



THE AMERICAS: CANADA

What is making news in your country when it comes to spa and wellness?

With over 2,500 spas the Canadian spa industry continues to expand in the major urban centres of Vancouver, Toronto, Montreal, Ottawa, Calgary and Winnipeg. Destination Spas in British Columbia, Alberta, Quebec, Ontario and the North are expanding at a slower rate. The spa industry in Canada is just over a \$2 billion industry within the framework of a \$78.8 billion tourism industry that employees just over 600,000 people.

Spa Development in Canada over the last three years has seen luxury brands expand with the Four Seasons, Shangri-La Hotel Miraj Hammom Spa, Ritz Carlton My Blend Spa and the Quartz Crystal Spa in the Trump International Hotel all in Toronto, Ontario. In British Columbia the addition of the Sparkling Hill Resort's Kur Spa - Vernon, Scandinave Spa, Whistler, Willow Stream Spa at the Fairmont Pacific Rim Hotel in Vancouver. The largest segment of spa development is represented by Nordic and Scandinavian Spa Development across the country. The Quebec Nordik Company of Spas has announced two new developments in Winnipeg, Manitoba and Whitby, Ontario.

The Federal Government, Indian and Northern Affairs Canada through various economic strategies have invested in two major tourism projects in B.C. and in Saskatchewan. Spirit Ridge Vinyard Resort & Spa – Osoyoo, B.C. is a \$65 Million Dollar Development which saw First Nations in partnership with the Federal Government with an investment of \$3 million from Indian & Northern Affairs Canada. Whitecap Dakota First Nation, Saskatchewan is developing a destination Hotel and Spa Resort through the Aboriginal Business Development Program valued at \$26.5 million to be completed in 2014. The Federal Government's \$3 million investment will be part of the \$26.5 million investment.

Urban and day spas continue to develop in a wide array of categories: Urban Retreats, Medical Spas, Mind Body Spas, etc. The rapid expansion of Wellness Clinics, Registered Massage Clinics, Multi-Disciplinary Clinics, Lifestyle Clinics has moved the Day Spa Sector into a new realm of wellness.

What is happening in Wellness Tourism and/or Medical Tourism?

The Canadian Spa Industry Association continues to engage the Canadian Tourism Commission in talks regarding the opportunities to continue the work of the Wellness Tourism Taskforce. A Report by Deloitte in 2011 identified key economic and political questions related to In-bound and out-bound Medical Tourism for Canada.

Out-bound

- Will the Cost of the medical tourism services be less than the delivery of services locally?
- What relationships, structures and patient information are needed to ensure safe and effective medical tourism services for Canadians?

In-bound

- How much additional capacity exists in the health system that can be made available for medical tourism services without impacting Canadians' access to publically funded care?
- What type of dialogue and ongoing monitoring is needed with providers, health professionals, unions and public before and after initiating medical tourism services?

Canada has approximately twenty Medical Tourism Companies that advertise various medical procedures in specific destination countries. A number of these have closed over the last several years. Canadian Governments covered \$220 million in medical procedures outside Canada in 2010. Over the last several years the Canadian Governments have

reduced the volume of insured medical services purchased out-of-country, while at the same time, Canadians privately purchasing cosmetic and elective services at an increasing rate.

What has been the general attitude about investing in the spa/wellness area in 2013?

Colliers International reported in March, 2013 that the market for hotel investment in Canada experienced a stellar year in 2012 and the next 12 months were shaping up to be even busier according to the 2013 Canadian Hotel Investment Report. As the Canadian economy continues to improve with solid employment levels and increased consumer confidence, performance in the hotel and hospitality sector followed suit. Real estate companies emerged as the leading investor group in 2012. Private investors were the second largest group followed by the REITs.

2012/2013 has seen an expanded investment in the spa and wellness market with the development of several brands across the country and continued growth in the independent spa market. From Cryotherapy Chambers in British Columbia, to Mountain Hot Springs in the West, Aboriginal Hotel/Spa Retreats in the North, Nordic Spas Coast to Coast and Luxury Urban Hotel Spas, the Canadian Spa Wellness Market continues to diversify and grow at a healthy rate with guests identifying more with their new entitlements as “health consumers”.

Looking back at the past four decades of spa and wellness, what would you consider “a defining moment?”

The actual definition and use of the Term “Spa” in the North American Market.

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