Revocation of the regulations would be supported by Ministry for Regulation monitoring the impact of the changes and reporting back to Cabinet on whether risks are being appropriately managed, ensuring that any significant increase in harm can be identified and responded to if required.

... but there are trade-offs

The current legal framework gives Environmental Health Officers (EHOs) a mandate to inspect hairdressing and barbering premises, draw attention to disinfection and sanitation requirements, educate providers, and promote better practices. The EHOs consulted on the Review reported that poor cleaning, disinfection, and hygiene practices are the most common issue they encounter when inspecting hairdressing and barbering premises.

It is unknown whether similar outcomes could be achieved if the Health (Hairdressers) Regulations 1980 are revoked and not replaced. EHOs will still be able to visit hairdressing and barbering premises when discharging local authorities' general duty to promote public health, but with resources constrained, we expect that local authorities will prioritise the inspection of regulated premises and activities over unregulated premises and activities.

If risks eventuate, they are likely to fall inequitably. Those at greater risk are more likely to be young people accessing services from their peers who may not be formally trained, those accessing lower-cost services from hairdressers and barbers with lower skill levels due to having a low level of disposable income, and others who have limited general knowledge about health risks.

The Review identified other opportunities for improvement

The Review identified several broader regulatory and non-regulatory issues and opportunities. The Review is progressing some of these opportunities, but there are others that apply to businesses more broadly or are matters that are out of scope of the Review.

- Issues being progressed
- Issues that apply to business more broadly
- Issues out of scope of the Review

Sale and supply of alcohol

The Review recommends that the Ministry for Regulation work with the Ministry of Justice to respond to issues raised by submitters with how the Sale and Supply of Alcohol Act 2012 applies to the hairdressing and barbering industry.

Improving data collection

The Review has encountered challenges in obtaining reliable data to understand the level and prevalence of harm occurring from hairdressing and barbering practices.

Regulation of the wider appearance industry

The Review encourages the Ministry of Health to consider future work to examine whether the wider appearance industry should be regulated, given the higher risk level posed to consumers compared to hairdressing and barbering services.

Qualifications for hairdressers and barbers

The Review found no significant evidence that having only 60 percent of the current industry qualified has contributed to an increase in harm, but we will monitor this following any changes to the regulatory framework.

The experiences of small businesses

The Review's analysis and engagement with the hairdressing and barbering industry provided valuable insights into the issues small businesses in New Zealand are facing.

The role of the industry body

The industry is fragmented and the industry body, Hair & Barber New Zealand | Makawe me Kaikuti Makawe o Aotearoa, only represents 10 percent of the industry. We will seek to work with Hair & Barber New Zealand on developing and communicating new guidance for the industry and will explore ways to involve the broader industry as part of this.

Regulatory stewardship under the Health Act 1956

The Health Act 1956 is out of date and limits modern solutions, but delays in progressing reform of the Act have hampered the Ministry of Health's ability to carry out its regulatory stewardship role to the extent it would like.

Published in **May 2025** by the Ministry for Regulation, Wellington, New Zealand.

ISSN **978-1-991372-00-0** (Online)

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