



Post-Summit Submissions

The Americas: Canada

Economic Climate:

The Canadian economy has grown 3% this year, due to stronger commodity prices; for the first time since September 2010 the economy shrank unexpectedly in February, but with two months of robust growth prior to the February GDP data coupled with the confidence of the consumer on the up rise, we still have reported growth. The Index of Consumer Confidence released by The Conference Board of Canada, reached 88.1, up 7.1 points. According to figures from the latest Tourism Snapshot, published recently by the Canadian Tourism Commission, January 2011 saw more than 2% increase in international arrivals to Canada from key markets with overall trips to Canada increasing to 7%. Recent Statistics Canada data showed tourism spending has advanced in the fourth quarter, while tourism GDP notched its sixth straight quarterly gain.

The travel and tourism industry in Canada generates \$70 billion and employs 650,000 people across Canada. The lodging sector employs 320,000 and generates \$17.5 billion in revenue. Smith Travel Research tracking data for the week ended March 16th, 2011. This showed that the Canadian hotel industries three important performance measures trended higher year-after-year. Occupancy rose 1.3%, with an average daily rate up 0.7% and revenue per available room bumped up to 2.1%. Colliers 2011 Hotel Investment Report highlights “Hotel Investment activity demonstrated encouraging year-over-year progress in 2010 with a 70% increase in transaction volume.

Evolution of the Canadian Spa Industry:

Growth in the spa sector is being lead by Hotel as well as spa projects, franchise models, integrated wellness centers as well as local spas promoting well being and healing treatments. PKF Consulting research indicates the majority of spas in Canada are day spas (75%) followed by resort and hotel spas (20%), medical spas, destination spas, club spas and finally, mineral spring spas. Out of competitive necessity, it is now a prerequisite for spas of all types to find unique features by continuously evolving and adding services, products, and packages in order to create differentiation and maintain an edge within an extremely competitive market. Many prospective resorts in Canada are opening with spa components combined with meditation and yoga rooms as additional amenities to create differentiation. Chemical peels, skin resurfacing and laser treatments. The average age of the respondents for this survey was 25 – 44.

The Future of Health and Wellness in Canada – A Matter of Money:

The health care industry has rapidly grown and is the third largest in Canada with health care costs projected to increase by 1% per year between the years 2011 – 2036. The Fraser Institute has reported that health care spending in Canada’s two largest provinces has reached 50% of their operating budgets and has been increasing at a rate of 7.5% each year over the last decade compared with a 5.7% growth in available revenues.



The population of people 65 years of age and older in Canada will almost double over the next twenty years. Canadians are using more services, getting more tests, receiving more treatments and using far more drugs. Drug expenditures have increased from 8.8% in 1975 to 16.4% in 2009.

During the 2011 World Economic Forum (WEF) held in Davos, Switzerland Secretary General of the UN Ban Ki-Moon described the Global NCD (non-communicable diseases; cancers, cardiovascular disease, chronic respiratory diseases and diabetes) epidemic as a “public health emergency in slow motion.” NCDs are the world’s number one killer causing 60% of all deaths globally; a staggering 35 million people die every year from these silent killers. 2.8 million Canadians, 18 Million Americans and 285 million people globally have diabetes this number will almost double by 2030. The Center for Disease Control in the United States reports \$116 billion in direct medical costs and \$58 billion in restricted work and productivity. In Canada these costs are a combined \$80 billion.

Traditional expenditures in health care are no longer sustainable and research continues to mount providing evidence that fundamental health outcomes are driven by lifestyle, diet and exercise. Researchers at Lund University, in Sweden have released their second study demonstrating diet and nutrition significantly reduces inflammatory conditions that fuel diabetes, heart disease and Alzheimer’s disease.

There is a renewed call for Public Health Strategy in Canada and the United States with the US Surgeon General, Dr. Regina Benjamin said, “We need to reinvent our health policy to make prevention a cornerstone.” More than 775 Frontline Health care Professionals surveyed in the Economist Intelligence Unit report responded that, “Prevention is better than a Cure.” Health related organizations including The University of Ottawa, The Holistic Health Research Foundation and the Canadian Health care Association are now dedicating resources and targeting their investments in areas where evidence demonstrates the necessity for a new direction in National Health Policy that supports prevention as a priority. This is a call to action for the Spa Industry – Where do Spas Fit?

SUBMITTED BY:

Donna Holtom
President
Leading Spas of Canada

donna@holtzspa.com
www.leadingspasofcanada.com